



City of Seagoville Meeting Agenda City Council

City Hall
702 N. Hwy 175
Seagoville, Texas 75159

Monday, December 2, 2024

6:30 PM

Council Chambers

LACKEY STEPPER SEBASTIAN
MAYOR

RICK HOWARD
PLACE 1

ALLEN GRIMES
PLACE 4

PATRICK STALLINGS
CITY MANAGER

JOSE HERNANDEZ
PLACE 2

JON EPPS
PLACE 5 – MAYOR PRO TEM

HAROLD MAGILL
PLACE 3

Notice is hereby given that the City Council of the City of Seagoville, Texas will meet in a Regular Called Meeting at 6:30 p.m. for Work Session, and Regular Session will begin at 7:00 p.m., to be held at City Hall, 702 N. Hwy 175 Seagoville, Texas 75159.

As authorized by Section 551.071 of the Texas Government Code, this meeting may be convened into closed Executive Session for the purpose of seeking confidential legal advice from the City Attorney on any agenda item listed herein.

The City of Seagoville reserves the right to reconvene, recess or realign any session or order of business at any time prior to adjournment. The purpose of the meeting is to consider the following items:

WORK SESSION – 6:30 PM

- 1. Call to Order**
- 2. Receive an update related to parks.**
- 3. Discuss Regular Session agenda items.**
- 4. Adjourn**

REGULAR SESSION – 7:00 PM

- 5. Call to Order**
- 6. Invocation**
- 7. Pledge of Allegiance**
- 8. Mayor's Report**
- 9. Citizen's Comments**

This portion of the meeting is to allow each speaker up to six (6) minutes to address the council on items not posted on the current agenda. City Council may not discuss these items but may respond with factual data or policy information or place the item on a future agenda. Anyone wishing to speak should submit a Speaker Request Form to the City Secretary.

Consent Agenda

10. Consider approving the City Council meeting minutes: November 18, 2024.
11. Consider a Resolution authorizing the City Manager to enter into the Kroger Texas Opioid Settlement and authorizing the submission of the Texas Settlement Subdivision Participation and Release Form regarding the Kroger Texas Opioid Settlement Agreement and full release of all claims.

Regular Agenda

12. **FIRST READING:** Discuss and consider approving a Resolution approving and ratifying the Purchase and Sale Agreement by and between Tomaino Properties, LP and the Seagoville Economic Development Corporation (SEDC) for the purchase by the SEDC of the real property and improvements described as an approximately 0.185 acre tract 22 out of the Henry D. Bonannon Survey, Abstract 178, Page 105, City of Seagoville, Dallas County, Texas and being commonly known as 202 N. Kaufman Street; and authorizing and ratifying execution of the agreement by the SEDC Executive Director.
13. Discuss and consider designating Thursday, January 2, 2025, as a staff holiday.
14. Discuss and consider a Resolution authorizing the purchase from Stryker of Two Lifepak 15 Monitors Utilizing Sourcewell Purchasing Contract for a purchase price not to exceed one hundred forty thousand eight hundred seventy-four dollars and sixty-two cents (\$140,874.62) and; authorizing the City Manager to execute any documents necessary for said transaction and purchase.
15. Discuss and consider action to reject all bids and not award the contract for Project #BP-001 Ballfield Improvements for Bearden Park.
16. **SECOND READING:** Discuss and consider approving a Resolution approving and ratifying the Purchase and Sale Agreement by and between Tomaino Properties, LP and the Seagoville Economic Development Corporation (SEDC) for the purchase by the SEDC of the real property and improvements described as an approximately 0.185 acre tract 22 out of the Henry D. Bonannon Survey, Abstract 178, Page 105, City of Seagoville, Dallas County, Texas and being commonly known as 202 N. Kaufman Street; and authorizing and ratifying execution of the agreement by the SEDC Executive Director.
17. **Items of community interest and councilmember reports.**
Pursuant to Section 551.0415 of the Texas Government Code, the City Council or City Administration may report information on the following items: 1) expression of thanks, congratulations, or condolences, 2) information about holiday schedules, 3) recognition of individuals, 4) reminders about upcoming City events, 5) information about community events, 6) announcements involving an imminent threat to public health and safety.

EXECUTIVE SESSION

18. **The City Council will convene into closed Executive Session pursuant to Texas Government Code section 551.071 Consultation with Attorney: To seek legal advice related to amending the Comprehensive Zoning Ordinance.**

REGULAR SESSION

19. Take any necessary action as a result of the Executive Session.

20. Discuss future agenda items.

21. Adjourn

CERTIFICATE

I certify that the above Notice of Meeting was posted on the bulletin board at the City Hall of the City of Seagoville, Texas on this 26th day of November 2024, by 5 p.m.

Sara Egan, City Secretary

The City of Seagoville does not discriminate based on disability in the admission or access to, or treatment or employment in, its programs or activities. If you have a request for services that will make this program accessible to you, please contact the City of Seagoville at least 72 hours in advance at (972) 287-6819 or email citysecretary@seagoville.us . (TDD access 1-800-RELAY-TX)

UPCOMING MEETING DATES:

- Monday, December 16, 2024
- Monday, January 13, 2024



TO: Mayor and City Council
FROM: Chris Ryan, Director of Public Works
DATE: December 2, 2024
ITEM: 2
DESCRIPTION: Receive an update related to parks.

INTRODUCTION

The purpose of this item is to provide an update related to parks.

BACKGROUND

FINANCIAL IMPACT

RECOMMENDATION

ATTACHMENTS



TO: Mayor and City Council
FROM: Sara Egan, City Secretary
DATE: December 2, 2024
ITEM: 10
DESCRIPTION: Consider approving the City Council meeting minutes: November 18, 2024.

RECOMMENDATION

Recommend approval of the meeting minutes.

ATTACHMENTS

1. November 18, 2024 Minutes



City of Seagoville

Meeting Minutes

City Council

City Hall
702 N. Hwy 175
Seagoville, Texas 75159

Monday, November 18, 2024

6:30 PM

Council Chambers

Present: Mayor Lackey Sebastian, Mayor Pro Tem Jon Epps, Councilmember Rick Howard, Councilmember Jose Hernandez, Councilmember Harold Magill and Councilmember Allen Grimes

Also present were City Manager Patrick Stallings, City Attorney Kevin Laughlin, Asst. City Attorney Chris Metcalf, and City Secretary Sara Egan.

The City Council of the City of Seagoville met in a Regular Called Meeting on Monday, November 18, 2024, at 6:30 p.m. in the Council Chamber at City Hall, 702 N. Hwy 175, Seagoville, Texas.

WORK SESSION – 6:30 PM

1. Call to Order

Mayor Sebastian called the Work Session to order at 6:30 p.m.

2. Discuss options for addressing unresolved Code violations and for gaining Code compliance.

Director of Health Services Mamata Bhandari outlined the process of a complaint from initiation to citation and other court proceedings.

Assistant City Attorney Chris Metcalf elaborated on the judicial process of foreclosure and substandard buildings.

Councilmember Magill stated not all members of the public understand due process and its implications.

3. Receive updates from the Police Department.

Police Chief Ray Calverley reviewed the reports provided related to animal services, calls, and incidents. He also briefed City Council on the status of the new building.

4. Receive updates from the Fire Department.

Fire Chief Todd Gilcrease provided information related to calls and incidents as well as service improvements and upcoming equipment acquisitions.

5. Discuss Regular Session agenda items.

There were no questions on Regular Session agenda items.

6. Adjourn

Mayor Sebastian adjourned the Work Session at 6:57 p.m.

REGULAR SESSION – 7:00 PM

7. Call to Order

Mayor Sebastian called the Regular Session to order at 7:00 p.m.

8. Invocation

Councilmember Magill led the invocation.

9. Pledge of Allegiance

City Council led the pledge of allegiance.

10. Mayor's Report

- In January water bills will be available one week later than usual due to a software conversion. We appreciate your patience as we work to streamline and enhance the billing process for all.
- Join us at the annual tree lighting event December 5th at Bruce Central Park.
- Join Mrs. Claus December 10th at 6 p.m. at the Seagoville Public Library.
- City Hall, Senior Center and Library will be closed Wednesday-Thursday in observance of Thanksgiving next week.

11. Citizen's Comments

There were no speakers.

Consent Agenda

Councilmember Hernandez made a motion to approve the Consent Agenda items 12-15, seconded by Councilmember Magill. The motion passed unanimously (5/0).

12. Consider approving the City Council meeting minutes: November 4, 2024.

13. Consider a Resolution authorizing the purchase from Siddons Martin Emergency Group of a Skeeter Polaris UTV, resulting in a net purchase price of fifty-three thousand three hundred dollars and zero cents (\$53,300.00) to be paid by the City; authorizing the City Manager to execute any and all necessary documents.

Resolution No. 2024-103

14. Consider a Resolution authorizing the purchase of two (2) 2024 4x4 Ford F-150 crew cab trucks in a total purchase amount not to exceed one hundred thirteen thousand one hundred seven dollars and four cents \$113,107.04, from Rush Truck Center; authorizing the City Manager to execute any and all necessary documents.

Resolution No. 2024-104

15. Consider a Resolution authorizing the purchase of a 2024 4x4 Ford F-250 crew cab truck in a total purchase amount not to exceed seventy-six thousand five hundred seventy-eight dollars and forty cents (\$76,578.40), from Rush Truck Center; authorizing the City Manager to execute any and all necessary documents.

Resolution No. 2024-105

Public Hearing

16. Conduct a public hearing and consider an Ordinance amending the Code of Ordinances, as amended, by amending Title II: "Buildings; Development; Zoning", Chapter 25 "Zoning", Article 25.02, "Zoning Ordinance", (1) At Division 37 "Definitions," Section 25.02.801, "Certain Words Defined," by adding a definition for "Data Center;" and (2) at Division 18 "LM Light Manufacturing District Regulations" by amending Section 25.02.421 to allow Data Center Use; providing for penalty of fine not to exceed the sum of two thousand dollars (\$2,000.00) for each offense.

Mayor Sebastian opened the public hearing at 7:05 p.m.

Director of Community Development Bill Medina provided a presentation on the changes to include Data Center as an allowable use.

Mayor Sebastian invited members of the public to speak. No one spoke in favor or against.

Mayor Sebastian closed the public hearing at 7:09 p.m.

Councilmember Hernandez expressed concern with the definition possibly allowing crypto mining or bitcoin mining.

Mr. Doug Donald Land Strategy Consultant reassured the intended use is for ecommerce transactions.

City Attorney Kevin Laughlin advised to include in the motion to explicitly prohibit bitcoin mining and also reflect the same on agenda item 17.

Councilmember Hernandez made a motion to approve item 16 with the amendment to prohibit crypto mining (bitcoin mining), seconded by Councilmember Grimes. The motion passed unanimously (5/0).

Ordinance No. 2024-25

17. Conduct a public hearing and consider an Ordinance amending the comprehensive zoning ordinance and map of the City of Seagoville, by granting a change in zoning for approximately 138.004 acre tract of land situated in the Herman Heider Survey, Abstract No. 541, Dallas County, Texas, and being more commonly known as 1900 East Farmers Road From Agricultural (AG) to Planned Development with a base zoning of Light Manufacturing and to allow Data Center Use (PD No. 06-2024); providing for development regulations; providing for the approval of concept plans; providing a penalty of fine not to exceed the sum of two thousand dollars (\$2,000.00) for each offense.

Mayor Sebastian opened the public hearing at 7:15 p.m.

Mr. Medina provided a presentation on the request for a zoning amendment to allow Data Center use by creating a Planned Development District at the specified location. He also addresses the concerns presented during the Planning and Zoning Commission's public hearing related to the noise level. The decibel results of a data center located in Red Oak were significantly lower than the operational noise limit of 65 dBA as measured from the property line. The Police Department considers 87 decibels to be a nuisance.

Mayor Sebastian invited members of the public to speak:

- 1) Clyde Carmen, resident, expressed concerns regarding the consistent noise, health impacts, enforcement, and distance.

Mr. Medina clarified the 40 ft. buffer is measured from the property line. The entire roadway will be 120 ft.

- 2) Rusty Ogletree, resident, expressed concerns regarding the health impacts, expansion of the roadway, and safety (target for terrorist attack).

Mr. Donald explained efforts are made to reduce noise through the building materials for buildings with a lifespan of 25 years and replacement of related equipment every 18 months to three years. He also confirmed part of the development would be dedicating a portion of the property to allow roadway improvements. As for safety, the site would be monitored 24/7.

Mayor Sebastian closed the public hearing at 7:37 p.m.

Mayor Pro Tem Epps made a motion to approve item 17 with the amendment to prohibit crypto mining (bitcoin mining), seconded by Councilmember Grimes. The motion passed unanimously (5/0).

Ordinance No. 2024-26

Regular Agenda

18. Discuss and consider a Resolution authorizing the City Manager to sign a service agreement with the Department of Information Resources Communications Technology Services Division of the State of Texas (DIR) for cooperative purchasing.

Purchasing Agent Steven Daggs stated this item is to join DIR for IT related services and equipment purchases.

Councilmember Hernandez made a motion to approve item 18, seconded by Councilmember Magill. The motion unanimously (5/0).

Resolution No. 2024-106

- 19. Discuss and consider a Resolution awarding a contract to RT&E Rural Water for Project No. PW2501, East Malloy Bride Road Sewer Relocation for a contract price not to exceed eighty-three thousand three hundred thirty-eight dollars and zero cents (\$83,338.00); authorizing the City Manager to execute any and all necessary documents.**

Director of Public Works Chris Ryan stated 8 bids were received and Halff provided a recommendation to award the contract to RT&E Rural Water.

Councilmember Magill made a motion to approve item 19, seconded by Councilmember Howard. The motion passed unanimously (5/0).

Resolution No. 2024-107

- 20. Discuss and consider a Resolution approving a Professional Services Reimbursement Agreement by and between the City of Seagoville, Texas, and CWH Land Company, LLC.**

Director of Economic Development Kirk McDaniel explained the City's consulting costs related to the data center development would be funded by the developer.

Councilmember Magill made a motion to approve item 20, seconded by Councilmember Grimes. The motion passed unanimously (5/0).

Resolution No.2024-108

- 21. Items of community interest and councilmember reports.**

Councilmember Magill commended all departments for the exemplary performance.

Mayor Pro Tem Epps thanked department directors for being present to answer questions.

Mayor Sebastian recessed the Regular Session at 7:44 p.m.

EXECUTIVE SESSION

The City Council convened into closed Executive Session pursuant to:

- 22. Texas Government Code section 551.072 Deliberation Regarding Real Property: To deliberate the purchase, exchange, lease or value of real property in relation to Project Home Run.**

- 23. Texas Government Code section 551.071 Consultation with Attorney: To seek legal advice from and engage in an attorney-client communication with the City Attorney on a matter in which the duty of the City Attorney under the Texas Disciplinary Rules of Professional Conduct clearly conflicts with the Texas Open Meetings Act.**

Mayor Sebastian adjourned the Executive Session at 8:16 p.m.

REGULAR SESSION

Mayor Sebastian reconvened the Regular Session at 8:18 p.m.

- 24. Take any necessary action as a result of Executive Session.**

There was no action taken.

- 25. Discuss future agenda items.**

Councilmember Howard requested to for Code Enforcement to address trash bin placement accordingly.

Councilmember Hernandez requested to consider January 2, 2025 as a staff holiday on the next agenda.

26. Adjourn

There being no further business before the City Council the meeting was adjourned at 8:19 p.m.

APPROVED:

ATTEST:

Lackey Stepper Sebastian, Mayor

Sara Egan, City Secretary



TO: Mayor and City Council
FROM: Victoria Thomas, City Attorney
DATE: December 2, 2024
ITEM: 11
DESCRIPTION: Consider a Resolution authorizing the City Manager to enter into the Kroger Texas Opioid Settlement and authorizing the submission of the Texas Settlement Subdivision Participation and Release Form regarding the Kroger Texas Opioid Settlement Agreement and full release of all claims.

INTRODUCTION

The purpose of this item is to participate in this settlement by adopting and submitting to the Office of the Texas Attorney General the Subdivision Participation and Release Form before December 29, 2024.

BACKGROUND

The City of Seagoville previously adopted and approved the Texas Term Sheet and Allocation Schedule regarding the Global Opioid Settlement through the Office of the Attorney General (Resolution No. 82-R-2021 on 11/15/2021). A notice of a settlement through the Office of the Texas Attorney General relating to opioid claims against Kroger was received to submit the required forms by the specific date.

FINANCIAL IMPACT

City's allocation is \$1,288.35.

RECOMMENDATION

Recommended for approval.

ATTACHMENTS

1. Resolution
2. Participation Form
3. List of Fund Uses

CITY OF SEAGOVILLE, TEXAS

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS, AUTHORIZING THE CITY MANAGER TO ENTER INTO THE KROGER TEXAS OPIOID SETTLEMENT AND AUTHORIZING THE SUBMISSION OF THE TEXAS SETTLEMENT SUBDIVISION PARTICIPATION AND RELEASE FORM REGARDING THE KROGER TEXAS OPIOID SETTLEMENT AGREEMENT AND FULL RELEASE OF ALL CLAIMS; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of Seagoville has previously adopted and approved the Texas Term Sheet and Allocation Schedule regarding the Global Opioid Settlement through the Office of the Attorney General; and

WHEREAS, the City of Seagoville has received notice of a settlement through the Office of the Texas Attorney General relating to opioid claims against Kroger (the "Kroger Settlement"); and

WHEREAS, the City of Seagoville can participate in this settlement by adopting and submitting to the Office of the Texas Attorney General on or before December 29, 2024, the Texas Settlement Subdivision Participation and Release Form, attached hereto and incorporated herein by this reference as Exhibit "A" (the "Release Form");

WHEREAS, the City Council of the City of Seagoville, Texas, (i) finds there is a substantial need for repayment of opioid-related expenditures and payment to abate opioid-related harms in and about the City of Seagoville, (ii) supports the addition of the Kroger Settlement to those previously adopted; and (iii) supports the adoption and approval the Release Form and finds it to be in the public interest to approve such settlement;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS, THAT:

SECTION 1. The City Manager is hereby authorized on behalf of the City to enter into the opioid settlement with Kroger, as that term is defined above and to sign and submit or cause to be submitted said Release Form, attached hereto and incorporated herein by this reference as Exhibit "A" to the Texas Attorney General by email at opioids@oag.texas.gov before December 29, 2024.

SECTION 2. The City Manager is authorized to act on behalf of the City to agree to such future opioid settlement agreements and release of claims negotiated and recommended by the Texas Attorney General that provide for distribution of settlement funds to the City.

SECTION 3. This Resolution shall become effective immediately upon passage.

PASSED AND APPROVED THIS 2ND DAY OF DECEMBER, 2024.

APPROVED:

Lackey Stepper Sebastian, Mayor

ATTEST:

Sara Egan, City Secretary

APPROVED AS TO FORM:

Chris Metcalf, Asst. City Attorney

Exhibit A

[Texas Settlement Subdivision Participation and Release – Kroger]

4854-8834-0221, v. 1

Exhibit A

TEXAS SETTLEMENT SUBDIVISION PARTICIPATION AND RELEASE FORM

Political Subdivision:	Texas
Authorized Official:	
Address 1:	
Address 2:	
City, State, Zip:	
Phone:	
Email:	

The governmental entity identified above (“Texas Political Subdivision”), in order to obtain and in consideration for the benefits provided to the Texas Political Subdivision pursuant to the Kroger Texas Settlement Agreement and Full Release of All Claims dated October 30, 2024 (“Kroger Texas Settlement”), and acting through the undersigned authorized official, hereby elects to participate in the Kroger Texas Settlement, release all Released Claims against all Released Entities, and agrees as follows.

1. The Texas Political Subdivision above is aware of and has reviewed the Kroger Settlement Agreement, understands that all terms in this Participation and Release Form have the meanings defined therein, and agrees that by executing this Participation and Release Form, the Texas Political Subdivision elects to participate in the Kroger Texas Settlement and become a Participating Texas Political Subdivision as provided therein.
2. The Texas Political Subdivision shall immediately cease any and all litigation activities as to the Released Entities and Released Claims and, within 14 days of executing this Participation and Release Form, its counsel shall work with Kroger’s counsel to dismiss with prejudice any Released Claims that it has filed.
3. The Texas Political Subdivision agrees to the terms of the Kroger Texas Settlement pertaining to Texas Political Subdivisions as provided therein.
4. By agreeing to the terms of the Kroger Texas Settlement and becoming a Releasor, the Texas Political Subdivision is entitled to the benefits provided therein, including, if applicable, monetary payments beginning after the Effective Date of the Release.
5. The Texas Political Subdivision agrees to use any monies it received through the Kroger Texas Settlement solely for the purposes provided therein.

6. The Texas Political Subdivision submits to the exclusive jurisdiction and authority of the Texas Consolidated Litigation Court as defined in the Kroger Texas Settlement. For the avoidance of doubt, nothing contained in this Participation and Release Form, or the Kroger Texas Settlement, constitutes consent to jurisdiction, express or implied, over the Texas Political Subdivision or its selected counsel to the jurisdiction of any other court (including without limitation MDL 2804, the MDL 2804 Fee Panel, the MDL 2804 Enforcement Committee, or the Court in which any Texas Consent Judgment is filed) for any purpose whatsoever.
7. The Texas Political Subdivision, as a Participating Texas Subdivision, has the right to enforce the Kroger Texas Settlement in the Texas Consolidated Litigation Court as provided therein.
8. The Texas Political Subdivision, as a Participating Texas Subdivision, hereby becomes a Releasor for all purposes in the Kroger Texas Settlement, including but not limited to all provisions of Section V (Release), and along with all departments, agencies, divisions, boards, commissions, districts, instrumentalities of any kind and attorneys, and any person in their official capacity elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, and any other entity identified in the definition of Releasor, provides for a release to the fullest extent of its authority. As a Releasor, the Texas Political Subdivision hereby absolutely, unconditionally, and irrevocably covenants not to bring, file, or claim, or to cause, assist or permit to be brought, filed, or claimed, or to otherwise seek to establish liability for any Released Claims against any Released Entities in any forum whatsoever. The releases provided for in the Kroger Texas Settlement are intended by the Parties to be broad and shall be interpreted so as to give the Released Entity the broadest possible bar against any liability relating in any way to Released Claims and extend to the full extent of the power of the Texas Political Subdivision to release claims. The Kroger Texas Settlement shall be a complete bar to any Released Claim.
9. The Texas Political Subdivision hereby takes on all rights and obligations of a Participating Texas Subdivision as set forth in the Kroger Texas Settlement.
10. In connection with the releases provided for in the Kroger Texas Settlement, each Texas Political Subdivision expressly waives, releases, and forever discharges any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code, which reads:

General Release; extent. A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims, but each Texas Political Subdivision hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Released Claims that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would materially affect the Governmental Entities' decision to participate in the Kroger Texas Settlement.

11. The Texas Political Subdivision acknowledges, agrees, and understands that the Maximum Texas Settlement Amount to be paid under the Kroger Texas Settlement for the benefit of the Participating Texas Political Subdivision, is less than or equal to the amount, in the aggregate, of the Alleged Harms allegedly suffered by the governmental entity, constitutes restitution and remediation for damage or harm allegedly caused by Kroger in order to restore, in whole or part, the governmental entity to the same position or condition that it would be in had it not suffered the Alleged Harms; and constitutes restitution and remediation for damage or harm allegedly caused by the potential violation of a law and/or is an amount paid to come into compliance with the law.
12. Nothing herein is intended to modify in any way the terms of the Kroger Texas Settlement Agreement, to which the Texas Political Subdivision hereby agrees. To the extent this Participation and Release Form is interpreted differently from the Kroger Texas Settlement, the Kroger Texas Settlement controls.

I have all necessary power and authorization to execute this Participation and Release Form on behalf of the Texas Political Subdivision.

Signature: _____
Name: _____
Title: _____
Date: _____

EXHIBIT E

List of Opioid Remediation Uses

Schedule A Core Strategies

States and Qualifying Block Grantees shall choose from among the abatement strategies listed in Schedule B. However, priority shall be given to the following core abatement strategies (“*Core Strategies*”).¹⁴

- A. **NALOXONE OR OTHER FDA-APPROVED DRUG TO REVERSE OPIOID OVERDOSES**
1. Expand training for first responders, schools, community support groups and families; and
 2. Increase distribution to individuals who are uninsured or whose insurance does not cover the needed service.
- B. **MEDICATION-ASSISTED TREATMENT (“MAT”) DISTRIBUTION AND OTHER OPIOID-RELATED TREATMENT**
1. Increase distribution of MAT to individuals who are uninsured or whose insurance does not cover the needed service;
 2. Provide education to school-based and youth-focused programs that discourage or prevent misuse;
 3. Provide MAT education and awareness training to healthcare providers, EMTs, law enforcement, and other first responders; and
 4. Provide treatment and recovery support services such as residential and inpatient treatment, intensive outpatient treatment, outpatient therapy or counseling, and recovery housing that allow or integrate medication and with other support services.

¹⁴ As used in this Schedule A, words like “expand,” “fund,” “provide” or the like shall not indicate a preference for new or existing programs.

C. **PREGNANT & POSTPARTUM WOMEN**

1. Expand Screening, Brief Intervention, and Referral to Treatment (“*SBIRT*”) services to non-Medicaid eligible or uninsured pregnant women;
2. Expand comprehensive evidence-based treatment and recovery services, including MAT, for women with co-occurring Opioid Use Disorder (“*OUD*”) and other Substance Use Disorder (“*SUD*”)/Mental Health disorders for uninsured individuals for up to 12 months postpartum; and
3. Provide comprehensive wrap-around services to individuals with OUD, including housing, transportation, job placement/training, and childcare.

D. **EXPANDING TREATMENT FOR NEONATAL ABSTINENCE SYNDROME (“*NAS*”)**

1. Expand comprehensive evidence-based and recovery support for NAS babies;
2. Expand services for better continuum of care with infant-need dyad; and
3. Expand long-term treatment and services for medical monitoring of NAS babies and their families.

E. **EXPANSION OF WARM HAND-OFF PROGRAMS AND RECOVERY SERVICES**

1. Expand services such as navigators and on-call teams to begin MAT in hospital emergency departments;
2. Expand warm hand-off services to transition to recovery services;
3. Broaden scope of recovery services to include co-occurring SUD or mental health conditions;
4. Provide comprehensive wrap-around services to individuals in recovery, including housing, transportation, job placement/training, and childcare; and
5. Hire additional social workers or other behavioral health workers to facilitate expansions above.

F. **TREATMENT FOR INCARCERATED POPULATION**

1. Provide evidence-based treatment and recovery support, including MAT for persons with OUD and co-occurring SUD/MH disorders within and transitioning out of the criminal justice system; and
2. Increase funding for jails to provide treatment to inmates with OUD.

G. **PREVENTION PROGRAMS**

1. Funding for media campaigns to prevent opioid use (similar to the FDA’s “Real Cost” campaign to prevent youth from misusing tobacco);
2. Funding for evidence-based prevention programs in schools;
3. Funding for medical provider education and outreach regarding best prescribing practices for opioids consistent with the 2016 CDC guidelines, including providers at hospitals (academic detailing);
4. Funding for community drug disposal programs; and
5. Funding and training for first responders to participate in pre-arrest diversion programs, post-overdose response teams, or similar strategies that connect at-risk individuals to behavioral health services and supports.

H. **EXPANDING SYRINGE SERVICE PROGRAMS**

1. Provide comprehensive syringe services programs with more wrap-around services, including linkage to OUD treatment, access to sterile syringes and linkage to care and treatment of infectious diseases.

I. **EVIDENCE-BASED DATA COLLECTION AND RESEARCH ANALYZING THE EFFECTIVENESS OF THE ABATEMENT STRATEGIES WITHIN THE STATE**

Schedule B Approved Uses

Support treatment of Opioid Use Disorder (OUD) and any co-occurring Substance Use Disorder or Mental Health (SUD/MH) conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

PART ONE: TREATMENT

A. **TREAT OPIOID USE DISORDER (OUD)**

Support treatment of Opioid Use Disorder (“*OUD*”) and any co-occurring Substance Use Disorder or Mental Health (“*SUD/MH*”) conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:¹⁵

1. Expand availability of treatment for OUD and any co-occurring SUD/MH conditions, including all forms of Medication-Assisted Treatment (“*MAT*”) approved by the U.S. Food and Drug Administration.
2. Support and reimburse evidence-based services that adhere to the American Society of Addiction Medicine (“*ASAM*”) continuum of care for OUD and any co-occurring SUD/MH conditions.
3. Expand telehealth to increase access to treatment for OUD and any co-occurring SUD/MH conditions, including *MAT*, as well as counseling, psychiatric support, and other treatment and recovery support services.
4. Improve oversight of Opioid Treatment Programs (“*OTPs*”) to assure evidence-based or evidence-informed practices such as adequate methadone dosing and low threshold approaches to treatment.
5. Support mobile intervention, treatment, and recovery services, offered by qualified professionals and service providers, such as peer recovery coaches, for persons with OUD and any co-occurring SUD/MH conditions and for persons who have experienced an opioid overdose.
6. Provide treatment of trauma for individuals with OUD (*e.g.*, violence, sexual assault, human trafficking, or adverse childhood experiences) and family members (*e.g.*, surviving family members after an overdose or overdose fatality), and training of health care personnel to identify and address such trauma.
7. Support evidence-based withdrawal management services for people with OUD and any co-occurring mental health conditions.

¹⁵ As used in this Schedule B, words like “expand,” “fund,” “provide” or the like shall not indicate a preference for new or existing programs.

8. Provide training on MAT for health care providers, first responders, students, or other supporting professionals, such as peer recovery coaches or recovery outreach specialists, including telementoring to assist community-based providers in rural or underserved areas.
9. Support workforce development for addiction professionals who work with persons with OUD and any co-occurring SUD/MH conditions.
10. Offer fellowships for addiction medicine specialists for direct patient care, instructors, and clinical research for treatments.
11. Offer scholarships and supports for behavioral health practitioners or workers involved in addressing OUD and any co-occurring SUD/MH or mental health conditions, including, but not limited to, training, scholarships, fellowships, loan repayment programs, or other incentives for providers to work in rural or underserved areas.
12. Provide funding and training for clinicians to obtain a waiver under the federal Drug Addiction Treatment Act of 2000 (“*DATA 2000*”) to prescribe MAT for OUD, and provide technical assistance and professional support to clinicians who have obtained a DATA 2000 waiver.
13. Disseminate of web-based training curricula, such as the American Academy of Addiction Psychiatry’s Provider Clinical Support Service–Opioids web-based training curriculum and motivational interviewing.
14. Develop and disseminate new curricula, such as the American Academy of Addiction Psychiatry’s Provider Clinical Support Service for Medication–Assisted Treatment.

B. SUPPORT PEOPLE IN TREATMENT AND RECOVERY

Support people in recovery from OUD and any co-occurring SUD/MH conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the programs or strategies that:

1. Provide comprehensive wrap-around services to individuals with OUD and any co-occurring SUD/MH conditions, including housing, transportation, education, job placement, job training, or childcare.
2. Provide the full continuum of care of treatment and recovery services for OUD and any co-occurring SUD/MH conditions, including supportive housing, peer support services and counseling, community navigators, case management, and connections to community-based services.
3. Provide counseling, peer-support, recovery case management and residential treatment with access to medications for those who need it to persons with OUD and any co-occurring SUD/MH conditions.

4. Provide access to housing for people with OUD and any co-occurring SUD/MH conditions, including supportive housing, recovery housing, housing assistance programs, training for housing providers, or recovery housing programs that allow or integrate FDA-approved medication with other support services.
5. Provide community support services, including social and legal services, to assist in deinstitutionalizing persons with OUD and any co-occurring SUD/MH conditions.
6. Support or expand peer-recovery centers, which may include support groups, social events, computer access, or other services for persons with OUD and any co-occurring SUD/MH conditions.
7. Provide or support transportation to treatment or recovery programs or services for persons with OUD and any co-occurring SUD/MH conditions.
8. Provide employment training or educational services for persons in treatment for or recovery from OUD and any co-occurring SUD/MH conditions.
9. Identify successful recovery programs such as physician, pilot, and college recovery programs, and provide support and technical assistance to increase the number and capacity of high-quality programs to help those in recovery.
10. Engage non-profits, faith-based communities, and community coalitions to support people in treatment and recovery and to support family members in their efforts to support the person with OUD in the family.
11. Provide training and development of procedures for government staff to appropriately interact and provide social and other services to individuals with or in recovery from OUD, including reducing stigma.
12. Support stigma reduction efforts regarding treatment and support for persons with OUD, including reducing the stigma on effective treatment.
13. Create or support culturally appropriate services and programs for persons with OUD and any co-occurring SUD/MH conditions, including new Americans.
14. Create and/or support recovery high schools.
15. Hire or train behavioral health workers to provide or expand any of the services or supports listed above.

**C. CONNECT PEOPLE WHO NEED HELP TO THE HELP THEY NEED
(CONNECTIONS TO CARE)**

Provide connections to care for people who have—or are at risk of developing—OUD and any co-occurring SUD/MH conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Ensure that health care providers are screening for OUD and other risk factors and know how to appropriately counsel and treat (or refer if necessary) a patient for OUD treatment.
2. Fund SBIRT programs to reduce the transition from use to disorders, including SBIRT services to pregnant women who are uninsured or not eligible for Medicaid.
3. Provide training and long-term implementation of SBIRT in key systems (health, schools, colleges, criminal justice, and probation), with a focus on youth and young adults when transition from misuse to opioid disorder is common.
4. Purchase automated versions of SBIRT and support ongoing costs of the technology.
5. Expand services such as navigators and on-call teams to begin MAT in hospital emergency departments.
6. Provide training for emergency room personnel treating opioid overdose patients on post-discharge planning, including community referrals for MAT, recovery case management or support services.
7. Support hospital programs that transition persons with OUD and any co-occurring SUD/MH conditions, or persons who have experienced an opioid overdose, into clinically appropriate follow-up care through a bridge clinic or similar approach.
8. Support crisis stabilization centers that serve as an alternative to hospital emergency departments for persons with OUD and any co-occurring SUD/MH conditions or persons that have experienced an opioid overdose.
9. Support the work of Emergency Medical Systems, including peer support specialists, to connect individuals to treatment or other appropriate services following an opioid overdose or other opioid-related adverse event.
10. Provide funding for peer support specialists or recovery coaches in emergency departments, detox facilities, recovery centers, recovery housing, or similar settings; offer services, supports, or connections to care to persons with OUD and any co-occurring SUD/MH conditions or to persons who have experienced an opioid overdose.
11. Expand warm hand-off services to transition to recovery services.
12. Create or support school-based contacts that parents can engage with to seek immediate treatment services for their child; and support prevention, intervention, treatment, and recovery programs focused on young people.
13. Develop and support best practices on addressing OUD in the workplace.

14. Support assistance programs for health care providers with OUD.
15. Engage non-profits and the faith community as a system to support outreach for treatment.
16. Support centralized call centers that provide information and connections to appropriate services and supports for persons with OUD and any co-occurring SUD/MH conditions.

D. ADDRESS THE NEEDS OF CRIMINAL JUSTICE-INVOLVED PERSONS

Address the needs of persons with OUD and any co-occurring SUD/MH conditions who are involved in, are at risk of becoming involved in, or are transitioning out of the criminal justice system through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Support pre-arrest or pre-arraignment diversion and deflection strategies for persons with OUD and any co-occurring SUD/MH conditions, including established strategies such as:
 1. Self-referral strategies such as the Angel Programs or the Police Assisted Addiction Recovery Initiative (“*PAARP*”);
 2. Active outreach strategies such as the Drug Abuse Response Team (“*DART*”) model;
 3. “Naloxone Plus” strategies, which work to ensure that individuals who have received naloxone to reverse the effects of an overdose are then linked to treatment programs or other appropriate services;
 4. Officer prevention strategies, such as the Law Enforcement Assisted Diversion (“*LEAD*”) model;
 5. Officer intervention strategies such as the Leon County, Florida Adult Civil Citation Network or the Chicago Westside Narcotics Diversion to Treatment Initiative; or
 6. Co-responder and/or alternative responder models to address OUD-related 911 calls with greater SUD expertise.
2. Support pre-trial services that connect individuals with OUD and any co-occurring SUD/MH conditions to evidence-informed treatment, including MAT, and related services.
3. Support treatment and recovery courts that provide evidence-based options for persons with OUD and any co-occurring SUD/MH conditions.

