

HISTORIC AND DESIGN REVIEW COMMISSION

September 16, 2020

HDRC CASE NO: 2020-238
ADDRESS: 4007 S FLORES ST
LEGAL DESCRIPTION: NCB 6230 BLK 1 LOT 1
ZONING: C-3NA,HL
CITY COUNCIL DIST.: 3
APPLICANT: HIGH CAY LLC
OWNER: HIGH CAY LLC
TYPE OF WORK: Demolition of a historic landmark with new construction of a car wash
APPLICATION RECEIVED: July 23, 2020
60-DAY REVIEW: Not applicable due to City Council Emergency Orders
CASE MANAGER: Stephanie Phillips
REQUEST:

The applicant is requesting conceptual approval to:

1. Demolish the historic landmark at 4007 S Flores St.
2. Construct a car wash.

APPLICABLE CITATIONS:

Unified Development Code Section 35-614. – Demolition.

Demolition of a historic landmark constitutes an irreplaceable loss to the quality and character of the City of San Antonio. Accordingly, these procedures provide criteria to prevent unnecessary damage to the quality and character of the city's historic districts and character while, at the same time, balancing these interests against the property rights of landowners.

(a)Applicability. The provisions of this section apply to any application for demolition of a historic landmark (including those previously designated as historic exceptional or historic significant) or a historic district.

(3)Property Located in Historic District and Contributing to District Although Not Designated a Landmark. No certificate shall be issued for property located in a historic district and contributing to the district although not designated a landmark unless the applicant demonstrates clear and convincing evidence supporting an unreasonable

economic hardship on the applicant if the application for a certificate is disapproved. When an applicant fails to prove

unreasonable economic hardship in such cases, the applicant may provide additional information regarding loss of significance as provided in subsection (c)(3) in order to receive a certificate for demolition of the property.

(b)Unreasonable Economic Hardship.

(1)Generally. The historic and design review commission shall be guided in its decision by balancing the historic, architectural, cultural and/or archaeological value of the particular landmark or eligible landmark against the special

merit of the proposed replacement project. The historic and design review commission shall not consider or be persuaded to find unreasonable economic hardship based on the presentation of circumstances or items that are not unique to the property in question (i.e. the current economic climate).

(2)Burden of Proof. The historic and design review commission shall not consider or be persuaded to find unreasonable economic hardship based on the presentation of circumstances or items that are not unique to the property in question (i.e. the current economic climate). When a claim of unreasonable economic hardship is made,

the owner must prove by a preponderance of the evidence that:

A. The owner cannot make reasonable beneficial use of or realize a reasonable rate of return on a structure or site, regardless of whether that return represents the most profitable return possible, unless the highly significant

endangered, historic and cultural landmark, historic and cultural landmarks district or demolition delay designation, as applicable, is removed or the proposed demolition or relocation is allowed;

B. The structure and property cannot be reasonably adapted for any other feasible use, whether by the current owner or by a purchaser, which would result in a reasonable rate of return; and

C. The owner has failed to find a purchaser or tenant for the property during the previous two (2) years, despite having made substantial ongoing efforts during that period to do so. The evidence of unreasonable economic hardship introduced by the owner may, where applicable, include proof that the owner's affirmative obligations

to maintain the structure or property make it impossible for the owner to realize a reasonable rate of return on the structure or property.

(3)Criteria. The public benefits obtained from retaining the cultural resource must be analyzed and duly considered by the historic and design review commission.

As evidence that an unreasonable economic hardship exists, the owner may submit the following information to the historic and design review commission by affidavit:

A. For all structures and property:

- i. The past and current use of the structures and property;
- ii. The name and legal status (e.g., partnership, corporation) of the owners;
- iii. The original purchase price of the structures and property;
- iv. The assessed value of the structures and property according to the two (2) most recent tax

assessments;

- v. The amount of real estate taxes on the structures and property for the previous two (2) years;
- vi. The date of purchase or other acquisition of the structures and property;
- vii. Principal balance and interest rate on current mortgage and the annual debt service on the structures and property, if any, for the previous two (2) years;
- viii. All appraisals obtained by the owner or applicant within the previous two (2) years in connection

with

- the owner's purchase, financing or ownership of the structures and property;
- ix. Any listing of the structures and property for sale or rent, price asked and offers received;
- x. Any consideration given by the owner to profitable adaptive uses for the structures and property;
- xi. Any replacement construction plans for proposed improvements on the site;
- xii. Financial proof of the owner's ability to complete any replacement project on the site, which may include but not be limited to a performance bond, a letter of credit, a trust for completion of

improvements,

- or a letter of commitment from a financial institution; and
- xiii. The current fair market value of the structure and property as determined by a qualified appraiser.
- xiv. Any property tax exemptions claimed in the past five (5) years.

B. For income producing structures and property:

- i. Annual gross income from the structure and property for the previous two (2) years;
- ii. Itemized operating and maintenance expenses for the previous two (2) years; and
- iii. Annual cash flow, if any, for the previous two (2) years.

C. In the event that the historic and design review commission determines that any additional information described above is necessary in order to evaluate whether an unreasonable economic hardship exists, the

historic

and design review commission shall notify the owner. Failure by the owner to submit such information to the historic and design review commission within fifteen (15) days after receipt of such notice, which time may

be

extended by the historic and design review commission, may be grounds for denial of the owner's claim of unreasonable economic hardship.

When a low-income resident homeowner is unable to meet the requirements set forth in this section, then

the

historic and design review commission, at its own discretion, may waive some or all of the requested information and/or request substitute information that an indigent resident homeowner may obtain without incurring any costs. If the historic and design review commission cannot make a determination based on information submitted and an appraisal has not been provided, then the historic and design review

commission

may request that an appraisal be made by the city.

(d) Documentation and Strategy.

(1) Applicants that have received a recommendation for a certificate shall document buildings, objects, sites or structures which are intended to be demolished with 35mm slides or prints, preferably in black and white, and supply

a set of slides or prints to the historic preservation officer.

(2) Applicants shall also prepare for the historic preservation officer a salvage strategy for reuse of building materials

deemed valuable by the historic preservation officer for other preservation and restoration activities.

(3) Applicants that have received an approval of a certificate regarding demolition shall be permitted to receive a demolition permit without additional commission action on demolition, following the commission's recommendation

of a certificate for new construction. Permits for demolition and construction shall be issued simultaneously if requirements of section 35-609, new construction, are met, and the property owner provides financial proof of his ability to complete the project.

(4) When the commission recommends approval of a certificate for buildings, objects, sites, structures designated as

landmarks, or structures in historic districts, permits shall not be issued until all plans for the site have received approval from all appropriate city boards, commissions, departments and agencies. Permits for parking lots shall not

be issued, nor shall an applicant be allowed to operate a parking lot on such property, unless such parking lot plan was approved as a replacement element for the demolished object or structure.

(e) Issuance of Permit. When the commission recommends approval of a certificate regarding demolition of buildings, objects, sites, or structures in historic districts or historic landmarks, permits shall not be issued until all plans for the site have received approval from all appropriate city boards, commissions, departments and agencies. Once the replacement plans are approved a fee shall be assessed for the demolition based on the approved replacement plan square footage. The fee must be paid in full prior to issuance of any permits and shall be deposited into an account as directed by the historic preservation officer for the benefit, rehabilitation or acquisition of local historic resources. Fees shall be as follows and are in addition to any fees charged by planning and development services:

0—2,500 square feet = \$2,000.00

2,501—10,000 square feet = \$5,000.00

10,001—25,000 square feet = \$10,000.00

25,001—50,000 square feet = \$20,000.00

Over 50,000 square feet = \$30,000.00

Historic Design Guidelines, Chapter 4, Guidelines for New Construction

1. Building and Entrance Orientation

A. FAÇADE ORIENTATION

i. *Setbacks*—Align front facades of new buildings with front facades of adjacent buildings where a consistent setback has been established along the street frontage. Use the median setback of buildings along the street frontage where a variety of setbacks exist. Refer to UDC Article 3, Division 2. Base Zoning Districts for applicable setback requirements.

ii. *Orientation*—Orient the front façade of new buildings to be consistent with the predominant orientation of historic buildings along the street frontage.

B. ENTRANCES

i. *Orientation*—Orient primary building entrances, porches, and landings to be consistent with those historically found along the street frontage. Typically, historic building entrances are oriented towards the primary street.

2. Building Massing and Form

A. SCALE AND MASS

i. *Similar height and scale*—Design new construction so that its height and overall scale are consistent with nearby historic buildings. In residential districts, the height and scale of new construction should not exceed that of the majority of historic buildings by more than one-story. In commercial districts, building height shall conform to the established pattern. If there is no more than a 50% variation in the scale of buildings on the adjacent block faces, then the height of the new building shall not exceed the tallest building on the adjacent block face by more than 10%.

ii. *Transitions*—Utilize step-downs in building height, wall-plane offsets, and other variations in building massing to provide a visual transition when the height of new construction exceeds that of adjacent historic buildings by more than one-half story.

iii. *Foundation and floor heights*—Align foundation and floor-to-floor heights (including porches and balconies) within one foot of floor-to-floor heights on adjacent historic structures.

B. ROOF FORM

i. *Similar roof forms*—Incorporate roof forms—pitch, overhangs, and orientation—that are consistent with those predominantly found on the block. Roof forms on residential building types are typically sloped, while roof forms on non-residential building types are more typically flat and screened by an ornamental parapet wall.

C. RELATIONSHIP OF SOLIDS TO VOIDS

i. *Window and door openings*—Incorporate window and door openings with a similar proportion of wall to window space as typical with nearby historic facades. Windows, doors, porches, entryways, dormers, bays, and pediments shall be considered similar if they are no larger than 25% in size and vary no more than 10% in height to width ratio from adjacent historic facades.

ii. *Facade configuration*—The primary facade of new commercial buildings should be in keeping with established patterns. Maintaining horizontal elements within adjacent cap, middle, and base precedents will establish a consistent street wall through the alignment of horizontal parts. Avoid blank walls, particularly on elevations visible from the street. No new facade should exceed 40 linear feet without being penetrated by windows, entryways, or other defined bays.

D. LOT COVERAGE

i. *Building to lot ratio*—New construction should be consistent with adjacent historic buildings in terms of the building to lot ratio. Limit the building footprint for new construction to no more than 50 percent of the total lot area, unless adjacent historic buildings establish a precedent with a greater building to lot ratio.

3. Materials and Textures

A. NEW MATERIALS

i. *Complementary materials*—Use materials that complement the type, color, and texture of materials traditionally found in the district. Materials should not be so dissimilar as to distract from the historic interpretation of the district. For example, corrugated metal siding would not be appropriate for a new structure in a district comprised of homes with wood siding.

ii. *Alternative use of traditional materials*—Consider using traditional materials, such as wood siding, in a new way to provide visual interest in new construction while still ensuring compatibility.

iii. *Roof materials*—Select roof materials that are similar in terms of form, color, and texture to traditionally used in the district.

iv. *Metal roofs*—Construct new metal roofs in a similar fashion as historic metal roofs. Refer to the Guidelines for Alterations and Maintenance section for additional specifications regarding metal roofs.

v. *Imitation or synthetic materials*—Do not use vinyl siding, plastic, or corrugated metal sheeting. Contemporary materials not traditionally used in the district, such as brick or simulated stone veneer and Hardie Board or other fiberboard siding, may be appropriate for new construction in some locations as long as new materials are visually similar to the traditional material in dimension, finish, and texture. EIFS is not recommended as a substitute for actual stucco.

B. REUSE OF HISTORIC MATERIALS

Salvaged materials—Incorporate salvaged historic materials where possible within the context of the overall design of the new structure.

4. Architectural Details

A. GENERAL

i. *Historic context*—Design new buildings to reflect their time while respecting the historic context. While new construction should not attempt to mirror or replicate historic features, new structures should not be so dissimilar as to distract from or diminish the historic interpretation of the district.

ii. *Architectural details*—Incorporate architectural details that are in keeping with the predominant architectural style along the block face or within the district when one exists. Details should be simple in design and should complement, but not visually compete with, the character of the adjacent historic structures or other historic structures within the district. Architectural details that are more ornate or elaborate than those found within the district are inappropriate.

iii. *Contemporary interpretations*—Consider integrating contemporary interpretations of traditional designs and details for new construction. Use of contemporary window moldings and door surroundings, for example, can provide visual

interest while helping to convey the fact that the structure is new. Modern materials should be implemented in a way that does not distract from the historic structure.

5. Garages and Outbuildings

A. DESIGN AND CHARACTER

- i. *Massing and form*—Design new garages and outbuildings to be visually subordinate to the principal historic structure in terms of their height, massing, and form.
- ii. *Building size* – New outbuildings should be no larger in plan than 40 percent of the principal historic structure footprint.
- iii. *Character*—Relate new garages and outbuildings to the period of construction of the principal building on the lot through the use of complementary materials and simplified architectural details.
- iv. *Windows and doors*—Design window and door openings to be similar to those found on historic garages or outbuildings in the district or on the principle historic structure in terms of their spacing and proportions.
- v. *Garage doors*—Incorporate garage doors with similar proportions and materials as those traditionally found in the district.

B. SETBACKS AND ORIENTATION

- i. *Orientation*—Match the predominant garage orientation found along the block. Do not introduce front-loaded garages or garages attached to the primary structure on blocks where rear or alley-loaded garages were historically used.
- ii. *Setbacks*—Follow historic setback pattern of similar structures along the streetscape or district for new garages and outbuildings. Historic garages and outbuildings are most typically located at the rear of the lot, behind the principal building. In some instances, historic setbacks are not consistent with UDC requirements and a variance may be required.

6. Mechanical Equipment and Roof Appurtenances

A. LOCATION AND SITING

- i. *Visibility*—Do not locate utility boxes, air conditioners, rooftop mechanical equipment, skylights, satellite dishes, and other roof appurtenances on primary facades, front-facing roof slopes, in front yards, or in other locations that are clearly visible from the public right-of-way.
- ii. *Service Areas*—Locate service areas towards the rear of the site to minimize visibility from the public right-of-way.

B. SCREENING

- i. *Building-mounted equipment*—Paint devices mounted on secondary facades and other exposed hardware, frames, and piping to match the color scheme of the primary structure or screen them with landscaping.
- ii. *Freestanding equipment*—Screen service areas, air conditioning units, and other mechanical equipment from public view using a fence, hedge, or other enclosure.
- iii. *Roof-mounted equipment*—Screen and set back devices mounted on the roof to avoid view from public right-of-way.

7. Designing for Energy Efficiency

A. BUILDING DESIGN

- i. *Energy efficiency*—Design additions and new construction to maximize energy efficiency.
- ii. *Materials*—Utilize green building materials, such as recycled, locally-sourced, and low maintenance materials whenever possible.
- iii. *Building elements*—Incorporate building features that allow for natural environmental control – such as operable windows for cross ventilation.
- iv. *Roof slopes*—Orient roof slopes to maximize solar access for the installation of future solar collectors where compatible with typical roof slopes and orientations found in the surrounding historic district.

B. SITE DESIGN

- i. *Building orientation*—Orient new buildings and additions with consideration for solar and wind exposure in all seasons to the extent possible within the context of the surrounding district.
- ii. *Solar access*—Avoid or minimize the impact of new construction on solar access for adjoining properties.

C. SOLAR COLLECTORS

- i. *Location*—Locate solar collectors on side or rear roof pitch of the primary historic structure to the maximum extent feasible to minimize visibility from the public right-of-way while maximizing solar access. Alternatively, locate solar collectors on a garage or outbuilding or consider a ground-mount system where solar access to the primary structure is limited.

- ii. *Mounting (sloped roof surfaces)*—Mount solar collectors flush with the surface of a sloped roof. Select collectors that are similar in color to the roof surface to reduce visibility.
- iii. *Mounting (flat roof surfaces)*—Mount solar collectors flush with the surface of a flat roof to the maximum extent feasible. Where solar access limitations preclude a flush mount, locate panels towards the rear of the roof where visibility from the public right-of-way will be minimized.

Historic Design Guidelines, Chapter 5, Guidelines for Site Elements

1. Topography

A. TOPOGRAPHIC FEATURES

- i. *Historic topography*—Avoid significantly altering the topography of a property (i.e., extensive grading). Do not alter character-defining features such as berms or sloped front lawns that help define the character of the public right-of-way. Maintain the established lawn to help prevent erosion. If turf is replaced over time, new plant materials in these areas should be low-growing and suitable for the prevention of erosion.
- ii. *New construction*—Match the historic topography of adjacent lots prevalent along the block face for new construction. Do not excavate raised lots to accommodate additional building height or an additional story for new construction.
- iii. *New elements*—Minimize changes in topography resulting from new elements, like driveways and walkways, through appropriate siting and design. New site elements should work with, rather than change, character-defining topography when possible.

6. Non-Residential and Mixed Use Streetscapes

A. STREET FURNITURE

- i. *Historic street furniture*—Preserve historic site furnishings, including benches, lighting, tree grates, and other features.
- ii. *New furniture*—Use street furniture such as benches, trash receptors, tree grates, and tables that are simple in design and are compatible with the style and scale of adjacent buildings and outdoor spaces when historic furnishings do not exist.

B. STREET TREES

- i. *Street trees*—Protect and maintain existing street trees. Replace damaged or dead trees with trees of a similar species, size, and growth habit.

C. PAVING

- i. *Maintenance and alterations*—Repair stone, masonry, or glass block pavers using in-kind materials whenever possible. Utilize similar materials that are compatible with the original in terms of composition, texture, color, and detail, when in-kind replacement is not possible.

D. LIGHTING

- i. *General*—See UDC Section 35-392 for detailed lighting standards (height, shielding, illumination of uses, etc.).
- ii. *Maintenance and alterations*—Preserve historic street lights in place and maintain through regular cleaning and repair as needed.
- iii. *Pedestrian lighting*—Use appropriately scaled lighting for pedestrian walkways, such as short poles or light posts (bollards).
- iv. *Shielding*—Direct light downward and shield light fixtures using cut-off shields to limit light spill onto adjacent properties.
- v. *Safety lighting*—Install motion sensors that turn lights on and off automatically when safety or security is a concern. Locate these lighting fixtures as discreetly as possible on historic structures and avoid adding more fixtures than necessary.

7. Off-Street Parking

A. LOCATION

- i. *Preferred location*—Place parking areas for non-residential and mixed-use structures at the rear of the site, behind primary structures to hide them from the public right-of-way. On corner lots, place parking areas behind the primary structure and set them back as far as possible from the side streets. Parking areas to the side of the primary structure are acceptable when location behind the structure is not feasible. See UDC Section 35-310 for district-specific standards.
- ii. *Front*—Do not add off-street parking areas within the front yard setback as to not disrupt the continuity of the streetscape.

iii. *Access*—Design off-street parking areas to be accessed from alleys or secondary streets rather than from principal streets whenever possible.

B. DESIGN

i. *Screening*—Screen off-street parking areas with a landscape buffer, wall, or ornamental fence two to four feet high—or a combination of these methods. Landscape buffers are preferred due to their ability to absorb carbon dioxide. See UDC Section 35-510 for buffer requirements.

ii. *Materials*—Use permeable parking surfaces when possible to reduce run-off and flooding. See UDC Section 35-526(j) for specific standards.

iii. *Parking structures*—Design new parking structures to be similar in scale, materials, and rhythm of the surrounding historic district when new parking structures are necessary.

FINDINGS:

General findings:

- 1a. The applicant is requesting approval to demolish the historic landmark structure located at 4007 S Flores St and construct a carwash structure.
- 1b. DESIGN REVIEW COMMITTEE – A site visit was conducted on July 28, 2020, with the Design Review Committee (DRC) and representatives from the Office of Historic Preservation. The site visit was followed by a virtual discussion. The DRC observed some foundation shifting on the first and second floors, but found the structural integrity of the building to be sound. The structural components retained their integrity and did not feature significant wood rot or related damage. The second floor was highly intact and still featured longleaf pine flooring, plaster walls, tin ceilings with decorative plaster moulding, original wood windows covered from the exterior, and original features like a freight elevator, all in repairable condition. The DRC recommended against demolition.

Findings related to request item #1:

- 1c. The structure located at 4007 S Flores St is a two-story, Spanish Eclectic, two-part commercial block built in 1926 and c. 1941 for A. C. Toudouze. The structure was designated as an individual local landmark by City Council on February 20, 2020. The flat-roof building with parapet is clad in brick and stucco with cast concrete elements and, in plan, can be divided into two halves: the two-story portion comprising the north half of the building and a single-story warehouse-style form comprising the south. A low metal awning runs around the north, east, and west facades of the two-story portion of the building. Building corners are clipped with fenestration that faces the parcel's corners. Where visible, windows have modern metal frames and are ganged. A pair of modern metal swinging doors is found right of center on the north elevation. All other fenestration on all elevations is either boarded or otherwise infilled. Hand-painted signs are present on all elevations, either affixed as wood signs or painted directly on the building. The northernmost bay of the west elevation of the two-story volume has a tall, thin neon sign above the cast concrete course with some letters remaining on both sides. Staff infers based on remaining letters that the sign one read OPEN TONIGHT. Character-defining features of 4007 S Flores include brick and stucco cladding, barrel tile atop parapets (where currently present), stepped and peaked parapets (where currently present), window patterns on "A" and "B" bay types, datestone at center of north elevation's parapet, finials atop pilasters on "A" bays, and the neon sign near north edge of the west elevation. The building sits on a prominent, highly visible lot and is important to the character of the commercial corridor and the neighborhood.
- 1d. The loss of a landmark is an irreplaceable loss to the quality and character of San Antonio. Demolition of any landmark or contributing buildings should only occur after every attempt has been made, within reason, to successfully reuse the structure. Clear and convincing evidence supporting an unreasonable economic hardship must be presented by the applicant in order for demolition to be considered. The criteria for establishing unreasonable economic hardship are listed in UDC Section 35-614 (b)(3). The applicant must prove by a preponderance of the evidence that:

A. The owner cannot make reasonable beneficial use of or realize a reasonable rate of return on a structure or site, regardless of whether that return represents the most profitable return possible, unless the highly significant endangered, historic and cultural landmark, historic and cultural landmarks district or demolition delay designation, as applicable, is removed or the proposed demolition or relocation is allowed;

[The applicant has provided an undated development pro forma that indicates a multimillion-dollar loss for the property's rehabilitation, based on a total investment cost estimate of \$3,263,285.00, revenue of \$344,308, a vacancy rate of 62%, and a ROI of 2.09%. The pro forma also accounts for a loan interest rate of 5.50%. An undated market analysis of nearby comparable properties has also been provided, which indicates 4007 S Flores St's parking at 0.607 per 1,000 square feet compared to a nearby average of 3.99 market parking per 1,000 square feet. The applicant has also provided a detailed appraisal report, produced by a consultant dated August 25, 2018, prior to the applicant's purchase of the property, that outlines comparable properties in the vicinity and speaks to the highest and best use of the property. The applicant has not provided a detailed analysis of adaptation options, citing zoning and building siting, in addition to parking and square footage, as reasons that make the detailed exploration of reuse unfeasible. Based on the information submitted, the applicant has not pursued other potential solutions related to parking and other issues that may include shared parking, a variance, a rezoning, partial demolition to create space, or other relief avenues.]

B. The structure and property cannot be reasonably adapted for any other feasible use, whether by the current owner or by a purchaser, which would result in a reasonable rate of return;

[In addition to the undated pro forma referenced above that indicates an investment cost estimate of \$3,263,285.00, the applicant has provided one project proposal from a local general and demolition contractor that estimates a cost for rehabilitation, dated April 1, 2020. The proposed use is not indicated. The estimate totals \$1,400,000 for new roofing, landscaping, storefront doors, electrical, plumbing, exterior repairs, site work, and the demolition of a rear portion of the structure, the existing storefront, and parts of the interior. The estimate does not break down line item costs in detail. The estimate also includes \$300,000 for exterior stucco and plaster repair, though the majority of the exterior of the structure is painted brick. The total cost for landscaping and site work is indicated as \$475,000, which does not reflect rehabilitation costs for the structure. Generally, the UDC encourages soliciting multiple detailed bids, with specific line item breakdowns that reflect the unique conditions of the structure, from qualified contractors to determine an accurate evaluation of the cost for rehabilitation based on current local market standards. The applicant has also provided a TAS site review report that outlines inconsistencies with TAS Standard Guidelines. The report includes many items that are routinely addressed through rehabilitation projects on historic structures. A one-page letter from registered architect has also been submitted that includes a bulleted list of site challenges, including limited parking, the need to install an elevator, ADA compliance concerns, foundation concerns, outdated mechanical and electrical components, and a single entrance; however, this letter does not offer information or details that specifically address if the structure can be reasonably adapted for another use resulting in a reasonable rate of return.]

C. The owner has failed to find a purchaser or tenant for the property during the previous two (2) years, despite having made substantial ongoing efforts during that period to do so. The evidence of unreasonable economic hardship introduced by the owner may, where applicable, include proof that the owner's affirmative obligations to maintain the structure or property make it impossible for the owner to realize a reasonable rate of return on the structure or property.

[Based on Bexar County Appraisal District records, the applicant was deeded the property on September 18, 2018. Since that time, the property has not been actively listed and the applicant has not provided substantial evidence of marketing the property to potential tenants. No evidence of repairs or improvements have been made on the property, and the last permit application on record dates to 2014 for signage. As previously noted, the applicant has provided an undated development pro forma; an undated market analysis; a letter from a local registered architect; one rehabilitation cost estimate dated April 1, 2020; an appraisal report dated August 25, 2018, prior to the deeding of the property, that estimates the total value of both tracts at \$920,000; and a Preliminary TAS Site Review Report in an effort to substantiate an argument that there is an unreasonable economic hardship created by the structure due to its large square footage, limited parking, zoning, existing condition, and siting, amongst other arguments.]

- 1e. Staff finds that the applicant has not demonstrated an unreasonable economic hardship in accordance with the UDC due to the lack of financial burden of proof documentation, the absence of evidence of good faith exploration of reuse options, as well as lack of active marketing of the property. The property is also structurally sound based on the site visit and evidence submitted. When an applicant fails to prove unreasonable economic

hardship, the applicant may provide to the Historic and Design Review Commission additional information which may show a loss of significance in regards to the subject of the application in order to receive Historic and Design Review Commission recommendation of approval of the demolition. If, based on the evidence presented, the Historic and Design Review Commission finds that the structure or property is no longer historically, culturally, architecturally or archeologically significant, it may make a recommendation for approval of the demolition. In making this determination, the historic and design review commission must find that the owner has provided sufficient evidence to support a finding by the commission that the structure or property has undergone significant and irreversible changes which have caused it to lose the historic, cultural, architectural or archeological significance, qualities or features which qualified the structure or property for such designation. Additionally, the Historic and Design Review Commission must find that such changes were not caused either directly or indirectly by the owner, and were not due to intentional or negligent destruction or a lack of maintenance rising to the level of a demolition by neglect.

- 1f. In general, staff encourages the rehabilitation, and when necessary, reconstruction of historic structures. Such work is eligible for local tax incentives. The financial benefit of the incentives should be taken into account when weighing the costs of rehabilitation against the costs of demolition with new construction.

Findings related to request item #2:

- 2a. SETBACKS & ORIENTATION – According to the Guidelines for New Construction, the front facades of new buildings are to align with front facades of adjacent buildings where a consistent setback has been established along the street frontage. Additionally, the orientation of new construction should be consistent with the historic example found on the site or block. The applicant has proposed to construct a car wash, and the submitted new construction documentation is limited to one site plan. Based on this site plan, the car wash structure will be sited along Toudouze St, with surface parking fronting the intersection of Pleasanton Rd and S Flores St. Additional surface parking is indicated along S Flores St. A drive thru queue is proposed along Pleasanton Rd, with additional covered car stalls located near the center of the site. A curb cut along Pleasanton Rd will provide entry access, with another curb cut indicated along Toudouze St. It is unclear from the documentation how the building will engage the street in terms of massing or signage. The applicant has not provided exact numbers in regards to setbacks and the proposed documentation is very conceptual. While the siting of the primary building abuts Toudouze St, which is consistent with the existing location of the landmark structure, the proposed setbacks, building size, and orientation deviate from the existing precedent set by the existing structure, which is constructed along the back and side lot lines. The front of the structure also engages the intersection of S Flores and Pleasanton Rd, which is a prominent visual intersection. Staff does not find the setbacks and orientation consistent with the Guidelines based on the information provided.
- 2b. ENTRANCES – According to the Guidelines for New Construction 1.B.i., primary building entrances should be oriented towards the primary street. As noted in finding 2a, it is unclear how the structure will visually engage the streetscape. However, the overall configuration of the building in terms of its scale, footprint, and configuration is not consistent with the development pattern of vicinity.
- 2c. SCALE & MASS – Per the Guidelines for New Construction 2.A.i., a height and massing similar to historic structures in the vicinity of the proposed new construction should be used. The existing landmark structure is 2-story in height and is a prominent visual anchor. Many structures in the immediate vicinity feature either one or one and a half stories of height. The applicant has proposed a car wash. The specific height and mass is not indicated in the application. While the overall height requested may be consistent with the area, the overall configuration of the building in terms of its scale, footprint, and configuration is not consistent with the historic development pattern of the vicinity.
- 2d. FOOTPRINT – Based on the submitted site plan, the proposed footprint of the car wash structure, including covered bays, comprises approximately 20% of the total site. The remaining site will be asphalt for egress, parking, and a drive thru queue. According to the Historic Design Guidelines, new construction should be consistent with adjacent historic buildings in terms of the building to lot ratio. Staff does not find the footprint to be historically consistent with the site or existing nearby commercial structure precedents, which typically feature a larger percentage of building coverage.
- 2e. ROOF FORM – As noted in finding 2a, the applicant has submitted a site plan. No information on proposed roof form is provided at this time.
- 2f. WINDOW & DOOR OPENINGS – Per the Guidelines for New Construction 2.C.i., window and door openings with similar proportions of wall to window space as typical with nearby historic facades should be incorporated into new construction. The applicant has not provided any elevations or supporting documentation that provides information on window and door openings at this time.

- 2g. LOT COVERAGE – According to the Guidelines for New Construction, new buildings should be consistent with adjacent historic buildings in terms of the building to lot ratio. As noted in findings 2a and 2d, the footprint of the structure is generally inconsistent with the massing of the existing structure and historic commercial structures with similar lot configurations in the vicinity.
- 2h. MATERIALS – The applicant has not provided information on proposed materials at this time.
- 2i. ARCHITECTURAL DETAILS – New buildings should be designed to reflect their time while representing the historic context of the district or vicinity. Additionally, architectural details should be complementary in natural and should not detract from nearby historic structures. As noted in previous findings, no elevations or drawings indicating architectural design or details have been provided at this time. Based on the submitted site plan, the structure's form echoes modern commercial, suburban, and highway car wash designs. The site design does not feature any place-based design elements.
- 2j. QUALITY AND LONGEVITY – The existing historic landmark structure has stood for nearly 100 years and as noted in previous findings, features local and regional architectural materials that are high quality and characteristic of the development pattern of the Southtown area. The quality and durability of modern car wash structures are limited.

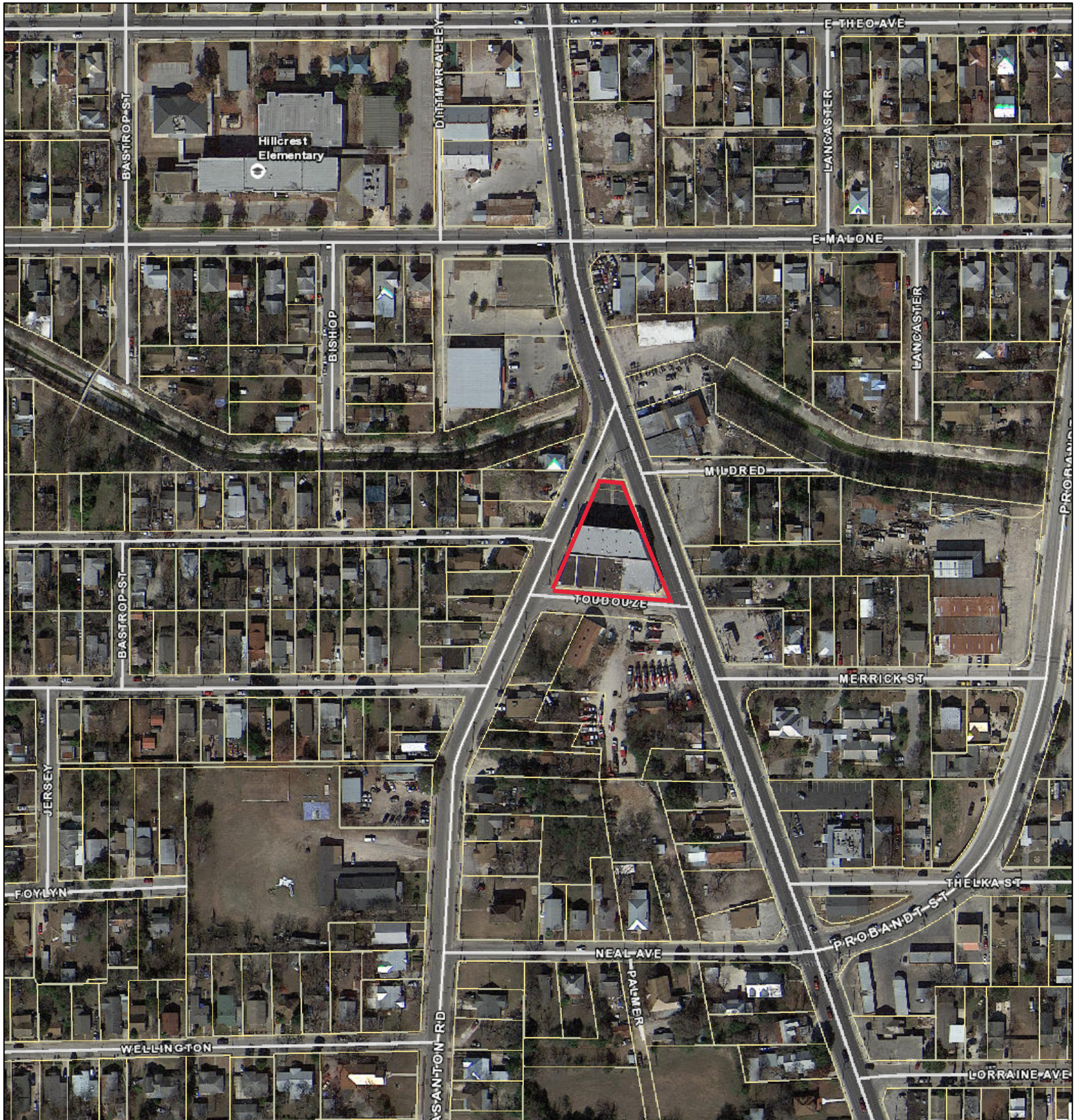
RECOMMENDATION:

Item 1, Staff does not recommend approval of request item #1, the demolition of the historic landmark structure based on findings 1a through 1f. The applicant must explore all options for reuse of the existing landmark building.

If the HDRC finds that the criteria for establishing an unreasonable economic hardship have been met per UDC Section 35-614 or, failing that, finds that a loss of significance has occurred and approves the requested demolition, then staff makes the following recommendations regarding the requested new construction:

Item 2, Staff does not recommend conceptual approval of request item #2, the construction of a car wash, based on findings 2a through 2j.

City of San Antonio One Stop



September 11, 2020

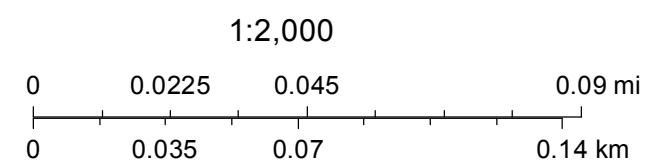










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Executive Summary
Why This is a Hardship

The City of San Antonio Historic & Design Review Commission should allow for the demolition of the building located at 4007 South Flores based on an economic hardship as demonstrated in the attached evidence:

- *The City did not follow the proper procedure to designate the property as historic.*
- *The building does not meet the criteria for historic designation per the architect's report.*
- *The building does not comply with the TAS and ADA requirements.*
- *The building and property do not comply with multiple City Code requirements, including minimum number of parking spaces.*
- *Rehabilitation of the building is cost prohibitive because of the substantial loss High Cay, LLC would incur on the project.*
- *The commercial real estate market for the area demonstrates an average market rate that does not make a rehab of this building financially feasible.*

History of Illegal Designation

- I. May 25, 2019 – Effective date of HB2496, which changed state law to require a supermajority vote by City Council, Zoning Commission and HDRC to approve historic designation without the consent of the property owner.
- II. September 18, 2018 - Subject Property is purchased by High Cay, LLC.
- III. November 2018: Application filed to bring parcels owned by Low Cay, LLC. to uniform “C-2” zoning, as some of the parcels are zoned residential.
- IV. November of 2018: Meeting held at District 3 office to discuss Low Cay property rezone. **Plans for the High Cay parcel were mentioned.**
- V. December 2018: Zoning Commission hearings for parcels owned by Low Cay, LLC. NA provision for No Alcoholic Sales is posed. Owner not in agreement due to limitations of business and tenant opportunities.
- VI. January 2019: Two City Council hearings. Owner wants NA provision removed, a continuance is filed, City still implies NA provision 1/31/19 City Council passes vote to rezone to “C-2 NA”.
- VII. July 2019: Demolition application filed for High Cay parcel
- VIII. July 2019: Owner contacted about registering Low & High Cay properties for Historic designation. Owner objects
- IX. September 2019: Shannon Miller (head of OHP) committed fraud on HDRC by submitting what she claims is a valid application to instigate historic designation. The form used was not promulgated and incorporated into the UDC. Therefore, the application does not technically exist. The required fees were not paid and the form as submitted is fraudulent as Shannon Miller represents it as a complete form.
- X. October 2019: City pushes back Hearing scheduled for 10/16 to 11/6 – First Hearing
- XI. February 4th: Zoning Commission briefing
- XII. February 5th: HDRC Hearing
- XIII. February 18th: Zoning Commission – Approved by 7-3 – was not the Super Majority as required by HB2496
- XIV. February 20th: City Council – Made Designation – Could not make decision as case was no longer valid as designation requires a supermajority vote by both City Council and Zoning Commission

PRELIMINARY TAS SITE REVIEWE REPORT

The following report identifies deficiencies with the new **2012 Texas Accessibility Standards (TAS)**.
This report is provided as part of a preliminary site review for informational purposes only.

Reviewer:	Doug Martine	Report Date:	March 18, 2020
Site Visit Date:	March 16, 2020		
Project Information			
Project Name:	4007 South Flores, San Antonio, Texas		
Owner Information:			
Name:	Michael Knoespel, GFR Development Services		
Address:	5602 W. Hausman, Suite 201		
City:	San Antonio	State: TX	Zip: 78249

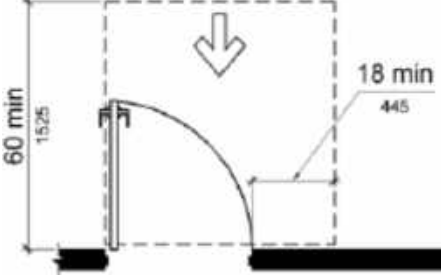

REPORT

1. This report is to provide a list of the deficiencies of the existing building located at the referenced address in relation to the 2012 Texas Accessibility Standards (TAS). The report includes the deficiencies of the building in its "as-is" condition.
2. It is important to note that the requirements to make the building TAS compliant will vary depending upon the scope of work included in a future building renovation or addition. The actual TAS compliance requirements will be assessed at that time. However, the building was originally constructed prior to the requirements of TAS. There is no part of the building that currently complies with the 2012 TAS requirements including parking areas, restrooms, etc. The building will be required to fully comply with the 2012 TAS requirements based on the scope of the alteration.

