

**SUMMARY
APPRAISAL REPORT**

of the

**Municipal Plaza Office Building
at
114 West Commerce Street
San Antonio, Texas**

as of

August 15, 2013

prepared for the

**CITY OF SAN ANTONIO
CENTER CITY DEVELOPMENT OFFICE (CCDO)**

by

NOBLE & ASSOCIATES, INC.

**The Financial Center, Suite 300
10205 Oasis Drive
San Antonio, Texas 78216**

NOBLE & ASSOCIATES, INC.
REAL ESTATE APPRAISERS AND CONSULTANTS
AD VALOREM TAX CONSULTANTS
THE FINANCIAL CENTER, SUITE 300
10205 OASIS DRIVE
SAN ANTONIO, TEXAS 78216-4031
Phone: (210) 979-6800
Fax: (210) 979-6825
Founded in 1954
E-Mail: CHNobleJr@AOL.COM
Web: www.noblesa.com

Charles H. Noble, Jr.
MAI, CRE, SREA, ASA, CPM
Chairman

Charles H. Noble, III
MAI, RM, CRE
President

Samuel M. Noble
MAI, CRE, ASA, CCIM, GAA
Vice President

Cecil R. Baker
Brandon L. Brehm

September 25, 2013

City of San Antonio
Center City Development Office (CCDO)
100 West Houston Street, Suite 1900
San Antonio, Texas 78205

ATTN: Mr. David A. McGowen
Real Estate Manager – Downtown

Dear Mr. McGowen:

In accordance with your request, I have made an analysis and appraisal of the Municipal Plaza Office Building at 114 West Commerce Street, City of San Antonio, Bexar County, Texas.

The purpose of this appraisal was to conclude an opinion of the market value of the fee simple interest of the whole appraised property, in “as is” condition, as of August 15, 2013 and to conclude an allocated opinion of contributory value of the first or ground floor of the building as a portion of the value of the whole property. Attached to this letter is an outline of the data gathered during the course of my investigation and of the reasoning used in arriving at the opinions of market value.

The opinions of value herein contained and this Summary Appraisal Report have been prepared in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Standards Board of The Appraisal Foundation and published by the Appraisal Institute and adopted by its Board of Directors. The City of San Antonio is the exclusive client for this assignment.

The undersigned has made a personal tour of the appraised property, as well as, viewed the comparable sales and rentals used in this appraisal.

The property is appraised as if having no environmental hazards. No environmental site assessment was provided to the appraiser. Please see the attached "Contingent and Limiting Conditions".

The property is appraised as being in compliance with the Americans with Disabilities Act. No study of the appraised property pertaining to the Americans with Disabilities Act was provided to the appraiser. Please see the attached "Contingent and Limiting Conditions".

Based upon my analysis and appraisal, it is my opinion that the market value of the fee simple interest of Municipal Plaza Office Building at 114 West Commerce Street, City of San Antonio, Bexar County, Texas, in "as is" condition, as of August 15, 2013, was:

**SIX MILLION FIVE HUNDRED THOUSAND DOLLARS
(\$6,500,000.00)**

The opinion of the allocated contributory value of the first or ground floor is estimated to be \$2,000,000.

The opinions of value reported above are based upon a reasonable marketing time which is currently estimated to be in excess of 12 months due to current economic conditions on a worldwide, national, and local basis which has resulted in an extended marketing time.

The value opinion above is based upon cash or cash equivalency. No furniture, fixtures, or equipment are included in the value opinion.

Respectfully submitted,

NOBLE & ASSOCIATES, INC.

BY:



SAMUEL M. NOBLE
MAI, CRE, ASA, CCIM, GAA
VICE PRESIDENT

STATE CERTIFIED GENERAL REAL
ESTATE APPRAISER #TX-1322704-G

TABLE OF CONTENTS

PART I - PREFACE SECTION

	Page
Title Page	i
Letter of Transmittal	ii
Table of Contents	iv
Summary of Salient Facts and Conclusions	v

PART II - NARRATIVE SECTION

Premise of the Appraisal	1
Purpose of the Appraisal	1
Intended User of the Appraisal	1
Intended Use of the Appraisal	1
Scope of the Appraisal	1
Definitions of Terms	2
Property Rights Appraised	2
Legal Description	3
Taxes	3
History of the Property	3
City Analysis	4
Description of the Neighborhood	8
Description of the Site	15
Description of the Improvements	22
Highest and Best Use	25
Valuation of the Property	29
Sales Comparison Approach	29
Income Approach	33
Correlation and Final Opinion of Value	38
First Floor Allocation of the Opinion of Value	38

PART III – ADDENDA

Location Map	39
Metes and Bounds Description of the Site	40
Taxes	41
Traffic Count Map	44
Moody's Analytics	45
Certification	48
Contingent and Limiting Conditions	50
Qualifications of the Appraiser	52

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Property Appraised	The Municipal Plaza Office Building at 114 West Commerce Street, City of San Antonio, Bexar County, Texas.
Premise of the Appraisal	Please see Page 1 of this report.
Purpose of the Appraisal	To conclude an opinion of the market value of the fee simple interest of the whole appraised property, in “as is” condition, as of August 15, 2013 and to conclude an opinion of the allocated contributory market value of the first or ground floor of the building as a portion of the value opinion of the whole property.
Intended User of the Appraisal	This report is intended for use by the City of San Antonio. Use of this report by others is not intended by the appraiser.
Intended Use of the Appraisal	This report is intended to assist the client with property management decisions.
Scope of the Appraisal	Comprehensive study of the appraised property, neighborhood, and current market conditions.
Interest Appraised	Fee simple
Highest and Best Use	It is the opinion of the appraiser that the highest and best use of the appraised property is for continued office use.
Site Data	0.4208 acres or approximately 18,330 square feet. The appraised property, in “as is” condition, has no on-site parking.
Improvement Data	Municipal Plaza Office Building – twelve-story building with a basement constructed in 1922.

Gross Building Area:

1 st Floor –	17,333 square feet
Mezzanine –	6,404 square feet
2 nd Floor Mezzanine –	1,844 square feet
2 nd Floor –	7,774 square feet
3 rd Floor –	7,015 square feet
4 th – 10 th Floors –	7,015 square feet each
11 th Floor –	7,015 square feet
Penthouse –	1,460 square feet
Basement –	<u>11,810 square feet</u>
Total –	109,760 square feet

Net Rentable Building Area:

1 st Floor –	16,361 square feet
Mezzanine –	5,734 square feet
2 nd Floor Mezzanine –	1,246 square feet
2 nd Floor –	7,042 square feet
3 rd Floor –	6,325 square feet
4 th – 10 th Floors –	6,436 square feet each
11 th Floor –	6,405 square feet
Penthouse –	1,460 square feet
Basement –	<u>10,672 square feet</u>
Total –	100,297 square feet

Date of the Site visit August 15, 2013

Date of the Opinion of value August 15, 2013

OPINION OF MARKET VALUE

Sales Comparison Approach	\$6,500,000
Income Approach	\$6,250,000
Final Opinion of Market Value - Fee Simple Interest - “As Is”	\$6,500,000
First or ground floor allocated value	\$2,000,000
Estimated Exposure Time	In excess of one year

PART II - NARRATIVE SECTION

PREMISE OF THE APPRAISAL

The property is appraised as if having no environmental hazards. No environmental site assessment was provided to the appraiser. Please see the attached "Contingent and Limiting Conditions".

The property is appraised as being in compliance with the Americans with Disabilities Act. No study of the appraised property pertaining to the Americans with Disabilities Act was provided to the appraiser. Please see the attached "Contingent and Limiting Conditions".

PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to conclude an opinion of the market value of the fee simple interest of the appraised property, in "as is" condition, as of August 15, 2013. The date of the report is September 25, 2013. Additionally, the appraiser was requested to conclude an allocated opinion of contributory value of the first or ground floor of the building as a portion of the value of the whole property.

INTENDED USER OF THE APPRAISAL

This report is intended for use by the City of San Antonio. Use of this report by others is not intended by the appraiser.

INTENDED USE OF THE APPRAISAL

This report is intended to assist the client with property management decisions.

SCOPE OF THE APPRAISAL

The appraiser, in the preparation of this appraisal assignment, has made an on-site tour and researched deed records and prior sales of the appraised property. Photographs were taken of the exterior of the building to document the construction and condition of the improvements and characteristics of the site. The neighborhood consisting of the Central Business District of San Antonio has been viewed and researched by the appraiser, as well as, adjacent neighborhoods to assist the appraiser in determining the characteristics of the neighborhood and surrounding market area.

Detailed research was conducted regarding sales and rents of office buildings in the Central Business District market area of San Antonio. Due to the current slow real estate market, only a limited number of recent sales of comparability to the appraised property were found. The most comparable sales found were analyzed in detail for a comparison to the appraised property in the analysis of the highest and best use and the opinion of market value of the fee simple interest of the appraised property. These sales were researched in the public records of Bexar County and were confirmed by the appraiser and/or the appraiser's research staff. Confirmation was typically made through one or more of the grantor, grantee, agent, lender, or other knowledgeable party. In

addition, the appraiser has an extensive data bank of previously confirmed sales and rents which were also utilized for the appraisal of the appraised property.

The valuation of the real estate was made utilizing the Sales Comparison Approach and the Income Approach for the appraised property analyzing the most recent comparable sales and rents in the Central Business District of San Antonio. The Cost Approach was not considered to be applicable due to the significant age of the improvements.

The opinions of value herein contained and this Summary Appraisal Report have been prepared in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Standards Board of The Appraisal Foundation and published by the Appraisal Institute and adopted by its Board of Directors.

DEFINITION OF TERMS

Market value means "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:

- 1) buyer and seller are typically motivated;
- 2) both parties are well informed or well advised, and acting in what they consider their best interests;
- 3) a reasonable time is allowed for exposure in the open market;
- 4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- 5) 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: USPAP 2012-2013 & United States Treasury Department, Comptroller of the Currency 12CFR, Part 34, 34.2(g).

PROPERTY RIGHTS APPRAISED

The property rights appraised in this report are those constituting the fee simple interest of the appraised property. Liens and encumbrances, if any, have been disregarded and the property is appraised as though free and clear and under responsible ownership and competent management.

LEGAL DESCRIPTION

The appraised property can be legally described as follows:

A 0.4208 acre (18,330 square foot) tract of land, being all of New City Block 123, City of San Antonio, Bexar County, Texas.

A metes and bound description of the site is attached in the Addenda of this report.

TAXES

The Bexar Appraisal District, which estimates the assessed value for the taxing entities applicable to the appraised property, carries the appraised property as a portion of ad valorem tax account number 00123-000-0010. The total 2013 assessed value for the tax parcel is \$9,133,150 of which \$1,846,400 or \$100.73 per square foot is allocated to the land and \$7,286,750 is allocated to the improvements. The property is owned by the City of San Antonio so is exempt from property taxes.

Based on the analysis of the property contained herein, the assessed value is above market and should be protested.

Ad valorem taxation data available from the Bexar Appraisal District is in the Addenda of this report.

HISTORY OF THE PROPERTY

No market transactions of the appraised property within the past three years are known to the appraiser. The appraised property was reportedly purchased by the City of San Antonio on December 26, 1986 from Main Plaza, Ltd. for an undisclosed amount.

No written offers to purchase or contracts to purchase the appraised property are known to the appraiser. The property does not appear to have been actively listed for sale.

No environmental site assessments were provided to the appraiser.

The building is occupied by the City of San Antonio personnel.

CITY ANALYSIS

Location and General Data:

The City of San Antonio is the nation's seventh largest city and the third largest city in Texas, following Houston and Dallas. San Antonio is located in Bexar County, which is geographically in the center of South Texas. San Antonio is the most visited city in Texas with over 20 million visitors annually. Bexar County is at the edge of the Gulf Coastal Plains and is approximately 140 miles northwest of the Gulf of Mexico; 200 miles west of Houston; 270 miles southwest of the Dallas-Fort Worth metro area; and 80 miles south of Austin, the State Capital. Laredo, Texas, the major import-export city in Texas between Mexico and the United States, is located 153 miles to the southwest of San Antonio.

The incorporated area of the City of San Antonio is approximately 430 square miles and Bexar County occupies approximately 1,248 square miles. The Metropolitan Statistical Area, which is made up of Atascosa, Bandera, Bexar, Comal, Guadalupe, Kendall, Medina, and Wilson Counties, is 7,385 square miles (2003 definition).

San Antonio is located centrally in a large farm and ranch region extending from the Rio Grande River border with Mexico east to the Sabine River border with Louisiana. The trade territory of San Antonio covers 90 counties primarily extending west and south to the Rio Grande River border with Mexico.

Human Resources:

The City of San Antonio and Bexar County have shown a trend of steady growth since the mid 1800's with a marked increase in the growth of the city from the Decennial Census Population of 1940, shown as follows:

<u>Year</u>	<u>City of San Antonio</u>	<u>% Growth</u>
1940	253,854	--
1950	408,442	60.9%
1960	587,718	43.9%
1970	654,153	11.3%
1980	788,049	20.5%
1990	935,933	19.1%
2000	1,192,300	27.4%
2005	1,256,509	5.4%
2008	1,274,412	1.4%
2009	1,311,949	2.9%
2010	1,327,407	1.1%

The January 2010 San Antonio MSA population was 2,142,508 which was an annual growth rate of 5.4% from 2008. This trend of steady growth of the City of San Antonio, while slowing somewhat in recent years, is expected to continue. San Antonio experienced an annual growth rate of 2.8% during the 1990's compared to a rate of 1.9% during the 1980's. Based upon the Economic Research Department of the Greater San Antonio Chamber of Commerce, the 2009

estimated population for the City of San Antonio is 1,311,949. The population of Bexar County reflects a growing rate of 19.3% from 1,359,906 in 1998 to 1,714,773 in 2010. The Texas State Data Center (2006 projection) for the San Antonio MSA is as follows:

2010	1,952,482
2015	2,068,511
2020	2,178,130
2025	2,278,399
2030	2,368,499
2035	2,446,493
2040	2,512,021

The 2009 median age in San Antonio is 32.72 years. The most recent population characteristics from the 2009 San Antonio Economic Development Foundation show the area has an ethnic composition of:

	<u>City</u>	<u>MSA</u>
Not Hispanic or Latino	37.97%	47.03%
Hispanic (of any race)	62.03%	52.97%

Housing:

According to the San Antonio Board of Realtors, the 2011 San Antonio median home sales price was \$152,000 compared to \$150,400 in 2010 and \$141,900 in 2006. Existing home sales in 2011 totaled 17,914 compared to the peak of home sales in 2006 at 22,621. In San Antonio, for 2011 there were 6,843 new single-family home starts, a 2% increase from 2010, compared to over 19,000 starts at the peak of the market in 2006. As of January 2011, there were 1,559 units under construction plus 1,699 finished vacant units and 420 new furnished model homes. The price range and percentage of the market, for new homes in 2010 was 43% at less than \$175,000, 24% at \$175,000 to \$225,000, 16% at \$225,000 to \$300,000, 11% at \$300,000 to \$500,000, and 4% at \$500,000 and above. As of January 2011, there were 20,444 developed lots on the ground. There were 4,000 new lots delivered during 2010, which is almost equal to the number of lots delivered in 2009. The vacant developed lot inventory in late 2011 was estimated to be a 16.8 month supply in neighborhoods where at least 3 houses per month are started. New home starts for 2012 are anticipated to increase by at least 10% above 2011 starts. New home inventory as of yearend 2011 was 6.5 months. Equilibrium in the market is considered to be 6 months.

Economy:

Unemployment in the San Antonio MSA as of June 2013 was 6.7% compared to the State of Texas rate of 6.9% and the national unemployment rate of 7.1%. The local economy is generally based on services, retail trade, and government employment. The non-farm employment as of June 2013 for the San Antonio Metropolitan Area in thousands was as follows: services (503.9), with tourism and the medical industries as major contributors, retail trade (136.6), government (state, local, and Federal) (161.9), and goods producing manufacturing (95.6), professional/finance/insurance/real estate (361.9), transportation, communication, telecommunications and utilities (48.4), wholesale trade (29.8). Job growth for 2008 was 14,900 which was a growth rate of 1.8%. The job growth rate for San Antonio was 2.86% in 2007, and 2.6% in 2008. From November 2009 to November

2010, job growth was 2.02%, and in 2010 it was 2.1%. As of July 2011 job growth was 1.9% but by year end it is predicted to be 2.7%. San Antonio was ranked 100 out of the top 200 largest metro areas in the world for 2007-2010 by Brookings Institution Metropolitan Policy program study. The study is based on gross domestic product per capita. From 1993 – 2007, San Antonio was ranked 75th. Excluding global metro areas, San Antonio ranked 25th out of 57 U.S. metro areas for 2010.

San Antonio is one of seven cities in the United States in which the Mexican government has purchased a building to house consulate offices. This is due to San Antonio being a favorite manufacturing, wholesale, and retail market among citizens of Mexico. This is an added feature to the San Antonio economy in light of the free trade agreement between the U.S. and Mexico.

Military:

The Department of Defense has had a great influence in maintaining the stability of the San Antonio economy. The four major local military bases, consisting of Fort Sam Houston, Brooks City Base, Lackland Air Force Base, and Randolph Air Force Base, support over 45,960 active duty personnel and 27,030 civilian personnel. The direct economic impact of the military presence exceeds \$5.1 billion annually. Kelly Air Force Base was turned over to the City of San Antonio in 2001. Now known as Port San Antonio, Boeing and Lockheed Martin anchor the former base as an aerospace maintenance and distribution facility. Development of new offices and redevelopment of the base, leasing of existing and developing distribution warehouse space, as well as, on-going infrastructure development is overseen by the Greater Kelly Development Authority. Port San Antonio employs over 7,000 military and 5,500 civilians as the U.S. Air Force continues to lease areas of Kelly USA to supplement Lackland AFB. Port San Antonio consists of 2,000 acres with over 10 million square feet of buildings. San Antonio has now been positioned as an inland port. Brooks Air Force base has been turned over to the City of San Antonio with mixed-use redevelopment of the base ongoing. A portion of the base is leased by the U.S. Air Force in the interim for continued use of the Brooks Aerospace Medicine facilities. Ft. Sam Houston is currently undergoing a \$3 Billion development/construction program due to the medical training for all branches of the services worldwide to be combined and located in San Antonio. The military expects to move up to 13,000 personnel to San Antonio at Ft. Sam Houston over the next several years. The mission includes training of over 150,000 medical military personnel on an annual basis. Camp Bullis will remain a major field training facility in support of Ft. Sam Houston.

Manufacturing:

The majority of the manufacturing sector is made up of cement, food and kindred products, footwear and leather products, machinery, military-related transportation equipment, stone, clay and glass products, and textiles. Other manufacturing areas that make up a smaller percentage of the manufacturing employment are electric and electronic transportation equipment, fabricated metal products, lumber and wood products, metal industries, furniture and fixtures, chemicals, and paper and allied products. The Toyota Tundra truck assembly plant is the most recent major addition to manufacturing in San Antonio. The plant recently has reduced production due to the significant downturn in the market worldwide for new vehicles.