4. Provide evidence-informed treatment, including MAT, recovery support, harm reduction, or other appropriate services to individuals with OUD and any co-occurring SUD/MH conditions who are incarcerated in jail or prison.
5. Provide evidence-informed treatment, including MAT, recovery support, harm reduction, or other appropriate services to individuals with OUD and any co-occurring SUD/MH conditions who are leaving jail or prison or have recently left jail or prison, are on probation or parole, are under community corrections supervision, or are in re-entry programs or facilities.
6. Support critical time interventions (“CTP”), particularly for individuals living with dual-diagnosis OUD/serious mental illness, and services for individuals who face immediate risks and service needs and risks upon release from correctional settings.
7. Provide training on best practices for addressing the needs of criminal justice-involved persons with OUD and any co-occurring SUD/MH conditions to law enforcement, correctional, or judicial personnel or to providers of treatment, recovery, harm reduction, case management, or other services offered in connection with any of the strategies described in this section.

E. ADDRESS THE NEEDS OF PREGNANT OR PARENTING WOMEN AND THEIR FAMILIES, INCLUDING BABIES WITH NEONATAL ABSTINENCE SYNDROME

Address the needs of pregnant or parenting women with OUD and any co-occurring SUD/MH conditions, and the needs of their families, including babies with neonatal abstinence syndrome (“NAS”), through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Support evidence-based or evidence-informed treatment, including MAT, recovery services and supports, and prevention services for pregnant women—or women who could become pregnant—who have OUD and any co-occurring SUD/MH conditions, and other measures to educate and provide support to families affected by Neonatal Abstinence Syndrome.
2. Expand comprehensive evidence-based treatment and recovery services, including MAT, for uninsured women with OUD and any co-occurring SUD/MH conditions for up to 12 months postpartum.
3. Provide training for obstetricians or other healthcare personnel who work with pregnant women and their families regarding treatment of OUD and any co-occurring SUD/MH conditions.
4. Expand comprehensive evidence-based treatment and recovery support for NAS babies; expand services for better continuum of care with infant-need dyad; and expand long-term treatment and services for medical monitoring of NAS babies and their families.

5. Provide training to health care providers who work with pregnant or parenting women on best practices for compliance with federal requirements that children born with NAS get referred to appropriate services and receive a plan of safe care.
6. Provide child and family supports for parenting women with OUD and any co-occurring SUD/MH conditions.
7. Provide enhanced family support and child care services for parents with OUD and any co-occurring SUD/MH conditions.
8. Provide enhanced support for children and family members suffering trauma as a result of addiction in the family; and offer trauma-informed behavioral health treatment for adverse childhood events.
9. Offer home-based wrap-around services to persons with OUD and any co-occurring SUD/MH conditions, including, but not limited to, parent skills training.
10. Provide support for Children’s Services—Fund additional positions and services, including supportive housing and other residential services, relating to children being removed from the home and/or placed in foster care due to custodial opioid use.

PART TWO: PREVENTION

F. PREVENT OVER-PRESCRIBING AND ENSURE APPROPRIATE PRESCRIBING AND DISPENSING OF OPIOIDS

Support efforts to prevent over-prescribing and ensure appropriate prescribing and dispensing of opioids through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Funding medical provider education and outreach regarding best prescribing practices for opioids consistent with the Guidelines for Prescribing Opioids for Chronic Pain from the U.S. Centers for Disease Control and Prevention, including providers at hospitals (academic detailing).
2. Training for health care providers regarding safe and responsible opioid prescribing, dosing, and tapering patients off opioids.
3. Continuing Medical Education (CME) on appropriate prescribing of opioids.
4. Providing Support for non-opioid pain treatment alternatives, including training providers to offer or refer to multi-modal, evidence-informed treatment of pain.
5. Supporting enhancements or improvements to Prescription Drug Monitoring Programs (“*PDMPs*”), including, but not limited to, improvements that:

1. Increase the number of prescribers using PDMPs;
2. Improve point-of-care decision-making by increasing the quantity, quality, or format of data available to prescribers using PDMPs, by improving the interface that prescribers use to access PDMP data, or both; or
3. Enable states to use PDMP data in support of surveillance or intervention strategies, including MAT referrals and follow-up for individuals identified within PDMP data as likely to experience OUD in a manner that complies with all relevant privacy and security laws and rules.
6. Ensuring PDMPs incorporate available overdose/naloxone deployment data, including the United States Department of Transportation’s Emergency Medical Technician overdose database in a manner that complies with all relevant privacy and security laws and rules.
7. Increasing electronic prescribing to prevent diversion or forgery.
8. Educating dispensers on appropriate opioid dispensing.

G. PREVENT MISUSE OF OPIOIDS

Support efforts to discourage or prevent misuse of opioids through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Funding media campaigns to prevent opioid misuse.
2. Corrective advertising or affirmative public education campaigns based on evidence.
3. Public education relating to drug disposal.
4. Drug take-back disposal or destruction programs.
5. Funding community anti-drug coalitions that engage in drug prevention efforts.
6. Supporting community coalitions in implementing evidence-informed prevention, such as reduced social access and physical access, stigma reduction—including staffing, educational campaigns, support for people in treatment or recovery, or training of coalitions in evidence-informed implementation, including the Strategic Prevention Framework developed by the U.S. Substance Abuse and Mental Health Services Administration (“SAMHSA”).
7. Engaging non-profits and faith-based communities as systems to support prevention.

8. Funding evidence-based prevention programs in schools or evidence-informed school and community education programs and campaigns for students, families, school employees, school athletic programs, parent-teacher and student associations, and others.
9. School-based or youth-focused programs or strategies that have demonstrated effectiveness in preventing drug misuse and seem likely to be effective in preventing the uptake and use of opioids.
10. Create or support community-based education or intervention services for families, youth, and adolescents at risk for OUD and any co-occurring SUD/MH conditions.
11. Support evidence-informed programs or curricula to address mental health needs of young people who may be at risk of misusing opioids or other drugs, including emotional modulation and resilience skills.
12. Support greater access to mental health services and supports for young people, including services and supports provided by school nurses, behavioral health workers or other school staff, to address mental health needs in young people that (when not properly addressed) increase the risk of opioid or another drug misuse.

H. PREVENT OVERDOSE DEATHS AND OTHER HARMS (HARM REDUCTION)

Support efforts to prevent or reduce overdose deaths or other opioid-related harms through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Increased availability and distribution of naloxone and other drugs that treat overdoses for first responders, overdose patients, individuals with OUD and their friends and family members, schools, community navigators and outreach workers, persons being released from jail or prison, or other members of the general public.
2. Public health entities providing free naloxone to anyone in the community.
3. Training and education regarding naloxone and other drugs that treat overdoses for first responders, overdose patients, patients taking opioids, families, schools, community support groups, and other members of the general public.
4. Enabling school nurses and other school staff to respond to opioid overdoses, and provide them with naloxone, training, and support.
5. Expanding, improving, or developing data tracking software and applications for overdoses/naloxone revivals.
6. Public education relating to emergency responses to overdoses.

7. Public education relating to immunity and Good Samaritan laws.
8. Educating first responders regarding the existence and operation of immunity and Good Samaritan laws.
9. Syringe service programs and other evidence-informed programs to reduce harms associated with intravenous drug use, including supplies, staffing, space, peer support services, referrals to treatment, fentanyl checking, connections to care, and the full range of harm reduction and treatment services provided by these programs.
10. Expanding access to testing and treatment for infectious diseases such as HIV and Hepatitis C resulting from intravenous opioid use.
11. Supporting mobile units that offer or provide referrals to harm reduction services, treatment, recovery supports, health care, or other appropriate services to persons that use opioids or persons with OUD and any co-occurring SUD/MH conditions.
12. Providing training in harm reduction strategies to health care providers, students, peer recovery coaches, recovery outreach specialists, or other professionals that provide care to persons who use opioids or persons with OUD and any co-occurring SUD/MH conditions.
13. Supporting screening for fentanyl in routine clinical toxicology testing.

PART THREE: OTHER STRATEGIES

I. FIRST RESPONDERS

In addition to items in section C, D and H relating to first responders, support the following:

1. Education of law enforcement or other first responders regarding appropriate practices and precautions when dealing with fentanyl or other drugs.
2. Provision of wellness and support services for first responders and others who experience secondary trauma associated with opioid-related emergency events.

J. LEADERSHIP, PLANNING AND COORDINATION

Support efforts to provide leadership, planning, coordination, facilitations, training and technical assistance to abate the opioid epidemic through activities, programs, or strategies that may include, but are not limited to, the following:

1. Statewide, regional, local or community regional planning to identify root causes of addiction and overdose, goals for reducing harms related to the opioid epidemic, and areas and populations with the greatest needs for treatment

intervention services, and to support training and technical assistance and other strategies to abate the opioid epidemic described in this opioid abatement strategy list.

2. A dashboard to (a) share reports, recommendations, or plans to spend opioid settlement funds; (b) to show how opioid settlement funds have been spent; (c) to report program or strategy outcomes; or (d) to track, share or visualize key opioid- or health-related indicators and supports as identified through collaborative statewide, regional, local or community processes.
3. Invest in infrastructure or staffing at government or not-for-profit agencies to support collaborative, cross-system coordination with the purpose of preventing overprescribing, opioid misuse, or opioid overdoses, treating those with OUD and any co-occurring SUD/MH conditions, supporting them in treatment or recovery, connecting them to care, or implementing other strategies to abate the opioid epidemic described in this opioid abatement strategy list.
4. Provide resources to staff government oversight and management of opioid abatement programs.

K. TRAINING

In addition to the training referred to throughout this document, support training to abate the opioid epidemic through activities, programs, or strategies that may include, but are not limited to, those that:

1. Provide funding for staff training or networking programs and services to improve the capability of government, community, and not-for-profit entities to abate the opioid crisis.
2. Support infrastructure and staffing for collaborative cross-system coordination to prevent opioid misuse, prevent overdoses, and treat those with OUD and any co-occurring SUD/MH conditions, or implement other strategies to abate the opioid epidemic described in this opioid abatement strategy list (*e.g.*, health care, primary care, pharmacies, PDMPs, etc.).

L. RESEARCH

Support opioid abatement research that may include, but is not limited to, the following:

1. Monitoring, surveillance, data collection and evaluation of programs and strategies described in this opioid abatement strategy list.
2. Research non-opioid treatment of chronic pain.
3. Research on improved service delivery for modalities such as SBIRT that demonstrate promising but mixed results in populations vulnerable to opioid use disorders.

4. Research on novel harm reduction and prevention efforts such as the provision of fentanyl test strips.
5. Research on innovative supply-side enforcement efforts such as improved detection of mail-based delivery of synthetic opioids.
6. Expanded research on swift/certain/fair models to reduce and deter opioid misuse within criminal justice populations that build upon promising approaches used to address other substances (*e.g.*, Hawaii HOPE and Dakota 24/7).
7. Epidemiological surveillance of OUD-related behaviors in critical populations, including individuals entering the criminal justice system, including, but not limited to approaches modeled on the Arrestee Drug Abuse Monitoring (“ADAM”) system.
8. Qualitative and quantitative research regarding public health risks and harm reduction opportunities within illicit drug markets, including surveys of market participants who sell or distribute illicit opioids.
9. Geospatial analysis of access barriers to MAT and their association with treatment engagement and treatment outcomes.



TO: Mayor and City Council

FROM: Kirk McDaniel, Director of Economic Development

DATE: December 2, 2024

ITEM: 12

FIRST READING: Discuss and consider ratifying a Resolution approving the Purchase and Sale Agreement by and between Tomaino Properties, LP and the Seagoville Economic Development Corporation (SEDC) for the purchase by the SEDC of the real property and improvements described as an approximately 0.185 acre tract 22 out of the Henry D. Bonannon Survey, Abstract 178, Page 105, City of Seagoville, Dallas County, Texas and being commonly known as 202 N. Kaufman Street; and authorizing and ratifying execution of the agreement by the SEDC Executive Director.

INTRODUCTION

The purpose of this item is for ratification an SEDC resolution approving the purchase of 202 North Kaufman Street in downtown Seagoville.

BACKGROUND

On September 12, 2024, the SEDC Board authorized the Executive Director to enter into a purchase and sale agreement regarding property located at 202 N Kaufman Street, Seagoville Texas. Staff worked with the current property owner to negotiate a purchase and sale agreement, and begin the inspection period. During this period, Staff has commissioned an appraisal, and an asbestos survey of the property.

The appraisal indicated a market value of Four Hundred and Seventy Thousand Dollars (\$470,000) for the property. The agreed upon purchase price for the property was Two Hundred Thirty Seven Thousand Five Hundred Dollars (\$237,500).

The asbestos survey found one positive result from floor panels in the old vault. It is currently estimated to cost less than \$3,000 to abate the asbestos.



TO: Mayor and City Council
 FROM: Jose Hernandez, Councilmember
 DATE: December 2, 2024
 ITEM: 13
 DESCRIPTION: Discuss and consider designating Thursday, January 2, 2025, as a staff holiday.

INTRODUCTION

Councilmember Hernandez requested the item to be placed on the agenda for discussion and consideration.

BACKGROUND

Current calendar for December 2024 and January 2025.

December 2024						
Su	M	Tu	W	Th	F	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

December		
12/02/24 (Mon)		Regular Meeting
12/16/24 (Mon)		Regular Meeting
12/25/24 (Wed)	Christmas Day	Holiday
12/26/24 (Thu)	Designated by City Manager	Floating Holiday

January 2025						
Su	M	Tu	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	27	28	29	30
31						

January	Description	Event Type
01/01/25 (Wed)	New Year's Day	Holiday
01/20/25 (Mon)	Martin Luther King, Jr.	Holiday
01/13/25 (Mon)		Regular Meeting



TO: Mayor and City Council
FROM: Todd Gilcrease, Fire Chief
DATE: December 2, 2024
ITEM: 14
DESCRIPTION: Discuss and consider a Resolution authorizing the purchase from Stryker of Two Lifepak 15 Monitors Utilizing Sourcewell Purchasing Contract for a purchase price not to exceed one hundred forty thousand eight hundred seventy-four dollars and sixty-two cents (\$140,874.62) and; authorizing the City Manager to execute any documents necessary for said transaction and purchase.

INTRODUCTION

The purpose of these items is to provide the Fire Department personnel that are qualified to administer Advanced Life Support (ALS) when providing Emergency Medical Services in the event that our current EMS provider is delayed due to multiple overlapping incidents and further the department's capabilities to better serve our citizens.

BACKGROUND

Through Stryker, the price for these (2) LIFEPAK monitors is \$140,874.62 to include 8 years of complete service and repair to include batteries. There would be 3 equal payments due in FY26, FY27, and FY28, in the amount of \$46,958.20. Approval and signature are needed by December 15, 2024, to receive zero interest over three payments.

FINANCIAL IMPACT

FY2026, 2027, & 2028. Through Stryker, the price for these (2) LIFEPAK monitors is \$140,874.62. There would be 3 equal payments due in fiscal year 26, 27, & 28 in the amount of \$46,958.20 FY26, FY27, and FY28. The first payment would be due in October 2025.

ATTACHMENTS

1. Resolution
2. Proposal

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS, AUTHORIZING THE PURCHASE FROM STRYKER OF TWO LIFEPAK 15 MONITORS UTILIZING SOURCEWELL PURCHASING CONTRACT FOR A PURCHASE PRICE NOT TO EXCEED ONE HUNDRED FORTY THOUSAND EIGHT HUNDRED SEVENTY-FOUR DOLLARS AND SIXTY-TWO CENTS; AUTHORIZING THE CITY MANAGER TO EXECUTE ANY DOCUMENTS NECESSARY FOR SAID TRANSACTION AND PURCHASE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, City Administration has determined there is a need to purchase two Lifepak 15 Cardiac Monitors for Fire Department use in preserving and protecting the public health and safety; and

WHEREAS, the City Administration has received a quote, through Sourcewell purchasing contract from Stryker for the two Lifepak 15 Cardiac Monitors, for a purchase price of \$140,874.62 said quote being attached hereto as Exhibit "A"; and

WHEREAS, the Council of the City of Seagoville finds it to be in the public interest and to serve the health, safety and general welfare of the citizens of the City to authorize the purchase of the Lifepak 15 Cardiac Monitors;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS:

SECTION 1. The City Council hereby authorizes the purchase of two Lifepak 15 Cardiac Monitors, from Stryker utilizing Sourcewell purchasing contract, in accordance with the quote attached hereto and incorporated herein by this reference as Exhibit "A, for a purchase price not to exceed one hundred forty thousand eight hundred seventy-four dollars and sixty-two cents (\$140,874.62) and further authorizes the City Manager to execute any documents necessary and purchase on behalf of the City.

SECTION 2. This resolution shall take effect immediately from and after its passage, and so it is accordingly resolved.

DULY ORDERED by the City Council of the City of Seagoville, Texas, this the ____ day of _____, 2024.

APPROVED:

LACKEY STEPPER SEBASTIAN, MAYOR

ATTEST:

SARA EGAN, CITY SECRETARY

APPROVED AS TO FORM:

CHRIS METCALF, ASST. CITY ATTORNEY

EXHIBIT A

4892-6300-5175, v. 1



10/01/2024

SEAGOVILLE FIRE DEPT
1717 N HIGHWAY 175
SEAGOVILLE, Texas 75159-2229

Equipment: See proposal for detailed equipment descriptions and pricing.

Finance structure: Step Payments

Finance structure: Conditional Sale

Payment terms:

	37 months
Proposal total	\$140,874.62
12 monthly payment(s)	\$0.00
Followed by:	3 annual payments @
Total payment	\$46,958.20

Payments are exclusive of all applicable taxes and freight unless otherwise noted.

Contract commencement: Upon delivery, installation, and acceptance.

Transfer of title: At contract commencement.

Down payment: No down payment required.

First payment due: Net 30 following installation.

Interim rent: Stryker does not charge interim rent.

Documentation fees: Stryker does not charge documentation fees.

Payment adjustment: The payments quoted herein were calculated based, in part, on an interest rate equivalent as quoted on Bloomberg under the SOFR Swap Rate that would have a repayment term equivalent to the initial term (or an interpolated rate if a like-term is not available) as reasonably determined by Stryker's Flex Financial division. Flex Financial reserves the right to adjust the payments prior to contract commencement to maintain current economics of this proposed transaction. "SOFR" with respect to any day means the secured overnight financing rate published for such day by the Federal Reserve Bank of New York, as the administrator of the benchmark (or a successor administrator) on the Federal Reserve Bank of New York's Website as quoted by Bloomberg.

Deal consummation: This proposal is subject to final credit, pricing, and documentation approval. Legal documents must be signed before your equipment can be delivered.

Please note that this proposal is subject to change if documents are not signed prior to **10/31/2024**.



LP15 x2 FY25 Deferral

Quote Number: 10869660

Version: 1

Prepared For: SEAGOVILLE FIRE DEPT

Attn:

Rep: Michael Secord

Email: michael.secord@stryker.com

Phone Number:

Quote Date: 11/07/2024

Expiration Date: 02/05/2025

Contract Start: 02/14/2024

Contract End: 02/13/2025

Delivery Address

Name: SEAGOVILLE FIRE DEPT

Account #: 20083082

Address: 1717 N HIGHWAY 175

SEAGOVILLE

Texas 75159-2229

Sold To - Shipping

Name: SEAGOVILLE FIRE DEPT

Account #: 20083082

Address: 1717 N HIGHWAY 175

SEAGOVILLE

Texas 75159-2229

Bill To Account

Name: SEAGOVILLE FIRE DEPT

Account #: 20083082

Address: 1717 N HIGHWAY 175

SEAGOVILLE

Texas 75159-2229

Equipment Products:

#	Product	Description	Qty	Sell Price	Total
1.0	99577-001957	LIFEPAK 15 V4 Monitor/Defib - Manual & AED, Trending, Noninvasive Pacing, SpO2, SpCO, NIBP, 12-Lead ECG, EtCO2, BT. Incl at N/C: 2 pr QC Electrodes (11996-000091) & 1 Test Load (21330-001365) per device, 1 Svc Manual CD (26500-003612) per order	2	\$47,115.00	\$94,230.00
2.0	41577-000288	LP15 ACCRY SHIPKIT,AHA,S	2	\$0.00	\$0.00
3.0	11577-000004	Station Battery Charger - For the LP15	2	\$2,632.00	\$5,264.00
4.0	21330-001176	LP 15 Lithium-ion Battery 5.7 amp hrs	8	\$646.00	\$5,168.00
5.0	21300-008159	LIFEPAK 15 NIBP Straight Hose, 6'	2	\$100.00	\$200.00
6.0	11160-000011	NIBP Cuff-Reusable, Infant	2	\$31.00	\$62.00
7.0	11160-000013	NIBP Cuff-Reusable, Child	2	\$35.00	\$70.00
8.0	11160-000017	NIBP Cuff -Reusable, Large Adult	2	\$49.00	\$98.00
9.0	11160-000019	NIBP Cuff-Reusable, Adult X Large	3	\$69.00	\$207.00
10.0	11577-000002	LIFEPAK 15 Basic carry case w/right & left pouches; shoulder strap (11577-000001) included at no additional charge when case ordered with a LIFEPAK 15 device	2	\$461.00	\$922.00
11.0	11220-000028	LIFEPAK 15 Carry case top pouch	3	\$83.00	\$249.00
12.0	11260-000039	LIFEPAK 15 Carry case back pouch	2	\$118.00	\$236.00
13.0	11996-000519	LNCS-II rainbow DCI 8? SpCO, Adult Reusable Sensor	2	\$889.00	\$1,778.00
14.0	11996-000520	LNCS-II rainbow DCIP 8? SpCO, Pediatric Reusable Sensor	2	\$978.00	\$1,956.00



LP15 x2 FY25 Deferral

Quote Number: 10869660
 Version: 1
 Prepared For: SEAGOVILLE FIRE DEPT
 Attn:

Rep: Michael Secord
 Email: michael.secord@stryker.com
 Phone Number:

Quote Date: 11/07/2024
 Expiration Date: 02/05/2025
 Contract Start: 02/14/2024
 Contract End: 02/13/2025

#	Product	Description	Qty	Sell Price	Total
15.0	11996-000543	EMS RD Rainbow SET MD20-04', 20-pin mini-D rectangular connector, 4ft.	2	\$348.00	\$696.00
16.0	11577-000001	LIFEPAK 15 Shoulder strap	2	\$56.00	\$112.00
Equipment Total:					\$111,248.02

ProCare Products:

#	Product	Description	Qty	Sell Price	Total
18.1	LIFEPK-FLD-PROCARE	Lifepak 15 for LIFEPAK 15 V4 Monitor/Defib - Manual & AED, Trending, Noninvasive Pacing, SpO2, SpCO, SpMet, NIBP, 12-Lead ECG, EtCO2, BT. Incl at N/C: 2 pr QC Electrodes (11996-000091) & 1 Test Load (21330-001365) per device, 1 Svc Manual CD(26500-003612) per order 02/15/2024 - 02/14/2031 Parts, Labor, Travel Preventative Maintenance Batteries Service	2	\$14,370.30	\$28,740.60
ProCare Total:					\$28,740.60

Price Totals:

Estimated Sales Tax (0.000%):	\$0.00
Freight/Shipping:	\$1,686.00
Grand Total:	\$140,874.62

Prices: In effect for 30 days

Terms: Net 30 Days

Sourcewell Contract Number:
 City of Seagoville Account # 179087



LP15 x2 FY25 Deferral

Quote Number: 10869660

Version: 1

Prepared For: SEAGOVILLE FIRE DEPT

Attn:

Rep: Michael Secord

Email: michael.secord@stryker.com

Phone Number:

Quote Date: 11/07/2024

Expiration Date: 02/05/2025

Contract Start: 02/14/2024

Contract End: 02/13/2025

Terms and Conditions:

Deal Consummation: This is a quote and not a commitment. This quote is subject to final credit, pricing, and documentation approval. Legal documentation must be signed before your equipment can be delivered. Documentation will be provided upon completion of our review process and your selection of a payment schedule. Confidentiality Notice: Recipient will not disclose to any third party the terms of this quote or any other information, including any pricing or discounts, offered to be provided by Stryker to Recipient in connection with this quote, without Stryker's prior written approval, except as may be requested by law or by lawful order of any applicable government agency. A copy of Stryker Medical's terms and conditions can be found at https://techweb.stryker.com/Terms_Conditions/index.html.



TO: Mayor and City Council
FROM: Kirk McDaniel, Director of Economic Development
DATE: December 2, 2024
ITEM: 15
DESCRIPTION: Discuss and consider action to reject all bids and not awarding the contract for Project #BP-001 Ballfield Improvements for Bearden Park.

INTRODUCTION

This agenda item is to discuss the results of the City's Request for Proposals for the Project #BP-001 - Ballfield Improvements for Bearden Park.

BACKGROUND

On August 20, 2024, a Request for Proposals was issued for Ballfield Improvements for Bearden Park. Mammoth / Sports Field Companies provided a proposal, and Pine Tar Sports provided a proposal. The Proposals were then evaluated and scored by City Staff in the attached evaluation criteria. The Mammoth / Sports Field Companies proposal had an estimated cost of \$9 million. The Pine Tar Sports proposal failed to provide the proposed staffing, business plan, timing, or references.

FINANCIAL IMPACT

The Mammoth/Sport Field Companies proposal has an estimated budget impact of \$9 million. The Pine Tar Sports proposal has an estimated budget impact of \$0.

RECOMMENDATION

City Staff recommends rejecting all bids and not award a contract at this time.

ATTACHMENTS

1. Project #BP-001 Scoring Matrix

**City of Seagoville
Bearden Park RFP BP-001**

Weighted Rating	25	10	10	25	15	5	10	
Evaluation Criteria	General Qualifications	Relevant Experience	Proposed Staffing	Pricing	Proposed Approach	Responsiveness	References	Weighted Score
Mammoth + SFC	4.67	4.67	2.33	1.67	4.67	4.67	5.00	371.67
Pine Tar Sports	3.00	3.67	0.00	4.00	1.33	1.00	0.00	236.67

Each criteria scored from 0 to 5 by independent members of City Staff. Scores shown above represent the average score.

- 0 = Not Satisfied
- 1= Weak Satisfaction
- 2= Slight Satisfaction
- 3= Moderate Satisfaction
- 4= Satisfied
- 5= High Satisfaction



TO: Mayor and City Council

FROM: Kirk McDaniel, Director of Economic Development

DATE: December 2, 2024

ITEM: 16

DESCRIPTION: Discuss and consider ratifying a Resolution approving the Purchase and Sale Agreement by and between Tomaino Properties, LP and the Seagoville Economic Development Corporation (SEDC) for the purchase by the SEDC of the real property and improvements described as an approximately 0.185 acre tract 22 out of the Henry D. Bonannon Survey, Abstract 178, Page 105, City of Seagoville, Dallas County, Texas and being commonly known as 202 N. Kaufman Street; and authorizing and ratifying execution of the agreement by the SEDC Executive Director.

INTRODUCTION

The purpose of this item is for ratification an SEDC resolution approving the purchase of 202 North Kaufman Street in downtown Seagoville.

BACKGROUND

On September 12, 2024, the SEDC Board authorized the Executive Director to enter into a purchase and sale agreement regarding property located at 202 N Kaufman Street, Seagoville Texas. Staff worked with the current property owner to negotiate a purchase and sale agreement, and begin the inspection period. During this period, Staff has commissioned an appraisal, and an asbestos survey of the property.

The appraisal indicated a market value of Four Hundred and Seventy Thousand Dollars (\$470,000) for the property. The agreed upon purchase price for the property was Two Hundred Thirty Seven Thousand Five Hundred Dollars (\$237,500).

The asbestos survey found one positive result from floor panels in the old vault. It is currently estimated to cost less than \$3,000 to abate the asbestos.

RECOMMENDATION

Staff recommends approval of the purchase of 202 North Kaufman Street.

ATTACHMENTS

1. Resolution
2. Appraisal
3. Asbestos Survey

A RESOLUTION OF THE CITY OF SEAGOVILLE, TEXAS

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS APPROVING AND RATIFYING A PURCHASE AND SALE AGREEMENT BETWEEN THE SEAGOVILLE ECONOMIC DEVELOPMENT CORPORATION AND TOMAINO PROPERTIES, LP FOR THE PURCHASE BY THE SEDC OF THE REAL PROPERTY AND IMPROVEMENTS DESCRIBED AS AN APPROXIMATELY 0.185 ACRE TRACT 22 OUT OF THE HENRY D. BONANNON SURVEY, ABSTRACT 178, PAGE 105, CITY OF SEAGOVILLE, DALLAS COUNTY, TEXAS AND BEING COMMONLY KNOWN AS 202 N. KAUFMAN STREET; AUTHORIZING AND RATIFYING EXECUTION OF THE AGREEMENT BY THE SEDC EXECUTIVE DIRECTOR; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR A SAVINGS CLAUSE AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City is required to approve expenditures of the Seagoville Economic Development Corporation (“SEDC”); and

WHEREAS, the Board of Directors of the SEDC has previously approved a Project for the purchase of real property and improvements situated thereon located at 202 North Kaufman Street in the City of Seagoville and the related real estate purchase contract between the SEDC and Tomaino Properties, LP for aid purchase (the “Project”); and

WHEREAS, the City Council has determined that the Project contemplated by SEDC as set forth in the Purchase and Sale Agreement will promote and retain new and expanded business enterprises within the City of Seagoville; and

WHEREAS, the City Council finds that the expenditure of funds by SEDC in undertaking the Project is authorized by the Act and that the Project should be approved and authorized; and

WHEREAS, the City Council has conducted two (2) readings of this resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS THAT:

SECTION 1. The purchase and sale agreement between the Seagoville Economic Development Corporation and Tomaino Properties, LP for the real property located at 202 North Kaufman Street for a price not to exceed \$237,500 is hereby approved and the SEDC’s actions related thereto are hereby approved and ratified.

SECTION 2. This Resolution shall take effect immediately upon passage.

DULY PASSED by the City Council of the City of Seagoville, Texas, on 2nd day of December, 2024.

APPROVED:

Lackey Stepper Sebastian, Mayor

ATTEST:

Sara Egan, City Secretary

APPROVED AS TO FORM:

Chris Metcalf, Asst. City Attorney

APPRAISAL REPORT
RETAIL BUILDING
202 NORTH KAUFMAN STREET
SEAGOVILLE, DALLAS COUNTY, TEXAS 75159

FOR

NICHOLS JACKSON
500 NORTH AKARD
DALLAS, TEXAS 75201



16910 DALLAS PARKWAY, SUITE 100
DALLAS, TEXAS 75248

October 18, 2024

Mr. Kirk McDaniel
Nichols Jackson
500 North Akard
Dallas, Texas 75201

Re: An appraisal of a retail building located at 202 North Kaufman Street, Seagoville, Dallas County, Texas, 75159.

Dear Mr. McDaniel:

At your request, we submit this appraisal report to estimate the market value of the above referenced property. We have made an on-site inspection of the property and considered factors pertinent to and indicative of value including the Seagoville area characteristics, market area data and trends, locational amenities, highest and best use, and other elements of value. This report conforms to USPAP standards.

The appraisal problem, as applied to the subject, is to determine the property's market value. "The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeable, and for self-interest, and assuming that neither is under undue duress." The Appraisal of Real Estate, 15th Edition, 2020, Appraisal Institute, Chicago, Illinois.

This appraisal provides an appraisal report in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP), as provided by the Appraisal Foundation. Our opinion of value for the subject is effective as of October 9, 2024, and the methodology and terminology used throughout the report includes the following:

Market Value, As Is on the Appraisal Date – An opinion of the market value of a property in the condition observed upon inspection and as it physically and legally exists without hypothetical conditions, assumptions, or qualifications as of the date the appraisal is prepared.

Our opinions of the leased fee market value for the subject are as follows:

Market Value Opinion
Fee Simple, As Is

\$ 470,000

Page 2

Mr. Kirk McDaniel

October 18, 2024

The following report sets forth a description of the subject property, along with a summary of the market data considered and the conclusions derived from such data. Your attention is directed to the general assumptions and limiting conditions of this appraisal.

If you should have questions concerning any portion of this appraisal, please contact our office.

Respectfully submitted,

PYLES WHATLEY



Richard McBride

State of Texas Certification #TX-1380335-G



Joshua Moss

State of Texas Certification #TX-1381439-G

SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS



Subject Property	Retail Building
Location	202 North Kaufman Street Seagoville, Dallas County, Texas
Land Area (Field Measurements)	8,058 SF 0.185 AC
Zoning	C (Commercial)
Gross Building Area	2,780 SF (Field Measurements)
Retail Building	2,584 SF
Storage/Smokehouse Building	196 SF
Year of Construction	1951
Reasonable Exposure Time	12 months
Reasonable Marketing Period	12 months
Market Value Indicators	<u>As-Is</u>
Cost Approach	N/A
Sales Comparison Approach	\$475,000
Income Capitalization Approach	\$460,000
Market Value Opinion	
Fee Simple, As Is	\$ 470,000
Date of Appraisal Value	October 9, 2024
Date of Inspection	October 9, 2024
Date of Appraisal Report	October 18, 2024

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Purpose of the Appraisal

The purpose of this appraisal is to render an opinion of the market value of the subject property. The report complies with the requirements of the Uniform Standards of Professional Appraisal Practice, the Code of Ethics of the Appraisal Institute, and the Texas Appraiser Licensing Certification Board.

The appraisal problem, as applied to the subject, is to determine the property's market value. "The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeable, and for self-interest, and assuming that neither is under undue duress." The Appraisal of Real Estate, 15th Edition, 2020, Appraisal Institute, Chicago, Illinois.

Effective Date of the Appraisal

The subject property is being appraised as of October 9, 2024, and is subject to the market influences and economic conditions, which existed on that date. This date is also known as the effective date and is the date of the opinions and conclusions found in this report. The property was also inspected and photographed on October 9, 2024, which included a visual observation of the site and any improvements. The date of this appraisal report is October 16, 2024.

Property Rights Appraised

The property rights are an enforceable, legal claim to title of or interest in property. Three primary property rights may typically be appraised. The rights are fee simple estate, leased fee estate, and leasehold estate, which are defined as follows:

Fee Simple Estate - Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

Leased Fee Estate - The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.

Leasehold Estate - The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.

In this report, we develop a market value opinion of the *leased fee interest* in the real property.

Subject Identification & Legal Description

Property Type:	Retail Building
Ownership:	Tomaino Properties, L.P.
Subject Property Location:	202 North Kaufman Street Seagoville, Dallas County, Texas
Zip Code:	75159
Legal Description:	All that certain lot tract or parcel of land situated in the Samuel Andrews Survey, Abstract No. 39, Dallas County, Texas

Subject History

According to the Dallas Central Appraisal District records, the current owner is Tomaino Properties, L.P. The subject transferred to Tomaino Properties, L.P. from John J. Tomaino on June 15, 2006, as recorded in Instrument Number 200600227192, deed records of Dallas County, Texas. The transaction was for an unknown price. Due to the grantor and grantee names, the transaction appears to be non-arm's length. According to public records, there have been no other transfers of the subject property within the past three years.

The retail building is an empty space for potential development. The property is being purchased by the Seagoville Economic Development Committee (EDC) to develop the downtown area. According to the director of economic development, the property is likely to be either a retail building or a restaurant.

Please note that this information is included only to satisfy the requirements of USPAP. It is not intended as a guarantee to the chain of title and a title search should be performed by a title company should a definitive abstract be desired.

Intended Use, Intended User, and Client

The intended use of this report is for internal decision-making and analyses for Nichols Jackson's officers, administrators, employees, assignees, and appropriate regulatory agencies. The intended user, Nichols Jackson, is also the client. The City of Seagoville is also a user. Any other user or uses are not intended or authorized. Use of this appraisal for any other use or by another user or appraisal date may invalidate the findings and conclusions.

Data Researched

For this report, the subject market was researched for all pertinent data relating to the appraisal problem including: collecting and confirming data through brokers, appraisers, property owners, lessees/lessors, and others familiar with the real estate market. The information provided by these sources is deemed reliable, but is not guaranteed.

In addition, verifiable third party sources were utilized including Costar Realty Information, Roddy Information Services, LoopNet, and the Multiple Listing Service (MLS). Additional market data were extracted from market reports and data circulated and purchased from Robert G. Watts/RealtyRates.com, Real Estate Research Corporation, Price Waterhouse Coopers Investor Survey, and M/PF Yieldstar. The information provided by these sources is deemed reliable, but is not guaranteed.

Competency

The appraisers involved in this assignment have considerable experience in appraising this property type. The appraisers are actively engaged in appraisal work in the geographical area of the subject property. The company maintains a database on this area for similar properties. We have adequate knowledge of the property type and location to meet the competency requirements of the Uniform Standards of Professional Appraisal Practice.

In addition, other appraisers in the market would perform similar actions in the appraisal process to fulfill the scope of work in this assignment and the appraisal meets or exceeds the expectations of parties who are regularly intended users for similar assignments.