TAS Standard Guidelines

Violations / Comments

Chapter 2: Scoping Requirements	
Chapter 3: Building Blocks	
302 Floor or Ground Surfaces	1. This section is included for reference in regards to the accessible route requirements discussed throughout the report. 302.1 General. Floor and ground surfaces shall be stable, firm, and slip resistant and shall comply with 302. 302.3 Openings. Openings in floor or ground surfaces shall not allow passage of a sphere more than 1/2 inch (13 mm) diameter except as allowed in 407.4.3, 409.4.3, 410.4, 810.5.3 and 810.10. Elongated openings shall be placed so that the long dimension is perpendicular to the dominant direction of travel.
303 Changes in Level	1. This section is included for referenced in regards to the accessible route requirements discussed throughout the report. 303.2 Vertical. Changes in level of 1/4 inch high maximum shall be permitted to be vertical. 303.3 Beveled. Changes in level between 1/4 inch (6.4 mm) high minimum and 1/2 inch (13 mm) high maximum shall be beveled with a slope not steeper than 1:2. 303.4 Ramps. Changes in level greater than 1/2 inch (13 mm) high shall be ramped, and shall comply with 405 or 406.
Chapter 4: Accessible Routes	
402 Accessible Routes	1. Accessible parking spaces are not provided. Reference section 502 for the accessible parking requirements. An accessible route complying with section 403 will need to be provided from the accessible parking area to the building entrance. 2. Reference sections 403, 405 and 406 for the accessible route requirements.

<p>403 Walking Surfaces</p>	<p>1. Reference the comments in section 402. The required accessible route shall comply with requirements below.</p> <ul style="list-style-type: none"> - All ground and floor surfaces shall comply with section 302. - The running slope and cross slope of the required exterior accessible route shall not exceed 5% and 2% respectively per section 403.3. - All changes in level including sidewalk joints, door thresholds, floor transitions, etc. shall comply with section 303 included above. - The clear width of the required exterior accessible route shall be 36" minimum per section 403.5.1. <p>403.3 Slope. The running slope of walking surfaces shall not be steeper than 1:20. The cross slope of walking surfaces shall not be steeper than 1:48.</p> <p>403.5.1 Clear Width. The clear width of walking surfaces shall be 36 inches (915 mm) minimum. EXCEPTION: The clear width shall be permitted to be reduced to 32 inches (815 mm) minimum for a length of 24 inches (610 mm) maximum provided that reduced width segments are separated by segments that are 48 inches (1220 mm) long minimum and 36 inches (915 mm) wide minimum.</p>
<p>404 Doors, Doorways, and Gates</p>	<p>1. The clearance in front of the main entry doors does currently comply. However, the ramp in front of the main entry doors will need to be removed and replaced (reference comments in section 405). The door clearance in front of the main entry doors (for at least one door) shall comply with Figure (c) below once any modifications are completed.</p>  <p>(a) front approach, pull side</p>
<p>405 Ramps</p> 	<p>1. The exterior ramps on both sides of the main entry door have the deficiencies listed below.</p> <ul style="list-style-type: none"> - Both ramps have a slope of 11% - 12%, which does not comply. The slope shall be 8.3% maximum. If the slope is 5% or less, the ramps will not require handrails on both sides. - The ramps do not have handrails. If the new ramps have a slope greater than 5%, they will require handrails complying with section 505 on both sides. <p>2. When the existing ramps are removed and replaced, they shall fully comply with the requirements of section 405 below.</p> <p>405.1 General. Ramps on accessible routes shall comply with 405.</p> <p>405.2 Slope. Ramp runs shall have a running slope not steeper than 1:12. EXCEPTION: In existing sites, buildings, and facilities, ramps shall be permitted to have running slopes steeper than 1:12 where such slopes are necessary due to space limitations.</p> <p>Slope vs. Maximum Rise</p> <p>Steeper than 1:10 but not steeper than 1:8 - 3 inches (75 mm) Steeper than 1:12 but not steeper than 1:10 - 6 inches (150 mm)</p> <p>1. A slope steeper than 1:8 is prohibited.</p> <p>405.3 Cross Slope. Cross slope of ramp runs shall not be steeper than 1:48.</p> <p>405.4 Floor or Ground Surfaces. Floor or ground surfaces of ramp runs shall comply with 302. Changes in level other than the running slope and cross slope are not permitted on ramp runs.</p> <p>405.5 Clear Width. The clear width of a ramp run and, where handrails are provided, the clear width between handrails shall be 36 inches (915 mm) minimum.</p> <p>405.6 Rise. The rise for any ramp run shall be 30 inches (760 mm) maximum.</p> <p>405.7 Landings. Ramps shall have landings at the top and the bottom of each ramp run. Landings shall comply with 405.7.</p> <p>405.7.1 Slope. Landings shall comply with 302. Changes in level are not permitted. EXCEPTION: Slopes not steeper than 1:48 shall be permitted.</p> <p>405.7.2 Width. The landing clear width shall be at least as wide as the widest ramp run leading to the landing.</p>

405.7.3 Length. The landing clear length shall be 60 inches (1525 mm) long minimum.

405.7.4 Change in Direction. Ramps that change direction between runs at landings shall have a clear landing 60 inches (1525 mm) minimum by 60 inches (1525 mm) minimum.

405.7.5 Doorways. Where doorways are located adjacent to a ramp landing, maneuvering clearances required by 404.2.4 and 404.3.2 shall be permitted to overlap the required landing area.

405.8 Handrails. Ramp runs with a rise greater than 6 inches (150 mm) shall have handrails complying with 505.

405.9 Edge Protection. Edge protection complying with 405.9.1 or 405.9.2 shall be provided on each side of ramp runs and at each side of ramp landings.

EXCEPTIONS:

1. Edge protection shall not be required on ramps that are not required to have handrails and have sides complying with 406.3.
2. Edge protection shall not be required on the sides of ramp landings serving an adjoining ramp run or stairway.
3. Edge protection shall not be required on the sides of ramp landings having a vertical drop-off of ½ inch maximum within 10 inches horizontally of the minimum landing area specified in 405.7.

405.9.1 Extended Floor or Ground Surface. The floor or ground surface of the ramp run or landing shall extend 12 inches minimum beyond the inside face of a handrail complying with 505.

405.9.2 Curb or Barrier. A curb or barrier shall be provided that prevents the passage of a 4 inch (100 mm) diameter sphere, where any portion of the sphere is within 4 inches (100 mm) of the finish floor or ground surface.

405.10 Wet Conditions. Landings subject to wet conditions shall be designed to prevent the accumulation of water.

406 Curb Ramps



1. No curb ramps are provided for access to the building sidewalk. Once the accessible parking spaces are provided, a curb ramp(s) complying with section 406 shall be provided connecting the accessible parking access aisle to the sidewalk.

406.2 Counter Slope. Counter slopes of adjoining gutters and road surfaces immediately adjacent to the curb ramp shall not be steeper than 1:20. The adjacent surfaces at transitions at curb ramps to walks, gutters, and streets shall be at the same level.

406.3 Sides of Curb Ramps. Where provided, curb ramp flares shall not be steeper than 1:10.

406.4 Landings. Landings shall be provided at the tops of curb ramps. The landing clear length shall be 36 inches (915 mm) minimum. The landing clear width shall be at least as wide as the curb ramp, excluding flared sides, leading to the landing.

EXCEPTION: In alterations, where there is no landing at the top of curb ramps, curb ramp flares shall be provided and shall not be steeper than 1:12.

406.5 Location. Curb ramps and the flared sides of curb ramps shall be located so that they do not project into vehicular traffic lanes, parking spaces, or parking access aisles. Curb ramps at marked crossings shall be wholly contained within the markings, excluding any flared sides.

406.6 Diagonal Curb Ramps. Diagonal or corner type curb ramps with returned curbs or other well-defined edges shall have the edges parallel to the direction of pedestrian flow. The bottom of diagonal curb ramps shall have a clear space 48 inches minimum outside active traffic lanes of the roadway. Diagonal curb ramps provided at marked crossings shall provide the 48 inches minimum clear space within the markings. Diagonal curb ramps with flared sides shall have a segment of curb 24 inches long minimum located on each side of the curb ramp and within the marked crossing.

406.7 Islands. Raised islands in crossings shall be cut through level with the street or have curb ramps at both sides. Each curb ramp shall have a level area 48 inches long minimum by 36 inches (915 mm) wide minimum at the top of the curb ramp in the part of the island intersected by the crossings. Each 48 inch minimum by 36 inch minimum area shall be oriented so that the 48 inch (1220 mm) minimum length is in the direction of the running slope of the curb ramp it serves. The 48 inch minimum by 36 inch minimum areas and the accessible route shall be permitted to overlap.

<p>407 Elevators</p>	<p>1. The building is currently a two-story building. If an alteration or building addition is planned, an elevator would not be required per the first section of Exception 1 below. However, the remaining requirements of exception 1 as well as exceptions 2 through 7 shall be reviewed to confirm the elevator requirements are not triggered during a renovation or building addition.</p> <p>206.2.3 Multi-Story Buildings and Facilities. At least one accessible route shall connect each story and mezzanine in multi-story buildings and facilities.</p> <p>EXCEPTIONS:</p> <ol style="list-style-type: none"> 1. In private buildings or facilities that are less than three stories or that have less than 3000 square feet (279 m2) per story, an accessible route shall not be required to connect stories provided that the building or facility is not a shopping center, a shopping mall, the professional office of a health care provider, a terminal, depot or other station used for specified public transportation, an airport passenger terminal, or another type of facility as determined by the U. S. Attorney General. In transportation facilities, any area housing passenger services, including boarding and debarking, loading and unloading, baggage claim, dining facilities, and other common areas open to the public must be on an accessible route from an accessible entrance. 2. Where a two story public building or facility has one story with an occupant load of five or fewer persons that does not contain public use space, that story shall not be required to be connected to the story above or below. 3. In detention and correctional facilities, an accessible route shall not be required to connect stories where cells with mobility features required to comply with 807.2, all common use areas serving cells with mobility features required to comply with 807.2, and all public use areas are on an accessible route. 4. In residential facilities, an accessible route shall not be required to connect stories where residential dwelling units with mobility features required to comply with 809.2 through 809.4, all common use areas serving residential dwelling units with mobility features required to comply with 809.2 through 809.4, and public use areas serving residential dwelling units are on an accessible route. 5. Within multi-story transient lodging guest rooms with mobility features required to comply with 806.2, an accessible route shall not be required to connect stories provided that spaces complying with 806.2 are on an accessible route and sleeping accommodations for two persons minimum are provided on a story served by an accessible route. 6. In air traffic control towers, an accessible route shall not be required to serve the cab and the floor immediately below the cab. 7. Where exceptions for alterations to qualified historic buildings or facilities are permitted by 202.5, an accessible route shall not be required to stories located above or below the accessible story.
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502 Parking Spaces



1. Accessible parking spaces are not provided. An accessible parking area, including van-accessible spaces, complying with section 208 and 502 shall be provided and shall be located on the shortest accessible route to the accessible entrance to the space.

2. The number of parking spaces provided shall be based on the number of spaces provided in the final site plan and as shown in Table 208.2.

3. The paved areas adjacent to the building sidewalks have an existing slope that is between 3% and 5%. The accessible parking spaces and access aisle shall have a maximum slope of 2% in all directions per section 502.4. The paving will have to be modified to provided a slope of 2% maximum in the future accessible parking location.

208.2.4 Van Parking Spaces. For every six or fraction of six parking spaces required by 208.2 to comply with 502, at least one shall be a van parking space complying with 502.

208.3.1 General. Parking spaces complying with 502 that serve a particular building or facility shall be located on the shortest accessible route from parking to an entrance complying with 206.4. Where parking serves more than one accessible entrance, parking spaces complying with 502 shall be dispersed and located on the shortest accessible route to the accessible entrances. In parking facilities that do not serve a particular building or facility, parking spaces complying with 502 shall be located on the shortest accessible route to an accessible pedestrian entrance of the parking facility.

Table 208.2 Parking Spaces

Total Number of Parking Spaces Provided in Parking Facility	Minimum Number of Required Accessible Parking Spaces
1 to 25	1
26 to 50	2
51 to 75	3
76 to 100	4
101 to 150	5
151 to 200	6
201 to 300	7
301 to 400	8
401 to 500	9
501 to 1000	2 percent of total
1001 and over	20, plus 1 for each 100, or fraction thereof, over 1000

502.1 General. Car and van parking spaces shall comply with 502. Where parking spaces are marked with lines, width measurements of parking spaces and access aisles shall be made from the centerline of the markings.

EXCEPTION: Where parking spaces or access aisles are not adjacent to another parking space or access aisle, measurements shall be permitted to include the full width of the line defining the parking space or access aisle.

502.2 Vehicle Spaces. Car parking spaces shall be 96 inches (2440 mm) wide minimum and van parking spaces shall be 132 inches (3350 mm) wide minimum, shall be marked to define the width, and shall have an adjacent access aisle complying with 502.3.

EXCEPTION: Van parking spaces shall be permitted to be 96 inches (2440 mm) wide minimum where the access aisle is 96 inches (2440 mm) wide minimum.

502.3 Access Aisle. Access aisles shall comply with 502.3. Access aisles shall adjoin an accessible route. Two parking spaces shall be permitted to share a common access aisle.

502.3.1 Width. Access aisles serving car and van parking spaces shall be 60 inches wide minimum.

502.3.2 Length. Access aisles shall extend the full length of the parking spaces they serve.

502.3.3 Marking. Access aisles shall be marked so as to discourage parking in them.

502.3.4 Location. Access aisles shall not overlap the vehicular way. Access aisles shall be permitted to be placed on either side of the parking space except for angled van parking spaces which shall have access aisles located on the passenger side of the parking spaces.

502.4 Floor or Ground Surfaces. Parking spaces and access aisles serving them shall comply with 302. Access aisles shall be at the same level as the parking spaces they serve. Changes in level are not permitted.

EXCEPTION: Slopes not steeper than 1:48 shall be permitted.

502.5 Vertical Clearance. Parking spaces for vans and access aisles and vehicular routes serving them shall provide a vertical clearance of 98 inches (2490 mm) minimum.

	<p>502.6 Identification. Parking space identification signs shall include the International Symbol of Accessibility complying with 703.7.2.1. Signs identifying van parking spaces shall contain the designation "van accessible." Signs shall be 60 inches (1525 mm) minimum above the finish floor or ground surface measured to the bottom of the sign.</p> <p>502.7 Relationship to Accessible Routes. Parking spaces and access aisles shall be designed so that cars and vans, when parked, cannot obstruct the required clear width of adjacent accessible routes.</p>
504 Stairways	<p>1. The building is currently a two-story building. If an alteration or building addition is planned, the stairs that are a part of a means of egress, shall comply with section 504.</p> <p>210.1 General. Interior and exterior stairs that are part of a means of egress shall comply with 504.</p> <p>504.2 Treads and Risers. All steps on a flight of stairs shall have uniform riser heights and uniform tread depths. Risers shall be 4 inches (100 mm) high minimum and 7 inches (180 mm) high maximum. Treads shall be 11 inches (280 mm) deep minimum.</p> <p>504.3 Open Risers. Open risers are not permitted.</p> <p>504.4 Tread Surface. Stair treads shall comply with 302. Changes in level are not permitted. EXCEPTION: Treads shall be permitted to have a slope not steeper than 1:48.</p> <p>504.5 Nosings. The radius of curvature at the leading edge of the tread shall be 1/2 inch maximum. Nosings that project beyond risers shall have the underside of the leading edge curved or beveled. Risers shall be permitted to slope under the tread at an angle of 30 degrees maximum from vertical. The permitted projection of the nosing shall extend 1 1/2" maximum over the tread below.</p> <p>504.6 Handrails. Stairs shall have handrails complying with 505.</p> <p>504.7 Wet Conditions. Stair treads and landings subject to wet conditions shall be designed to prevent the accumulation of water.</p>
505 Handrails	<p>1. Reference the comments in section 405. If ramps are provided with a slope that is between 5% and 8.3%, then handrails complying with section 505 shall be provided on both sides.</p> <p>505.2 Where Required. Handrails shall be provided on both sides of stairs and ramps.</p> <p>505.3 Continuity. Handrails shall be continuous within the full length of each stair flight or ramp run. Inside handrails on switchback stairs & ramps shall be continuous between flights or runs.</p> <p>505.4 Height. Top of gripping surfaces of handrails shall be 34 inches (865 mm) minimum and 38 inches (965 mm) maximum vertically above walking surfaces, stair nosings, and ramp surfaces. Handrails shall be at a consistent height above walking surfaces, stair nosings, and ramp surfaces.</p> <p>505.5 Clearance. Clearance between handrail gripping surfaces and adjacent surfaces shall be 1 1/2 inches (38 mm) minimum.</p> <p>505.6 Gripping Surface. Handrail gripping surfaces shall be continuous along their length and shall not be obstructed along their tops or sides. The bottoms of handrail gripping surfaces shall not be obstructed for more than 20 percent of their length. Where provided, horizontal projections shall occur 1 1/2 inches (38 mm) minimum below the bottom of the handrail gripping surface. EXCEPTIONS:</p> <ol style="list-style-type: none"> Where handrails are provided along walking surfaces with slopes not steeper than 1:20, the bottoms of handrail gripping surfaces shall be permitted to be obstructed along their entire length where they are integral to crash rails or bumper guards. The distance between horizontal projections and the bottom of the gripping surface shall be permitted to be reduced by 1/8 inch (3.2 mm) for each 1/2 inch (13 mm) of additional handrail perimeter dimension that exceeds 4 inches (100 mm). <p>505.7 Cross Section. Handrail gripping surfaces shall have a cross section complying with 505.7.1 or 505.7.2.</p> <p>505.7.1 Circular Cross Section. Handrail gripping surfaces with a circular cross section shall have an outside diameter of 1 1/4 inches (32 mm) minimum and 2 inches (51 mm) maximum.</p> <p>505.7.2 Non-Circular Cross Sections. Handrail gripping surfaces with a non-circular cross section shall have a perimeter dimension of 4 inches (100 mm) minimum and 6 1/4 inches (160 mm) maximum, and a cross-section dimension of 2 1/4 inches (57 mm) maximum.</p> <p>505.8 Surfaces. Handrail gripping surfaces and any surfaces adjacent to them shall be free of sharp or abrasive elements and shall have rounded edges.</p> <p>505.9 Fittings. Handrails shall not rotate within their fittings.</p> <p>505.10 Handrail Extensions. Handrail gripping surfaces shall extend beyond and in the same direction of stair flights and ramp runs in accordance with 505.10. EXCEPTIONS:</p> <ol style="list-style-type: none"> Extensions shall not be required for continuous handrails at the inside turn of switchback or dogleg stairs and ramps.

	<p>2. In assembly areas, extensions shall not be required for ramp handrails in aisles serving seating where the handrails are discontinuous to provide access to seating & to permit crossovers within aisles.</p> <p>3. In alterations, full extensions of handrails shall not be required where such extensions would be hazardous due to plan configuration.</p> <p>505.10.1 Top and Bottom Extension at Ramps. Ramp handrails shall extend horizontally above the landing for 12" minimum beyond the top and bottom of ramp runs. Extensions shall return to a wall, guard, or the landing surface, or shall be continuous to the handrail of an adjacent ramp run.</p> <p>505.10.2 Top Extension at Stairs. At the top of a stair flight, handrails shall extend horizontally above the landing for 12 inches (305 mm) minimum beginning directly above the first riser nosing. Extensions shall return to a wall, guard, or the landing surface, or shall be continuous to the handrail of an adjacent stair flight.</p> <p>505.10.3 Bottom Extension at Stairs. At the bottom of a stair flight, handrails shall extend at the slope of the stair flight for a horizontal distance at least equal to one tread depth beyond the last riser nosing. Extension shall return to a wall, guard, or the landing surface, or shall be continuous to the handrail of an adjacent stair flight.</p>
Chapter 6: Plumbing Elements and Facilities	
603 Toilet and Bathing Rooms	<p>1. If an interior alteration or building addition is planned for this building. The common area restrooms serving the altered space will be required to comply with section 604 below.</p> <p>603.2.1 Turning Space. Turning space complying with 304 shall be provided within the room.</p> <p>603.2.2 Overlap. Required clear floor spaces, clearance at fixtures, and turning space shall be permitted to overlap.</p> <p>603.2.3 Door Swing. Doors shall not swing into the clear floor space or clearance required for any fixture. Doors shall be permitted to swing into the required turning space.</p> <p>EXCEPTIONS:</p> <p>2. Where the toilet room or bathing room is for individual use and a clear floor space complying with 305.3 is provided within the room beyond the arc of the door swing, doors shall be permitted to swing into the clear floor space or clearance required for any fixture.</p> <p>603.3 Mirrors. Mirrors located above lavatories or countertops shall be installed with the bottom edge of the reflecting surface 40 inches (1015 mm) maximum above the finish floor or ground. Mirrors not located above lavatories or countertops shall be installed with the bottom edge of the reflecting surface 35 inches (890 mm) maximum above the finish floor or ground.</p> <p>603.4 Coat Hooks and Shelves. Coat hooks shall be located within one of the reach ranges specified in 308. Shelves shall be located 40" minimum and 48" maximum above the finish floor.</p>
604 Water Closets and Toilet Compartments	<p>1. If an interior alteration is planned for this building. The common area restroom fixtures and accessories serving the altered space will be required to comply with section 604 below.</p> <p>604.2 Location. The water closet shall be positioned with a wall or partition to the rear and to one side. The centerline of the water closet shall be 16 inches minimum to 18 inches maximum from the sidewall or partition, except that the water closet shall be 17 inches minimum and 19 inches maximum from the side wall or partition in the ambulatory accessible toilet compartment specified in 604.8.2. Water closets shall be arranged for a left-hand or right-hand approach.</p> <p>604.3.1 Size. Clearance around a water closet shall be 60 inches minimum measured perpendicular from the sidewall and 56 inches minimum measured perpendicular from the rear wall.</p> <p>604.3.2 Overlap. The required clearance around the water closet shall be permitted to overlap the water closet, associated grab bars, dispensers, sanitary napkin disposal units, coat hooks, shelves, accessible routes, clear floor space and clearances required at other fixtures, and the turning space. No other fixtures or obstructions shall be located within the required water closet clearance.</p> <p>604.4 Seats. The seat height of a water closet above the finish floor shall be 17 inches (430 mm) minimum and 19 inches (485 mm) maximum measured to the top of the seat. Seats shall not be sprung to return to a lifted position.</p> <p>604.5 Grab Bars. Grab bars for water closets shall comply with 609. Grab bars shall be provided on the sidewall closest to the water closet and on the rear wall.</p> <p>604.5.1 Side Wall. The side wall grab bar shall be 42 inches long minimum, located 12 inches maximum from the rear wall and extending 54 inches minimum from the rear wall.</p> <p>604.5.2 Rear Wall. The rear wall grab bar shall be 36 inches long minimum and extend from the centerline of the water closet 12 inches minimum on one side and 24 inches min. on the other side.</p> <p>EXCEPTIONS:</p> <p>1. The rear grab bar shall be permitted to be 24 inches (610 mm) long minimum, centered on the water closet, where wall space does not permit a length of 36 inches (915 mm) minimum due to the location of a recessed fixture adjacent to the water closet.</p>

2. Where an administrative authority requires flush controls for flush valves to be located in a position that conflicts with the location of the rear grab bar, then the rear grab bar shall be permitted to be split or shifted to the open side of the toilet area.

604.6 Flush Controls. Flush controls shall be hand operated or automatic. Hand operated flush controls shall comply with 309. Flush controls shall be located on the open side of the water closet except in ambulatory accessible compartments complying with 604.8.2.

604.7 Dispensers. Toilet paper dispensers shall comply with 309.4 and shall be 7 inches (180 mm) minimum and 9 inches (230 mm) maximum in front of the water closet measured to the centerline of the dispenser. The outlet of the dispenser shall be 15 inches (380 mm) minimum and 48 inches (1220 mm) maximum above the finish floor and shall not be located behind grab bars. Dispensers shall not be of a type that controls delivery or that does not allow continuous paper flow.

604.8 Toilet Compartments. Wheelchair accessible toilet compartments shall meet the requirements of 604.8.1 and 604.8.3. Compartments containing more than one plumbing fixture shall comply with 603. Ambulatory accessible compartments shall comply with 604.8.2 & 604.8.3.

604.8.1.1 Size. Wheelchair accessible compartments shall be 60 inches (1525 mm) wide minimum measured perpendicular to the side wall, and 56 inches (1420 mm) deep minimum for wall hung water closets and 59 inches (1500 mm) deep minimum for floor mounted water closets measured perpendicular to the rear wall. Wheelchair accessible compartments for children's use shall be 60 inches wide minimum measured perpendicular to the side wall, and 59 inches deep minimum for wall hung and floor mounted water closets measured perpendicular to the rear wall.

604.8.1.2 Doors. Toilet compartment doors, including door hardware, shall comply with 404 except that if the approach is to the latch side of the compartment door, clearance between the door side of the compartment and any obstruction shall be 42 inches (1065 mm) minimum. Doors shall be located in the front partition or in the side wall or partition farthest from the water closet. Where located in the front partition, the door opening shall be 4 inches (100 mm) maximum from the side wall or partition farthest from the water closet. Where located in the side wall or partition, the door opening shall be 4 inches (100 mm) maximum from the front partition. The door shall be self-closing. A door pull complying with 404.2.7 shall be placed on both sides of the door near the latch. Toilet compartment doors shall not swing into the minimum required compartment area.

604.8.1.3 Approach. Compartments shall be arranged for left-hand or right-hand approach to the water closet.

604.8.1.4 Toe Clearance. The front partition and at least one side partition shall provide a toe clearance of 9 inches (230 mm) minimum above the finish floor and 6 inches (150 mm) deep minimum beyond the compartment-side face of the partition, exclusive of partition support members. Compartments for children's use shall provide a toe clearance of 12 inches (305 mm) minimum above the finish floor.

EXCEPTION: Toe clearance at the front partition is not required in a compartment greater than 62 inches (1575 mm) deep with a wall-hung water closet or 65 inches (1650 mm) deep with a floor-mounted water closet. Toe clearance at the side partition is not required in a compartment greater than 66 inches (1675 mm) wide. Toe clearance at the front partition is not required in a compartment for children's use that is greater than 65 inches (1650 mm) deep.

604.8.1.5 Grab Bars. Grab bars shall comply with 609. A side-wall grab bar complying with 604.5.1 shall be provided and shall be located on the wall closest to the water closet. In addition, a rear-wall grab bar complying with 604.5.2 shall be provided.

604.8.2 Ambulatory Accessible Compartments. Ambulatory accessible compartments shall comply with 604.8.2.

604.8.2.1 Size. Ambulatory accessible compartments shall have a depth of 60 inches (1525 mm) minimum and a width of 35 inches (890 mm) minimum and 37 inches (940 mm) maximum.

604.8.2.2 Doors. Toilet compartment doors, including door hardware, shall comply with 404, except that if the approach is to the latch side of the compartment door, clearance between the door side of the compartment and any obstruction shall be 42 inches (1065 mm) minimum. The door shall be self-closing. A door pull complying with 404.2.7 shall be placed on both sides of the door near the latch. Toilet compartment doors shall not swing into the minimum required compartment area.

604.8.2.3 Grab Bars. Grab bars shall comply with 609. A side-wall grab bar complying with 604.5.1 shall be provided on both sides of the compartment.

604.8.3 Coat Hooks and Shelves. Coat hooks shall be located within one of the reach ranges specified in 308. Shelves shall be located 40 inches minimum and 48 inches maximum above the finish floor.

606 Lavatories and Sinks	<p>1. If an interior alteration is planned for this building. The common area restrooms serving the altered space shall have at least one lavatory that complies with section 606.</p> <p>606.2 Clear Floor Space. A clear floor space complying with 305, positioned for a forward approach, and knee and toe clearance complying with 306 shall be provided.</p> <p>606.3 Height. Lavatories and sinks shall be installed with the front of the higher of the rim or counter surface 34 inches (865 mm) maximum above the finish floor or ground.</p> <p>606.4 Faucets. Controls for faucets shall comply with 309. Hand-operated metering faucets shall remain open for 10 seconds minimum.</p> <p>606.5 Exposed Pipes and Surfaces. Water supply and drain pipes under lavatories and sinks shall be insulated or otherwise configured to protect against contact. There shall be no sharp or abrasive surfaces under lavatories and sinks</p>
609 Grab Bars	<p>1. If an interior alteration is planned for this building. The grab bars within the common area restrooms serving the altered space will be required to comply with section 609 below.</p> <p>609.2.1 Circular Cross Section. Grab bars with circular cross sections shall have an outside diameter of 1 1/4 inches (32 mm) minimum and 2 inches (51 mm) maximum.</p> <p>609.2.2 Non-Circular Cross Section. Grab bars with non-circular cross sections shall have a cross-section dimension of 2 inches (51 mm) maximum and a perimeter dimension of 4 inches (100 mm) minimum and 4.8 inches (120 mm) maximum.</p> <p>609.3 Spacing. The space between the wall and the grab bar shall be 1 1/2 inches. The space between the grab bar and projecting objects below and at the ends shall be 1 1/2 inches minimum. The space between the grab bar and projecting objects above shall be 12 inches minimum.</p> <p>609.4 Position of Grab Bars. Grab bars shall be installed in a horizontal position, 33 inches (840 mm) minimum and 36 inches (915 mm) maximum above the finish floor measured to the top of the gripping surface.</p> <p>609.5 Surface Hazards. Grab bars and any wall or other surfaces adjacent to grab bars shall be free of sharp or abrasive elements and shall have rounded edges.</p> <p>609.6 Fittings. Grab bars shall not rotate within their fittings.</p> <p>609.7 Installation. Grab bars shall be installed in any manner that provides a gripping surface at the specified locations and that does not obstruct the required clear floor space.</p> <p>609.8 Structural Strength. Allowable stresses shall not be exceeded for materials used when a vertical or horizontal force of 250 pounds (1112 N) is applied at any point on the grab bar, fastener, mounting device, or supporting structure.</p>
Chapter 7: Communication Elements and Features	
702 Fire Alarm Systems	<p>1. If a fire alarm system is provided or being altered, the system shall comply with TAS sections 215 and 702 below.</p> <p>215.1 General. Where fire alarm systems provide audible coverage, alarms shall comply with 215. EXCEPTION: In existing facilities, visible alarms shall not be required except where an existing fire alarm system is upgraded or replaced, or a new fire alarm system is installed.</p> <p>215.2 Public and Common Use Areas. Alarms in public use areas and common use areas shall comply with 702.</p> <p>215.3 Employee Work Areas. Where employee work areas have audible alarm coverage, the wiring system shall be designed so that visible alarms complying with 702 can be integrated into the alarm system.</p> <p>702.1 General. Fire alarm systems shall have permanently installed audible and visible alarms complying with NFPA 72 (1999 or 2002 edition) (incorporated by reference, see "Referenced Standards" in Chapter 1), except that the maximum allowable sound level of audible notification appliances complying with section 4-3.2.1 of NFPA 72 (1999 edition) shall have a sound level no more than 110 dB at the minimum hearing distance from the audible appliance. In addition, alarms in guest rooms required to provide communication features shall comply with sections 4-3 and 4-4 of NFPA 72 (1999 edition) or sections 7.4 and 7.5 of NFPA 72 (2002 edition).</p>
703 Signs	<p>1. The building signage does not comply with the TAS requirements. If a building alteration or addition is planned, all permanent signage provided shall comply with section 703 and the requirements below.</p> <ul style="list-style-type: none"> - Interior and exterior signs identifying permanent rooms and spaces shall comply with sections 703.1, 703.2, 703.3 and 703.5 below. - Signs that provide direction to or information about interior spaces shall comply with section 703.5 below. - Doors at exit passageways, exit discharge and exit stairways shall be identified by tactile signs complying with 703.2, 703.2 and 703.5 below.

703.1 General. Signs shall comply with 703. Where both visual and tactile characters are required, either one sign with both visual and tactile characters, or two separate signs, one with visual, and one with tactile characters, shall be provided.

703.2 Raised Characters. Raised characters shall comply with 703.2 and shall be duplicated in braille complying with 703.3. Raised characters shall be installed in accordance with 703.4.

703.2.1 Depth. Raised characters shall be 1/32 inch (0.8 mm) minimum above their background.

703.2.2 Case. Characters shall be uppercase.

703.2.3 Style. Characters shall be sans serif. Characters shall not be italic, oblique, script, highly decorative, or of other unusual forms.

703.2.4 Character Proportions. Characters shall be selected from fonts where the width of the uppercase letter "O" is 55 percent minimum and 110 percent maximum of the height of the uppercase letter "I".

703.2.5 Character Height. Character height measured vertically from the baseline of the character shall be 5/8 inch (16 mm) minimum and 2 inches (51 mm) maximum based on the height of the uppercase letter "I".

EXCEPTION: Where separate raised and visual characters with the same information are provided, raised character height shall be permitted to be 1/2 inch (13 mm) minimum.

703.2.6 Stroke Thickness. Stroke thickness of the uppercase letter "I" shall be 15 percent maximum of the height of the character.

703.2.7 Character Spacing. Character spacing shall be measured between the two closest points of adjacent raised characters within a message, excluding word spaces. Where characters have rectangular cross sections, spacing between individual raised characters shall be 1/8 inch (3.2 mm) minimum and 4 times the raised character stroke width maximum. Where characters have other cross sections, spacing between individual raised characters shall be 1/16 inch minimum and 4 times the raised character stroke width maximum at the base of the cross sections, and 1/8 inch minimum and 4 times the raised character stroke width maximum at the top of the cross sections. Characters shall be separated from raised borders and decorative elements 3/8 inch minimum.

703.2.8 Line Spacing. Spacing between the baselines of separate lines of raised characters within a message shall be 135 percent minimum and 170 percent maximum of the raised character height.

703.3 Braille. Braille shall be contracted (Grade 2) and shall comply with 703.3 and 703.4.

703.3.1 Dimensions and Capitalization. Braille dots shall have a domed or rounded shape and shall comply with Table 703.3.1. The indication of an uppercase letter or letters shall only be used before the first word of sentences, proper nouns and names, individual letters of the alphabet, initials, and acronyms.

703.3.2 Position. Braille shall be positioned below the corresponding text. If text is multi-lined, braille shall be placed below the entire text. Braille shall be separated 3/8 inch minimum from any other tactile characters and 3/8 inch minimum from raised borders and decorative elements.

703.4 Installation Height and Location. Signs with tactile characters shall comply with 703.4.

703.4.1 Height Above Finish Floor or Ground. Tactile characters on signs shall be located 48 inches (1220 mm) minimum above the finish floor or ground surface, measured from the baseline of the lowest tactile character and 60 inches (1525 mm) maximum above the finish floor or ground surface, measured from the baseline of the highest tactile character.

703.4.2 Location. Where a tactile sign is provided at a door, the sign shall be located alongside the door at the latch side. Where a tactile sign is provided at double doors with one active leaf, the sign shall be located on the inactive leaf. Where a tactile sign is provided at double doors with two active leaves, the sign shall be located to the right of the right hand door. Where there is no wall space at the latch side of a single door or at the right side of double doors, signs shall be located on the nearest adjacent wall. Signs containing tactile characters shall be located so that a clear floor space of 18 inches minimum by 18 inches minimum, centered on the tactile characters, is provided beyond the arc of any door swing between the closed position and 45 degree open position.

EXCEPTION: Signs with tactile characters shall be permitted on the push side of doors with closers and without hold-open devices.

703.5.1 Finish and Contrast. Characters and their background shall have a non-glare finish. Characters shall contrast with their background with either light characters on a dark background or dark characters on a light background.

703.5.2 Case. Characters shall be uppercase or lowercase or a combination of both.

703.5.3 Style. Characters shall be conventional in form. Characters shall not be italic, oblique, script, highly decorative, or of other unusual forms.

703.5.4 Character Proportions. Characters shall be selected from fonts where the width of the uppercase letter "O" is 55% minimum & 110% maximum of the height of the uppercase letter "I".

703.5.5 Character Height. Minimum character height shall comply with Table 703.5.5. Viewing distance shall be measured as the horizontal distance between the character and an obstruction preventing further approach towards the sign. Character height shall be based on the uppercase "I".

	<p>703.5.6 Height From Finish Floor or Ground. Visual characters shall be 40 inches (1015 mm) minimum above the finish floor or ground.</p> <p>703.5.7 Stroke Thickness. Stroke thickness of the uppercase letter "I" shall be 10 percent minimum and 30 percent maximum of the height of the character.</p> <p>703.5.8 Character Spacing. Character spacing shall be measured between the two closest points of adjacent characters, excluding word spaces. Spacing between individual characters shall be 10 percent minimum and 35 percent maximum of character height.</p> <p>703.5.9 Line Spacing. Spacing between the baselines of separate lines of characters within a message shall be 135 percent minimum and 170 percent maximum of the character height.</p> <p>703.6.1 Pictogram Field. Pictograms shall have a field height of 6 inches (150 mm) minimum. Characters and braille shall not be located in the pictogram field.</p> <p>703.6.2 Finish and Contrast. Pictograms and their field shall have a non-glare finish. Pictograms shall contrast with their field with either a light pictogram on a dark field or a dark pictogram on a light field.</p>
Chapter 8: Special Rooms, Spaces, and Elements	
Chapter 9: Built-In Elements	
Chapter 10: Recreational Facilities	

End of Report



April 23, 2020

To Whom it May Concern:

Subject: 4007 S Flores St., San Antonio, Texas

The building and site plan, as is, presents a challenge for the community and any who would wish to make use of this location.

Challenges to repurposing this building for a viable commercial venture include:

- Limited parking availability that does not meet current codes for commercial retail space.
- Multiple floor levels that may not be accessible without installation of an elevator.
- ADA compliance for all areas – ramp installation may take up a large percent of the usable area
- Limitations on multitenant use, which may necessitate the entire building and reconstruction of the foundation slab
- Single entrance
- Outdated mechanical and electrical components

Sincerely,

Mark Neville AIA, NCARB



Project Proposal: April 1, 2020

Owner

GFR Development
5602 Hausman Suite 201
San Antonio, Texas 78249

Contractor

B & C Construction
479 Spencer Ln
San Antonio, Texas 78201

Project 4007 S. Flores

Proposal Details

	Cost
Roofing: Remove old roof and deck, install new decking and T.P.O and water proofing	\$125,900
Landscaping	\$75,000
New store front and doors	\$90,000
Electrical: all new electrical service and lighting	\$110,000
Plumbing: new sewer lines and water line, leave outs	\$175,000
Demo, back part of building and store front and interior	\$125,000
Exterior: walls re-plaster and stucco were needed	\$300,000
Site Work: new sidewalks, wheel chair ramps, new concrete pavement, elevator	\$400,000

Total	\$1,400,000
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Note: all work will be completed in accordance to the approved city plans. Price guaranteed as agreed on contract.

Proposal Acceptance: This document serves as an agreement between the owner and the contractor

Signature

Date

Contractor Signature

Date

Market Analysis - Vacancy & Parking

F = Freestanding S = Strip Center

Address	Code	Total Sq. Ft.	Occupancy	Vacant Sq. Ft.	Rental Rate	Parking Spaces
4203 S Flores St	F	910	0%	910	\$ 11.50	12
905 Pleasanton Rd	S	72,565	75%	18,141	\$ 16.25	275
4331 S Flores St	F	2,592	0%	2,592	\$ 12.00	6
4620 S Flores St	F	816	0%	816	\$ 14.00	10
2002 Pleasanton Rd	S	4,200	100%	-	\$ 9.00	36
6500 S. Flores St	S	3,833	40%	2,300	\$ 9.50	22
6031 S. Flores St	F	11,124	60%	4,450	\$ 11.00	36
5103 S. Flores	F	22,110	100%	-	\$ 14.50	73
815 Pleasanton	F	3,887	0%	3,887	\$ 13.50	30
604 Pleasanton	F	3,483	0%	3,483	\$ 14.00	26
1507 Pleasanton Rd	S	13,800	40%	8,280	\$ 14.25	98
1530 Pleasanton Rd.	S	10,116	100%	-	\$ 9.50	18
542 Pleasanton Rd	F	6,195	0%	6,195	\$ 13.00	12
165 SW Military Dr	S	144,137	75%	36,034	\$ 16.00	600
504 Pleasanton Rd	F	1,260	0%	1,260	\$ 12.00	6
1604 Pleasanton	S	4,555	100%	-	\$ 10.50	28
6011 S Flores	F	12,137	100%	-	\$ 12.25	72
215 Pleasanton	F	2,690	0%	2,690	\$ 12.00	22
3801 S Flores	F	7,759	0%	7,759	\$ 15.00	30
354 E. Southcross	S	15,468	35%	10,054	\$ 14.50	36
3601 S Flores	F	1,560	0%	1,560	\$ 11.80	20
238 SW Military Dr	S	101,000	90%	10,100	\$ 15.00	570
3403 S Flores St	F	5,088	0%	5,088	\$ 15.00	12
803 SW Military Dr	S	47,578	75%	11,895	\$ 15.00	220
3010 S Flores St	F	2,280	0%	2,280	\$ 14.00	23
4901 S Flores St.	S	6,000	85%	900	\$ 9.80	25
2901 S Flores St	F	912	0%	912	\$ 14.00	10
5645 S Flores	S	4,253	75%	1,063	\$ 12.25	34
2619 S Flores St	F	2,226	0%	2,226	\$ 11.00	0
660 SW Military Dr	S	120,339	80%	24,068	\$ 15.00	185
2849 S Flores St	F	3,360	0%	3,360	\$ 12.00	24
5608 S Flores St	F	9,639	0%	9,639	\$ 14.00	18
TOTAL		647,872		181,942		2,589
AVERAGE		20,246	38%	5,686	\$ 12.91	80.91

4007 S Flores 21,408 0% 21,408 12.91 13

4007 S. Flores	
Gross SF	21,408
Vacant SF	13,179
Leased SF	8,229
Rate per sf	\$ 12.91
NOI	\$ 106,232.52
Market Parking per 1,000sf	3.99
4007 S Flores Parking per 1,000sf	0.607

High Cay, LLC
DEVELOPMENT PRO FORMA
Pleasanton & S. Flores St.