Hospitality:

In 2008, the economic market impact of the Hospitality Industry on San Antonio was \$11 billion. The industry employed 106,311 in 2008 or 1 out of every 8 workers in San Antonio. Over the past 10 years, the economic impact of the Hospitality Industry increased by over 70%. In 2008, some 5 million business visitors come to the San Antonio area for conventions and other business purposes. The city hosted over 20 million leisure visitors in 2008. The annual payroll of the Hospitality Industry in 2008 was \$1.99 billion (direct wage payments).

Real Estate:

The San Antonio real estate market experienced a noticeable trend of increase in values from approximately 2003-2007. New construction, rental rates, occupancy rates, and property values all trended upward. This trend began to stabilize in early 2008. It was not until September 2008 and the collapse of Lehman Brothers that San Antonio finally began to feel the effects of the national recession, including real estate. Real estate sales, leasing, and new construction decreased precipitously as financing for these ventures was extremely difficult to secure, generally requiring large sums of equity.

The decline in real estate sales was attributed to numerous factors, the primary factor being the so-called "credit crunch" which has affected banks and lending institutions throughout the United States. Many banking institutions stopped lending money for real estate and those that continued to lend money, tightened the requirements.

In addition, increasing unemployment has led many homeowners, businesses, and institutions to postpone large purchases including real estate until the economy stabilizes or until economic uncertainty is eliminated. The national not seasonally adjusted unemployment rate was at 4.5% in December 2007, spiked to 10.0% in December 2009, and currently stands at 8.2% in August 2012. San Antonio's unemployment rate has fared significantly better than the national rate; however, the national economy's impact on the San Antonio market was noticeable. The not seasonally adjusted unemployment rate for San Antonio was at 3.9% in December 2007, and it increased to 7.0% in November 2009, and currently stands at 6.7% in August 2012.

Partially offsetting the national and global macroeconomic conditions are the relative strengths of San Antonio including: a business friendly environment, continued population growth, low cost of living (including real estate which did not experience as significant a bubble), and a strategic trade location with Mexico and within Texas. Moreover, the Eagle Ford shale oil and natural gas exploration south of San Antonio has benefited the local economy and BRAC related infrastructure will support continued military job growth in the IT and healthcare industries.

To conclude, the fundamentals of the local San Antonio economy remain strong. The expectation for the local real estate market is for a continued gradual recovery in 2013. The local real estate market appears to have generally stabilized since the fourth quarter of 2011. Since San Antonio was more insulated from the national recession, employment has recovered to its prerecession peak. Sales velocity remains limited, but real estate transactions are occurring at or approaching prerecession price levels. Larger transactions above approximately several million dollars are still limited in the local market, but increased in the fourth quarter of 2012. Speculative new

construction is occurring, but has not reached prerecession levels and is predicted to remain constrained in 2013.

Recent statistics for San Antonio from Moody's Analytics are included in the Addenda of this report.

DESCRIPTION OF THE NEIGHBORHOOD

The neighborhood is generally described as the Downtown or Central Business District area of San Antonio inclusive of the St. Paul Square/Alamodome area east of Interstate Highway 37 and the surrounding Lavaca/Southtown/King William Historic District area to the south of Durango Street in the area of HemisFair Park.

The Downtown or Central Business District area of San Antonio can generally be described as the most central portion of San Antonio surrounded by a loop of limited access expressways/highways including Interstate Highway 35 at the north and west, Interstate Highway 37 at the east, and U.S. Highway 90/Interstate Highway 10 at the south. Within this area the most highly built-up area extends south of McCullough Avenue to Durango Street at the south and extends from the University of Texas at San Antonio Downtown Campus area at the west to HemisFair Park, Rivercenter Mall, and St. Paul Square/Alamodome at the east.

The Central Business District has primary east/west commercial thoroughfares consisting of Travis Street, Houston Street, Commerce Street, and Durango Boulevard. Primary north-south thoroughfares include Alamo Street/Broadway, Navarro Street, Soledad Street, Main Avenue, and Santa Rosa/Laredo Street. Accessibility is excellent throughout the neighborhood which includes good access to public transportation by the VIA Metropolitan Transit Bus System and within the Downtown tourist area a Street Car system.

The neighborhood consists primarily of well-established commercial and office building development with recent downtown residential development. In addition, the Downtown area has major historic sites and areas that include the world famous Cradle of Texas Liberty – The Alamo and the surrounding Alamo historic area which includes the Alamo Grounds, Alamo Plaza, and the historic Menger Hotel.

Downtown overall office occupancy is currently hovering around 71% for Second Quarter 2013. The CBD office inventory is approximately 5,658,503 square feet. No new major office development is currently planned or under construction in the Downtown Area. Asking average rental rates are approximately \$19.30 per square foot per year. Year-to-date absorption was slightly positive.

Downtown Class B occupancy is currently just over 60% for Second Quarter 2013. The CBD Class B office inventory is approximately 2,690,110 square feet or approximately 47.5% of the total CBD office area. Asking average rental rates are approximately \$19.71 per square foot per year. Year-to-date absorption was slightly positive.

Downtown Class C occupancy is currently just under 64% for Second Quarter 2013. The CBD Class C office inventory is approximately 974,223 square feet or approximately 17.2% of the total CBD office area. Asking average rental rates are approximately \$15.58 per square foot per year. Year-to-date absorption was slightly negative.

Residential development in Downtown has increased sharply over the past five+ years, especially for condominiums and apartments. New and recent development has included:

- 1221 Broadway – Colina Del Rio – The new redevelopment of a failed project which will combine street retail, office and apartments with decked parking at the north border of the CBD in the River North area.
- North St. Mary’s and Ninth Street – The Embarcadero, a four-story, 24 condominium project on 2.4 acres on the new extension of the Riverwalk in the River North area.
- S. Flores Street – Judson Candy Factory Lofts – 84 loft units in the redeveloped 1920’s building complex.
- Vistana Apartments –247-unit, 14-floor development at Santa Rosa and Milam Park with 4-story parking garage and street level retail.
- Vidorra Towers, Phase I, 20-story, 150-unit luxury condominium tower across from Sunset Station.

Hotels and other development includes:

- Redevelopment of the former Hertzberg Circus Museum at the corner of Market Street, North Presa Street, and the Riverwalk into the Dolph and Janey Briscoe Western Art Museum.
- Completion of the 37-story, 1,003-room Grand Hyatt San Antonio at Market and Bowie Streets adjacent to the Lila Cockrell Theatre and San Antonio Convention Center with upper level condominium units.
- 91-room Hotel Indigo in the 97-year old Gibbs building at Alamo Plaza and East Houston Street.
- Embassy Suites hotel at East Houston Street, Soledad and the Riverwalk having 260 rooms.

The topography of the neighborhood is generally rolling in the north portion to more level at the central and southern portions of the neighborhood. Drainage through the neighborhood is considered to be good with some areas at the east and southeast in the immediate area of the San Antonio River subject to limited flooding during periods of extremely heavy rainfall. The two Corps of Engineers drainage flumes beneath the Central Business District have been completed with the primary inlet between U.S. Highway 281 North and Josephine Street, northeast of the neighborhood and the second flume inlet south of Interstate Highway 35 at North Flores Street. The flumes appear to have significantly reduced the probability of flooding downtown.

The appraised property is located within the San Antonio Independent School District. Schools in the area include Hawthorne, Travis, and Austin Elementary Schools, and Fox Tech High School. There are a limited number of private schools located within the neighborhood.

Alamo Plaza, Houston Street, and the tourist/Riverwalk portion of the Central Business District are served by VIA street car/trolley with all of the routes serving the Riverwalk Street Car Station.

The central portion of the Central Business District of San Antonio is the San Antonio Downtown Public Improvement District. The district commenced October 1, 1999 for a period of 5 years which was renewed for two additional 5-year terms. The purpose of the district is "...to enhance the experience of pedestrian, as well as, vehicular traffic in the downtown area by supplementing existing city services to assure a cleaner, safer, and friendlier environment".

The Downtown Public Improvement District provides additional support for keeping streets cleaned, removing graffiti, installing lighting and planters, increasing security, as well as, marketing and promotion of the downtown area.

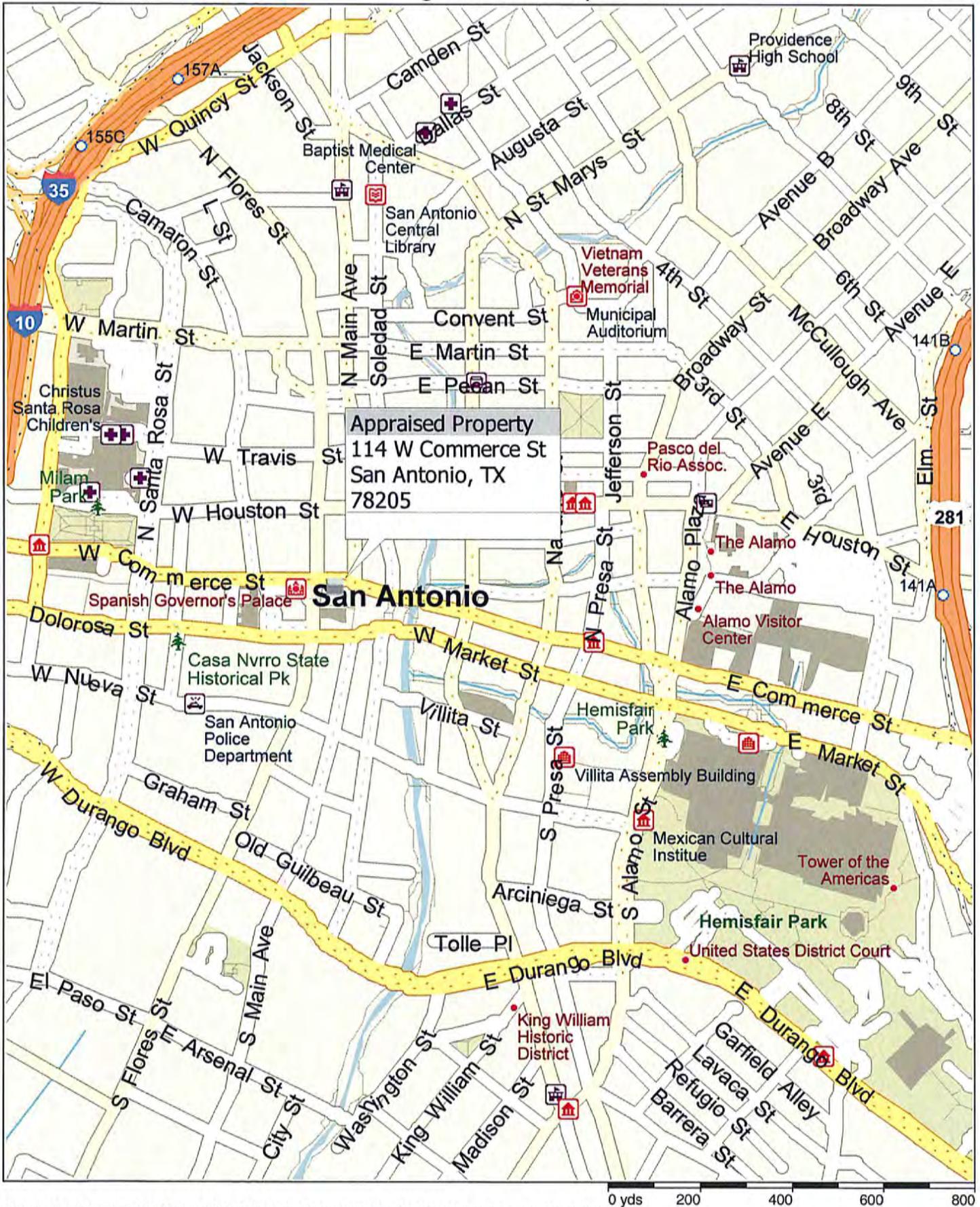
Further supporting continued redevelopment and financial success of the downtown area is The Downtown Alliance which is an organization with voluntary membership of owners of downtown properties funded by annual dues based upon the assessed value of each property. The Downtown Alliance promotes business and development in the Central Business District and acts as a sounding board for the government of the City of San Antonio with regard to proposed projects, improvements, and development/redevelopment within the Central Business District. The Downtown Alliance funded the San Antonio Downtown Housing Market and Demand Analysis and the San Antonio Downtown Housing Survey prepared October, 2002 by PKF Consulting as a study of the supply/demand for residential housing in the Central Business District area.

The Central Business District is located within a Federal Empowerment Zone which provides Federal Tax Credits for employers whose employees reside in the Central Business District consisting of a 20% tax credit on the first \$15,000 of housing expenses of the employee resulting in a potential maximum \$3,000 per year tax credit to the employer. This program was in place through 2009.

In summary, the neighborhood is a re-growth area of San Antonio that is experiencing continued commercial and supporting residential development and redevelopment. Retail and commercial development has been somewhat tepid within the past several years due to the economy and lack of capital and financing available for real estate projects.

Please find neighborhood maps on the following pages.

Neighborhood Map



Appraised Property
 114 W Commerce St
 San Antonio, TX
 78205

San Antonio

0 yds 200 400 600 800

Copyright © and (P) 1988–2012 Microsoft Corporation and/or its suppliers. All rights reserved. <http://www.microsoft.com/streets/>
 Certain mapping and direction data © 2012 NAVTEQ. All rights reserved. The Data for areas of Canada includes information taken with permission from Canadian authorities, including: © Her Majesty the Queen in Right of Canada, © Queen's Printer for Ontario. NAVTEQ and NAVTEQ ON BOARD are trademarks of NAVTEQ. © 2012 Tele Atlas North America, Inc. All rights reserved. Tele Atlas and Tele Atlas North America are trademarks of Tele Atlas, Inc. © 2012 by Applied Geographic Solutions. All rights reserved. Portions © Copyright 2012 by Woodall Publications Corp. All rights reserved.

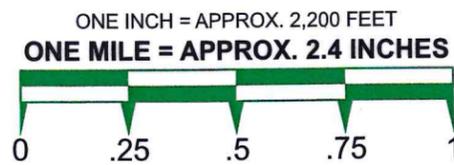


Legend

- New Housing Communities
- Ⓐ Industrial Parks
- Office Buildings
- ★ Schools
- H Hospitals
- Airports
Military Bases
- Parks
- Universities & Colleges
- Ⓐ Existing Retail Centers
- Ⓐ Planned Retail / Under Construction
- Ⓐ Existing Apartments
- Ⓐ Planned Apartments / Under Construction
- Edwards Aquifer Recharge Zone
- Major Retail
- Major Employers
- Industrial Parks

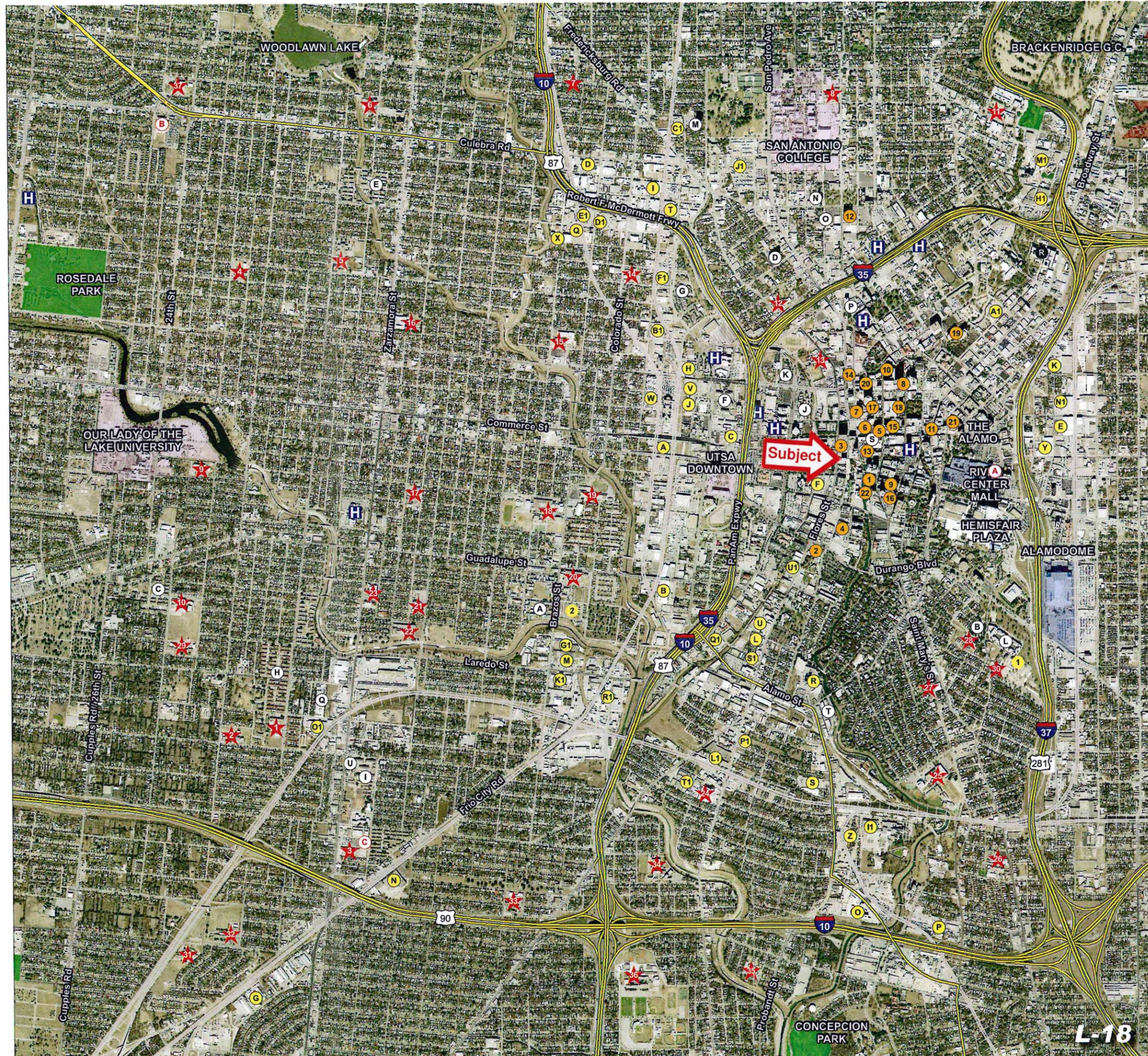
- Master Planned Communities
- Major Highways
- Railroads
- Proposed Highways

Scale



Surrounding Pages

K-17	K-18	K-19
L-17	L-18	L-19
M-17	M-18	M-19



ACTIVE HOUSING COMMUNITIES

ID	RSI ID	NAME	BUILDER	TOTAL LOTS	VACANT LOTS	PRICE RANGE	
						LOW	HIGH
1	376	VICTORIA COURTS	TBD	88	66	\$ 80,000	\$ 150,000
2	697	J T BRACKENRIDGE SUBDIVISION	TBD	59	46	\$ 88,000	\$ 90,000