Scope of Work

Richard McBride and/or Joshua Moss performed all aspects of this report, which included the following:

- Communicated with Victoria Thomas, of Nichols Jackson, regarding the appraisal assignment; a narrative appraisal report meets the client's requirements.
- Communicated with Kirk McDaniel, the Seagoville Director of Economic Development, regarding the history and the condition of the subject.
- Researched the public records for data on the subject property, including zoning, assessments, taxes, acreage, buildings and site improvements, and maps.
- A preliminary search of all available resources was made to determine market trends, influences, and other significant factors pertinent to the subject property. The property is identified previously in this report.
- Joshua Moss inspected the subject property and subject neighborhood on October 9, 2024; photographs were taken of the subject and the comparable sales and income properties. Richard McBride inspected the subject property at a subsequent date. Although due diligence was exercised while inspecting the property, the appraisers are not experts in such matters as soils, structural engineering, hazardous waste, etc., and no warranty is given as to these elements. The Seagoville Director of Economic Development, Kirk McDaniel, was present during the inspection.
- Research and collection of data (improved sales, escrow sales, listings, and income) were performed as present in the market area and of sufficient quality to express an opinion of value as defined herein. The appraiser examined data from the Costar Realty Information, Roddy Information Services, LoopNet, Multiple Listing Service (MLS), county records, and owner interviews.
- An analysis of the highest and best use was completed.
- Gathered and analyzed the market data to reach an estimate of market value for the fee simple interest of the subject, using the cost, sales comparison and income capitalization approaches to value.
- Assembled and wrote the narrative report, complete with maps, photos, and supporting addenda.

DEFINITION OF MARKET VALUE

The definition of market value is:

“The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeable, and for self-interest, and assuming that neither is under undue duress.” *

* The Appraisal of Real Estate, 15th Edition, 2020, Appraisal Institute, Chicago, Illinois, p. 58

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

The Uniform Standards of Professional Appraisal Practice and the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute require the appraiser to "set forth all assumptions and limiting conditions that affect the analyses, opinions, and conclusions in the report". In compliance therewith, and to assist the reader in interpreting this report, such general assumptions and limiting conditions are set forth below. Specific assumptions, if any, are referred to in the transmittal letter and their location in the report detailed.

Title is assumed to be marketable, free, and clear of all liens and encumbrances, easements, and restrictions except those specifically discussed in the report. The property is appraised assuming it to be under responsible ownership and competent management and available for its highest and best use.

No opinion is intended to be expressed for legal matters or that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers, notwithstanding the fact that such matters may be discussed in the report.

No opinion is expressed on the value of subsurface oil, gas or mineral rights, water rights, or whether the property is subject to surface entry for the exploration or removal of such, except as expressly stated.

The date of value to which the opinions expressed in this report apply is set forth in the letter of transmittal. The appraiser assumes no responsibility for economic or physical factors occurring at some later date, which may affect the opinions herein stated. The opinion of value is considered reliable only as of the date of the appraisal.

The valuation is reported in dollars of U.S. currency prevailing on the date of the appraisal.

Maps, plats, and exhibits included herein are for illustration only as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose unless specifically identified as such.

All information and comments pertaining to this, and other properties included in the report represent the personal opinion of the appraiser, formed after examination and study of the subject and other properties. While it is believed the information, estimates and analyses are correct, the appraiser does not guarantee them and assumes no liability for errors in fact, analysis, or judgment.

Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which they are connected, or any reference to the Appraisal Institute or to the MAI or SRA designation) shall be disseminated to the public through advertising media, public relations media, sales media, or any other public means of communication without written consent and approval of the undersigned.

The appraiser is not required to give testimony or to appear in court by reason of this appraisal, unless prior arrangements have been made.

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

The distribution of the total valuation in this report between land and improvements applies only under the existing or proposed/completed program of utilization. The separate valuations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.

Certain information concerning market and operating data were obtained from others. This information is verified and checked, where possible, and is used in this appraisal only if it is believed to be accurate and correct. However, such information is not guaranteed.

Opinions of value contained herein are opinions only. There is no guarantee, written or implied, that the subject property will sell for such amounts. Prospective values are based on market conditions as of the effective date of the appraisal. The appraiser is not responsible if unforeseeable events alter market conditions subsequent to the effective date of the appraisal. As a personal opinion, valuation may vary between appraisers based on the same facts.

No responsibility for hidden defects or conformity to specific governmental requirements, such as fire, building and safety, earthquake, or occupancy codes can be assumed without provision of specific professional or governmental inspections. While the general conditions of the property were observed, no guarantee can be made concerning the individual components of the structures including but not limited to the heating system, plumbing, electrical services, roof, possible termite damage or building foundation. This appraiser is not qualified to make a complete inspection of any well or septic system, consequently, it was beyond the scope of this report and no statements can be made concerning the adequacy or condition of these or other systems.

No investigation - unless presented in other sections of this report - was made by the appraiser to determine if asbestos, fiberglass, or synthetic mineral fiber products are present in improved properties. The existence of such products, if any, would have to be determined by a qualified inspector. It is assumed that there is no asbestos, fiberglass, synthetic mineral fiber products, nor other contaminants present that would materially affect value.

The Americans with Disabilities Act (ADA) became effective January 26, 1992. I have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the act. If so, this fact could have a negative effect upon the value of the property. Since I have no direct evidence relating to this issue, I did not consider possible noncompliance with the requirements of ADA in estimating the value of the property.

No investigation - unless presented in other sections of this report - was made by the appraiser to determine if any toxic materials are present on the subject tract. The existence of such materials, if any, would have to be determined by a qualified inspector. It is assumed that no toxic materials are present that would materially affect value or development costs.

A reasonable investigation was made to determine the existence of any underground storage tanks (UST) on the subject site. If USTs are present on the subject site details are provided in other sections of this report.

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

In the event the appraisal is based upon proposed improvements, it is assumed that the improvements will be completed in substantial conformity with plans and specifications, which have been furnished to the appraiser, and with good materials and workmanship. It is also assumed that the proposed foundation and construction techniques are adequate for the existing sub-soil conditions.

Due to the multiplicity of mathematical calculations used in standard appraisal practice, rounded values, e.g., rounded to whole dollars or whole units of measure such as linear feet or square feet, may result in inexact sums of components. The typical difference in such cases does not materially affect the value conclusions of this appraisal report or the total compensation due to the property owner.

Personal property, fixtures, or intangible items that are not real property, which are included in the appraisal, are identified as Furniture, Fixtures and Equipment, or FF&E.

EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS

Extraordinary Assumptions and Hypothetical Conditions: The Uniform Standards of Professional Appraisal Practice require the disclosure of hypothetical conditions and extraordinary assumptions when employed in the development of an appraisal. As defined in the Uniform Standards of Professional Appraisal Practice, an extraordinary assumption is “an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions.” As defined in the Uniform Standards of Professional Appraisal Practice, a hypothetical condition is “a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for the purpose of analysis.” *The following extraordinary assumptions and hypothetical conditions are set forth for appraisal purposes and no legal reasoning is intended. The reader should be aware, that, in the event that any of the assumptions or conditions proves false or improperly applied, the conclusions of this appraisal could be changed or invalidated.*

EXTRAORDINARY ASSUMPTIONS

None

HYPOTHETICAL CONDITION

None

DEFINITIONS AND TERMS

Various terms and symbols are used throughout the appraisal report. The following are definitions of the terms and explanations of the symbols used:

Anticipation – The perception that value is created by the expectation of benefits to be derived in the future.

Business Enterprise Value – The value contribution of the total intangible assets of a continuing business enterprise such as marketing and management skill, an assembled workforce, working capital, trade names, franchises, patents, trademarks, contracts, leases, customer base, and operating agreements.

Deferred Maintenance – Items of wear and tear on a property that should be fixed now to protect the value or income-producing ability of the property. These items are almost always curable.

Going Concern, Market Value of the – The market value of an established and operating business including the real property, personal property, financial assets, and the intangible assets of the business.

Grantee – A person to whom property is transferred by deed or to whom property rights are granted by a trust instrument or other document.

Grantor – A person who transfers property by deed or grants property rights through a trust instrument or other document.

Highest and Best Use – The reasonably probable use of property that results in the highest value.

Interim Use – The temporary use to which a site or improved property is put until a different use becomes maximally productive.

Investment Value – The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market.

Lessee – One who has the right to occupancy and use of the property of another for a period of time according to a lease agreement.

Lessor - One who conveys the rights of occupancy and use to others under a lease agreement.

Market Price - The amount actually paid, or to be paid, for a property in a particular transaction. Differs from market value in that it is an accomplished or historic fact, whereas market value is and remains an estimate until proven. Market price involves no assumption of prudent conduct by the parties, or absence of undue stimulus, or of any other condition basic to the market value concept.

DEFINITIONS AND TERMS

Market Rent - The rental income that a property would most probably command on the open market as indicated by current rentals being paid for comparable space as of the effective date of the appraisal.

Market Value - See Definition of Market Value section

Present Value - The current monetary value. It is the today's cash lump sum, which represents the current value of the right to collect future payments. It is the discounted value of aggregate future payments.

Property Rights – An enforceable, legal claim to title of or interest in property. The rights may be in real property or personal property.

Property Rights Adjustment – An adjustment made to the indicated property value if the value of the property is not at market occupancy or market rent.

Surplus Land - In regard to an improved site, the land not necessary to support the highest and best use of the existing improvements, but because of physical limitations, building placement, or neighborhood norms, cannot be sold off separately. Such land may or may not contribute positively to value and may or may not accommodate future expansion of an existing anticipated improvement.

Utility – The ability of a product to satisfy a human want, need, or desire.

Abbreviations

SF = square feet	PSF or /SF = per square foot	FF = front feet
LF = lineal feet	AC = acres	ROW = right of way
RR = railroad	CBD = central business district	GI = gross income
EGI = effective gross income	NOI = net operating income	PV = present value
OAR or R_o = overall capitalization rate	EDR or R_E = equity dividend rate	UA = usable area
GBA = gross building area	RA = rentable area	\pm = plus, or minus from amount stated

Source of Definitions: The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022.

STAGES OF VALUE

During the real estate development process, a property typically progresses from a state of unimproved land to construction of improvements to stabilized occupancy. In general, the market value associated with the property increases during these stages of development. After reaching stabilized occupancy, ongoing forces affect the property during its life, including physical wear and tear, changing market conditions, etc. These factors continually influence the property's market value at any given point in time. Opinions of value are developed on the basis of one or more of the following:

Market Value, As Is on the Appraisal Date – An opinion of the market value of a property in the condition observed upon inspection and as it physically and legally exists without hypothetical conditions, assumptions, or qualifications as of the date the appraisal is prepared.

Market Value, As If Complete on the Appraisal Date – The market value of a property with all construction, conversion, or rehabilitation hypothetically completed, or under other specified hypothetical conditions as of the date of appraisal. With regard to properties wherein anticipated market conditions indicate that stabilized occupancy is not likely as of the date of completion, this opinion of value should reflect the market value of the property as if complete and prepared for occupancy by tenants.

Prospective Future Value Upon Completion of Construction – The prospective future value of a property on the date construction is completed, based upon market conditions forecast to exist as of that completion date. The value estimate at this stage of value is stated in current dollars unless stated otherwise.

Prospective Future Value Upon Reaching Stabilized Occupancy – The prospective future value of a property at a point in time when all improvements have been physically constructed and the property has been leased to its optimum level of long-term occupancy. The opinion of value at this stage of value is in current dollars unless stated otherwise.

Retrospective Value, As of Appraisal Date – An opinion of the market value of a property that is likely to have applied as of a specific historic date and as it physically and legally existed without hypothetical conditions, assumptions, or qualifications as of the specific historic date. The opinion of value at this stage of value is in current dollars unless stated otherwise.

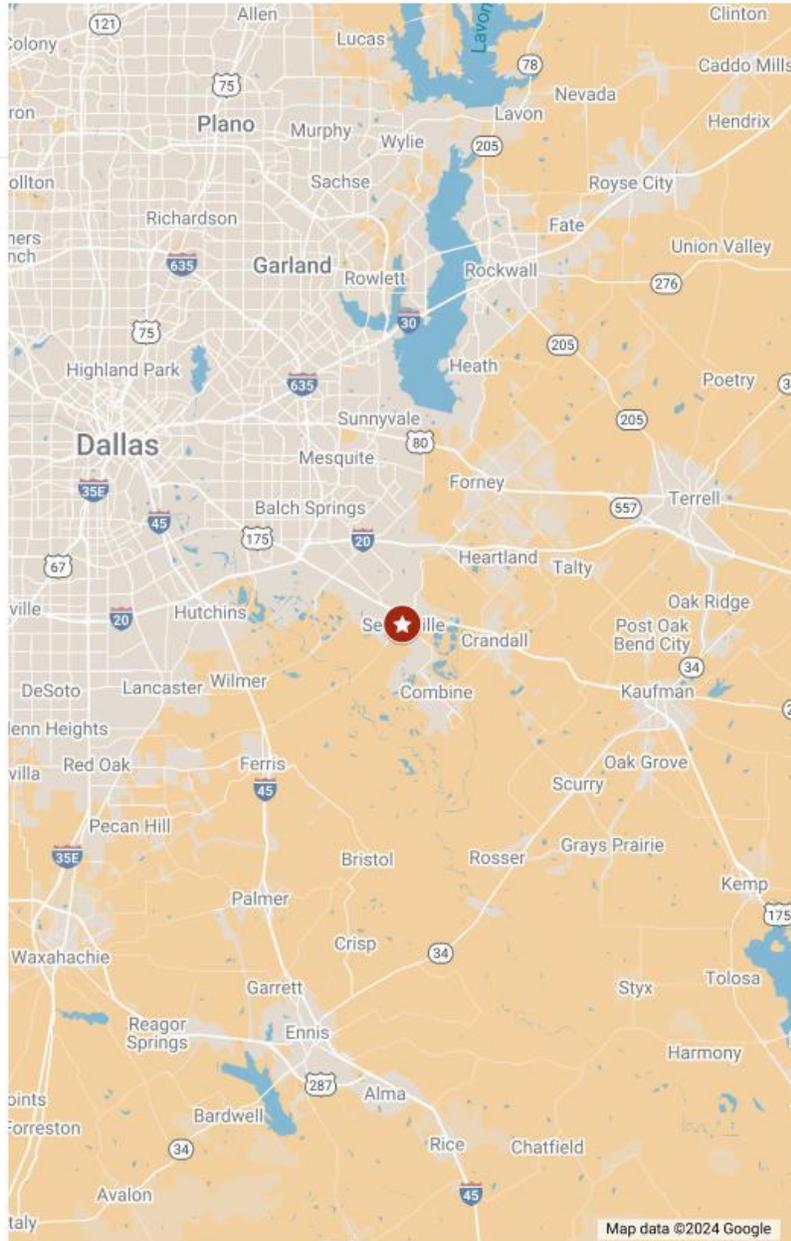
The stages of value utilized in this report are as follows: *market value, as is, on the appraisal date*.

Regional Map

Subject



202 N Kaufman St



DALLAS/FORT WORTH METROPOLITAN AREA ANALYSIS

The subject property in this report is located in the Dallas/Fort Worth Metropolitan Area, one of the major financial and population centers in the nation. Therefore, an overview of the Metroplex is appropriate.

DALLAS/FORT WORTH METROPOLITAN AREA ANALYSIS

Downtown Dallas



Downtown Fort Worth



Photograph Courtesy of the Dallas Convention & Visitors Bureau

CLASSIFICATION

The classifications represented in the Dallas/Fort Worth area are:

Metropolitan Statistical Area (MSA) and Metropolitan Division (MD)

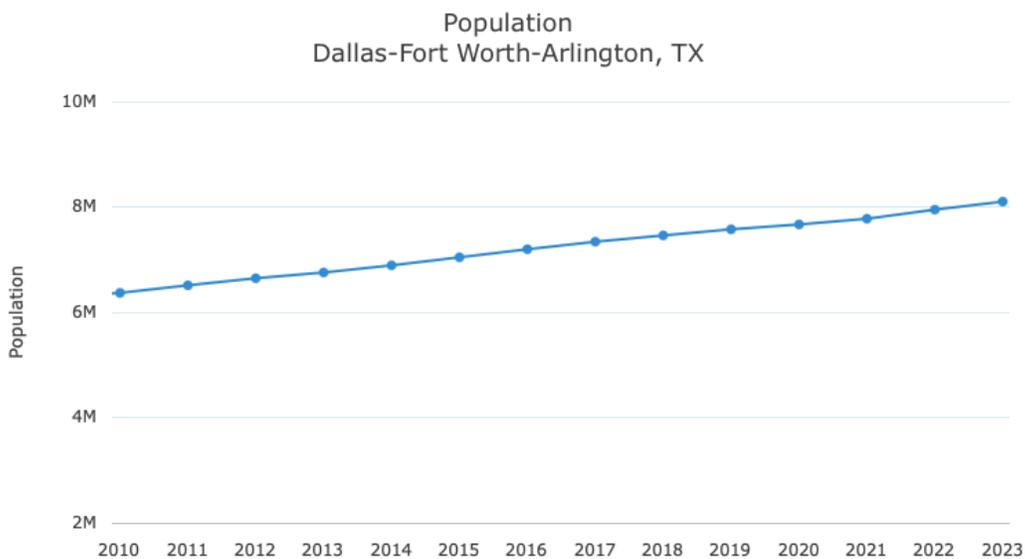
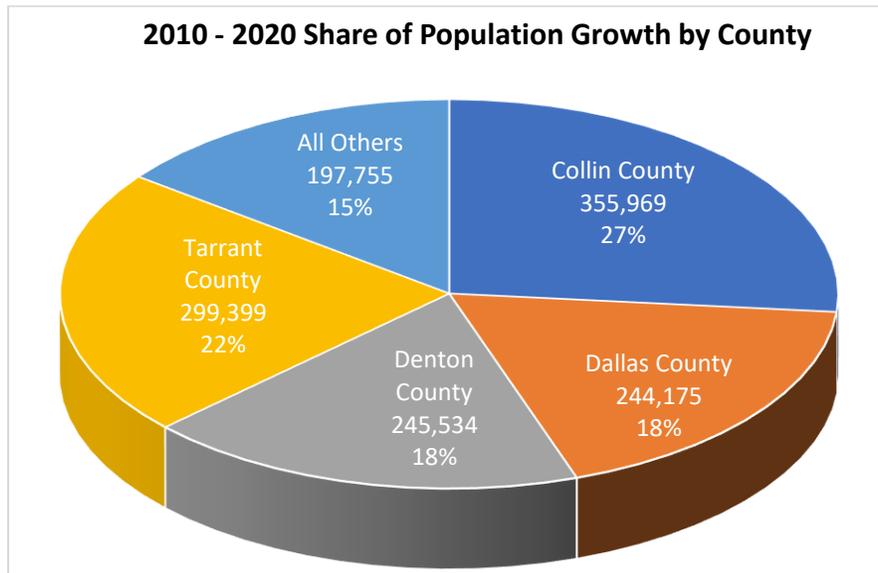


With a population of over 7.9 million in 2023, Dallas/Fort Worth and the surrounding area is the fourth largest MSA under this classification. The DFW MSA is comprised of two Metropolitan Divisions: Dallas-Plano-Irving (or Dallas MD) on the east and Fort Worth-Arlington (or Fort Worth MD) on the west. The Dallas MD includes Collin, Dallas, Denton, Ellis, Hunt, Kaufman, and Rockwall Counties with a 2023 estimated population of over 5.3 million. Fort Worth MD is comprised of Johnson, Parker, Tarrant, and Wise Counties with a 2023 estimated population of over 2.6 million. The DFW MSA has grown 21.3% since 2010, with Collin, Denton, Kaufman, and Rockwall experiencing the greatest growth.

Demographics/Population

The DFW MSA is the fourth largest metro area in the nation and larger than 33 US states. Dallas is the third largest city in Texas and ninth in the nation. Dallas County is the eight most populous county in the nation at 2,598,864 persons. Fort Worth ranks as the fifth largest city in the state of Texas and twelfth in the United States. The city serves as the county seat for Tarrant County which consists of a 2023 population estimate of 2,162,241. The Dallas-Fort Worth-Arlington metropolitan population is estimated at 7,986,356, according to the U.S. Census Bureau's 2023 population estimates. The MSA has more than 2,750,000 households.

The breakdown of growth by the four major counties of the MSA is as follows:



Source: Texas A&M University

DALLAS/FORT WORTH METROPOLITAN AREA ANALYSIS

The subsequent table illustrates growth trends, in total numbers and annualized percentages, of all the major cities, suburbs, and statistical regions from 2000 to 2023 estimate, with a 2028 estimate.

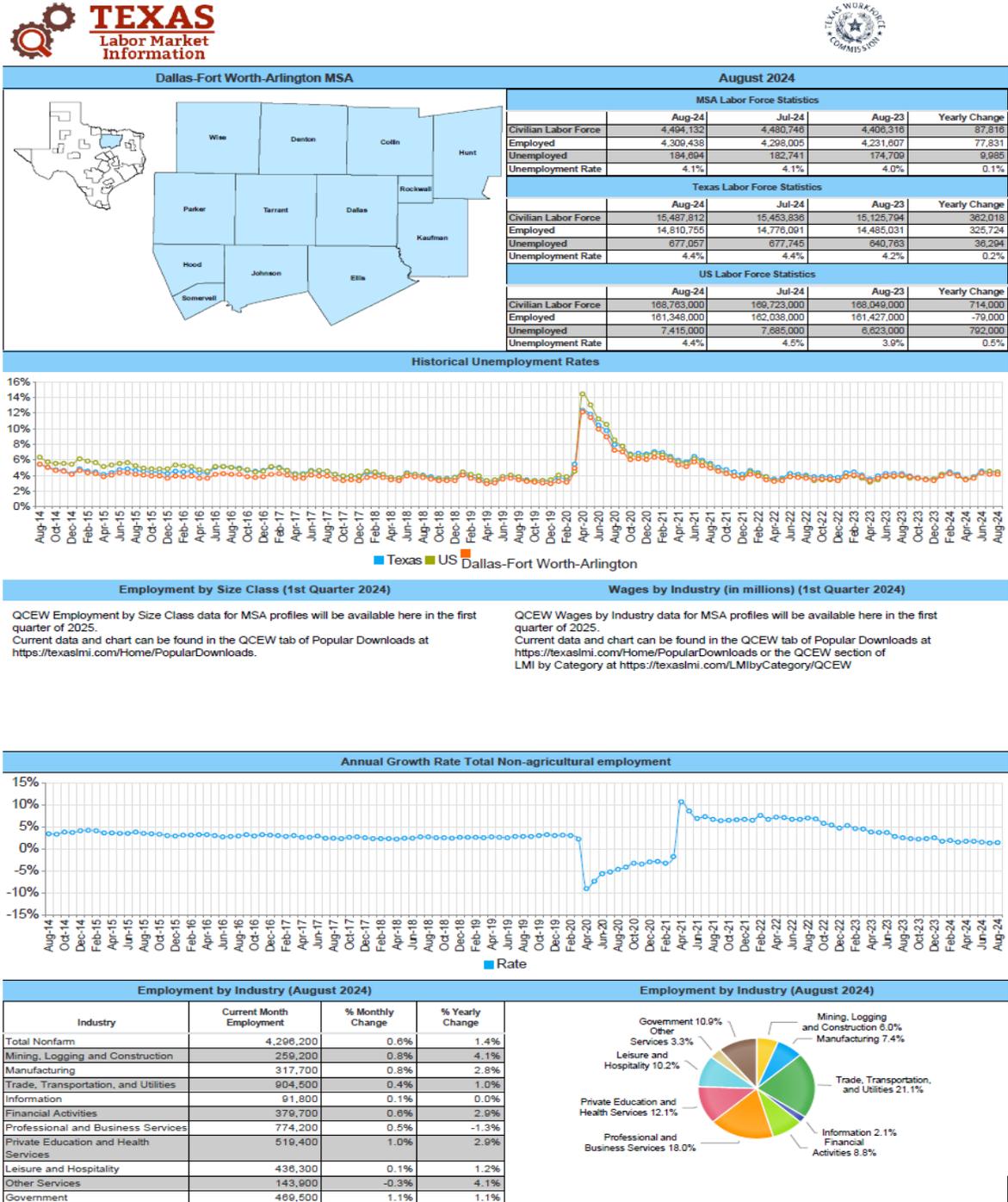
POPULATION ANNUALIZED GROWTH RATES						
AREA	2000	2010	2020	2023 (est.)	2028 (est.)	2010-2020 Change
DFW MSA	5,156,410	6,294,555	7,637,387	7,986,356	8,522,646	21.3%
Dallas MD	3,444,276	4,156,759	5,129,966	5,381,738	5,766,235	23.4%
Collin County	491,676	708,496	1,064,465	1,169,881	1,287,237	50.2%
Dallas County	2,219,132	2,369,364	2,613,539	2,598,864	2,706,011	10.3%
Denton County	430,999	660,888	906,422	987,504	1,076,444	37.2%
Ellis County	111,294	150,049	192,455	214,708	235,908	28.3%
Hunt County	76,602	86,129	99,956	109,682	118,503	16.1%
Kaufman County	71,493	103,325	145,310	175,592	200,839	40.6%
Rockwall County	43,080	78,508	107,819	125,507	141,293	37.3%
Fort Worth MD	1,712,134	2,137,796	2,507,421	2,604,618	2,756,411	17.3%
Johnson County	126,822	150,501	179,927	197,889	214,542	19.6%
Parker County	88,447	116,927	148,222	168,353	185,646	26.8%
Tarrant County	1,448,085	1,811,241	2,110,640	2,162,241	2,273,330	16.5%
Wise County	48,780	59,127	68,632	76,135	82,893	16.1%
Allen	41,942	84,358	104,627	114,696	126,243	24.0%
Arlington	334,292	364,654	394,266	402,677	423,353	8.1%
Carrollton	111,272	118,618	133,434	139,426	149,587	12.5%
Dallas	1,182,168	1,195,311	1,304,379	1,303,927	1,362,657	9.1%
Denton	84,147	115,922	139,869	151,160	164,248	20.7%
Desoto	37,482	49,121	56,145	55,722	58,012	14.3%
Eules	44,311	50,879	61,032	62,335	65,556	20.0%
Flower Mound	51,414	65,653	75,956	82,514	89,973	15.7%
Fort Worth	545,356	744,121	918,915	947,584	990,493	23.5%
Frisco	35,022	117,690	200,509	221,595	242,995	70.4%
Garland	214,822	226,859	246,018	244,797	255,017	8.4%
Grand Prairie	126,730	174,726	196,100	198,103	207,119	12.2%
Irving	191,011	214,695	256,684	254,432	264,947	19.6%
Lewisville	77,544	96,643	111,822	121,576	132,515	15.7%
Mansfield	27,239	56,504	72,602	75,244	79,308	28.5%
McKinney	54,953	132,654	195,308	215,048	236,515	47.2%
Mesquite	125,619	139,705	150,108	149,261	155,498	7.4%
North Richland Hills	56,244	62,609	69,917	72,438	76,190	11.7%
Plano	223,856	258,733	285,494	311,235	342,516	10.3%
Richardson	92,063	98,243	119,469	123,181	130,448	21.6%
Rowlett	44,474	55,703	62,535	63,924	97,281	12.3%
Southlake	20,464	25,757	31,265	31,861	33,539	21.4%
Wylie	16,540	43,637	57,526	63,126	69,441	31.8%

Source: EASIDemographics.com

DALLAS/FORT WORTH METROPOLITAN AREA ANALYSIS

EMPLOYMENT AND ECONOMIC BASE

According to the Texas Workforce Commission, the following exhibit summarizes the labor statistics for the DFW MSA related to employment, unemployment, and labor force. Recent decreases in unemployment are a direct result of the recovery from the COVID-19 pandemic. Prior to the onset of the pandemic, the area was experiencing stable growth.

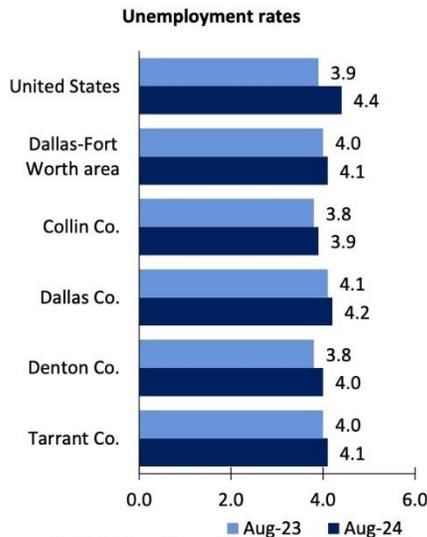


Dallas-Fort Worth Area Economic Summary

Updated October 08, 2024

This summary presents a sampling of economic information for the area; supplemental data are provided for regions and the nation. Subjects include **unemployment, employment, wages, prices, spending, and benefits**. All data are not seasonally adjusted and some may be subject to revision. Area definitions may differ by subject. For more area summaries and geographic definitions, see www.bls.gov/regions/economic-summaries.htm.

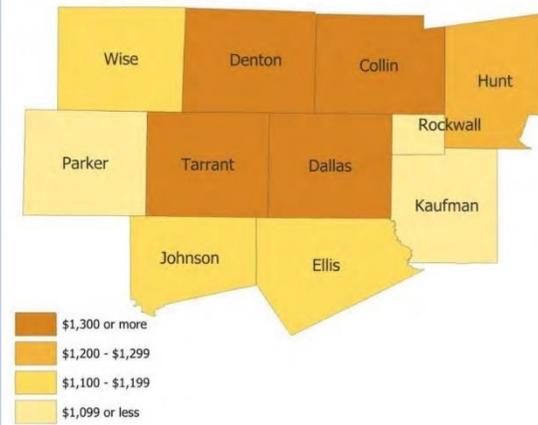
Unemployment rates for the nation and selected areas



Source: U.S. BLS, Local Area Unemployment Statistics.

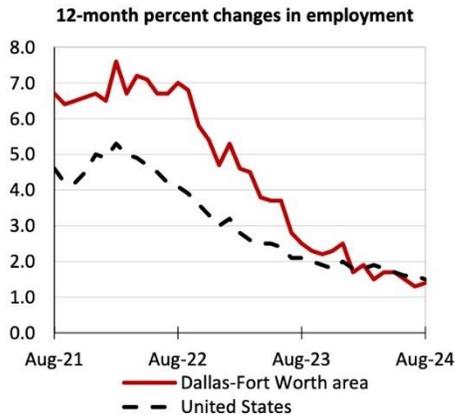
Average weekly wages for all industries by county

Dallas-Fort Worth area, first quarter 2024
(U.S. = \$1,527; Area = \$1,654)



Source: U.S. BLS, Quarterly Census of Employment and Wages.

Over-the-year changes in employment on nonfarm payrolls and employment by major industry sector



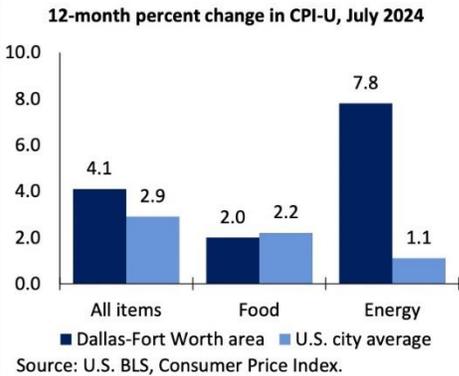
Source: U.S. BLS, Current Employment Statistics.

Dallas-Fort Worth area employment (number in thousands)	Aug. 2024	Change from Aug. 2023 to Aug. 2024	
		Number	Percent
Total nonfarm	4,296.2	58.7	1.4
Mining, logging, and construction	259.2	10.1	4.1
Manufacturing	317.7	8.8	2.8
Trade, transportation, and utilities	904.5	9.0	1.0
Information	91.8	0.0	0.0
Financial activities	379.7	10.7	2.9
Professional and business services	774.2	-10.3	-1.3
Education and health services	519.4	14.6	2.9
Leisure and hospitality	436.3	5.2	1.2
Other services	143.9	5.7	4.1
Government	469.5	4.9	1.1

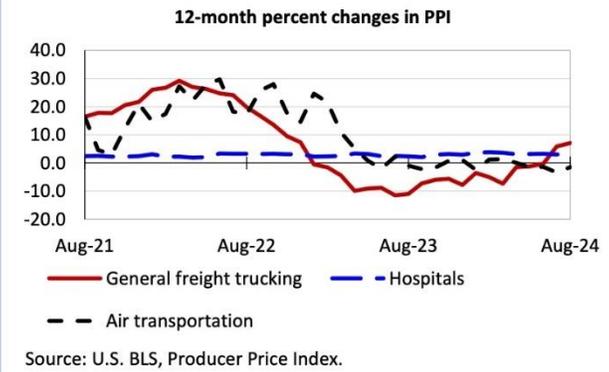


DALLAS/FORT WORTH METROPOLITAN AREA ANALYSIS

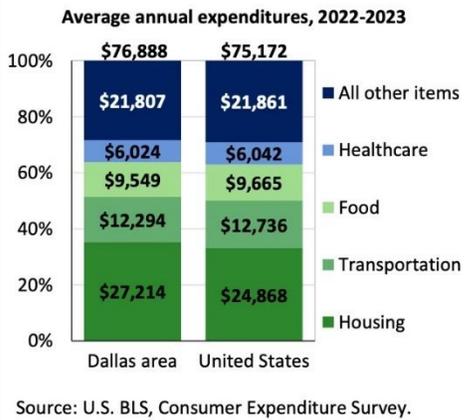
Over-the-year change in the prices paid by urban consumers for selected categories



Over-the-year changes in the selling prices received by producers for selected industries nationwide



Average annual spending and percent distribution for selected categories



Average hourly wages for selected occupations

Occupation	Dallas-Fort Worth area	United States
All occupations	\$31.66	\$31.48
Human resources managers	72.50	74.39
Registered nurses	45.31	45.42
Accountants and auditors	43.33	43.65
Construction laborers	19.47	23.69
Retail salespersons	16.71	17.64
Cooks, fast food	14.41	14.31

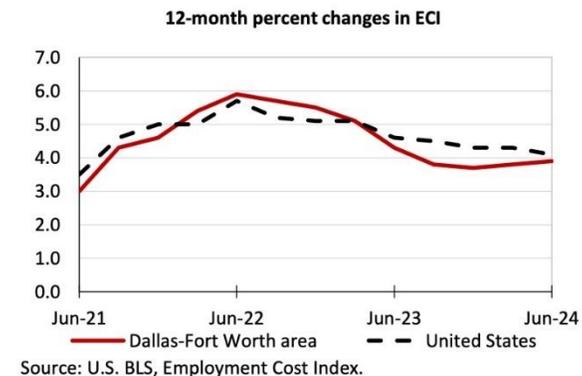
Source: U.S. BLS, Occupational Employment and Wage Statistics, May 2023.

Employer costs per hour worked for wages and selected employee benefits by geographic division

Private industry, June 2024	West South Central	United States
Total compensation	\$39.09	\$43.94
Wages and salaries	28.14	30.90
Total benefits	10.95	13.04
Paid leave	2.75	3.30
Vacation	1.43	1.69
Supplemental pay	1.60	1.76
Insurance	2.64	3.24
Retirement and savings	1.21	1.52
Legally required benefits	2.74	3.22

Map of Census Regions and Divisions
Source: U.S. BLS, Employer Costs for Employee Compensation.

Over-the-year changes in wages and salaries



Southwest Information Office • BLSinfoDallas@bls.gov • <https://www.bls.gov/regions/southwest> • 972-850-4800



DALLAS/FORT WORTH METROPOLITAN AREA ANALYSIS

Local Companies

The metropolitan area boasts an extensive list of national and international corporate headquarters, with many major companies relocating to DFW in the past twenty years. The availability of reasonably priced land, lower living cost for employees, favorable climate, and reasonable housing are great incentives.

In 2023, DFW MSA is now home to 24 of the Fortune 500 Companies. The Metroplex is the third highest-ranking headquarters metro area behind New York, Chicago, and Houston. 72 major companies have moved their corporate HQ to Dallas since 2010 including Toyota North America, Liberty Mutual Insurance, Omnitriacts, Ameriflight LLC, Topgolf, MoneyGram, HMS Holdings, and Six Flags Entertainment.