[illegible]

DCR
Cash on Cash

0.39
-9.4%

Gross Profit/Loss

\$ (2,581,441)

406 San Pedro Ave.

Pictures 1, 2 & 3 – Before Renovation & Progress Pics

Picture 4 – Rendering/Plan -- After

TES
ILDREN
25 7070







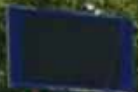


1401 S. New Braunfels

Picture 1 - Before

Picture 2 - After

S New Braunfels Ave



WE BUY
HOLD

WE BUY
HOUSES
213-6561

WE BUY
HOUSES
213-6561

WE BUY
HOUSES
213-6561



1703 Fredericksburg Rd. (Old Joe's Gym)

Pictures 1 & 2 - Before

Pictures 3 & 4 - After



AVAILABLE FOR LEASE
Contact: **210.424.3793** GFR
Adam Schiller

**JOE'S
GYM**



AVAILABLE FOR LEASE
Contact: Adam Schiller 210.424.3793 GFR

JOE'S
GYM

Cake





WINDY CITY
LIVE MUSIC

AVAILABLE
KOPPE
2000-1998
Singer
Koppe & Kopp
GER







AMERICAN MOMENTUM BANK[®]

June 17, 2020

RE: Mark Granados Et al.

To the Historic and Design Review Commission:

At the request of our client, Mr. Mark Granados, please be advised of the following information regarding his relationship with American Momentum Bank. We currently have several demand deposit accounts with various entities owned and/or managed by Mr. Granados.

In addition, we have provided entities related to Mr. Granados with various type of credit including SBA and real estate debt. This includes financing to acquire the property located at 4007 S Flores. Our relationship with Mr. Granados is in the high 7-figure range.

Entities related to Mr. Granados that do business with American Momentum Bank have maintained a satisfactory relationship with our Bank since 2018. Please extend every appropriate accommodation to our customer.

If I can be of further assistance in this matter, please do not hesitate to call me at 210-408-4826.

Sincerely,

Eric D. Neal
Vice President, Commercial Relationship Manager

AMERICAN MOMENTUM BANK

americanmomentum.bank

San Antonio 1604 - 2526 North Loop 1604 West - San Antonio, Texas 78248

Phone 210-493-8844 - Fax 210-493-8484

Member FDIC Equal Housing Lender



June 16, 2020

Historic and Design Review Commission of San Antonio
San Antonio, TX..

Dear Commission Members:

Vista Bank has previously financed a real estate development and investment project for Mark D. Granados/ GFR Development Services.

Subject to our standard underwriting and due diligence, Vista would be interested in financing the redevelopment of 4007 Flores in San Antonio. It has been indicated that the total project costs for the Flores project could be \$15,000,000. It is not known at this time what the estimated proposed loan amount would be.

Sincerely,

Blair Mercer

SVP

214-535-7252



January 13, 2020

To Whom it May Concern:

Subject: 4007 S Flores St., San Antonio, Texas

While indisputably old, the building at 4007 S Flores St. has minimal historical impact, either socially or architecturally, and the current state of the building is a blight on the neighborhood community.

We object to its designation as a historical building on the following grounds:

Landmark Criteria 3 & 11 – Identification with a person who significantly contributed to the development of the community; Distinctive in character, interest or value... strongly exemplifies the cultural, economic, social, ethnic, or historical heritage of San Antonio

- Built by the Toudouze family, this was not their first store, nor their last.
- The second-floor event space operated for 13 years, with no significant events noted.
- Sold by the Toudouze family in 1982 to Garza Furniture.

While it is undeniable that the Toudouze family contributed significantly to the growth of San Antonio, and left a legacy of both community and charity in their 90 years in business, this location, which opened as a combination hardware/grocery store with a second-floor event space, later known as Toudouze Mart, before being sold to Garza Furniture in 1982, was not the first, nor the last, location that the Toudouze family conducted business.

In fact, the last operating Toudouze store closed in 2011, part of which was renovated to become the Adult Detention Center South Campus Annex for Bexar County at 222 South Comal Street. The site in question, though built in 1926, underwent a major remodel in 1941, and appears to have ceased to serve as a social gathering site at that stage, after only 13 years.

Landmark Criteria 5 & 7 – Embodiment of distinguishing characteristics of an architectural style valuable for the study of a period, type, method of construction, or use of indigenous materials; Unique location or singular physical characteristics that make it an established or familiar visual feature

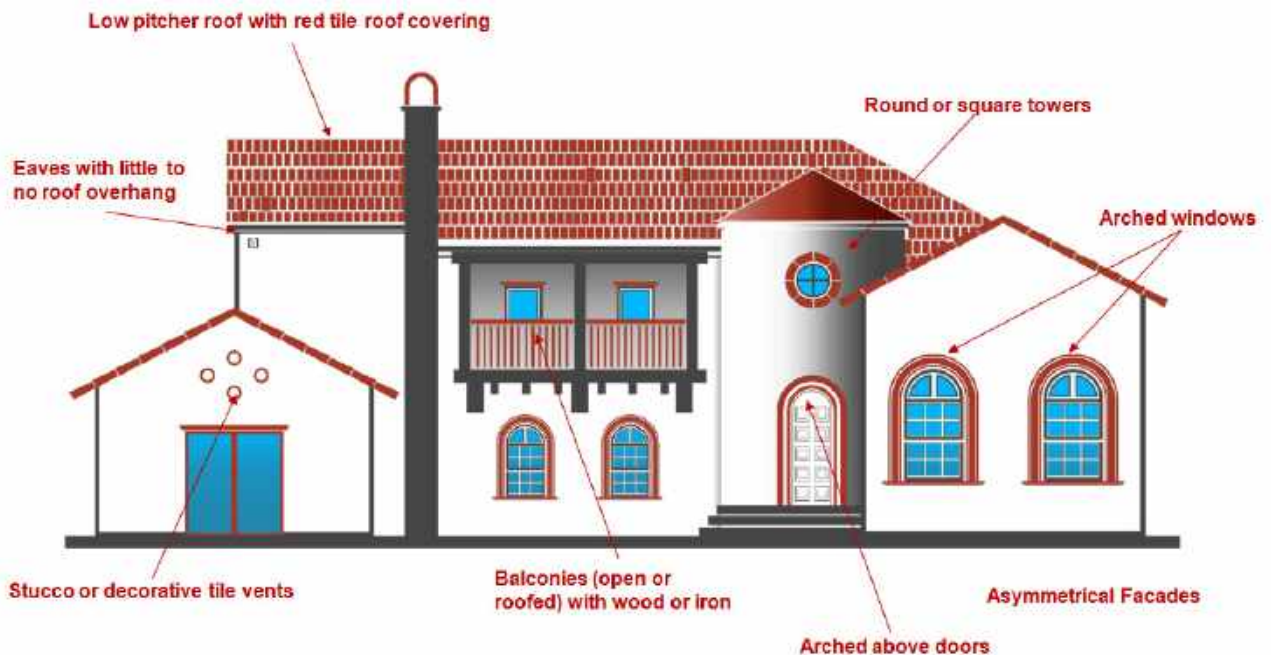
- This building **does not typify the Spanish Eclectic style**, as noted in the recommendations, which is signified by stucco over brick facades, Spanish tile roofing throughout, shallow gable and hip roofs, and ornate arched or parabolic picture windows (see photos below).
- Regretfully, most significant architectural features have been replaced or eliminated by renovations from the 1940s onward, (bricked or boarded-up windows, modern metal window frames, removal of ground-level storefront windows, relocation of the building entrance)

disqualifying the characteristics that would have made it “a unique location with singular physical characteristics”.

- Construction of the building is **largely unremarkable and of little historic significance** (sagging metal awning, brick and stucco exteriors).



4007 S Flores



Typical features of Spanish Eclectic Style



124 E Woodlawn Avenue – Spanish Eclectic

Planning Challenges:

- The existing building and site plan constraints preclude establishing a productive business in the building (parking limitations, ADA requirements), as is.
- The building is not part of a contiguous historic district.
- The historic evaluation fails to weigh the benefit to the community of a revitalized commercial business.

The building and site plan, as is, presents a challenge for the community, considering the limiting factors of parking availability, ADA compliance, and bringing the structural, mechanical, and electrical components up to code. A revitalized commercial business that is accessible to all San Antonians would lift the appearance of this lot and contribute to the property surrounding the space, when there is no longer a boarded-up vacant building, which, nevertheless still blazes with outdated advertisements.

It is on this basis that we conclude against recommendation for historic designation.

Sincerely,

Mark Neville AIA, NCARB

Table of Contents

1. The past and current use of the structures and property
2. The name and legal status (e.g., partnership, corporation) of the owners
3. The original purchase price of the structures and property
4. The assessed value of the structures and property according to the two (2) most recent tax assessments
5. The amount of real estate taxes on the structures and property for the previous two (2) years
6. The date of purchase or other acquisition of the structures and property
7. Principal balance and interest rate on current mortgage and the annual debt service on the structures and property, if any, for the previous two (2) years
8. All appraisals obtained by the owner or applicant within the previous two (2) years in connection with the owner's purchase, financing or ownership of the structures and property
9. Any listing of the structures and property for sale or rent, price asked and offers received
10. Any consideration given by the owner to profitable adaptive uses for the structures and property
11. Any replacement construction plans for proposed improvements on the site
12. Financial proof of the owner's ability to complete any replacement project on the site, which may include but not be limited to a performance bond, a letter of credit, an irrevocable trust for completion of improvements, or a letter of commitment from a financial institution
13. The current fair market value of the structure and property as determined by a qualified appraiser
14. Any property tax exemptions claimed in the past five (5) years

4007 S. Flores Past & Current Use

1926-1982: Market/Grocery Store

1982-2011: Furniture Warehouse

2011-Present: Vacant



Office of the Secretary of State

CERTIFICATE OF FILING OF

High Cay, LLC
File Number: 803102950

The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Limited Liability Company (LLC) has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 08/27/2018

Effective: 08/27/2018



A handwritten signature in black ink, appearing to read "R. Pablos".

Rolando B. Pablos
Secretary of State

NOTICE OF CONFIDENTIALITY RIGHTS:
IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS -- YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SPECIAL WARRANTY DEED WITH VENDOR'S LIEN

Effective Date: September 18, 2018

Grantor: **MARCUS P. ROGERS AS SUCCESSOR DEPENDENT ADMINISTRATOR WITH WILL ANNEXED OF THE ESTATES OF SALVADOR G. GARZA AND GENOVEVA V. GARZA, DECEASED**

Grantor's Mailing Address: 2135 E. Hildebrand Ave
San Antonio, Texas 78209

Grantee: **HIGH CAY, LLC**

Grantee's Mailing Address: 5602 W. Hausman Rd., Suite 201
(including county) San Antonio, Bexar County, Texas 78249

Consideration: Ten and No/100ths Dollars (\$10.00) and the note of even date that is in the principal amount of **One Hundred Fifty-Two Thousand and No/100ths Dollars (\$152,000.00)** and is executed by Grantee, payable to the order of SECURITY BANK. It is secured by a vendor's lien retained in this deed in favor of SECURITY BANK and by a deed of trust of even date from **Lance McDougall, Trustee.**

Property (including any improvements):

A tract of land containing 0.5078 acre, more or less, out of Lot 1, Block 1, New City Block 6230, in the City of San Antonio, Bexar County, Texas, as more particularly described in the attached Exhibit "A".

Exceptions to Conveyance and Warranty:

This conveyance is made and accepted subject to the "AS IS" provision and to all conditions, covenants, easements and restrictions set forth below.

Bexar CAD

Property Search Results > 373213 HIGH CAY LLC for Year 2020

Tax Year: 2020

Property

Account

Property ID:	373213	Legal Description:	NCB 6230 BLK 1 LOT 1
Geographic ID:	06230-001-0010	Zoning:	C-3NA
Type:	Real	Agent Code:	
Property Use Code:	098		
Property Use Description:	TRANSITIONAL USE		

Protest

Protest Status:
Informal Date:
Formal Date:

Location

Address:	202 PLEASANTON RD SAN ANTONIO, TX 78214	Mapscod:	650D3
Neighborhood:	NBHD code12320	Map ID:	
Neighborhood CD:	12320	E-File Eligible	

Owner

Name:	HIGH CAY LLC	Owner ID:	3144629
Mailing Address:	5602 W HAUSMAN RD STE 201 SAN ANTONIO, TX 78249-4912	% Ownership:	100.000000000000%
		Exemptions:	

Values

(+) Improvement Homesite Value:	+	\$0	
(+) Improvement Non-Homesite Value:	+	\$355,710	
(+) Land Homesite Value:	+	\$0	
(+) Land Non-Homesite Value:	+	\$94,290	Ag / Timber Use Value
(+) Agricultural Market Valuation:	+	\$0	\$0
(+) Timber Market Valuation:	+	\$0	\$0
<hr/>			
(=) Market Value:	=	\$450,000	
(-) Ag or Timber Use Value Reduction:	-	\$0	
<hr/>			
(=) Appraised Value:	=	\$450,000	
(-) HS Cap:	-	\$0	
<hr/>			
(=) Assessed Value:	=	\$450,000	

Taxing Jurisdiction

Owner: HIGH CAY LLC
 % Ownership: 100.000000000000%
 Total Value: \$450,000

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax
06	BEXAR CO RD & FLOOD	0.023668	\$450,000	\$450,000	\$106.51
08	SA RIVER AUTH	0.018580	\$450,000	\$450,000	\$83.61
09	ALAMO COM COLLEGE	0.149150	\$450,000	\$450,000	\$671.18
10	UNIV HEALTH SYSTEM	0.276235	\$450,000	\$450,000	\$1,243.06
11	BEXAR COUNTY	0.277429	\$450,000	\$450,000	\$1,248.44
21	CITY OF SAN ANTONIO	0.558270	\$450,000	\$450,000	\$2,512.22
57	SAN ANTONIO ISD	1.530950	\$450,000	\$450,000	\$6,889.28
CAD	BEXAR APPRAISAL DISTRICT	0.000000	\$450,000	\$450,000	\$0.00
Total Tax Rate:		2.834282			

Taxes w/Current Exemptions: \$12,754.30

Taxes w/o Exemptions: \$12,754.27

Improvement / Building

Improvement #1: Commercial State Code: F1 Living Area: 21408.0 sqft Value: \$350,251

Type	Description	Class CD	Exterior Wall	Year Built	SQFT
240	DISCOUNT STORE	C - A	BR	1950	15408.0
320	STORAGE WAREHOUSE	C - F	BR	1950	6000.0
CNP	Canopy	* - F		0	1030.0

Improvement #2: Commercial State Code: F1 Living Area: sqft Value: \$4,704

Type	Description	Class CD	Exterior Wall	Year Built	SQFT
ASP	Asphalt	* - A		0	6000.0

Improvement #3: Commercial State Code: F1 Living Area: sqft Value: \$755

Type	Description	Class CD	Exterior Wall	Year Built	SQFT
CON	Concrete	* - A		0	600.0

Land

#	Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
1	CSS	Commercial Store Site	0.5898	25692.00	0.00	0.00	\$94,290	\$0

Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
------	--------------	-------------	--------------	-----------	--------	----------

2020	\$355,710	\$94,290	0	45	10	\$0	\$450,000
2019	\$389,460	\$92,490	0	481,950		\$0	\$481,950
2018	\$504,910	\$89,670	0	594,580		\$0	\$594,580
2017	\$513,110	\$84,010	0	597,120		\$0	\$597,120
2016	\$460,130	\$84,010	0	544,140		\$0	\$544,140

Deed History - (Last 3 Deed Transactions)

#	Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Deed Number
1	9/18/2018	SWD	Special Warranty Deed	GARZA SALVADOR G	HIGH CAY LLC			20180186591

2020 data current as of Jun 25 2020 1:27AM.

2019 and prior year data current as of Jun 6 2020 7:56AM

For property information, contact (210) 242-2432 or (210) 224-8511 or email.

For website information, contact (210) 242-2500.



ALBERT URESTI, MPA, PCC
Bexar County Tax Assessor - Collector

**** IMPORTANT NOTICE ****

2018 REAL PROPERTY

06230-001-0010
(ACCOUNT NUMBER)

12/20/2018
 1344

LEGAL DESCRIPTION:
 NCB 6230 BLK 1 LOT 1

OWNER:
 HIGH CAY LLC
 5602 W HAUSMAN RD #201
 SAN ANTONIO TX 78249

ACREAGE: 00000.5898

LOCATION: 202 PLEASANTON RD

LAND	APPRaised VALUE	CAP VALUE	HOMESTEAD VALUE	NON-QUAL VALUE
	IMPR			594,580
	AGR. MKT VALUE	PROD VALUE		ASSESSED VALUE
				594,580
TAXING UNIT	EXEMPTIONS	TAXABLE VALUE	TAX RATE	TAX AMOUNT
FLOOD FUND	0	0	0	594,580 .02366800 140.73
ALAMO COMM COLLEGE	0	0	0	594,580 .14915000 886.82
HOSPITAL DISTRICT	0	0	0	594,580 .27623500 1,642.44
BEXAR COUNTY	0	0	0	594,580 .27742900 1,649.54
S A RIVER AUTHORIT	0	0	0	594,580 .01858000 110.47
CITY / SAN ANTONIO	0	0	0	594,580 .55827000 3,319.36
SAN ANTONIO ISD	0	0	0	594,580 1.5626000 9,290.91
TAXES FOR 2018:				\$17,040.27

IF YOU BELIEVE THIS STATEMENT WAS MAILED TO YOU IN ERROR, PLEASE CALL OUR OFFICE AT (210) 335-2251.
 THIS BILL REFLECTS ADJUSTMENTS MADE BY APPRAISAL DISTRICT TO OWNERSHIP, VALUES, OR EXEMPTIONS.

ASSESSMENT RATIO FOR ALL UNITS IS 100%. SEE BACK OF STATEMENT OR NEWSLETTER FOR IMPORTANT TAX INFORMATION.
 (DETACH HERE AND RETURN WITH PAYMENT)

Para obtener informacion, por favor llame (210) 335-2251. Please call (210) 335-2251 for information.

12/20/2018
 MC/FID

2018 Payment Amount Due:

if paid in DEC 2018 \$ 17,040.27
 if paid in JAN 2019 \$ 17,040.27
 if paid in FEB 2019 \$ 18,233.09

DELINQUENT AFTER
JANUARY 31, 2019
AMOUNT PAID:

06230-001-0010



HIGH CAY LLC
 5602 W HAUSMAN RD #201
 SAN ANTONIO TX 78249-4912



MAKE CHECKS PAYABLE TO:

ALBERT URESTI, MPA, PCC
 BEXAR COUNTY TAX ASSESSOR-COLLECTOR
 P.O. BOX 2903
 SAN ANTONIO, TX 78299-2903



062300010010691 001704027 001704027 001823309 000000000 000000000 000000000



ALBERT URESTI, MPA, PCC
Bexar County Tax Assessor-Collector

2019 REAL PROPERTY

06230-001-0010

(ACCOUNT NUMBER)

10/28/2019

LEGAL DESCRIPTION:
NCB 6234 BLK 1 LOT 1

OWNER:
HIGH CAY LLC
5602 W HAUSMAN RD STE 201
SAN ANTONIO, TX 78249-4912

ACREAGE: .5898

LOCATION: 202 PLEASANTON RD

APPRAISED VALUE		CAP VALUE	HOMESTEAD VALUE	NON-QUAL VALUE
LAND	IMPROVEMENT			
92,490	389,460	0	0	481,950
AGRI. MKT. VALUE		PROD VALUE		ASSESSED VALUE
0		0		481,950

TAXING UNIT	EXEMPTIONS				TAXABLE VALUE	TAX RATE	TAX AMOUNT
ROAD AND FLOOD	0	0	0	0	481,950	0.023668	114.07
ALAMO COMM COLLEGE	0	0	0	0	481,950	0.149150	718.83
HOSPITAL DISTRICT	0	0	0	0	481,950	0.276235	1,331.31
BEXAR COUNTY	0	0	0	0	481,950	0.277429	1,337.07
SA RIVER AUTHORITY	0	0	0	0	481,950	0.018580	89.55
CITY - SAN ANTONIO	0	0	0	0	481,950	0.558270	2,690.58
SAN ANTONIO ISD	0	0	0	0	481,950	1.530950	7,378.41

TAXES FOR 2019: \$13,659.82

IF YOU BELIEVE THIS STATEMENT WAS MAILED TO YOU IN ERROR, PLEASE CALL OUR OFFICE AT (210) 335-2251.

School Information:
SAN ANTONIO ISD 2019 M&O 1.0683500 I&S .46260000 Total 1.5309500 2018 M&O 1.1700000 I&S .39260000 Total 1.5626000

DETACH HERE AND RETURN WITH PAYMENT

S.1.108

Para obtener informacion, por favor llame (210) 335-2251. Please call (210) 335-2251 for information.

ASSESSMENT RATIO FOR ALL UNITS IS 100%. SEE BACK OF STATEMENT OR NEWSLETTER FOR IMPORTANT TAX INFORMATION.

10/28/2019

2019 Payment Options: (Choose One Below)

10 MONTH PAYMENT PLAN AMOUNT: N/A
1ST PAYMENT DUE BY OCT 31
HALF PAYMENT PLAN AMOUNT: 6,829.91
1ST PAYMENT DUE BY NOV 30
QUARTER PAYMENT PLAN AMOUNT: N/A
1ST PAYMENT DUE BY JAN 31
TOTAL CURRENT TAX DUE: 13,659.82

**DELINQUENT AFTER
JANUARY 31, 2020
AMOUNT PAID:**

PHONE #: _____
E-MAIL: _____

06230-001-0010

HIGH CAY LLC
5602 W HAUSMAN RD STE 201
SAN ANTONIO, TX 78249-4912

MAKE CHECK PAYABLE TO:

ALBERT URESTI, MPA, PCC
BEXAR COUNTY TAX ASSESSOR-COLLECTOR
P O BOX 2903
SAN ANTONIO, TX 78299-2903

062300010010600 001365982 000000000 000000000 000000000 000682991 000000000

Doc# 20180186591 09/20/2018 12:26PM Page 1 of 5 Gerard C. Rickhoff, Bexar County Clerk

0.5078 acre tract

NOTICE OF CONFIDENTIALITY RIGHTS:
IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS – YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SPECIAL WARRANTY DEED WITH VENDOR'S LIEN

Effective Date: September 18, 2018

Grantor: MARCUS P. ROGERS AS SUCCESSOR DEPENDENT ADMINISTRATOR WITH WILL ANNEXED OF THE ESTATES OF SALVADOR G. GARZA AND GENOVEVA V. GARZA, DECEASED

Grantor's Mailing Address: 2135 E. Hildebrand Ave
San Antonio, Texas 78209

Grantee: HIGH CAY, LLC

Grantee's Mailing Address: 5602 W. Hausman Rd., Suite 201
(including county) San Antonio, Bexar County, Texas 78249

Consideration: Ten and No/100ths Dollars (\$10.00) and the note of even date that is in the

MODIFICATION, RENEWAL AND EXTENSION AGREEMENT

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

THE STATE OF TEXAS §
 §
COUNTY OF BEXAR §

THIS MODIFICATION, RENEWAL AND EXTENSION AGREEMENT ("Agreement") is entered into to be effective as of the 17TH day of ~~DECEMBER~~, 2019 ("Effective Date"), by and between SECURITY BANK ("Lender" and "Holder") and HIGH CAY, LLC ("Borrower" and "Maker"), whether one or more, and the following Guarantors: MARK D. GRANADOS, CAY MANAGEMENT, LLC, C2M2 HOLDINGS, LLC, CAY INVESTORS, LLC and GFR DEVELOPMENT SERVICES, L.L.C. (individually and collectively, "Guarantor");

RECITALS:

A. Lender is the sole owner and holder of that one certain Real Estate Lien Note (the "Note") dated September 18, 2018, executed by Borrower and payable to the order of SECURITY BANK, in the original principal amount of ONE HUNDRED FIFTY-TWO THOUSAND AND NO/100THS DOLLARS (\$152,000.00) ("Original Amount").

B. The Note is secured by:

- (i) a Deed of Trust, Security Agreement, Financing Statement and Assignment of Rentals executed by Borrower, to Lance McDougall, Trustee dated September 18, 2018 (the "Deed of Trust"), recorded on September 20, 2018 under Document No. 20180186592 in the Official Public Records of Bexar County, Texas, covering certain real property located in such county ("Property") as more particularly described as follows:

A tract of land containing 0.5078 acre, more or less, out of Lot 1, Block 1, New City Block 6230, in the City of San Antonio, Bexar County, Texas, described more particularly in Exhibit "A" attached hereto and made a part hereof.

- (ii) a UCC Financing Statement ("UCC") showing Borrower as Debtor and Lender as Secured Party recorded on September 20, 2018 under Document No. 20180186593 in the Official Public Records of Bexar County, Texas;
- (iii) Guaranty executed by MARK D. GRANADOS, dated even date therewith;
- (iv) Guaranty executed by CAY MANAGEMENT, LLC, dated even date therewith;
- (v) Guaranty executed by C2M2 HOLDINGS, LLC, dated even date therewith;
- (vi) Guaranty executed by GFR DEVELOPMENT SERVICES, L.L.C., dated even date therewith;
- (vii) a Modification, Renewal and Extension Agreement, dated effective as of the 18TH day of September, 2019, recorded on September 24, 2019 under Document Number: 20190190820 in the Official Public Records of Bexar County, Texas.

- (viii) a Modification, Renewal and Extension Agreement, dated effective as of the 17TH day of November, 2019, recorded on December 13, 2019 under Document Number: 20190252870 in the Official Public Records of Bexar County, Texas.
- (ix) Guaranty executed by CAY INVESTORS, LLC, dated even date herewith, to be effective December 17, 2019.

C. The Note and Deed of Trust are subject to the terms of a Loan Agreement dated even date therewith between Borrower, Guarantor and Lender.

D. The Note and Deed of Trust were modified, renewed and extended by a Modification, Renewal and Extension Agreement, dated effective as of the 17TH day of November, 2019, recorded on December 13, 2019 under Document Number: 20190252870 in the Official Public Records of Bexar County, Texas.

The Note, Deed of Trust, Loan Agreement, UCC, Guaranty, Modification, Renewal and Extension Agreement and any other documents securing the same, are hereafter collectively referred to as the "Loan Documents".

E. The Note, as modified, renewed and extended, matured under its own terms on December 17, 2019.

F. Borrower and Guarantor have requested that Lender modify, renew and extend the Note, all as hereinafter provided, and in consideration thereof Borrower has made certain agreements with Lender as hereinafter more fully set forth.

G. Lender has agreed to such requests, subject to the terms and conditions set forth herein.

NOW THEREFORE, for and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and agreed, Borrower and Lender hereby agree as follows:

1. Acknowledgment of the Current Outstanding Principal Balance. As of the Effective Date, the Current Outstanding Principal Balance of the Note is \$150,770.27.

2. Maturity Date. The Maturity Date provided for in the Note shall be revised to JUNE 17, 2020 ("Revised Maturity Date").

3. Interest Rate. From and after the Effective Date, the interest rate provided for in the Note is modified as follows:

Prior to the Revised Maturity Date, interest on the principal balance advanced and outstanding shall accrue at a rate per annum of ONE AND ONE-QUARTER Percent (1.25%) in excess of the prime rate as reported in the Money Rates section of the Wall Street Journal (or if such rate is not available, a comparable interest rate index selected by Holder), adjusted as such prime rate may change from time to time during the term of this Note; provided, however, that such interest rate may never exceed the highest rate permitted by applicable law on this transaction, nor shall it ever be less than SIX Percent (6.00%) per annum. Therefore the beginning interest rate of this Note, as of the effective date, is SIX Percent (6.00%) per annum.

4. Modified Payment Terms. From and after the Effective Date of this Agreement, principal and interest under the Note shall be due and payable as follows:

Principal is payable on the Maturity Date, and accrued unpaid interest is payable monthly as it accrues. The first interest payment is due JANUARY 26, 2020, and interest payments will continue monthly thereafter on the same day of each and every subsequent month until the Maturity Date, at which time all accrued and unpaid interest and all remaining and unpaid principal shall be due and

Appraisal of Real Property

202, 204, 206, and 210 Pleasanton Road and 4023 South Flores Street
Commercial and Residential Land
San Antonio, Bexar County, Texas 78214

Prepared For:
Security Bank

Effective Date of the Appraisal:
August 25, 2018

Report Format:
Appraisal Report – Standard Format

IRR - San Antonio
File Number: 179-2018-0285





202, 204, 206, and 210 Pleasanton Road and 4023 South Flores Street
San Antonio, Texas



August 30, 2018

Mr. Derek Rosson
Security Bank
2526 North Loop 1604 West
San Antonio, TX 78248

SUBJECT: Market Value Appraisal
 202, 204, 206, and 210 Pleasanton Road and 4023 South Flores Street
 San Antonio, Bexar County, Texas 78214
 IRR - San Antonio File No. 179-2018-0285

Dear Mr. Rosson:

Integra Realty Resources – San Antonio is pleased to submit the accompanying appraisal of the referenced property. The purpose of the appraisal is to develop an opinion of the market value of the fee simple interest in the property. Per the client's request, we provided a separate value for each tract (Tracts A & B) at the subject property. The client for the assignment is Security Bank, and the intended use is for loan underwriting purposes.

The subject contains two non-contiguous tracts of land. The first tract (Tract A) is a 0.51-acre tract of land with a 21,408 square foot former, furniture store/warehouse. The second tract (Tract B) is a 2.03-acre tract of land with several commercial, industrial, and residential buildings located on it. The buildings located on these two tracts have no contributory value and are not considered in the valuation of these two tracts. Furthermore, these two tracts are under contract for sale and the purchaser intends to raze all the buildings in the near future. Tract A is zoned C-3NA, General Commercial Nonalcoholic Sales District, while Tract B is zoned C-3NA, General Commercial Nonalcoholic Sales District and R-6, Residential Single-Family District.

The appraisal is intended to conform with the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, applicable state appraisal regulations, and the appraisal guidelines of Security Bank. The appraisal is also prepared in accordance with the appraisal

regulations issued in connection with the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA).

To report the assignment results, we use the Appraisal Report option of Standards Rule 2-2(a) of USPAP. As USPAP gives appraisers the flexibility to vary the level of information in an Appraisal Report depending on the intended use and intended users of the appraisal, we adhere to the Integra Realty Resources internal standards for an Appraisal Report – Standard Format. This format summarizes the information analyzed, the appraisal methods employed, and the reasoning that supports the analyses, opinions, and conclusions.

Based on the valuation analysis in the accompanying report, and subject to the definitions, assumptions, and limiting conditions expressed in the report, our opinions of value are as follows:

Value Conclusions

Parcel	Interest Appraised	Date of Value	Value Conclusion
Market Value - Tract A	Fee Simple	August 25, 2018	\$140,000
Market Value - Tract B	Fee Simple	August 25, 2018	\$780,000

The above noted value conclusion is exclusive of any non-realty components.

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, we reserve the right to modify our value conclusions.

1. The appraisers requested, but were not provided the costs to raze the existing improvements. We have based our demolition estimate on similar projects in San Antonio and the Marshall Valuation Service. However, we reserve the right to modify our opinions of value based upon a contractor's bid to raze the improvements.

The value conclusions are based on the following hypothetical conditions that may affect the assignment results. A hypothetical condition is a condition contrary to known fact on the effective date of the appraisal but is supposed for the purpose of analysis.

1. None.
-

Mr. Derek Rosson
Security Bank
August 30, 2018
Page 3

If you have any questions or comments, please contact the undersigned. Thank you for the opportunity to be of service.

Respectfully submitted,

INTEGRA REALTY RESOURCES - SAN ANTONIO



Sunny J. Reyna
Certified General Real Estate Appraiser
Texas Certificate # 1380707 G
Telephone: 210-446-4444
Email: sreyna@irr.com



William Robinson, MAI
Certified General Real Estate Appraiser
Texas Certificate # 1380230 G
Telephone: 210-446-4444
Email: wrobinson@irr.com



Brandon Brehm, MAI, CCIM
Certified General Real Estate Appraiser
Texas Certificate # 1380201 G
Telephone: 210-446-4444
Email: bbrehm@irr.com



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Summary of Salient Facts and Conclusions

Property Name	202, 204, 206, and 210 Pleasanton Road and 4023 South
Address	Pleasanton Road and South Flores Street
	San Antonio, Bexar County, Texas 78214
Property Type	Land - Commercial
Owner of Record	Mr. Salvador G. Garza and Ms. Genoveva V. Garza
Tax ID	373213, 373217, 373214, 373216, 373218, 373219 and 373215
Land Area (Gross)	2.54 acres; 110,721 SF
Zoning Designation	C-3NA, R-6, General Commercial Nonalcoholic Sales District/Residential Single-Family District
Highest and Best Use	Retail use
Exposure Time; Marketing Period	6 to 12 months; 6 to 12 months
Effective Date of the Appraisal	August 25, 2018
Date of the Report	August 30, 2018
Property Interest Appraised	Fee Simple

Value Conclusions

Tract A - 22,120 SF	\$140,000
Tract B - 88,601 SF	\$780,000

The values reported above are subject to the definitions, assumptions, and limiting conditions set forth in the accompanying report of which this summary is a part. No party other than Security Bank may use or rely on the information, opinions, and conclusions contained in the report. It is assumed that the users of the report have read the entire report, including all of the definitions, assumptions, and limiting conditions contained therein.

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, we reserve the right to modify our value conclusions.

1. The appraisers requested, but were not provided the costs to raze the existing improvements. We have based our demolition estimate on similar projects in San Antonio and the Marshall Valuation Service. However, we reserve the right to modify our opinions of value based upon a contractor's bid to raze the improvements.

The value conclusions are based on the following hypothetical conditions that may affect the assignment results. A hypothetical condition is a condition contrary to known fact on the effective date of the appraisal but is supposed for the purpose of analysis.

1. None.

Quality Assurance

Delivering superior value is a top priority at IRR and we place a premium on feedback from our valued clients. By learning more about your experience with IRR, we will be better able to serve your needs – to enhance our products, service offerings, and client communications.

Attached is a short survey applicable to this appraisal report and the service that you received. Please take a few minutes to share your experience of IRR with us. Your feedback will be reviewed by our Quality Control team. If you desire a follow-up telephone call, please provide your contact information and a member of our Quality Control team will contact you.

Access the online survey here: quality.irr.com.

Thank you in advance for assisting us with this important endeavor. Please feel free to contact your Local Office using the contact information provided within the letter of transmittal or our Quality Control team at quality@irr.com, with any questions or suggestions you may have.

General Information

Identification of Subject

The subject contains two non-contiguous tracts of land. The first tract (Tract A) is a 0.51-acre tract of land with a 21,408 square foot former, furniture store/warehouse. The second tract (Tract B) is a 2.03-acre tract of land with several commercial, industrial, and residential buildings located on it. The buildings located on these two tracts have no contributory value and are not considered in the valuation of these two tracts. Furthermore, these two tracts are under contract for sale and the purchaser intends to raze all the buildings in the near future. Tract A is zoned C-3NA, General Commercial Nonalcoholic Sales District, while Tract B is zoned C-3NA, General Commercial Nonalcoholic Sales District and R-6, Residential Single-Family District. A legal description of the property is in the table below.

Property Identification	
Property Name	202, 204, 206, and 210 Pleasanton Road and 4023 South Flores Street
Address	Pleasanton Road and South Flores Street San Antonio, Texas 78214
Tax ID	373213, 373217, 373214, 373216, 373218, 373219 and 373215
Owner of Record	Mr. Salvador G. Garza and Ms. Genoveva V. Garza
Legal Description	Tract A - A 0.5078 of an acre tract of land, situated in the City of San Antonio, Texas and being a portion of Lot 1, Block 1, N.C.B. 6230 of the H.A. Neal Property Subdivision Plat of record in Volume 638, Page 133 of the Deed and Plat Records of Bexar County, Texas. Tract B - A 2.034 acre tract of land, situated in the City of San Antonio, Texas and being a portion of Lots 2 and 8, and all of Lots 3-7, 10-12 and 14, Block 1, N.C.B. 6230 of the H.A. Neal Property Subdivision Plat of Record in Volume 638, Page 133 of the Deed and Plat Records of Bexar County, Texas.

Sale History

The most recent closed sale of the subject is summarized as follows:

Sale Date	April 3, 2014
Seller	Mr. David Segovia
Buyer	Mr. Salvador G. Garza and Ms. Genoveva V. Garza
Sale Price	Undisclosed
Recording Instrument Number	20140059651

The subject has been under the same ownership in excess of three years. Discussions with the seller's attorney, Mr. Benjamin McCaleb, revealed that the subject property was marketed since April 2016 and received no offers for approximately one year. In April 2017, the property was listed for sale at \$789,000 and didn't receive any offers. In May 2018, the property went under contract for \$800,000. According to Mr. McCaleb, both tracts (Tracts A & B) are under contract for \$800,000. The sales price

was not allocated to either parcel. To the best of our knowledge, no other sale or transfer of ownership has taken place within a three-year period prior to the effective appraisal date.

Pending Transactions

The property is under contract of sale as of the effective appraisal date. Information about the contract is summarized as follows:

Contract Date	May 8, 2018
Seller	Mr. Salvador G. Garza and Ms. Genoveva V. Garza
Buyer	GFR Development Services, LLC and/or Assigns
Sale Price	\$801,000
Comments	The buyer indicated that he is purchasing Tract A at a discount (\$1,000) for fixing sellers' issue on the environmental risk, which there was none. Buyer had to risk the \$40,000 for the testing of Tract A.

As previously mentioned, discussions with the seller's attorney, Mr. Benjamin McCaleb, revealed that the subject property was marketed since April 2016 and received no offers for approximately one year. In April 2017, the property was listed for sale at \$789,000 and didn't receive any offers. In May 2018, the property went under contract for \$800,000. According to the attorney, both tracts (Tracts A & B) are under contract for \$800,000. The sales price was not allocated to either parcel. Neither party would provide details on why the contract price is higher than the listing price.

However, discussions with the buyer, GFR Development Services, LLC, revealed that Tract A is under contract for \$1,000, while Tract B is under contract for \$800,000. The buyer has provided our office with both purchase contracts for Tracts A & B. Furthermore, the buyer indicated that he is purchasing Tract A at a discount (\$1,000) for fixing the sellers' issue on the environmental risk, which there was none. The buyer had to risk \$40,000 for the soil testing of Tract A. The contract price for Tract A is significantly below market, while the contract price for Tract B is at market levels.

Our office has been provided with a copy of the environmental report for the subject property. This will be discussed further in the environmental analysis section of this appraisal report.

Purpose of the Appraisal

The purpose of the appraisal is to develop an opinion of the market value of the fee simple interest in the property as of the effective date of the appraisal, August 25, 2018. Per the client's request, we provided two separate values for each tract (Tracts A & B) at the subject property. The date of the report is August 30, 2018. The appraisal is valid only as of the stated effective date or dates.