SOURCE: RESIDENTIAL STRATEGIES, INC. • 16660 NORTH DALLAS PARKWAY • SUITE 1200 • DALLAS, TEXAS 75248 • PHONE (972) 381-1400 • FAX (972) 381-1410

RETAIL CENTERS

ID	NAME	ADDRESS	YR. BUILT	SQ. FT.	ANCHORS
A	RIVERCENTER MALL	849 E. COMMERCE STREET	1989	378,927	MACY'S, FOLEY'S, DILLIARDS, IMAX THEATRES
B	HEB EL MERCADO	2130 CULEBRA ROAD	1996	67,422	HEB
C	EMPIRE PLAZA	2106-2118 S. ZARZAMORA	1960	800,626	1 PLUS, PAYLESS SHOE SOURCE, EMPIRE PHARMACY

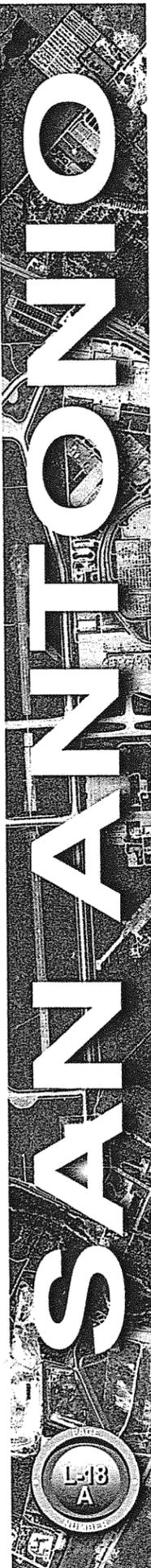
SOURCE: UNITED COMMERCIAL REALTY • 1901 N.W. MILITARY HWY. • SAN ANTONIO, TEXAS 78213 • PHONE (210) 979-9700 • FAX (210) 979-9701

APARTMENT COMMUNITIES

ID	APARTMENT COMPLEX	ADDRESS	CITY	YR. BUILT	UNITS
A	ALAZAN APACHE COURTS	1011 S. BRAZOS	SAN ANTONIO	1942	794
B	VICTORIA PLAZA	411 BARRERA	SAN ANTONIO	1960	185
C	VILLA VERAMENDI	615 BARCLAY	SAN ANTONIO	1954	168
D	VILLA TRANCHESE	307 MARSHALL	SAN ANTONIO	1968	201
E	LINCOLN HEIGHTS	1315 N. ELMENDORF	SAN ANTONIO	1942	338
F	PALACIO DEL SOL	400 N. FRIO STREET	SAN ANTONIO	1972	106
G	PARKSIDE	1010 N. FRIO STREET	SAN ANTONIO	1979	154
H	CASSIANO HOMES	2919 S. LAREDO	SAN ANTONIO	1953	499
I	SAN JUAN HOMES	300 GANTE WALK	SAN ANTONIO	1953	326
J	SOAPWORKS	500 N. SANTA ROSA	SAN ANTONIO	1979	261
K	TOWNE CENTER	601 N. SANTA ROSA	SAN ANTONIO	1978	120
L	REFUGIO STREET APARTMENTS	300 LABOR STREET	SAN ANTONIO	2004	210
M	PARKVIEW	114 HICKMAN	SAN ANTONIO	1972	153
N	LAUREL	321 WEST LAUREL	SAN ANTONIO	1973	113
O	AURORA	509 HOWARD	SAN ANTONIO	1939	105
P	CADILLAC LOFTS	317 LEXINGTON	SAN ANTONIO	1999	156
Q	LAS VILLAS DE MERIDA	830 MERIDA STREET	SAN ANTONIO	2003	160
R	VILLAJE DEL RIO	1225 BROADWAY	SAN ANTONIO	UNDER CONST.	253
S	TOWERS AT THE MAJESTIC	2220E. HOUSTON	SAN ANTONIO	1997	96
T	BLUE STAR LOFTS	1432 S. ALAMO	SAN ANTONIO	2005	65
U	SAN JUAN SQUARE	1938 S ZARZAMORA ST.	SAN ANTONIO	2007	143

SOURCE: COCKRELL, INC. REALTY • 15103 ENCINO VERDE SUITE 100 • SAN ANTONIO, TEXAS 78232 • PHONE (210) 215-4733 • FAX (210) 545-0806





INDUSTRIAL PARKS

ID	NAME	ADDRESS	CITY	YR. BUILT	SQ. FT.
A	IMPERIAL BEDDING COMPANY	1114 COMMERCE STREET W.	SAN ANTONIO	1965	50,006
B	IRON MOUNTAIN	929 MEDINA STREET S.	SAN ANTONIO	1985	114,400
C	TOUDOUZE BLDG.	711 COMMERCE ST W.	SAN ANTONIO	1965	55,524
D	ACME SCREEN MFG/ROSS PALMER	540 CULEBRA AVENUE	SAN ANTONIO	1960	77,629
E	BITTER NOLAN WHSE	314 NOLAN STREET	SAN ANTONIO	1962	96,000
F	ACEMART	305 FLORES STREET S.	SAN ANTONIO	1930	93,000
G	CREST DOOR PLANT	157 HUMBLE	SAN ANTONIO	1960	60,380
H	FORMER NATIONWIDE PAPER	519 MEDINA STREET N.	SAN ANTONIO	1963	67,516
I	BOSCH/LYNWOOD BLDG	1146 LAUREL STREET W.	SAN ANTONIO	1960	82,936
J	SCOBAY-MEDINA	301 MEDINA STREET N.	SAN ANTONIO	1920	166,000
K	CHESTNUT ST WAREHOUSE	818 CHESTNUT STREET	SAN ANTONIO	1985	88,164
L	DEAN STEEL MFG CO	111 MERCHANTS STREET	SAN ANTONIO	1932	77,800
M	HANDY ANDY WAREHOUSE	2001 LAREDO STREET S.	SAN ANTONIO	1986	97,028
N	HARCOURT BRACE FACILITY	100 FRIO CITY ROAD	SAN ANTONIO	1965	196,390
O	L & H PACKING CO	675 STEVES AVENUE	SAN ANTONIO	1905	88,245
P	RAM MFG	823 ROOSEVELT AVENUE	SAN ANTONIO	1980	52,396
Q	GREENLEAF WHOLESALE FLORISTS	1540 POPLAR ST. W.	SAN ANTONIO	1984	30,400
R	PIONEER FLOUR MILL	129 GUENTHER STREET E.	SAN ANTONIO	1985	233,206
S	HABITAT FOR HUMANITY	311 PROBANDT STREET	SAN ANTONIO	1952	141,500
T	HALO DISTRIBUTING	1403 COMAL STREET N.	SAN ANTONIO	1955	56,580
U	FORMER JUDSON CANDIES	831 FLORES STREET S.	SAN ANTONIO	1898	90,336
V	421 N MEDINA ST	421 MEDINA STREET N.	SAN ANTONIO	1950	70,416
W	ALENCO	731 COMAL STREET N.	SAN ANTONIO	1960	51,920
X	VERITAS PROPERTIES WAREHOUSE	1524 POPLAR STREET W.	SAN ANTONIO	1950	52,800
Y	NEWBERGER WHSE	1113 HOUSTON STREET E.	SAN ANTONIO	1980	95,311
Z	NEWELL SALVAGE	726 PROBANDT STREET	SAN ANTONIO	1972	59,974
A1	FORMER UNIVERSAL BOOKBINDERY	815 AVENUE B	SAN ANTONIO	1965	68,793
B1	RADIO CAP COMPANY INC	708 SAN MARCOS N.	SAN ANTONIO	1963	75,503
C1	RAINBOW BAKING CO	1919 COMAL STREET N.	SAN ANTONIO	1927	68,640
D1	REED CANDLE	1211 BRAZOS STREET N.	SAN ANTONIO	1924	55,200
E1	I-10 CENTRAL WAREHOUSE	1503 POPLAR STREET W.	SAN ANTONIO	1984	59,625
F1	SAN ANTONIO PRESS	317 ARBOR PLACE	SAN ANTONIO	1981	59,059
G1	SAN ANTONIO CITY HOUSING	1310 BRAZOS STREET S.	SAN ANTONIO	1968	93,300
H1	SAMUELS GLASS CO	221 NEWELL AVENUE	SAN ANTONIO	1950	50,800
I1	LONE STAR WAREHOUSE	600 LONE STAR BLVD.	SAN ANTONIO	1945	106,243
J1	VIA TRANSIT	230 DAKOTA STREET	SAN ANTONIO	1916	61,849
K1	SW TRADING CO.	1700 BRAZOS STREET S.	SAN ANTONIO	1960	77,119
L1	WESCO	1081 FLORES STREET S.	SAN ANTONIO	1950	92,167
M1	PEARL BREWERY	312 PEARL PARKWAY	SAN ANTONIO	1940	411,732
N1	DOWNTOWN DISTRIBUTION CENTER	325 CHESTNUT STREET	SAN ANTONIO	1982	87,840
O1	SUPERIOR PRODUCE	750 MERIDA STREET	SAN ANTONIO	1965	71,157
P1	ALLIED DISTR	1344 FLORES STREET S.	SAN ANTONIO	1950	73,969
Q1	CARQUEST AUTO PARTS	1964 ALAMO STREET S.	SAN ANTONIO	1963	76,000
R1	L & H PACKING	1545 SAN MARCOS S.	SAN ANTONIO	1960	60,937
S1	FORMER TOBIN AERIAL	114 CAMP STREET	SAN ANTONIO	1940	79,728
T1	FORMER ESKAY MFG.	122 STRIBLING STREET	SAN ANTONIO	1962	62,100
U1	FR & O INDUSTRIAL CENTER	702 S. SANTA ROSA	SAN ANTONIO	0	53,000

SOURCE: COLGLAZIER PROPERTIES • 1000 E BASSE RD. • SUITE 100 • SAN ANTONIO, TEXAS 78209 • PHONE (210) 821-5644 • FAX (210) 821-5843

OFFICE BUILDINGS

ID	BUILDING NAME	ADDRESS	CITY	YR. BUILT	SQ. FT.
1	ALAMO NATIONAL BUILDING	105 ST. MARY'S STREET	SAN ANTONIO	1929	249,829
2	CALVERT BUILDING	535 S. MAIN STREET	SAN ANTONIO	1960	63,000
3	FROST BANK TOWER	SEC HOUSTON STREET. W & MAIL	SAN ANTONIO	1973	335,000
4	HERITAGE PLAZA	410 S. MAIN STREET	SAN ANTONIO	1950	177,400
5	IBC CENTRE	175 HOUSTON STREET	SAN ANTONIO	1984	273,881
6	IBC CENTRE - BLDG 2	130 TRAVIS STREET	SAN ANTONIO	1985	93,000
7	MILAM BUILDING	115 TRAVIS	SAN ANTONIO	1927	210,851
8	NATIONS BANK PLAZA	300 CONVENT	SAN ANTONIO	1983	533,171
9	ONE ALAMO CENTER	106 ST. MARY'S STREET S	SAN ANTONIO	1982	195,798
10	ONE RIVERWALK PLACE	700 ST. MARY'S STREET	SAN ANTONIO	1981	255,354
11	ONE TEN BROADWAY	110 BROADWAY & COMMERCE ST	SAN ANTONIO	1904	102,323
12	CYPRESS TOWER	1222 MAIN STREET	SAN ANTONIO	1963	161,933
13	RIVERVIEW TOWERS	111 SOLEDAD	SAN ANTONIO	1919	248,153
14	SOLEDAD PLAZA WEST BLDG	425 SOLEDAD	SAN ANTONIO	1976	73,085
15	SOUTH TEXAS BUILDING	603 NAVARRO	SAN ANTONIO	1919	92,887
16	TOWER LIFE BUILDING	310 ST. MARY'S STREET	SAN ANTONIO	1929	242,401
17	TRAVIS BUILDING ON THE RIVER	405 ST. MARY'S STREET	SAN ANTONIO	1924	65,775
18	TRAVIS PARK PLAZA	711 NAVARRO	SAN ANTONIO	1970	155,132
19	VALERO ENERGY BUILDING I & II	530 MCCULLOUGH AVENUE	SAN ANTONIO	1978	419,875
20	WESTON CENTRE (112 E. PECAN)	112 PECAN	SAN ANTONIO	1988	500,363
21	WORLD TRADE CENTER BUILDING	118 BROADWAY	SAN ANTONIO	1911	92,000
22	INTERNATIONAL CENTER	ST. MARY'S & MARKET STREETS	SAN ANTONIO	1998	100,000

SOURCE: GRUBB & ELLIS • 40 NE LOOP 410 • SUITE 607 • SAN ANTONIO, TEXAS 78216 • PHONE (210) 828-5050 • FAX (210) 828-7860

PUBLIC SCHOOLS

ID	NAME	DISTRICT	RATING
1	BREWER ELEM. SCHOOL	SAN ANTONIO ISD	RECOGNIZED
2	SARAH S KING ELEM. SCHOOL	SAN ANTONIO ISD	ACCEPTABLE
3	STORM ELEM. SCHOOL	SAN ANTONIO ISD	ACCEPTABLE
4	OGDEN ELEM. SCHOOL	SAN ANTONIO ISD	ACCEPTABLE
5	IRVING MIDDLE SCHOOL	SAN ANTONIO ISD	RECOGNIZED
6	NELSON ELEM. SCHOOL	SAN ANTONIO ISD	ACCEPTABLE
7	BEACON HILL ELEM. SCHOOL	SAN ANTONIO ISD	RECOGNIZED
8	WM B TRAVIS ELEM. SCHOOL	SAN ANTONIO ISD	ACCEPTABLE
9	RODRIGUEZ ELEM. SCHOOL	SAN ANTONIO ISD	ACCEPTABLE
10	RHODES MIDDLE SCHOOL	SAN ANTONIO ISD	ACCEPTABLE
11	HAWTHORNE ELEM. SCHOOL	SAN ANTONIO ISD	RECOGNIZED
12	STEPHEN F AUSTIN ELEM. SCHOOL	SAN ANTONIO ISD	RECOGNIZED
13	FOX TECHNICAL HIGH SCHOOL	SAN ANTONIO ISD	UNACCEPTABLE
14	JAMES BOWIE ELEM. SCHOOL	SAN ANTONIO ISD	ACCEPTABLE
15	MARGIL ELEM. SCHOOL	SAN ANTONIO ISD	RECOGNIZED
16	DAVID CROCKETT ELEM. SCHOOL	SAN ANTONIO ISD	ACCEPTABLE
17	DE ZAVALA ELEM. SCHOOL	SAN ANTONIO ISD	ACCEPTABLE
18	LANIER HIGH SCHOOL	SAN ANTONIO ISD	ACCEPTABLE
19	TAFOLLA MIDDLE SCHOOL	SAN ANTONIO ISD	ACCEPTABLE
20	J T BRACKENRIDGE ELEM. SCHOOL	SAN ANTONIO ISD	ACCEPTABLE
21	RUIZ ELEM. SCHOOL	SAN ANTONIO ISD	ACCEPTABLE
22	COOPER MIDDLE SCHOOL	SAN ANTONIO ISD	ACCEPTABLE
23	DAVID BARKLEY ELEM. SCHOOL	SAN ANTONIO ISD	ACCEPTABLE
24	BRISCOE ELEM. SCHOOL	SAN ANTONIO ISD	ACCEPTABLE
25	BRACKENRIDGE HIGH SCHOOL	SAN ANTONIO ISD	ACCEPTABLE
26	ROBERT B GREEN ELEM. SCHOOL	SAN ANTONIO ISD	RECOGNIZED
27	BONHAM ELEM. SCHOOL	SAN ANTONIO ISD	RECOGNIZED
28	HERFF ELEM. SCHOOL	SAN ANTONIO ISD	ACCEPTABLE
29	CARVAJAL ELEM. SCHOOL	SAN ANTONIO ISD	UNACCEPTABLE
30	DOUGLASS ELEM. SCHOOL	SAN ANTONIO ISD	ACCEPTABLE
31	GEORGE E KELLY ELEM. SCHOOL	SAN ANTONIO ISD	ACCEPTABLE
32	LOWELL MIDDLE SCHOOL	SAN ANTONIO ISD	ACCEPTABLE
33	COLLINS GARDEN ELEM. SCHOOL	SAN ANTONIO ISD	RECOGNIZED
34	HARRIS MIDDLE SCHOOL	SAN ANTONIO ISD	ACCEPTABLE
35	W J KNOX ELEM. SCHOOL	SAN ANTONIO ISD	ACCEPTABLE
36	BURBANK HIGH SCHOOL	SAN ANTONIO ISD	ACCEPTABLE
37	FENWICK ELEM. SCHOOL	SAN ANTONIO ISD	RECOGNIZED

SOURCE: TEXAS EDUCATION AGENCY • HTTP://WWW.TEA.STATE.TX.US/

DESCRIPTION OF THE SITE

The site is a generally rectangular shaped tract of land estimated to have an area of 0.4208 of an acre or approximately 18,330 square feet.

The site is entirely covered by the Municipal Plaza Office Building.

The site has a frontage of approximately 101.50 feet on the east side of South Flores Street, a frontage of approximately 203.98 feet on the south side of West Commerce Street, a frontage of approximately 80.85 feet along the west side of the former South Main Avenue that has been closed for the expansion of Main Plaza, and a depth on the south of approximately 200.35 feet that formerly was Trevino Street that has been closed.

Reference is made to site exhibits found in this section of the report.

The site is generally level in topography and is slightly above the street grade.

All public utilities are at the site and drainage appears to be adequate.

South Flores Street is a two-way, four-lane, asphalt-paved public street with concrete curbs, concrete sidewalks, and street lights.