Below are the top five employers located in North Texas:

Dallas/Fort Worth	
Top Five Employers	No. of Local Employees
Texas Health Resources	27,000
Lockheed Martin	22,000
University of Texas Southwestern Medical Center	21,539
Medical City Healthcare	17,000
Bank of America	13,850
<i>Source: Dallas Business Journal 2022 Book of Lists</i>	

Below are the top five public-sector companies located in North Texas as rated by their 2023 revenues:

Dallas/Fort Worth	
Top Five Employers	2023 Revenue (billion)
McKesson Corp.	\$308.95
AT&T, Inc.	\$122.43
Caterpillar Inc.	\$67.06
American Airlines Group Inc.	\$52.79
D.R. Horton Inc.	\$35.46
<i>Source: Dallas Business Journal 2023 Book of Lists</i>	

Dallas/Fort Worth International Airport

The Dallas/Fort Worth International Airport, which opened January 1974, has had an enormous impact on the economy of the DFW Metroplex. Located roughly 16 miles northwest of the Dallas CBD, 19 miles northeast of the Fort Worth CBD, and employs approximately 60,000 people, the 17,183-acre space is the second largest airport facility in the nation. DFW is currently ranked as “best large airport in America” by the Airports Council International.

The airport has 5 terminals, 7 runways, 171 gates, and 260 destinations, being 193 domestic destinations and 67 international destinations. DFW Airport includes 12 instrument landing approaches and 3 control towers giving it the capacity of the three New York airports combined. DFW is the only airport where four planes can land simultaneously. Twenty-five passenger airlines operate out of DFW, of which 12 are commuter airlines, and 16 are foreign flag airlines.

DFW International Airport ranks eighth in the world, serving 79,700,000 passengers in 2023. DFW also ranks 3rd in the world in terms of operations and 3rd busiest airport in the world for passengers. Approximately 218,356 passengers travel daily through DFW Airport.

DFW Airport recently completed a \$2.7 billion "Terminal Renewal and Improvement Program" (TRIP), which encompassed renovations of three of the original four terminals (A, B, and E). Terminal A was the first terminal to undergo these renovations, which were completed in January 2017 at a cost of about \$1 billion. Subsequently, the completion of Terminal E in August 2017 and Terminal B in December 2017.

In May 2019, DFW airport (along with American Airlines) announced plans to build a sixth terminal. The proposed project is estimated to cost \$3.2 billion and expected to finish by 2026. Along with the addition of up to 15 new gates to Terminal F, renovations of Terminals A and C are planned to take place, being the final terminals requiring updating at a cost of \$2.72 billion. The renovations are anticipated to be completed in 2028 and will include eight additional gates. The goal of the new terminal is to "provide the region with the growth it needs to compete with international business centers," according to CEO of DFW Airport, Sean Donohue.

American Airlines has its largest hub at DFW Airport, with 84% of the passenger volume. DFW Airport also provides an impressive global distribution center with several cargo carriers, 4.1 million square feet of cargo facilities, and a foreign trade zone with direct highway access. Covering more than 387 acres, this area is developing into a full-service free trade zone. Approximately \$62 billion dollars across North Texas is attributable to airport traffic.

CONCLUSIONS

The foregoing city data and local area economic base activity are presented to establish growth and income patterns, which materially affect real estate development, real estate sales volume and value. The Dallas/Fort Worth area, based upon past performances and reasonable forecasts, should continue an upward growth trend, both in population and employment, particularly in the suburban cities.

As population in the suburban communities continues to increase, and as traffic in and around the Central Core becomes more congested, both residents and local firms are beginning to look toward new, outlying employment centers. The growth is especially seen in North Dallas along the LBJ Freeway/Dallas Parkway Corridors as well as along the Dallas North Tollway/Parkway corridor, as well as master planned areas such as Las Colinas and Legacy Business Park.

The DFW economy continued to post stable numbers through 2020 and into 2021, with the unemployment rate continuing to decline. Housing continued to grow in 2023, with the DFW new-home sales staying solid but were not as frantic as earlier in 2022. Homebuilders noted that tight lot supply and shortages of labor and materials have elongated building-cycle times and are restraining activity. The metroplex remains one of the busiest markets in single-family construction among large U.S. metros due to the population growth being seen in the area.

A **market area**, as defined in *The Dictionary of Real Estate Appraisal*, 7th Edition, copyrighted 2022, is:

“The geographic region from which a majority of demand comes and in which the majority of competition is located.”

When analyzing value influences, the focus is on market area. A market area is defined in terms of the market for a specific category of real estate and thus, is the area in which alternative, similar properties effectively compete with the subject property in the minds of probably, potential purchasers, and users. A market area can encompass one or multiple neighborhoods or districts.

MARKET AREA INFLUENCES

The subject property is located in Seagoville, Texas, situated in Dallas County. The subject market is influenced by its location, access via traffic routes, and surrounding land uses. Area analyses and subject vicinity are presented in the following pages.

Market Analysis: Seagoville, Texas

Seagoville, Texas, located about 20 miles southeast of downtown Dallas, is a small but growing suburban city that offers a balance of rural and urban living. With its proximity to the Dallas-Fort Worth metropolx, Seagoville is attracting attention from homebuyers and investors seeking more affordable housing options while still maintaining access to major employment centers.

1. Residential Real Estate Market:

The residential real estate market in Seagoville has been experiencing growth in recent years, driven by affordability, access to highways, and proximity to Dallas. As the broader Dallas-Fort Worth market continues to see price appreciation, Seagoville is becoming a more attractive option for first-time homebuyers and families seeking value in the suburban market.

- **Home Prices:** As of late 2024, the median home price in Seagoville is around \$280,000, representing a 4-6% increase over the previous year. This is significantly more affordable than many parts of the Dallas-Fort Worth area, where median home prices often exceed \$400,000. Seagoville’s affordability is a major draw for buyers who are priced out of nearby urban centers.
- **Inventory Levels:** Seagoville continues to face a relatively tight housing inventory, with homes typically staying on the market for an average of 35-40 days. The competitive nature of the Dallas-Fort Worth market has led more buyers to explore suburban options like Seagoville, increasing demand for homes in the area.
- **New Construction:** There has been an uptick in new construction, particularly in single-family homes and residential subdivisions. Developers are building master-planned communities that cater to families and middle-income buyers, offering modern homes with amenities like parks, walking trails, and playgrounds. These new developments are helping to meet the demand for more housing as the population grows.

- **Rental Market:** The rental market in Seagoville is relatively stable but seeing increased demand due to the growing population. Average rents for single-family homes are around \$1,500 to \$1,800 per month, while multi-family developments are beginning to attract interest, particularly from younger professionals and those seeking more affordable rental options outside Dallas.

2. Commercial Real Estate Market:

Seagoville's commercial real estate market is relatively modest compared to larger neighboring cities, but it is experiencing gradual growth, particularly in the retail and service sectors.

- **Retail Sector:** As the population of Seagoville grows, there has been increasing demand for local retail and service-oriented businesses. New commercial developments are focused on serving the needs of the local community, including grocery stores, restaurants, and healthcare services. Retail activity is concentrated along major roadways such as U.S. Route 175, which provides easy access to nearby areas.
- **Small Business Growth:** Seagoville's local economy is supported by small businesses, particularly those in the retail, automotive, and service industries. The city's growing population has encouraged the establishment of more local businesses to cater to the needs of residents. However, large-scale retail developments are limited, given the city's smaller size.
- **Office Space:** Office space demand in Seagoville remains low, as most businesses in the area are either local service providers or small enterprises. The proximity to Dallas means that many professionals and businesses rely on office space in the larger metro area. As such, office development in Seagoville has been minimal.

3. Industrial Real Estate Market:

The industrial market in Seagoville is emerging, driven by the city's strategic location near major highways and its proximity to industrial centers in Southeast Dallas.

- **Warehousing and Distribution:** Seagoville's location along U.S. Route 175 and its access to I-20 and I-45 make it attractive for logistics and distribution businesses. These transportation corridors are key for moving goods throughout the Dallas-Fort Worth metroplex and beyond. As e-commerce continues to expand, the demand for warehousing and distribution centers is increasing, though Seagoville's industrial market remains relatively small compared to larger nearby cities.
- **Light Manufacturing and Industrial Facilities:** There has been modest interest in light manufacturing and industrial facilities, with some small-scale developments being planned or under construction. The area's access to highways makes it a convenient location for businesses requiring logistical connectivity to Dallas and surrounding areas.
- **Industrial Vacancy and Lease Rates:** Industrial vacancy rates are relatively low, reflecting the broader trend in the Dallas-Fort Worth region, where industrial space is in high demand. Lease rates for industrial properties in Seagoville are lower than in larger cities like Dallas, providing a cost-effective option for companies seeking space for warehousing, distribution, or light manufacturing.

4. Market Trends and Influences:

- **Population Growth:** Seagoville's population has been growing steadily, with a projected annual increase of 3-4%. The city's affordability and rural-suburban charm make it attractive to families, retirees, and first-time homebuyers. This population growth is expected to continue, driving demand for both residential and commercial development.
- **Infrastructure and Transportation:** Seagoville's access to major highways is a significant factor in its growth. U.S. Route 175 connects the city to downtown Dallas, making commuting relatively easy. Ongoing improvements to local roads and infrastructure are likely to further enhance connectivity, supporting future growth in both residential and commercial sectors.
- **Affordability Advantage:** Compared to neighboring cities like Mesquite and Balch Springs, Seagoville offers more affordable housing, which continues to attract buyers and renters. As housing prices rise across the Dallas-Fort Worth area, Seagoville's affordability is a major market driver.
- **Community and Amenities:** Seagoville is known for its small-town feel and close-knit community, which appeals to families and those seeking a quieter lifestyle while still being close to urban amenities. Local schools, parks, and community centers are important factors in the area's residential appeal.

5. Challenges and Risks:

- **Limited Commercial Growth:** While residential growth is robust, commercial development in Seagoville remains relatively slow. The lack of large-scale retail or office developments could limit the city's economic diversification, although small businesses continue to thrive.
- **Dependence on Dallas for Employment:** Many Seagoville residents commute to Dallas or nearby cities for work, making the local economy somewhat reliant on the broader metroplex. If economic conditions in the Dallas-Fort Worth area were to decline, Seagoville could feel the effects.
- **Environmental Factors:** Seagoville, like many Texas cities, is exposed to environmental risks such as flooding and severe weather events. While not as prone to flooding as coastal cities, the area still faces occasional heavy rains that can affect infrastructure and real estate development.

6. Future Outlook:

- **Continued Residential Growth:** Seagoville's residential market is expected to grow, with new developments and subdivisions attracting families and individuals seeking more affordable housing near Dallas. The expansion of infrastructure and transportation options will likely enhance the city's appeal over the next several years.
- **Modest Commercial and Industrial Expansion:** While commercial and industrial growth in Seagoville may remain modest, there are opportunities for expansion, particularly in the warehousing and logistics sectors. Small business growth is also expected to continue, driven by the increasing population and demand for local services.

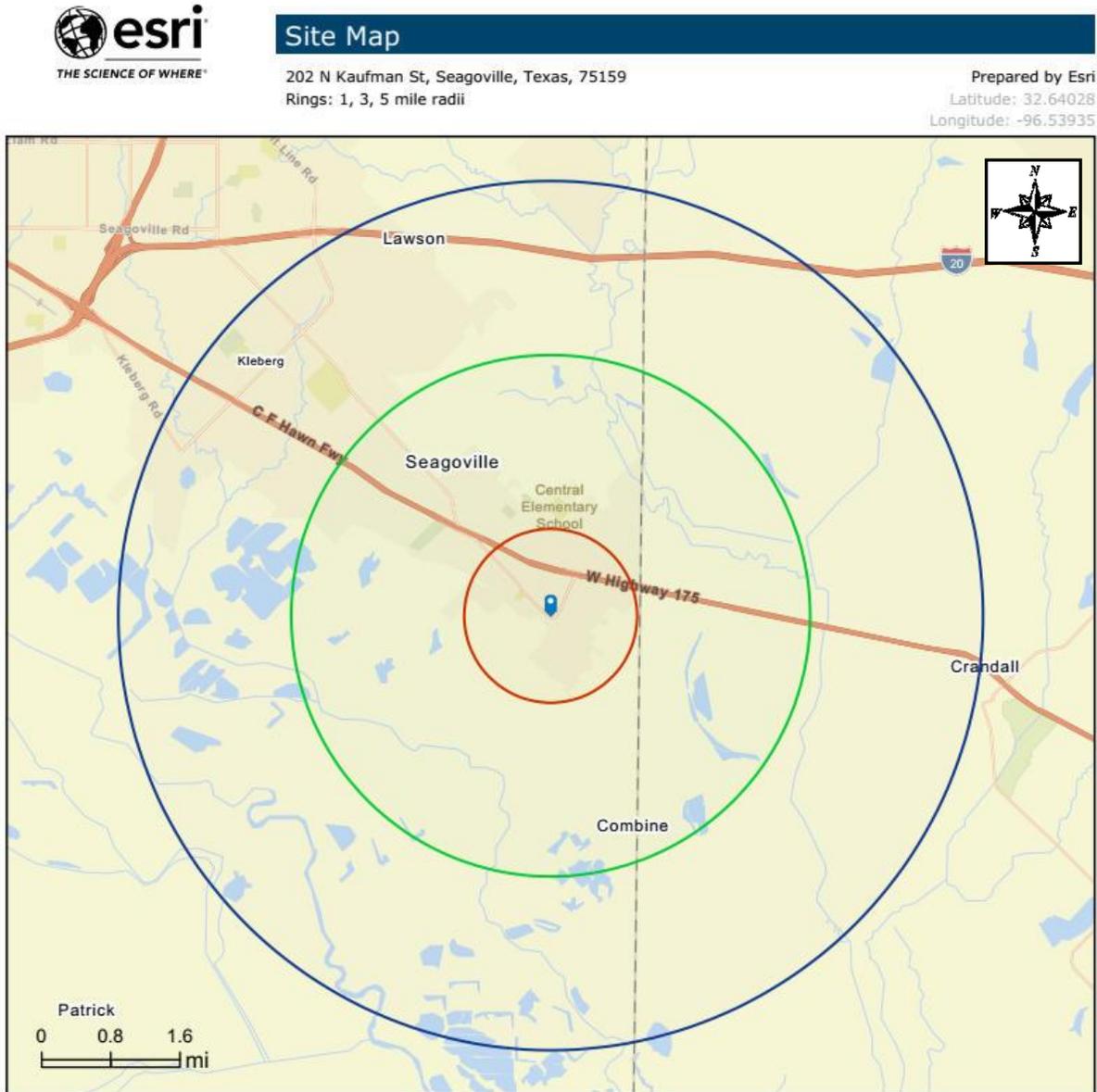
- **Infrastructure Investments:** As Seagoville grows, further investments in infrastructure, including roads, utilities, and community amenities, will be necessary to support the city's expanding population and economy.

Conclusion:

Seagoville, Texas, offers a compelling real estate market with its affordable housing, proximity to Dallas, and suburban appeal. The residential sector is the main driver of growth, fueled by population expansion and new construction. While commercial and industrial development is more modest, the city's strategic location along major highways presents opportunities for future growth, particularly in logistics and warehousing. As Seagoville continues to develop, it is likely to remain an attractive option for homebuyers and small businesses looking for value and proximity to the Dallas-Fort Worth metroplex.

AREA DEMOGRAPHICS

The following Market Profile provided by Site To Do Business provides demographic and income data for 1-mile, 3-mile, 5-mile radii centered on the subject area.



SUBJECT AREA ANALYSIS



Market Profile

202 N Kaufman St, Seagoville, Texas, 75159
Rings: 1, 3, 5 mile radii

Prepared by Esri
Latitude: 32.64028
Longitude: -96.53935

	1 mile	3 miles	5 miles
Population Summary			
2010 Total Population	2,226	12,962	33,475
2020 Total Population	2,466	15,282	44,358
2020 Group Quarters	245	1,964	2,033
2024 Total Population	2,405	15,969	47,178
2024 Group Quarters	231	1,731	1,793
2029 Total Population	2,358	15,987	50,431
2024-2029 Annual Rate	-0.39%	0.02%	1.34%
2024 Total Daytime Population	3,720	12,745	33,196
Workers	2,350	4,778	8,672
Residents	1,370	7,967	24,524
Household Summary			
2010 Households	764	3,692	9,809
2010 Average Household Size	2.58	2.96	3.20
2020 Total Households	810	4,294	12,673
2020 Average Household Size	2.74	3.10	3.34
2024 Households	786	4,594	13,585
2024 Average Household Size	2.77	3.10	3.34
2029 Households	772	4,624	14,728
2029 Average Household Size	2.76	3.08	3.30
2024-2029 Annual Rate	-0.36%	0.13%	1.63%
2010 Families	536	2,751	7,639
2010 Average Family Size	3.11	3.42	3.60
2024 Families	560	3,404	10,574
2024 Average Family Size	3.42	3.60	3.71
2029 Families	551	3,431	11,481
2029 Average Family Size	3.41	3.59	3.68
2024-2029 Annual Rate	-0.32%	0.16%	1.66%
Housing Unit Summary			
2000 Housing Units	718	3,534	9,759
Owner Occupied Housing Units	72.1%	71.3%	67.8%
Renter Occupied Housing Units	21.4%	20.1%	21.1%
Vacant Housing Units	6.4%	8.7%	11.2%
2010 Housing Units	826	4,014	10,753
Owner Occupied Housing Units	65.9%	64.0%	62.8%
Renter Occupied Housing Units	26.6%	28.0%	28.4%
Vacant Housing Units	7.5%	8.0%	8.8%
2020 Housing Units	852	4,496	13,247
Owner Occupied Housing Units	67.7%	66.0%	68.5%
Renter Occupied Housing Units	27.3%	29.5%	27.1%
Vacant Housing Units	5.2%	4.3%	4.4%
2024 Housing Units	828	4,797	14,158
Owner Occupied Housing Units	69.7%	69.6%	72.3%
Renter Occupied Housing Units	25.2%	26.2%	23.7%
Vacant Housing Units	5.1%	4.2%	4.0%
2029 Housing Units	829	4,881	15,403
Owner Occupied Housing Units	70.6%	71.4%	75.6%
Renter Occupied Housing Units	22.6%	23.3%	20.0%
Vacant Housing Units	6.9%	5.3%	4.4%

Data Note: Household population includes persons not residing in group quarters. Average Household Size is the household population divided by total households. Persons in families include the householder and persons related to the householder by birth, marriage, or adoption. Per Capita Income represents the income received by all persons aged 15 years and over divided by the total population.

Source: Esri forecasts for 2024 and 2029. U.S. Census Bureau 2000 and 2010 decennial Census data converted by Esri into 2020 geography.

October 15, 2024

SUBJECT AREA ANALYSIS



Market Profile

202 N Kaufman St, Seagoville, Texas, 75159
Rings: 1, 3, 5 mile radii

Prepared by Esri
Latitude: 32.64028
Longitude: -96.53935

	1 mile	3 miles	5 miles
2024 Households by Income			
Household Income Base	786	4,594	13,585
<\$15,000	11.8%	12.5%	10.3%
\$15,000 - \$24,999	7.5%	6.3%	7.3%
\$25,000 - \$34,999	8.3%	8.6%	11.3%
\$35,000 - \$49,999	14.9%	14.5%	13.7%
\$50,000 - \$74,999	17.3%	17.4%	18.9%
\$75,000 - \$99,999	11.5%	11.0%	11.9%
\$100,000 - \$149,999	14.9%	18.1%	17.3%
\$150,000 - \$199,999	5.3%	5.3%	4.9%
\$200,000+	8.4%	6.2%	4.4%
Average Household Income	\$89,142	\$84,192	\$78,355
2029 Households by Income			
Household Income Base	772	4,624	14,728
<\$15,000	10.2%	11.1%	8.4%
\$15,000 - \$24,999	5.7%	4.9%	5.3%
\$25,000 - \$34,999	7.0%	6.7%	8.9%
\$35,000 - \$49,999	12.2%	11.7%	11.6%
\$50,000 - \$74,999	16.2%	16.3%	18.3%
\$75,000 - \$99,999	10.5%	10.7%	13.1%
\$100,000 - \$149,999	17.2%	21.2%	20.2%
\$150,000 - \$199,999	8.4%	8.3%	7.8%
\$200,000+	12.7%	9.1%	6.4%
Average Household Income	\$112,230	\$103,304	\$95,327
2024 Owner Occupied Housing Units by Value			
Total	577	3,338	10,233
<\$50,000	7.1%	11.6%	25.4%
\$50,000 - \$99,999	1.7%	3.0%	4.0%
\$100,000 - \$149,999	2.6%	3.3%	4.9%
\$150,000 - \$199,999	4.0%	14.3%	8.1%
\$200,000 - \$249,999	8.3%	14.9%	12.0%
\$250,000 - \$299,999	32.9%	19.9%	16.4%
\$300,000 - \$399,999	21.7%	13.7%	14.5%
\$400,000 - \$499,999	3.3%	1.7%	3.2%
\$500,000 - \$749,999	10.2%	4.6%	5.7%
\$750,000 - \$999,999	4.7%	2.7%	1.7%
\$1,000,000 - \$1,499,999	0.2%	0.2%	0.5%
\$1,500,000 - \$1,999,999	2.9%	9.6%	3.2%
\$2,000,000 +	0.2%	0.6%	0.2%
Average Home Value	\$376,345	\$412,541	\$285,956
2029 Owner Occupied Housing Units by Value			
Total	585	3,487	11,651
<\$50,000	0.7%	2.6%	14.4%
\$50,000 - \$99,999	0.5%	1.7%	1.5%
\$100,000 - \$149,999	0.3%	1.1%	4.1%
\$150,000 - \$199,999	2.2%	8.3%	4.5%
\$200,000 - \$249,999	4.3%	11.6%	8.0%
\$250,000 - \$299,999	16.9%	17.8%	14.7%
\$300,000 - \$399,999	24.8%	21.7%	22.6%
\$400,000 - \$499,999	5.3%	3.4%	7.2%
\$500,000 - \$749,999	29.6%	12.3%	14.2%
\$750,000 - \$999,999	11.1%	6.6%	3.4%
\$1,000,000 - \$1,499,999	0.5%	0.8%	1.1%
\$1,500,000 - \$1,999,999	3.4%	10.8%	3.6%
\$2,000,000 +	0.3%	1.2%	0.7%
Average Home Value	\$527,607	\$546,235	\$398,773

Data Note: Income represents the preceding year, expressed in current dollars. Household income includes wage and salary earnings, interest dividends, net rents, pensions, SSI and welfare payments, child support, and alimony.

Source: Esri forecasts for 2024 and 2029. U.S. Census Bureau 2000 and 2010 decennial Census data converted by Esri into 2020 geography.

October 15, 2024

CONCLUSION

The transportation network in the area is good and surrounding land uses are considered to be compatible and homogenous. The subject area is in a stable phase of development and in proximity to employment centers and quality schools and services with few improvements needing repairs and/or renovations. Consequently, some new construction, as well as renovation of older properties, is more likely to occur within the subject area in the near future. Additionally, there appears to be no detrimental influences upon the area that would inhibit the income-producing capabilities of the improved properties. The long-term prospects for the area and the subject property are positive.

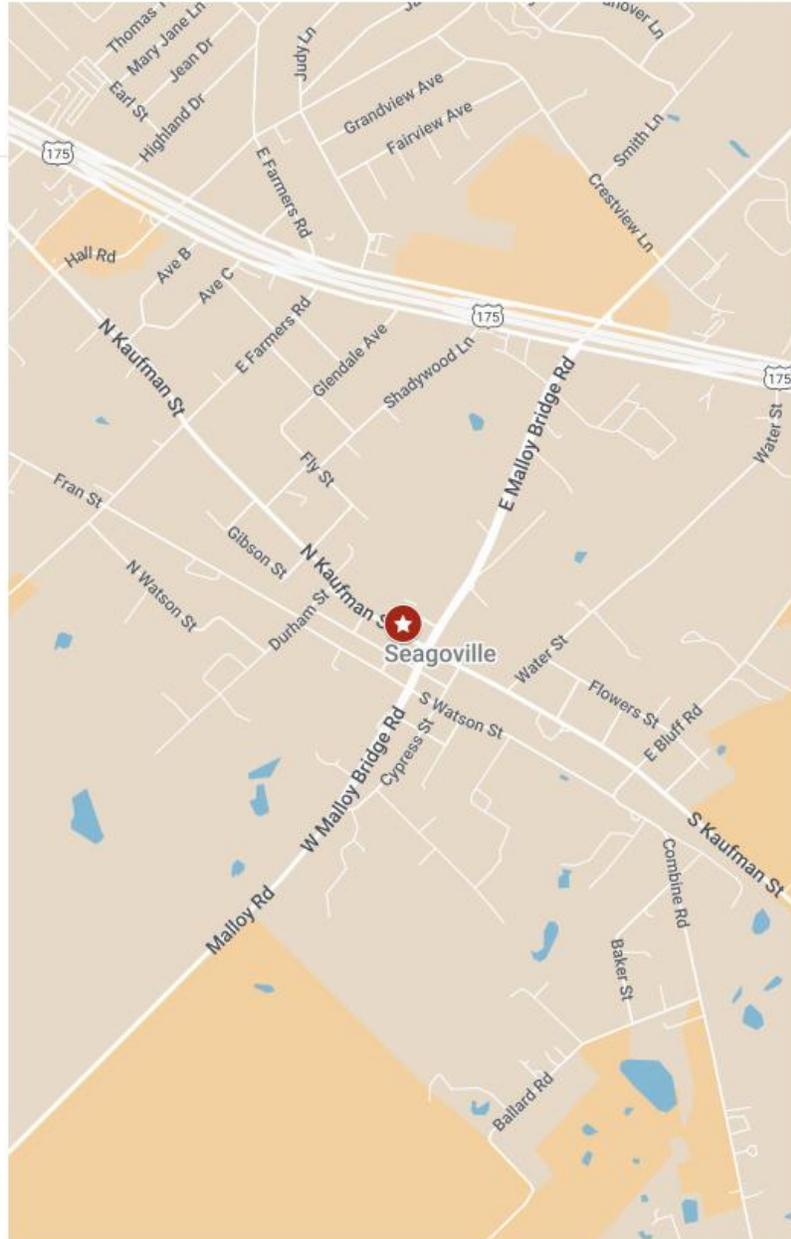
No noticeable nuisances or hazards are in the area and the majority of improvements are in the early to middle stages of economic life, and sufficient area services are accessible to service the community.

Local Map

Subject



202 N Kaufman St



The subject is a retail building, located on the western corner of North Kaufman Street, East Elm Street, and McWhorter Street, Seagoville, Dallas County, Texas.

SITE DATA

Dimensions/Frontage

According to Dallas Central Appraisal District records, the subject tract is rectangular, and contains 8,058 square feet or 0.185 acres. The subject fronts the northern line of North Kaufman Street for approximately 57 linear feet, the western line of East Elm Street for approximately 156 feet, and the southern line of McWhorter Street for approximately 57 feet. North Kaufman Street is a two-lane, undivided street. East Elm Street is a two-lane, undivided street. McWhorter Street is a two-lane, undivided street.

The subject is approximately 156 feet deep, along the eastern and western property lines.

Access/Abutting uses

Access (ingress and egress) to the site is available via North Kaufman Street, East Elm Street, and McWhorter Street. The subject abuts an industrial building (across McWhorter Street) to the north, an auto repair shop (across East Elm Street) to the east, a park (across North Kaufman Street) to the south, and a retail store to the west.

Topography

The topography of the tract is level and at street grade; the topography is not problematic to development.

Flood Plain

According to FEMA flood hazard map 48113C0545K dated July 7, 2014, the subject is determined to be outside the 100-year floodplain, being within Zone 'X'. Drainage of the site appears graded and improved. No guaranty is made that the site will or will not flood. A hydrological study or survey is required for confirmation of flood-designated boundaries. Reference the subsequent exhibits for a copy of the area flood map.

Environmental Hazards

To our knowledge, a Phase I Environmental Site Assessment has not been completed for the subject property as of the date of inspection. The subject is appraised predicated on the absence of detrimental environmental conditions. Should contaminants be present the conclusions in the report would be invalidated.

Utilities/Community Services

Water, sanitary sewer, electricity, and phone services are available to the subject. Electric services are supplied by various providers, with telecommunication services being supplied by various providers. Atmos supplies natural gas services. Water and wastewater service are provided by the City of Seagoville. Police and fire protection are provided by the City of Seagoville. The property is located within the Dallas Independent School District.

Zoning

The site is zoned C (Commercial) by the City of Seagoville. The purpose of the C (Commercial) district is to allow for buildings that are allowed in the Local Retail District and other commercial uses, such as automobile dealers, household goods, and public markets. Additional zoning information can be referenced in the addenda. Retail buildings are allowed in this zoning district.

Soils, Development Limitation, and Productivity

This report assumes the soils are capable of supporting the structures, as numerous improvements are located within the subject area and adjoining area. A study of the development, limitations, and productivity were not completed in this appraisal report, as it is not necessary to the scope of the appraisal.

Easements

A survey of the site is not available for analysis. This valuation concludes that utility and access easements typical of this property type are present and that no detrimental easement conditions exist. This should not be considered as a guaranty or warranty, however, that adverse easements do not exist. Were the property to have any easements detrimental to the subject, the opinion of value concluded herein may be invalid.

Deed Restrictions

To our knowledge, no deed restrictions affect or limit the use of the property; however, this should not be considered as a guaranty or warranty that no such restrictions exist. Deed restrictions are a legal matter: normally discoverable only by a title search by a title attorney. It is recommended that a title search be made if any questions regarding deed restrictions arise.

Wetlands

No visual evidence was observed to indicate whether wetlands exist on the subject site. Wetlands, as defined by Section 404 of the Clean Water Act, are those areas that are inundated or saturated by surface or groundwater at a frequency and duration sufficient to support, and under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Swamps, bogs, fens, marshes, and estuaries are subject to federal environmental law.

SUBJECT IMPROVEMENTS**Design/Construction**

The improvements consist of a retail building and a storage building totaling 2,780-square foot. The improvement descriptions are based on inspections, estimates, and other data available.

RETAIL BUILDING**Exterior**

Year Built	1951
Type	Class C
Building Size - Combined	2,780 square feet (Field Measurements)
Foundation	Reinforced concrete slab
Walls	Concrete block; painted stucco veneer
Roof	Flat
Quality	Average
Condition	Average

Interior

Rooms	Main area, rear vault area, smokehouse (storage unit)
Flooring	Concrete
Walls	Painted/textured gypsum board, concrete block (storage)
Ceiling	Acoustic tile; drop ceiling
Lighting	Standard commercial fixtures
Quality	Average
Condition	Average

Site Improvements

Site improvements include concrete paving, concrete curbing, commercial lighting, and building mounted signage. Parking is off-site near the subject.

Occupancy

According to the owner and the inspection, the space is currently vacant.

Physical Condition

The subject improvement (retail building) was constructed in 1951; the improvements are in average condition. Overall, the design and construction quality of the improvements are considered typical of similar buildings of the age of the subject improvements. Based on the subject's condition and maintenance, the effective age is estimated at 15 years; the remaining economic life is anticipated to be 30 years. According to Marshall & Swift Valuation Service, the typical economic life span for buildings of the same construction class and design as the subject is typically 45 years. Therefore, the subject is said to have a remaining economic life of 30 years (45 years less the effective age of 15 years).

No items of deferred maintenance were noted at the inspection.

Functional Utility

Defined as the ability of a property or building to be useful and to perform the function for which it is intended according to current market tastes and standards. The subject is a retail building. The improvements are functionally adequate given the architectural style, design and layout, traffic patterns, and the size and configuration of the improvements for this property type.

External Obsolescence

External obsolescence is considered to be the loss in value of the property resulting from an influence of negative forces not inherent with the property. It can be caused by the exertion of detrimental external forces upon the area or property itself. Specific examples are significant fluctuations in the local economy, noise from nearby expressways or airports, excessive taxes, supply and demand imbalances, special assessments or certain other governmental actions, the lack of financial liquidity in the marketplace, or the infiltration of unharmonious groups or land uses. This form of obsolescence is rarely, if ever, curable. The subject regional area is currently experiencing stable rental rates and occupancy levels. Based upon the stable market conditions within the extended area the property does not appear to suffer from external obsolescence.

CONCLUSIONS

The subject is a retail building, with adequate frontage and has access via North Kaufman Street, East Elm Street, and McWhorter Street. As improved, the property appears to be a legal conforming use. Our opinion of the improvements effective age is 15 years, which is less than the actual age. According to Marshall & Swift Valuation Service, the typical economic life span for buildings of the same construction class and design as the subject is typically 45 years. Therefore, the subject improvements are said to have a remaining economic life of 30 years (45 years less the effective age of 15 years).

Marshall Swift Data

RE Classification:	Retail Stores
Class:	C
Type:	Average
Section:	13
Page:	26
Life Expectancy:	45 years

Please refer to the subsequent exhibits and addenda for additional details.

REAL ESTATE TAX ANALYSIS

Real estate taxes in Texas and this jurisdiction represent ad valorem taxes, meaning a tax applied in proportion to value. Property assessments are based on market value. The composite rate is based on a totaling of several taxing entities' individual rate.

In Dallas County, the Dallas Central Appraisal District is responsible for ad valorem tax appraisals of all real estate within the county. Based on the ad valorem tax appraisal, various tax districts levy annual taxes on property located within their respective districts. Typical taxing jurisdictions include assessments from the county, city, and school districts in which the property is located. The total ad valorem tax burden is the sum of the assessments for the various taxing authorities.

The subject property falls within the taxing jurisdictions of the City of Seagoville, Dallas County, Parkland Hospital, Dallas College, and the Dallas Independent School District. Pertinent 2024 tax rates for the subject are detailed below.

2024 TAX RATES (per \$100)	
City of Seagoville	\$ 0.728004
Dallas County	\$ 0.215500
Parkland Hospital	\$ 0.212000
Dallas College	\$ 0.105595
Dallas ISD	\$ 0.997235
Total	\$ 2.258334

The Dallas Central Appraisal District account for 2024 is summarized as follows:

Account Number	Land	Improvements	Total
65017810550220000	\$ 64,460	\$ 44,440	\$ 108,900

Based on the preceding assessed value and pertinent tax rates, the subject's annual tax liability is calculated as follows:

Assessed Value	Tax Rate	Indicated Tax Liability
\$108,900	x \$0.02266052 =	\$ 2,468

The assessed value equates to \$108,900, or \$39.17 per square foot of building area. The assessed value is below the concluded market value in this appraisal. This difference is typically due to the valuation methods of the appraisal district.