Definition of Market Value

Market value is defined as:

"The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and

assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.”

(Source: Code of Federal Regulations, Title 12, Chapter I, Part 34.42[g]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472)

Definition of As Is Market Value

As is market value is defined as, “The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.”

(Source: Appraisal Institute, The Dictionary of Real Estate Appraisal, 6th ed. (Chicago: Appraisal Institute, 2015); also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77471)

Definition of Property Rights Appraised

Fee simple estate is defined as, “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.”

Source: Appraisal Institute, The Dictionary of Real Estate Appraisal, 6th ed. (Chicago: Appraisal Institute, 2015)

Intended Use and User

The intended use of the appraisal is for loan underwriting purposes. The client and intended user is Security Bank. The appraisal is not intended for any other use or user. No party or parties other than Security Bank and-or assigns may use or rely on the information, opinions, and conclusions contained in this report.

Applicable Requirements

This appraisal is intended to conform to the requirements of the following:

- Uniform Standards of Professional Appraisal Practice (USPAP);

- Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute;
- Applicable state appraisal regulations;
- Appraisal requirements of Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA), revised June 7, 1994;
- Interagency Appraisal and Evaluation Guidelines issued December 10, 2010;
- Appraisal guidelines of Security Bank.

Report Format

This report is prepared under the Appraisal Report option of Standards Rule 2-2(a) of USPAP. As USPAP gives appraisers the flexibility to vary the level of information in an Appraisal Report depending on the intended use and intended users of the appraisal, we adhere to the Integra Realty Resources internal standards for an Appraisal Report – Standard Format. This format summarizes the information analyzed, the appraisal methods employed, and the reasoning that supports the analyses, opinions, and conclusions.

Prior Services

USPAP requires appraisers to disclose to the client any other services they have provided in connection with the subject property in the prior three years, including valuation, consulting, property management, brokerage, or any other services. We have not performed any 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.

Scope of Work

To determine the appropriate scope of work for the assignment, we considered the intended use of the appraisal, the needs of the user, the complexity of the property, and other pertinent factors. Our concluded scope of work is described below.

Valuation Methodology

Appraisers usually consider the use of three approaches to value when developing a market value opinion for real property. These are the cost approach, sales comparison approach, and income capitalization approach. Use of the approaches in this assignment is summarized as follows:

Approaches to Value		
Approach	Applicability to Subject	Use in Assignment
Cost Approach	Not Applicable	Not Utilized
Sales Comparison Approach	Applicable	Utilized
Income Capitalization Approach	Not Applicable	Not Utilized

We use only the sales comparison approach in developing an opinion of value for the subject. This approach is applicable to the subject because there is an active market for similar properties, and sufficient sales data is available for analysis.

The cost approach is not applicable because there are no improvements that contribute value to the property, and the income approach is not applicable because the subject is not likely to generate rental income in its current state.

Research and Analysis

The type and extent of our research and analysis is detailed in individual sections of the report. This includes the steps we took to verify comparable sales, which are disclosed in the comparable sale profile sheets in the addenda to the report. Although we make an effort to confirm the arms-length nature of each sale with a party to the transaction, it is sometimes necessary to rely on secondary verification from sources deemed reliable.

Inspection

Sunny J. Reyna conducted an on-site inspection of the property on August 25, 2018. Brandon Brehm, MAI, CCIM, and William Robinson, MAI, did not inspect the subject property.

Availability of Information

Although building floor plans and demolition cost estimates were requested from the property contact, GFR Development Services, LLC and is pertinent to the assignment, they were not made available to Integra Realty Resources – San Antonio. Our inability to obtain this information and consider it in our analysis may affect our value opinion.

Economic Analysis

San Antonio MSA Area Analysis

The subject is located in the San Antonio-New Braunfels, TX Metropolitan Statistical Area, hereinafter called the San Antonio MSA, as defined by the U.S. Office of Management and Budget. The San Antonio MSA is 7,313 square miles in size, and is the 24th most populous metropolitan area in the nation.

Population

The San Antonio MSA has an estimated 2017 population of 2,453,770, which represents an average annual 2.0% increase over the 2010 census of 2,142,508. The San Antonio MSA added an average of 44,466 residents per year over the 2010-2017 period, and its annual growth rate exceeded the State of Texas rate of 1.6%.

Looking forward, the San Antonio MSA's population is projected to increase at a 1.6% annual rate from 2017-2022, equivalent to the addition of an average of 41,362 residents per year. The San Antonio MSA's growth rate is expected to exceed that of Texas, which is projected to be 1.4%.

Population Trends					
	Population			Compound Ann. % Chng	
	2010 Census	2017 Estimate	2022 Projection	2010 - 2017	2017 - 2022
Bexar County, TX	1,714,773	1,949,272	2,109,631	1.8%	1.6%
San Antonio-New Braunfels, TX (Metro)	2,142,508	2,453,770	2,660,579	2.0%	1.6%
Texas	25,145,561	28,172,387	30,273,125	1.6%	1.4%

Source: EnviroNics Analytics

Employment

Total employment in the San Antonio MSA is currently estimated at 1,034,300 jobs. Between year-end 2006 and the present, employment rose by 198,700 jobs, equivalent to a 23.8% increase over the entire period. There were gains in employment in nine out of the past ten years despite the national economic downturn and slow recovery. The San Antonio MSA's rate of employment growth over the last decade surpassed that of Texas, which experienced an increase in employment of 18.4% or 1,896,300 jobs over this period.

A comparison of unemployment rates is another way of gauging an area's economic health. Over the past decade, the San Antonio MSA unemployment rate has been consistently lower than that of Texas, with an average unemployment rate of 5.3% in comparison to a 5.9% rate for Texas. A lower unemployment rate is a positive indicator.

Recent data shows that the San Antonio MSA unemployment rate is 3.2% in comparison to a 4.0% rate for Texas, a positive sign that is consistent with the fact that the San Antonio MSA has outperformed Texas in the rate of job growth over the past two years.

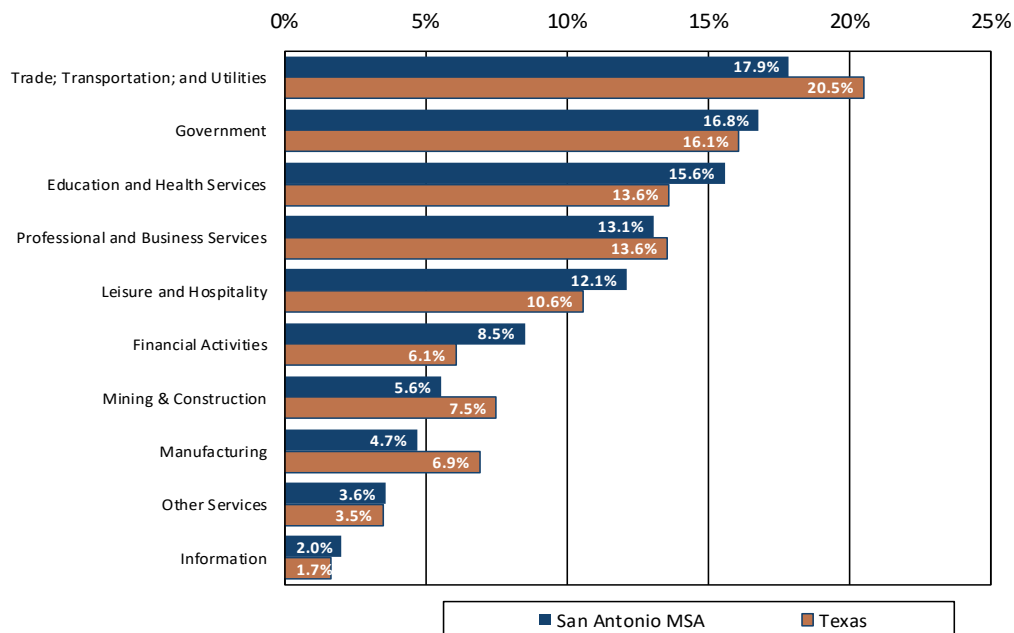
Employment Trends

Year	Total Employment (Year End)				Unemployment Rate (Ann. Avg.)	
	San Antonio MSA	% Change	Texas	% Change	San Antonio MSA	Texas
2006	835,600		10,328,600		4.6%	4.9%
2007	862,700	3.2%	10,649,500	3.1%	4.0%	4.3%
2008	866,000	0.4%	10,703,200	0.5%	4.6%	4.8%
2009	852,600	-1.5%	10,330,700	-3.5%	6.7%	7.6%
2010	864,700	1.4%	10,546,600	2.1%	7.2%	8.2%
2011	883,100	2.1%	10,782,800	2.2%	7.1%	7.8%
2012	912,100	3.3%	11,157,100	3.5%	6.3%	6.7%
2013	938,900	2.9%	11,458,600	2.7%	5.8%	6.2%
2014	976,100	4.0%	11,879,700	3.7%	4.6%	5.1%
2015	1,006,300	3.1%	12,038,800	1.3%	3.8%	4.4%
2016	1,034,300	2.8%	12,224,900	1.5%	3.7%	4.6%
Overall Change 2006-2016	198,700	23.8%	1,896,300	18.4%		
Avg Unemp. Rate 2006-2016					5.3%	5.9%
Unemployment Rate - September 2017					3.2%	4.0%

Source: Bureau of Labor Statistics and Economy.com. Employment figures are from the Current Employment Survey (CES). Unemployment rates are from the Current Population Survey (CPS). The figures are not seasonally adjusted.

Employment Sectors

The composition of the San Antonio MSA job market is depicted in the following chart, along with that of Texas. Total employment for both areas is broken down by major employment sector, and the sectors are ranked from largest to smallest based on the percentage of San Antonio MSA jobs in each category.

Employment Sectors - 2016

Source: Bureau of Labor Statistics and Economy.com

The San Antonio MSA has greater concentrations than Texas in the following employment sectors:

1. Government, representing 16.8% of San Antonio MSA payroll employment compared to 16.1% for Texas as a whole. This sector includes employment in local, state, and federal government agencies.
2. Education and Health Services, representing 15.6% of San Antonio MSA payroll employment compared to 13.6% for Texas as a whole. This sector includes employment in public and private schools, colleges, hospitals, and social service agencies.
3. Leisure and Hospitality, representing 12.1% of San Antonio MSA payroll employment compared to 10.6% for Texas as a whole. This sector includes employment in hotels, restaurants, recreation facilities, and arts and cultural institutions.
4. Financial Activities, representing 8.5% of San Antonio MSA payroll employment compared to 6.1% for Texas as a whole. Banking, insurance, and investment firms are included in this sector, as are real estate owners, managers, and brokers.

The San Antonio MSA is underrepresented in the following sectors:

1. Trade; Transportation; and Utilities, representing 17.9% of San Antonio MSA payroll employment compared to 20.5% for Texas as a whole. This sector includes jobs in retail trade, wholesale trade, trucking, warehousing, and electric, gas, and water utilities.
2. Professional and Business Services, representing 13.1% of San Antonio MSA payroll employment compared to 13.6% for Texas as a whole. This sector includes legal, accounting, and engineering firms, as well as management of holding companies.
3. Mining & Construction, representing 5.6% of San Antonio MSA payroll employment compared to 7.5% for Texas as a whole. This sector includes construction of buildings, roads, and utility systems, as well as mining, quarrying, and oil and gas extraction.
4. Manufacturing, representing 4.7% of San Antonio MSA payroll employment compared to 6.9% for Texas as a whole. This sector includes all establishments engaged in the manufacturing of durable and nondurable goods.

Major Employers

Major employers in the San Antonio MSA are shown in the following table.

Major Employers - San Antonio-New Braunfels, TX (Metro)		
	Name	Number of Employees
1	Lackland Air Force Base	37,097
2	Fort Sam Houston - US Army	32,000
3	H-E-B	20,000
4	USAA	17,000
5	Northside ISD	12,751
6	Randolph Air Force Base	11,068
7	North East ISD	10,052
8	City of San Antonio	9,145
9	Methodist Healthcare System	8,118
10	San Antonio ISD	7,000
Source: San Antonio Economic Development Foundation		

Gross Domestic Product

The San Antonio MSA ranks 34 in Gross Domestic Product (GDP) out of the nation's 382 metropolitan statistical areas.

Economic growth, as measured by annual changes in GDP, has been considerably higher in the San Antonio MSA than Texas overall during the past eight years. The San Antonio MSA has grown at a 4.7% average annual rate while Texas has grown at a 3.6% rate. As the national economy improves, the San Antonio MSA continues to perform better than Texas. GDP for the San Antonio MSA rose by 3.1% in 2016 while Texas's GDP rose by 0.4%.

The San Antonio MSA has a per capita GDP of \$45,006, which is 16% less than Texas's GDP of \$53,795. This means that San Antonio MSA industries and employers are adding relatively less value to the economy than their counterparts in Texas.

Gross Domestic Product				
Year	(\$ Mil) San Antonio MSA	% Change	(\$ Mil) Texas	% Change
2009	79,363		1,166,516	
2010	80,912	2.0%	1,197,006	2.6%
2011	83,814	3.6%	1,240,117	3.6%
2012	88,033	5.0%	1,310,522	5.7%
2013	93,734	6.5%	1,377,100	5.1%
2014	100,487	7.2%	1,427,880	3.7%
2015	106,032	5.5%	1,492,761	4.5%
2016	109,348	3.1%	1,498,881	0.4%
Compound % Chg (2009-2016)		4.7%		3.6%
GDP Per Capita 2016	\$45,006		\$53,795	

Source: Bureau of Economic Analysis and Economy.com; data released September 2016. The release of state and local GDP data has a longer lag time than national data. The data represents inflation-adjusted "real" GDP stated in 2009 dollars.

Household Income

The San Antonio MSA has a slightly lower level of household income than Texas. Median household income for the San Antonio MSA is \$55,683, which is 1.3% less than the corresponding figure for Texas.

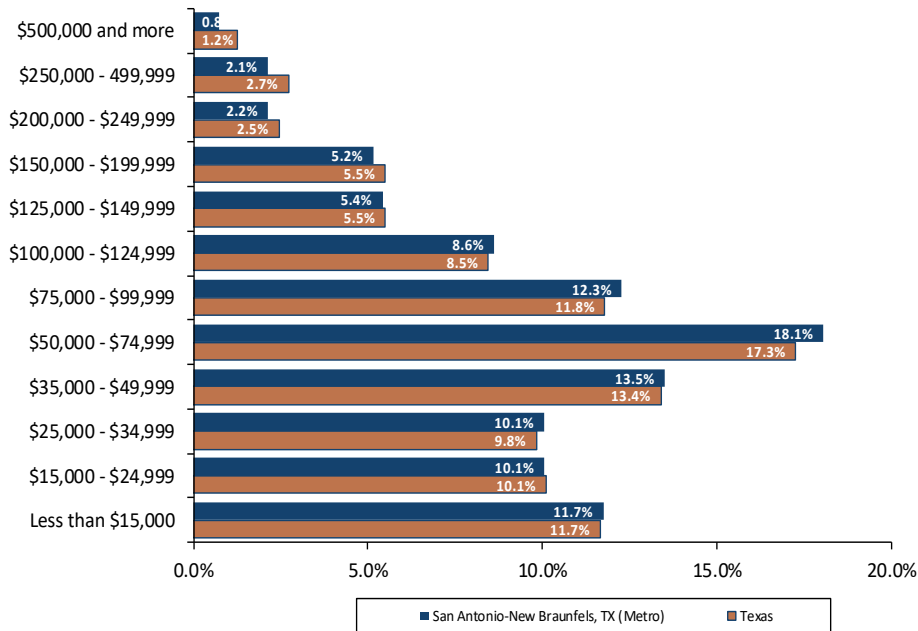
Median Household Income - 2017	
	Median
San Antonio-New Braunfels, TX (Metro)	\$55,683
Texas	\$56,399
Comparison of San Antonio-New Braunfels, TX (Metro) to Texas	- 1.3%

Source: Envionics Analytics

The following chart shows the distribution of households across twelve income levels. The San Antonio MSA has a greater concentration of households in the middle-income levels than Texas.

Specifically, 32% of San Antonio MSA households are between the \$35,000 - \$75,000 levels in household income as compared to 31% of Texas households. A lesser concentration of households is apparent in the higher income levels, as 37% of San Antonio MSA households are at the \$75,000 or greater levels in household income versus 38% of Texas households.

Household Income Distribution - 2017

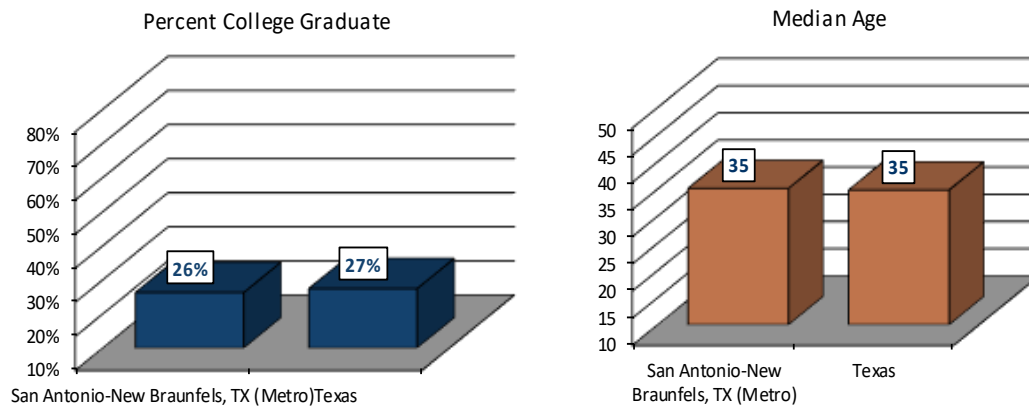


Source: Environics Analytics

Education and Age

Residents of the San Antonio MSA have a slightly lower level of educational attainment than those of Texas. An estimated 26% of San Antonio MSA residents are college graduates with four-year degrees, versus 27% of Texas residents. People in the San Antonio MSA are similar in age to their Texas counterparts. The median age of both the San Antonio MSA and Texas is 35 years.

Education & Age - 2017

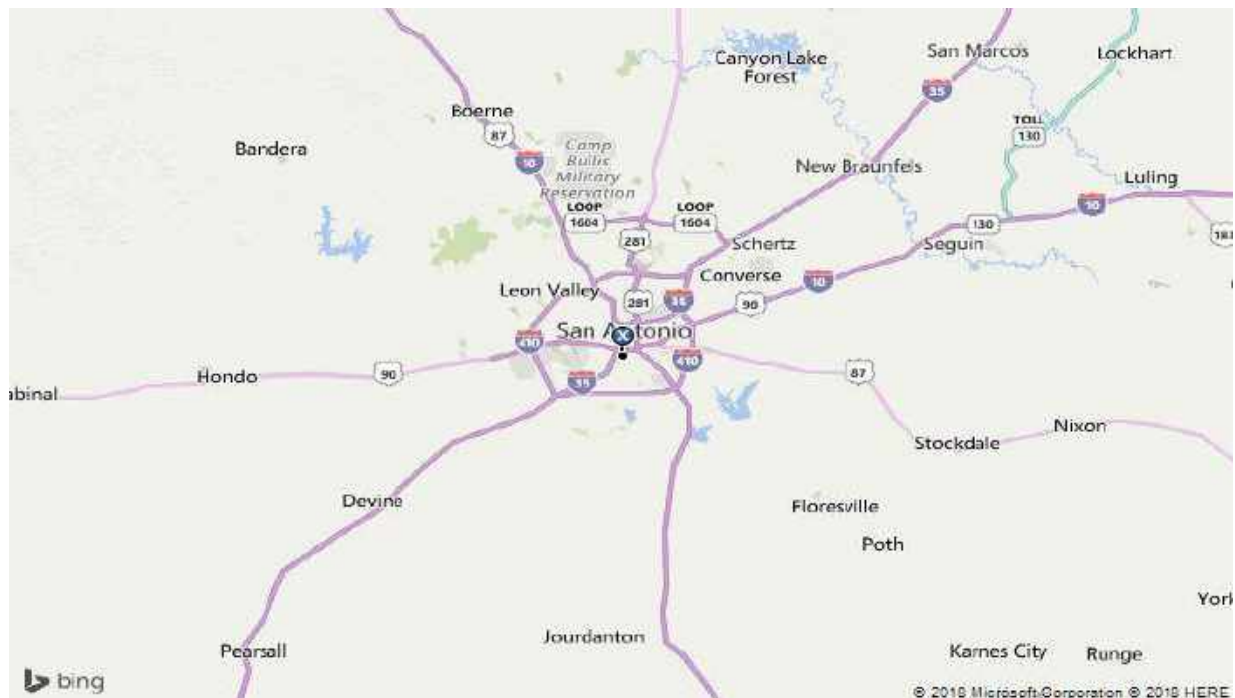


Source: Environics Analytics

Conclusion

The San Antonio MSA economy will be affected by a growing population base and lower income and education levels. The San Antonio MSA experienced growth in the number of jobs and has maintained a consistently lower unemployment rate than Texas over the past decade. Moreover, the San Antonio MSA exhibits a higher rate of GDP growth than Texas overall. We anticipate that the San Antonio MSA economy will improve and employment will grow, strengthening the demand for real estate.

Area Map



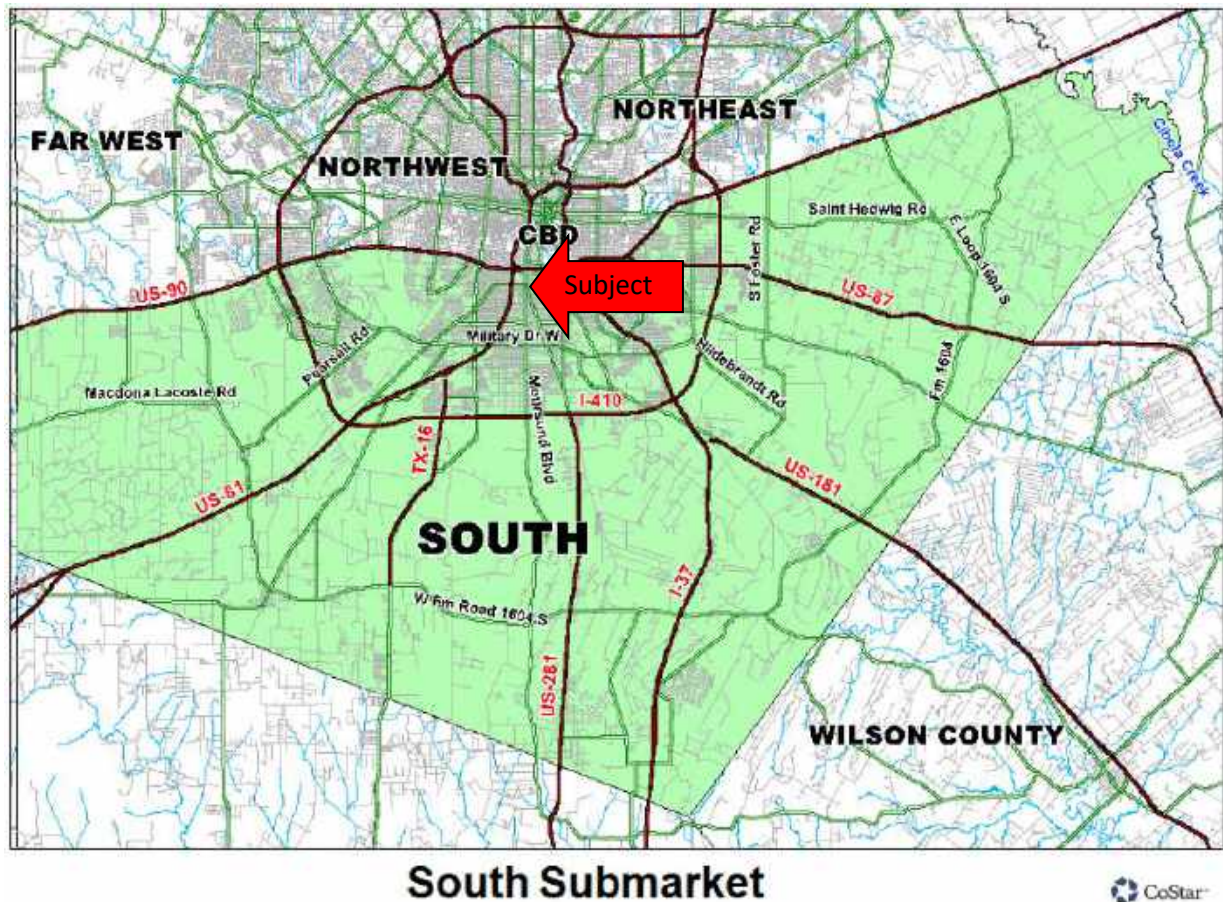
Surrounding Area Analysis

Location

The subject is an infill development site located approximately 5.5 miles south of the Central Business District. The subject is located within the South Retail Submarket of San Antonio. The South Retail Submarket boundaries are as follows:

North	CBD Submarkeet
South	Wilson County Submarket
East	Wilson County Submarket
West	Medina County Submarket

A map identifying the location of the property follows this section.



Access and Linkages

Primary highway access to the area is via Interstate Highway 35 and Interstate Highway 10 which are located within 5.0 miles of the subject property. Overall, the primary mode of transportation in the area is the automobile. The subject is considered to have average access and linkages.

Demographics

A demographic profile of the surrounding area, including population, households, and income data, is presented in the following table.

Surrounding Area Demographics					
2018 Estimates	1-Mile Radius	3-Mile Radius	5-Mile Radius	San Antonio-New Braunfels, TX (Metro)	Texas
Population 2010	16,606	144,625	324,389	2,142,508	25,145,561
Population 2018	17,026	152,227	345,621	2,499,295	28,531,603
Population 2023	17,659	159,602	363,566	2,702,085	30,558,741
Compound % Change 2010-2018	0.3%	0.6%	0.8%	1.9%	1.6%
Compound % Change 2018-2023	0.7%	1.0%	1.0%	1.6%	1.4%
Households 2010	5,296	46,673	105,927	763,022	8,922,933
Households 2018	5,578	50,606	116,229	898,490	10,131,556
Households 2023	5,851	53,769	123,755	976,105	10,866,516
Compound % Change 2010-2018	0.7%	1.0%	1.2%	2.1%	1.6%
Compound % Change 2018-2023	1.0%	1.2%	1.3%	1.7%	1.4%
Median Household Income 2018	\$34,866	\$33,714	\$33,680	\$59,843	\$60,211
Average Household Size	3.0	2.9	2.9	5.4	5.5
College Graduate %	8%	8%	9%	26%	28%
Median Age	34	33	33	35	35
Owner Occupied %	63%	56%	54%	64%	64%
Renter Occupied %	37%	44%	46%	36%	36%
Median Owner Occupied Housing Value	\$76,285	\$79,410	\$80,082	\$165,061	\$163,466
Median Year Structure Built	1954	1957	1960	1990	1988
Avg. Travel Time to Work in Min.	27	27	27	56	58

Source: Environics Analytics

As shown above, the current population within a 3-mile radius of the subject is 152,227, and the average household size is 2.9. Population in the area has grown since the 2010 census, and this trend is projected to continue over the next five years. Compared to the San Antonio MSA overall, the population within a 3-mile radius is projected to grow at a slower rate.

Median household income is \$33,714, which is lower than the household income for the San Antonio MSA. Residents within a 3-mile radius have a lower level of educational attainment than those of the San Antonio MSA, while median owner-occupied home values are considerably lower.

Land Use

The area is urban in character and approximately 95.0% developed. Predominant land uses are residential. This is a densely populated area of San Antonio with lower to middle income demographics. During the last five years, development has been limited due to the lack of available land in the neighborhood. New development is generally by way of assemblage and razing existing

structures or renovating older structures. The pace of development has generally slowed over this time.

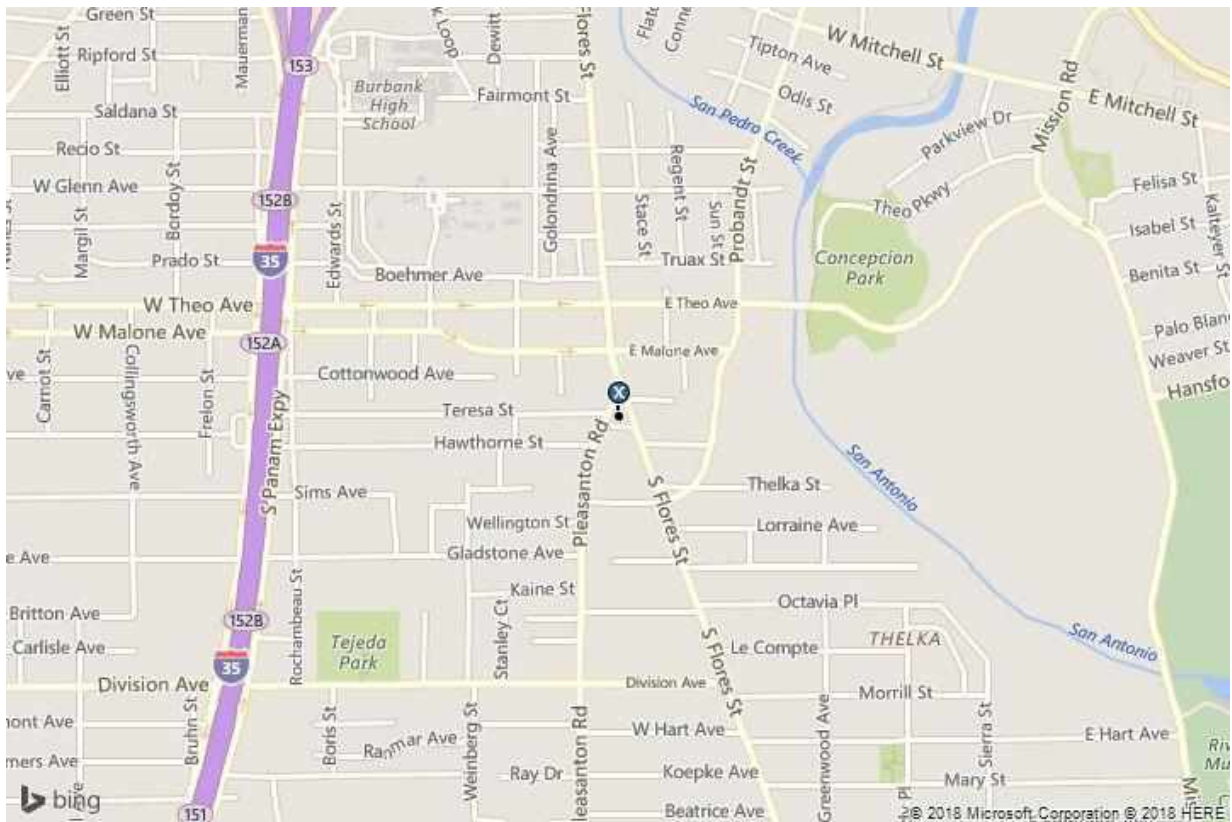
Nearby Retail Uses

Commercial uses in the immediate include: Family Dollar, Rudy's Seafood, Zip-In Car Wash, and Taco Cabana. South Flores Street is also well developed with additional primarily older commercial buildings.

Outlook and Conclusions

The area is in the mature stage of its life cycle. We anticipate that property values will remain stable in the near future.

Surrounding Area Map



Retail Market Analysis

Metro Area Overview

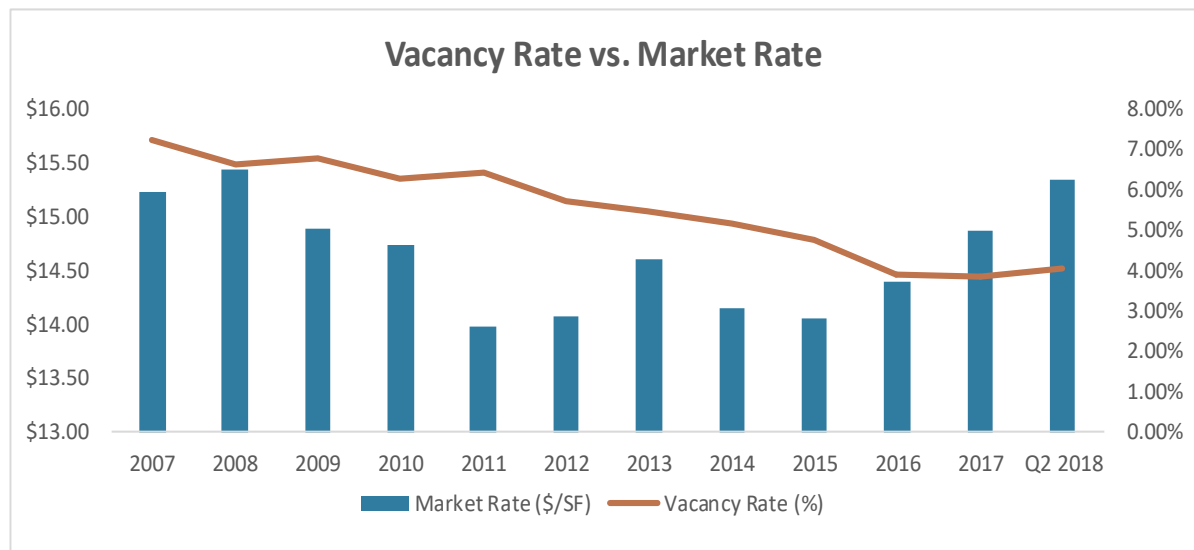
The subject is located in the San Antonio - New Braunfels metro area as defined by CoStar. Trended supply and demand indicators, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the ensuing table.

Overall Retail Metro Performance Trends

Year	Inventory (Bldgs)	Inventory (SF)	Vacancy (SF)	Vacancy (%)	Deliveries (Bldgs)	Deliveries (SF)	Absorption (SF)	Construction (Bldgs)	Construction (SF)	Market Rate (\$/SF)
2009	2,466	25,502,543	1,904,001	7.47%	5	77,441	-166,392	3	28,523	\$13.75
2010	2,474	25,564,807	1,851,337	7.24%	6	53,623	114,928	10	202,920	\$12.05
2011	2,490	26,167,844	1,735,304	6.63%	13	573,107	719,070	7	75,865	\$11.02
2012	2,501	26,271,459	1,532,311	5.83%	7	82,956	306,608	5	21,247	\$11.57
2013	2,516	26,388,166	1,491,418	5.65%	11	59,424	157,600	3	19,533	\$12.22
2014	2,529	26,485,432	1,431,775	5.41%	8	75,426	156,909	6	55,255	\$12.15
2015	2,534	26,533,286	984,887	3.71%	5	49,465	494,742	8	378,090	\$11.81
2016	2,548	26,645,876	858,173	3.22%	13	105,842	239,304	13	477,797	\$12.75
2017	2,563	27,143,649	908,966	3.35%	16	495,817	431,980	12	541,587	\$12.90
Q1 2018	2,569	27,477,168	910,913	3.32%	7	343,519	331,572	10	260,468	\$12.58
2009 - 2017										
Average	2,513	26,300,340	1,410,908	5.36%	8	143,009	223,159	7	200,091	\$12.25

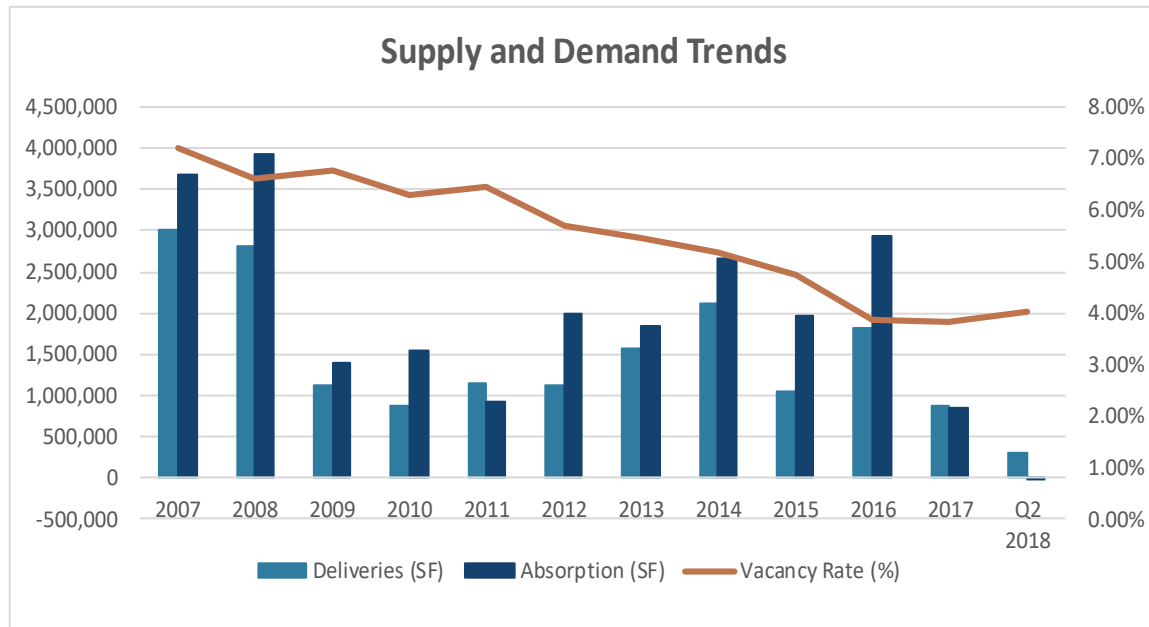
Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

Metro Trends Key Takeaways



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The current vacancy rate in the metro area is 4.03%; the vacancy rate has decreased by 167 bps from 2012.
- Market rate averages \$15.35/SF in the market, and values have increased by 9.02% from 2012.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- Between 2012 and 2017, the building inventory count has increased by 3.48% while the total inventory size (SF) has increased by 6.87%.
- Between 2012 and 2017, deliveries in the metro area have averaged 1,423,232 SF annually, and reached a peak of 2,108,904 SF in 2014.
- Between 2012 and 2017, absorption figures in the metro area have averaged 2,036,967 SF annually, and reached a peak of 2,924,303 SF in 2016.
- Between 2012 and 2017, construction levels reached a peak of 2,151,965 SF in 2013 and a low of 563,887 SF in 2017.

Submarket Overview

The subject is located in the South submarket as defined by CoStar. Current supply and demand statistics, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the following table.

Overall Retail Submarket Statistics								
Submarket	Inventory (Bldgs)	Inventory (SF)	Vacancy (SF)	Vacancy (%)	Deliveries (SF)	Absorption (SF)	Construction (SF)	Market Rate (\$/SF)
Atascosa County	245	1,752,579	59,062	3.37%	9,026	-2,594	9,100	\$16.04
Bandera County	104	552,508	5,900	1.07%	0	-1,400	0	\$0.00
CBD	518	5,253,198	144,474	2.75%	0	-43,857	0	\$20.61
Comal County	896	8,551,596	287,968	3.37%	12,150	1,319	110,939	\$19.12
Far North Central	318	6,522,300	278,052	4.26%	35,289	63,935	0	\$22.47
Far Northwest	347	6,563,193	172,288	2.63%	73,388	36,003	109,524	\$25.22
Far West	560	8,169,027	277,440	3.40%	15,050	3,841	24,200	\$13.60
Guadalupe County	543	5,078,559	207,130	4.08%	0	23,733	118,504	\$7.69
Kendall County	243	2,033,256	41,035	2.02%	6,300	-1,501	17,669	\$14.55
Midtown	1	50,595	0	0.00%	0	0	0	\$0.00
Medina County	247	1,499,074	83,261	5.55%	0	19,862	9,100	\$16.66
North Central	1,914	22,050,434	1,089,415	4.94%	60,841	58,201	56,370	\$17.55
Northeast	1,982	17,968,755	894,595	4.98%	25,520	-70,716	326,060	\$13.20
Northwest	2,721	29,450,188	1,310,223	4.45%	43,948	-139,074	167,421	\$14.98
South	2,437	16,609,006	489,668	2.95%	12,364	23,758	16,690	\$14.40
Wilson County	155	910,496	21,299	2.34%	0	15,118	0	\$18.81
Totals	13,231	133,014,764	5,361,810	4.03%	293,876	-13,372	965,577	\$15.35

Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

South Submarket Snapshot

- South contains 18.4% of the market building inventory and 12.5% of the metro SF inventory.
- South market rate is \$14.40/SF which is less than the metro area's average rate of \$15.35/SF.
- South vacancy rate is 2.95% which is less than the metro area's average of 4.03%.
- South has had 16,690 SF in construction, which is 1.7% of the 965,577 SF of construction in the overall metro area.
- South has had 12,364 SF of deliveries and 23,758 SF of absorption in the latest period.