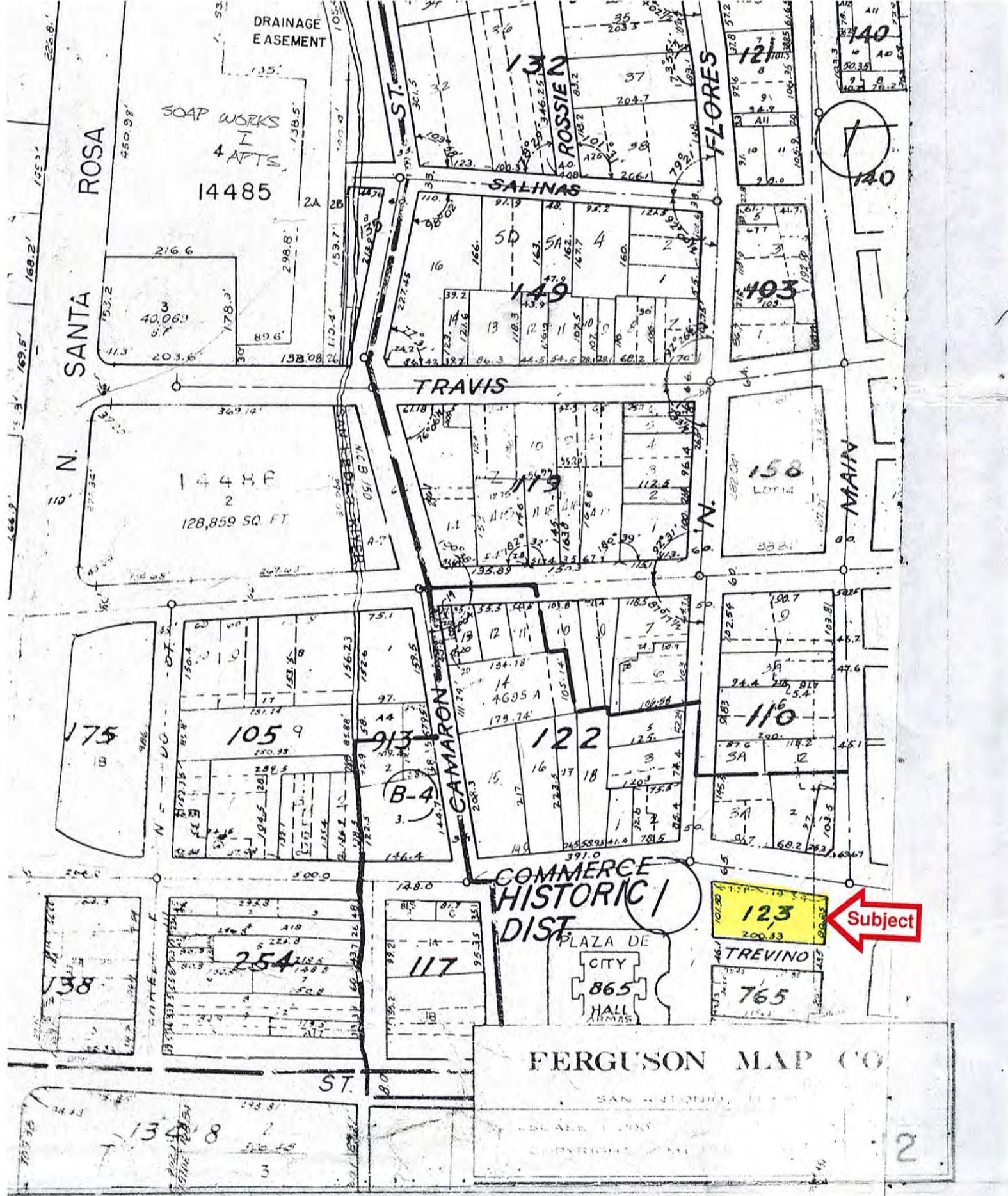
West Commerce Street is a west bound one-way, three-lane with north bus land, asphalt-paved public street with concrete curbs, concrete sidewalks, and street lights.

According to the Federal Emergency Management Agency, Flood Insurance Rate Map, Community Panel No. 48029C0415G, revised September 29, 2010, no portion of the appraised property site is within a flood prone area. Please refer to the attached exhibits.

The appraiser was not provided a soil or sub-soil test for the site; however, according to the United States Department of Agriculture, National Resources Conservation Service, Web Soil Survey, National Cooperative Soil Survey, the soil of the site is Branyon clay, 0% to 1% slopes. This soil type appears to be conducive for most types of development with proper site preparation and drainage. Please refer to the attached exhibits.

The property is located in the Main and Military Plazas historic district. The property is adjacent to the San Fernando Cathedral.

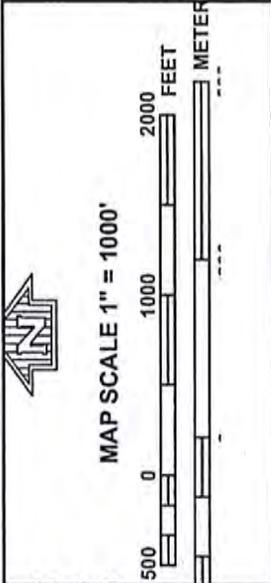
Please find on the following pages, site exhibits and photographs.



Subject

COMMERCE HISTORIC DIST
PLAZA DE CITY
865 HALL ARMAS

FERGUSON MAP CO
SAN ANTONIO, TEXAS
SCALE 1" = 100'
COPYRIGHT 1911



NFIP NATIONAL FLOOD INSURANCE PROGRAM

PANEL 0415G

FIRM
FLOOD INSURANCE RATE MAP
BEXAR COUNTY,
TEXAS
AND INCORPORATED AREAS

PANEL 415 OF 785
 (SEE MAP INDEX FOR FIRM PANEL LAYOUT)

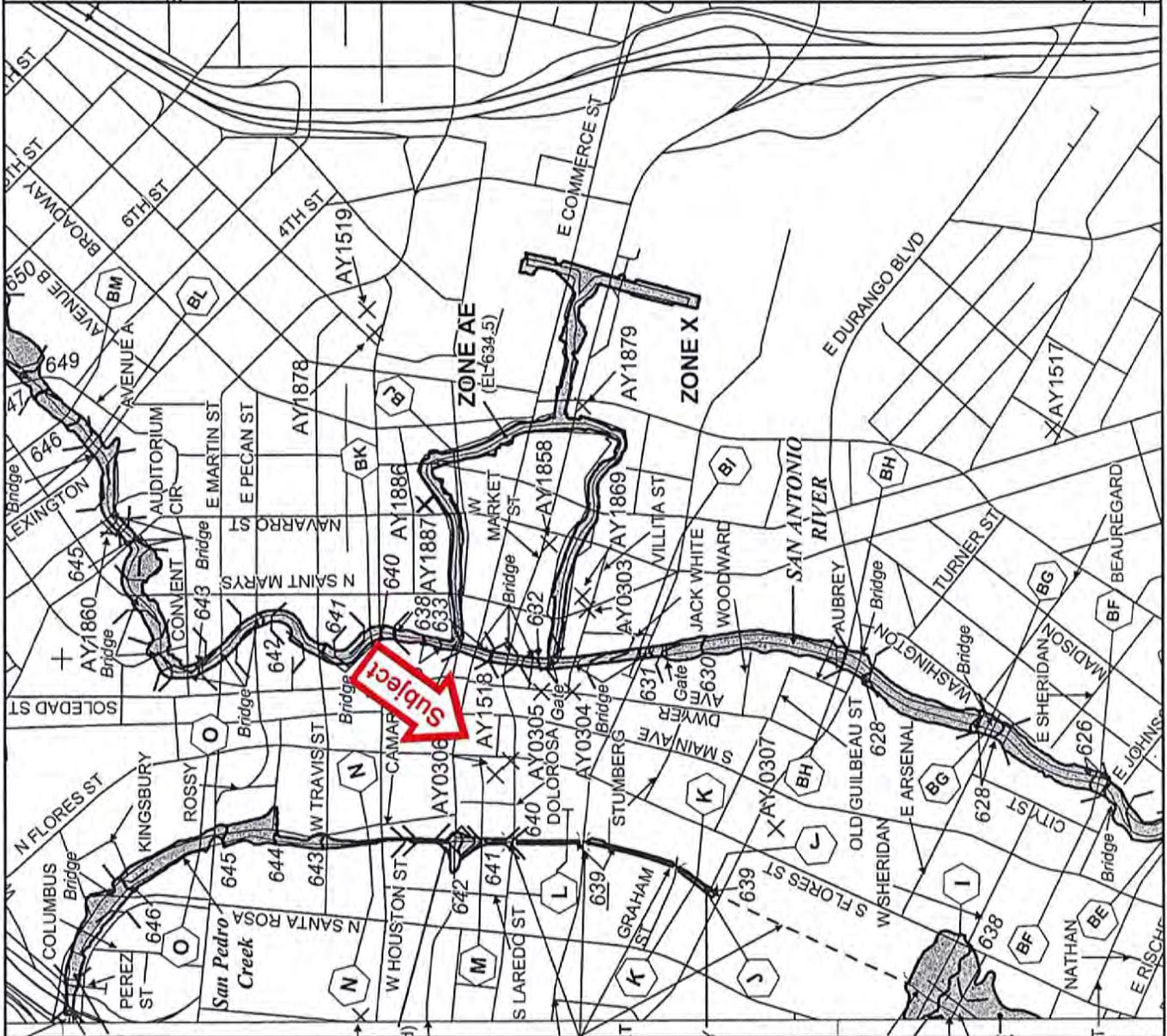
CONTAINS:
 COMMUNITY NUMBER SAN ANTONIO, CITY OF 480045
 PANEL SUFFIX 0415 G

Notice to User: The Map Number shown below should be used when placing map orders; the Community Number shown above should be used on insurance applications for the subject community.

MAP NUMBER
48029C0415G

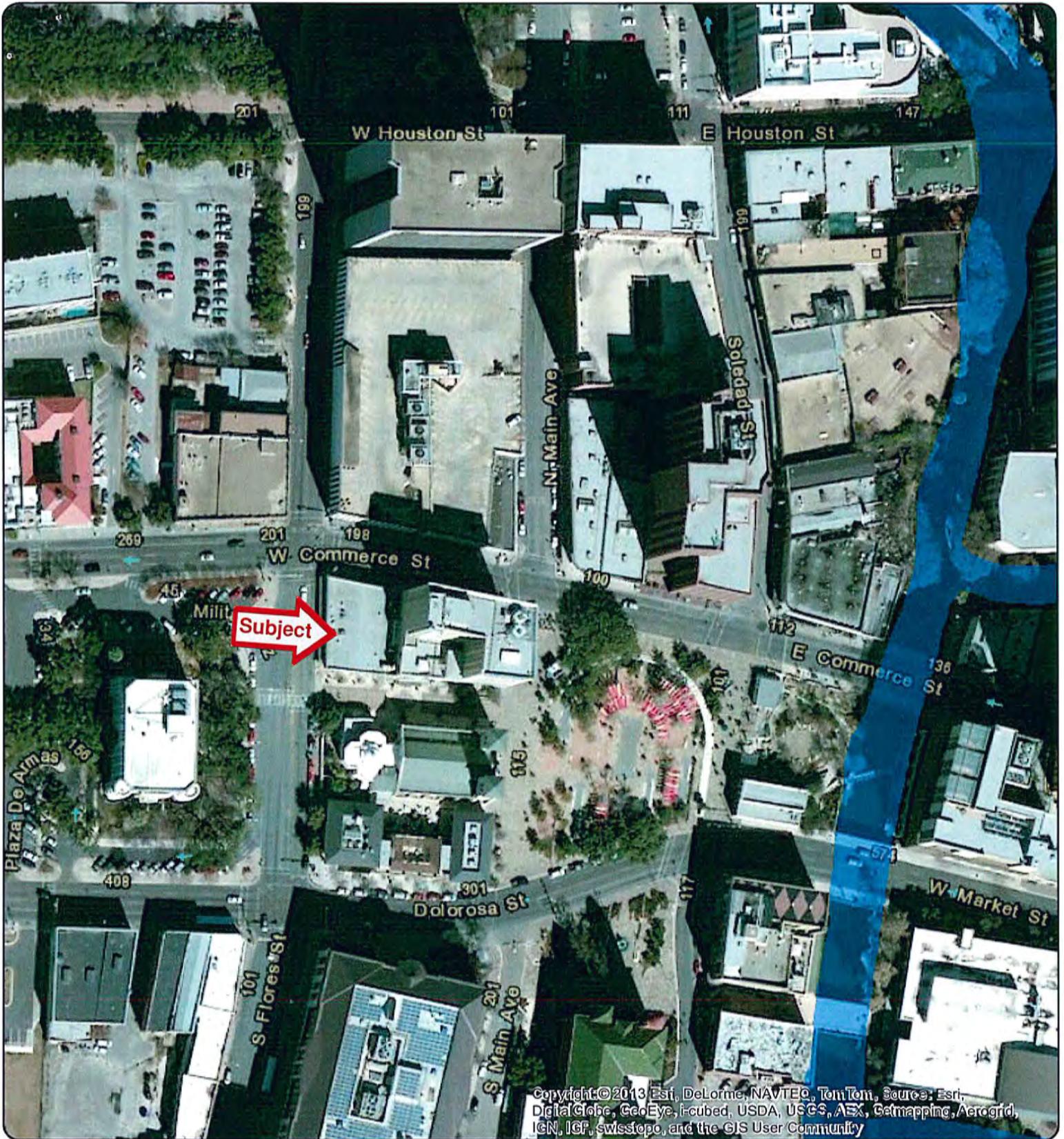
MAP REVISED
SEPTEMBER 29, 2010

Federal Emergency Management Agency



This is an official copy of a portion of the above referenced flood map. It was extracted using F-MIT On-Line. This map does not reflect changes or amendments which may have been made subsequent to the date on the title block. For the latest product information about National Flood Insurance Program flood maps check the FEMA Flood Map Store at www.msc.fema.gov

SARA Flood Map



Copyright © 2013 Esri, DeLorme, NAVTEC, TomTom, Source: Esri, DigitalGlobe, GeoEye, I-cubed, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, ICF, swisstopo, and the GIS User Community

- 0.2% Annual Chance Flood Hazard
- 1% Annual Chance Flood Hazard
- 1% Annual Chance Flood Hazard - Future Conditions
- Floodway



Disclaimer:

The GIS material included with this transmittal is made available as a public service. The maps and/or data are to be used for reference and/or informational purposes only and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries. The data herein shall be used and relied upon only at the user's sole risk, and the user agrees to indemnify and hold harmless the San Antonio River Authority, its officials and employees from any liability arising out of the use of the data or information provided. If there are any questions about the appropriateness of this data, please email saragis@sara-tx.org.

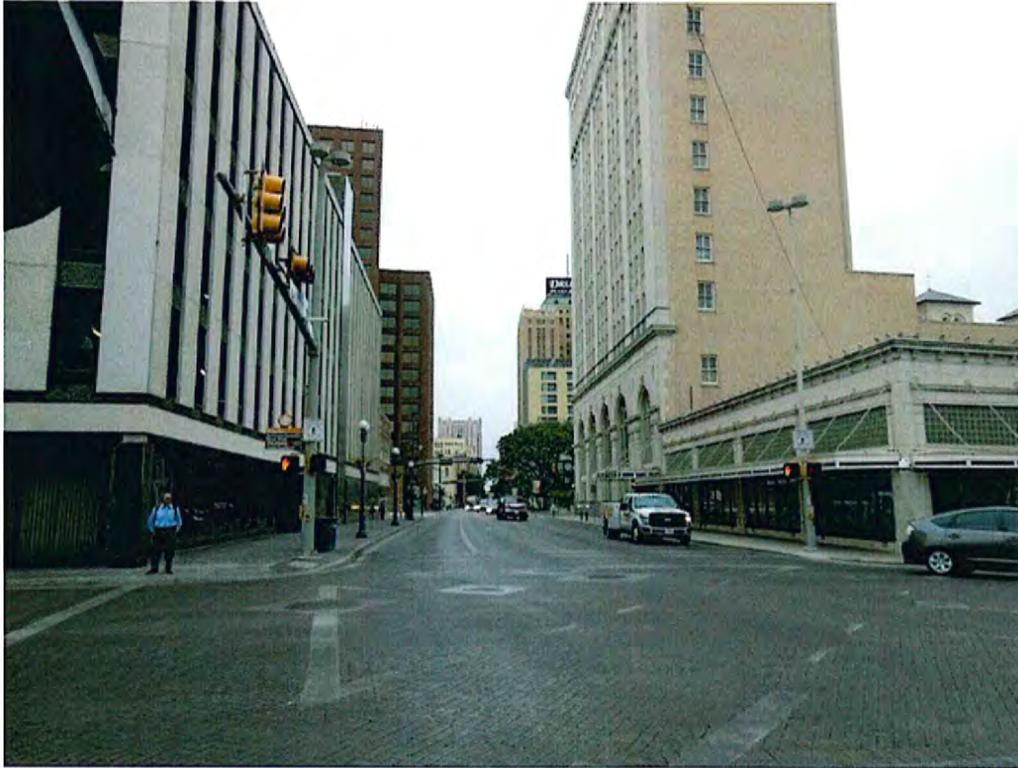
NOTE: This information is based on the Digital Flood Insurance Rate Map (DFIRM) for the communities within Bexar, Wilson, Karnes, and Goliad Counties. This map does not imply that the area depicted in the map will or will not be free from flooding or damage. An area not in a Special Flood Hazard Area may be damaged by a flood greater than that predicted by the DFIRM or from a local drainage problem not shown on the map. This map does not create liability on the part of the San Antonio River Authority, or any officer or employee thereof, for any damage that results from reliance on this information. This map does not serve as official FEMA documentation for use in flood determination.



LOOKING NORTH ALONG SOUTH FLORES STREET – PROPERTY AT RIGHT



LOOKING SOUTH ALONG SOUTH FLORES STREET – PROPERTY AT LEFT



LOOKING EAST ALONG WEST COMMERCE STREET – PROPERTY AT RIGHT



LOOKING WEST ALONG WEST COMMERCE STREET – PROPERTY AT LEFT



LOOKING EAST ALONG THE FORMER TREVINO STREET – PROPERTY AT LEFT



LOOKING NORTH TOWARD WEST COMMERCE STREET – PROPERTY AT LEFT

DESCRIPTION OF THE IMPROVEMENTS

The twelve-story building was constructed in 1922 and has a limestone and granite exterior.

The building is designated historically significant by the

At the basement is a subterranean corridor beneath Commerce Street connecting the basement level of the Municipal Plaza Building to the basement level of the Frost Bank Tower and attached parking garage.

The first or ground floor contains the City of San Antonio Council Chambers. Formerly, this area was the Frost Bank lobby and subsequently a Luby's cafeteria. The chambers were remodeled in 1992 and were first used in 1994 at which time the building was renamed from Main Plaza to Municipal Plaza.

The first floor also contains conference rooms. The upper floors consist primarily of office space.

Please find below a summary of building areas:

Gross Building Area:

1 st Floor –	17,333 square feet
Mezzanine –	6,404 square feet
2 nd Floor Mezzanine –	1,844 square feet
2 nd Floor –	7,774 square feet
3 rd Floor –	7,015 square feet
4 th – 10 th Floors –	7,015 square feet each
11 th Floor –	7,015 square feet
Penthouse –	1,460 square feet
Basement –	<u>11,810</u> square feet
Total –	109,760 square feet

Net Rentable Building Area:

1 st Floor –	16,361 square feet
Mezzanine –	5,734 square feet
2 nd Floor Mezzanine –	1,246 square feet
2 nd Floor –	7,042 square feet
3 rd Floor –	6,325 square feet
4 th – 10 th Floors –	6,436 square feet each
11 th Floor –	6,405 square feet
Penthouse –	1,460 square feet
Basement –	<u>10,672</u> square feet
Total –	100,297 square feet

The appraised property, in "as is" condition, has no on-site parking.