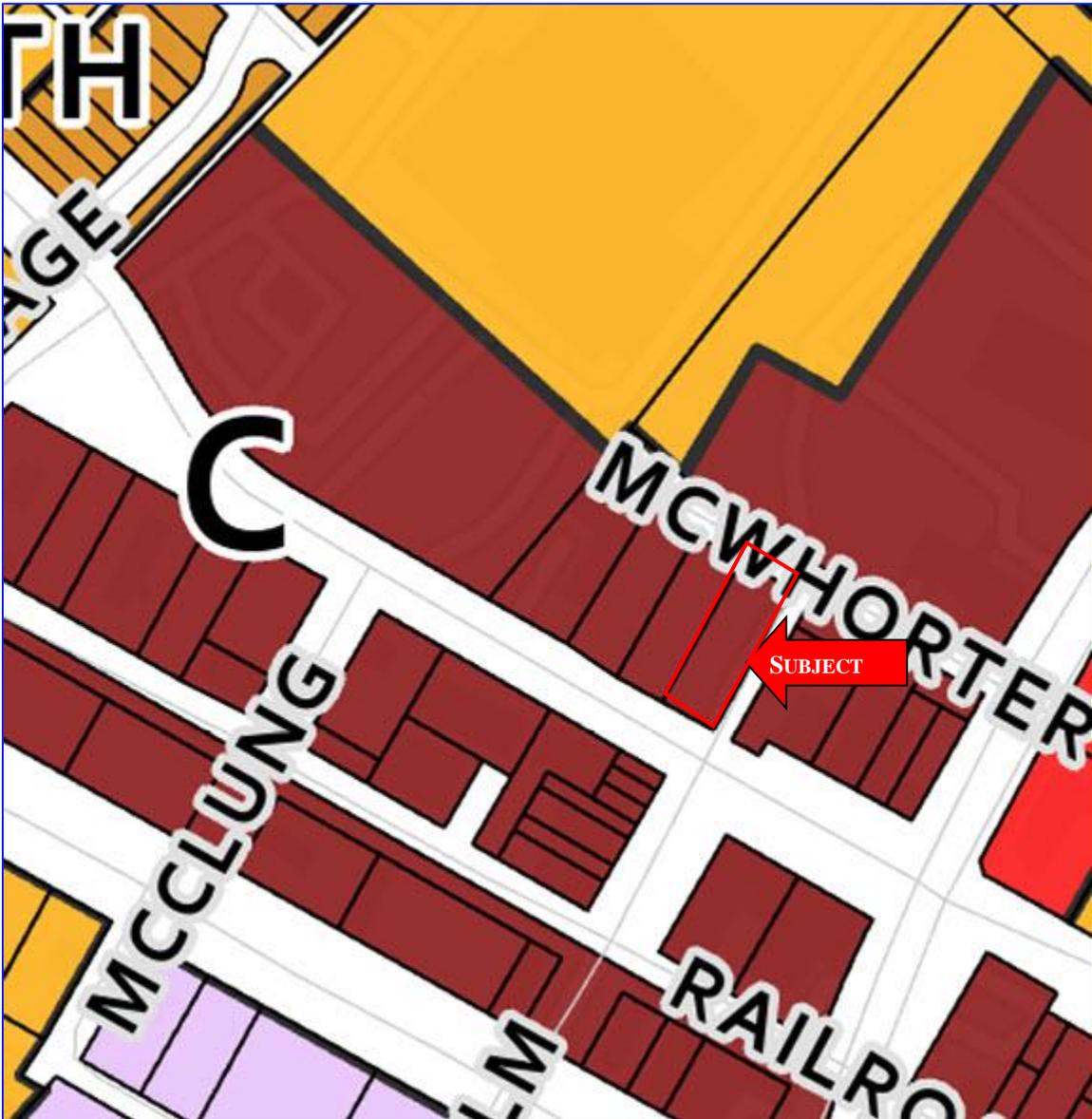
Source: Google Maps (Imagery date: 2024)

Red Area – represents the subject area – appraiser’s estimate



Source: Google Maps (Imagery date: 2024)

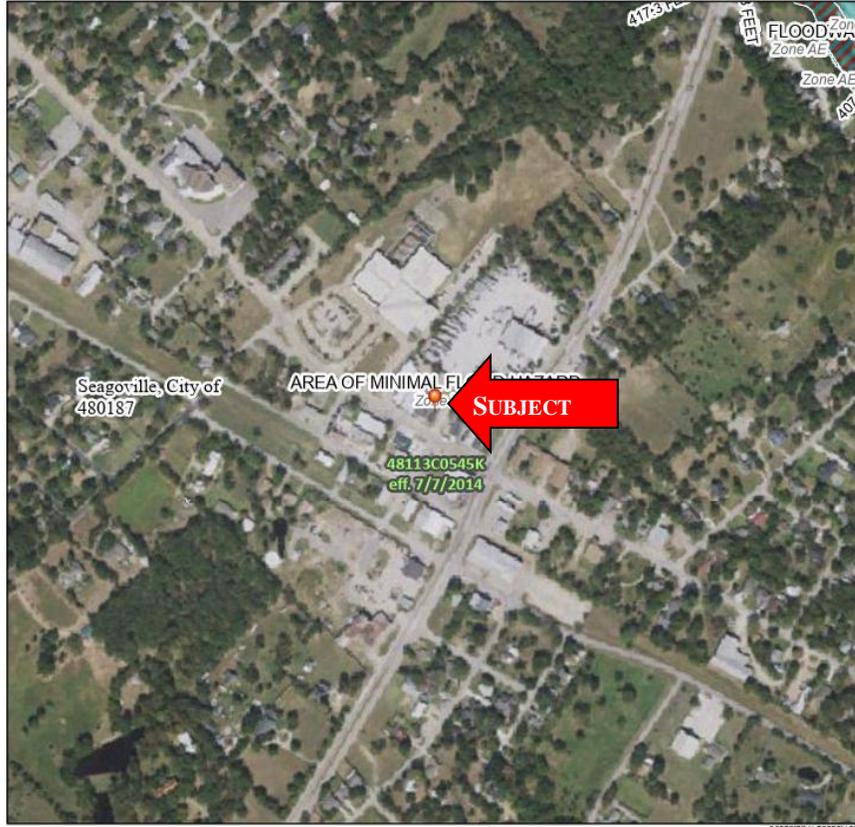
Red Area – represents the subject area – appraiser’s estimate



National Flood Hazard Layer FIRMette



96°32'40"W 32°38'40"N



Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

SPECIAL FLOOD HAZARD AREAS	Without Base Flood Elevation (BFE) Zone A, V, AE, AR
	With BFE or Depth Zone AE, AD, AH, VE, AR
	Regulatory Floodway
OTHER AREAS OF FLOOD HAZARD	0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X
	Future Conditions 1% Annual Chance Flood Hazard Zone X
	Area with Reduced Flood Risk due to Levee, See Notes, Zone X
	Area with Flood Risk due to Levee Zone D
OTHER AREAS	NO SCREEN Area of Minimal Flood Hazard Zone X
	Effective LOMRs
OTHER AREAS	Area of Undetermined Flood Hazard Zone D
GENERAL STRUCTURES	Channel, Culvert, or Storm Sewer
	Levee, Dike, or Floodwall
	Cross Sections with 1% Annual Chance Water Surface Elevation
	Coastal Transect
	Base Flood Elevation Line (BFE)
	Limit of Study
	Jurisdiction Boundary
OTHER FEATURES	Coastal Transect Baseline
	Profile Baseline
	Hydrographic Feature
MAP PANELS	Digital Data Available
	No Digital Data Available
	Unmapped

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards.

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 10/15/2024 at 5:19 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

SUBJECT PHOTOGRAPHS

PHOTOGRAPHED ON OCTOBER 9, 2024



Viewing northeasterly at front of subject



Viewing southwesterly at side of subject



Viewing southeasterly at rear of subject



Viewing smokehouse/storage unit



Viewing rear of smokehouse/storage unit



Viewing main business area

SUBJECT PHOTOGRAPHS



Viewing kitchen area



Viewing kitchen area



Viewing freezer/vault area



Viewing interior of smokehouse



Viewing northeasterly along East Elm Street,
subject on left



Viewing southwesterly along East Elm Street,
subject on right

SUBJECT PHOTOGRAPHS



Viewing southeasterly along McWhorter Street, subject on right



Viewing northwesterly along McWhorter Street, subject on left



Viewing southeasterly along North Kaufman Street, subject on left



Viewing northwesterly along North Kaufman Street, subject on right

SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO										
File No.:	Parcel No.:									
Property Address:										
City:	County:	State:	ZipCode:							
Owner:										
Client:			Client Address:							
Appraiser Name:		Inspection Date:								
SKETCH										
Sketch by ApexSketch										
AREA CALCULATIONS SUMMARY					AREA CALCULATIONS BREAKDOWN					
Code	Description	Factor	Net Size	Perimeter	Net Totals	Name	Base x	Height x	Width =	Area
GBA1	Smokehouse	1.0	196.0	56.0	196.0	Retail Building	76.0 x	34.0 =		2584.0
GBA2	Retail Building	1.0	2584.0	220.0	2584.0	Smokehouse	14.0 x	14.0 =		196.0
Net BUILDING										
		cnt	2 (rounded)	2,780						
						2 total items		(rounded)		2,780

One of the basic elements of real estate valuation is the theory of highest, best, and most profitable use.

As defined in *The Dictionary of Real Estate Appraisal*, 7th Edition (Copyright 2022) and the *Appraisal of Real Estate*, 15th Edition (Copyright 2020), highest and best use is defined as that reasonably probable use of property that results in the highest value.

These definitions recognize that in cases where a site has existing improvements on it, the highest and best use may very well be determined to be different from the existing use. The existing use will continue, however, unless and until land value in its highest and best use exceeds the total value of the property in its existing use.

Because the use of land can be limited by the presence of improvements, highest and best use is determined separately for the land or site as though vacant and available to be put to its highest and best use, and for the property as improved.

In appraisal practice, highest and best use analysis not only identifies the use of the property expected to produce the maximum net present value, but also helps the appraiser select comparable properties.

Four basic criteria are examined in estimating the Highest and Best Use of a property both as vacant and as improved. These stages of analysis are as follows:

- a) Physically Possible Use - the uses to which it is physically possible to put on the site in question.
- b) Legally Permissible Use - the uses that are permitted by zoning and deed restrictions on the site in question.
- c) Financially Feasible Use - the possible and permissible uses that will produce any net return to the owner of the site.
- d) Maximumly Productive Use - among the feasible uses, the use that will produce the highest net return on the highest present worth.

The highest and best use of a specific parcel of land is not determined through subjective analysis by the property owner, the developer, or the appraiser; rather, highest and best use is shaped by the competitive forces within the market where the property is located. Therefore, the analysis and interpretation of highest and best use is an economic study of market forces focused on the subject property.

Market forces also shape market value, so the general data that are collected and analyzed to derive an opinion of market value are also used to formulate an opinion of the property's highest and best use as of the appraisal date.

SITE, AS THOUGH VACANT

According to the Dallas Central Appraisal District, the subject tract is rectangular, and contains 8,058 square feet or 0.185 acres. The subject fronts the northern line of North Kaufman Street for approximately 57 linear feet, the western line of East Elm Street for approximately 156 feet, and the southern line of McWhorter Street for approximately 57 feet.

The subject abuts an industrial building (across McWhorter Street) to the north, an auto repair shop (across East Elm Street) to the east, a park (across North Kaufman Street) to the south, and a retail store to the west.

Physically Possible

In arriving at our opinion of highest and best use for the subject site, it was first necessary to determine if the physical characteristics of the site - such as soil conditions, topography, shape, and frontage were favorable for development. Soil conditions in the region are adequate for development provided appropriate engineering, design, and construction. According to FEMA flood hazard map 48113C0545K dated July 7, 2014, the subject is determined to be outside the 100-year floodplain, being within Zone 'X'. No guaranty is made that the site will or will not flood. The tract is of sufficient size to be economically adaptable for development and benefits from adequate frontage and accessibility. Thus, the physical characteristics impose no limitations to possible development.

Legally Permissible

The site is zoned C (Commercial) by the City of Seagoville. The purpose of the C (Commercial) district is to allow for buildings that are allowed in the Local Retail District and other commercial uses, such as automobile dealers, household goods, and public markets. Additional zoning information can be referenced in the addenda.

Financially Feasible

As defined in The Dictionary of Real Estate Appraisal, Seventh Edition, 2022, is “the capability of a physically possible and legal use of property to produce a positive return to the land after considering risk and all costs to create and maintain the use”.

The surrounding properties and land uses are considered for compatibility in determination of feasible use. Similar sites in the area are improved with commercial buildings of various utilities. Based on the land usage pattern of the surrounding area, the layout, location, and frontage/visibility of the site, the most feasible use is considered to be commercial development.

Maximally Productive

The financially feasible use of the subject site would be for commercial development. Based upon the location along North Kaufman Street, and surrounding commercial uses, commercial development is considered most logical.

Therefore, the maximally productive use of the subject, as vacant, would be for commercial development.

SUMMARY OF HIGHEST AND BEST USE, AS VACANT

The highest and best use of the subject would be for commercial development, as demand warrants.

Use: commercial development

Timing: as demand warrants

Market Participants:

User: owner

Most Probable Buyer: owner, developer

SITE, AS IMPROVED

The improvements consist of a retail building and a storage building consisting of a total of 2,780-square feet.

Physically Possible

The subject improvements were built in 1951 and intended for use as a restaurant or retail store. The design of the improvements is typical for the area. The physical characteristics and accompanying amenities of the subject improvements are not readily adaptable to other uses and are specific in design for use as a restaurant or retail store.

Legally Permissible

The site is zoned C (Commercial) by the City of Seagoville. Retail buildings are allowed in this zoning district.

Financially Feasible

Financially feasible uses for the subject property include use as a restaurant or retail store. This use will produce a positive return to the subject site.

Maximally Productive

The improvements not only add value to the subject site; they also represent the maximally profitable use of the site, as improved.

The preceding analysis indicates the improvements to be feasible based on current market parameters. Thus, it is concluded that the maximally productive use of the subject, as improved, is use as a restaurant or retail store.

SUMMARY OF HIGHEST AND BEST USE, AS IMPROVED

Our opinion of the highest and best use of the subject is for use as a restaurant or retail store.

Use: use as a restaurant or retail store

Timing: current

Market Participants:

User: owner, tenant

Most Probable Buyer: owner, investor (landlord)

DATA COLLECTION PROCESS

For purposes of this report, the subject market was researched for all pertinent data relating to the appraisal problem as stated below. This process typically includes collecting and confirming data through local real estate brokers, appraisers, property owners, lessee/lessors, and others familiar with the local real estate market. The information provided by these sources is deemed reliable but is not guaranteed.

The rendered opinion of market value of a property that is being appraised is accomplished by the comparison and analysis of as many appraisal techniques as are appropriate. The following approaches are generally used to produce value indications.

Cost Approach: The value indication by this approach is accomplished by estimating the Reproduction (or Replacement) Cost New of the improvements and deducting accrued depreciation from all causes, if any. The value of the land (by comparison) is then added to this depreciated cost figure.

The cost approach is based on the premise that the value of a property can be indicated by the current cost to construct a reproduction or replacement for the improvements minus the amount of depreciation evident in the structures from all causes plus the value of the land and entrepreneurial profit. This approach to value is particularly useful for appraising new or nearly new improvements.

Sales Comparison Approach: The comparison of similar properties, which have sold in the marketplace, is used to produce an indication of value. The comparison may be either direct or indirect with commonly accepted units or elements of comparison.

The sales comparison approach is founded upon the principle of substitution, which holds that the cost to acquire an equally desirable substitute property without undue delay ordinarily sets the upper limit of value. At any given time, prices paid for comparable properties are construed to reflect the value of the property appraised. The validity of a value indication derived by this approach is heavily dependent upon the availability of data on recent sales of properties similar in location, size, and utility to the appraised property.

Income Capitalization Approach: This approach to value is applicable to properties capable of producing a net income stream. The net income stream is translated into a value indication through the capitalization process.

The income capitalization approach is based on the principle of anticipation, which recognizes the present value of the future income benefits to be derived from ownership in a particular property. The income capitalization approach is most applicable to properties that are bought and sold for investment purposes, and is considered very reliable when adequate income and expense data are available. Since income producing real estate is most often purchased by investors, this approach is valid and is generally considered the most applicable when the property being appraised was designed for, or is easily capable of, producing a satisfactory rental income.

The strengths and weaknesses of each approach used are weighed in the final analysis. The approach or approaches offering the greatest quantity and quality of supporting data are typically emphasized, and the final opinion of value is correlated.

Under the parameters of this assignment, the following approaches to value were considered and used in this appraisal:

Approach	Considered	Used
Cost	Yes	No
Sales Comparison	Yes	Yes
Income Capitalization	Yes	Yes

A preliminary survey of the property indicates the following:

- This report incorporates the sales comparison approach and income capitalization approach, and reconciles these approaches into a final opinion of market value.
- Due to the age of the improvements, the cost approach is not considered a reliable indicator of market value and is not judged to be applicable. As such, the cost approach is omitted from this report.

Secondary sources of market data and investor criteria were utilized including Real Estate Research Corporation's Real Estate Report (RERC), Price Waterhouse Coopers Real Estate Investor Survey, Real Estate Investment Services (REIS), M/PF, ALN Systems, Cushman Wakefield Market Reports, Marcus Millichap Market Reports, CB Richard Ellis Market Reports, Insignia Market Reports, Jones Lang LaSalle Market Reports, and other industry publications.

APPRAISAL PROBLEM

The appraisal problem, as applied to the subject, is to determine the market value of the *fee simple interest* in the subject property. In addressing this problem, the principles of utility, substitution, and anticipation are considered in the following valuation.

REASONABLE EXPOSURE TIME

When the purpose of an assignment is to develop an opinion of market value, the appraiser must also develop an opinion of reasonable exposure time linked to the value opinion.

Reasonable exposure time is one of a series of conditions in most market-value definitions. Exposure time is always presumed to precede the effective date of the appraisal.

Exposure time, as defined by the Uniform Standards of Professional Appraisal Practice, is the opinion of the 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. It is a retrospective opinion based upon an analysis of past events assuming a competitive and open market.

The fact that exposure time is always presumed to occur prior to the effective date of the appraisal is substantiated by related facts in the appraisal process, i.e. supply/demand conditions as of the effective date of the appraisal, the use of current cost information, the analysis of historical sales information (sold after exposure and after completion of negotiations between the seller and the buyer), and the analysis of future income expectancy projected from the effective date of the appraisal.

The opinion of the time period for reasonable exposure is not intended to be a prediction of a date of sale or a one-line statement. Instead, it is an integral part of the analyses conducted during the appraisal assignment. The opinion may be expressed as a range and can be based on one or more of the following:

- Statistical information about days on market
- Information gathered through sales verification
- Interviews of market participants

Related information garnered through this process may include the identification of typical buyers and sellers for the type of property involved and typical equity investment levels and/or financing terms.

The reasonable exposure period is a function of price, time, and use, not an isolated opinion of time alone. The answer to the question “what is reasonable exposure time?” should always incorporate the answers to the question “for what kind of property at what value range?” rather than appear as a statement of an isolated time period.

A reasonable exposure time for the subject property at the market value definition and market value conclusion in this appraisal was developed by discussions with local market participants. According to local brokers, appraisers, and informed market participants, the reasonable exposure time for properties similar to the subject, is considered to be 12 months.

The purpose of the cost approach is to develop an opinion of the cost to construct a reproduction of, or replacement for, the existing structure and then deduct all accrued depreciation in the property being appraised from the cost new of the reproduction or replacement structure. When the value of the land and an entrepreneurial profit, if appropriate, are added to this figure, the result is an indication of the value of the fee simple interest in the property.

When applicable, the cost approach reflects market thinking by recognizing that market participants relate value to cost. Investors tend to judge the value of an existing structure by considering the prices and rents of similar buildings and the cost to create a new building with optimal physical and functional utility. Investors adjust the prices they are willing to pay by estimating the costs to bring an existing structure up to the level of physical and functional utility they desire.

The cost approach is based on the estimated replacement cost of the improvements less depreciation from all causes, to which is added the market value of the land based on comparable sales.

The concept of highest and best use is fundamental to real property value. In one application of the concept, land is valued as though vacant and available for its highest and best use; in the other application, the highest and best use of the property as improved is estimated. Thus, a site may have one highest and best use as though vacant, and the existing combination of site and improvements may have another highest and best use. Existing improvements have a value equal to the amount they contribute to the site, or they penalize value by an amount equal to the cost to remove them from the site. Existing improvements that do not develop the land to its highest and best use are usually worth less than their reproduction or replacement cost.

COST APPROACH AS APPLICABLE TO THIS ASSIGNMENT

The subject, being 73 years old and having an effective age of 15 years, suffers from a degree of physical depreciation. In our experience, buildings of this age will have been rehabilitated from time to time, but not necessarily in a comprehensive manner. Different areas of the improvement spaces exhibit different degrees of condition and quality.

The cost approach would likely be the least reliable approach to value due to the speculative cost and depreciation estimates on the existing improvements. Moreover, the cost approach to value of real estate with existing improvements of the subject's age is not typically a reliable indicator of market value when considering the use, and the degree of perceived depreciation applied to the structure. The subjective nature of concluding depreciation to the structure in this instance outweighs the construction elements of the cost approach with regard to an overall valuation. Thus, the cost approach is not used in this assignment.

SALES COMPARISON APPROACH

The sales comparison approach is a method of estimating market value whereby a property is compared with similar properties that have sold recently. One premise of the sales comparison approach is that the market will determine a price for the property being appraised in the same manner that it determines the price of comparable, competitive properties. The principle of substitution is basic in this approach as it implies that a prudent person will not pay more for a property than an acceptable alternative available in the market.

The steps of the sales comparison approach are outlined as follows:

- (a) Research the market to obtain information about sales, listings, and offerings of properties similar to the subject property.
- (b) Ascertain the nature of the conditions of sale, including the price, terms, motivating forces, and its bona fide nature.
- (c) Determine relevant units of comparison, e.g. sales price per square foot and develop a comparative analysis for each unit.
- (d) Compare each of the comparable properties' important attributes to the corresponding ones of the property being appraised, under the general categories of time, location, physical characteristics, and conditions of sale.

Consider all dissimilarities and their probable effect on the price of each sale property to derive individual market indications for the property being appraised.

- (e) Formulate, in light of the comparison thus made, an opinion of the relative value of the subject property as a whole, or where appropriate, by applicable units, compared with each of the similar properties.

In the sales comparison approach, the property appraised is compared with known prices paid for similar properties in the open market. Typically, for most properties, the most common units of comparison used are the overall price paid per unit and sales price per square foot.

Knowledgeable investors usually consider these methods, as rules of thumb, to establish a value range. To produce a highly meaningful answer, the comparable properties should be as highly similar in age and condition, operating expense ratio, and land value as possible.

The following summary information on improved sales judged to be comparable to the property appraised is included herein, establishing the probable value of the subject property by the sales comparison approach.

IMPROVED SALES MAP

Sales Map

Subject



202 N Kaufman St

Sales Comps



414 E Farmers Rd



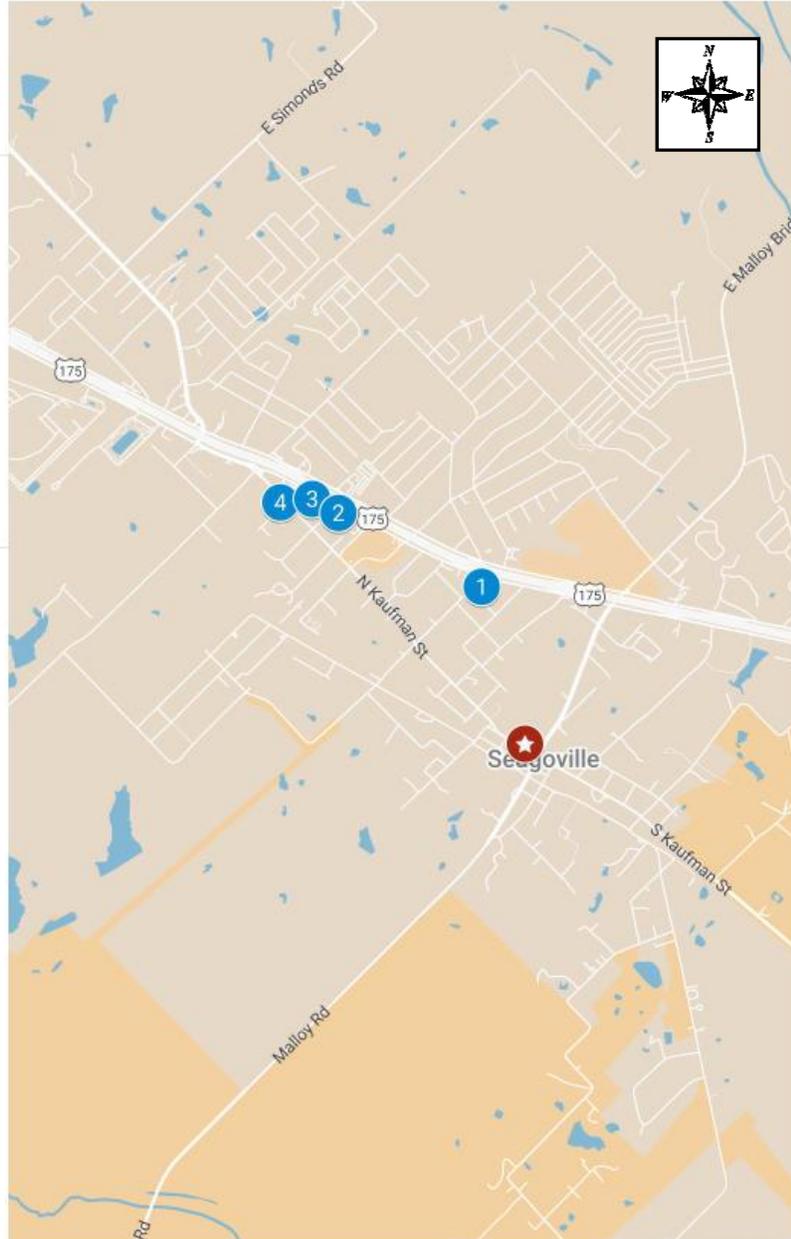
1121 N US Highway 175



105 Apple St



1401 N Kaufman St



Improved Sale No. 1

Location 414 East Farmers Road
Seagoville, Texas

Grantor F.L. Sebastian
Grantee Wrinkle Away Washateria, LLC

Record Data
Date July 2, 2024
Document No. 202400132841

Consideration \$340,000
Sale Price/SF \$272.00
Conditions of Sale Cash (or cash equivalent) to the seller

Physical Description

Land Area
Square Feet 1,594 SF
Building Coverage 78.42%
Gross Building Area 1,250 SF
Year Built 1958
Occupancy @ Sale 100%
Description Retail Strip Space
Quality Average

Comments The property was functioning as a laundromat with 22 washers and 24 dryers at the time of the transaction. At the time of inspection, the property was still functioning as a laundromat. Surrounding uses include retail and religious facility.

SALES COMPARISON APPROACH

Improved Sale No. 1 – Continued

Pro-Forma Operating Statement - Sale No. 1			
Income Data	Total		\$/SF
Gross Rental Income	\$	25,000	\$ 20.00
Plus: Expense Reimbursement	\$	4,375	\$ 3.50
Less: Vacancy @ 2%	\$	588	\$ 0.47
Effective Gross Income	\$	28,788	\$ 23.03
Total Expenses	\$	6,875	\$ 5.50
Net Operating Income	\$	21,913	\$ 17.53
<i>Source: Appraiser's estimate and broker data</i>			
Units of Comparison			
Overall Rate (Ro)		6.44%	
Sales Price/SF		\$272.00	
NOI/EGI Ratio		76.12%	

Improved Sale No. 2



Location 1121 North US Highway 175
Seagoville, Texas

Grantor Anytime Building Services, LLC
Grantee DROSS Group, LLC

Record Data
Date June 6, 2024
Document No. 202400115355

Consideration \$400,000
Sale Price/SF \$98.16
Conditions of Sale Cash (or cash equivalent) to the seller

Physical Description

Land Area
Square Feet 14,593 SF
Building Coverage 27.92%
Gross Building Area 4,075 SF
Year Built 1950
Occupancy @ Sale 100%
Description Freestanding Retail
Quality Average

Comments The property is currently a plant nursery. It is located at the southeastern corner of North US Highway 175 frontage road and East Adkins Street. Surrounding uses include car dealership, retail, and industrial.

Improved Sale No. 2 – Continued

Pro-Forma Operating Statement - Sale No. 2		
Income Data	Total	\$/SF
Gross Rental Income	\$ 44,825	\$ 11.00
Plus: Expense Reimbursement	\$ 8,150	\$ 2.00
Less: Vacancy @ 2%	\$ 1,060	\$ 0.26
Effective Gross Income	\$ 51,916	\$ 12.74
Total Expenses	\$ 12,225	\$ 3.00
Net Operating Income	\$ 39,691	\$ 9.74
<i>Source: Appraiser's estimate and broker data</i>		
Units of Comparison		
Overall Rate (Ro)	9.92%	
Sales Price/SF	\$98.16	
NOI/EGI Ratio	76.45%	

Improved Sale No. 3



Location 105 Apple Street
Seagoville, Texas

Grantor Gary Denson
Grantee Apple Street, LLC

Record Data
Date February 15, 2023
Document No. 202300029866

Consideration \$180,000
Sale Price/SF \$200.89
Conditions of Sale Cash (or cash equivalent) to the seller

Physical Description

Land Area
Square Feet 10,280 SF
Building Coverage 8.72%
Gross Building Area 896 SF
Year Built 1953
Occupancy @ Sale 100%
Description Retail Building
Quality Average

Comments The property is a frame house, but it is zoned for commercial use. It is located at the corner of Apple Street and US 175 frontage road. Surrounding uses include industrial and retail uses.

SALES COMPARISON APPROACH

Improved Sale No. 3 – Continued

Pro-Forma Operating Statement - Sale No. 3		
Income Data	Total	\$/SF
Gross Rental Income	\$ 16,128	\$ 18.00
Plus: Expense Reimbursement	\$ 3,136	\$ 3.50
Less: Vacancy @ 2%	\$ 385	\$ 0.43
Effective Gross Income	\$ 18,879	\$ 21.07
Total Expenses	\$ 4,480	\$ 5.00
Net Operating Income	\$ 14,399	\$ 16.07
<i>Source: Appraiser's estimate and broker data</i>		
Units of Comparison		
Overall Rate (Ro)	8.00%	
Sales Price/SF	\$200.89	
NOI/EGI Ratio	76.27%	

Improved Sale No. 4



Location 1401 North Kaufman Street
Seagoville, Texas

Grantor Martin Raul and Margarita Raul Mendoza
Grantee Claudia Jarmillo

Record Data
Date November 10, 2021
Document No. 202100349995

Consideration \$120,000
Sale Price/SF \$147.06
Conditions of Sale Cash (or cash equivalent) to the seller

Physical Description

Land Area
Square Feet 5,012 SF
Building Coverage 16.28%
Gross Building Area 816 SF
Year Built 1952
Occupancy @ Sale 100%
Description Retail Building
Quality Average

Comments The property is located in the Commercial zoning district in the City of Seagoville. According to listing photos, the property was run as a thrift shop. Surrounding uses include retail and residential.

SALES COMPARISON APPROACH

Improved Sale No. 4 – Continued

Pro-Forma Operating Statement - Sale No. 4		
Income Data	Total	\$/SF
Gross Rental Income	\$ 12,240	\$ 15.00
Plus: Expense Reimbursement	\$ 2,244	\$ 2.75
Less: Vacancy @ 2%	\$ 290	\$ 0.36
Effective Gross Income	\$ 14,194	\$ 17.40
Total Expenses	\$ 3,264	\$ 4.00
Net Operating Income	\$ 10,930	\$ 13.40
<i>Source: Appraiser's estimate and broker data</i>		
Units of Comparison		
Overall Rate (Ro)	9.11%	
Sales Price/SF	\$147.06	
NOI/EGI Ratio	77.00%	

SALES COMPARISON APPROACH

Summary of Improved Sales					
Sale No.	Address	YOC	SF	Price/SF	Date of Sale
1	414 East Farmers Road Seagoville, Texas	1958	1,250	\$272.00	Jul-2024
2	1121 North US Highway 175 Seagoville, Texas	1950	4,075	\$98.16	Jun-2024
3	105 Apple Street Seagoville, Texas	1953	896	\$200.89	Feb-2023
4	1401 North Kaufman Street Seagoville, Texas	1952	816	\$147.06	Nov-2021

The sales in the sample were selected from a larger group as being most similar in overall physical characteristics as compared to the subject. The sale sample ranges in price from \$98.16 to \$272.00 per square foot, range in size from 816 square feet to 4,075 square feet, and were constructed between 1950 and 1958.

ADJUSTMENT DESCRIPTIONS AND ANALYSIS

The first step in any comparative analysis is to identify which elements of comparison affect property values in the subject market. Each of the basic elements of comparison must be analyzed to determine whether an adjustment is required. If sufficient information is available, a quantitative adjustment can be made.

Adjustments for differences are made to the price of each comparable property to make that property equivalent to the subject in market appeal on the effective date of the opinion of value. The magnitude of the adjustment made for each element of comparison depends on how much that characteristic of the comparable property differs from the subject property. We have considered all appropriate elements of comparison in the following discussions.

In the following analysis, consideration is given for rights conveyed, financing, sale and market conditions, location, and physical characteristics. Property rights conveyed and financing are basic components of sale. Rights conveyed should be identical and financing should be on a cash equivalent basis. Sale conditions require analysis to determine any unusual characteristics. Consideration of market conditions is necessary because of the cyclical nature of the real estate market and continuous economic change. The location adjustment considers factors such as type, compatibility, quality, desirability, and accessibility of area development. Comparison of utility considers such factors as exposure, age, condition, and quality.

COMPARATIVE ANALYSIS

In analyzing the sales, comparative analyses are used to identify differences between the subject and the comparable sales. The difference in selling price is allocated to the elements of comparison, which the market data indicates contribute to different prices. While we have no direct support for these selected adjustments, an analysis of similar properties requires adjustment for these elements to be applied. The following table is a summary of comparable elements and their associated adjustments.

SUMMARY OF SELECTED ADJUSTMENTS	
Adjustment Category	Selected Adjustments
Exposure	10%; for the difference between inferior and superior exposure
Size	5%; for the differences in sizes of the properties

These adjustments are not intended as exact measurements but are used to define accurately the range of values indicated by the market.

RIGHTS CONVEYED, FINANCING, SALE, EXPENDITURES, MARKET CONDITIONS, AND LOCATION

Rights Conveyed

When property rights are sold, they may be the sole subject of the contract or the contract may include other rights, less than all of the real property rights, or even another property or properties. Before the price of a comparable sale property can be used in sales comparison analysis, the appraiser must first ensure that the sale price of the comparable property applies to property rights that are similar to those being appraised. To do so, adjustments may be required before specific differences in the physical real estate can be compared. The comparable sales are similar to the subject and are not adjusted.

Financing

The transaction price of one property may differ from that of an identical property due to different financing arrangements. The cost of financing includes the interest rate and any points, discounts, equity participations, or other charges that the lender requires to increase the effective yield of the loan. The cost and availability of credit for real estate financing influence both the quantity and quality of real estate demanded and supplied. Additional financing adjustments could be made based on owner financing, favorable financing terms, or assumptions. The comparable sales were purchased with cash, or third party financing which requires no adjustment.

Sale Conditions

Sale condition adjustments account for factors such as buyer or seller motivation, which affect the purchase price. The sales were evaluated and no adjustments for sale conditions are considered necessary for the comparable sales.

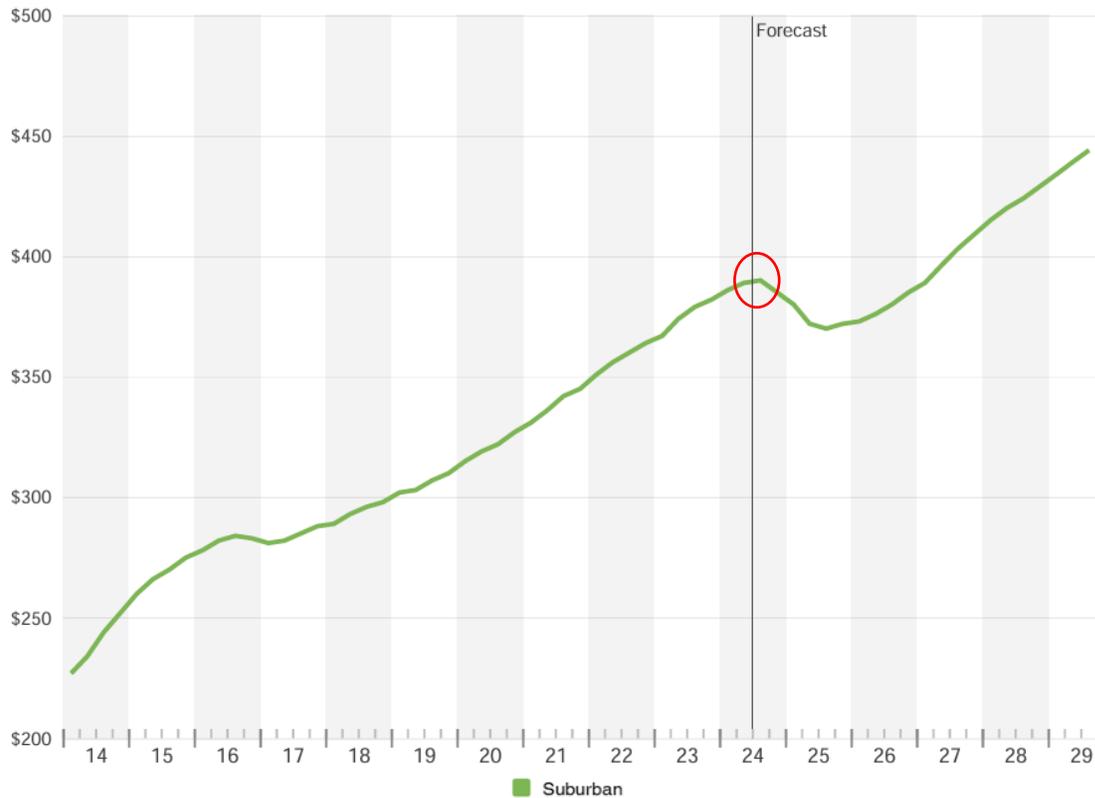
Expenditures Made Immediately After Purchase

A knowledgeable buyer considers expenditures that will have to be made upon purchase of a property because these costs affect the price the buyer agrees to pay. The anticipated costs are estimated unless specific expenditure data are available. The comparable sales were evaluated and no adjustments for expenditures are considered necessary.