Retail Marketplace Profile

Retail sales trends in the market area are a key indicator of demand. Therefore, we have reviewed the retail market power (RMP) data from Environics Analytics, which is included in the ensuing table. The opportunity gap or surplus available represents the difference between demand and supply. When the demand is greater than supply, there is an opportunity gap, but when demand is less than supply, there is a surplus. A positive value signifies an opportunity gap, while a negative value signifies a surplus.

Opportunity Gap - All Retail Stores - Drive Time

Retail Store Type	5 minutes		
	Demand (Consumer Expenditures)	Supply (Retail Sales)	Opportunity Gap/Surplus
General Merchandise Stores	\$32,540,753	\$3,398,399	\$29,142,354
Motor Vehicle and Parts Dealers	\$49,583,029	\$34,530,833	\$15,052,196
Health and Personal Care Stores	\$16,862,590	\$4,542,700	\$12,319,890
Clothing and Clothing Accessories Stores	\$10,422,829	\$1,135,300	\$9,287,529
Building Material and Garden Equipment and Supplies Dealer:	\$15,655,694	\$11,348,857	\$4,306,837
Food and Beverage Stores	\$34,357,887	\$30,242,175	\$4,115,712
Furniture and Home Furnishings Stores	\$4,533,048	\$992,475	\$3,540,573
Food Services and Drinking Places	\$30,485,531	\$27,330,071	\$3,155,460
Electronics and Appliance Stores	\$3,680,975	\$931,628	\$2,749,347
Sporting Goods, Hobby, Musical Instrument, and Book Stores	\$2,887,157	\$484,728	\$2,402,429
Gasoline Stations	\$27,049,743	\$24,814,221	\$2,235,522
Miscellaneous Store Retailers	\$5,369,507	\$4,232,015	\$1,137,492
Non-Store Retailers	\$25,853,999	\$35,526,815	-\$9,672,816
Total Retail Sales Incl Eating and Drinking Places	\$259,282,742	\$179,510,217	\$79,772,525

Source: Environics Analytics; compiled by Integra Realty Resources, Inc.

Retail Opportunity Gap Key Takeaways

- The total retail opportunity gap between consumer demand and retail supply within a 5-minute drive of the subject is \$79,772,525.
- The General Merchandise Stores retail category presents the greatest opportunity gap of \$29,142,354 within a 5-minute drive of the subject.
- The Non-Store Retailers retail category presents the lowest retail opportunity within a 5-minute drive of the subject.
- The Sporting Goods, Hobby, Musical Instrument, and Book Stores retail category saw the lowest consumer demand within a 5-minute drive of the subject.
- Of the 13 main retail category groups, 12 present an opportunity gap based on consumer demand within a 5-minute drive of the subject.
- Of the 13 main retail category groups, one presents a surplus based on the supply within a 5-minute drive of the subject.
- The total retail surplus between consumer demand and retail supply within a 10-minute drive of the subject is \$975,684,248.
- The total retail surplus between consumer demand and retail supply within a 15-minute drive of the subject is \$1,625,881,749.

Retail Market Outlook and Conclusions

Based on the key metro area and submarket trends, construction outlook, and the performance of competing properties, IRR expects the mix of property fundamentals and economic conditions in the San Antonio - New Braunfels metro area to have a positive impact on the subject property's performance in the near-term.

Property Analysis

Land Description and Analysis

As discussed previously, per the client's request, the two tracts are valued separately. Below is a description of the two tracts:

Land Tracts					
Name	SF	Acres	Bldg SF	Demolition Cost/SF	Total Demolition Cost
Tract A	22,120	0.51	21,408	\$6.00	\$128,448
Tract B	88,601	2.03	11,030	\$4.00	\$44,120
Total	110,721	2.54	32,438		\$172,568

Additional details of the property are summarized below:

Land Description	
Land Area (Gross)	2.54 acres; 110,721 SF
Source of Land Area	Engineering Report
Primary Street Frontage	Pleasanton Road
Secondary Street Frontage	South Flores Street
Third Street Frontage	Toudouze Street
Shape	Irregular
Corner	Yes
Topography	Generally level and at street grade
Drainage	No problems reported or observed
Environmental Hazards	None reported or observed
Ground Stability	No problems reported or observed
Flood Area Panel Number	48029C0395G
Date	September 29, 2010
Zone	X
Description	Outside of 500-year floodplain
Insurance Required?	No
Zoning; Other Regulations	
Zoning Jurisdiction	City of San Antonio
Zoning Designation	C-3NA, R-6
Description	General Commercial Nonalcoholic Sales District/Residential Single-Family District
Legally Conforming?	Appears to be legally conforming
Zoning Change Likely?	Yes
Permitted Uses	Includes commercial and residential uses.
Utilities	
Service	Provider
Water	SAWS
Sewer	SAWS
Electricity	CPS Energy
Natural Gas	CPS Energy
Local Phone	Multiple providers

Discussions with the buyer revealed that the portions of Tract B that are currently zoned R-6, will have to be rezoned in order to permit future retail development. We are not experts in the interpretation of zoning ordinances. An appropriately qualified land use attorney should be engaged if a determination of compliance with zoning is required.

Zoning

The subject is zoned C-3NA (General Commercial Nonalcoholic Sales District) and R-6, Residential Single-Family District. The zoning map on the following page shows the subject's zoning classification (by color).

Zoning Map



Easements, Encroachments and Restrictions

We were not provided a current title report to review. We are not aware of any easements, encroachments, or restrictions that would adversely affect value. Our valuation assumes no adverse

impacts from easements, encroachments, or restrictions, and further assumes that the subject has clear and marketable title.

Hazardous Substances

An environmental assessment report was provided to our office by the buyer, GFR Development Services, LLC. The environmental assessment report was prepared by SKA Consulting Engineers, Scientists, Geologists on July 9, 2018. Based on the results of SKA's Limited Subsurface Investigation, the following conclusions were made:

Based on the soil and groundwater analytical results, the recognized environmental conditions (REC's) identified during SKA's February 2017 Phase I ESA have not adversely impacted the soil and/or uppermost groundwater-bearing unit (GWBU) beneath the subject property above Texas Commission on Environmental Quality (TCEQ) regulatory standards (i.e., per Commercial/Industrial land use). As a result, SKA concludes these potential RECs no longer represent current RECs for the subject property. As such, no further environmental investigations appear warranted at this time with regards to soil and/or groundwater on the subject property.

No hazardous substances were observed during our inspection of the improvements; however, we are not qualified to detect such substances. Unless otherwise stated, we assume no hazardous conditions exist on or near the subject.

Conclusion of Land Analysis

Overall, the physical characteristics of the site and the availability of utilities result in functional utility suitable for a variety of uses including those permitted by zoning. We are not aware of any other particular restrictions on development.



Street view looking southeast along Flores Street



Street view looking northwest along Flores Street



Street view looking southwest along Pleasanton Road



Street view looking northeast along Pleasanton Road



Street view looking east along Toudouze Street



Street view looking west along Toudouze Street



Front elevation of 4007 South Flores Street



Rear elevation of 4007 South Flores Street



Front elevation of 120 Toudouze Street



Side elevation of 120 Toudouze Street



Side and rear elevation of 120 Toudouze Street



Industrial building at 4023 South Flores Street



Industrial property at 4023 South Flores Street



Residential home at 4023 South Flores Street



Retail store at 204 Pleasanton Road



Retail store at 204 Pleasanton Road



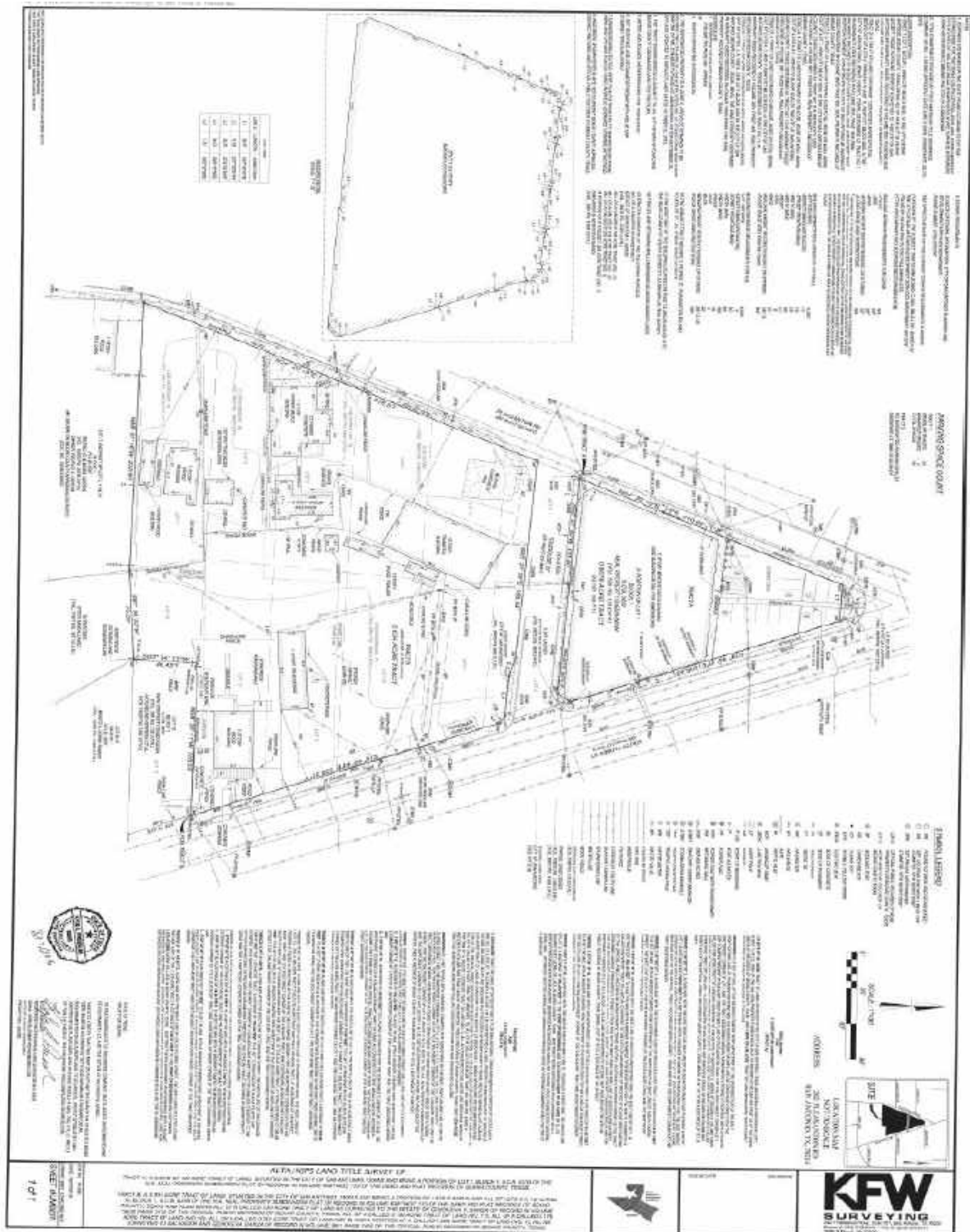
Metal storage building at 204 Pleasanton Road



Residential home at 210 Pleasanton Road



Site Plan



Real Estate Taxes

The subject property is located within Bexar County, Texas. The Bexar Appraisal District appraises all real property and business personal property according to the Texas Property Tax Code and the Uniform Standards of Professional Appraisal Practices (USPAP).

Properties are appraised between January 1 and April 30 of each year and are assessed at market value with an effective date of January 1 of that year. Local taxing units adopt tax rates in August and September, and the county tax assessor-collector sends tax bills to property owners on October 1 or as soon thereafter as practicable.

Real estate taxes in this state and this jurisdiction represent ad valorem taxes, meaning a tax applied in proportion to value. The real estate taxes for an individual property are determined by multiplying the assessed value by the composite rate, which is expressed as a percentage. Real estate taxes and assessments for the current tax year are shown in the following table.

Taxes and Assessments - 2018

Tax ID	Assessed Value			Taxes and Assessments			
	Land	Improvements	Total	Ad Valorem Tax Rate	Taxes	Direct Assessments	Total
373213	\$89,670	\$504,910	\$594,580	2.837642%	\$16,872	\$0	\$16,872
373217	\$5,950	\$17,980	\$23,930	2.837642%	\$679	\$0	\$679
373214	\$20,290	\$0	\$20,290	2.837642%	\$576	\$0	\$576
373216	\$24,290	\$44,660	\$68,950	2.837642%	\$1,957	\$0	\$1,957
373218	\$12,640	\$0	\$12,640	2.837642%	\$359	\$0	\$359
373219	\$16,600	\$30,500	\$47,100	2.837642%	\$1,337	\$0	\$1,337
373215	\$133,510	\$106,840	\$240,350	2.837642%	\$6,820	\$0	\$6,820
	\$302,950	\$704,890	\$1,007,840		\$28,599	\$0	\$28,599

Real estate tax history for the subject property is provided as follows.

Tax History

Tax Year	Total Assessed		Ad Valorem		Direct		% Change
	Value	Tax Rate	Taxes	Assessments	Total		
2015	\$813,640	2.69805%	\$21,952	\$0	\$21,952		
2016	\$919,330	2.82250%	\$25,948	\$0	\$25,948		18.2%
2017	\$951,170	2.83764%	\$26,991	\$0	\$26,991		4.0%
2018	\$1,007,840	2.83764%	\$28,599	\$0	\$28,599		6.0%

Conclusion – The subject's taxes have increased 30.3% from 2015 to 2018. Bexar County's 2018 taxes are estimated at \$28,599. In our analysis, the taxes appear reasonable based upon comparable properties and our value conclusion.

Highest and Best Use

Process

Before a property can be valued, an opinion of highest and best use must be developed for the subject site, both as vacant, and as improved. By definition, the highest and best use must be:

- Physically possible.
- Legally permissible under the zoning regulations and other restrictions that apply to the site.
- Financially feasible.
- Maximally productive, i.e., capable of producing the highest value from among the permissible, possible, and financially feasible uses.

As Vacant

Physically Possible

The physical characteristics of the two tracts do not appear to impose any unusual restrictions on development. Overall, the physical characteristics of the tracts and the availability of utilities result in functional utility suitable for a variety of uses.

Legally Permissible

The site is zoned C-3NA, R-6, General Commercial Nonalcoholic Sales District/Residential Single-Family District. Permitted uses include commercial and residential uses. Discussions with the buyer revealed that the portions of Tract B that are currently zoned R-6, will have to be rezoned in order to permit future retail development. We assume the zoning change will be approved. Given prevailing land use patterns in the area, only retail use is given further consideration in determining highest and best use of the site, as though vacant.

Financially Feasible

Based on our analysis of the market, there is currently adequate demand for retail use in the subject's area. It appears that a newly developed retail use on the site would have a value commensurate with its cost. Therefore, retail use is considered to be financially feasible.

Maximally Productive

There does not appear to be any reasonably probable use of the site that would generate a higher residual land value than retail use. Accordingly, it is our opinion that retail use, developed to the normal market density level permitted by zoning, is the maximally productive use of the property.

Conclusion

Development of the site for retail use is the only use that meets the four tests of highest and best use. Therefore, it is concluded to be the highest and best use of the property as vacant.

As Improved

There are three alternatives for the property in as improved condition: raze the improvements, convert and renovate the improvements to another use, or leave them in as is condition. The subject site is improved with several commercial, industrial, and residential buildings. The existing improvements are in poor condition and have no contributory value to the subject property. Moreover, the conversion of the commercial, industrial, and residential buildings to another use is not the ideal use of the buildings as the buildings are old and have deferred maintenance. The second alternative is to raze the improvements. The improvements do not contribute any value and this is supported by the future plans of the owner to raze the buildings and develop the site with new retail properties. Therefore, the highest and best use, as improved, is to raze the existing improvements and construct new retail properties.

Most Probable Buyer

Taking into account the functional utility of the site and area development trends, the probable buyer is a developer.

Valuation

Valuation Methodology

Appraisers usually consider three approaches to estimating the market value of real property. These are the cost approach, sales comparison approach and the income capitalization approach.

The **cost approach** assumes that the informed purchaser would pay no more than the cost of producing a substitute property with the same utility. This approach is particularly applicable when the improvements being appraised are relatively new and represent the highest and best use of the land or when the property has unique or specialized improvements for which there is little or no sales data from comparable properties.

The **sales comparison approach** assumes that an informed purchaser would pay no more for a property than the cost of acquiring another existing property with the same utility. This approach is especially appropriate when an active market provides sufficient reliable data. The sales comparison approach is less reliable in an inactive market or when estimating the value of properties for which no directly comparable sales data is available. The sales comparison approach is often relied upon for owner-user properties.

The **income capitalization approach** reflects the market's perception of a relationship between a property's potential income and its market value. This approach converts the anticipated net income from ownership of a property into a value indication through capitalization. The primary methods are direct capitalization and discounted cash flow analysis, with one or both methods applied, as appropriate. This approach is widely used in appraising income-producing properties.

Reconciliation of the various indications into a conclusion of value is based on an evaluation of the quantity and quality of available data in each approach and the applicability of each approach to the property type.

The methodology employed in this assignment is summarized as follows:

Approaches to Value		
Approach	Applicability to Subject	Use in Assignment
Cost Approach	Not Applicable	Not Utilized
Sales Comparison Approach	Applicable	Utilized
Income Capitalization Approach	Not Applicable	Not Utilized

Sales Comparison Approach

To develop an opinion of the subject's land value, as if vacant and available to be developed to its highest and best use, we utilize the sales comparison approach. This approach develops an indication of value by researching, verifying, and analyzing sales of similar properties.

As discussed previously, per the client's request, the two tracts are valued separately. Below is a description of the two tracts:

Land Tracts					
Name	SF	Acres	Bldg SF	Demolition Cost/SF	Total Demolition Cost
Tract A	22,120	0.51	21,408	\$6.00	\$128,448
Tract B	88,601	2.03	11,030	\$4.00	\$44,120
Total	110,721	2.54	32,438		\$172,568

Per Marshall & Swift Service, the cost to demolish the buildings on Tracts A & B is \$6.00 per square foot for Tract A and \$4.00 per square foot for Tract B. We apply this cost rate to the building square footages located on Tracts A & B to arrive at a total demolition cost of \$128,448 for Tract A and a total demolition cost of \$44,120 for Tract B. These demolition costs are deducted from the indicated land values of both tracts to arrive at their respective market values.

Tract A (0.51 Acres; 22,120 SF)

To apply the sales comparison approach to Tract A, we searched for sale transactions within the following parameters:

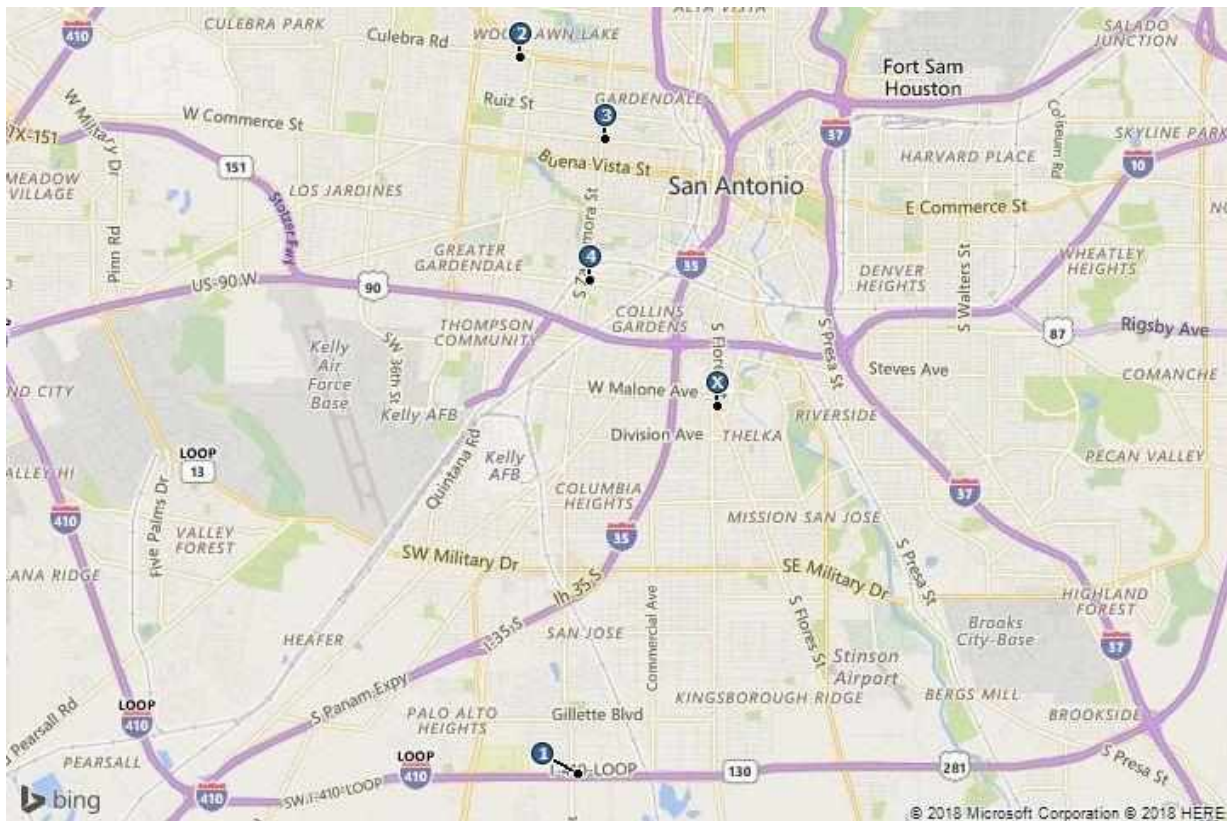
- Location: Northwest and South Retail Submarkets
- Size: 0.1 acres to 1.25 acres
- Use: Commercial vacant Land
- Transaction Date: 2015 to present

For this analysis, we use price per square foot as the appropriate unit of comparison because market participants typically compare sale prices and property values on this basis. The most relevant sales are summarized in the following table.

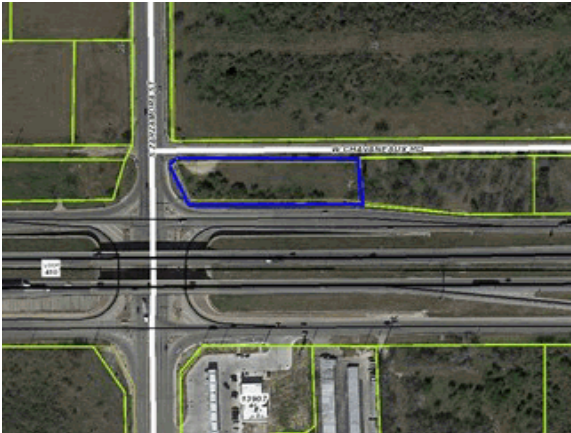
Summary of Comparable Land Sales - Tract A

No.	Name/Address	Sale Date; Status	Effective Sale Price	SF; Acres	Zoning	\$/SF Land	\$/Acre
1	Quicktrip Conv Store Site 841 W. Chavaneaux Rd. San Antonio	Mar-18 Closed	\$550,000	46,566 1.07	General Commercial District	\$11.81	\$514,500
2	2304 Culebra Rd. Land 2304 Culebra Rd. San Antonio	Sep-16 Closed	\$74,040	6,017 0.14	Commercial District	\$12.31	\$536,133
3	Dollar General Land Site 500 N. Zarzamora St. San Antonio	Dec-15 Closed	\$398,680	31,799 0.73	Commercial District	\$12.54	\$546,137
4	1802 S Zarzamora Street 1802 S. Zarzamora Street St. San Antonio	Jan-15 Closed	\$440,000	44,649 1.03	C-2	\$9.85	\$429,268
Subject 202, 204, 206, and 210 Pleasanton Road and 4023 South Flores Street San Antonio, TX				22,120 0.51	General Commercial Nonalcoholic Sales		

Comparable Land Sales Map – Tract A



202, 204, 206, and 210 Pleasanton Road and 4023 South Flores Street



Sale 1
Quicktrip Conv Store Site



Sale 2
2304 Culebra Rd. Land



Sale 3
Dollar General Land Site



Sale 4
1802 S Zarzamora Street

Analysis and Adjustment of Sales

Adjustment Factor	Accounts For	Comments
Effective Sale Price	Atypical economics of a transaction, such as demolition cost or expenditures by buyer at time of purchase.	Comparable 2 and 3 are adjusted upward for demolition costs.
Real Property Rights	Fee simple, leased fee, leasehold, partial interest, etc.	All of the comparable sales are fee simple transactions. Therefore, no adjustments were applied to these comparable sales.
Financing Terms	Seller financing, or assumption of existing financing, at non-market terms.	Comparable 2 was seller financed and is adjusted downward. The remaining comparable sales sold on a cash-to-seller basis or terms comparable thereto and no adjustments were required.
Conditions of Sale	Extraordinary motivation of buyer or seller, assemblage, forced sale.	All the comparable sales are arm's length transactions and no adjustments were applied.
Market Conditions	Changes in the economic environment over time that affect the appreciation and depreciation of real estate.	The sales were adjusted for changes in market conditions based on a rate of 2% per annum. This adjustment is supported by local market data and national investor surveys which indicate a strengthening local economy.
Location	Market or submarket area influences on sale price; surrounding land use influences.	Comparables 1 and 3 have superior locations and are adjusted downward. Comparables 2 and 4 have inferior location and are adjusted upward.
Corner/Frontage	Location on corner site and frontage along more than one thoroughfare.	Comparables 2, 3, and 4 are corner sites, but only front two thoroughfares. These three comparables are adjusted upward.
Size	Inverse relationship that often exists between parcel size and unit value.	Comparables 1, 3, and 4 are larger than the subject and are adjusted upward. Comparable 2 is smaller and is adjusted downward.

Adjustment Factor	Accounts For	Comments
Shape and Topography	Primary physical factors that affect the utility of a site for its highest and best use.	Comparables 1, 2, 3, and 4 have rectangular shapes and are adjusted downward.
Zoning	Government regulations that affect the types and intensities of uses allowable on a site.	No adjustments are applied for zoning.

The following table summarizes the adjustments we make to each sale.

Land Sales Adjustment Grid - Tract A					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Address	Pleasanton Road and South Flores Street	841 W. Chavaneaux Rd.	2304 Culebra Rd.	500 N. Zarzamora St.	1802 S. Zarzamora Street St.
City	San Antonio	San Antonio	San Antonio	San Antonio	San Antonio
Sale Date		Mar-18	Sep-16	Dec-15	Jan-15
Sale Status		Closed	Closed	Closed	Closed
Sale Price		\$550,000	\$69,000	\$300,000	\$440,000
Other Adjustment		\$0	\$5,040	\$98,680	\$0
Effective Sale Price		\$550,000	\$74,040	\$398,680	\$440,000
Square Feet	22,120	46,566	6,017	31,799	44,649
Acres	0.51	1.07	0.14	0.73	1.03
Price per Square Foot		\$11.81	\$12.31	\$12.54	\$9.85
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		—	—	—	—
Financing Terms		Cash to seller	Seller financing	Cash to seller	Cash to seller
% Adjustment		—	-5%	—	—
Conditions of Sale		Arm's Length	Arm's Length	Arm's Length	Arm's Length
% Adjustment		—	—	—	—
Market Conditions	8/25/2018	Mar-18	Sep-16	Dec-15	Jan-15
Annual % Adjustment	2%	1%	4%	5%	7%
Cumulative Adjusted Price		\$11.93	\$12.16	\$13.16	\$10.54
Location		-5%	5%	-5%	5%
Corner/Frontage			5%	5%	5%
Size		6%	-10%	4%	10%
Shape and Topography		-5%	-5%	-5%	-5%
Zoning		—	—	—	—
Net \$ Adjustment		-\$0.48	-\$0.61	-\$0.13	\$1.58
Net % Adjustment		-4%	-5%	-1%	15%
Final Adjusted Price		\$11.45	\$11.55	\$13.03	\$12.13
Overall Adjustment		-3%	-6%	4%	23%
Range of Adjusted Prices		\$11.45 - \$13.03			
Average		\$12.04			
Indicated Value		\$12.00			

Land Value Conclusion – Tract A

We give approximately equal weight to the comparable land sales and arrive at a value conclusion as follows. Furthermore, we apply an adjustment to the land value conclusion for demolition costs:

Land Value Conclusion

Tract A

Indicated Value per Square Foot	\$12.00
Subject Square Feet	22,120
Indicated Value	\$265,440
Adjustments	
Demolition Cost - Tract A	-\$128,448
Indicated Value	\$136,992
Rounded	\$140,000

Tract B (2.03 Acres; 88,601 SF)

To apply the sales comparison approach to Tract B, we searched for sale transactions within the following parameters:

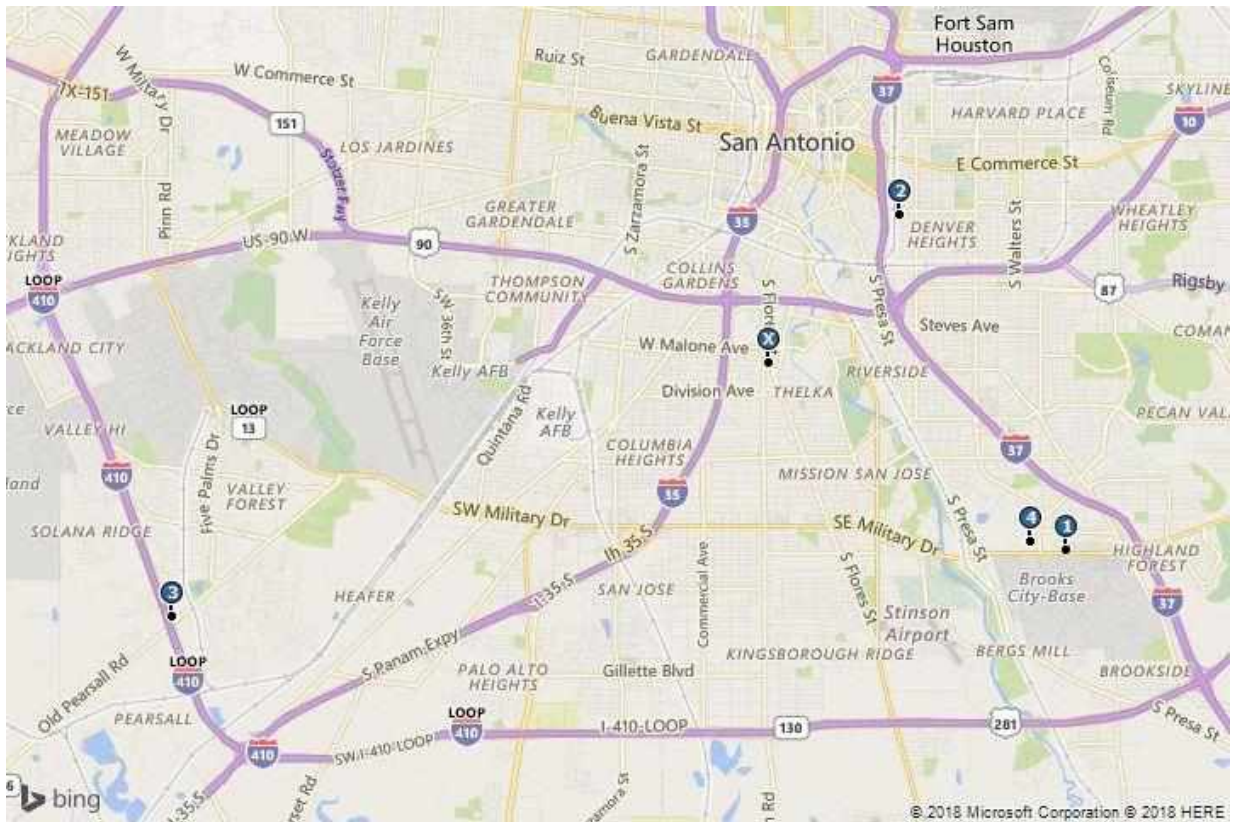
- Location: South and Northwest Retail Submarkets
- Size: 1.0 acre to 5.0 acres
- Use: Vacant land
- Transaction Date: 2015 to present

For this analysis, we use price per square foot as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Tract B

No.	Name/Address	Sale Date; Status	Effective Sale Price	SF; Acres	Zoning	\$/SF Land	\$/Acre
1	Las Palapas Site SE. Military Dr. San Antonio	May-17 Closed	\$475,000	52,955 1.22	Commercial District	\$8.97	\$390,721
2	1226 E. Cesar Chavez Blvd. San Antonio	Apr-17 Closed	\$1,389,808	129,330 2.97	C-3R & I-1	\$10.75	\$468,106
3	8878 SW Loop 410 San Antonio	Jan-16 Closed	\$500,000	54,450 1.25	Commercial District	\$9.18	\$400,000
4	7035 S. New Braunfels San Antonio	Feb-15 Closed	\$797,148	79,671 1.83	C-3	\$10.01	\$435,600
Subject 202, 204, 206, and 210 San Antonio, TX				88,601 2.03	General Commercial Nonalcoholi		

Comparable Land Sales Map – Tract B





Sale 1
Las Palapas Site



Sale 2
1226 E. Cesar Chavez Blvd.



Sale 3
8878 SW Loop 410



Sale 4
7035 S. New Braunfels

Analysis and Adjustment of Sales

Adjustment Factor	Accounts For	Comments
Effective Sale Price	Atypical economics of a transaction, such as demolition cost or expenditures by buyer at time of purchase.	Comparable 2 is adjusted upward \$60,000 for demolition costs. The effective sales price is \$1,389,808, or \$10.75 per square foot.
Real Property Rights	Fee simple, leased fee, leasehold, partial interest, etc.	All of the comparable sales are fee simple transactions. Therefore, no adjustments were applied to these comparable sales.
Financing Terms	Seller financing, or assumption of existing financing, at non-market terms.	All of the comparable improved sales sold on a cash-to-seller basis or terms comparable thereto and no adjustments were required.
Conditions of Sale	Extraordinary motivation of buyer or seller, assemblage, forced sale.	All the comparable sales are arm's length transactions and no adjustments were applied.
Market Conditions	Changes in the economic environment over time that affect the appreciation and depreciation of real estate.	The sales were adjusted for changes in market conditions based on a rate of 2% per annum. This adjustment is supported by local market data and national investor surveys which indicate a strengthening local economy.
Location	Market or submarket area influences on sale price; surrounding land use influences.	Comparables 1, 2, 3, and 4 have superior locations and are adjusted downward.
Corner/Frontage	Location on corner site and frontage along more than one thoroughfare.	Comparables 1, 3, and 4 have inferior frontages and are adjusted upward.
Size	Inverse relationship that often exists between parcel size and unit value.	Comparables 1, 3, and 4 are smaller than the subject and adjusted downward. Comparable 2 is larger and is adjusted upward.
Shape and Topography	Primary physical factors that affect the utility of a site for its highest and best use.	Comparable 1 has an oblong rectangular shape and is adjusted upward. Comparables 3 and 4 have rectangular shapes and are adjusted downward.

Adjustment Factor	Accounts For	Comments
Zoning	Government regulations that affect the types and intensities of uses allowable on a site.	No adjustments are applied for zoning.

The following table summarizes the adjustments we make to each sale.

Land Sales Adjustment Grid - Tract B					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Address	Pleasanton Road and South Flores Street	SE. Military Dr.	1226 E. Cesar Chavez Blvd.	8878 SW. Loop 410	7035 S. New Braunfels
City	San Antonio	San Antonio	San Antonio	San Antonio	San Antonio
Sale Date		May-17	Apr-17	Jan-16	Feb-15
Sale Status		Closed	Closed	Closed	Closed
Sale Price		\$475,000	\$1,329,808	\$500,000	\$797,148
Other Adjustment		\$0	\$60,000	\$0	\$0
Description of Adjustment			Demolition Costs		
Effective Sale Price		\$475,000	\$1,389,808	\$500,000	\$797,148
Square Feet	88,601	52,955	129,330	54,450	79,671
Acres	2.03	1.22	2.97	1.25	1.83
Price per Square Foot		\$8.97	\$10.75	\$9.18	\$10.01
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		—	—	—	—
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		—	—	—	—
Conditions of Sale		Arm's Length	Arm's Length	Arm's Length	Arm's Length
% Adjustment		—	—	—	—
Market Conditions	8/25/2018	May-17	Apr-17	Jan-16	Feb-15
Annual % Adjustment	2%	3%	3%	5%	7%
Cumulative Adjusted Price		\$9.24	\$11.07	\$9.64	\$10.71
Location		-10%	-20%	-5%	-10%
Corner/Frontage		10%	—	10%	5%
Size		-7%	5%	-6%	-1%
Shape and Topography		5%	—	-5%	-5%
Zoning		—	—	—	—
Net \$ Adjustment		-\$0.18	-\$1.66	-\$0.58	-\$1.18
Net % Adjustment		-2%	-15%	-6%	-11%
Final Adjusted Price		\$9.05	\$9.41	\$9.06	\$9.53
Overall Adjustment		1%	-12%	-1%	-5%
Range of Adjusted Prices		\$9.05 - \$9.53			
Average		\$9.26			
Indicated Value		\$9.25			

Land Value Conclusion – Tract B

We give approximately equal weight to the comparable land sales and arrive at a value conclusion as follows. Furthermore, we apply an adjustment to the land value conclusion for demolition costs:

Land Value Conclusion**Tract B**

Indicated Value per Square Foot	\$9.25
Subject Square Feet	88,601
Indicated Value	\$819,559
Adjustments	
Demolition Cost - Tract B	-\$44,120
Indicated Value	\$775,439
Rounded	\$780,000

Summary of Land Values

Based on this analysis, the individual values are combined into a final value as follows:

Summary of Land Values

Parcel	Total SF	Indicated Value per Square Foot	Value Prior to Adjust.	Demolition Costs	Indicated Value	Rounded
Tract A	22,120	\$12.00	\$265,440	-\$128,448	\$136,992	\$140,000
Tract B	88,601	\$9.25	\$819,559	-\$44,120	\$775,439	\$780,000
Total	110,721		\$1,084,999	-\$172,568	\$912,431	\$920,000

Reconciliation and Conclusion of Value

As discussed previously, we use only the sales comparison approach in developing an opinion of value for the subject. The cost and income approaches are not applicable, and are not used.

Based on the preceding valuation analysis and subject to the definitions, assumptions, and limiting conditions expressed in the report, our value opinion follows:

Value Conclusions			
Parcel	Interest Appraised	Date of Value	Value Conclusion
Market Value - Tract A	Fee Simple	August 25, 2018	\$140,000
Market Value - Tract B	Fee Simple	August 25, 2018	\$780,000

The above noted value conclusion is exclusive of any non-realty components.

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, we reserve the right to modify our value conclusions.

1. The appraisers requested, but were not provided the costs to raze the existing improvements. We have based our demolition estimate on similar projects in San Antonio and the Marshall Valuation Service. However, we reserve the right to modify our opinions of value based upon a contractor's bid to raze the improvements.

The value conclusions are based on the following hypothetical conditions that may affect the assignment results. A hypothetical condition is a condition contrary to known fact on the effective date of the appraisal but is supposed for the purpose of analysis.

1. None.

Exposure Time

Exposure time is the length of time the subject property would have been exposed for sale in the market had it sold on the effective valuation date at the concluded market value. Based on the concluded market values stated previously, it is our opinion that the probable exposure time is 6 to 12 months.

Marketing Period

Marketing time is an estimate of the amount of time it might take to sell a property at the concluded market value immediately following the effective date of value. We estimate the subject's marketing period at 6 to 12 months.