Please find photographs of the building on the following pages.



VIEW OF THE BUILDING LOOKING SOUTHWEST



VIEW OF THE BUILDING LOOKING NORTHWEST



VIEW OF THE BUILDING LOOKING SOUTHEAST



VIEW OF THE BUILDING LOOKING NORTHEAST

HIGHEST AND BEST USE

Highest and Best Use is defined and described as follows:

"That reasonable and probable use that will support the highest and present value, as defined, as of the effective date of the appraisal."

Alternatively, it is "that use, from among reasonable, probable, and legal alternative uses, which is found to be physically possible, appropriately supported, financially feasible, and which results in highest land value".

The definition immediately above applies specifically to the highest and best use of land, as though vacant. It is to be recognized that in cases where a site has existing improvements on it, the highest and best use may very well be determined to be different from the existing use. The existing use will continue, however, unless and until the land value in its highest and best use exceeds the total value of the entire property in its existing use.

In order to ascertain the highest and best use of the site, a number of factors were taken into consideration. These include the physical characteristics of the property such as location, access, size, shape, topography, and utilities. Legal factors considered in this analysis include the zoning ordinances which restrict the use, height limitations, allowable size density, and other restrictions. The present use of the surrounding land, as well as, the demand for properties for different types of development in the neighborhood were also studied.

The highest and best use as though vacant and as improved of the site must meet four criteria:

- (1) Physically possible,
- (2) Legally permissible,
- (3) Financially feasible, and
- (4) Maximally productive.

PHYSICALLY POSSIBLE USE - The location, size, shape, topography, and utilities influence the type of development to which a site can be used.

The physical characteristics of the site are well suited to commercial development of the land as the site is well located on the south side of West Commerce Street with frontage on Main Plaza in the center of the San Antonio Central Business District. The location is in an area of recent and current development/redevelopment including the development of a 17-story Marriott Courtyard Hotel on the San Antonio River which is the redevelopment of a smaller site consisting of the former location of St. Mary's School. An additional recent development is the Embassy Suites Hotel located on Houston Street. The location of the appraised property is on the west side of Main Plaza across from the park area of the San Antonio River/Riverwalk.

The site is of an adequate size to accommodate a range of uses which is appropriate considering the location of the site and the value of land in the area; however, the site is not of adequate size to allow parking without a parking garage.

LEGALLY PERMISSIBLE USE – The appraised property site is zoned “D” – Downtown District, “H” – Historic District and Landmarks, and “HS” – Historic Significant District. The property is listed as Historically Exceptional in the City of San Antonio Center City Cultural Resource Inventory.

Downtown District – This zone provides concentrated downtown retail, service, office, and mixed uses in the existing Central Business District. Examples of permitted uses include: indoor theaters, taxi service, apartments, hotels, motels, offices, and telephone equipment infrastructure.

The appraised property is also zoned “Historic” as the appraised property is located within the Main and Military Plaza Historic District.

Historic Districts and Landmarks – These are areas in which the cultural or archeological identity, architectural features, or overall character are considered historically significant. Historic Districts often contain one or more buildings, objects, sites, or structures designated as significant or exceptional historic landmarks.

In summary, the current zoning allows a variety of uses of the site.

No portion of the appraised property is indicated to be located within a flood hazard area. Reference is made to the attached exhibits.

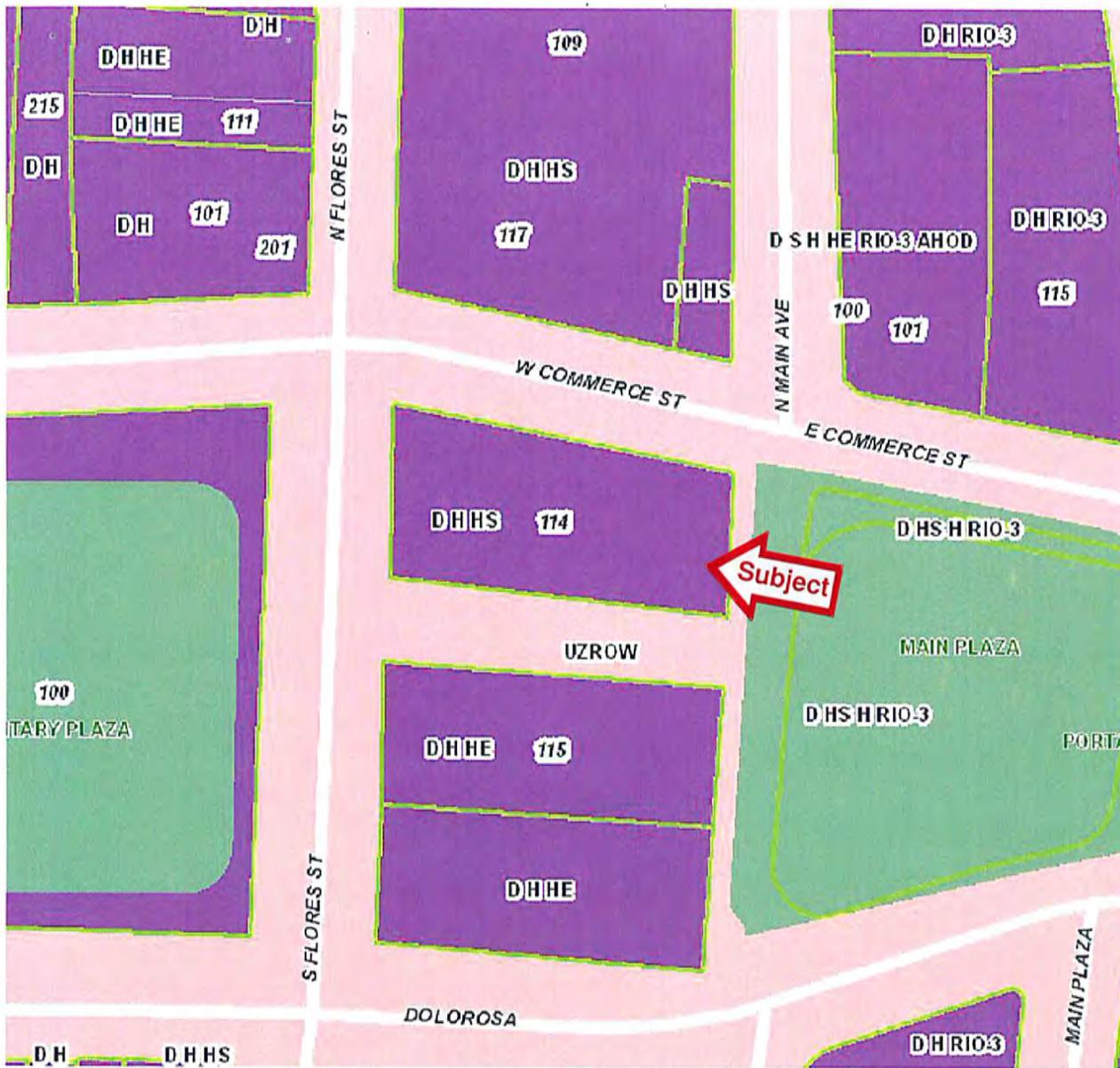
FINANCIALLY FEASIBLE USE - MAXIMALLY PRODUCTIVE - The financially feasible and maximally productive use of the land is considered to be for commercial redevelopment of the land. The physical characteristics and legally permissible uses include a wide range of commercial and/or commercial and residential mixed-use development options as warranted by demand.

“AS IF VACANT” – It is the opinion of the appraiser that the highest and best use of the appraised property, “as if vacant”, would be for single-use to mixed-use commercial high density development as warranted by demand and in conformance with the historic designation and allowable development criteria.

“AS IMPROVED” – It is the opinion of the appraiser that the highest and best use of the appraised property site, “as improved”, is for continued use of the existing multi-story office building.

Due to the current negative worldwide, national, and local economic conditions and the current adequate to oversupplied condition of the downtown area condominium market and hotel/motel market, oversupplied downtown office market, and lack of demand for retail/commercial development, limited, if any, demand is estimated to currently exist for the near term redevelopment of the appraised property. The marketing time for commercial real estate in San Antonio has been extended due to the current economic conditions and limited availability of financing for commercial development and sales resulting in a marketing time estimate for the appraised property exceeding one year.

A zoning map and historic district map for the Main and Military Plazas District are provided on the following pages.



N



Zoning Map

Powered by ArcGIS Server

The City of San Antonio does not guarantee the accuracy, adequacy, completeness or usefulness of any information. The City does not warrant the completeness, timeliness, or positional, thematic, and attribute accuracy of the GIS data. The GIS data, cartographic products, and associated applications are not legal representations of the depicted data. Information shown on these maps is derived from public records that are constantly undergoing revision. Under no circumstances should GIS-derived products be used for final design purposes. The City provides this information on an "as is" basis without warranty of any kind, express or implied, including but not limited to warranties of merchantability or fitness for a particular purpose, and assumes no responsibility for anyone's use of the information.

VALUATION OF THE PROPERTY

In the valuation of real estate, there are three approaches to value – the Cost Approach, Sales Comparison Approach, and the Income Approach.

The Cost Approach involves the estimation of the depreciated replacement cost of the improvements which is then added to the estimated value of the land based upon comparable sales of land in the area of the appraised property. The resulting figure is an indication of the value of the appraised property by the Cost Approach.

The Sales Comparison Approach is based upon a comparison of comparable office building sales with the appraised property. Adjustments are made for differences between the comparable sales and the appraised property to result in a value indication by the Sales Comparison Approach.

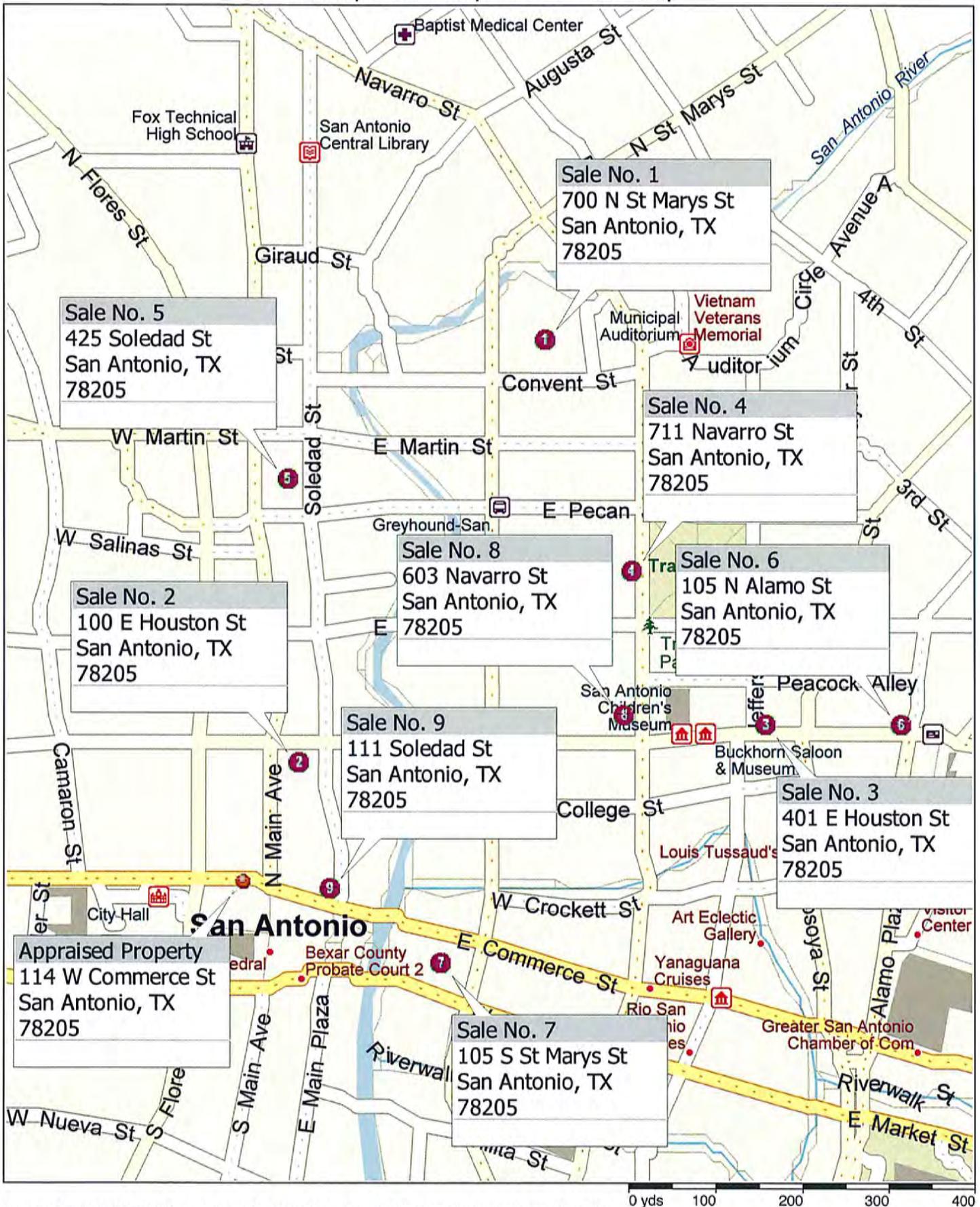
The Income Approach involves the estimation of the market rent for the appraised property, less operating expenses from the operation of the property to result in the net operating income. The net operating income is capitalized to result in the indication of value of the appraised property by the Income Approach.

The valuation of the real estate was made using the Sales Comparison Approach and the Income Approach. The applicable approaches to value were correlated and a final opinion of market value of the fee simple interest of the appraised property in “as is” condition was concluded by the appraiser. The Cost Approach was not processed due to the age of the improvements with resulting difficulty in estimating the depreciation applicable to the appraised property.

SALES COMPARISON APPROACH

The appraiser has made an investigation of recent sales of office buildings in San Antonio. The most recent comparable sales found in San Antonio were inspected and compared to the appraised property, in detail, in order to develop an indication of value for the appraised property by the Sales Comparison Approach. The sales selected are considered to have the highest degree of comparability and are given on the following pages, are preceded by a map of the comparable sales, and are followed thereafter by a discussion of the sales.

Comparable Improved Sales Map



Copyright © and (P) 1988–2012 Microsoft Corporation and/or its suppliers. All rights reserved. <http://www.microsoft.com/streets/>
 Certain mapping and direction data © 2012 NAVTEQ. All rights reserved. The Data for areas of Canada includes information taken with permission from Canadian authorities, including: © Her Majesty the Queen in Right of Canada, © Queen's Printer for Ontario. NAVTEQ and NAVTEQ ON BOARD are trademarks of NAVTEQ. © 2012 Tele Atlas North America, Inc. All rights reserved. Tele Atlas and Tele Atlas North America are trademarks of Tele Atlas, Inc. © 2012 by Applied Geographic Solutions. All rights reserved. Portions © Copyright 2012 by Woodall Publications Corp. All rights reserved.

SALE NO.	LOCATION	DATE	SALE PRICE	NET RENTABLE BLDG. AREA SQ.FT.	SALE PRICE/SQ.FT.
1	700 North St. Mary's Street	08/20/13	\$20,000,000	261,733	\$76.41
Comments: 18-story Class B One Riverwalk Place office building and parking garage on 1.9217 acres on the San Antonio River, constructed in 1981. Occupancy was approximately 70% at the time of sale.					
2	100 East Houston Street	03/28/13	\$5,600,000	105,973	\$52.84
Comments: 8-story Class B The Rand office building with basement, tunnel under Main Avenue to the Frost Bank Tower and parking garage on 0.9204 of an acre, constructed in 1913. Seller leased back a portion of the building for two years.					
3	401 East Houston Street	06/24/08	\$4,950,000	55,440	\$89.29
Comments: 5-story Class B Bromley Communications office building with basement on 0.198 of an acre, constructed in 1919. 87% of the building leased until 2014. No on-site parking.					
4	711 Navarro Street	06/09/08	\$22,000,000	160,191	\$137.34
Comments: 7-story Class B Travis Park Plaza office building with basement and parking garage on 2.496 acres, constructed in 1970. 90% occupancy at the time of sale.					
5	425 Soledad Street	06/27/05	\$2,400,000	65,803	\$36.47
Comments: 8-story Class B Broadway Bank office building with basement and drive-thru bank on 0.5432 of an acre, constructed in 1974. The building was subsequently converted to office condominiums by floor. No on-site parking.					

SALE NO.	LOCATION	DATE	SALE PRICE	NET RENTABLE BLDG. AREA SQ.FT.	SALE PRICE/SQ.FT.
6	105 North Alamo Street	03/30/05	\$3,500,000	64,701	\$54.10
Comments: 8-story Class B The Gibbs office building with basement on 0.17 of an acre, constructed in 1909. Subsequently converted to the Hotel Indigo San Antonio. No on-site parking.					
7	105 South St. Mary's Street	04/05/04	\$11,000,000	249,685	\$44.06
Comments: 24-story Class B The Alamo National office building with basement and parking garage on 0.864 of an acre, constructed in 1929. Subsequently converted to the Drury Plaza Hotel Riverwalk.					
8	603 Navarro Street	01/20/04	\$3,785,000	91,552	\$41.34
Comments: 12-story Class B South Texas office building on 0.19 of an acre, constructed in 1919. Subsequently converted to the Home2 Suites by Hilton San Antonio Downtown hotel. No on-site parking.					
9	111 Soledad Street	10/31/03	\$11,025,000	248,153	\$44.43
Comments: 13 and 20-story Class B Riverview Tower office building on 0.4684 of an acre, constructed in 1918 with additions in 1926, 1940 and 1983. 71% occupancy at the time of sale. No on-site parking.					

The comparable sales given above have been adjusted for financial and physical characteristics indicated to be appropriate by prevalent market conditions in the San Antonio Central Business District area.

SALE NO. 1 – This sale is considered to be more valuable per square foot of land area than the appraised property due to the larger land area, attached parking garage and newer age of the improvements. This sale is considered to be inferior to the appraised property due to the location north of the primary central business district.

SALE NO. 2 – This sale is considered to be more valuable per square foot than the appraised property due to the larger land area and parking garage included in the sale. This sale is considered to be inferior to the appraised property due to the sale price appearing to be below market.

SALE NO. 3 – This sale is considered to be more valuable per square foot than the appraised property due to the sale date in a superior market. This sale is similar to the appraised property lacking on-site parking.

SALE NO. 4 – This sale is considered to be significantly more valuable per square foot than the appraised property due to the sale date in a superior market, the newer age of the improvements, and the larger land area including a parking garage.

SALE NO. 5 – This sale is considered to be less valuable per square foot than the appraised property due to the lack of occupancy and dated condition at the time of sale.

SALE NO. 6 – This sale is considered to be less valuable per square foot than the appraised property due to the slightly inferior location. This sale is similar to the appraised property lacking on-site parking.

SALE NO. 7 – This sale is considered to be less valuable per square foot than the appraised property due to the condition of the building at the time of sale.