Market Conditions

The sales occurred between November 2021 and July 2024. Adjustments for market conditions are applied if property values have increased or decreased since the transaction dates. A chart has been included indicating all retail sales of convenience stores in the five-mile radius surrounding the subject. Based on our observations and analysis, commercial real estate has appreciated approximately 5% annually. Each sale is adjusted accordingly for time.

Market Sale Price Per SF By Location Type



Location

Location adjustments account for differences in desirability (or locational appeal) in terms of general location, specifically the subject and comparable sub-market, income and vacancies, and other locational influences. The subject is located in Seagoville, and all of the sales are also in Seagoville. All sales are considered similar in locational appeal as compared to the subject and are not adjusted.

PHYSICAL CHARACTERISTICS

Access

Access has significant bearing on real estate in the market. Access is defined as the points, or number of points available for ingress/egress to the subject site or ease of access to the site from abutting roadways. Sale properties are adjusted based on their inferiority/superiority as compared with the subject. The sales are similar in access to the subject, being accessible from a main thoroughfare, and are not adjusted.

Exposure

Exposure is a function of traffic volume or drive-by business potential. Sale properties are adjusted based on their inferiority/superiority as compared with the subject. Sale Nos. 1, 2, 3, and 4 are adjusted -10%, -10%, -10%, and 0%, based on the sales' superior/inferior exposures.

Improved Sales - Traffic Exposure		
Sale No.	Location	Vehicle Count
1	414 East Farmers Road	42,400
2	1121 North US Highway 175	41,900
3	105 Apple Street	41,900
4	1401 North Kaufman Street	4,900
<i>Subject</i>	<i>202 North Kaufman Street</i>	<i>3,500</i>

Source: TxDOT and CoStar traffic estimates

Size

This adjustment accounts for the impact of size on value. Typically, a larger property will sell for less on a per square foot basis than a smaller property, assuming all other factors are relatively equal. Typically, through experience with similar properties, a 0%-15% adjustment may be necessary to account for size differences. Sales 1, 3, and 4 are less than half the size of the subject, and are adjusted -5%. Sale 2 is similar to the subject in size and is not adjusted.

Age

Sale Nos. 1, 2, 3, and 4 were constructed in 1958, 1950, 1953, and 1952, which have effective ages of 15 years each. The subject improvements were built in 1951. The effective age of the subject is estimated at 15 years as well. No adjustments are necessary.

Condition

The subject is maintained in average condition. All sales are considered to be of similar condition to the subject and no adjustments are warranted.

Quality

Inherent in this adjustment is recognition of the aesthetic appeal of each property, quality, and interior finish. The subject is average quality. All sales are considered to be of similar quality to the subject and no adjustments are warranted.

SALES COMPARISON APPROACH

SUMMARY OF ADJUSTMENTS

The following grid summarizes the adjustment process.

IMPROVED SALES ADJUSTMENTS				
Sale No.	1	2	3	4
Year Built	1958	1950	1953	1952
Size SF	1,250	4,075	896	816
Sale Date	Jul-24	Jun-24	Feb-23	Nov-21
Sale Price	\$340,000	\$400,000	\$180,000	\$120,000
Sale Price Per SF	\$272.00	\$98.16	\$200.89	\$147.06
Rights Conveyed	-0-	-0-	-0-	-0-
Financing	-0-	-0-	-0-	-0-
Sale Conditions	-0-	-0-	-0-	-0-
Immediate Expenditures	-0-	-0-	-0-	-0-
Market Conditions	1%	2%	8%	15%
Adjusted Price	\$274.72	\$100.12	\$216.96	\$169.12
Location	-0-	-0-	-0-	-0-
Access	-0-	-0-	-0-	-0-
Exposure	-10%	-10%	-10%	-0-
Size	-5%	-0-	-5%	-5%
Age	-0-	-0-	-0-	-0-
Condition	-0-	-0-	-0-	-0-
Quality	-0-	-0-	-0-	-0-
Net Adjustment	-15%	-10%	-15%	-5%
Adjusted Price/SF	\$233.51	\$90.11	\$184.42	\$160.66

SALES COMPARABLE CONCLUSIONS

The sales used in this valuation are the most recent available and were selected to accurately reflect the value range of properties similar to the subject. The direct sales comparison method indicates a range from \$90.11 to \$233.51 per square foot, with a mean of \$167.18 per square foot and a median of \$172.54 per square foot. Emphasis is given to the adjusted median and mean of the comparable sales. Considering the condition, layout, and occupancy of the subject, the indicated value is estimated to be \$170.00 per square foot or \$475,000.

VALUE INDICATED BY THE SALES PRICE PER SQUARE FOOT METHOD			
<u>Size SF</u>		<u>\$/SF</u>	<u>Indicated Value</u>
2,780	x	\$170.00	= \$472,600
Value by Sales Comparison			\$475,000

INCOME CAPITALIZATION APPROACH

The premise of the income capitalization approach is that an indication of value can be derived by capitalizing the net income a property will produce - under prudent management - at an appropriate rate which reflects the current market conditions, trends, and investor requirements. The approach is based on the principle of anticipation of future benefits, foremost of which is the stream of annual net income for a holding period plus a capital sum at the end of that period. The mechanism by which these benefits are translated to value i.e., present worth, is the capitalization process.

The income capitalization approach consists of the following steps:

- Market Analysis:** Research the market to determine relevant income parameters i.e., rental rate, vacancy rates, absorption trends, escalations, allowances, and other factors.
- Estimate of Operations:** Estimate potential gross income. Then, deduct a vacancy and collection loss allowance to derive effective gross income. Finally, estimate and deduct expenses of operation to derive net operating income.
- Capitalization:** Select an applicable capitalization method and technique. Develop the appropriate rate or rates and capitalize the net operating income or income stream to derive an indication of value.

MARKET ANALYSIS

As described above, the analysis of the market includes thorough research of the market to determine relevant income parameters i.e., rental rate, vacancy rates, absorption trends, escalations, allowances, and other factors.

As described above, the analysis of the market includes thorough research of the market to determine relevant income parameters i.e., rental rate, vacancy rates, absorption trends, escalations, allowances, and other factors.

CBRE and JLL were consulted for market data. A summary of competing properties in the subject neighborhood is also included the following pages.

FIGURES | DALLAS RETAIL | Q2 2024

Uptick in net absorption amid muted new supply

▼ 4.7% Availability Rate
 ▲ 651K SF Net Absorption (000s)
 ▼ 140K SF Completed (000s)
 ▲ \$19.96 Avg. Asking Rent (NNN)

Note: Arrows indicate change from previous quarter
Source: CBRE Econometric Advisors, Q2 2024.

MARKET HIGHLIGHTS

- The Dallas retail market closed Q2 2024 with an availability rate of 4.7%. This represented a -2% decrease from Q1 2024.
- The total retail space absorbed in Q2 2024 was 651,000 sq. ft., compared to 288,000 sq. ft. in Q1 2024.
- There was 140,000 sq. ft. delivered in Q2 2024, compared to 320,000 sq. ft. in Q1 2024.
- The overall average net asking rent for retail in Dallas ended Q2 2024 at \$19.96, which was up \$0.17 from Q1 2024.
- The total retail investment sales in Q2 2024 amounted to \$452.7 million in total volume, compared to \$737.3 million in Q1 2024.

FIGURE 1: Completions, Net Absorption, and Availability Rate



Source: CBRE Econometric Advisors, Q2 2024.

FIGURES | DALLAS RETAIL | Q2 2024

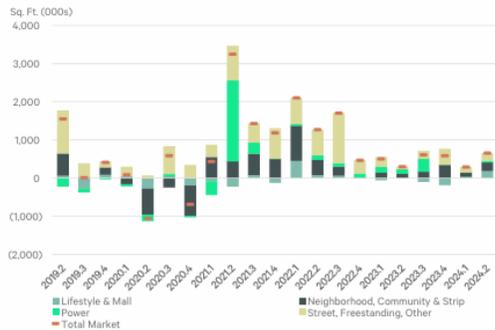
Market Overview

FIGURE 2: Market Statistics by Product Type

Market	Inventory (SF, 000s)	Availability Rate (%)	Net Absorption (SF 000s)	Completions (SF 000s)	Net Rent
Lifestyle & Mall	18,030	4.9	191	-	\$13.81
Neighborhood, Community & Strip	96,773	6.8	217	-	\$18.95
Power	22,088	4.2	46	-	\$31.57
Street, Freestanding, Other	115,330	3.0	197	140	-
Total Market	252,221	4.7	651	140	\$19.96

Source: CBRE Econometric Advisors, Q2 2024.

FIGURE 3: Net Absorption by Center Type



Source: CBRE Econometric Advisors, Q2 2024.

FIGURE 4: Market Statistics by Submarket

Market	Inventory (SF 000s)	Availability Rate (%)	Net Absorption (SF 000s)	Completions (SF 000s)	Net Rent
Total Market	252,221	4.7	651	140	\$19.96
Addison	2,828	5.0	55	-	\$20.09
Allen	7,624	5.0	28	25	\$22.36
Cedar Hill/Duncan	8,844	5.5	(1)	-	\$15.74
Central Dallas	15,061	4.6	49	35	\$31.02
Central Plano	14,237	8.3	131	-	\$19.72
Denton / Flower Mc	7,797	5.8	(59)	5	\$15.96
E Lewisville / West	8,024	3.2	8	9	\$22.38
East Plano / North	3,596	1.4	1	-	\$34.48
Far North Dallas	8,378	6.5	(22)	5	\$24.34
Farmers Branch	2,366	13.7	1	-	\$24.47
Garland	14,894	5.6	(38)	4	\$19.06
Lancaster	1,975	4.2	(12)	-	\$12.30
Lewisville	17,232	4.4	142	-	\$20.21
McKinney	10,480	1.9	20	8	\$22.19
Mesquite	2,822	2.1	30	5	\$15.29
Murphy/Wylie / Sac	6,059	2.9	5	4	\$25.95
N Dallas / Upper Gr	12,318	3.9	(48)	-	\$30.05
North Carrollton	8,820	3.8	21	-	\$21.37
North Central Dalla	9,789	3.2	132	5	\$29.78
Northeast Dallas	5,845	5.3	25	-	\$13.94
Northwest Dallas	6,926	2.9	14	-	\$20.08
Outlying Dallas	21,251	3.9	174	35	\$15.73
Pleasant Grove/SE	8,131	2.6	(6)	-	\$13.99
Richardson	6,826	7.1	(19)	-	\$17.95
Rockwall / East Dal	5,460	1.9	(6)	-	\$29.88
South Carrollton	3,810	5.4	(11)	-	\$16.56
SW Dallas County	13,463	5.0	4	-	\$19.43
Town East	7,224	10.2	(52)	-	\$14.14
West Plano	10,341	3.2	85	-	\$29.37

Source: CBRE Econometric Advisors, Q2 2024.

INCOME CAPITALIZATION APPROACH

FIGURES | DALLAS RETAIL | Q2 2024

Asking Rents & Availability

FIGURE 5: Net Asking Rent and Availability Rate

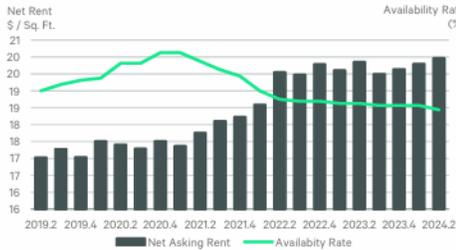


FIGURE 6: Net Rent and % Change



FIGURE 7: Availability by Center Type

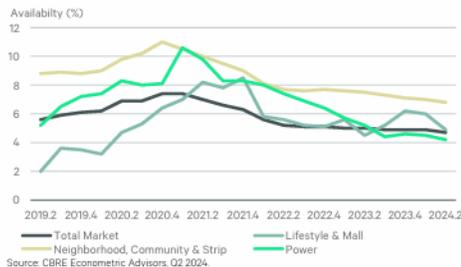
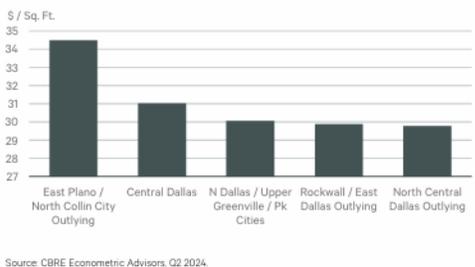


FIGURE 8: Top 5 Submarket by Net Rent



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FIGURES | DALLAS RETAIL | Q2 2024

Investment Sales

FIGURE 9: Retail Investment Sale Volume

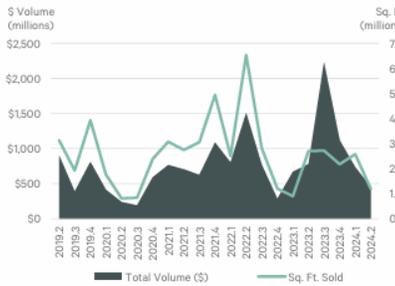


FIGURE 10: Q2 2024 Sale Transactions

Property Name	City	Building SF	Year Built	Sale Price	Price / SF
Home Depot	Plano	137,271	2006	\$14,000,000	\$102
Muse Shops at Midtown	Dallas	111,357	1999	\$33,515,070	\$301
4514 Travis Street	Dallas	90,464	1985	\$18,250,000	\$202
Village Square	Plano	83,302	1980	\$5,221,700	\$63
Ridge Road Town Center	Rockwall	54,424	2005	\$16,164,472	\$297
3029 Forest Lane	Dallas	45,000	2008	\$8,000,000	\$178
Timber Valley Center	Lewisville	44,552	1985	\$4,800,000	\$108
LA Fitness	Dallas	43,000	2006	\$7,975,000	\$185
Cinemark McKinney Movies 14	McKinney	33,965	1994	\$4,900,000	\$144
Youfit Health Club	Dallas	22,522	1995	\$13,112,308	\$582
CVS	University Park	16,285	1946	\$5,871,000	\$361
CVS	Irving	13,056	2020	\$8,604,000	\$659

Source: MSCI Real Capital Analytics, Q2 2024.

FIGURE 11: Retail Investment Sale Price Per Sq. Ft.



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INCOME CAPITALIZATION APPROACH

FIGURES | DALLAS RETAIL | Q2 2024

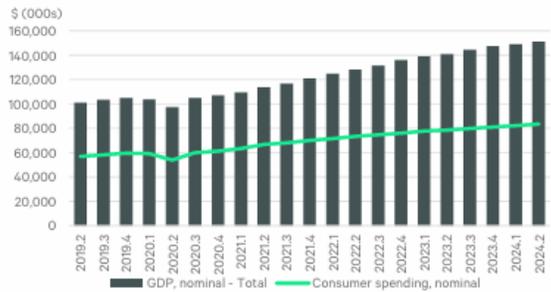
Economic Overview

FIGURE 12: Total Retail Sales



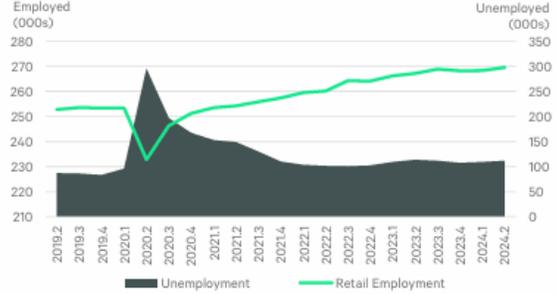
Source: Oxford Economics, Q2 2024.

FIGURE 14: GDP & Consumer Spending



Source: Oxford Economics, Q2 2024.

FIGURE 13: Retail Employment vs. Unemployment



Source: Oxford Economics, Q2 2024.

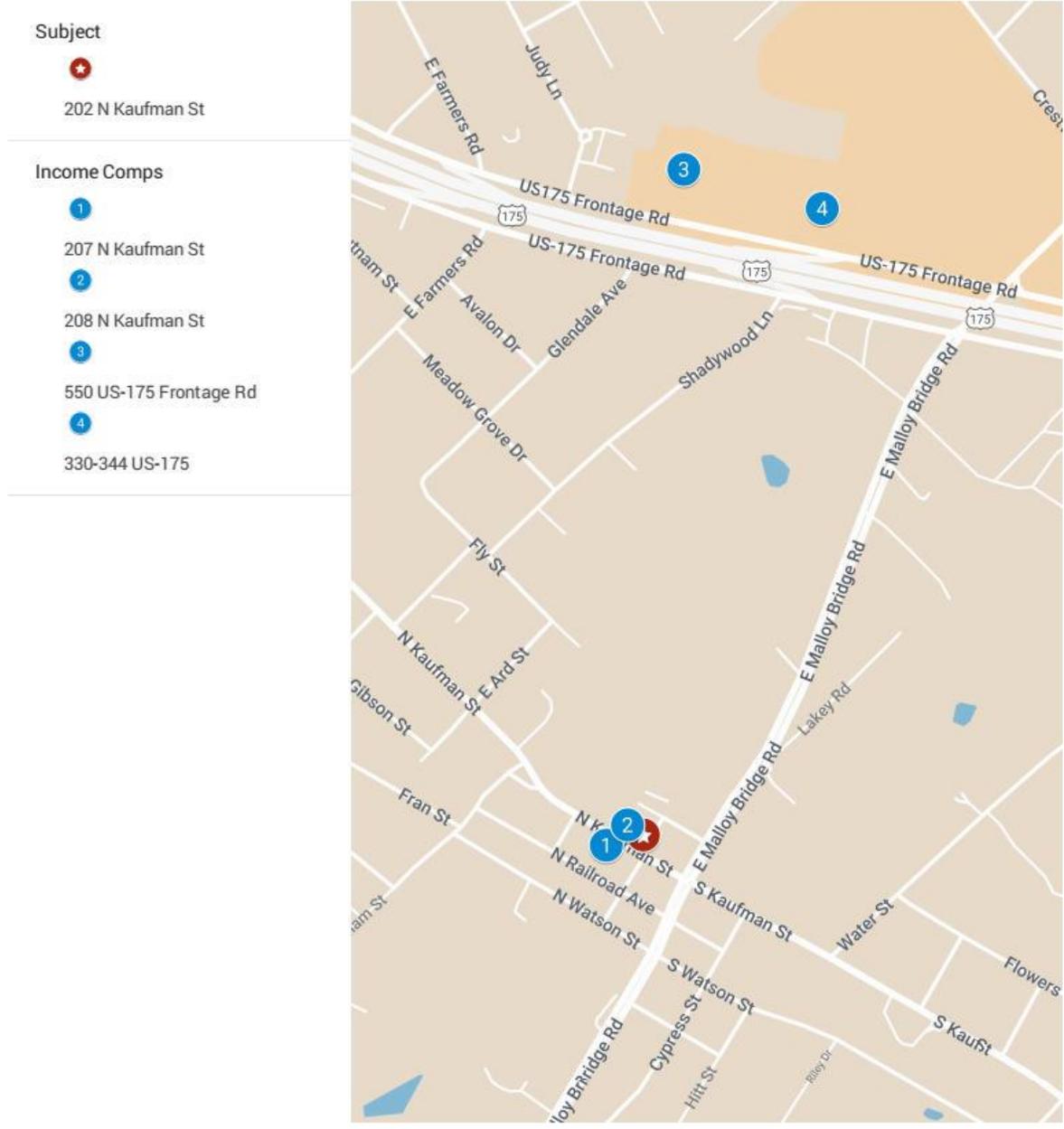
FIGURE 15: Total Population & Net Migration



Source: Oxford Economics, Q2 2024.

RENTALS MAP

Income Map



INCOME CAPITALIZATION APPROACH

RENTAL NO. 1



Address 207 North Kaufman Street
Seagoville, Texas

Year of Construction 1957

Rentable Building Area 5,000 SF
Occupancy 100%

Rental Rate Per SF \$8.40
Lease Terms Plus Utilities; 1-year

Comments The property is a retail strip center located in Seagoville. Various tenants have asking rates at \$8.40 per square foot. The terms of the leases are on plus utility bases, with year durations.

INCOME CAPITALIZATION APPROACH

RENTAL NO. 2



Address 208 North Kaufman Street
Seagoville, Texas

Year of Construction 1970

Rentable Building Area 5,000 SF
Occupancy 87%

Rental Rate Per SF \$17.00
Lease Terms Plus Utilities; 1-year

Comments The property is a retail building located in Seagoville. The property has a starting rate of \$17.00 per square foot. The terms of the leases are on plus utility bases, with a year duration.

INCOME CAPITALIZATION APPROACH

RENTAL NO. 3



Address 550 US-175 frontage road
Seagoville, Texas

Year of Construction 2014

Rentable Building Area 20,500 SF
Occupancy 100%

Rental Rate Per SF \$22.00-\$24.00
Lease Terms Triple Net; Unknown

Comments The property is a retail building located in Seagoville. The tenant is Taco Azteca Restaurante that had an asking rent of \$22.00 to \$24.00 per square foot. The terms of the leases are on triple net bases, with an unknown length.

INCOME CAPITALIZATION APPROACH

RENTAL NO. 4



Address 330-344 US-175
Seagoville, Texas

Year of Construction 2004

Rentable Building Area 19,600 SF
Occupancy 86%

Rental Rate Per SF \$11.00-\$22.00
Lease Terms Triple Net; 8-years

Comments The property is a retail strip center located in Seagoville. The tenant is Seagoville Family Dentistry that had an asking rent of \$18.00 per square foot. The terms of the leases are on triple net bases, with a length of eight years.

INCOME CAPITALIZATION APPROACH

RENTAL SURVEY					
Rental No.	Name/Location	Rental Rate	Lease Basis	YOC	Rentable Area
1	207 North Kaufman Street Seagoville, Texas	\$8.40	Plus Utilities	1957	5,000 SF
2	208 North Kaufman Street Seagoville, Texas	\$17.00	Plus Utilities	1970	5,000 SF
3	550 US-175 frontage road Seagoville, Texas	\$22.00-\$24.00	Triple Net	2014	20,500 SF
4	330-344 US-175 Seagoville, Texas	\$11.00-\$22.00	Triple Net	2004	19,600 SF

The properties in the survey are similar to the subject and are comparable in design, construction, and use. The facilities range in size from 5,000 to 20,500 square feet. The lease rates of the survey range from \$8.40 to \$24.00 per square foot on triple net and plus electric bases, and are representative of the market.

For the purpose for this analysis, the subject concludes a lease agreement on a triple net lease basis. That is, the operator/tenant is responsible for operating expenses, including pro rata shares of taxes, insurance, and maintenance/grounds. Based on this lease arrangement, the only expense to an owner would be a management fee and any structural maintenance charges. Each of the comparable rents varies in location and quality and differs in size as compared with the subject.

Market Rent and Gross Rental Income Analysis

In estimating the appropriate market rental rate for the subject, all the comparable rental properties were considered. Considering the location of the subject, the quality of finish, careful consideration of data and inspecting each comparable property, the market supports a market rental rate of \$15.00 per square foot, on a triple net lease basis. This estimate recognizes the location, construction, size, quality, and condition of the subject as compared with competing properties in the local market.

Potential Gross Income

Based on the estimated market rate, the potential gross rental income of the subject property is \$41,700 per year or \$15.00 per square foot.

Reimbursements

Under a triple net lease arrangement, the tenant is responsible for operating expenses. Reimbursements for taxes, insurance, and maintenance/grounds are estimated at \$7,468 for the retail building.

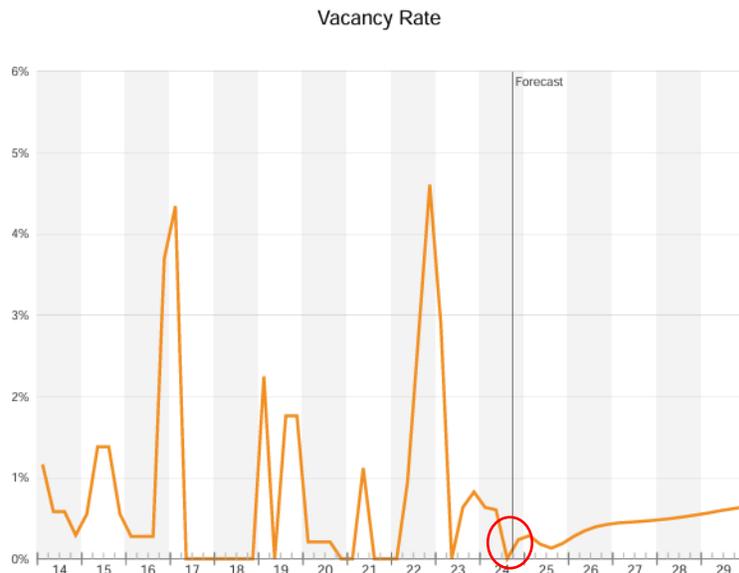
INCOME CAPITALIZATION APPROACH

Vacancy & Collection Loss

According to the Dictionary of Real Estate Appraisal, vacancy and collection (credit) loss is defined as an allowance for reductions in potential income attributable to vacancies, tenant turnover, and non-payment of rent. The portion referring to vacancy is typically derived from market sources such as the market conditions of competing properties and the competitive market. The collection loss is a reflection of the type of tenants within the market or subject.

In order to estimate anticipated vacancy and credit loss for the subject, relevant market data sources have been researched, and the operating expenses and comparable properties have been analyzed.

A survey of local management companies and rental properties show that there is a wide range of vacancy rates in the area, which vary from 0% to 50%, with a 10 year average of approximately 2%. Given the subject's size, current/potential tenancy, market occupancy rates, and location, a reasonable market vacancy and credit loss rate for the subject is estimated at 2%, which equates to \$983 or \$0.35 per square foot. This percentage calculates at approximately one month of vacancy every five years.



OPERATING EXPENSES

The following annual expense summary is estimated based on operations of similar properties in the subject market. Expenses include both fixed and variable expenses. Fixed expenses include ad valorem property taxes and property insurance. Variable expenses include management/administrative and maintenance/repair costs. Typical leases on properties of this type are structured on a triple net lease basis. That is, the operator/tenant is responsible for operating expenses, including pro rata shares of taxes, insurance, and maintenance/grounds. Based on this lease arrangement, the only expense to an owner would be a management fee and any structural maintenance charges.

INCOME CAPITALIZATION APPROACH

Where actual operating statements were not available for analysis, estimates are applied in the expense estimates for the subject property.

EXPENSES

Real Estate Taxes

Real estate taxes (as detailed previously in the tax analysis portion of the subject property section) are estimated at \$2,459, or \$0.88 per square foot. This expense is reimbursed. The basis of this expense is the county appraisal district.

Fire & Extended Coverage Insurance

Based on information from third party reports, the estimated typical fire, extended coverage, and liability policy is \$2,000, or \$0.72 per square foot. This expense is reimbursed. The basis of this expense is market estimates and data.

Maintenance/Grounds

This expense includes such items as parking lot, security, trash, minor HVAC repairs, and landscaping. Based on market estimates and data, this expense is estimated at \$3,000 or \$1.08 per square foot. Market reports show maintenance charges ranging from \$0.37 to \$2.88 per square foot. This expense is reimbursed.

Management Fees

Includes general management, supervision, professional fees, legal fees, printing, keys and locks, sign expenses, and purchasing, etc. Management fees in this market range between 2% and 8% of effective gross income. Based on the market estimates and data, we utilize a 3% management fee based on market estimates, which equates to \$1,446, or \$0.52 per square foot.

INCOME CAPITALIZATION APPROACH

Structural Maintenance/Reserves

This category covers all normal annual maintenance and repair costs to the structure. This expense includes such items as exterior repairs and roof repairs, as well as maintenance of the interior and its equipment, including HVAC units, elevators, plumbing and electrical. Based on market estimates and data, this expense is estimated at \$2,500, or \$0.90 per square foot.

RealtyRates.com INVESTOR SURVEY - 3rd Quarter 2024*									
SURVEYED RESERVE REQUIREMENTS									
Property Type	Per SF			Per Unit			% of EGI		
	Min.	Max.	Typical	Min.	Max.	Typical	Min.	Max.	Typical
Apartments				\$165	\$450	\$418			
Golf				\$1,295	\$7,950	\$3,666	2.0%	4.5%	3.2%
Health Care/Senior Housing				\$275	\$760	\$424			
Industrial	\$0.28	\$0.90	\$0.59						
Lodging							4.0%	8.5%	4.6%
Mobile Home/RV Park				\$38	\$318	\$176	2.0%	5.5%	4.2%
Office	\$0.38	\$0.95	\$0.69						
Restaurants							2.0%	5.5%	3.2%
Retail	\$0.38	\$1.15	\$0.76						
Self-Storage	\$0.32	\$0.85	\$0.71	\$38	\$218	\$137			
Special Purpose	\$0.30	\$1.20	\$0.80						

*2nd Quarter 2024 Data Copyright 2024 RealtyRates.com™

Expense Summary

Based on the foregoing, the expenses are estimated at \$4.11 per square foot or \$11,414 per year.

INCOME CAPITALIZATION APPROACH

PRO FORMA ANALYSIS

The following table represents the stabilized pro forma operating statement for the subject property.

INCOME AND EXPENSE SUMMARY				
Rentable Building Area: 2,780 SF				
		Total		\$/SF
Gross Rental Income		\$ 41,700		\$ 15.00
Expense Reimbursements		\$ 7,459		\$ 2.68
Total Potential Income		\$ 49,159		\$ 17.68
Less: Vacancy @ 2%		\$ 983		\$ 0.35
Effective Gross Income		\$ 48,176		\$ 17.33
<u>Less: Expenses</u>	<u>Reimbursed</u>			
Real Estate Taxes	X	\$ 2,459		\$ 0.88
Insurance	X	\$ 2,000		\$ 0.72
Maintenance/Grounds	X	\$ 3,000		\$ 1.08
Management Fees (3% of EGI)		\$ 1,445		\$ 0.52
Structural Maintenance/Reserves		\$ 2,500		\$ 0.90
Total Expenses		\$ 11,404		\$ 4.10
Net Operating Income		\$ 36,772		\$ 13.23
Net Income/Effective Gross Income Ratio		76.33%		

INCOME CAPITALIZATION APPROACH

CAPITALIZATION

The method of capitalization selected for this appraisal is the Direct Capitalization Method in which the net income stream attributable to the entire property is capitalized into an indication of value by a single overall rate (OAR). Income producing property is usually bought as an investment. That is, the purchaser wants the property for the return it will yield on the capital (whether owned or borrowed) used to buy it. The rate of return the investor receives is the capitalization rate (also called the overall rate), which can be expressed as a relationship between the annual net operating income a property produces and its value. By dividing the indicated net operating income of a property by the appropriate capitalization (cap) rate, the property's value can be indicated.

Two methods of developing rates for direct capitalization are illustrated below. First is the market capitalization rate. This is an overall rate exhibited in the market and is the ratio between the total net operating income (NOI) produced by the property and the sales price from the property. Generally, the overall rate is extracted from the transactions of similar type properties. Second is the band of investment method. This method considers the financial components, or bands, of debt and equity capital required to support the investment.

Market Extracted - Capitalization Rate

In the sales comparison approach, the sales of similar properties are detailed. These sales included actual or estimated pro forma income and expense information that allowed us to extract capitalization rates from cash equivalent figures. These are summarized as follows:

Summary of Improved Sales					
Sale No.	YOC	SF	Sale Date	Price/Unit	OAR
1	1958	1,250	Jul-2024	\$272.00	6.4%
2	1950	4,075	Jun-2024	\$98.16	9.9%
3	1953	896	Feb-2023	\$200.89	8.0%
4	1952	816	Nov-2021	\$147.06	9.1%

The extracted capitalization rates range from 6.4% to 9.9%, with an average of 8.4% and a median of 8.6%.

INCOME CAPITALIZATION APPROACH

Band of Investment Method

A method commonly used to calculate an overall capitalization rate is the band of investment method. This method considers the financial components, or bands, of debt and equity capital required to support the investment. This method thus considers everyone who has a financial interest in the real estate being appraised. Not every investor will be satisfied with the same rate of return on an investment. For example, the owner may regard his or her position as riskier than that of the first or second lien holder. Each mortgage creates a lien on the property. If the owner defaults, the property may be sold to pay such liens, and the owner will receive only those proceeds that may remain from the sale of the property after the lien holders have been paid. Since the owner's interest is generally considered inferior to those of lien holders, the owner may require a higher total return on the investment but accept a lower cash flow return, given the value of the owner's residual interest in the property in addition to the owner's subordinated claim on the cash flow.

The band of investment method must consider both the rate required by the lender and the rate necessary for the equity investor's desired pretax cash flow. The rate required by the lender is termed the mortgage constant and is annual debt service expressed as a percentage of the original principal amount.

The rate required by the equity investor, which is the ratio of the investor's expected pretax cash flow to the investment's value, is called the equity capitalization rate. The equity capitalization rate also may be referred to as the cash-on-cash rate, cash flow rate or equity dividend rate.

The overall rate developed by the band of investment method thus is based on (1) the capitalization rate for debt, called the mortgage constant, and (2) the rate of return required on equity, called the equity capitalization rate.

For the subject, we are utilizing a 30-year amortization period covering 75% of the value at 8.00% interest, and typically a buyer would require a 8.00% equity dividend rate on this type of real estate investment, considering the characteristics of the subject. Using the band of investment method, the overall rate is developed as follows:

Amortization Period	30 years	Mortgage Constant (Rm)	0.088052
Loan-to-Value Ratio	75%		
Equity Component	25%		
Interest Rate (i)	8.00%		
Equity Dividend Rate (Re)	8.00%		
	<u>% Total Value</u>	<u>Return Required</u>	
Loan	0.750	x	0.08805 (mortgage constant)
Equity	0.250	x	0.08000 (equity dividend rate)
			Overall Rate
			0.08604
			Rounded
			8.60%

INCOME CAPITALIZATION APPROACH

Secondary Sources – Capitalization Rate

Real Estate Research Corporation (RERC) conducts a quarterly survey of major knowledgeable real estate participants including large insurance companies, financial institutions, property owners, brokers, appraisers, and other market participants. This survey tracks target rates of return for predominately investment-grade properties. As the subject is not considered institutional/investment grade, the expected capitalization rate of the subject would be higher than the represented rate.

The RERC Investment Criteria report for the Dallas area is detailed in the following table:

Dallas | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	South Region	U.S.	RERC Estimate ²	South Region	U.S.	RERC Estimate ²	South Region	U.S.	National Value	South Value	National Rent	South Rent
CBD	9.6	9.1	9.3	8.2	7.5	7.7	9.1	8.1	8.3	-4.5	-4.2	-2.1	-1.2
Suburban	9.6	9.3	9.4	7.9	7.6	7.8	8.4	8.2	8.5	-1.8	-2.5	-0.5	-1.0
Warehouse	8.0	7.9	7.9	6.9	6.4	6.4	7.1	7.1	7.1	2.3	-0.5	2.7	1.8
R&D	9.5	9.1	8.7	7.6	7.3	7.1	8.3	7.9	7.8	1.1	-2.3	2.0	0.3
Flex	9.5	8.8	8.5	7.9	7.2	7.1	8.4	7.9	7.8	1.1	-1.6	2.1	1.1
Regional Mall	9.5	9.8	9.9	8.4	8.4	8.5	8.7	8.9	9.1	-3.4	-4.3	-1.2	-1.5
Power Center	9.3	9.2	9.3	8.0	7.7	7.9	8.4	8.3	8.4	-0.5	-1.4	0.7	0.4
Neigh/Comm	7.4	8.7	8.8	6.6	7.3	7.4	6.7	7.7	8.0	0.7	0.0	1.3	1.5
Apartment	7.7	7.5	7.4	6.2	5.9	5.8	6.2	6.3	6.4	1.0	-0.8	1.8	1.1
Hotel	9.7	9.8	10.1	7.7	8.2	8.4	8.2	8.7	9.0	0.7	3.6	1.0	2.4
Average	9.0	8.9	8.9	7.5	7.4	7.4	7.9	7.9	8.0	-0.3	-1.4	0.8	0.5

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022.
Source RERC, 1Q 2024.