Certification

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. 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.
4. We have not performed any 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.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. 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.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice as well as applicable state appraisal regulations.
9. 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 Appraisal Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. Sunny J. Reyna has personally inspected the subject property. Brandon Brehm, MAI, CCIM, and William Robinson, MAI did not inspect the subject property.
12. No one provided significant real property appraisal assistance to the person(s) signing this certification.
13. We have experience in appraising properties similar to the subject and are in compliance with the Competency Rule of USPAP.
14. As of the date of this report, William Robinson, MAI, and Brandon Brehm, MAI, CCIM, have completed the continuing education program for Designated Members of the Appraisal Institute.

15. As of the date of this report, Sunny J. Reyna has completed the Standards and Ethics Education Requirements for Candidates/Practicing Affiliates of the Appraisal Institute.



Sunny J. Reyna
Certified General Real Estate Appraiser
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William Robinson, MAI
Certified General Real Estate Appraiser
Texas Certificate # 1380230 G
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Brandon Brehm, MAI, CCIM
Certified General Real Estate Appraiser
Texas Certificate # 1380201 G
Telephone: 210-446-4444
E-mail: bbrehm@irr.com

Assumptions and Limiting Conditions

This appraisal and any other work product related to this engagement are limited by the following standard assumptions, except as otherwise noted in the report:

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is under responsible ownership and competent management and is available for its highest and best use.
2. There are no existing judgments or pending or threatened litigation that could affect the value of the property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there is no asbestos in the property.
4. The revenue stamps placed on any deed referenced herein to indicate the sale price are in correct relation to the actual dollar amount of the transaction.
5. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
6. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

This appraisal and any other work product related to this engagement are subject to the following limiting conditions, except as otherwise noted in the report:

1. An appraisal is inherently subjective and represents our opinion as to the value of the property appraised.
2. The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
3. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
4. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
5. Unless otherwise agreed to in writing, we are not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the property without compensation relative to such additional employment.
6. We have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The appraisal covers the

property as described in this report, and the areas and dimensions set forth are assumed to be correct.

7. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and we have assumed that the property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in our appraisal.
8. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability; and civil, mechanical, electrical, structural and other engineering and environmental matters. Such considerations may also include determinations of compliance with zoning and other federal, state, and local laws, regulations and codes.
9. The distribution of the total valuation in the report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. The appraisal report shall be considered only in its entirety. No part of the appraisal report shall be utilized separately or out of context.
10. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the persons signing the report.
11. Information, estimates and opinions contained in the report and obtained from third-party sources are assumed to be reliable and have not been independently verified.
12. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute predictions of future operating results.
13. If the property is subject to one or more leases, any estimate of residual value contained in the appraisal may be particularly affected by significant changes in the condition of the economy, of the real estate industry, or of the appraised property at the time these leases expire or otherwise terminate.
14. Unless otherwise stated in the report, no consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.
15. The current purchasing power of the dollar is the basis for the values stated in the appraisal; we have assumed that no extreme fluctuations in economic cycles will occur.
16. The values found herein are subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.
17. The analyses contained in the report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic

conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates, and the variations may be material.

18. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of the property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. We claim no expertise in ADA issues, and render no opinion regarding compliance of the subject with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.
19. The appraisal report is prepared for the exclusive benefit of the Client, its subsidiaries and/or affiliates. It may not be used or relied upon by any other party. All parties who use or rely upon any information in the report without our written consent do so at their own risk.
20. No studies have been provided to us indicating the presence or absence of hazardous materials on the subject property or in the improvements, and our valuation is predicated upon the assumption that the subject property is free and clear of any environment hazards including, without limitation, hazardous wastes, toxic substances and mold. No representations or warranties are made regarding the environmental condition of the subject property. Integra Realty Resources – San Antonio, Integra Realty Resources, Inc., Integra Strategic Ventures, Inc. and/or any of their respective officers, owners, managers, directors, agents, subcontractors or employees (the "Integra Parties"), shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.
21. The persons signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. We are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.
22. Integra Realty Resources – San Antonio is not a building or environmental inspector. Integra San Antonio does not guarantee that the subject property is free of defects or environmental problems. Mold may be present in the subject property and a professional inspection is recommended.
23. The appraisal report and value conclusions for an appraisal assume the satisfactory completion of construction, repairs or alterations in a workmanlike manner.
24. It is expressly acknowledged that in any action which may be brought against any of the Integra Parties, arising out of, relating to, or in any way pertaining to this engagement, the appraisal

reports, and/or any other related work product, the Integra Parties shall not be responsible or liable for any incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with intentional misconduct. It is further acknowledged that the collective liability of the Integra Parties in any such action shall not exceed the fees paid for the preparation of the appraisal report unless the appraisal was fraudulent or prepared with intentional misconduct. Finally, it is acknowledged that the fees charged herein are in reliance upon the foregoing limitations of liability.

25. Integra Realty Resources – San Antonio, an independently owned and operated company, has prepared the appraisal for the specific intended use stated elsewhere in the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the appraisal report is addressed to and shall be solely for the Client's use and benefit unless we provide our prior written consent. We expressly reserve the unrestricted right to withhold our consent to your disclosure of the appraisal report or any other work product related to the engagement (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. Stated again for clarification, unless our prior written consent is obtained, no third party may rely on the appraisal report (even if their reliance was foreseeable).
26. The conclusions of this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. The Integra Parties are not responsible for these and other future occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While we are of the opinion that our findings are reasonable based on current market conditions, we do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, we assume competent and effective management and marketing for the duration of the projected holding period of this property.
27. All prospective value opinions presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraph, several events may occur that could substantially alter the outcome of our estimates such as, but not limited to changes in the economy, interest rates, and capitalization rates, behavior of consumers, investors and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. It is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.
28. The appraisal is also subject to the following:

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, we reserve the right to modify our value conclusions.

1. The appraisers requested, but were not provided the costs to raze the existing improvements. We have based our demolition estimate on similar projects in San Antonio and the Marshall Valuation Service. However, we reserve the right to modify our opinions of value based upon a contractor's bid to raze the improvements.

The value conclusions are based on the following hypothetical conditions that may affect the assignment results. A hypothetical condition is a condition contrary to known fact on the effective date of the appraisal but is supposed for the purpose of analysis.

1. None.
-

Addendum A

Appraiser Qualifications

William Robinson, MAI

Experience

William C. Robinson is Managing Director for Integra Realty Resources - San Antonio. Prior to Integra, Mr. Robinson co-founded Meridia Appraisal Group (Meridia) in 2014. Mr. Robinson was instrumental in business development expanding the market footprint of Meridia throughout South and Central Texas. Through his leadership, Meridia experienced tremendous growth and success. In 2007, Mr. Robinson began his appraisal career at Weissler Appraisal Company. He was a top producer within his company and focused much of his time in the Laredo and South Texas market areas.

Mr. Robinson has been actively engaged in real estate appraisal and valuation since 2007. Mr. Robinson has completed a wide variety of real property valuation assignment on various property types to include vacant land, retail properties, apartment complexes, office buildings, industrial complexes, special purpose properties, and general commercial properties. In addition, Mr. Robinson has experience in appraising property in central and south Texas.

Clients served include lending institutions, investment firms, accountants, law firms, governmental agencies, and various private/public entities.

Professional Activities & Affiliations

Appraisal Institute, Member (MAI) Appraisal Institute

Licenses

Texas, William Conger Robinson III, 1380230 G, Expires May 2017

Education

Mr. Robinson graduated from Texas Tech University in 2007 with a Bachelor of Business Degree in Finance. While attending Texas Tech University, Mr. Robinson received the Distinguished Student Award.

In November 2013, Mr. Robinson received the MAI designation from the Appraisal Institute. Mr. Robinson is in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) and the ethics standards of the Appraisal Institute. In addition, Mr. Robinson regularly attends classes and seminars offered by the Appraisal Institute, CCIM Institute, and Risk Management Association, to name a few.

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Texas Appraiser Licensing and Certification Board

P.O. Box 12188 Austin, Texas 78711-2188

Certified General Real Estate Appraiser

Number: **TX 1380230 G**

Issued: **05/09/2017**

Expires: **05/31/2019**

Appraiser: **WILLIAM CONGER ROBINSON III**

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


Douglas E. Oldmixon
Commissioner



Brandon Brehm, MAI, CCIM

Experience

Brandon L. Brehm is Senior Managing Director for Integra Realty Resources - San Antonio. Prior to Integra, Mr. Brehm co-founded Meridia Appraisal Group (Meridia) in 2014. Meridia experienced tremendous growth and success under his guidance and leadership. In 2006, Mr. Brehm began his career with Noble & Associates, Inc. and quickly became a top producer while being trained in all aspects of appraisal.

Mr. Brehm has been actively engaged in real estate appraisal and valuation since 2006. Mr. Brehm has a vast array of general real estate appraisal experience including appraisals of partial interests, fundamental market analysis studies, and discounted cash flow analysis for various multi-tenant properties utilizing ARGUS software. A sampling of property types appraised include: neighborhood and community shopping centers, power centers, single and multi-tenant medical and standard office buildings, apartment complexes, industrial properties including warehouses and manufacturing facilities, special purpose properties, and other general commercial property types.

Clients served include lending institutions, investment firms, accountants, law firms, governmental agencies, and various private/public entities. Valuations have been performed for financing, estates, litigation support, and consulting purposes.

Professional Activities & Affiliations

Appraisal Institute, Member (MAI) Appraisal Institute
Certified Commercial Investment Member (CCIM) CCIM Institute

Licenses

Texas, Brandon Lee Brehm, 1380201 G, Expires December 2018

Education

Mr. Brehm graduated from the University of Texas in 2005 with a Bachelor of Arts degree in Government. During his career as an appraiser he has taken numerous appraisal related courses and seminars from various education providers including the Appraisal Institute and the CCIM Institute.

In October 2013, Mr. Brehm received the MAI designation from the Appraisal Institute and has remained in good standing. Mr. Brehm is in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) and the ethics and standards of the Appraisal Institute.

In October 2014, Mr. Brehm received the CCIM designation from the CCIM Institute. To earn the prestigious CCIM designation, Mr. Brehm completed more than 160 hours of case-study driven education, as well as, demonstrated proficiency in depth of commercial real estate experience, and passed a comprehensive examination.

Mr. Brehm also has extensive professional training in ARGUS software to include ACG Professionals – Week Long Boot Camp.

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Texas Appraiser Licensing and Certification Board

P.O. Box 12188 Austin, Texas 78711-2188

Certified General Real Estate Appraiser

Number: **TX 1380201 G**

Issued: **12/12/2016**

Expires: **12/31/2018**

Appraiser: **BRANDON LEE BREHM**

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


Douglas E. Oldmixon
Commissioner



Sunny J. Reyna

Experience

Sunny J. Reyna has been an Associate Director for Integra Realty Resources - San Antonio since April 2017. Mr. Reyna began his real estate career in July 2000 with Integra Realty Resources – Chicago as a research analyst. While at IRR – Chicago, Mr. Reyna played an integral role in the valuation and analysis of commercial real estate throughout the Chicagoland area. Later, as a Senior Analyst, Mr. Reyna appraised a variety of property types within the Chicago MSA, northeast Missouri, central Kansas, eastern Iowa, northwest Indiana, western and central Michigan, and northern and southern Wisconsin. Mr. Reyna later joined Colliers International in August 2013 as a Senior Valuation Specialist where he did work for institutional investors and lenders, commercial banks, individual investors and other clients. In June 2014, Mr. Reyna joined Newmark Grubb Knight Frank as an Associate Director, where he participated in appraising a portfolio of industrial properties throughout the United States for Cummins. After 2.5 years at Newmark, Mr. Reyna rejoined Integra Realty Resources in San Antonio, Texas. He has experience that extends over various property types including:

- Retail (neighborhood/community centers, strip centers, and urban retail);
- Office (CBD, suburban, and business parks);
- Industrial (distribution warehouse, business parks, nurseries/greenhouses);
- Multifamily (new construction and redevelopment of investment grade projects);
- Going-concern properties (gas stations/c-stores)
- Vacant land

Professional Activities & Affiliations

Appraisal Institute, Member (Candidate for Designation)
Fall 2015 Diversity Scholarship Recipient – Appraisal Institute

Licenses

Texas – State Certified General (No. TX 1380707 G)
Michigan – State Certified General (No. 1201073525)
Missouri – State Certified General (No. 2015017664)

Education

Mr. Reyna graduated with a B.A. in Economics and Political Science from Northwestern University in Evanston, IL. Currently, Mr. Reyna is a Candidate for Designation (MAI) of the Appraisal Institute having successfully completed the following Appraisal Institute courses:

- Advanced Concepts and Case Studies
- Advanced Income Capitalization
- Advanced Market Analysis and Highest and Best Use
- Non-Residential Report Writing
- Analyzing Operating Expenses
- General Demonstration Report Writing

Integra Realty Resources San Antonio

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Texas Appraiser Licensing and Certification Board

P.O. Box 12188 Austin, Texas 78711-2188

Certified General Real Estate Appraiser

Number: **TX 1380707 G**

Issued: **04/19/2017**

Expires: **04/30/2019**

Appraiser: **SUNNY JAMES REYNA**

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


Douglas E. Oldmixon
Commissioner



About IRR

Integra Realty Resources, Inc. (IRR) provides world-class commercial real estate valuation, counseling, and advisory services. Routinely ranked among leading property valuation and consulting firms, we are now the largest independent firm in our industry in the United States, with local offices coast to coast and in the Caribbean.

IRR offices are led by MAI-designated Senior Managing Directors, industry leaders who have over 25 years, on average, of commercial real estate experience in their local markets. This experience, coupled with our understanding of how national trends affect the local markets, empowers our clients with the unique knowledge, access, and historical perspective they need to make the most informed decisions.

Many of the nation's top financial institutions, developers, corporations, law firms, and government agencies rely on our professional real estate opinions to best understand the value, use, and feasibility of real estate in their market.

Local Expertise...Nationally!

irr.com



Addendum B

Property Information

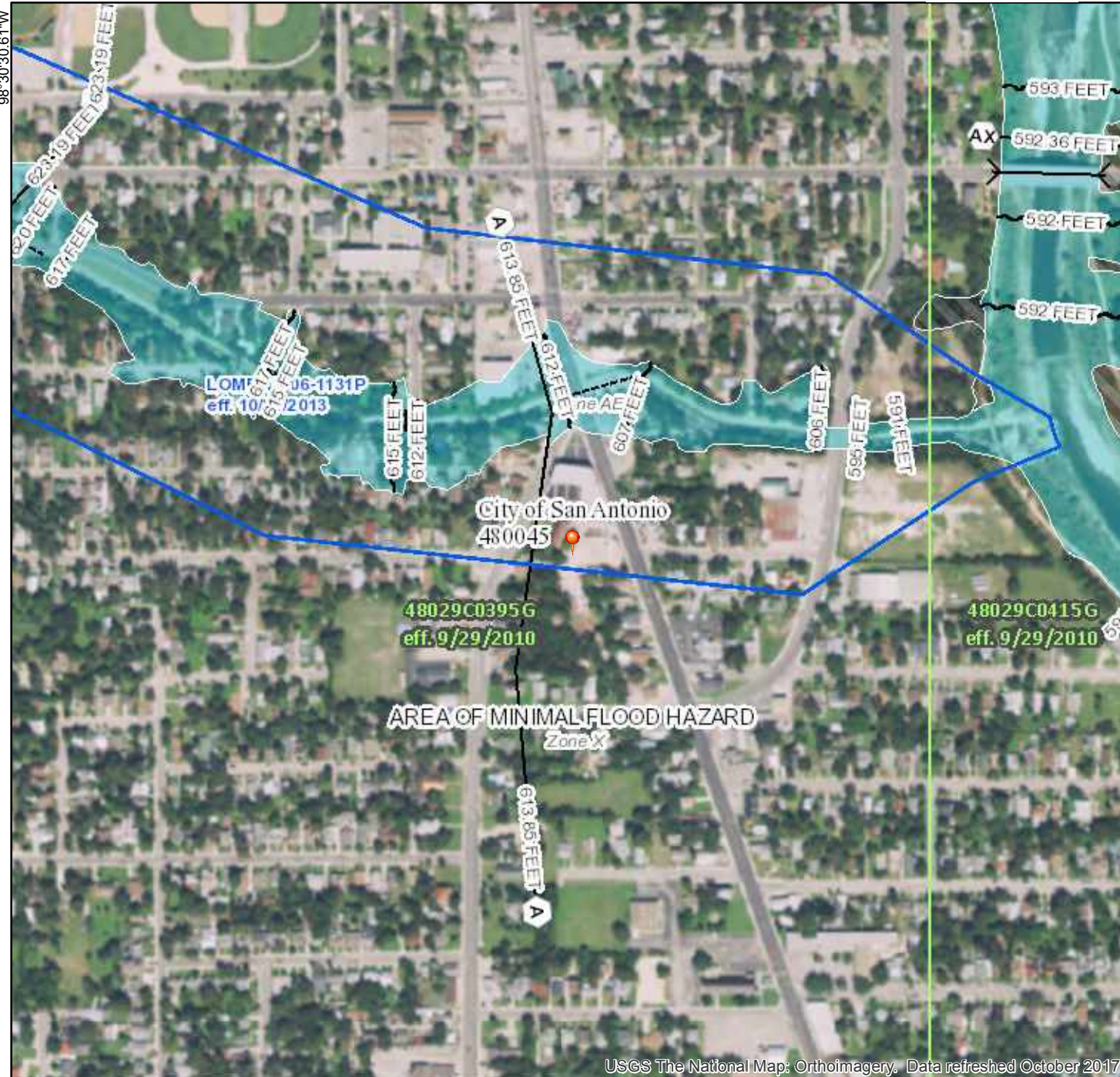


1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 2615, 2616, 2617, 2618, 2619, 2620, 2621, 2622, 2623, 2624, 2625, 2626, 2627, 2628, 2629, 2630, 2631, 2632, 2633, 2634, 2635, 2636, 2637, 2638, 2639, 2640, 2641, 2642, 2643, 2644, 2645, 2646, 2647, 2648, 2649, 2650, 2651, 2652, 2653, 2654, 2655, 2656, 2657, 2658, 2659, 2660, 2661, 2662, 2663, 2664, 2665, 2666, 2667, 2668, 2669, 2670, 2671, 2672, 2673, 2674, 2675, 2676, 2677, 2678, 2679, 26

National Flood Hazard Layer FIRMette



29°23'21.49"N



USGS The National Map: Orthoimagery. Data refreshed October 2017.

0 250 500 1,000 1,500 2,000 Feet 1:6,000

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, A99
		With BFE or Depth Zone AE, AO, 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
GENERAL STRUCTURES		Area of Undetermined Flood Hazard Zone D
		Channel, Culvert, or Storm Sewer
		Levee, Dike, or Floodwall
OTHER FEATURES		20.2 Cross Sections with 1% Annual Chance Water Surface Elevation
		17.5 Cross Sections with 1% Annual Chance Water Surface Elevation
		Coastal Transect
		Base Flood Elevation Line (BFE)
		Limit of Study
		Jurisdiction Boundary
MAP PANELS		Coastal Transect Baseline
		Profile Baseline
		Hydrographic Feature
		Digital Data Available
		No Digital Data Available
		Unmapped



The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

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 **8/16/2018 at 4:30:16 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.

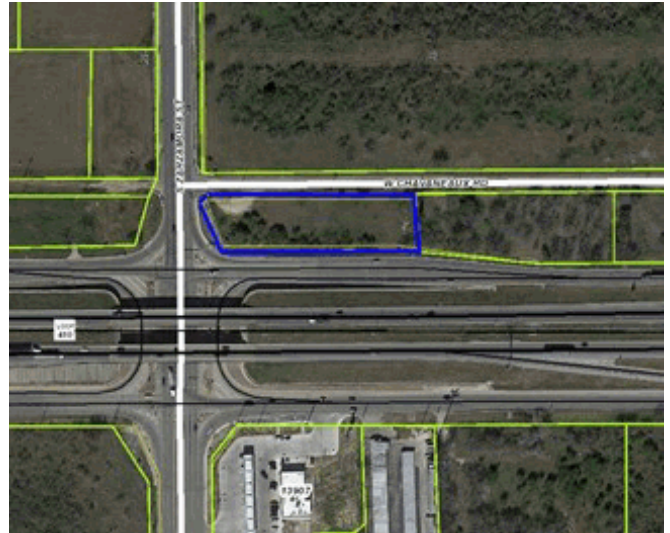


Addendum C

Comparable Data

Location & Property Identification

Property Name: Quicktrip Conv Store Site
 Sub-Property Type: Commercial
 Address: 841 W. Chavaneaux Rd.
 City/State/Zip: San Antonio, TX 78221
 County: Bexar
 Submarket: South
 Market Orientation: Urban
 Property Location: Northeast corner of Loop 410 and S. Zarzamora and Southeast corner of S. Zarzamora and W. Chavaneaux Rd.



IRR Event ID: 2110372

Sale Information

Sale Price: \$550,000
 Effective Sale Price: \$550,000
 Sale Date: 03/15/2018
 Contract Date: 07/31/2017
 Listing Price: \$558,792
 Sale Status: Closed
 \$/Acre(Gross): \$514,500
 \$/Land SF(Gross): \$11.81
 \$/Acre(Usable): \$514,500
 \$/Land SF(Usable): \$11.81
 Grantor/Seller: Martin Kan
 Grantee/Buyer: Quiktrip Corporation
 Assemblage: No
 Portfolio Sale: No
 Assets Sold: Real estate only
 Property Rights: Fee Simple
 % of Interest Conveyed: 100.00
 Exposure Time: 12 (months)
 Financing: Cash to seller
 Document Type: Warranty Deed
 Recording No.: 20180048311
 Verified By: Melissa Stubblefield
 Verification Date: 08/30/2018

Confirmation Source: Ajay Bhakta-(210) 878-9946
 Verification Type: Confirmed-Seller Broker

Sale Analysis

Proposed Use Desc.: Quicktrip Conv/Store
 Entitlement @ T.O.S.: No

Improvement and Site Data

MSA: San Antonio-New Braunfels, TX
 Legal/Tax/Parcel ID: Lot 2, New City Block 11143, R.L. Cooper Property Subdivision, City of San Antonio, Bexar County, Texas / Prop ID 1101475
 Acres(Usable/Gross): 1.07/1.07
 Land-SF(Usable/Gross): 46,565/46,565
 Usable/Gross Ratio: 1.00
 Shape: Rectangular
 Vegetation: Grass and shrubs
 Corner Lot: Yes
 Frontage Desc.: S/S Chavaneaux, E/S S. Zarzamora, N/S Loop 410
 AccessibilityRating: Average
 Visibility Rating: Good

Improvement and Site Data (Cont'd)

Zoning Code:	C-3
Zoning Desc.:	General Commercial District
Easements:	No
Environmental Issues:	No
Flood Plain:	No
Flood Zone Designation:	X
Comm. Panel No.:	48029C0560F
Date:	09/29/2010
Utilities:	Electricity, Water Public, Sewer, Gas, Telephone, CableTV
Source of Land Info.:	Public Records



Location & Property Identification

Property Name:	2304 Culebra Rd. Land
Sub-Property Type:	Commercial
Address:	2304 Culebra Rd.
City/State/Zip:	San Antonio, TX 78228
County:	Bexar
Submarket:	North West
Market Orientation:	Suburban
IRR Event ID:	1592326



Sale Information

Sale Price:	\$69,000
Effective Sale Price:	\$74,040
Sale Date:	09/23/2016
Sale Status:	Closed
\$/Acre(Gross):	\$536,133
\$/Land SF(Gross):	\$12.31
\$/Acre(Usable):	\$536,133
\$/Land SF(Usable):	\$12.31
Grantor/Seller:	Gilbert R. Sepulveda, Jr.
Grantee/Buyer:	Alberto Perales, et ux
Assemblage:	Yes
Portfolio Sale:	No
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Seller financing
Terms of Sale:	Promissory note in the amount of \$65,000 made payable to grantor.
Document Type:	Warranty Deed
Recording No.:	20160189741
Verified By:	Melissa Stubblefield
Verification Date:	08/11/2017
Confirmation Source:	Devin Hollan & MLS
Verification Type:	Confirmed-Seller Broker

Other Adj.:	\$5,040
Adjust. Comments:	Upward Adjustment (Estimated Cost To Raze Improvements)
Entitlement @ T.O.S.:	No

Improvement and Site Data

Legal/Tax/Parcel ID:	Lot 13, Block 2, New City Block 8882, Cenizo Park, City of San Antonio, Bexar County, Texas (S & E A Five Foot Strip Of Land) / Prop ID 425115
Acres(Usable/Gross):	0.14/0.14
Land-SF(Usable/Gross):	6,017/6,017
Usable/Gross Ratio:	1.00
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Zoning Code:	C-2
Zoning Desc.:	Commercial District
Easements:	No
Environmental Issues:	No
Flood Plain:	No
Utilities:	Electricity, Water Public, Sewer, Gas, Telephone, CableTV
Source of Land Info.:	Public Records

Sale Analysis

Comments

There is a house on this tract in fair condition and considered to be an interim use. The appraisers estimated the demolition cost of the house at \$5.00 per square foot or \$5,040. The tract was purchased by the adjoining property owner for future expansion or redevelopment. The seller sold the east 5' of the subject to the adjoining property owner to the east on 2/5/2016 for an unknown price. That sale left a remainder tract with the dimensions of 45.42' X 132.48' = 6,017 square feet.

Location & Property Identification

Property Name:	Dollar General Land Site
Sub-Property Type:	Commercial
Address:	500 N. Zarzamora St.
City/State/Zip:	San Antonio, TX 78207
County:	Bexar
Submarket:	North West
Market Orientation:	Suburban
IRR Event ID:	1592306



Sale Information

Sale Price:	\$300,000
Effective Sale Price:	\$398,680
Sale Date:	12/31/2015
Sale Status:	Closed
\$/Acre(Gross):	\$546,137
\$/Land SF(Gross):	\$12.54
\$/Acre(Usable):	\$546,137
\$/Land SF(Usable):	\$12.54
Grantor/Seller:	Land Resources Corporation
Grantee/Buyer:	ODG Zarzamora, LLC
Assemblage:	No
Portfolio Sale:	No
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	20150250400
Verified By:	Melissa Stubblefield
Verification Date:	08/11/2017
Confirmation Source:	Leone
Verification Type:	Confirmed-Seller Broker

Sale Analysis

Other Adj.:	\$98,680
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Adjust. Comments:	Upward Adjustment (Estimated For Buyer To Raze Improvements)
Current Use at T.O.S.:	Land Value
Proposed Use Desc.:	Dollar General
Entitlement @ T.O.S.:	No

Improvement and Site Data

Legal/Tax/Parcel ID:	Lots 3, 4, 5 and 6, New City Block 2820, City of San Antonio, Bexar County, Texas / Prop ID 1246554
Acres(Usable/Gross):	0.73/0.73
Land-SF(Usable/Gross):	31,799/31,799
Usable/Gross Ratio:	1.00
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Desc.:	E/S N. Zarzamora, N/S W. Martin, S/S Cecelia
Zoning Code:	C-2
Zoning Desc.:	Commercial District
Easements:	No
Environmental Issues:	No
Flood Plain:	No
Utilities:	Electricity, Water Public, Sewer, Gas, Telephone, CableTV
Source of Land Info.:	Public Records

Comments

The property was improved with 1 19,376 square feet two-story building at the time of sale. It has been demolished so the site could be redeveloped into a Dollar General Store. Due to the age and construction of the building, the demolished costs were estimated at \$5.00 per square feet of building area or \$98,680. The site was marketed as having 0.79 acres of land area. Once the site was replatted the final site area was 0.73 acres or 31,799 square feet. The new legal description is Lot 13, New City Block 2820, Dollar General W. Martin, San Antonio, Bexar County, Texas.

Location & Property Identification

Property Name:	1802 S Zarzamora Street
Sub-Property Type:	Commercial
Address:	1802 S. Zarzamora Street St.
City/State/Zip:	San Antonio, TX 78207
County:	Bexar
Submarket:	North West
Market Orientation:	Suburban
IRR Event ID:	1470589



Sale Information

Sale Price:	\$440,000
Effective Sale Price:	\$440,000
Sale Date:	01/23/2015
Sale Status:	Closed
\$/Acre(Gross):	\$429,268
\$/Land SF(Gross):	\$9.85
\$/Acre(Usable):	\$429,268
\$/Land SF(Usable):	\$9.85
Grantor/Seller:	Jose I Carrillo, et ux
Grantee/Buyer:	Max Alley Investments, LLC
Assemblage:	No
Portfolio Sale:	No
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	17058/678
Verified By:	Melissa Stubblefield
Verification Date:	05/15/2015
Confirmation Source:	Rick Thompson
Verification Type:	Confirmed-Buyer Broker

Sale Analysis

Current Use at T.O.S.:	Vacant Land
Proposed Use Desc.:	Family Dollar Store
Entitlement @ T.O.S.:	No

Improvement and Site Data

Legal/Tax/Parcel ID:	Lot 47, Block C, New City Block 2533, Family Dollar South Zarzamora, San Antonio, Bexar County, Texas / Acct 02533-001-0470
Acres(Usable/Gross):	1.03/1.03
Land-SF(Usable/Gross):	44,649/44,649
Usable/Gross Ratio:	1.00
Shape:	Rectangular
Topography:	Level
Vegetation:	Minimal
Corner Lot:	Yes
Frontage Desc.:	150 FF W/S of S Zarzamora St, 255 FF S/S Hazel St.
Zoning Code:	C-2
Zoning Desc.:	C-2
Easements:	No
Environmental Issues:	No
Flood Plain:	No
Flood Zone Designation:	X
Utilities:	Electricity, Water Public, Sewer, Gas
Source of Land Info.:	Public Records

Land Sales - Tract B



Location & Property Identification

Property Name:	Las Palapas Site
Sub-Property Type:	Commercial
Address:	SE. Military Dr.
City/State/Zip:	San Antonio, TX 78223
County:	Bexar
Submarket:	South
Market Orientation:	Suburban
Property Location:	North side of SE Military Dr., adjacent to the Home Depot parking lot
IRR Event ID:	1908071



Sale Information

Sale Price:	\$475,000
Effective Sale Price:	\$475,000
Sale Date:	05/25/2017
Sale Status:	Closed
\$/Acre(Gross):	\$390,721
\$/Land SF(Gross):	\$8.97
\$/Acre(Usable):	\$251,070
\$/Land SF(Usable):	\$5.76
Grantor/Seller:	PlainsCapital Bank
Grantee/Buyer:	Tres Cocos Real Estate Holdings, LLC
Assemblage:	No
Portfolio Sale:	No
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	20170101044
Verified By:	Melissa Stubblefield
Verification Date:	02/21/2018
Verification Type:	Confirmed-Buyer Broker

Sale Analysis

Proposed Use Desc.:	Las Palapas
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Entitlement @ T.O.S.:	No
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Improvement and Site Data

MSA:	San Antonio-New Braunfels, TX
Legal/Tax/Parcel ID:	Lot 19, New City Block 10979, Brooks Corner Phase II, City of San Antonio, Bexar County, Texas / Prop ID 1036258
Acres(Usable/Gross):	1.89/1.22
Land-SF(Usable/Gross):	82,410/52,955
Usable/Gross Ratio:	1.56
Shape:	Irregular
Topography:	Level
Vegetation:	Minimal
Frontage Feet:	20
Frontage Desc.:	N/S of SE Military Dr
Frontage Type:	2 way, 3 lanes each way
AccessibilityRating:	Average
Visibility Rating:	Good
Zoning Code:	C-2
Zoning Desc.:	Commercial District
Easements:	No
Environmental Issues:	No
Flood Plain:	No
Flood Zone Designation:	X
Comm. Panel No.:	48029C0580G

Improvement and Site Data (Cont'd)

Date:	09/29/2010
Utilities:	Electricity, Water Public, Sewer, Gas, Telephone, CableTV
Source of Land Info.:	Public Records

Comments

Buyer was a Las Palapas franchisee, but decided against putting a Las Palapas and as of 02/21/2018 has it under contract for \$799,000.



Location & Property Identification

Property Name: 1226 E. Cesar Chavez Blvd.
 Sub-Property Type: Commercial
 Address: 1226 E. Cesar Chavez Blvd.
 City/State/Zip: San Antonio, TX 78210
 County: Bexar
 Submarket: CBD
 Market Orientation: Urban
 Property Location: SWC & NWC E. Cesar Chavez Blvd. and Iowa St.
 IRR Event ID: 1594435



Sale Information

Sale Price: \$1,329,808
 Effective Sale Price: \$1,389,808
 Sale Date: 04/06/2017
 Sale Status: Closed
 \$/Acre(Gross): \$468,106
 \$/Land SF(Gross): \$10.75
 \$/Acre(Usable): \$468,106
 \$/Land SF(Usable): \$10.75
 Grantor/Seller: Elvira V Garcia Revocable Trust
 Grantee/Buyer: 643 Caesar Chavez, JV
 Assemblage: No
 Portfolio Sale: No
 Assets Sold: Real estate only
 Property Rights: Fee Simple
 % of Interest Conveyed: 100.00
 Financing: Cash to seller
 Document Type: Warranty Deed
 Recording No.: 18450/386, 397 & 413
 Verified By: Melissa Stubblefield
 Verification Date: 08/17/2017
 Confirmation Source: Confidential
 Verification Type: Confirmed-Buyer

Adjust. Comments:
 Current Use at T.O.S.:
 Entitlement @ T.O.S.:

Demolition Costs
 Commercial
 No

Improvement and Site Data

Legal/Tax/Parcel ID: Lots 1 thru 17, Block 5, New City Block 643, and also being a portion (0.122 acre tract) of Durango Street, City of San Antonio, Bexar County, Texas.

Acres(Usable/Gross): 2.97/2.97
 Land-SF(Usable/Gross): 129,329/129,329
 Usable/Gross Ratio: 1.00
 Shape: Irregular
 Topography: Level
 Vegetation: Minimal
 Corner Lot: Yes
 Frontage Desc.: 4 Street
 Zoning Code: C-3R & I-1
 Zoning Desc.: C-3R & I-1
 Easements: No
 Environmental Issues: No
 Flood Plain: No
 Flood Zone Designation: X
 Utilities: Electricity, Water Public, Sewer, Gas, Telephone, CableTV

Sale Analysis

Other Adj.: \$60,000

Source of Land Info.: Public Records

Comments

The property was improved with numerous older structures at the time of sale. However, the sale was negotiated as land value and the broker estimated demolition costs at approximately \$60,000.

Location & Property Identification

Property Name:	8878 SW Loop 410
Sub-Property Type:	Commercial, Retail
Address:	8878 SW. Loop 410
City/State/Zip:	San Antonio, TX 78242
County:	Bexar
Submarket:	South
Market Orientation:	Suburban
IRR Event ID:	1471209



Sale Information

Sale Price:	\$500,000
Effective Sale Price:	\$500,000
Sale Date:	01/27/2016
Sale Status:	Closed
\$/Acre(Gross):	\$400,000
\$/Land SF(Gross):	\$9.18
\$/Acre(Usable):	\$531,237
\$/Land SF(Usable):	\$12.20
Grantor/Seller:	Pearsall Road LLC
Grantee/Buyer:	Pearsall Pointe LLC
Assemblage:	No
Portfolio Sale:	No
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	20160017514
Verified By:	Melissa Stubblefield
Verification Date:	06/15/2016
Confirmation Source:	DH Realty-Gilles Ghez
Verification Type:	Confirmed-Seller Broker

Sale Analysis

Current Use at T.O.S.:	Vacant Land
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Improvement and Site Data

Legal/Tax/Parcel ID:	Out of Lot 4, Block 1, NCB 15249; Pearsall Business Park II, San Antonio, Bexar County, Texas. / Prop ID 572764
Acres(Usable/Gross):	0.94/1.25
Land-SF(Usable/Gross):	40,997/54,450
Usable/Gross Ratio:	0.75
Shape:	Irregular
Frontage Feet:	248
Frontage Desc.:	FF NE/S Loop 410
Zoning Code:	C-3R
Zoning Desc.:	Commercial District
Easements:	Yes
Utilities Desc.:	All
Source of Land Info.:	Public Records

Comments

Net usable area 40,997 sqft

Location & Property Identification

Property Name: 7035 S. New Braunfels
 Sub-Property Type: Commercial
 Address: 7035 S. New Braunfels
 City/State/Zip: San Antonio, TX 78223
 County: Bexar
 Submarket: South
 Market Orientation: Suburban
 IRR Event ID: 1471398



Sale Information

Sale Price: \$797,148
 Effective Sale Price: \$797,148
 Sale Date: 02/27/2015
 Sale Status: Closed
 \$/Acre(Gross): \$435,600
 \$/Land SF(Gross): \$10.01
 Grantor/Seller: City Base West LP
 Grantee/Buyer: Cross Dev CC SA Brooks City LLC
 Assemblage: No
 Portfolio Sale: No
 Assets Sold: Real estate only
 Property Rights: Fee Simple
 Financing: Cash to seller
 Document Type: Warranty Deed
 Recording No.: 17108/1779
 Verified By: Melinda M. Ward
 Verification Date: 03/01/2015
 Verification Type: Confirmed-Confidential

Legal/Tax/Parcel ID: Lot 29, Block 1, NCB 10934, Calicar-Caliber Subd; 10934-001-0290
 Acres(Gross): 1.83
 Land-SF(Gross): 79,671
 Shape: Rectangular
 Topography: Level
 Frontage Desc.: None-Access via Ingress/Egress from S New Braunfel
 Traffic Flow: Moderate
 AccessibilityRating: Average
 Visibility Rating: Average
 Zoning Desc.: C-3
 Flood Plain: No
 Flood Zone: None
 Utilities: Electricity, Water Public, Sewer, Gas, Telephone, CableTV
 Utilities Desc.: All Available
 Source of Land Info.: Broker

Sale Analysis

Current Use at T.O.S.: Vacant Land
 Proposed Use Desc.: Caliber Collision

Improvement and Site Data

Comments

Interior tract originating from within the City Base West development; Future Caliber Collision Auto Body Repair

Addendum D

Engagement Letter

total
appraisal
management
& review

August 16, 2018

William C. Robinson, III, MAI
Managing Director
Integra Realty Resources
909 NE Loop 410, Suite 636
San Antonio, Texas 78209

Dear Mr. Robinson:

This letter will serve as TAMR's engagement of your services to perform an appraisal on the following property. The specifics of the engagement, including the agreed upon fee and delivery date are listed below. The appraisal reports must be addressed to the client, but sent to TAMR, to the address shown below. Any questions pertaining to this assignment should be addressed with the client contact first.

The appraisal must comply with the most recent edition of the Uniform Standards of Professional Appraisal Practice, Title XI of "FIRREA" and the 2010 Interagency Appraisal and Evaluation Guidelines. Failure to comply with any of the above requirements may result in rejection of the appraisal. In addition, payment of the fee is subject to a review of the appraisal for compliance with the above mentioned requirements. Should you experience any delays in the performance of this appraisal please notify us, in writing via e-mail, no less than five days prior to the due date. The appraisal and information gathered in the development of this appraisal are confidential information and should be treated as such.

Please note that a \$100 per day fine will be imposed for reports not delivered as promised or without prior, one weeks notice of delay.

Please make sure the following items are included in every report as indicated:

- ☐ Photographs of the subject property, comparable improved sales and comparable rents
- ☐ Invoice made out to TAMR
- ☐ Aerial photo with the subject property outlined
- ☐ Supporting documents in the Addendum including, as applicable:
 - Engagement Letter
 - Contracts
 - Leases
 - Costs
 - Financial statements and Rent Rolls
 - Argus Input Assumptions
- ☐ Note any known or viable environmental hazard such as underground storage tanks, storage containers with known or unknown contents, evidence of soil staining, building materials containing asbestos, etc
- ☐ Determine whether the property being appraised is located within a Special Flood Hazard Area
- ☐ Cap rate analysis should include at least two sources from the following: comparable sales, investor surveys, published surveys, debt coverage ratio and band of investment technique

Sincerely,



Sara Jones Oates
Agent for Security Bank
Total Appraisal Management & Review

TAMR
106 E. Sixth Street, Suite 900
Austin, Texas 78701



512.402.0029



TotalAMR.com

**REQUEST INFORMATION
FROM:**

*Loan Officer -
Derek Rosson
Email -
drosson@mysbank.com*

**ADDRESS REPORTS TO
INTENDED USER:**

*Derek Rosson
Security Bank
Loan Processing
2526 North Loop 1604
West
San Antonio, TX 78248*

**SEND REPORTS &
INVOICE TO:**

*Lexi Rourke
Total Appraisal
Management
& Review
Lexi@totalamr.com*

REPORT DELIVERY:

*1 PDF to TAMR via email
and 2 hard copies to the
bank after TAMR review*

PROPERTY ADDRESS:

Pleasanton Rd and S Flores St, San Antonio, TX 78214

GENERAL PROPERTY DESCRIPTION:

Two values, one report. 2 tracts under separate purchase contracts. Tract A is 0.5078 acres and Tract B is 2.034 acres. Both tracts have existing structures that will eventually be razed. The bank has requested a value of the land component of the real estate only. See Standards Rule 1-2 (e)(v) or FAQ 184 for clarification.