SALE NO. 8 – This sale is considered to be less valuable per square foot than the appraised property due to the condition of the building at the time of sale. This sale is similar to the appraised property lacking on-site parking.

SALE NO. 9 – This sale is considered to be less valuable per square foot than the appraised property due to the condition of the building at the time of sale. This sale is similar to the appraised property lacking on-site parking.

The appraised property is a single tenant building. The opinion of value could be significantly affected if the building were vacated by the owner.

The unadjusted sale prices of the most comparable office building sales found for analysis to the appraised property were in the range of \$36.47 to \$137.34 per square foot of office area.

The indicated value of the appraised property by the Sales Comparison Approach is \$65.00 per square foot for the 100,297 square feet of net rentable area in the appraised property office building or an indicated value of \$6,519,305 that is rounded to \$6,500,000.

INCOME APPROACH

The Income Capitalization Approach includes a set of procedures through which the appraiser derives an opinion of value indication for an income-producing property by converting anticipated benefits into property value. This conversion is accomplished by Direct Capitalization – capitalizing a single year net income expectancy at a market derived

capitalization rate or a capitalization rate that reflects a specified income pattern, return on investment, and change in the value of the investment.

The appraiser has utilized the Direct Capitalization Method in the estimation of the opinion of value of the appraised property by the Income Approach. The Direct Capitalization Method was utilized due to the single-tenant occupancy and customized design of the appraised property.

The appraised property is a single tenant owner occupied building so is not subject to a lease.

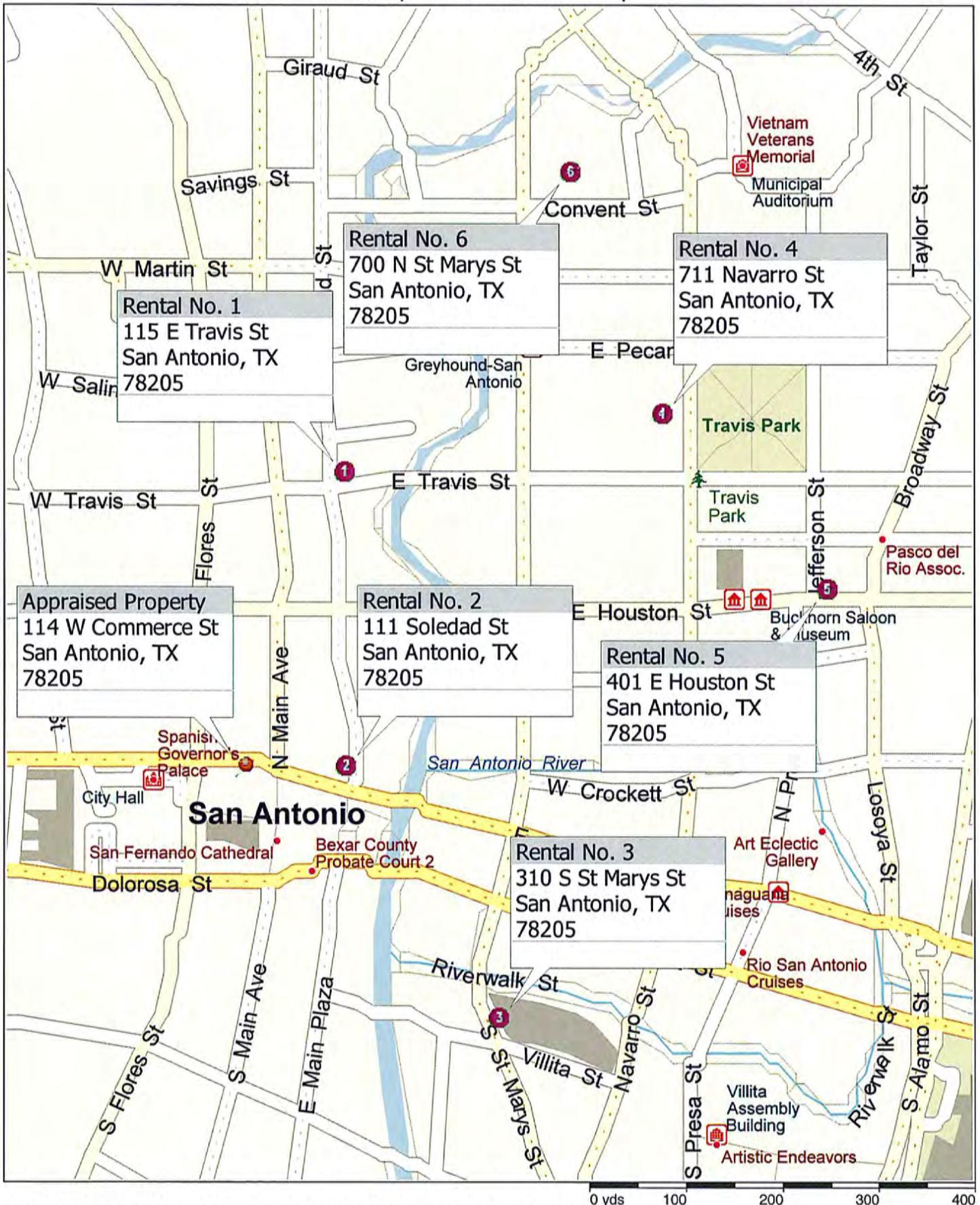
Market Rental Value – The first step in the Income Approach is to estimate the market rent for the appraised property. Market Rent is defined as:

The rental income that a property would most probably command in the open market; indicated by the current rents paid and asked for comparable space as of the date of the appraisal.

In order to estimate the market rental rate for the appraised property, the appraiser has made an investigation of current asking and actual rental rates for comparable office buildings in the Central Business District of San Antonio. Limited local rental data was available for analysis. A map of the comparable rentals is given on the following page.

<u>RENTAL NO.</u>	<u>LOCATION</u>	<u>RENTAL RATE/ SQ.FT./ YEAR</u>	<u>BUILDING SIZE</u>	<u>YOC</u>	<u>OCCUPANCY</u>
1	115 E Travis The Milam Building	\$15.50 to \$16.00	210,851	1929	76%
2	111 Soledad Riverview Tower	\$16.50 to \$17.50	248,153	1918 to 1983	82%
3	310 S. St. Mary's Tower Life Building	\$17.00	220,000	1929	37%
4	711 Navarro Travis Park Plaza	\$17-\$18	160,191	1970	65%
5	401 E. Houston Bromley Communications	\$18.00	55,440	1919	94%
6	700 N. St. Mary's One Riverwalk Place	\$19.00	261,733	1981	71%

Comparable Rentals Map



Copyright © and (P) 1988–2012 Microsoft Corporation and/or its suppliers. All rights reserved. <http://www.microsoft.com/streets/>
 Certain mapping and direction data © 2012 NAVTEQ. All rights reserved. The Data for areas of Canada includes information taken with permission from Canadian authorities, including: © Her Majesty the Queen in Flight of Canada, © Queen's Printer for Ontario. NAVTEQ and NAVTEQ ON BOARD are trademarks of NAVTEQ. © 2012 Tele Atlas North America, Inc. All rights reserved. Tele Atlas and Tele Atlas North America are trademarks of Tele Atlas, Inc. © 2012 by Applied Geographic Solutions. All rights reserved. Portions © Copyright 2012 by Woodall Publications Corp. All rights reserved.

Market Rental Rate – The office building rent comparables have an annual rental range of \$15.50 to \$19.00 per square foot of building area. Four of the comparable rentals are comparable sales previously summarized. Considering the age, size, location and other characteristics of the appraised property, the appraiser has concluded a market rental rate of \$16.00 per square foot per year on a full service gross basis whereby the landlord pays typical operating expenses.

Vacancy and Collection Loss – Considering the good location but weak current CBD Class B office market, the appraiser has estimated stabilized vacancy and collection loss of 15% for the appraised property.

Expenses – The expenses for the appraised property have been estimated based upon market-derived expenses from comparable office buildings in the San Antonio Central Business District market. The appraiser was not provided any actual expense information or history on the appraised property. Management is included in the expense estimate. The estimated annual expense is \$8.00 per square foot.

The stabilized potential gross income for the appraised property is estimated to be \$1,604,400 less stabilized vacancy and collection losses at 15% or \$240,660 to result in stabilized effective gross income of \$1,363,740. Subtracting landlord operating expenses results in the stabilized net operating income of \$561,364.

Overall Capitalization Rate – The appraiser has estimated the applicable overall capitalization rate for the appraised property to be 9.00% as the appraised property is a good quality, well located, single-tenant, freestanding office building. This going-in overall capitalization rate is indicated to be well supported by local market data.

Capitalizing the net operating income of \$561,364 at 9.00% results in the indicated value for the appraised property by the Income Approach of \$6,237,378 that is rounded to \$6,250,000.

A summary of the calculations of the Income Approach are provided on the following page.

CORRELATION AND FINAL OPINION OF VALUE

The appraiser has relied upon the Sales Comparison Approach and the Income Approach in the estimation of the value of the appraised property. The indicated values of the appraised property by the applicable approaches are as follows:

Value Indicated by the Sales Comparison Approach	\$6,500,000
Value Indicated by the Income Approach	\$6,250,000

Similar weight is given to each of the approaches to value in the case of the appraised property. The Sales Comparison Approach was given considerable weight due to the recent sales of similar freestanding fast-food restaurants analyzed in San Antonio. The Income Approach was given considerable weight based upon the analysis of market comparable lease data, market extracted economic rent, expenses, and overall capitalization rates.

Based upon my analysis and appraisal, it is my opinion that the market value of the fee simple interest of Municipal Plaza Office Building at 114 West Commerce Street, City of San Antonio, Bexar County, Texas, in "as is" condition, as of August 15, 2013, was:

**SIX MILLION FIVE HUNDRED THOUSAND DOLLARS
(\$6,500,000.00)**

The opinion of value reported above is based upon a reasonable marketing time which is currently estimated to be in excess of 12 months due to current economic conditions on a worldwide, national, and local basis which has resulted in an extended marketing time.

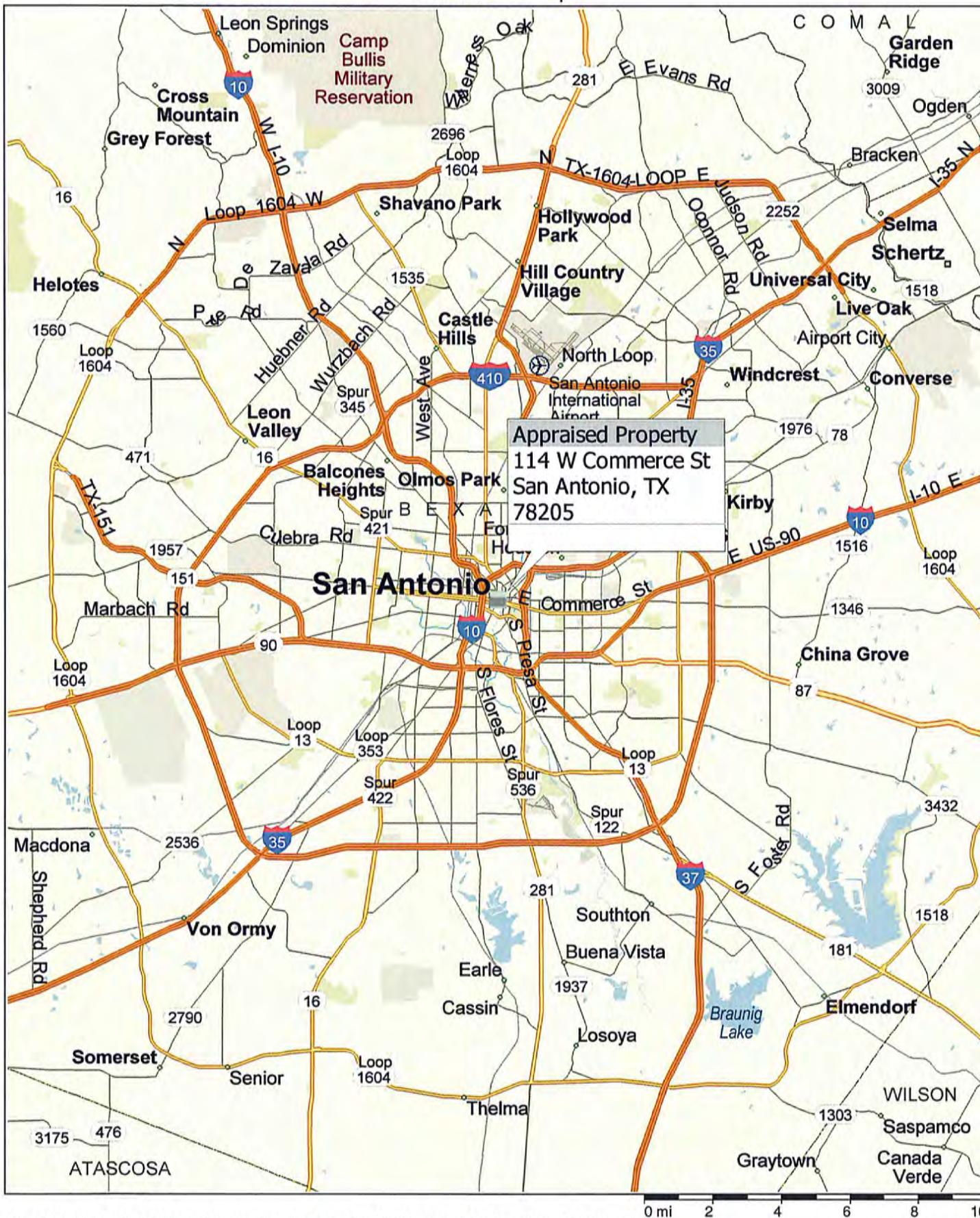
FIRST FLOOR ALLOCATION OF THE OPINION OF VALUE

The appraiser has been requested to allocate an opinion of value of the ground or first floor of the building.

Based on the previous analysis, the indicated value of the first or ground floor of the appraised property is \$120.00 per square foot for the 16,361 square feet of net rentable area in the first floor of the appraised property office building or an indicated value of \$1,963,320 that is rounded to \$2,000,000.

ADDENDA

Location Map



Copyright © and (P) 1988–2012 Microsoft Corporation and/or its suppliers. All rights reserved. <http://www.microsoft.com/streets/>
 Certain mapping and direction data © 2012 NAVTEQ. All rights reserved. The Data for areas of Canada includes information taken with permission from Canadian authorities, including: © Her Majesty the Queen in Right of Canada, © Queen's Printer for Ontario. NAVTEQ and NAVTEQ ON BOARD are trademarks of NAVTEQ. © 2012 Tele Atlas North America, Inc. All rights reserved. Tele Atlas and Tele Atlas North America are trademarks of Tele Atlas, Inc. © 2012 by Applied Geographic Solutions. All rights reserved. Portions © Copyright 2012 by Woodall Publications Corp. All rights reserved.

EXHIBIT "A"

A 0.4208 acre (18,330.42 square foot) tract of land, being all of New City Block 123, City of San Antonio, Bexar County, Texas; said tract of land being Tract I and Tract II as described in instrument recorded in Volume 5525, Pages 843 and 844, Deed Records, Bexar County, Texas; and being more particularly described as follows:

BEGINNING at a point for the Southwest corner of this 0.4208 acre tract, said corner being the intersection of the East ROW line of Flores Street and the North ROW line of Trevino Street;

THENCE 101.50 feet in a Northeasterly direction along the East ROW line of Flores Street to a point for the Northwest corner of this tract;

THENCE in a Southeasterly direction, 203.98 feet and an interior angle from South to Southeast of $79^{\circ}25'27''$, along the South ROW line of Commerce Street to a point for the Northeast corner of this tract;

THENCE in a Southerly direction, 80.95 feet and an interior angle from Northwest to West to South of $99^{\circ}55'59''$, along the West ROW line of Main Avenue to a point for the Southeast corner of this tract;

THENCE in a Westerly direction along the North ROW line of Trevino Street, the following:

124.19 feet and an interior angle from the North to West of $86^{\circ}11'21''$ to point, an angle;

76.16 feet and an interior angle from East to North to West of $179^{\circ}04'21''$ to the POINT OF BEGINNING.

Signed for identification:

8

151 1000 1000 1000

VOL 2802 PAGE 2118

Bexar CAD

Property Search Results > 101439 CITY OF SAN ANTONIO for Year 2013

Property

Account

Property ID: 101439 Legal Description: NCB 123 BLK LOT E 119.34 & W 84.58 OF TR-1
 Geographic ID: 00123-000-0010 Agent Code:
 Type: Real
 Property Use Code: 5000
 Property Use Description: EXEMPT - TOTAL EXEMPT

Location

Address: 114 W COMMERCE ST Mapsco: 616E5
 TX
 Neighborhood: NBHD code10011 Map ID:
 Neighborhood CD: 10011

Owner

Name: CITY OF SAN ANTONIO Owner ID: 70010
 Mailing Address: PO BOX 839975 % Ownership: 100.000000000000%
 SAN ANTONIO, TX 78283-3975
 Exemptions: EX-XV

Values

(+) Improvement Homesite Value: + \$0
 (+) Improvement Non-Homesite Value: + \$7,286,750
 (+) Land Homesite Value: + \$0
 (+) Land Non-Homesite Value: + \$1,846,400 Ag / Timber Use Value
 (+) Agricultural Market Valuation: + \$0 \$0
 (+) Timber Market Valuation: + \$0 \$0

 (=) Market Value: = \$9,133,150
 (-) Ag or Timber Use Value Reduction: - \$0

 (=) Appraised Value: = \$9,133,150
 (-) HS Cap: - \$0

 (=) Assessed Value: = \$9,133,150

Taxing Jurisdiction

Owner: CITY OF SAN ANTONIO
 % Ownership: 100.000000000000%
 Total Value: \$9,133,150

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax
06	BEXAR CO RD & FLOOD	0.030679	\$9,133,150	\$0	\$0.00
08	SA RIVER AUTH	0.017370	\$9,133,150	\$0	\$0.00
09	ALAMO COM COLLEGE	0.149150	\$9,133,150	\$0	\$0.00
10	UNIV HEALTH SYSTEM	0.276235	\$9,133,150	\$0	\$0.00
11	BEXAR COUNTY	0.296187	\$9,133,150	\$0	\$0.00
21	CITY OF SAN ANTONIO	0.565690	\$9,133,150	\$0	\$0.00
57	SAN ANTONIO ISD	1.357600	\$9,133,150	\$0	\$0.00
CAD	BEXAR APPRAISAL	0.000000	\$9,133,150	\$0	\$0.00

DISTRICT	
Total Tax Rate:	2.692911
Taxes w/Current Exemptions:	\$0.00
Taxes w/o Exemptions:	\$245,947.60

Improvement / Building

Improvement #1:	Commercial	State Code:	F1	Living Area:	115432.0 sqft	Value:	\$7,286,750
------------------------	------------	--------------------	----	---------------------	---------------	---------------	-------------

Type	Description	Class CD	Exterior Wall	Year Built	SQFT
401	OFFICE BSMT	B	BR	1925	7682.0
200	RESTAURANT	B	BR	1925	15364.0
400	OFFICE	B	BR	1925	76820.0
401	OFFICE BSMT	C	BR	1925	2871.0
200	RESTAURANT	C	BR	1925	5742.0
401	OFFICE BSMT	C	BR	1925	745.0
200	RESTAURANT	C	BR	1925	6208.0

Land

#	Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
1	COB	Commercial Office Building	0.4239	18464.00	0.00	0.00	\$1,846,400	\$0

Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2013	\$7,286,750	\$1,846,400	0	9,133,150	\$0	\$9,133,150
2012	\$7,375,430	\$1,846,400	0	9,221,830	\$0	\$9,221,830
2011	\$6,837,000	\$830,880	0	7,667,880	\$0	\$7,667,880
2010	\$6,837,000	\$830,880	0	7,667,880	\$0	\$7,667,880
2009	\$7,067,100	\$830,880	0	7,897,980	\$0	\$7,897,980
2008	\$6,820,860	\$830,880	0	7,651,740	\$0	\$7,651,740

Deed History - (Last 3 Deed Transactions)

#	Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Deed Number
1	12/29/1986 12:00:00 AM	Deed	Deed	FROST NAT'L BANI	MAIN PLAZA, LTD			0
2		Deed	Deed		CITY OF SAN ANTC	3898	1308	0

*****For Internet Explorer 10 Users Click Here for Instructions*****

2013 data current as of Aug 5 2013 1:57AM.