INCOME CAPITALIZATION APPROACH

Another secondary source of published actual capitalization rates is the RG Watts & Company – RealtyRates.com Investor Survey. Their Investor Survey by methodology is presented below:

RealtyRates.com INVESTOR SURVEY - 3rd Quarter 2024*						
RETAIL - ALL TYPES						
Item	Input					OAR
Minimum						
Spread Over 10-Year Treasury	0.76%	DCR Technique	1.10	0.060349	0.80	5.31
Debt Coverage Ratio	1.10	Band of Investment Technique				
Interest Rate	5.31%	Mortgage	80%	0.060349	0.048279	
Amortization	40	Equity	20%	0.075306	0.015061	
Mortgage Constant	0.060349	OAR				6.33
Loan-to-Value Ratio	80%	Surveyed Rates				5.95
Equity Dividend Rate	7.53%					
Maximum						
Spread Over 10-Year Treasury	5.90%	DCR Technique	2.15	0.132276	0.50	14.22
Debt Coverage Ratio	2.15	Band of Investment Technique				
Interest Rate	10.45%	Mortgage	50%	0.132276	0.066138	
Amortization	15	Equity	50%	0.170284	0.085142	
Mortgage Constant	0.132276	OAR				15.13
Loan-to-Value Ratio	50%	Surveyed Rates				14.22
Equity Dividend Rate	17.03%					
Average						
Spread Over 10-Year Treasury	3.45%	DCR Technique	1.39	0.092529	0.70	8.98
Debt Coverage Ratio	1.39	Band of Investment Technique				
Interest Rate	8.00%	Mortgage	70%	0.092529	0.064770	
Amortization	25	Equity	30%	0.127544	0.038263	
Mortgage Constant	0.092529	OAR				10.30
Loan-to-Value Ratio	70.0%	Surveyed Rates				9.93
Equity Dividend Rate	12.8%					

*2nd Quarter 2024 Data

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INCOME CAPITALIZATION APPROACH

Capitalization Rate Conclusions

Method	Indicated Discount Rate
Local Market Extraction – Comparable Sales	6.36% – 9.79%
Local Market Extraction – Average	8.3%
Property Model (Band of Investment)	8.6%
Market Survey	
RERC - Survey	6.6%
RealtyRates.com – DCR	8.98%
RealtyRates.com – Band of Investment	10.30%
RealtyRates.com – Survey (Average)	9.93%
RealtyRates.com – Survey (Range)	5.95% – 14.22%

In comparison to the sales extractions, market surveys, and given the characteristics of the area and market demand, and due to the age of the subject and the renovation that the subject will have undergone, an overall capitalization rate of 8.00% is supported. Using the net operating income and capitalizing it at that OAR produces the following value at stabilized operation. Utilizing the preceding steps, the calculation for a value estimate by direct capitalization is presented below:

Net Operating Income	=	\$36,772
Capitalization Rate		0.0800
Value Indicated By Direct Capitalization		\$459,650
Final Value by Direct Capitalization		\$460,000

In the preceding sections of this report, the area data and trends, location amenities, highest and best use, and other elements of value are discussed. The market was researched for comparable improved sales, and income producing properties.

SUMMARY OF APPROACHES - As-Is	
Cost Approach	N/A
Sales Comparison Approach	\$475,000
Income Capitalization Approach	\$460,000
Reconciled Value	\$470,000

Finally, considering the approaches to value, each approach is analyzed in terms of the quantity and quality of the data used in each approach and applicability to estimate a reliable value.

Cost Approach

Due to the subject age, the cost approach is not as reliable as the sales comparison and income capitalization approaches because of the amount of estimated depreciation. As such, the cost approach is not utilized in this appraisal.

Sales Comparison Approach

The price per square foot is used in the sales comparison approach to provide an indication of value for the subject. These transactions are considered to reflect the behavior of typical market participants. Although the sales were somewhat different in age, size, and use, they provide reasonable value indications of the subject, after adjustment for these various differences. The value range produced by this approach is a reasonable indicator based on the best available market data.

Income Capitalization Approach

The direct capitalization method is used in the income capitalization approach to develop an indication of market value. Operating expenses are estimated based primarily on actual data from other projects, subject historical records (if available), and data extracted from the tax rolls.

The income capitalization approach is the best approach to determine market value when the real estate market recognizes the value of a property based on the income it produces. The comparable rental properties used are representative of market and provided a good indicator of the potential of the subject property.

CONCLUSIONS

In conclusion, the sales comparison and income capitalization approaches are reliable indicators due to both the quality and quantity of the available sale data and current rental market data, and provide a good basis for valuation. Based on this type of property, our final opinions of the fee simple interest market value of the subject are as follows:

Market Value Opinion

Fee Simple, As Is

\$ 470,000

REASONABLE MARKETING PERIOD

The request to provide a reasonable marketing time opinion exceeds the normal information required for the conduct of the appraisal process, and is treated separately from the process.

Reasonable marketing time, as defined by the Uniform Standards of Professional Appraisal Practice, is an opinion of the amount of time it might take to sell a real or personal property interest in at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal.

The development of a marketing time opinion uses some of the same data analyzed in the process of developing a reasonable exposure time opinion as part of the appraisal process and is not intended to be a prediction of a date of sale or a one-line statement. It is an integral part of the analyses conducted during the appraisal assignment. This opinion may be expressed as a range or a number. The opinion can be based on one or more of the following:

- statistical information about days on market
- information from data collection services
- information gathered through sales verification
- interviews of market participants
- anticipated changes in market conditions

Related information of market conditions that may affect marketing time includes identification of typical buyers and sellers for the type of real estate involved and typical equity investment levels and financing terms. Reasonable marketing time is a function of price, time, use, and anticipated market conditions, such as changes in the cost and availability of funds and is not an isolated opinion of time alone. The price that may be achieved in the future, at the end of the marketing period, may or may not be equal to the current appraised value opinion, depending on potential changes in the physical real estate, demographic and economic trends, the real estate market, tenancy, property operations, and the effectiveness of the marketing program, among other factors.

A reasonable marketing period for the subject property at the market value opinion stated above is developed in the following manner:

The opinion of value reached herein is considered supportable and reliable. It is based upon recent market data including conversations with area brokers and principals involved in the comparable sales utilized in the valuation of the subject.

According to local brokers, appropriately priced similar properties generally sell within time periods ranging from approximately 8 to 16 months. This opinion was supported by the marketing times reported by several of the parties to the improved comparable sales utilized herein. A reasonable marketing time for the subject property, priced in accordance with the market value opinion concluded in this report, is considered to be 12 months.

APPRAISER'S CERTIFICATE

The undersigned certify that, to the best of our knowledge and belief:

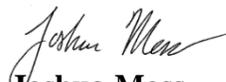
- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Practice*.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.
- As of the date of this appraisal, Richard McBride and Joshua Moss have completed the Standards and Ethics Education Requirements for Practicing Affiliates of the Appraisal Institute.
- Joshua Moss made a personal inspection of the property that is the subject of this report. Richard McBride did not attend the inspection.
- No one provided significant real property appraisal assistance to the person signing this certification by attending the inspection, performing research, and assisting with writing the report.

PYLES WHATLEY



Richard McBride

State of Texas Certification #TX-1380335-G



Joshua Moss

State of Texas Certification #TX-1381439-G

RICHARD C. MCBRIDE

Appraisal assignments include retail centers, existing and proposed office buildings, commercial and industrial properties, self-storage facilities, automobile dealerships, single-family and multi-family residential properties, and vacant land. Additional consulting assignments include condemnation and right-of-way work, and other various consulting assignments.

Experience

- ◆ Appraiser with Pyles Whatley Corporation since 2007; Partner in the company since 2018.
- ◆ Over fifteen years' experience in appraising real property interests in Texas and Oklahoma.

Education

- ◆ Numerous Appraisal Courses offered by the Appraisal Institute
- ◆ Right-of-way courses offered by the International Right of Way Association
- ◆ Richland College
 - Engineering
 - General studies

Professional

- ◆ Texas Appraiser Licensing and Certification Board
 - *Certified General Real Estate Appraiser #TX-1380335-G*
- ◆ Appraisal Institute
 - *Practicing Affiliate*
- ◆ International Right of Way Association, Chapter 36, Member

JOSHUA MOSS

Appraisal assignments include vacant land, car washes, schools, retail centers, existing and proposed office buildings, commercial and industrial properties, single-family residential, and multi-family residential properties. Additional assignments include condemnation and right-of-way work.

Experience

- Commercial appraisal in the state of Arkansas from 2017 to 2018.
- Appraiser with Pyles Whatley since 2021, with four years of experience in appraisal.

Education

- Bachelor of Arts – Chemistry, Arkansas State University
 - Minor: Music
- Many appraisal courses offered by the Appraisal Institute, including designation level coursework.
- Completed various qualifying courses and continuing education courses for certification and fulfillment of license requirements.

Professional

- State of Texas, Certified General #TX-1381439-G
- International Right of Way, Chapter 36, Member
- Appraisal Institute, Practicing Affiliate

ADDENDA

TAX INFORMATION



[Home](#) | [Find Property](#) | [Contact Us](#)

Commercial Account #65017810550220000

[Location](#) [Owner](#) [Legal Desc](#) [Value](#) [Improvements](#) [Land](#) [Exemptions](#) [Estimated Taxes](#) [Building Footprint](#) [History](#)

Location (Current 2025)

Address: 202 N KAUFMAN ST

Market Area: 0

Mapsc0: 80A-G (DALLAS)

[DCAD Property Map](#)

[View Photo](#)

[2024 Appraisal Notice](#)

[41.13 ARB Order Information](#)

[Electronic Documents \(DCAD ENS*\)](#)

[Notice Of Estimated Taxes \(ENS*\)](#)

* Electronic Notification System



[Print Homestead Exemption Form](#)

Owner (Current 2025)

TOMAINO PPTIES LP
% J & J ENTERPRISES
2626 COLE AVE STE 606LB8
DALLAS, TEXAS 752041083

Multi-Owner (Current 2025)

Owner Name	Ownership %
TOMAINO PPTIES LP	100%

Legal Desc (Current 2025)

- 1: HENRY D BOHANNAN ABST 178 PG 105
 - 2: TR 22 ACS 0.185
 - 3: O T SHEET 7
 - 4: INT 200600227192 DD06152006 CO-DC
 - 5: 0178105502200 3CJ01781055
- Deed Transfer Date:** 6/22/2006

Value

2024 Certified Values	
Improvement:	\$44,440
Land:	+ \$64,460
Market Value:	= \$108,900
Tax Agent: TURNER J ELMER REALTORS	
Revaluation Year:	2024
Previous Revaluation Year:	2023

Improvements (Current 2025)

#	Desc: FREE STANDING RETAIL STORE	Total Area: 2,376 sqft	Year Built: 1951
1	Construction Construction: C-MASONRY, BLOCK, TILT-WALL Foundation (Area): CONCRETE BEAM (2,376 sqft) Net Lease Area : 2,592 sqft # Stories: 1 # Units: 0 Basement (Area): NONE Heat: CENTRAL HEAT A/C: CENTRAL A/C	Depreciation Physical: 60% Functional: + 0% External: + 0% Total: = 60% Quality: AVERAGE Condition: AVERAGE	Appraisal Method INCOME

Land (2024 Certified Values)

#	State Code	Zoning	Frontage (ft)	Depth (ft)	Area	Pricing Method	Unit Price	Market Adjustment	Adjusted Price	Ag Land
1	COMMERCIAL IMPROVEMENTS	COMMERCIAL	0	0	8,058.0000 SQUARE FEET	STANDARD	\$8.00	0%	\$64,464	N

* All Exemption information reflects 2024 Certified Values. *

Exemptions (2024 Certified Values)

No Exemptions

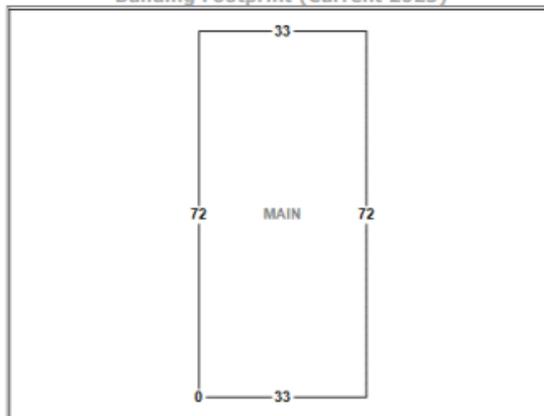
Estimated Taxes (2024 Certified Values)

	City	School	County and School Equalization	College	Hospital	Special District
Taxing Jurisdiction	SEAGOVILLE	DALLAS ISD	DALLAS COUNTY	DALLAS COLLEGE	PARKLAND HOSPITAL	UNASSIGNED
Tax Rate per \$100	\$0.728004	\$0.997235	\$0.2155	\$0.105595	\$0.212	N/A
Taxable Value	\$108,900	\$108,900	\$108,900	\$108,900	\$108,900	\$0
Estimated Taxes	\$792.80	\$1,085.99	\$234.68	\$114.99	\$230.87	N/A
Tax Ceiling					N/A	N/A
Total Estimated Taxes:						\$2,459.33

DO NOT PAY TAXES BASED ON THESE ESTIMATED TAXES. You will receive an **official tax bill** from the appropriate agency when they are prepared. Please note that if there is an Over65 or Disabled Person **Tax Ceiling** displayed above, **it is NOT reflected** in the Total Estimated Taxes calculation provided. Taxes are collected by the agency sending you the **official** tax bill. To see a listing of agencies that collect taxes for your property. [Click Here](#)

The estimated taxes are provided as a courtesy and should not be relied upon in making financial or other decisions. The Dallas Central Appraisal District (DCAD) does not control the tax rate nor the amount of the taxes, as that is the responsibility of each Taxing Jurisdiction. Questions about your taxes should be directed to the appropriate taxing jurisdiction. We cannot assist you in these matters. These tax estimates are calculated by using the most current certified taxable value multiplied by the most current tax rate. **It does not take into account other special or unique tax scenarios, like a tax ceiling, etc..** If you wish to calculate taxes yourself, you may use the [Tax Calculator](#) to assist you.

Building Footprint (Current 2025)



History

[History](#)

ZONING EXCERPT

Division 16. C Commercial District Regulations

§ 25.02.371. Use regulations.

In an "C" District, no land shall be used and no building shall be used, erected or converted to any use other than those listed below or those of a like and/or similar use:

Any use permitted in the "LR" Local Retail District.

Artificial flower manufacture.

Artificial limb manufacture.

Automobile dealers.

Automobile laundry.

Auto painting, auto upholstery.

Awning manufacture, cloth, metal, wood.

Aquarium, wholesale.

Book printing, binding, bindery.

Bottling works with syrup manufacture.

Bowling alley.

Bus and truck storage.

Cabinet shop.

Candy manufacture.

Canvas awning manufacture.

Car barns.

Carpenter shop.

Carpet cleaning - washing and scouring if dustproof room and dust-catching equipment is provided.

Carting, express, hauling or storage.

Cement storage.

Ceramic products, handcraft shop having an area of not more than 6,000 square feet.

Clothing manufacture.

Cold storage plant.

Commercial amusement.

Commercial colleges.

Cleaning and dry cleaning establishment having an area in excess of 6,000 square feet.

Contractor's storage yard.

Driving range.

Dry goods, wholesale and storage.

Dyeing plant having more than 6,000 square feet.

Egg candling and grading.

Electrical and neon sign manufacture.

Electrical repairing.
Electro-plating; electro-tying.
Engraving plant.
Envelope manufacture.
Feed store, wholesale and storage.
Florist, wholesale.
Food products manufacture, frozen food lockers, wholesale.
Furniture repair and upholstering - wholesale.
Furniture auction sales.
Hauling, light or heavy.
Household goods, storage.
Ice cream manufacture; ice manufacture.
Job printing and book printing.
Laundry, commercial.
Leather products manufacture.
Lithographing.
Loading or storage tracks.
Looseleaf book manufacture.
Lumberyard (building material).
Market - public.
Mattress making and renovating - where dust precipitating equipment is used.
Milk depot, wholesale.
Millinery manufacture.
Miniature golf course.
Mirror resilvering.
Motion-picture studio, commercial films.
Motorcycle repairing.
Moving and storage company.
Newspaper printing.
Optical goods manufacture.
Paint mixing, but excluding all cooking or baking operations of paints, varnish and lacquers.
Paper products and paper box manufacture.
Photoengraving plant.
Plastic products, molding, casting and shaping.
Penal or correctional institutions for insane, feeble-minded, liquor or narcotic.
Printing equipment, supplies, repairs.
Print shop.
Publishing company.
Schools - all types including trade and commercial colleges.

Secondhand furniture.
Seed store, wholesale sales and storage.
Sheetmetal shop.
Shoe store, wholesale sales and storage.
Skating rink.
Storage and sales of used auto parts and accessories when located inside building and in which no automobile displayed in the open.
Storage of trucks, and gravel.
Stone monument works - retail.
Streetcar barns.
Taxicab storage and repairs.
Team tracks and unloading docks, railroads.
Tire retreading and recapping.
Tourist camp.
Trade schools of all types.
Transfer and baggage company.
Trunk manufacturing.
Typesetting.
Used car lot.
Venetian blind manufacturing.
Warehouse, wholesale offices, sales and storage.
Water distillation.
(Ordinance 12-89, sec. 2b, adopted 9/14/89; Ordinance 04-10 adopted 5/6/10; Ordinance 22-2017 adopted 10/2/17)

§ 25.02.372. Height regulations.

No building shall exceed six standard stories in height unless setback from all lot lines or any required yard lines [is] one foot for each two feet of building height above such six-story limit.
(Ordinance 05-06, sec. 1, adopted 5/4/06)

§ 25.02.373. Area requirements.

(a)

Front yard.

Where all the frontage on one side of the street between two intersecting streets is located in the "C" District, no front yard shall be required. When the frontage on one side of the street between two intersecting streets is located partly in the "C" District and partly in a more restricted use district, the front yard shall conform to the more restricted use district.

(b)

Side yard.

No side yard shall be required for commercial or retail use, except:

(1)

For a single-family dwelling, two-family dwelling, or a multiple-family dwelling use, a side yard shall be required on each side of the lot as in the "A" District.

(2)

On the side of the lot adjoining a single-family, two-family, or Apartment District, there shall be a side yard. No side yard shall be required where the "C" District is separated from any residential district by an alley. The minimum width of the side yard shall be ten feet or ten percent of the average width of the lot, whichever is smaller but a side yard shall not be less than five feet.

(c)

Rear yard.

No rear yard shall be required for commercial or retail use except where a lot abuts single-family, two-family, or Apartment District and is not separated therefrom by an alley, in which event there shall be a rear yard on the rear of the lot equal to 20 percent of the depth of the lot but in no case shall such rear yard be less than ten feet, but the required rear yard shall not be greater than 24 feet. For a single-family, two-family, or multiple-family dwelling use, there shall be a rear yard on the rear of the lot equal to 20 percent of the depth of the lot, but the required rear yard shall not be greater than 24 feet.

(d)

Area of the lot.

The minimum lot area requirements for single-family, two-family or multiple-family dwellings shall be the same as those in the Apartment District. Where dwelling facilities are provided above stores, the lot area requirements shall be the same as those required for multiple-family dwellings in the Apartment District.

(e)

Width of lot.

The minimum width of the lot shall be 60 feet for a single-family dwelling, two-family, or multiple-family dwelling use, for other uses the width may be less than 60 feet.

(f)

Parking regulations.

(1)

The parking regulations for single-family, two-family, and multiple-family dwellings are the same as those in the Apartment Multiple Dwelling District.

(2)

The parking regulations for all local retail uses are the same as those in the "LR" Local Retail District.

(3)

Motels shall provide off-street parking space at the ratio of one space for each guestroom.

(4)

Dance halls, commercial amusement establishments, nightclubs, and skating rinks shall provide off-street parking at a ratio of one space for each 100 square feet of floor area used for dancing, amusement or skating.

(5)

Driving range, amusement parks, miniature golf courses shall provide off-street parking at the ratio of one space for each five persons. The maximum number of patrons which can be served shall be the basis in determining parking requirements.

(6)

Manufacturing, industrial, and processing establishments, repair shops, warehouses, storage buildings, lumber and supply yards shall provide off-street parking space at a ratio of one space for each five employees. The maximum number of employees on duty at any time, day or night, shall be the basis determining [for] parking requirements for any establishment. Where the number of employees is indeterminate, off-street parking space shall be provided at a ratio of one space for each 1,000 square feet of floor area.

(7)

Retail, office service, industrial and manufacturing buildings shall provide and maintain off-street facilities for loading and unloading of merchandise and goods within the building or on the lot adjacent to a public alley or private service drive to facilitate the movement of traffic on the public streets. Such space shall consist of a minimum area of ten feet by 25 feet for each 20,000 square feet of floor space or fraction thereof in excess of 3,000 feet in the building or on the lot used for retail, storage or service purposes.

(8)

On-site vehicle stacking for drive-through facilities shall be provided in accordance with section **25.02.714**.

(g)

Exterior fire-resistant construction.

All main buildings shall be of exterior fire-resistant construction having exterior walls constructed of masonry materials as described in division **32**, Regulations Applicable to all Districts, section **25.02.712**, and in accordance with the city building code, as amended, and fire code, as amended.

(Ordinance 05-06, sec. 1, adopted 5/4/06; Ordinance 04-10 adopted 5/6/10)

§ 25.02.374. through § 25.02.390. (Reserved)

STATE CERTIFICATION



**Certified General
Real Estate Appraiser**

Appraiser: **Richard Clayton McBride**

License #: **TX 1380335 G**

License Expires: **06/30/2026**

Having provided satisfactory evidence of the qualifications required by the Texas Appraiser Licensing and Certification Act, Occupations Code, Chapter 1103, authorization is granted to use this title:
Certified General Real Estate Appraiser

**Chelsea Buchholtz
Executive Director**

For additional information or to file a complaint please contact TALCB at www.talcb.texas.gov.



**Certified General
Real Estate Appraiser**

Appraiser: **Joshua Moss**

License #: **TX 1381439 G**

License Expires: **05/31/2026**

Having provided satisfactory evidence of the qualifications required by the Texas Appraiser Licensing and Certification Act, Occupations Code, Chapter 1103, authorization is granted to use this title:
Certified General Real Estate Appraiser

**Chelsea Buchholtz
Executive Director**

For additional information or to file a complaint please contact TALCB at www.talcb.texas.gov.



November 5, 2024

City of Seagoville
Attn: Kirk McDaniel
702 US-175 Frontage Road
Seagoville, TX 75159

Re: EP-9765-A Pre-Renovation Asbestos-Containing Materials Survey
Commercial Retail Space
202 N. Kaufman Road
Seagoville, Texas 75159

Kirk:

Per your request, EnviroPhase (EP) has performed a Pre-Renovation Asbestos-Containing Materials Survey at the above referenced location. EP conducted this survey in accordance with the Texas Asbestos Health Protection Rules (TAHPR) and the National Emission Standards for Hazardous Air Pollutants (NESHAP). The objective of this survey was to identify the most apparent materials for sampling and analysis to determine the presence or absence of asbestos-containing material (ACM). The survey consisted of noting observable materials (materials that are readily accessible and visible in areas accessed by the inspector), which are commonly known to have potential for asbestos content.

EP performed this survey with the intent to identify all sources of asbestos within the subject structure prior to renovation activities. The results herein cannot guarantee the presence or absence of asbestos in areas not sampled or areas concealed by physical barriers, which restricted access at the time of this survey. Should any materials be discovered during renovation activities that are not identified and described in this survey, additional sampling may be required.

Findings

Of the seventeen (17) homogeneous area analyzed from this current ACM survey, one (1) tested positive (>1% asbestos) for asbestos-containing materials.

Asbestos was identified in the existing flooring materials found in a location we described as the "Old Vault Room." This material was observed in a quantity above 160 square feet (SF). The regulatory threshold for notification prior to removal is 160 (SF) of ACM with >1% Asbestos content.

A more detailed description of the material and its respective composition is found in the laboratory report appended to this report.

Property Description

The subject property is located at 202 N. Kaufman Road, Seagoville, Texas 75159. According to the Dallas County Central Appraisal District, the subject location is a developed into a free-standing retail store improvement with a total of 2,376 square feet (SF) and was constructed in 1951.

No daily operations were halted for the purpose of conducting this survey. The subject property was unoccupied and vacant at the time of this survey.

Materials sampled during this ACM survey include the following:

Homogeneous Area	Sample IDs	Description	Non-Asbestos Components
Area 1	90848, 90849, 90850	Red surfacing, White drywall	Quartz, Binder, Cellulose, Gypsum
Area 2	90851, 90852, 90853	Tan mastic, Gray surfaced baseboard	Quartz, Binder, Gypsum
Area 3	90854, 90855, 90856	Tan mastic, gray baseboard	Quartz, Binder, Carbonate, Gypsum
Area 4	90857, 90858, 90859	Off-white compound, White surfacing	Quartz, Binder, Carbonate
Area 5	90860, 90861, 90862	White drywall, tan ceiling tile	Quartz, Binder, Cellulose, Gypsum
Area 6	90863, 90864, 90865	White surfaced compound, Drywall	Quartz, Binder, Carbonate, Cellulose, Gypsum
Area 7	90866, 90867, 90868	Gray plaster, White surfaced plaster	Quartz, Binder, Carbonate
Area 8	90869, 90870, 90871	Tan plaster, White surfaced plaster	Quartz, Binder, Carbonate
Area 9	90872, 90873, 90874	Gray concrete	Quartz, Carbonate
Area 10	90875, 90876, 90877	Black concrete, tan floor tile	Quartz, Binder, Carbonate, Matrix
Area 11	90878, 90879, 90880	Self-adhesive floor tile	Quartz, Matrix, Gypsum
Area 12	90881, 90882, 90883	Yellow flooring, tan mastic	Gypsum, Binder, Matrix
Area 13	90884, 90885, 90886	Tan plaster, White compound	Quartz, Binder, Carbonate
Area 14	90887, 90888, 90889	White sealant, Off-white sealant	Quartz, Binder, Gypsum, Mica
Area 15	90890, 90891, 90892	Tan insulation, White compound	Cellulose, Quartz, Binder, Carbonate
Area 16	90893, 90894, 90895	Tan caulking, White surfaced caulking	Quartz, Binder, Carbonate
Area 17	90896, 90897, 90898	Gray mortar, White mortar	Quartz, Carbonate

Sampling Methodology

EP utilized visual observations to determine the sampling strategy in accordance with current industry standards for a pre-renovation asbestos survey to determine the presence of suspect asbestos-containing materials.

Mr. Stuart Nelson (TDSHS License #60-4064) performed the asbestos sampling. On the date of our survey, a walk-through was conducted within the subject property to determine the presence of suspect materials that were accessible and/or exposed. Materials that were similar in general appearance were grouped into homogeneous sampling areas.

Following the walk-through, the inspector collected samples of all building materials defined as suspect Asbestos-Containing Building Material (ACBM). Sampling locations were chosen to be representative of the homogeneous sampling areas that would be disturbed during renovation activities.

A total of fifty-one (51) samples were collected representing seventeen (17) homogeneous areas.

Laboratory Methodology

Bulk samples obtained from the facility were analyzed in an independent National Voluntary Laboratory Accreditation Program (NVLAP) laboratory using Polarized Light Microscopy (PLM) with dispersion staining (Crisp Analytical, L.L.C., 1929 Old Denton Road, Carrollton, Texas 75006; NVLAP #200349-0; TDSHS #30-

0235). Samples were analyzed using Polarized Light Microscopy (PLM) (EPA 600/r-93/116) with dispersion staining.

The results of this analysis are summarized in the "Findings" portion of this section. Analysis was performed by using the bulk sample for visual observation and slide preparation(s) under microscopic examination and identification. The samples were mounted on slides and then analyzed for asbestos (chrysotile, amosite, crocidolite, anthophyllite, and actinolite/tremolite, and fibrous non-asbestos constituents). Asbestos was identified by refractive indices, morphology, color pleochroism, birefringence, and extinction characteristics. The same characteristics were used to identify the non-asbestos constituents.

The laboratory report and chain of custody is attached to this letter.

It has been a pleasure to be of service to you. If you have any questions or comments, please do not hesitate to contact us at (214) 303-1099 ext. 104 or by email at Ateam@envirophase.com.

Sincerely,

**ENVIROPHASE,
ASBESTOS CONSULTANT AGENCY #10-0591**

A handwritten signature in blue ink that reads "Matthew Romer". The signature is cursive and fluid.

MATTHEW ROMER
Individual Asbestos Consultant
TDSHS License #: 10-5893

Attachments

Tables
Laboratory Analysis
Site Map
Photos
Certification

TABLES

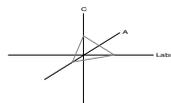
Asbestos-Containing Materials (>1% Asbestos Content)

Sample Location	Material	Friability	General Condition	Quantity (SF)	Percent (%)	Response Action
-Old Vault Room	Black concrete, Tan floor tile	Non-Friable	Good	200 SF	2% Chrysotile	Abatement in accordance with TAHPR and EPA

LABORATORY ANALYSIS

CA Labs
Dedicated to Quality

Crisp Analytical, L.L.C.
1929 Old Denton Road
Carrollton, TX 75006
Phone 972-242-2754
Fax 972-242-2798



CA Labs, L.L.C.
12232 Industriplex, Suite 32
Baton Rouge, LA 70809
Phone 225-751-5632
Fax 225-751-5634

Materials Characterization - Bulk Asbestos Analysis

Laboratory Analysis Report - Polarized Light

Envirophase

PO Box 227357
Dallas, TX 75222

Attn: Scott Bass

Customer Project: EP-9765-A-202, 202 N. Kaufman St.
Reference #: CAL24108408AG Date: 10/30/24

Analysis and Method

Summary of polarized light microscopy (PLM / Stereomicroscopy bulk asbestos analysis) using the methods described in 40CFR Part 763 Appendix E to Subpart E (Interim and EPA 600 / R-93 / 116 (Improved)). The sample is first viewed with the aid of a stereomicroscope. Numerous liquid slide preparations are created for analysis under the polarized microscope where identifications and quantifications are performed. Calibrated liquid refractive oils are used as liquid mounting medium. These oils are used for identification (dispersion staining). A calibrated visual estimation is reported, should any asbestiform mineral be present. Other techniques such as acid washing are used in conjunction with refractive oils for detection of smaller quantities of asbestos. All asbestos percentages are based on calibrated visual estimation traceable to NIST standards for regulated asbestos. Traceability to measurement and calibration is achieved by using known amounts and types of asbestos from standards where analyst and laboratory accuracy are measured. As little as 0.001% asbestos can be detected in favorable samples, while detection in unfavorable samples may approach the detection limit of 0.50% (well above the laboratory definition of trace).

Discussion

Vermiculite containing samples may contain trace amounts of actinolite/tremolite. When not detected by PLM, these samples should be analyzed using TEM methods and / or water separation techniques. Suspected actinolite/vermiculite presence will be indicated through the sample comment section of this report.

Fibrous talc containing samples may contain a regulated asbestos fiber known as anthophyllite. Under certain conditions the same fiber may actually contain both talc and anthophyllite (a phenomenon called intergrowth). Again, TEM detection methods are recommended. CA Labs PLM report comments will denote suspected amounts of asbestiform anthophyllite with talc, where further analysis is recommended.

Some samples (floor tiles, surfacings, etc.) may contain fibers too small to be detectable by PLM analysis and should be analyzed by TEM bulk protocols.

A "trace asbestos" will be reported if the analyst observes far less than 1% asbestos. CA Labs defines "trace asbestos" as a few fibers detected by the analyst in several preparations and will indicate as such under these circumstances.

Since allowable variation in quantification of samples close to 1% is high, <1% may be reported. Such results are ideal for point counting, and the technique is mandatory for friable samples (NESHAP, Nov. 1990 and clarification letter 8 May 1991) under 1% percent asbestos or "trace asbestos". **In order to make all initial PLM reports issued from CA Labs NESHAP compliant, all <1% asbestos results (except floor tiles) will be point counted at no additional charge.**

Qualifications

CA Labs is accredited by the National Voluntary Accreditation Program (NVLAP) for selected test methods for airborne fiber analysis (TEM), and for bulk asbestos fiber analysis (PLM). CA Labs is also accredited by AIHA LAP, LLC. in the PLM asbestos field of testing for Industrial Hygiene. All analysts have completed college courses or hold a degree in a natural science (geology, biology, or environmental science). Recognition by a state professional board in one these disciplines is preferred, but not required. Extensive in-house training programs are used to augment the educational background of the analyst. The Laboratory Director and Quality Manager have received supplemental McCrone Research training for asbestos identification. Analysis performed at Crisp Analytical Labs, LLC 1929 Old Denton Road Carrollton, TX 75006

Dallas NVLAP Lab Code 200349-0 TEM/PLM TDSHS 30-0235
AIHA LAP, LLC Laboratory #102929

Overview of Project Sample Material Containing Asbestos

Customer Project:		EP-9765-A-202, 202 N. Kaufman St.			CA Labs Project #: CAL24108408AG	
Laboratory Sample ID	Sample #	Layer #	Analysts Physical Description of Subsample	Asbestos type / calibrated visual estimate percent	List of Affected Building Material Types	
90877	A-30	30-1	black surfaced tan floor tile	2% Chrysotile	black surfaced tan floor tile black mastic	
90877		30-2	black mastic	2% Chrysotile		

Dallas NVLAP Lab Code 200349-0 TEM/PLM TDSHS 30-0235
AIHA LAP, LLC Laboratory #102929

Glossary of abbreviations (non-asbestos fibers and non-fibrous minerals):

ca - carbonate	pe - perlite	fg - fiberglass	pa - palygorskite (clay)
gypsum - gypsum	qu - quartz	mw - mineral wool	
bi - binder		wo - wollastinite	
or - organic		ta - talc	
ma - matrix		sy - synthetic	
mi - mica		ce - cellulose	
ve - vermiculite		br - brucite	
ot - other		ka - kaolin (clay)	

This report relates to the items tested as received. This report is not to be used by the customer to claim product certification, approval or endorsement by NVLAP, NIST, AIHA LAP, LLC, or any other agency of the federal government. This report may not be reproduced except in full without written permission from CA Labs. These results are submitted pursuant to CA Labs' current terms and sale, condition of sale, including the company's standard warranty and limitations of liability provisions and no responsibility or liability is assumed for the manner in which the results are used or interpreted. Unless notified in writing to return the samples covered by this report, CA Labs will store the samples for a period of ninety (90) days before discarding. A shipping or handling fee may be assessed for the return of any samples.