LEGAL DESCRIPTION:

0.5078 acres (Tract A) & 2.034 acres (Tract B), being portions of Block 1, NCB 6230, H A Neal Property Subdivision, Bexar County, Texas

CONTACT PERSON FOR INSPECTION:

Mark Granados (210)378-1209 granados@gfrdevelopment.com

INTENDED USE: *New loan*

TYPE REPORT: *FKA Summary*

APPRAISAL STATUS: *As Is*

INCLUDE FF&E IN VALUE: *No*

FEE:
\$1,675

DUE DATE:
August 30, 2018

Accepted:



Dated:

8/21/18

Listing of Structure and Property for Sale or Rent

Unable to market for sale or lease due to the building's present condition. There is no way for to comply with City and State code.

Consideration Given by Owner to Profitable Adaptive Uses for the Structure & Property

Unable to do so due to the fact that there are no adaptive uses for the premises that comply with City & State code.



AMERICAN MOMENTUM BANK[®]

June 17, 2020

RE: Mark Granados Et al.

To the Historic and Design Review Commission:

At the request of our client, Mr. Mark Granados, please be advised of the following information regarding his relationship with American Momentum Bank. We currently have several demand deposit accounts with various entities owned and/or managed by Mr. Granados.

In addition, we have provided entities related to Mr. Granados with various type of credit including SBA and real estate debt. This includes financing to acquire the property located at 4007 S Flores. Our relationship with Mr. Granados is in the high 7-figure range.

Entities related to Mr. Granados that do business with American Momentum Bank have maintained a satisfactory relationship with our Bank since 2018. Please extend every appropriate accommodation to our customer.

If I can be of further assistance in this matter, please do not hesitate to call me at 210-408-4826.

Sincerely,

Eric D. Neal
Vice President, Commercial Relationship Manager

AMERICAN MOMENTUM BANK

americanmomentum.bank

San Antonio 1604 - 2526 North Loop 1604 West - San Antonio, Texas 78248

Phone 210-493-8844 - Fax 210-493-8484

Member FDIC Equal Housing Lender



June 16, 2020

Historic and Design Review Commission of San Antonio
San Antonio, TX..

Dear Commission Members:

Vista Bank has previously financed a real estate development and investment project for Mark D. Granados/ GFR Development Services.

Subject to our standard underwriting and due diligence, Vista would be interested in financing the redevelopment of 4007 Flores in San Antonio. It has been indicated that the total project costs for the Flores project could be \$15,000,000. It is not known at this time what the estimated proposed loan amount would be.

Sincerely,

Blair Mercer

SVP

214-535-7252

Property Address: 202 PLEASANTON RD SAN ANTONIO, TX 78214		Tracking #1: High Cay
Effective Date of Value: 2/5/2020		Date of Report: 2/7/2020
Loan: 7119100	Borrower Name: HIGH CAY, LLC	Tracking #2:

Property Detail

Gross Building Area (SF): 27,206	
# Buildings: 1 # Units: 1	Lot Size (Ac.): 0.59
County: Bexar	Location: Low Average
Yr. Built: 1950	Price/SqFt: \$21.32
Market Vacancy Rate: 10%	Vac. Rate Datasource: CoStar
General Condition: Low Average	\$Rent/SF/Month: \$.35
On-Site Parking? Yes	# of Parking Spaces: 16
Occupancy? Vacant	% Occupied:
Current Land Use: RETAIL > Freestanding Retail	
Current Zoning:	Commercial C-3NA
	LEGAL
Projected Use: RETAIL	
Predominant Lease Types: Modified Gross	Assessor's Value: \$481,950
Assessed Year: 2019	RE Taxes: \$13,660
Data Source used to verify Property Detail: RealQuest	

Property Image

Subject: 202 PLEASANTON RD



Parcel Numbers

373213

Market Trends

Commercial Property Values:	<input type="checkbox"/> Stable <input checked="" type="checkbox"/> Increasing <input type="checkbox"/> Decreasing	Commercial Vacancy:	<input type="checkbox"/> Stable <input checked="" type="checkbox"/> Increasing <input type="checkbox"/> Decreasing
Transaction Volume:	<input type="checkbox"/> Stable <input checked="" type="checkbox"/> Increasing <input type="checkbox"/> Decreasing		

Property Description Comments

Please provide a detailed description of the subject property in regards to tenant type/tenant names, physical condition, any deferred maintenance, out-buildings, overall appeal, conforming use, activity at the property, covered parking, etc.

Comments:

The subject per CoStar data is a freestanding retail building with 27,206 square feet. Per the Bexar County record, The... (see addendum)

Site Comments

Please comment on any positive or negative factors in regards to location, external influences, environmental concerns, zoning issues, known prior uses of the subject, access issues, parking issues, etc.

Comments:

The agents' routine inspection and inquiry about the subject did not reveal any information that indicated any adverse... (see addendum)

Rental Information

In the textbox below, please include as much of the following as possible:

Comments:

The valuator did not have access to the subject's current income and expenses. The Vacancy Rate of 10% and rents of \$0.35... (see addendum)

Comparable Rentals

	Subject	Rental #1	Rental #2	Rental #3
Address	202 PLEASANTON RD	110 W JOSEPHINE ST	1101 BROADWAY ST	1230-1248 AUSTIN HWY
City, State	SAN ANTONIO, TX	SAN ANTONIO, TX	SAN ANTONIO, TX	SAN ANTONIO, TX
Zip	78214	78212	78215	78209
Dist. (Mi)		4.4	3.8	7.98
Rent/SF/Month	.35	0.25	0.41	0.4
Property Type	RETAIL > Freestanding Retail	RETAIL > Freestanding Retail	RETAIL > Freestanding Retail	RETAIL > Freestanding Retail
GBA (SF)	27,206	15,884	16,750	20,056
Year Built	1950	1930	1945	1981
Typical Lease Type		Triple-Net	Modified Gross	Modified Gross
Condition	Low Average	Low Average	High Average	High Average
Location	Low Average	Low Average	High Average	High Average
Datasource		CoStar	CoStar	CoStar

Comparable Rentals Comments (Reasoning behind selection of and emphasis on specific Rentals)

Rental #1:	Comparable rental # 1 is a similar use type retail property. Comparable is similar in condition and in location as compared to the subject.
Rental #2:	Comparable rental # 2 is a similar use type retail property. Comparable is superior in condition and in location as compared to the subject.
Rental #3:	Comparable rental # 3 is a similar use type retail property. Comparable is superior in condition and in location as compared to the subject.

Subject Property Listing Information

Subject Property Currently Listed?	No	Are there "For Sale/For Lease" signs on the subject?	No
Listing Price:		Days on Market:	
		Data Source:	

Subject Property Transaction History

Is there sales transaction history available via the county assessor? No

List Price	Date Listed	Sold Price	Date Sold	Notes
				NO MLS AVAILABLE

Comparable Listings

	Subject	Listing #1	Listing #2	Listing #3
Address	202 PLEASANTON RD	606 ZORN ST	1718-1724 AVENUE M	205 N OAK ST
City, State	SAN ANTONIO, TX	SEQUIN, TX	HONDO, TX	PEARSALL, TX
Zip Code	78214	78155	78861	78061
Price		249,000	408,000	600,000
Price/SqFt		20.50	34.00	36.79
Distance (Mi)		34.5	38.51	49.31
GBA (SF)	27,206	12,145	12,000	16,309
# Units	1	1	1	1
Year Built	1950	1960	1906	1975
Lot Size (Ac)	0.59	0.43	0.14	1.67
Condition	Low Average	Low Average	Low Average	Low Average
Location	Low Average	Low Average	Low Average	Low Average
DOM		1350	1021	184
Property Type	RETAIL > Freestanding Retail	RETAIL > Freestanding Retail	RETAIL > Storefront (1-3 Units)	RETAIL > Freestanding Retail
Listing/ID #		8198389	5007227	6716032
Datasource		CoStar	CoStar	CoStar

Comparable Listings Comments (Reasoning behind selection of and emphasis on specific Current Listings)

Listing #1:	Listing comparable #1 is a similar use type Freestanding retail Building Constructed in 1960. Comparable is inferior in overall square feet. Comparable is newer in age, equal in condition and in location as compared to that of the subject property. Comparable acreage is inferior.
Listing #2:	Listing comparable #2 is a similar use type storefront retail Building Constructed in 1906. Comparable is inferior in overall square feet. Comparable is older in age, equal in condition and in location as compared to that of the subject property. Comparable acreage is inferior.
Listing #3:	Listing comparable #3 is a similar use type storefront retail Building Constructed in 1975. Comparable is inferior in overall square feet. Comparable is newer in age, equal in condition and in location as compared to that of the subject property. Comparable acreage is inferior.

Comparable Sales

	Subject	Sale #1	Sale #2	Sale #3
Address	202 PLEASANTON RD	616-618 BROADWAY ST	3718 BLANCO RD	1305 SW LOOP 410
City, State	SAN ANTONIO, TX	SAN ANTONIO, TX	SAN ANTONIO, TX	SAN ANTONIO, TX
Zip Code	78214	78215	78212	78227
List Price		461,446	275,157	1,483,138
Sale Price		461,446	275,157	1,483,138
Price/SqFt		26.47	17.13	36.66
Distance (Mi)		3.42	6.66	9.19
GBA (SF)	27,206	17,431	16,065	40,455
# Units	1	1	1	1
Year Built	1950	1940	1965	1985
Lot Size (Ac)	0.59	0.23	0.52	8.34
Condition	Low Average	Low Average	Low Average	High Average
Location	Low Average	Low Average	Low Average	High Average
Sale Date		3/26/2018	3/30/2018	11/27/2019
Property Type	RETAIL > Freestanding Retail	RETAIL > Storefront (1-3 Units)	RETAIL > Freestanding Retail	RETAIL > Freestanding Retail
Datasource		CoStar	CoStar	CoStar
Condition Adj. (+/-)%		- 0 %	- 0 %	- 5 %
Location Adj. (+/-)%		- 0 %	- 0 %	- 5 %
Other Adj. (+/-)%		- 2.5 %	- 5 %	- 10 %
Adjustments (\$ +/-)		-11,536	-13,758	-296,628
Adj Price/SqFt		25.81	16.27	29.33

Comparable Sale Comments (Reasoning behind selection of and emphasis on specific Sales)

Sale #1:	Sales comparable #1 is a similar use type Storefront retail Building Constructed in 1940. Comparable is inferior in overall square feet. Comparable is older in age, equal in condition and in location as compared to that of the subject property. Comparable acreage is inferior. A value adjustment is needed for comparables inferior square feet, economies of scale (other -5%) and inferior acreage (other +2.5%) as compared to that of the subject property.
Sale #2:	Sales comparable #2 is a similar use type Freestanding retail Building Constructed in 1965, zoned C3NA similar to the subject. The comparable is retail space with a warehouse area similar to the subject. Comparable is inferior in overall square feet. Comparable is newer in age, equal in condition and in location as compared to that of the subject property. Comparable acreage is similar. A value adjustment is needed for comparables inferior square feet, economies of scale (other -5%) as compared to that of the subject property.
Sale #3:	Sales comparable #3 is a similar use type Freestanding retail Building Constructed in 1985, zoned C3 similar to the subject. The comparable is retail space similar to the subject. Comparable is superior in overall square feet. Comparable is newer in age, superior in condition and in location as compared to that of the subject property. Comparable acreage is superior. A value adjustment is needed for comparables superior square feet, economies of scale (other +5%), and superior acreage (other -15%) and comparables superior condition and location as compared to that of the subject property.

VALUE BY COMPARISON APPROACH:

\$644,000

Value by Sales Comparison Approach Comments:

The Value by Comparison Approach was derived based upon a review of all comparables available giving special consideration to those within the closest proximity of the subject, and the market conditions in each location. After careful review and consideration, the best comparables were selected. Then, each selected comparable was carefully compared with the subject for size, age, condition, overall utility, location, and market conditions. After such review, the value, by comparison, was determined.

Income Approach

INCOME		OPERATING EXPENSES	
GROSS ANNUAL INCOME (GAI):	\$ 114,265	Property Taxes:	\$ 13,660
Reimbursements:	\$ 0	Utilities:	\$ 3,500
Additional Income:	\$ 0	Maintenance & Insurance:	\$ 15,000
Est. Vacancy & Collection Losses: 10%	\$ 11,426	Op. Exp.: Managem't: 4% Reserves: 4%	\$ 8,227
EFFECTIVE GROSS ANN. INCOME (EGAI):	\$ 102,839	Total Operating Expenses:	\$ 40,387
		NET OPERATING INCOME:	\$ 62,452
\$Rent/SF/Month:	\$.35	CAPITALIZATION	
Predominant Lease Types:	Modified Gross	Capitalization Rate:	12%
		Cap. Rate Datasource:	CoStar
VALUE BY INCOME APPROACH			
\$520,000			

Income Approach Comments:

The valuator did not have access to the subject's current income and expenses. The Vacancy Rate of 10% and rents of \$0.35 per square foot per month were based on rents for similar use type rental properties in the area of the subject per information obtained through CoStar analytics. The Cap Rate reflects the current investor demand and the overall age, location, and condition of the subject property. The expenses are based off market assumption for similar use type rental properties on a modified gross basis.

Reconciliation Grid

Price-Per-Square-Foot Range		
	From:	To:
Unadjusted Listings:	\$20.50	\$36.79
Unadjusted Sales:	\$17.13	\$36.66
Adjusted Sales:	\$16.27	\$29.33
Price-Per-Square-Foot		
Value by Income Approach:	\$19.11	

Reviewer Comments

• Please note that one or more comparables were replaced by an LRES Corp Quality Assurance Analyst. The field agent listed on the report supplied the current original inspection, and incorporated local market information into the report, but the final value conclusion was arrived at by the Analyst on the electronic signature.

The subject's property detail information was confirmed by the County Assessor. The final value was derived by the sales comparison approach. The number of sales comparables in the subject's area was inadequate and the valuator had to expand the search parameters (including type, location, square feet, and age) in order to obtain a reasonable set of comparables within the subject's market area to work with. All sales comparables were given some weight as all share similar economic amenities with the subject property. The established value falls within the established resale range. The Value By Comparison Approach was derived based upon a review of all... (see addendum)

QA Analyst, LAURA ANN GRUNENWALD, did not personally inspect the subject property. The property's physical condition was confirmed by the Field Agent, LONDON MATLOCK, who performed an interior inspection on 2/5/2020.

Market Value Conclusions

	Gross Price	Price-Per-Square-Foot
"As Is" Market Value in FEE SIMPLE Ownership:	580,000	\$21.32
"As Repaired" Value:	580,000	\$21.32
"Quick Sale" Value:	522,000	\$19.19
Land Value Estimate:	175,000	

Valuator Information

Name: LONDON MATLOCK	Company: MATLOCK REALTY SERVICES	Email: london@mlsdot.com	Phone: 830-734-3501	Distance: 13.72
----------------------	----------------------------------	--------------------------	---------------------	-----------------

Quality Assurance Analyst

Name:
LAURA ANN GRUNENWALD

Phone:
775-624-2115

Email:
commercial@lrescorp.com

Signature valid

Digitally signed by *.insidevaluation.com
Date: 2020.02.07 16:22:00 -0800
Reason: PREPARED BY LAURA ANN GRUNENWALD
Location: 9790 GATEWAY RD STE 230 RENO NV
89521

Property Description Comments Continued:

subject includes Retail/Discount space and 6,000 square feet of storage/warehouse. There is parking available on the premises with surface parking for approximately 16 +/- vehicles, which appears adequate for its use and type. The subject is an existing structure and appears to be legal and conforming in use type. The subject improvements are functional. The subject improvement appears to be in low average condition for its age with no signs of deferred maintenance, given the scope of this report. The subject site/location is low average based on the permitted use, immediate area location, and access and exposure. The subject has average visibility and access. The overall appeal of the subject is average. Subject details were verified using county records and RealQuest. The number of sales comparables in the subject's area was inadequate and the valuator had to expand the search parameters (including type, location, square feet, and age) in order to obtain a reasonable set of comparables within the subject's market area to work with.

Site Comments Continued:

externalities which would negatively affect the subject property. There were no apparent easements, encroachments or other conditions evident at the time of inspection. There is no known economic or functional obsolescence within the subject's immediate market area. The subject has access to all necessary supporting facilities including schools, shopping, and recreation. The subject is not located in a Special Hazard Area (Zone X; Flood Zone Panel #480045 - 48029C0395G Panel Date 09/29/2010). Zone X is an area that is determined to be outside the 100 and 500-year floodplains.

Rental Information Comments Continued:

per square foot per month were based on rents for similar use type rental properties in the area of the subject per information obtained through CoStar analytics. The Cap Rate reflects the current investor demand and the overall age, location, and condition of the subject property. The expenses are based off market assumption for similar use type rental properties on a modified gross basis.

Reviewer Continued:

comparables available giving special consideration to those within the closest proximity of the subject, and the market conditions in each location. After careful review and consideration, the best comparables were selected. The Quick Sale Value reflects an estimated 10% reduction to the Estimated Market Value.



Subject: 202 PLEASANTON RD
View: Front
Current Market Value 'As Is': 580,000
Price/SqFt: 21.32



Subject: 202 PLEASANTON RD
View: Side
Current Market Value 'As Is': 580,000
Price/SqFt: 21.32



Subject: 202 PLEASANTON RD
View: Side
Current Market Value 'As Is': 580,000
Price/SqFt: 21.32



Subject: 202 PLEASANTON RD
View: Street
Current Market Value 'As Is': 580,000
Price/SqFt: 21.32



Subject: 202 PLEASANTON RD
View: Street
Current Market Value 'As Is': 580,000
Price/SqFt: 21.32



Subject: 202 PLEASANTON RD
View: Back
Current Market Value 'As Is': 580,000
Price/SqFt: 21.32



Subject: 202 PLEASANTON RD
View: Interior
Current Market Value 'As Is': 580,000
Price/SqFt: 21.32



Subject: 202 PLEASANTON RD
View: Interior
Current Market Value 'As Is': 580,000
Price/SqFt: 21.32



Subject: 202 PLEASANTON RD
View: Interior
Current Market Value 'As Is': 580,000
Price/SqFt: 21.32



Subject: 202 PLEASANTON RD
View: Interior
Current Market Value 'As Is': 580,000
Price/SqFt: 21.32



Subject: 202 PLEASANTON RD
View: Interior
Current Market Value 'As Is': 580,000
Price/SqFt: 21.32



Subject: 202 PLEASANTON RD
View: Interior
Current Market Value 'As Is': 580,000
Price/SqFt: 21.32



Comparable Listing 1: 606 ZORN ST, Seguin, TX
 78155-5440
View: Front
Distance (Miles): 34.5
Current List Price: 249,000
Price/SqFt: 20.50



Comparable Listing 2: 1718-1724 AVENUE M,
 Hondo, TX 78861-1758
View: Front
Distance (Miles): 38.51
Current List Price: 408,000
Price/SqFt: 34.00



Comparable Listing 3: 205 N OAK ST, Pearsall, TX
 78061-3217
View: Front
Distance (Miles): 49.31
Current List Price: 600,000
Price/SqFt: 36.79



Comparable Sale 1: 616-618 BROADWAY ST, San Antonio, TX 78215-1822
View: Front
Distance (Miles): 3.42
Sale Price: 461,446
Price/SqFt: 26.47



Comparable Sale 2: 3718 BLANCO RD, San Antonio, TX 78212-1300
View: Front
Distance (Miles): 6.66
Sale Price: 275,157
Price/SqFt: 17.13



Comparable Sale 3: 1305 SW LOOP 410, San Antonio, TX 78227-1610
View: Front
Distance (Miles): 9.19
Sale Price: 1,483,138
Price/SqFt: 36.66



Comparable Rental 1: 110 W JOSEPHINE ST, SAN ANTONIO, TX 78212
View: Front
Distance (Miles): 4.4
GBA: 15,884
Rent/SF/Month: 0.25



Comparable Rental 2: 1101 BROADWAY ST, SAN ANTONIO, TX 78215
View: Front
Distance (Miles): 3.8
GBA: 16,750
Rent/SF/Month: 0.41



Comparable Rental 3: 1230-1248 AUSTIN HWY, SAN ANTONIO, TX 78209
View: Front
Distance (Miles): 7.98
GBA: 20,056
Rent/SF/Month: 0.4



- 1 Listing #1:** 606 ZORN ST, Seguin, TX 78155-5440
- 2 Listing #2:** 1718-1724 AVENUE M, Hondo, TX 78861-1758
- 3 Listing #3:** 205 N OAK ST, Pearsall, TX 78061-3217
- 1 Sale #1:** 616-618 BROADWAY ST, San Antonio, TX 78215-1822
- 2 Sale #2:** 3718 BLANCO RD, San Antonio, TX 78212-1300
- 3 Sale #3:** 1305 SW LOOP 410, San Antonio, TX 78227-1610
- 1 Rental #1:** 110 W JOSEPHINE ST, San Antonio, TX 78212-4103
- 2 Rental #2:** 1101 BROADWAY ST, San Antonio, TX 78215-1302
- 3 Rental #3:** 1230-1248 AUSTIN HWY, San Antonio, TX 78209-4820

ASSUMPTIONS AND LIMITING CONDITIONS

LRES Corporation will not be responsible for matters of a legal nature affecting title to the property, nor is any opinion rendered. Property titles are assumed to be good and merchantable unless otherwise noted.

Unless otherwise noted in this report, the existence of hazardous material, which may or may not be present on the property, hidden or unapparent conditions of the property, deficiencies of subsoil or structures which would render the property more or less valuable, was not observed by the field agent. LRES Corporation has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. LRES Corporation will not be responsible for any such conditions that do exist or for any engineering or outside testing that might be required to discover whether such conditions exist.

Neither LRES Corporation, nor its field agents, will be required to give testimony or appear in court because of having made this report, unless specific arrangements have been made beforehand.

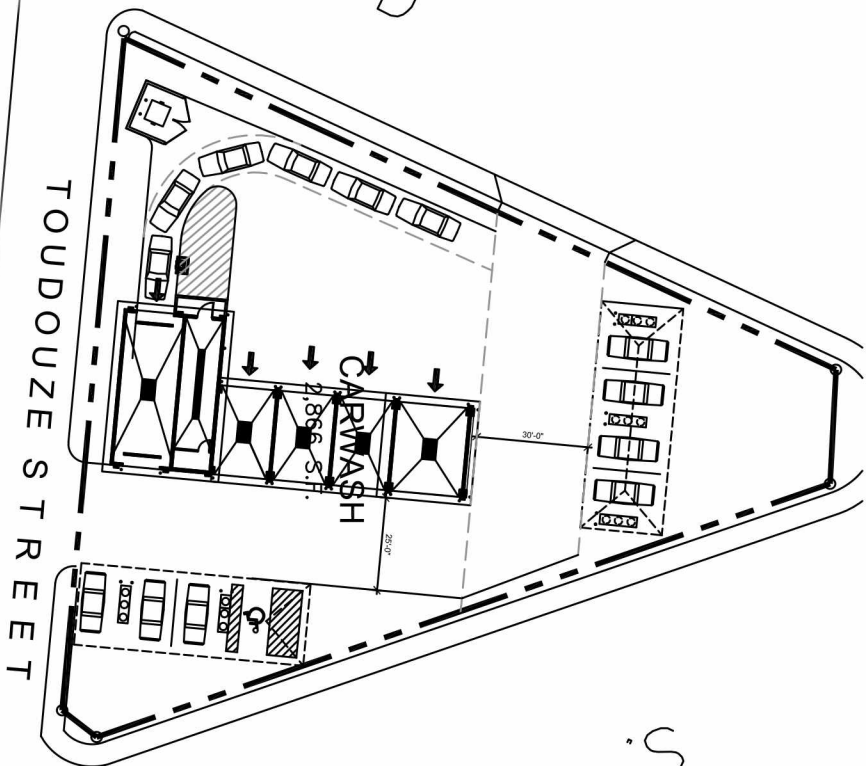
Information regarding the subject's physical characteristics was obtained either from information supplied on the evaluation request, or from third party sources that LRES Corporation considers to be reliable and believes the data to be true and correct. LRES Corporation does not assume responsibility for the accuracy of such data that were furnished by other parties.

This real estate evaluation is not an appraisal. The information contained in this report has been provided by a real estate licensee who has certified that he or she does not have a current, active listing agreement related to the subject property, have no direct, indirect or prospective interest, financial or otherwise, in the property or transaction and is not representing either buyer or seller of the property in a pending transaction. This report is not intended to comply with the requirements set out in the Uniform Standards of Professional Appraisal Practice (USPAP). This report should be used in accordance with all federal and state laws and regulations applicable to financial and lending institutions. It is our belief that this Commercial Evaluation report provides the information described in the definition of "Evaluations" found in Appendix D of the December 10, 2010 Appraisal and Evaluation Interagency Guidelines, in the Evaluation Development of Section XII and in the Evaluation Content of section XIII. This evaluation report utilizes the definition of Market Value, as contained in the Interagency Guidelines. Market value is based on the subject's actual physical condition, current land use, and projected use for the property. The current land use and projected use are as of the date of inspection. In certain cases the subject's use will conflict with its zoning. If the subject's county allows for a legal non-conforming use, then the subject's market value will be based on its current use. However, if a county does not allow for a legal non-conforming use, then the subject's market value will be based on its current zoning.

Property Tax Exemptions Claimed in Past 5 Years

N/A

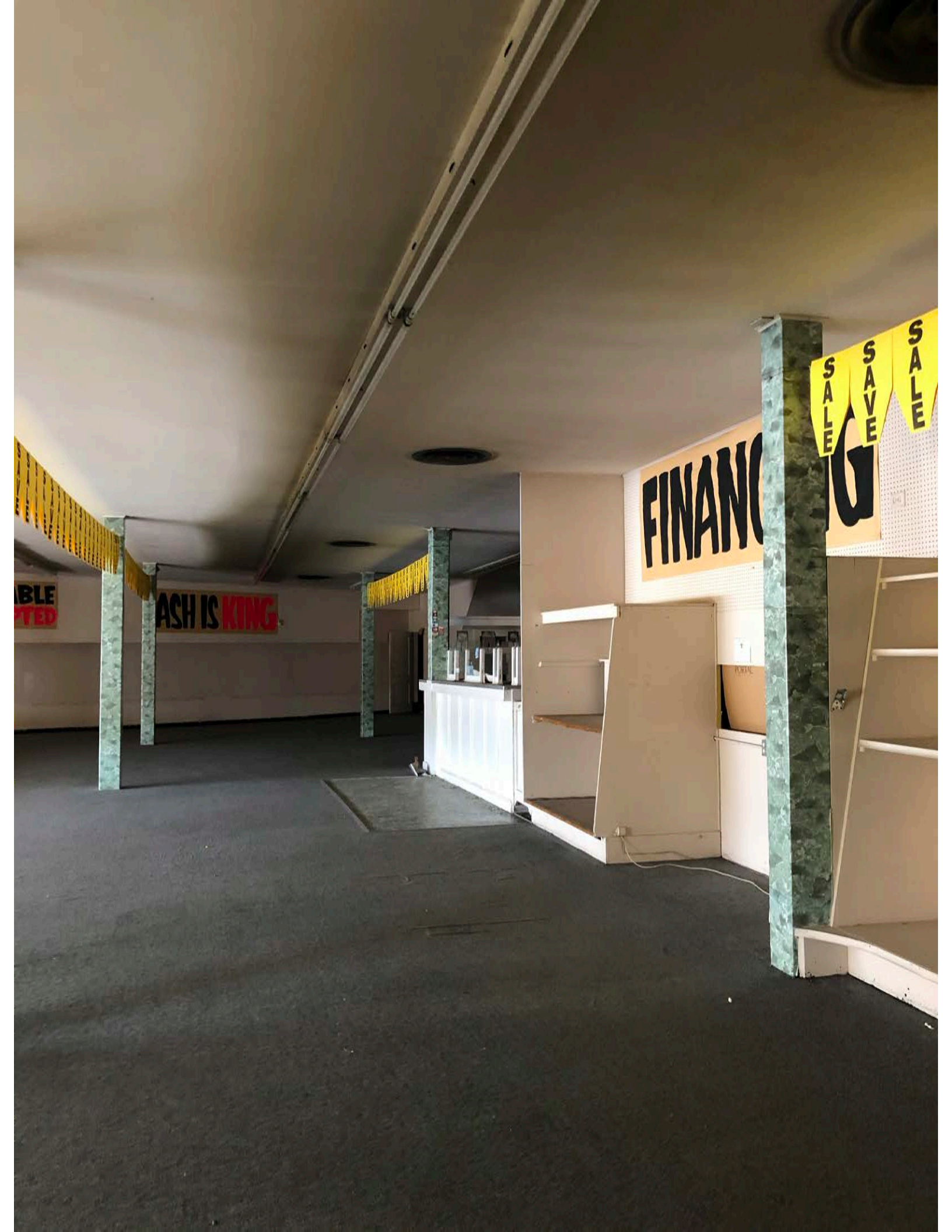
PLEASANTON ROAD



S. FLORES ST.



0 10 20 40 60
1" = 20'



ABLE
TED

ASH IS KING

FINANC

SALE
SAVE
SALE



**NO
CREDIT
NEEDED**

90 DAY PAYMENT
OPTION

SALE

TO 18 MO
ERS

MUST GO

SALE

ALL REASONABLE OFF



FINANCING





ALL MUST GO

ALL REASO



ACCEPTED



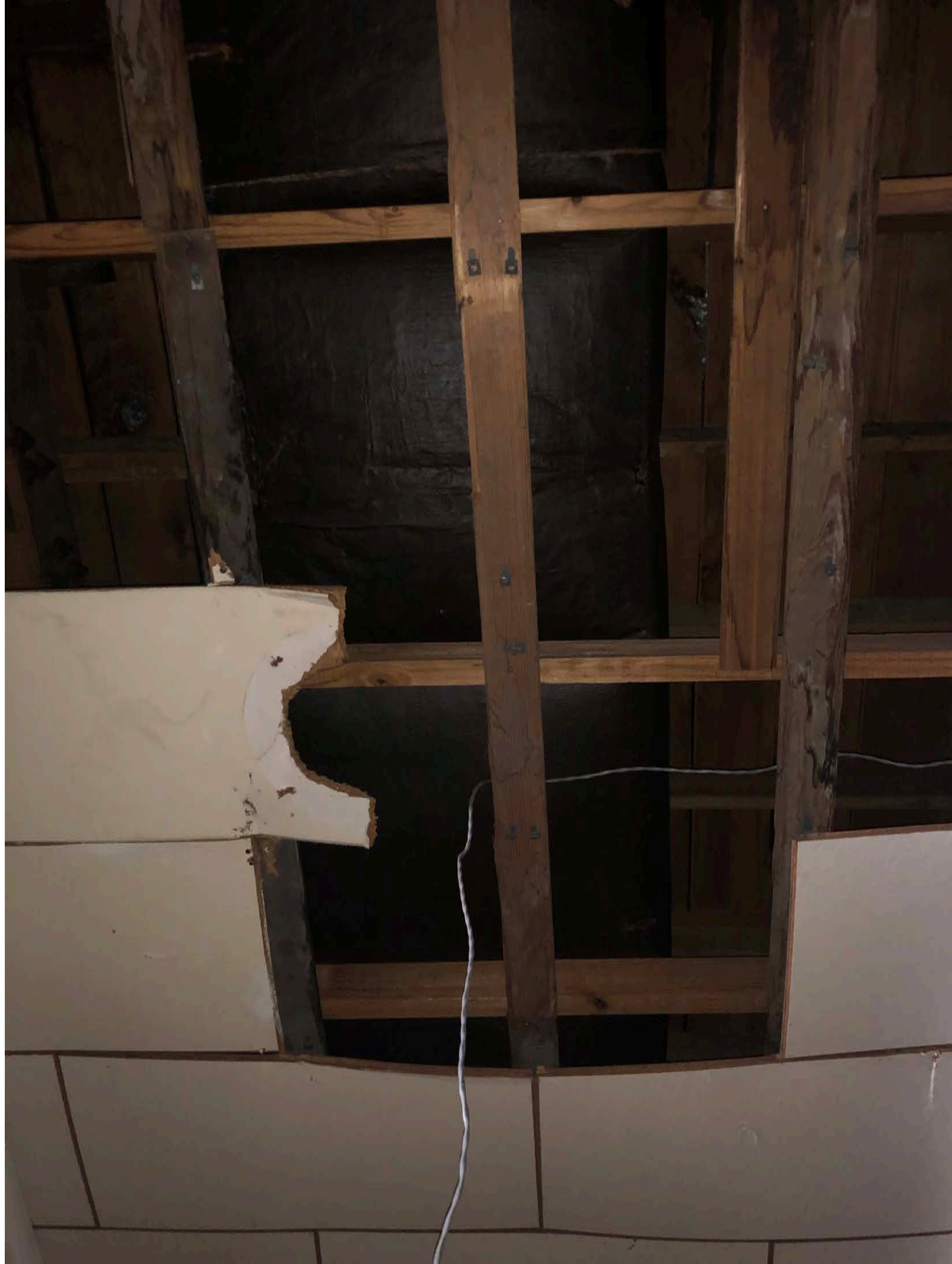
EMPLOYEES

ONLY!

Do Not Enter.











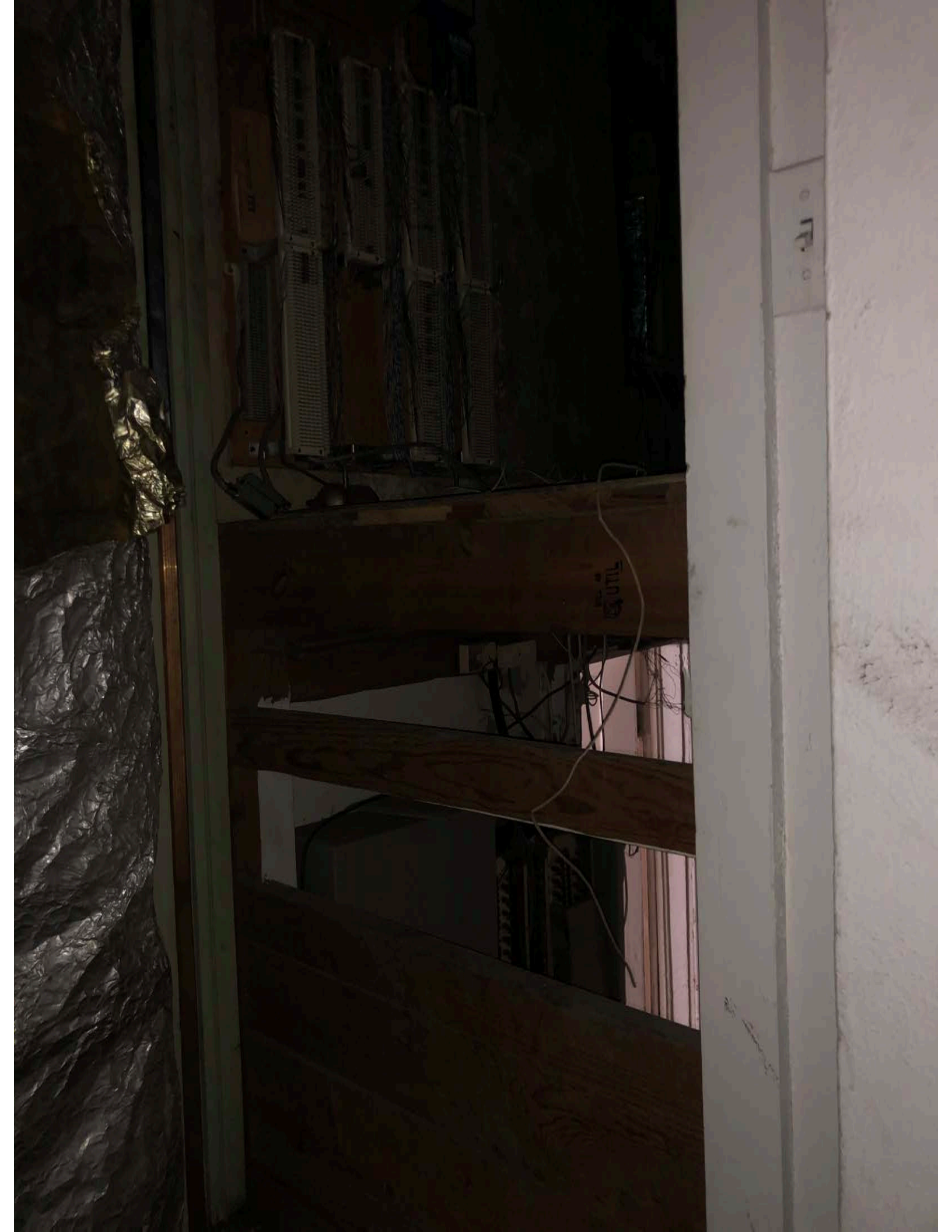




OFF
LIMITS
TO ANYONE
EXCEPT

A
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A







SALE SAVE SALE SAVE SALE SAVE SALE SAVE SALE

SALE SAVE SALE

NO
Crédit ✓

FINAN





WAR

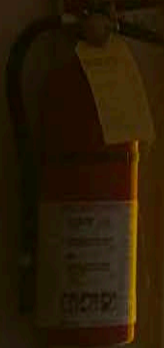
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FIRE
EXTINGUISHER
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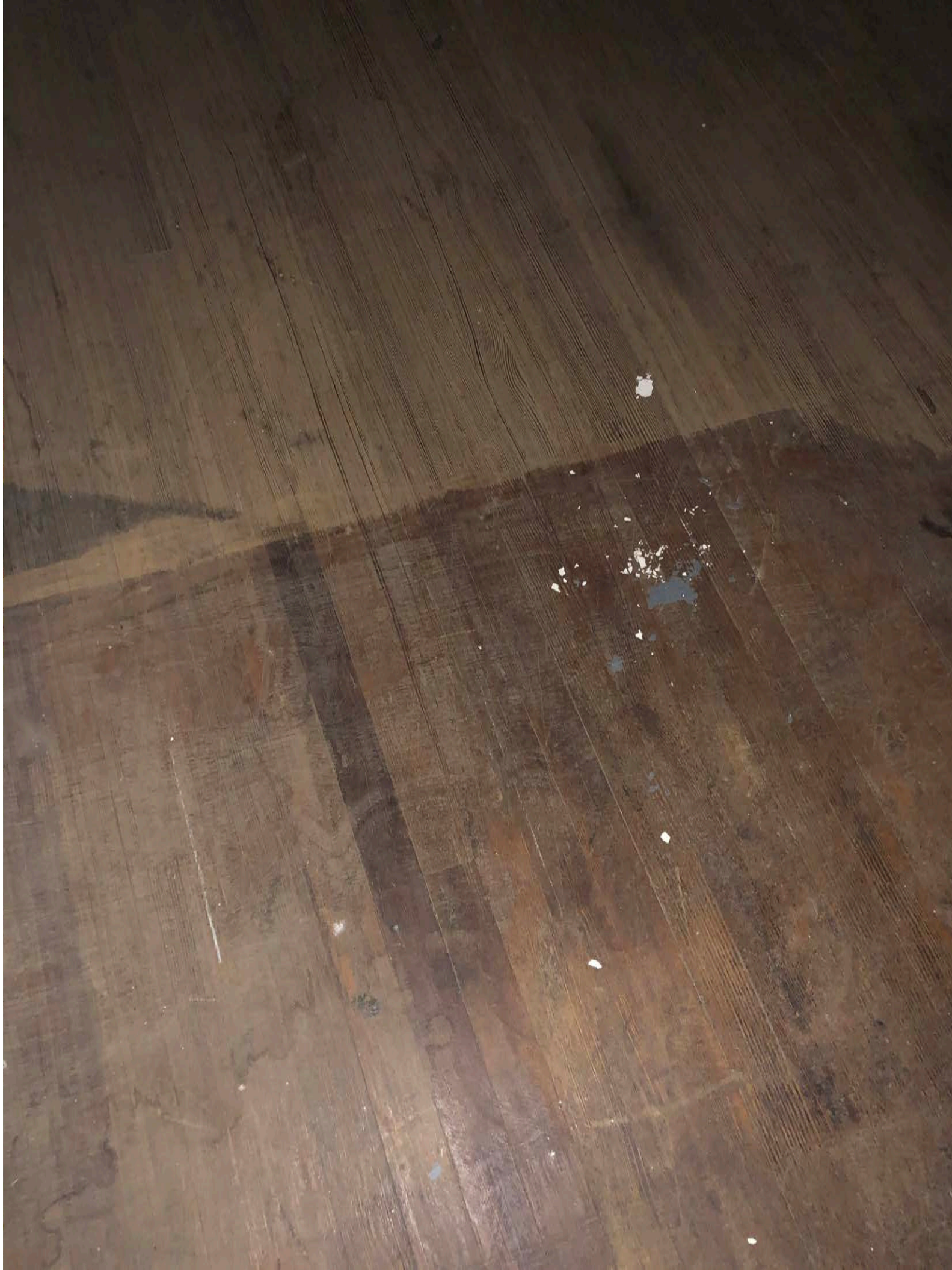