2012 and prior year data current as of Jul 11 2013 3:45PM

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

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

Bexar CAD

Property Search Results > Property ID 101439 CITY OF SAN ANTONIO for Year 2013



Property Details

Account

Property ID: 101439
 Geo. ID: 00123-000-0010
 Type: Real
 Legal Description: NCB 123 BLK LOT E 119.34 & W 84.58 OF TR-1

Location

Address: 114 W COMMERCE ST TX
 Neighborhood: NBHD code10011
 Mapsco: 616E5
 Jurisdictions: 06, 08, 09, 10, 11, 21, 57, CAD

Owner

Name: CITY OF SAN ANTONIO
 Address: PO BOX 839975
 SAN ANTONIO, TX 78283-3975

Property

Appraised Value: \$9,133,150

SAN ANTONIO

EMPLOYMENT GROWTH RANK

2012-2014
46
1st quintile

2012-2017
24
1st quintile

Best=1, Worst=392

LIFE CYCLE PHASE

Growth/Mature

VITALITY

RELATIVE
120%

RANK
40

U.S.=100%

Best=1, Worst=384

RISK EXPOSURE

2013-2013
284
4th quintile

Highest=1, Lowest=384

RELATIVE COSTS

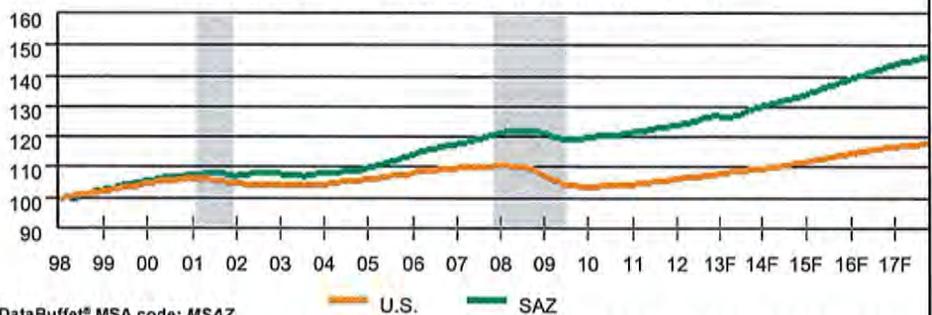
LIVING
100%

BUSINESS
81%

U.S.=100%

Best=1, Worst=384

RELATIVE EMPLOYMENT PERFORMANCE (1998=100)



DataBuffet® MSA code: MSAZ

2006	2007	2008	2009	2010	2011	2012	INDICATORS	2013	2014	2015	2016	2017
70.5	74.1	75.6	74.3	77.8	80.9	84.3	Gross metro product (C\$B)	87.4	90.7	94.8	99.0	102.6
4.5	5.1	2.0	-1.8	4.8	4.0	4.2	% change	3.7	3.8	4.6	4.4	3.6
811.5	834.3	852.5	836.7	843.2	858.5	878.1	Total employment (000)	894.1	922.7	954.8	988.9	1,016.1
3.8	2.8	2.2	-1.9	0.8	1.8	2.3	% change	1.8	3.2	3.5	3.6	2.8
4.6	4.1	4.7	6.6	7.4	7.5	6.5	Unemployment rate	6.2	6.0	5.8	5.9	5.8
8.5	8.2	5.4	-1.9	6.5	6.5	4.7	Personal income growth	3.2	4.8	7.2	8.0	6.5
1,956.4	2,011.5	2,061.3	2,105.7	2,153.1	2,191.7	2,234.0	Population (000)	2,279.6	2,325.3	2,372.1	2,418.9	2,464.2
13,841	9,350	6,010	5,486	5,144	4,410	5,103	Single-family permits	6,885	12,581	16,212	15,793	14,649
5,920	3,945	4,564	438	1,721	2,717	2,902	Multifamily permits	2,519	2,462	2,440	2,195	2,102
141.3	152.9	151.4	148.7	150.7	152.0	158.7	Existing-home price (\$ ths)	173.3	181.0	184.2	185.8	187.6
9,240	9,342	6,854	8,626	7,661	7,346	6,741	Mortgage originations (\$ mil)	5,860	4,826	5,176	5,214	5,947
43.5	36.4	30.3	24.9	29.3	22.0	25.6	Net migration (000)	28.3	27.7	27.9	27.7	26.1
2,567	3,211	3,653	4,585	4,557	4,070	3,671	Personal bankruptcies	5,151	4,602	4,598	4,850	5,200

STRENGTHS & WEAKNESSES

STRENGTHS

- Increased concentration of military medical activities owing to Base Realignment and Closure-related development.
- Strategic location for growing trade and distribution industries in the Southwest.

WEAKNESSES

- Vulnerability to spending volatility in tourism and truck production.
- Below-average incomes limit growth in discretionary consumer spending.

CURRENT EMPLOYMENT TRENDS

% CHANGE YR AGO, 3-MO MA

	Oct 12	Feb 13	Jun 13
Total	2.5	2.2	1.6
Construction	-0.8	2.7	8.1
Manufacturing	1.3	1.1	-0.8
Trade	2.1	2.4	1.6
Trans/Utilities	4.4	4.4	2.8
Information	5.3	4.7	2.1
Financial Activities	3.9	2.4	-0.4
Prof & Business Svcs.	4.7	4.8	1.6
Edu & Health Svcs.	1.9	1.5	1.1
Leisure & Hospitality	3.8	1.4	1.2
Other Services	3.8	4.0	3.0
Government	0.1	0.2	1.3

FORECAST RISKS

SHORT TERM ↓

LONG TERM ↑

UPSIDE

- Single-family housing market strengthens faster than expected.
- Expansion of commercial aerospace business leads to added hiring, new support businesses.

DOWNSIDE

- Sequestration results in more reduction in military-related spending than expected.
- Global weakness reduces demand for construction equipment, other motor vehicles.

ANALYSIS

Recent Performance. San Antonio's expansion has stalled. Total employment leveled off at the end of 2012. The percentage increase over the past year is less than the national average, let alone the other major Texas metropolitan areas that are growing far faster. The weakness is most apparent in manufacturing, which has trended down since mid-2012 after a significant recovery over the previous two years. Although the fortuitous timing of the long-awaited cyclical rebound in construction is an offset, the unemployment rate has nonetheless begun to trend up since last fall, hitting 6.3% amid only slow growth in the labor force.

Sequestration. The effects of sequestration on SAZ appear to be less than feared, but some cuts have occurred and more could follow. Total federal employment in the area has declined about 3% since mid-2011, and half of that occurred in 2013. The concern had been that since the local military concentration is high, many more civilian workers at military bases could have been furloughed and private sector contract jobs cut, for example at Boeing's maintenance facilities at Kelly Field. Nonetheless, since the federal deficit is still high, the risk of further cuts remains. Further, local officials now believe that SAZ will not, as it was rumored, be selected as the site for a huge aerospace facility where drone aircraft will be built.

Residential. The rebound in the SAZ housing market may not be as strong as in other major Texas metro areas, but it will be enough to support construction, whose payrolls are already up more than 8% year over year. Home sales are up 20% since last year, and inventories have declined to five months at the current pace of sales. So far, this has translated into only a modest rise in new single-family permits, but the pace should pick up over the coming years. In contrast with other Texas metro areas, multifamily construction has leveled off and will be unlikely to gain further. The reason is

that the boom in that market occurred several years ago when the height of relocation and construction related to Base Realignment and Closure brought a lot of military-related personnel to the area.

Manufacturing. The recent weakness in manufacturing should reverse over the coming year for several reasons. First, HVHC Inc., which makes vision care products, is set to expand fabrication and distribution operations by late 2013, creating up to 750 jobs in the metro area. The company chose SAZ because of its central location and relatively low costs of doing business. Second, Korean company Nexolon has announced that it expects to begin hiring 400 employees for the next phase of its solar manufacturing project starting in September. The initiative flows from an agreement in July 2012 for CPS Energy, a large local utility, to purchase 400 megawatts of solar power from OCI Solar Power, another Korean company. Third, Eagle Ford will continue to be a driver, as Worldwide Energy Consortium has begun engineering planning to build its Whitetail refinery in LaSalle County, which is about two hours south of San Antonio. The expectation is that the facility would become operational by the end of 2014. Further, the company plans several other operations in the region.

San Antonio's expansion should reaccelerate over the coming year, supported by a variety of industries, including housing, manufacturing, local government, and development in Eagle Ford shale. However, further federal fiscal contraction will remain a downside risk. Longer term, the concentration of military cybersecurity and medical activity, growth in commercial aerospace, low costs of doing business, and above-average population gains will contribute to above-average overall performance.

Edward Friedman
July 2013

EMPLOYMENT & INDUSTRY

TOP EMPLOYERS

Lackland AFB	39,604
Fort Sam Houston	26,907
USAA Insurance Co.	15,000
Randolph AFB	10,651
The Methodist Hospital System	7,747
Baptist Health System	6,310
University of Texas Health Science Center at SA	6,153
Alamo Community College District	5,347
University Health System	5,132
Wells Fargo	4,666
JPMorgan Chase and Co.	4,300
Christus Santa Rosa Health Care	4,235
University of Texas at San Antonio	4,007
CPS Energy	3,950
Brooke Army Medical Center	3,500
Clarke American Checks	3,200
Six Flags Fiesta Texas	3,000
Toyota Motor Manufacturing Texas Inc.	2,800
Southwest Research Institute	2,700
James A. Haley Veterans Hospital	2,500

Sources: Guide to Military Installations, 2011, San Antonio Business Journal, Book of Lists, 2012

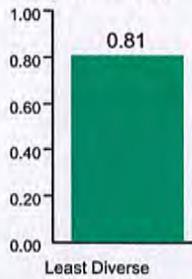
PUBLIC

Federal	35,003
State	20,048
Local	104,500

2012

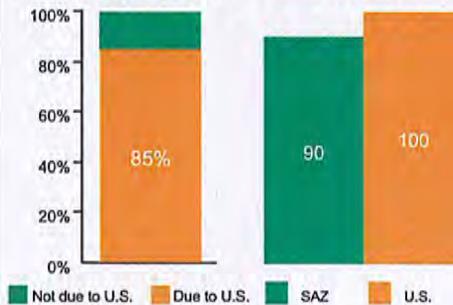
INDUSTRIAL DIVERSITY

Most Diverse (U.S.)



EMPLOYMENT VOLATILITY

Due to U.S. fluctuations Relative to U.S.



■ Not due to U.S. ■ Due to U.S. ■ SAZ ■ U.S.

MIGRATION FLOWS

INTO SAN ANTONIO, TX NUMBER OF MIGRANTS

Austin, TX	4,932
Houston, TX	4,794
Dallas, TX	2,475
Corpus Christi, TX	2,226
Fort Worth, TX	1,330
Los Angeles, CA	1,308
Washington, DC	1,292
Killeen, TX	1,272
El Paso, TX	1,102
McAllen, TX	1,045
Total In-migration	78,089

FROM SAN ANTONIO, TX

Austin, TX	4,952
Houston, TX	4,133
Dallas, TX	2,511
Corpus Christi, TX	1,444
Killeen, TX	1,166
Fort Worth, TX	1,098
Washington, DC	904
McAllen, TX	879
El Paso, TX	769
Colorado Springs, CO	724
Total Out-migration	58,827

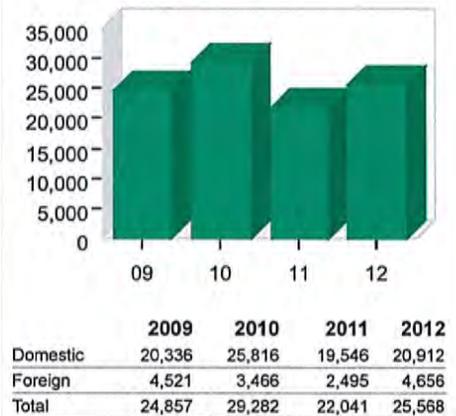
Net Migration 19,262

COMPARATIVE EMPLOYMENT AND INCOME

Sector	% of Total Employment			Average Annual Earnings		
	SAZ	TX	U.S.	SAZ	TX	U.S.
Mining	0.5%	2.5%	0.6%	\$57,328	\$112,618	\$80,442
Construction	4.6%	5.4%	4.2%	\$55,265	\$60,456	\$57,059
Manufacturing	5.3%	7.9%	8.9%	\$61,180	\$85,703	\$76,451
Durable	63.8%	65.9%	62.6%	nd	\$82,033	\$78,378
Non-durable	36.2%	34.1%	37.4%	nd	\$92,423	\$73,303
Transportation/Utilities	2.5%	4.1%	3.7%	\$71,901	\$80,315	\$63,289
Wholesale Trade	3.4%	5.0%	4.2%	\$68,110	\$87,084	\$78,458
Retail Trade	11.1%	10.9%	11.1%	\$33,736	\$32,693	\$32,088
Information	2.3%	1.8%	2.0%	\$77,078	\$79,797	\$96,383
Financial Activities	8.2%	6.1%	5.8%	\$44,557	\$45,215	\$50,553
Prof. and Bus. Services	12.2%	12.9%	13.4%	\$47,861	\$57,081	\$61,371
Educ. and Health Services	15.4%	13.4%	15.2%	\$47,116	\$49,964	\$50,771
Leisure and Hosp. Services	12.6%	10.0%	10.3%	\$22,928	\$22,443	\$24,149
Other Services	3.7%	3.5%	4.1%	\$34,119	\$36,043	\$34,601
Government	18.2%	16.5%	16.4%	\$73,773	\$62,954	\$68,458

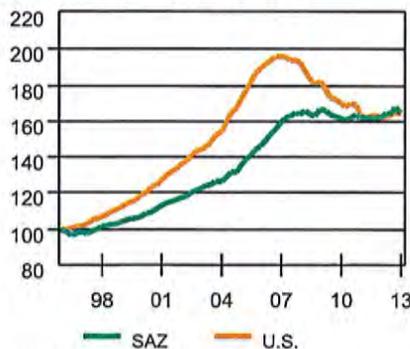
Sources: Percent of total employment — Moody's Analytics & BLS, 2012; Average annual earnings — BEA, 2011

NET MIGRATION, SAZ



Sources: IRS (top), 2010; Census Bureau, 2012

HOUSE PRICES



Source: FHFA, 1996Q1=100, NSA

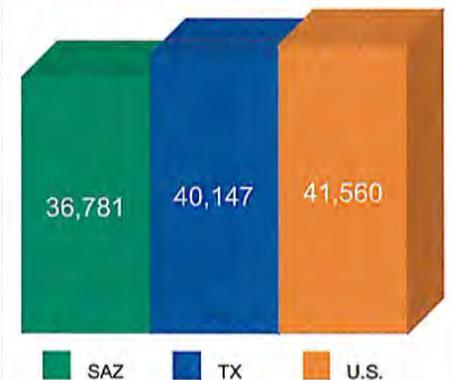
LEADING INDUSTRIES

NAICS INDUSTRY	EMPLOYEES (000)
GVSL State & Local Government	124.5
7225 Restaurants and other eating places	75.7
ML Military Personnel	35.9
GVF Federal Government	35.0
6216 Home health care services	23.3
6221 General medical and surgical hospitals	21.6
5221 Depository credit intermediation	21.2
5613 Employment services	20.0
5241 Insurance carriers	19.6
6211 Offices of physicians	17.4
4451 Grocery stores	16.7
FR Farms	14.8
7211 Traveler accommodation	13.7
6231 Nursing care facilities (skilled nursing facilities)	11.9
2382 Building equipment contractors	11.7

High-tech employment	33.8
As % of total employment	3.6

Sources: BLS, Moody's Analytics, 2012

PER CAPITA INCOME



Source: Bureau of Economic Analysis, 2011

MOODY'S RATING

Aaa

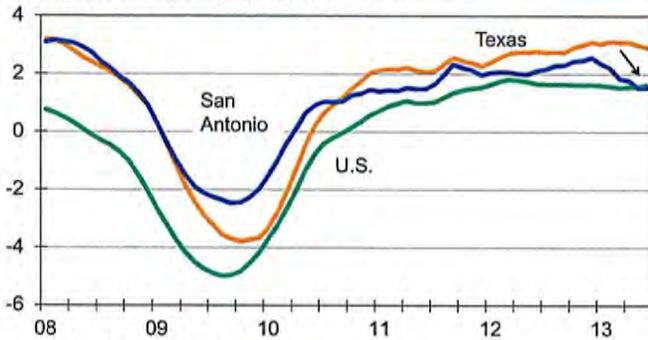
COUNTY
AS OF JUL 12, 2013

Sources: BLS, Moody's Analytics, 2012

SAN ANTONIO

San Antonio Expansion Has Slowed...