Polarized Light Asbestiform Materials Characterization

Customer Info: Envirophase PO Box 227357 Dallas, TX 75222	Attn: Scott Bass	Customer Project: EP-9765-A-202, 202 N. Kaufman St.	CA Labs Project #: CAL24108408AG
Phone # 972-571-2920		Turnaround Time: 2 days	Date: 10/30/2024
Fax #			Samples Rec'd: 10/28/24 10:30AM
			Date Of Sampling: 10/24/2024
			Purchase Order #:

Laboratory Sample ID	Sample #	Comment	Layer #	Analysts Physical Description of Subsample	Homo-geneous (Y/N)	Asbestos type / calibrated visual estimate percent	Non-asbestos fiber type / percent	Non-fibrous type / percent
90848	A-01		1-1	red surfacing	y	None Detected		100% qu,bi
90848			1-2	white drywall with brown paper	n	None Detected	20% ce	80% qu,gy
90849	A-02		2-1	red surfacing	y	None Detected		100% qu,bi
90849			2-2	white drywall with brown paper	n	None Detected	20% ce	80% qu,gy
90850	A-03		3-1	red surfacing	y	None Detected		100% qu,bi
90850			3-2	white drywall with brown paper	n	None Detected	20% ce	80% qu,gy
90851	A-04		4-1	black surfaced black baseboard	n	None Detected		100% qu,bi

Dallas NVLAP Lab Code 200349-0 TEM/PLM TDSHS 30-0235

AIHA LAP, LLC Laboratory #102929

Analysis Method: Interim (40CFR Part 763 Appendix E to Subpart E) / Improved (EPA-600 / R-93/116). All samples received in good condition unless noted.
Preparation Method: HCL acid washing for carbonate based samples, chemical reduction for organically bound components, oil immersion for identification of asbestos types by dispersion attaining / becke line method.

ca - carbonate	mi - mica	fg - fiberglass	ce - cellulose
gy - gypsum	ve - vermiculite	mw - mineral wool	br - brucite
bi - binder	ot - other	wo - wollastonite	ka - kaolin (clay)
or - organic	pe - perlite	ta - talc	pa - palygorskite (clay)
ma - matrix	qu - quartz	sy - synthetic	

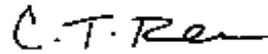
Approved Signatories:



Robert Olivarez
Analyst



Justin Cox
Analyst



Technical Manager
Tanner Rasmussen

Senior Analyst
Julio Robles

1. Fire Damage significant fiber damage - reported percentages reflect unaltered fibers
2. Fire Damage no significant fiber damages effecting fibrous percentages
3. Actinolite in association with Vermiculite
4. Layer not analyzed - attached to previous positive layer and contamination is suspected
5. Not enough sample to analyze

6. Anthophyllite in association with Fibrous Talc
7. Contamination suspected from other building materials
8. Favorable scenario for water separation on vermiculite for possible analysis by another method
9. < 1% Result point counted positive
10. TEM analysis suggested

Polarized Light Asbestiform Materials Characterization

Customer Info: Envirophase PO Box 227357 Dallas, TX 75222	Attn: Scott Bass	Customer Project: EP-9765-A-202, 202 N. Kaufman St.	CA Labs Project #: CAL24108408AG
Phone # 972-571-2920		Turnaround Time: 2 days	Date: 10/30/2024
Fax #			Samples Rec'd: 10/28/24 10:30AM
			Date Of Sampling: 10/24/2024
			Purchase Order #:

Laboratory Sample ID	Sample #	Comment	Layer #	Analysts Physical Description of Subsample	Homogeneous (Y/N)	Asbestos type / calibrated visual estimate percent	Non-asbestos fiber type / percent	Non-fibrous type / percent
90851			4-2	tan mastic	y	None Detected		100% gy,bi
90852	A-05		5-1	gray surfaced black baseboard	n	None Detected		100% qu,bi
90853	A-06		6-1	gray surfaced black baseboard	n	None Detected		100% qu,bi
90854	A-07		7-1	tan mastic	y	None Detected		100% gy,bi
90855	A-08		8-1	tan mastic	y	None Detected		100% gy,bi
90856	A-09		9-1	tan mastic	y	None Detected		100% gy,bi
90857	A-10		10-1	white surfaced white compound	n	None Detected		100% qu,bi,ca

Dallas NVLAP Lab Code 200349-0 TEM/PLM TDSHS 30-0235

AIHA LAP, LLC Laboratory #102929

Analysis Method: Interim (40CFR Part 763 Appendix E to Subpart E) / Improved (EPA-600 / R-93/116). All samples received in good condition unless noted.
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ca - carbonate	mi - mica	fg - fiberglass	ce - cellulose
gy - gypsum	ve - vermiculite	mw - mineral wool	br - brucite
bi - binder	ot - other	wo - wollastonite	ka - kaolin (clay)
or - organic	pe - perlite	ta - talc	pa - palygorskite (clay)
ma - matrix	qu - quartz	sy - synthetic	

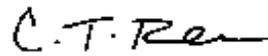
Approved Signatories:



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Polarized Light Asbestiform Materials Characterization

Customer Info: Envirophase PO Box 227357 Dallas, TX 75222	Attn: Scott Bass	Customer Project: EP-9765-A-202, 202 N. Kaufman St.	CA Labs Project #: CAL24108408AG
Phone # 972-571-2920		Turnaround Time: 2 days	Date: 10/30/2024
Fax #			Samples Rec'd: 10/28/24 10:30AM
			Date Of Sampling: 10/24/2024
			Purchase Order #:

Laboratory Sample ID	Sample #	Comment	Layer #	Analysts Physical Description of Subsample	Homogeneous (Y/N)	Asbestos type / calibrated visual estimate percent	Non-asbestos fiber type / percent	Non-fibrous type / percent
90857			10-2	white compound (beneath tape)	y	None Detected		100% qu,ca
90858	A-11		11-1	white surfaced off-white compound	n	None Detected		100% qu,bi,ca
90859	A-12		12-1	white surfaced off-white compound	n	None Detected		100% qu,bi,ca
90860	A-13		13-1	white surfacing	y	None Detected		100% qu,bi
90860			13-2	tan ceiling tile	y	None Detected	100% ce	
90861	A-14		14-1	white surfacing	y	None Detected		100% qu,bi
90861			14-2	tan ceiling tile	y	None Detected	100% ce	100% qu,bi

Dallas NVLAP Lab Code 200349-0 TEM/PLM TDSHS 30-0235

AIHA LAP, LLC Laboratory #102929

Analysis Method: Interim (40CFR Part 763 Appendix E to Subpart E) / Improved (EPA-600 / R-93/116). All samples received in good condition unless noted.
Preparation Method: HCL acid washing for carbonate based samples, chemical reduction for organically bound components, oil immersion for identification of asbestos types by dispersion attaining / becke line method.

ca - carbonate	mi - mica	fg - fiberglass	ce - cellulose
gy - gypsum	ve - vermiculite	mw - mineral wool	br - brucite
bi - binder	ot - other	wo - wollastonite	ka - kaolin (clay)
or - organic	pe - perlite	ta - talc	pa - palygorskite (clay)
ma - matrix	qu - quartz	sy - synthetic	

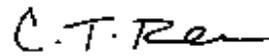
Approved Signatories:



Robert Olivarez
Analyst



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Tanner Rasmussen

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Julio Robles

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7. Contamination suspected from other building materials
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10. TEM analysis suggested

Polarized Light Asbestiform Materials Characterization

Customer Info: Envirophase PO Box 227357 Dallas, TX 75222	Attn: Scott Bass	Customer Project: EP-9765-A-202, 202 N. Kaufman St.	CA Labs Project #: CAL24108408AG
Phone # 972-571-2920		Turnaround Time: 2 days	Date: 10/30/2024
Fax #			Samples Rec'd: 10/28/24 10:30AM
			Date Of Sampling: 10/24/2024
			Purchase Order #:

Laboratory Sample ID	Sample #	Comment	Layer #	Analysts Physical Description of Subsample	Homo-geneous (Y/N)	Asbestos type / calibrated visual estimate percent	Non-asbestos fiber type / percent	Non-fibrous type / percent
90863	A-16		16-1	white surfaced tan covering	n	None Detected	15% ce	85% qu,ma
90863			16-2	off-white surfaced off-white compound	n	None Detected		100% qu,bi,ca
90864	A-17		17-1	white surfacing	y	None Detected		100% qu,bi
90864			17-2	white compound (beneath tape)	y	None Detected		100% qu,ca
90864			17-3	white drywall with brown paper	n	None Detected	21% ce	79% qu,gy
90865	A-18		18-1	white surfacing	y	None Detected		100% qu,bi
90865			18-2	white drywall with brown paper	n	None Detected	22% ce	78% qu,gy

Dallas NVLAP Lab Code 200349-0 TEM/PLM TDSHS 30-0235

AIHA LAP, LLC Laboratory #102929

Analysis Method: Interim (40CFR Part 763 Appendix E to Subpart E) / Improved (EPA-600 / R-93/116). All samples received in good condition unless noted.
Preparation Method: HCL acid washing for carbonate based samples, chemical reduction for organically bound components, oil immersion for identification of asbestos types by dispersion attaining / becke line method.

ca - carbonate	mi - mica	fg - fiberglass	ce - cellulose
gy - gypsum	ve - vermiculite	mw - mineral wool	br - brucite
bi - binder	ot - other	wo - wollastonite	ka - kaolin (clay)
or - organic	pe - perlite	ta - talc	pa - palygorskite (clay)
ma - matrix	qu - quartz	sy - synthetic	

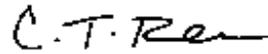
Approved Signatories:



Robert Olivarez
Analyst



Justin Cox
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Technical Manager
Tanner Rasmussen



Senior Analyst
Julio Robles

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7. Contamination suspected from other building materials
8. Favorable scenario for water separation on vermiculite for possible analysis by another method
9. < 1% Result point counted positive
10. TEM analysis suggested

Polarized Light Asbestiform Materials Characterization

Customer Info:
Envirophase
PO Box 227357
Dallas, TX 75222

Attn: Scott Bass

Customer Project:
EP-9765-A-202, 202 N.
Kaufman St.

CA Labs Project #:
CAL24108408AG

Turnaround Time:
2 days

Date: 10/30/2024

Samples Rec'd: 10/28/24 10:30AM

Phone # 972-571-2920
Fax #

Date Of Sampling: 10/24/2024
Purchase Order #:

Laboratory Sample ID	Sample #	Comment	Layer #	Analysts Physical Description of Subsample	Homo-geneous (Y/N)	Asbestos type / calibrated visual estimate percent	Non-asbestos fiber type / percent	Non-fibrous type / percent
90866	A-19		19-1	white surfaced off-white finishing compound	n	None Detected	100% qu,bi,ca	
90866			19-2	gray plaster	y	None Detected	100% qu,ca	
90867	A-20		20-1	white surfaced gray plaster	n	None Detected	100% qu,bi,ca	
90868	A-21		21-1	white surfaced gray plaster	n	None Detected	100% qu,bi,ca	
90869	A-22		22-1	white surfaced tan plaster	n	None Detected	100% qu,bi,ca	
90870	A-23		23-1	white surfaced tan plaster	n	None Detected	100% qu,bi,ca	
90871	A-24		24-1	white surfaced tan plaster	n	None Detected	100% qu,bi,ca	

Dallas NVLAP Lab Code 200349-0 TEM/PLM TDSHS 30-0235

AIHA LAP, LLC Laboratory #102929

Analysis Method: Interim (40CFR Part 763 Appendix E to Subpart E) / Improved (EPA-600 / R-93/116). All samples received in good condition unless noted.

Preparation Method: HCL acid washing for carbonate based samples, chemical reduction for organically bound components, oil immersion for identification of asbestos types by dispersion attaining / becke line method.

ca - carbonate	mi - mica	fg - fiberglass	ce - cellulose
gy - gypsum	ve - vermiculite	mw - mineral wool	br - brucite
bi - binder	ot - other	wo - wollastonite	ka - kaolin (clay)
or - organic	pe - perlite	ta - talc	pa - palygorskite (clay)
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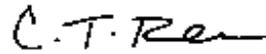
Approved Signatories:



Robert Olivarez
Analyst



Justin Cox
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Technical Manager
Tanner Rasmussen

Senior Analyst
Julio Robles

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7. Contamination suspected from other building materials
8. Favorable scenario for water separation on vermiculite for possible analysis by another method
9. < 1% Result point counted positive
10. TEM analysis suggested

Polarized Light Asbestiform Materials Characterization

Customer Info: Envirophase PO Box 227357 Dallas, TX 75222	Attn: Scott Bass	Customer Project: EP-9765-A-202, 202 N. Kaufman St.	CA Labs Project #: CAL24108408AG
Phone # 972-571-2920		Turnaround Time: 2 days	Date: 10/30/2024
Fax #			Samples Rec'd: 10/28/24 10:30AM
			Date Of Sampling: 10/24/2024
			Purchase Order #:

Laboratory Sample ID	Sample #	Comment	Layer #	Analysts Physical Description of Subsample	Homo-geneous (Y/N)	Asbestos type / calibrated visual estimate percent	Non-asbestos fiber type / percent	Non-fibrous type / percent
90872	A-25		25-1	gray covering	y	None Detected		100% qu,bi
90872			25-2	white finishing compound	n	None Detected		100% qu,bi,ca
90872			25-3	gray concrete	y	None Detected		100% qu,ca
90873	A-26		26-1	gray concrete	y	None Detected		100% qu,ca
90874	A-27		27-1	gray surfaced tan concrete	n	None Detected		100% qu,bi,ca
90875	A-28		28-1	black surfaced gray concrete	n	None Detected		100% qu,bi,ca
90876	A-29		29-1	black surfaced gray concrete	n	None Detected		100% qu,bi,ca

Dallas NVLAP Lab Code 200349-0 TEM/PLM TDSHS 30-0235

AIHA LAP, LLC Laboratory #102929

Analysis Method: Interim (40CFR Part 763 Appendix E to Subpart E) / Improved (EPA-600 / R-93/116). All samples received in good condition unless noted.
Preparation Method: HCL acid washing for carbonate based samples, chemical reduction for organically bound components, oil immersion for identification of asbestos types by dispersion attaining / becke line method.

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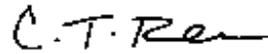
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Robert Olivarez
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7. Contamination suspected from other building materials
8. Favorable scenario for water separation on vermiculite for possible analysis by another method
9. < 1% Result point counted positive
10. TEM analysis suggested

Polarized Light Asbestiform Materials Characterization

Customer Info: Envirophase PO Box 227357 Dallas, TX 75222	Attn: Scott Bass	Customer Project: EP-9765-A-202, 202 N. Kaufman St.	CA Labs Project #: CAL24108408AG
Phone #	972-571-2920	Turnaround Time: 2 days	Date: 10/30/2024
Fax #			Samples Rec'd: 10/28/24 10:30AM
			Date Of Sampling: 10/24/2024
			Purchase Order #:

Laboratory Sample ID	Sample #	Comment	Layer #	Analysts Physical Description of Subsample	Homo-geneous (Y/N)	Asbestos type / calibrated visual estimate percent	Non-asbestos fiber type / percent	Non-fibrous type / percent
90877	A-30		30-1	black surfaced tan floor tile	n	2% Chrysotile		98% qu,bi,ca
90877			30-2	black mastic	y	2% Chrysotile		98% gy,bi
90877			30-3	black surfaced gray concrete	n	None Detected		100% qu,bi,ca
90878	A-31		31-1	tan self-adhesive floor tile	y	None Detected		100% qu,ma
90879	A-32		32-1	tan self-adhesive floor tile	y	None Detected		100% qu,ma
90880	A-33		33-1	tan self-adhesive floor tile	y	None Detected		100% qu,ma
90881	A-34		34-1	yellow surfaced white flooring	n	None Detected		100% gy,ma

Dallas NVLAP Lab Code 200349-0 TEM/PLM TDSHS 30-0235

AIHA LAP, LLC Laboratory #102929

Analysis Method: Interim (40CFR Part 763 Appendix E to Subpart E) / Improved (EPA-600 / R-93/116). All samples received in good condition unless noted.
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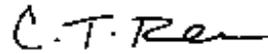
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9. < 1% Result point counted positive
10. TEM analysis suggested

Polarized Light Asbestiform Materials Characterization

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			Purchase Order #:

Laboratory Sample ID	Sample #	Comment	Layer #	Analysts Physical Description of Subsample	Homo-geneous (Y/N)	Asbestos type / calibrated visual estimate percent	Non-asbestos fiber type / percent	Non-fibrous type / percent
90881			34-2	tan mastic	y	None Detected		100% gy,bi
90882	A-35		35-1	yellow surfaced white flooring	n	None Detected		100% gy,ma
90882			35-2	tan mastic	y	None Detected		100% gy,bi
90883	A-36		36-1	yellow surfaced white flooring	n	None Detected		100% gy,ma
90883			36-2	tan mastic	y	None Detected		100% gy,bi
90884	A-37		37-1	white surfaced tan plaster	n	None Detected		100% qu,bi,ca
90885	A-38		38-1	tan plaster	y	None Detected		100% qu,bi,ca

Dallas NVLAP Lab Code 200349-0 TEM/PLM TDSHS 30-0235

AIHA LAP, LLC Laboratory #102929

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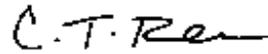
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Polarized Light Asbestiform Materials Characterization

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			Purchase Order #:

Laboratory Sample ID	Sample #	Comment	Layer #	Analysts Physical Description of Subsample	Homo-geneous (Y/N)	Asbestos type / calibrated visual estimate percent	Non-asbestos fiber type / percent	Non-fibrous type / percent
90886	A-39		39-1	tan plaster	y	None Detected	100% qu,bi,ca	
90887	A-40		40-1	white surfaced white compound	n	None Detected	100% qu,bi,ca	
90887			40-2	white sealant	y	None Detected	100% qu,bi,ca	
90888	A-41		41-1	off-white sealant with debris	n	None Detected	100% qu,gy,bi,ot	
90889	A-42		42-1	white sealant	y	None Detected	100% qu,gy,bi	
90889			42-2	white compound	y	None Detected	100% mi,qu,ca	
90890	A-43		43-1	tan insulation	y	None Detected	45% ce qu,ca,ma,pe	55%

Dallas NVLAP Lab Code 200349-0 TEM/PLM TDSHS 30-0235

AIHA LAP, LLC Laboratory #102929

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bi - binder	ot - other	wo - wollastonite	ka - kaolin (clay)
or - organic	pe - perlite	ta - talc	pa - palygorskite (clay)
ma - matrix	qu - quartz	sy - synthetic	

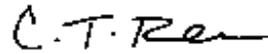
Approved Signatories:



Robert Olivarez
Analyst



Justin Cox
Analyst



Technical Manager
Tanner Rasmussen

Senior Analyst
Julio Robles

1. Fire Damage significant fiber damage - reported percentages reflect unaltered fibers
2. Fire Damage no significant fiber damages effecting fibrous percentages
3. Actinolite in association with Vermiculite
4. Layer not analyzed - attached to previous positive layer and contamination is suspected
5. Not enough sample to analyze

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7. Contamination suspected from other building materials
8. Favorable scenario for water separation on vermiculite for possible analysis by another method
9. < 1% Result point counted positive
10. TEM analysis suggested

Polarized Light Asbestiform Materials Characterization

Customer Info: **Attn:** Scott Bass
Envirophase
PO Box 227357
Dallas, TX 75222
Phone # 972-571-2920
Fax #

Customer Project: EP-9765-A-202, 202 N. Kaufman St.
Turnaround Time: 2 days

CA Labs Project #: CAL24108408AG
Date: 10/30/2024
Samples Rec'd: 10/28/24 10:30AM
Date Of Sampling: 10/24/2024
Purchase Order #:

Laboratory Sample ID	Sample #	Comment	Layer #	Analysts Physical Description of Subsample	Homo-geneous (Y/N)	Asbestos type / calibrated visual estimate percent	Non-asbestos fiber type / percent	Non-fibrous type / percent
90891	A-44		44-1	white surfaced tan insulation	n	None Detected	35% ce	65% qu,ca,ma,pe,bi
90892	A-45		45-1	white surfaced white finishing compound	n	None Detected		100% qu,bi,ca
90892			45-2	tan plaster	y	None Detected		100% qu,bi,ca
90892			45-3	white insulation	y	None Detected		100% ot
90893	A-46		46-1	white surfaced tan caulking	n	None Detected		100% qu,bi,ca
90894	A-47		47-1	white surfaced tan caulking	n	None Detected		100% qu,bi,ca
90895	A-48		48-1	white surfaced tan caulking	n	None Detected		100% qu,bi,ca

Dallas NVLAP Lab Code 200349-0 TEM/PLM TDSHS 30-0235

AIHA LAP, LLC Laboratory #102929

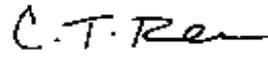
Analysis Method: Interim (40CFR Part 763 Appendix E to Subpart E) / Improved (EPA-600 / R-93/116). All samples received in good condition unless noted.
Preparation Method: HCL acid washing for carbonate based samples, chemical reduction for organically bound components, oil immersion for identification of asbestos types by dispersion attaining / becke line method.

ca - carbonate	mi - mica	fg - fiberglass	ce - cellulose
gy - gypsum	ve - vermiculite	mw - mineral wool	br - brucite
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or - organic	pe - perlite	ta - talc	pa - palygorskite (clay)
ma - matrix	qu - quartz	sy - synthetic	

Approved Signatories:


Robert Olivarez
Analyst


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Analyst


Technical Manager
Tanner Rasmussen

Senior Analyst
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Polarized Light Asbestiform Materials Characterization

Customer Info:
Envirophase
PO Box 227357
Dallas, TX 75222

Attn: Scott Bass

Customer Project:
EP-9765-A-202, 202 N.
Kaufman St.

CA Labs Project #:
CAL24108408AG

Turnaround Time:
2 days

Date: 10/30/2024

Samples Rec'd: 10/28/24 10:30AM

Phone #
Fax #

972-571-2920

Date Of Sampling: 10/24/2024
Purchase Order #:

Laboratory Sample ID	Sample #	Comment	Layer #	Analysts Subsample	Physical Description of	Homo-geneous (Y/N)	Asbestos type / calibrated visual estimate percent	Non-asbestos fiber type / percent	Non-fibrous type / percent
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90896	A-49		49-1		gray mortar	y	None Detected		100% qu,ca
90897	A-50		50-1		gray mortar	y	None Detected		100% qu,ca
90898	A-51		51-1		gray mortar	y	None Detected		100% qu,ca

Dallas NVLAP Lab Code 200349-0 TEM/PLM TDSHS 30-0235

AIHA LAP, LLC Laboratory #102929

Analysis Method: Interim (40CFR Part 763 Appendix E to Subpart E) / Improved (EPA-600 / R-93/116). All samples received in good condition unless noted.

Preparation Method: HCL acid washing for carbonate based samples, chemical reduction for organically bound components, oil immersion for identification of asbestos types by dispersion attaining / becke line method.

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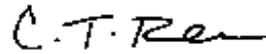
Approved Signatories:



Robert Olivarez
Analyst



Justin Cox
Analyst



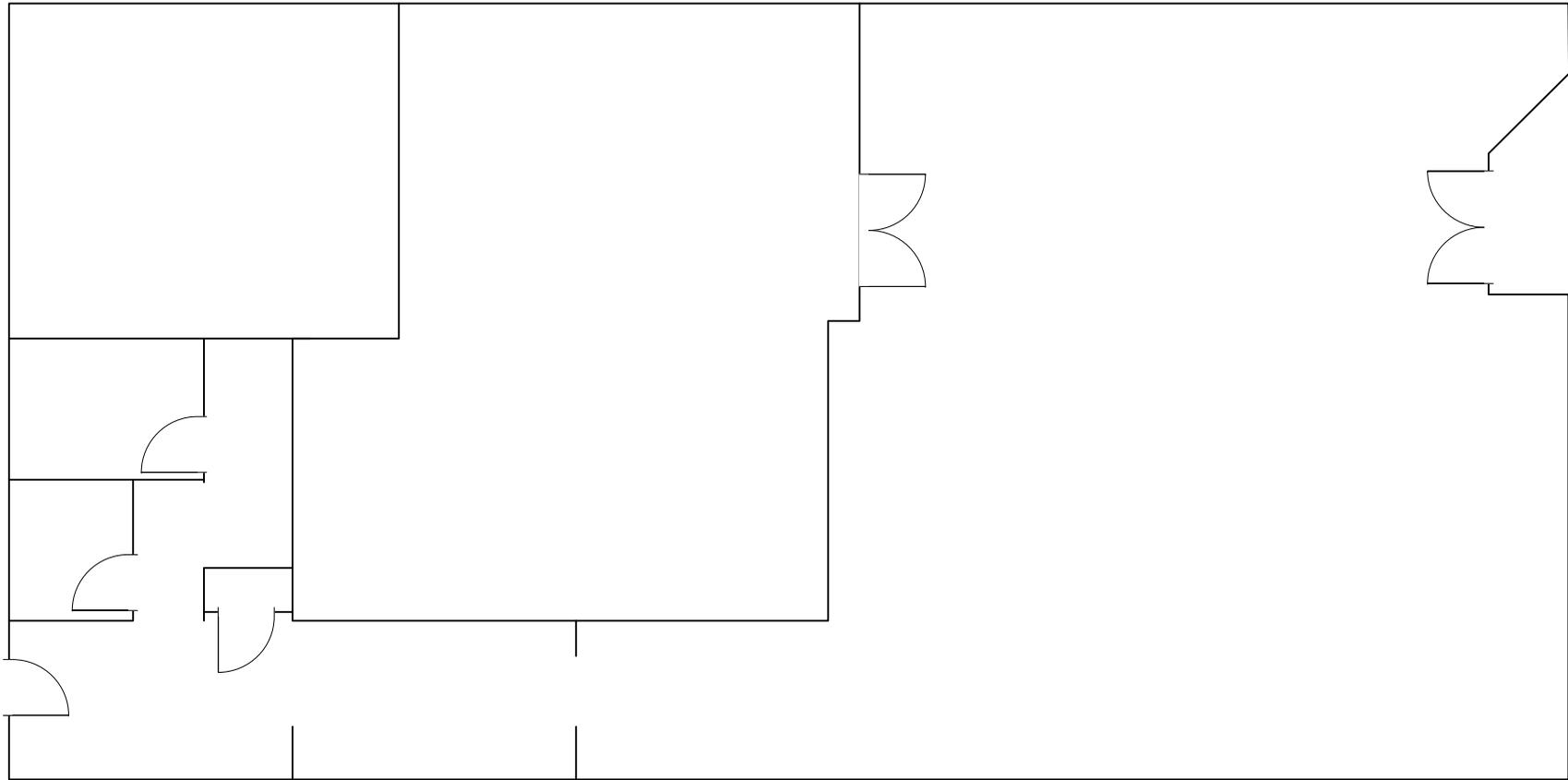
Technical Manager
Tanner Rasmussen

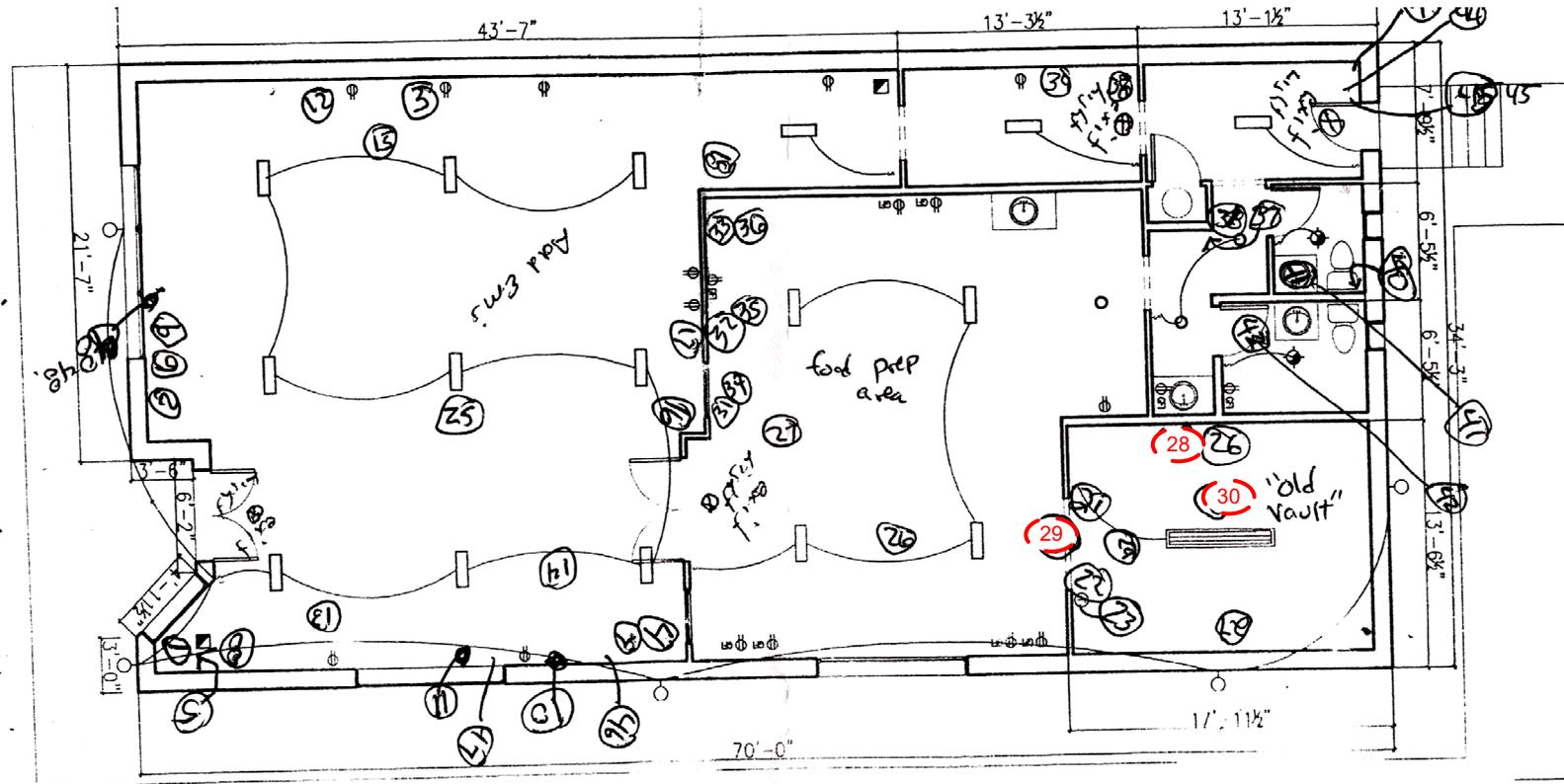
Senior Analyst
Julio Robles

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SITE MAP





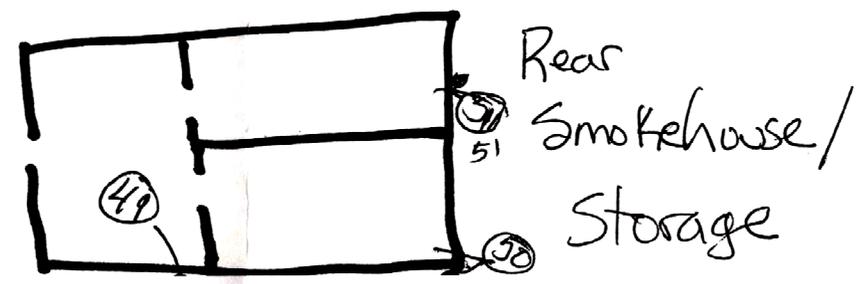
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AL2410 8408

(XX) Sample Location (Non Asbestos-Containing)

(##) Sample Location (Asbestos-Containing)

lsl
OCT 28 2024
10:30AM



PHOTOS

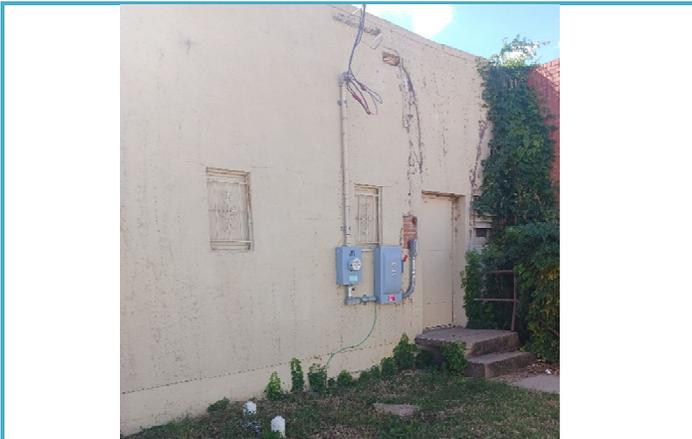
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Commercial Retail Space
202 N. Kaufman Road
Seagoville, Texas 75159
EP-9765-A



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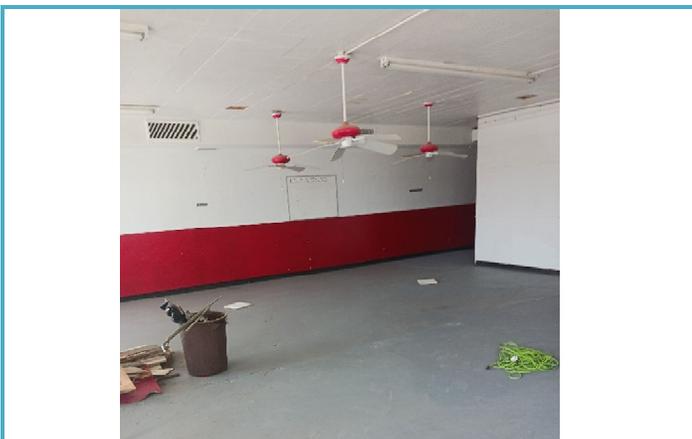
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Photograph #3:



Photograph #4:



Photograph #5:



Photograph #6:

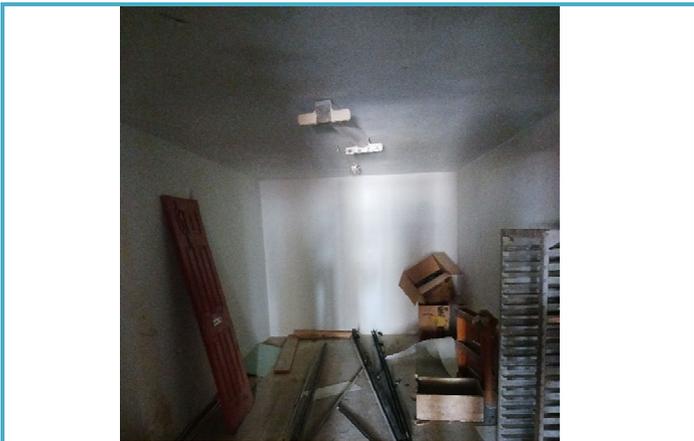
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Commercial Retail Space
202 N. Kaufman Road
Seagoville, Texas 75159
EP-9765-A



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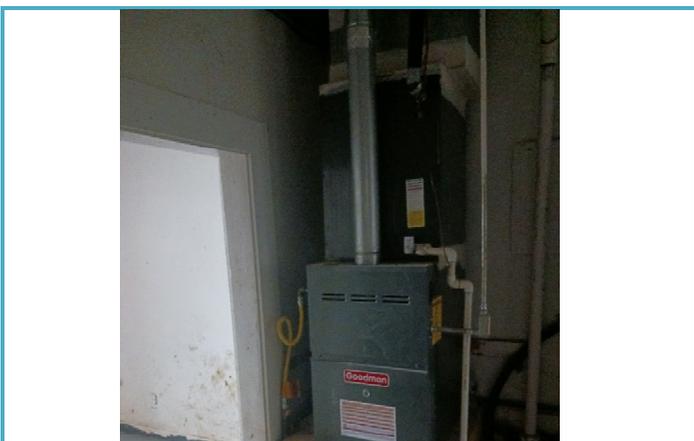
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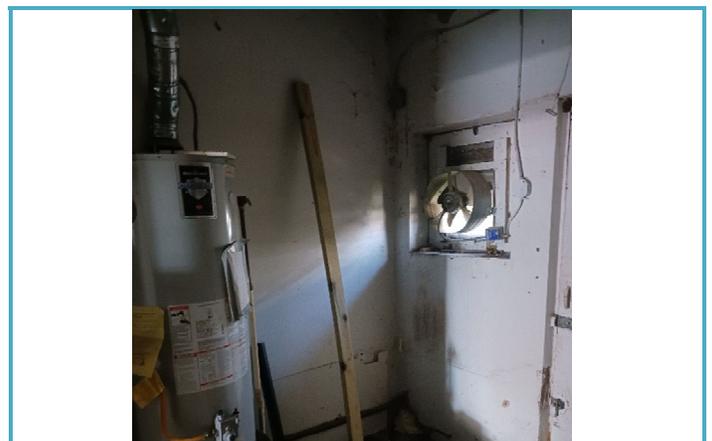
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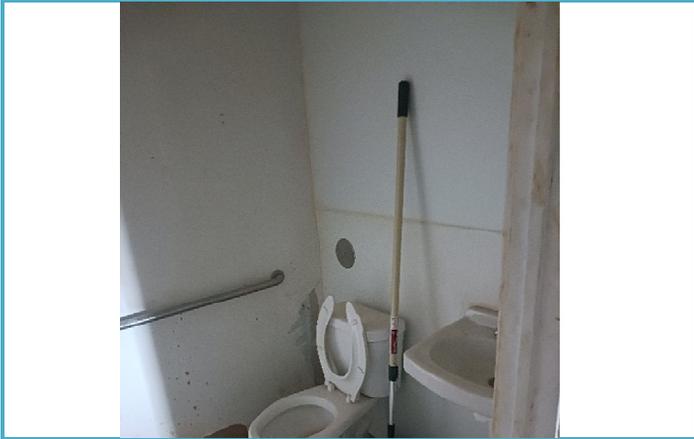


Photograph #11:



Photograph #12:

Photographic Documentation
Commercial Retail Space
202 N. Kaufman Road
Seagoville, Texas 75159
EP-9765-A



Photograph #13:



Photograph #14:



Photograph #15:



Photograph #16:



Photograph #17:



Photograph #18:

CERTIFICATION



Texas Department of State Health Services

ENVIROPHASE LLC

is certified to perform as an

Asbestos Consultant Agency

in the State of Texas and is hereby governed by the rights, privileges and responsibilities set forth in Texas Occupations Code, Chapter 1954 and Title 12, Texas Administrative Code, Chapter 295 relating to Texas Asbestos Health Protection, as long as this license is not suspended or revoked.



License Number: 100591

Expiration Date: 05/05/2026

Control Number: 97656

Jennifer Shuford, MD
Jennifer Shuford, MD, MPH,
Commissioner of Health

(Void After Expiration Date)

VOID IF ALTERED NON-TRANSFERABLE

SEE BACK



**Texas Department of
State Health Services**

Asbestos Individual Consultant

MATTHEW D ROMER

License No. 105893

Control No. 98387

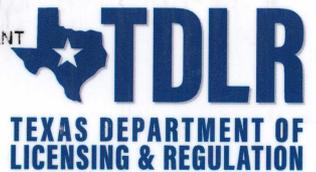
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STATE OF TEXAS

MATTHEW D ROMER

MOLD ASSESSMENT CONSULTANT



LICENSE NUMBER MAC1597
EXPIRES 03/17/2025

TEXAS DEPARTMENT OF LICENSING & REGULATION