FILE

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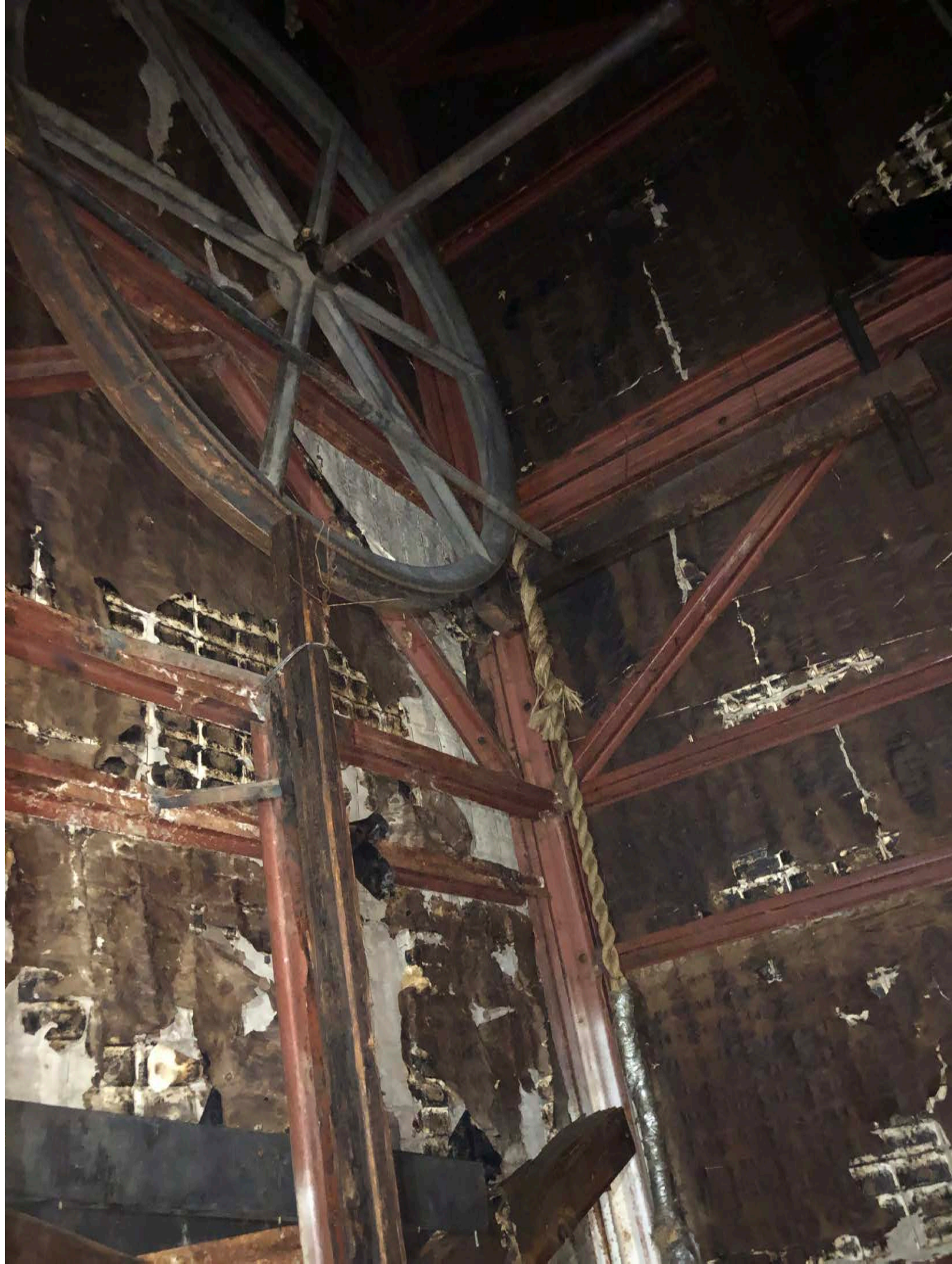










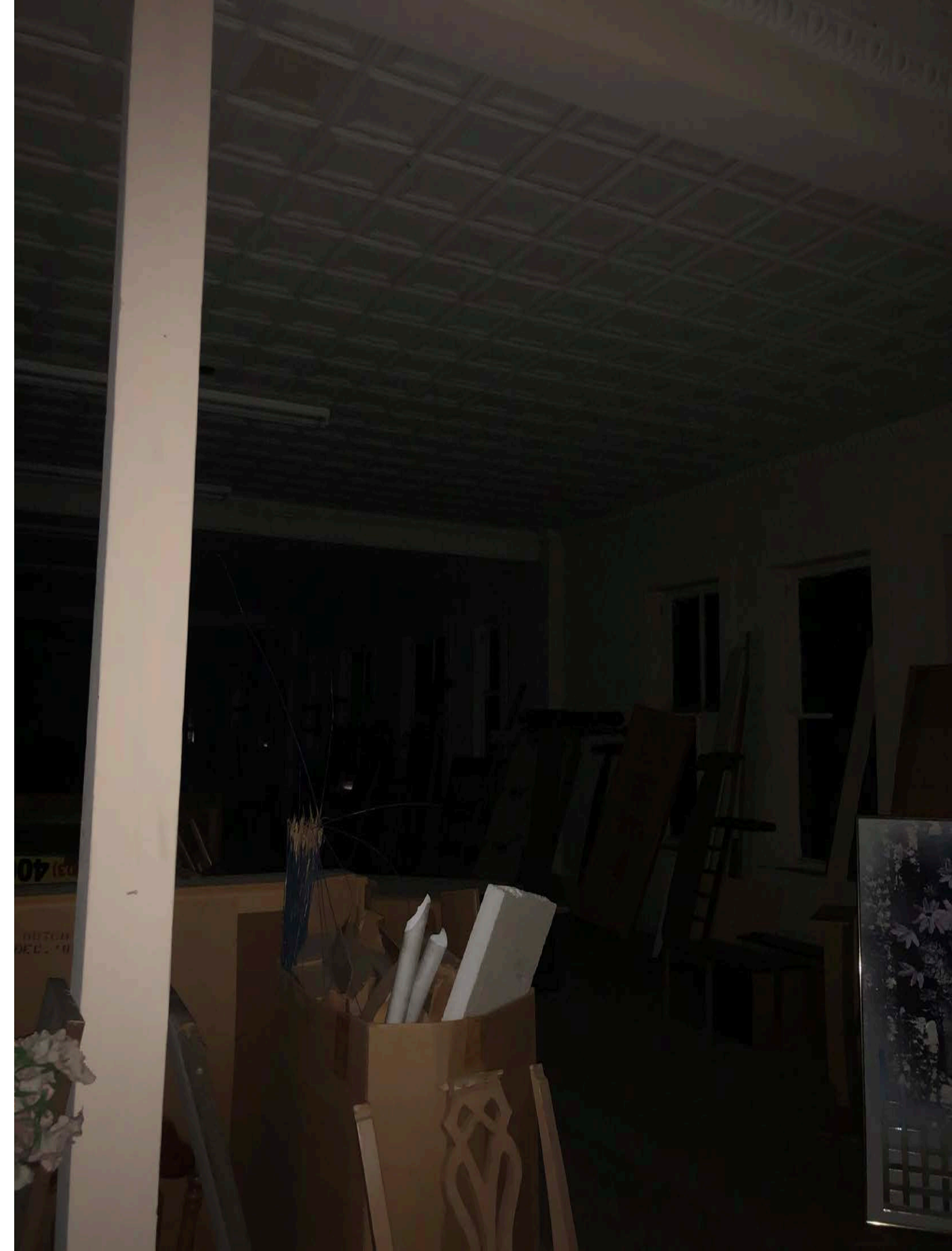




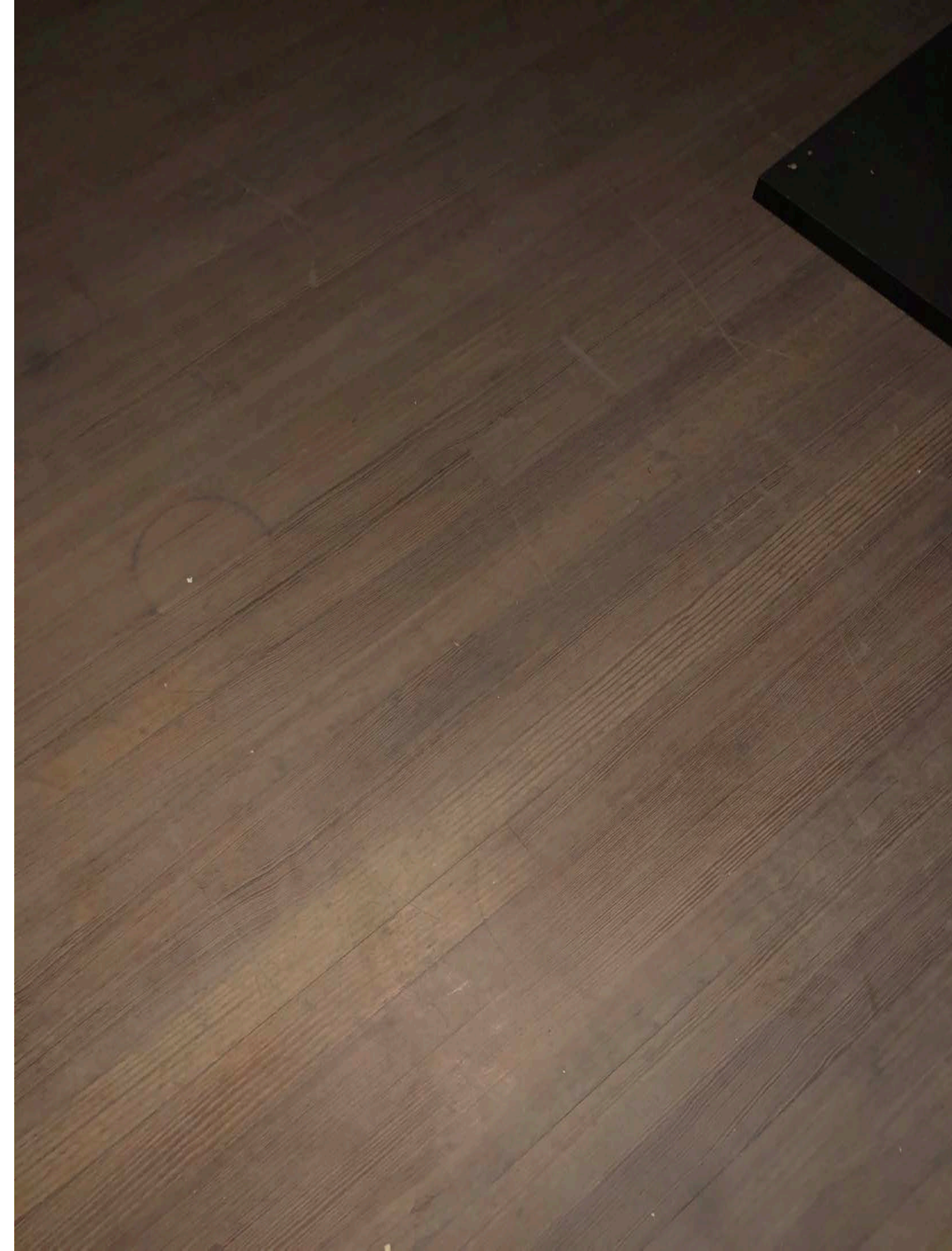


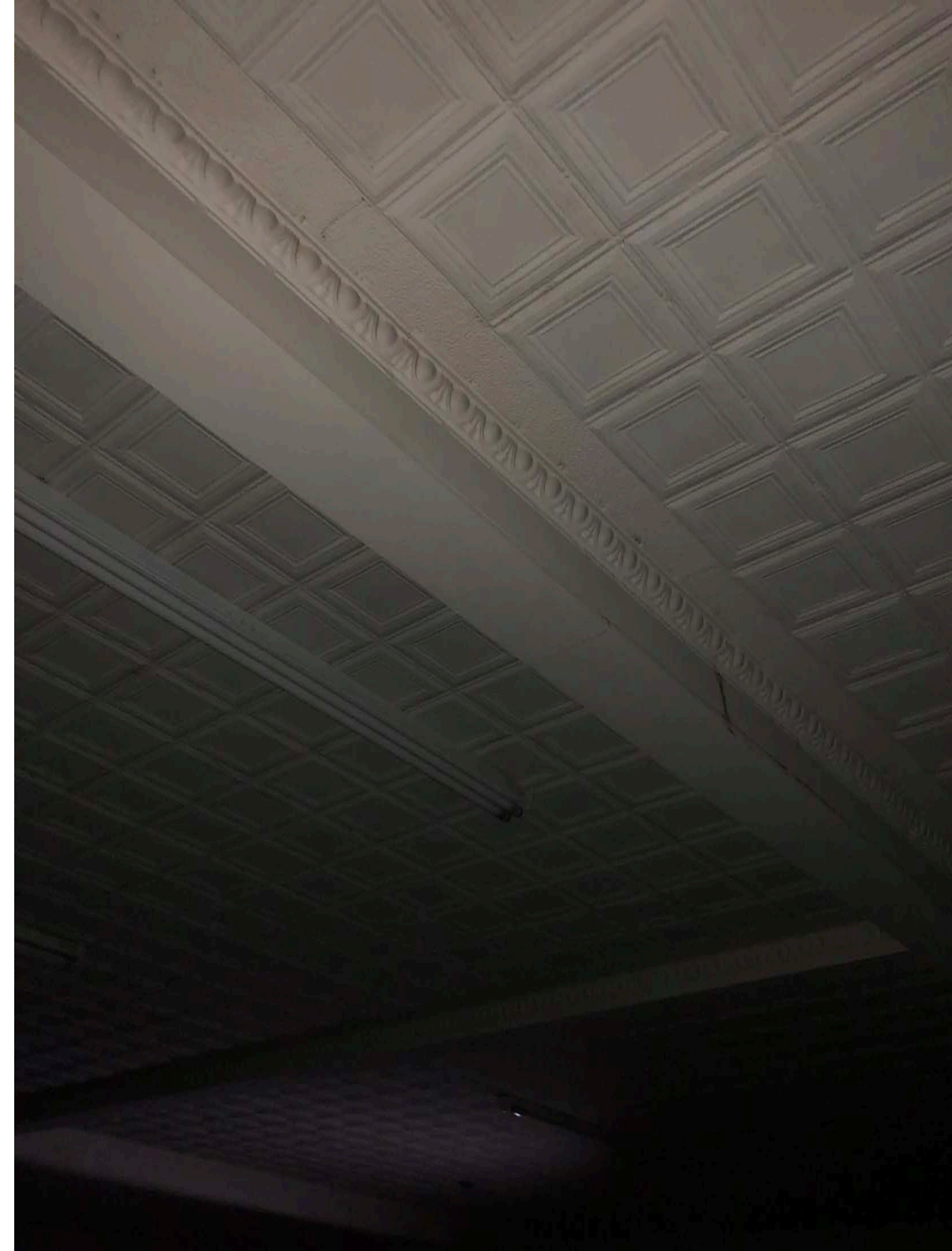


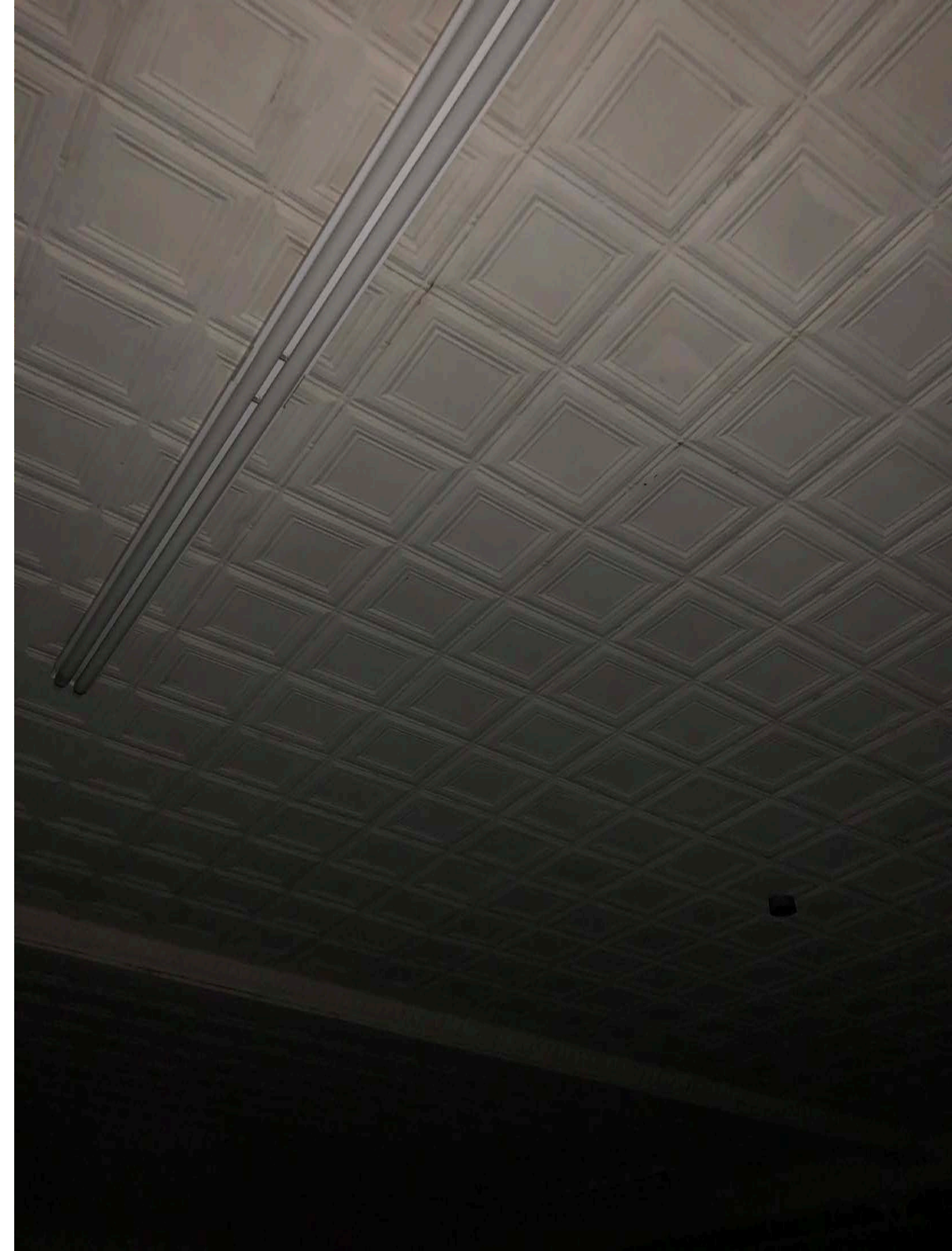








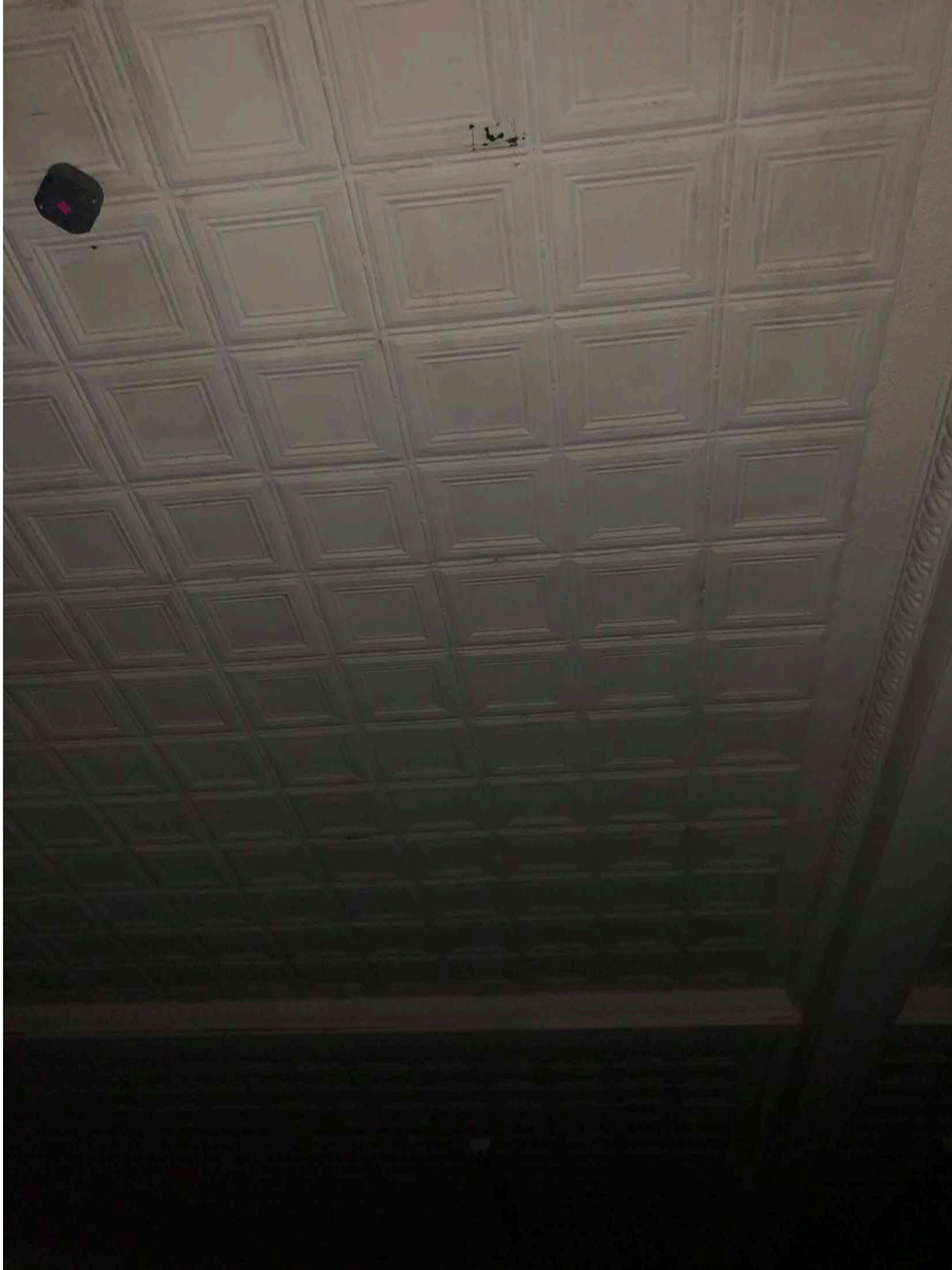












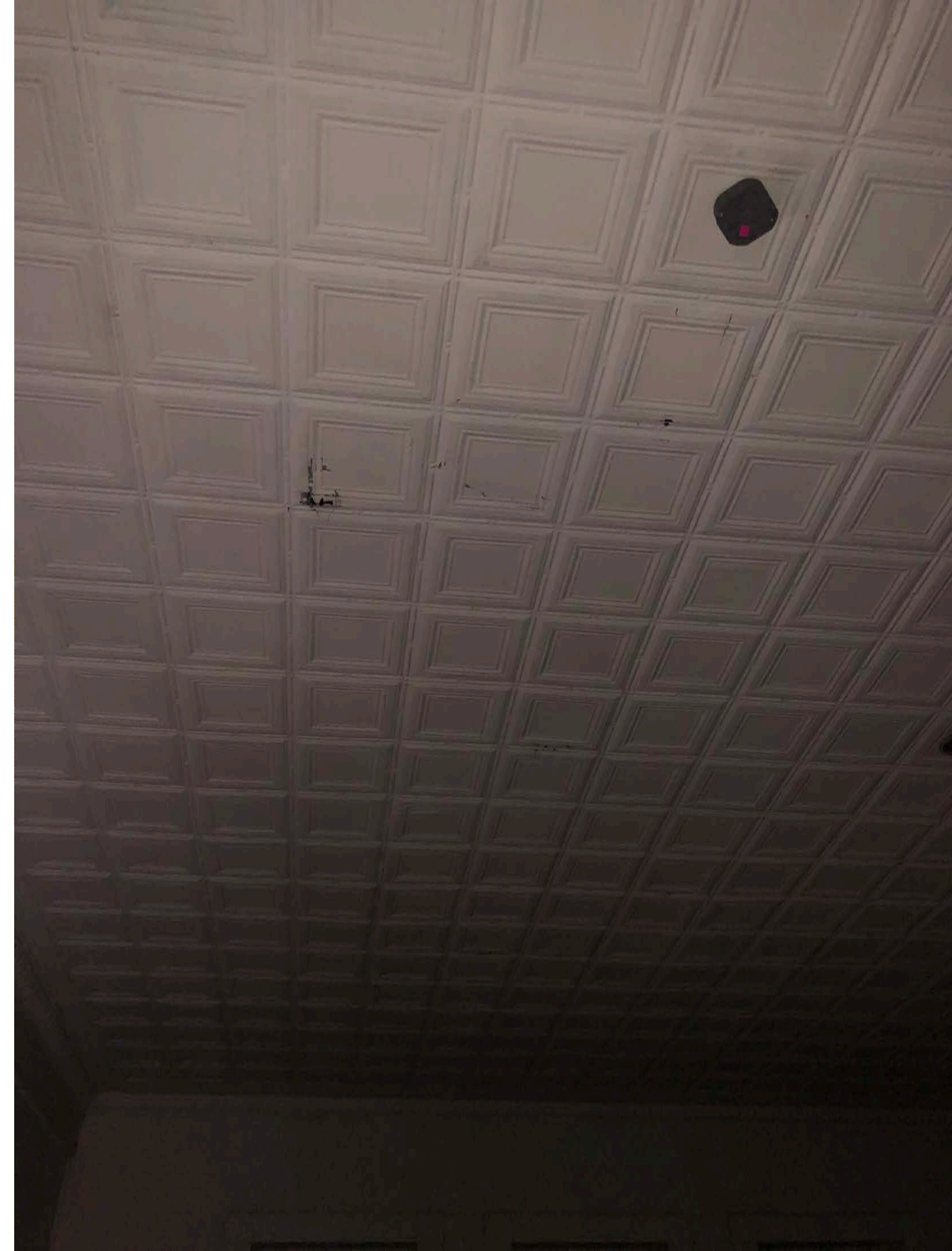




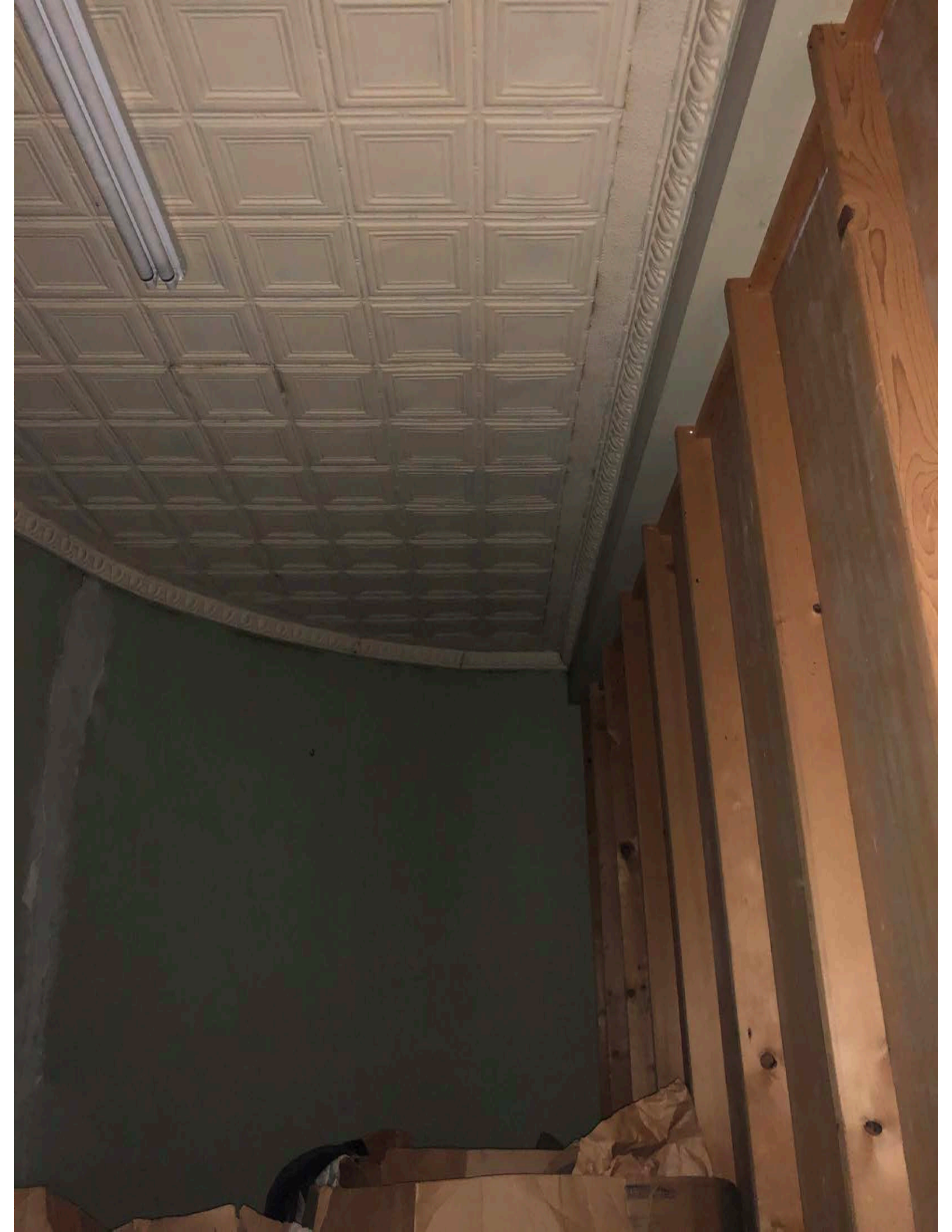




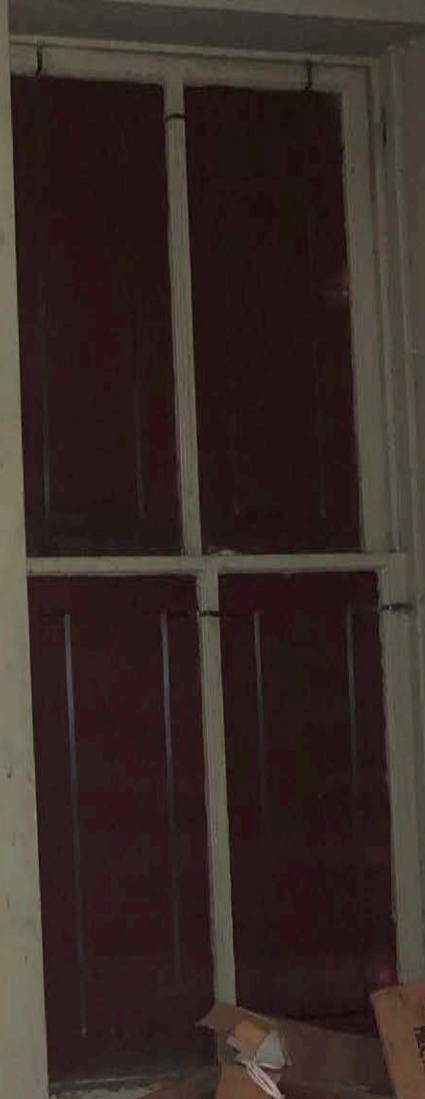


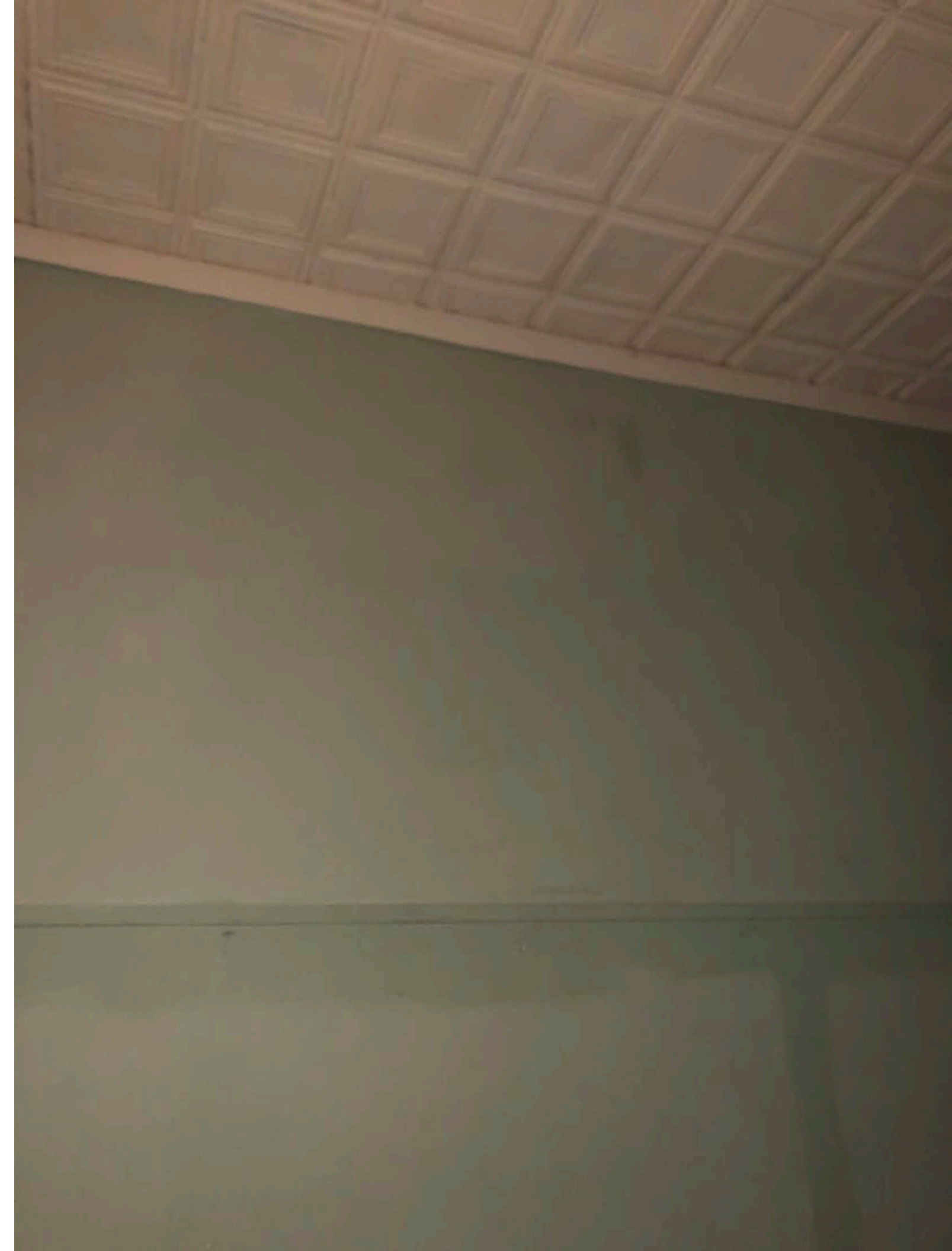






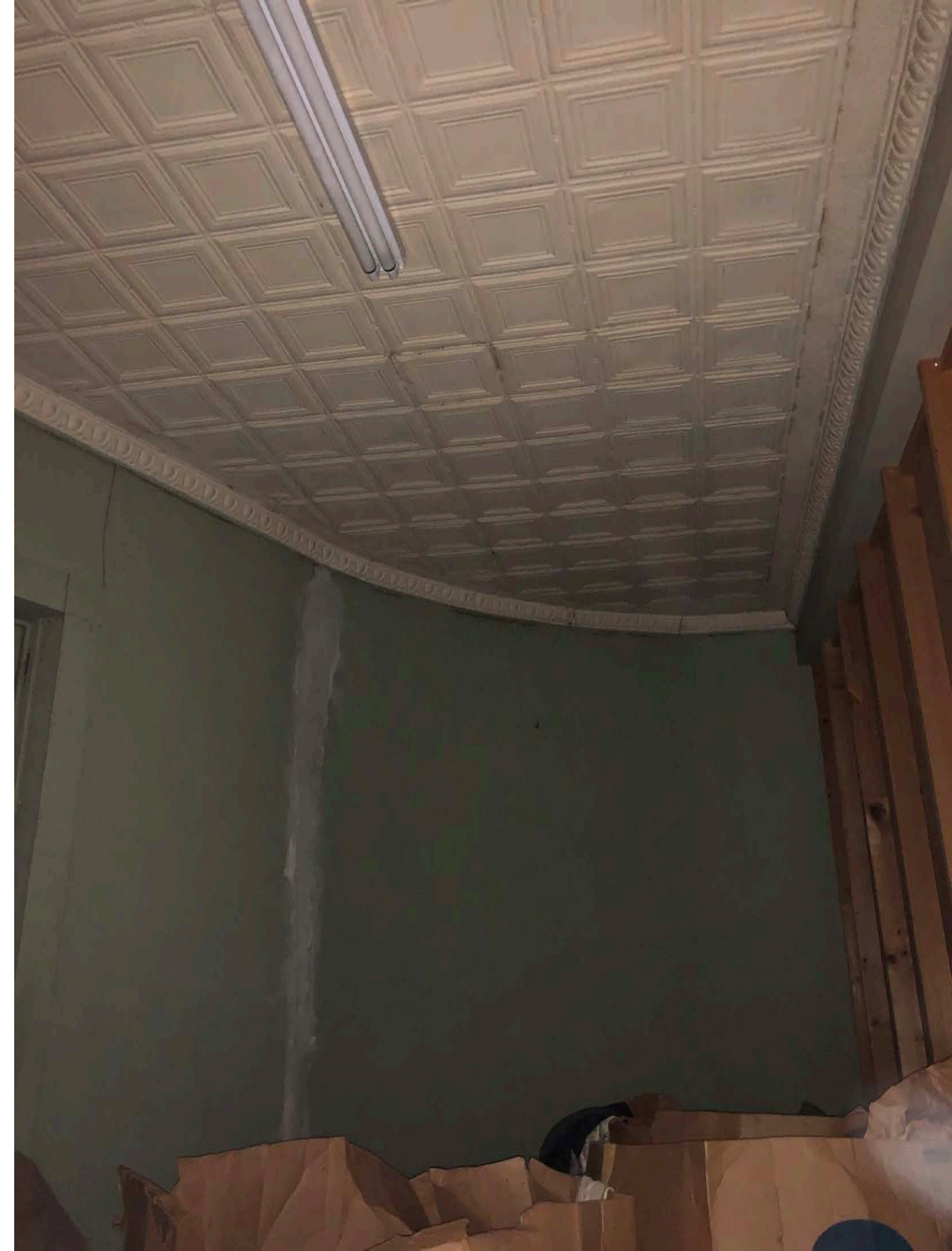
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Exit