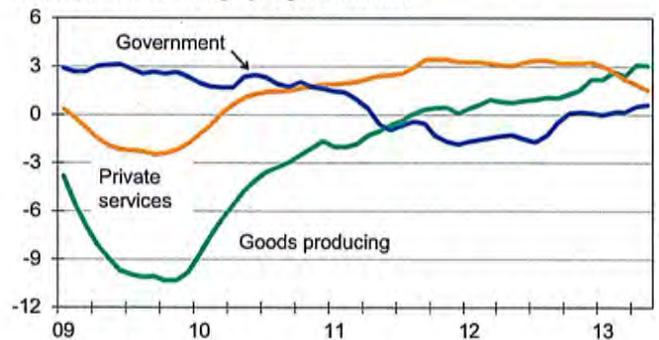
Employment, % change yr ago, 3-mo MA



Sources: BLS, Moody's Analytics

...As Professional, Leisure Services Slow

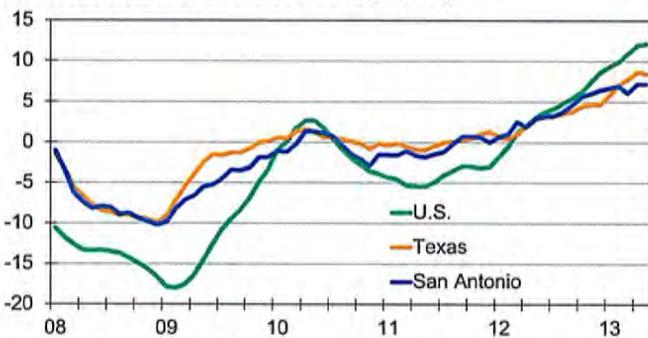
Employment, % change yr ago, 3-mo MA



Sources: BLS, Moody's Analytics

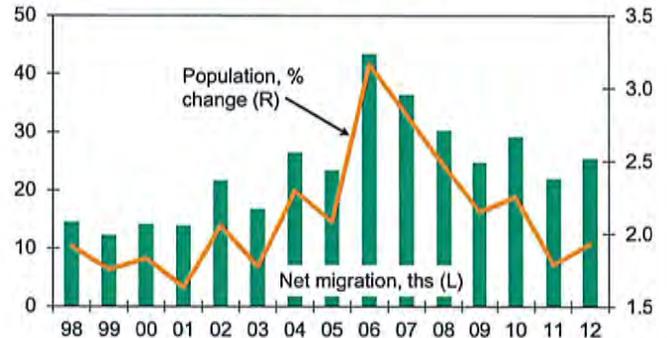
Smaller House Price Gains on Jobs Weakness

CoreLogic Home Price Index, % change yr ago



Sources: CoreLogic, Moody's Analytics

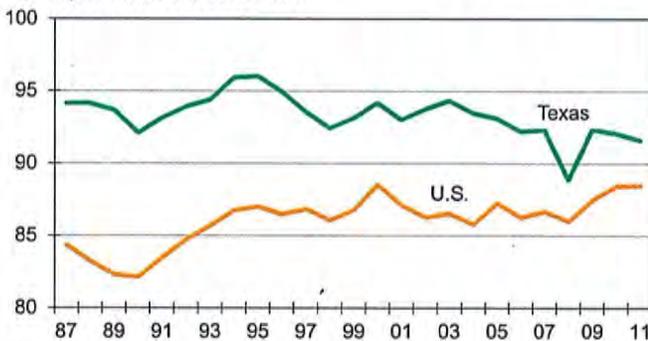
Population Growth Is a Strength



Sources: Census Bureau, Moody's Analytics

Low Incomes Limit Discretionary Spending

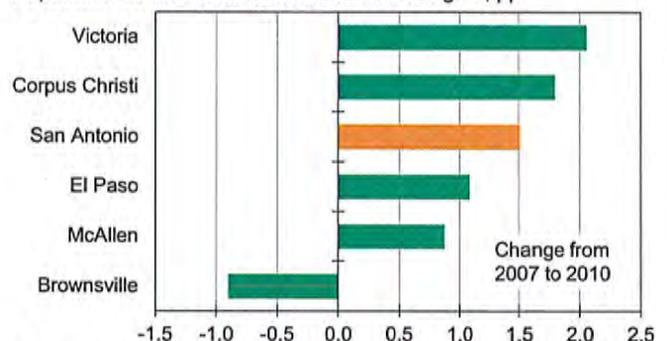
Per capita income indexed to...



Sources: BEA, Moody's Analytics

Moderate Skills Gains, but More Are Needed

Population 25 and older with a bachelor's degree, ppt



Sources: Census Bureau, Moody's Analytics

SAZ's below-average per capita personal income will limit gains in the housing market and retail spending, even as above-average population and household growth provide some support. Moreover, though the effects of the sequester have been less than anticipated, more furloughs of civilian employees and layoffs of private sector workers doing contract work for the government are still possible. The possibility of these outcomes holds back sentiment in the area, also limiting the gains in consumer spending and residential markets.

Although SAZ has made some progress toward improving skill levels in its labor force, more progress will need to be made to attract the interest of key businesses. For example, although the metro area has a long history of aerospace-related activities because of the presence of several Air Force bases, it has been unable to attract industry-related investment because of its surprisingly small pool of qualified aerospace engineers. On the positive side, enrollment at UT San Antonio has grown significantly in recent years, in part driven by the needs of military medical operations following BRAC.

CERTIFICATION

The undersigned does hereby certify that, except as otherwise noted in this report:

To the best of my knowledge and belief the statements of fact contained in this appraisal, upon which the analyses, opinions, and conclusions expressed herein are based, are true and correct. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions.

I have no present or prospective interest in the property that is the subject matter of this report. I have no personal interest or bias with respect to the subject matter of this appraisal or the parties involved. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment. My engagement in this assignment was not contingent upon developing or reporting predetermined results.

My 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. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

I certify that, to the best of my knowledge and belief, the reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice; in accordance with the minimum appraisal standards as adopted in Title XI of the Federal Financial Institution Reform, Recovery, and Enforcement Act of 1989; the rules of the Texas Real Estate Commission; and the Principles of Appraisal Practice and code of Ethics of the American Society of Appraisers and in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. No one provided significant real property appraisal assistance to the persons signing this certification.

I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three year period immediately preceding acceptance of this assignment.

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

The Appraisal Institute conducts a voluntary program of continuing education for its designated members. Designated members who meet the minimum standards of this program are awarded periodic educational certification. As of the date of this report, Samuel M. Noble has completed the continuing education program of the Appraisal Institute. The American Society of Appraisers has a mandatory recertification program for all of its Senior Members. Samuel M. Noble is in compliance with that program.

I have made a personal tour of the property that is the subject of this report. This appraisal assignment was not based on a requested minimal valuation, a specific valuation, or an approval of a loan.



SAMUEL M. NOBLE – VICE PRESIDENT

San Antonio, Texas
September 25, 2013

CONTINGENT AND LIMITING CONDITIONS
(Unless stated otherwise in this report)

The opinion of value for the property appraised in the attached report is subject to the following limiting conditions:

The legal description furnished the appraiser is assumed to be correct. No responsibility is assumed for matters legal in character, nor is any opinion rendered as to title. All existing liens and encumbrances, if any, have been disregarded, and the property is appraised as though free and clear and under responsible ownership and competent management.

The boundaries of the land and the dimensions and size thereof as indicated to the appraiser are assumed to be correct, no provision having been made for a special survey of the property. Valuation is reported without regard to questions of encroachments.

The information contained in this report and identified as having been furnished by others is believed to be reliable, but no responsibility is assumed for its accuracy.

The use of the term "inspection" within the attached report only refers to the act of visiting and/or viewing the property or properties being appraised or a property or properties used as comparables. I am not a licensed real estate inspector in the State of Texas and am not qualified to render opinions required of those who are licensed real estate inspectors.

No responsibility is assumed, nor is any guarantee made as to the structural soundness of the improvements. The property is assumed to be free of insect infestation and dry rot.

In this appraisal assignment, the existence of potentially hazardous material used in the construction or maintenance of the building, such as the presence of urea-formaldehyde foam insulation, and/or the existence of toxic waste, which may or may not be present on the property, has not been considered. The appraiser is not qualified to detect such substances. The existence of urea-formaldehyde foam insulation or other potentially hazardous waste material may have an effect on the value of the property. I urge the client to retain an expert in this field, if desired.

Possession of this report or a copy thereof does not carry with it the right of publication, nor may it be used for any other purpose by any but the applicant without the previous written consent of the appraiser.

The appraiser, by reason of this appraisal, is not required to give testimony or attendance in court or at any other hearing with reference to the property in question unless arrangements, therefore, have been previously made.

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

The appraiser has no present or contemplated future interest in the property that is not specifically disclosed in this report. Neither his employment for making this appraisal nor the fee to be received, therefore, are contingent upon the valuation placed on the property.

This appraisal was obtained from Noble & Associates, Inc. and consists of "trade secrets and commercial or financial information" which is privileged and confidential and exempted from disclosure under 5 U.S.C. 552(B)(4). Please notify Noble & Associates, Inc. of any request of production of this appraisal.

This appraisal report has been prepared for the City of San Antonio and may not be copied or otherwise revealed or disclosed to any other person or entity without the explicit prior written consent of Noble & Associates, Inc. Any person or entity that violates the foregoing prohibition shall be fully responsible and liable for any and all consequences and results of such action, including for any and all damages that may be alleged to have resulted therefrom. This appraisal constitutes a professional opinion of value prepared solely for the City of San Antonio and shall not constitute a representation of any kind to, and may not be relied upon for any purpose by, any other person or entity whatsoever.

QUALIFICATIONS OF SAMUEL MAVERICK NOBLE

Samuel M. Noble graduated from Washington and Lee University in Lexington, Virginia with a Bachelor of Science degree with Special Attainments in Commerce in June 1988 and has been employed as a real estate appraiser since this date. Samuel M. Noble graduated from The McCallie School in Chattanooga, Tennessee in June 1984 and the San Antonio Academy of Texas in May 1979. He attended Alamo Heights High School from 1979 – 1982.

In August 1994, Samuel M. Noble was awarded the MAI designation of the Appraisal Institute.

In May 1996, Samuel M. Noble was awarded the GAA professional designation of the Real Estate Appraisal Section of the NATIONAL ASSOCIATION OF REALTORS.

In June 1997, Samuel M. Noble was awarded the CCIM designation of the Commercial Investment Real Estate Institute.

In February 2002, Samuel M. Noble was awarded the Accredited Senior Appraiser (ASA) designation of the American Society of Appraisers.

In November 2003, Samuel M. Noble was invited to membership in The Counselors of Real Estate (CRE).

In April 2001, Samuel M. Noble became a Candidate Member of the American Society of Farm Managers and Rural Appraisers (AFMRA).

Real Estate and Appraisal courses, seminars and credits are as follows:

APPRAISAL INSTITUTE

10/12	Marketability Studies: The Six-Step Process and Basic Applications
02/12	National Uniform Standards of Professional Appraisal Practice (USPAP) Course – 7-Hour Update Course
09/11	Staying Out of Trouble Seminar
06/10	Hotel Appraising - New Techniques for Today's Uncertain Times Seminar
02/10	Course 400, National Uniform Standards of Professional Appraisal Practice (USPAP) Course – 7-Hour Update Course
02/09	Course 400, National Uniform Standards of Professional Appraisal Practice (USPAP) Course – 7-Hour Update Course
02/09	Course 420, Appraisal Institute Business Practices and Ethics
01/09	Uniform Appraisal Standards for Federal Land Acquisition “Yellow Book”
10/08	Appraisal Challenges: Declining Markets and Sales Concessions
03/08	Course 400, National Uniform Standards of Professional Appraisal Practice (USPAP) Course – 7-Hour Update Course

APPRAISAL INSTITUTE
(continued)

10/07	Litigation Skills for the Appraiser: An Overview Seminar
05/07	Analyzing Distressed Real Estate Seminar
04/07	LDAC – Leadership Development Advisory Council – Washington D.C.
02/07	Course 400, National Uniform Standards of Professional Appraisal Practice (USPAP) Course – 7-Hour Update Course
09/06	Scope of Work: Expanding Your Range of Services
03/06	FHA and the New Residential Appraisal Form
02/06	Course 400, National Uniform Standards of Professional Appraisal Practice (USPAP) Course – 7-Hour Update Course
11/04	Partial Interest Valuation – Undivided
10/04	Course 420, Business Practices and Ethics
02/03	Course 400, National Uniform Standards of Professional Appraisal Practice (USPAP) Course – 7-Hour Update Course
10/02	Appraisal Consulting: A Solutions Approach for Professionals
10/01	Appraisal of Non-Conforming Uses Seminar
12/99	Course 430: Standards of Professional Practice, Part C including USPAP
06/98	Real Estate Investment Trusts: Market Trends Impacting the Real Estate Industry
06/98	Attacking and Defending an Appraisal in Litigation
06/98	Eminent Domain and Condemnation Appraising
11/97	Understanding and Using DCF Software: A Comparison of Argus, Pro-Ject +plus, and Dynalease Seminar
10/96	The High-Tech Appraisal Office Seminar
05/96	Ranch Valuation Seminar
03/95	The Appraiser as Expert Witness Seminar
07/94	Final Level - Specialized Appraisal Experience
06/94	Course 410: Standards of Professional Practice, Part A (USPAP)
06/94	Course 420: Standards of Professional Practice, Part B
02/94	Comprehensive Exam
01/94	Demonstration Appraisal
05/93	Second Level - Specialized Appraisal Experience
03/93	First Level - Specialized Appraisal Experience
09/92	Course 2-1: Case Studies in Real Estate Valuation
10/91	Course 2-2: Report Writing & Valuation Analysis

COUNSELORS OF REAL ESTATE

11/05	Annual Convention – Washington, D.C.
04/04	Midyear Meeting – Philadelphia, Pennsylvania
05/95	Midyear Meeting - Creating Strategic Alliances & Expanding Services
05/95	Midyear Meeting - Real Estate, Technology & The Information Highway

AMERICAN INSTITUTE OF REAL ESTATE APPRAISERS (AIREA) COURSES

09/89 Course 1A-2: Basic Valuation Procedures
03/89 Course SPP: Standards of Professional Practice
12/88 Residential Demonstration Appraisal Report Writing Seminar
10/88 Course 1B-B: Capitalization Theory & Techniques, Part B
09/88 Course 8-2: Residential Valuation
09/88 Course 1A-1/8-1: Real Estate Appraisal Principles
08/88 Course 1B-A: Capitalization Theory & Techniques, Part A

AMERICAN SOCIETY OF APPRAISERS (ASA) COURSES

07/04 International Appraisal Conference in Kansas City, Missouri

AMERICAN SOCIETY OF FARM MANAGERS AND RURAL APPRAISERS

06/01 Texas Water – Current Issues and Concerns
06/01 Fractional Interest Seminar

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)

02/09 Multifamily Accelerated Processing (MAP) training

EDJ SCHOOL ONLINE

01/10 12 Hour Property Tax Consultants
02/09 12 Hour Property Tax Consultants

CCIM INSTITUTE

07/04 Case Studies in Acquisition Analysis
04/01 Advanced Studies in Real Estate Analysis

INSTITUTE OF PROPERTY TAXATION

11/94 1994 Property Tax Symposium
11/94 1994 Seminar on Texas Property Tax Law

COMMERICAL INVESTMENT REAL ESTATE INSTITUTE

06/97 Commercial Investment Real Estate Institute Comprehensive Exam
06/97 Course CI 408: Course Concepts Review
05/97 Course CI 301: Decision Analysis for Commercial Investment Real Estate
01/97 Course CI 201: Market Analysis for Commercial Investment Real Estate
06/96 Course CI 101: Financial Analysis for Commercial Investment Real Estate

SAN ANTONIO BOARD OF REALTORS

01/12 TREC MCE Ethics Update
01/12 TREC MCE Legal Update
01/10 TREC Ethics MCE
01/10 TREC Legal Update MCE
01/08 TREC Ethics MCE
04/07 TREC Legal Update MCE
09/04 Conservation Easements: An Overlooked Tool for Financial & Estate Planning
04/99 USPAP Update

TEXAS A & M UNIVERSITY - REAL ESTATE CENTER

04/08 Eighteenth Annual Outlook for Texas Land Markets Seminar
04/07 Seventeenth Annual Outlook for Texas Land Markets Seminar
03/07 Texas Development Summit at Texas A&M University
09/04 Eighteenth Annual Legal Seminar on Ad Valorem Taxation
08/03 Seventeenth Annual Legal Seminar on Ad Valorem Taxation
08/02 Sixteenth Annual Legal Seminar on Ad Valorem Taxation
08/01 Fifteenth Annual Legal Seminar on Ad Valorem Taxation
08/00 Fourteenth Annual Legal Seminar on Ad Valorem Taxation
09/95 Ninth Annual Legal Seminar on Ad Valorem Taxation

INSTITUTE FOR REAL ESTATE PROFESSIONALS, INC.

04/97 Texas Property Tax Law

THE REAL ESTATE COUNCIL OF SAN ANTONIO

08/00 San Antonio Real Estate 2000 Bus Tour
06/99 Real Estate Technology for the New Millennium

INTERNATIONAL RIGHT OF WAY ASSOCIATION

09/12	2012 Eminent Domain Seminar – Hot Topics in Real Estate & Eminent Domain
09/11	2011 Eminent Domain Seminar – Hot Topics in Real Estate & Eminent Domain
09/08	2008 Eminent Domain Seminar – Current Legal Issues in Right-of-Way
09/06	Course 410 – Reviewing Appraisals in Eminent Domain
02/06	Course 403 – Easement Valuation
09/04	Current Eminent Domain Issues Seminar
09/02	Current Eminent Domain Issues Seminar
05/02	Course 401 – The Appraisal of Partial Acquisitions
09/01	Current Eminent Domain Issues Seminar
09/00	Current Eminent Domain Issues Seminar
05/96	The Private Real Property Rights Preservation Act Seminar

LORMAN EDUCATION SERVICES

10/00	Texas Property Tax
-------	--------------------

SAN ANTONIO/SOUTH TEXAS CCIM CHAPTER

11/04	CCIM 2004 San Antonio Investment Real Estate Symposium
11/03	CCIM 2003 San Antonio Investment Real Estate Symposium
07/01	How the new UDC (City of San Antonio Uniform Development Code) effects everyday practice and operations of Real Estate Brokerage
02/01	Building Assessment – Assessing the physical condition of the property, and the legal aspects.
11/98	1998 San Antonio Investment Real Estate Symposium
11/97	1997 San Antonio Investment Real Estate Symposium

LINCOLN GRADUATE CENTER

12/01	USPAP Update
-------	--------------

PROFESSIONAL ORGANIZATIONS:

Designated Member, The Appraisal Institute – **MAI** – Member No. 10,482
Designated Member, The Counselors of Real Estate – **CRE** – Member No. 2168
Designated Member, The American Society of Appraisers – **ASA**
Designated Member, Commercial Investment Real Estate Institute – **CCIM** – Member No. 7269
Designated Member, Real Estate Appraisal Section of the NATIONAL ASSOCIATION OF
REALTORS - **GAA**
Member, The American Society of Farm Managers and Rural Appraisers– Member No. 7859
Member, International Right-of-Way Association, Chapter 39
Member, National Association of Realtors
Member, Texas Association of Realtors
Member, San Antonio Board of Realtors

CERTIFICATIONS

State Certified General Real Estate Appraiser - Certificate No.: TX-1322704-G
Registered Texas Real Estate Property Tax Consultant - No. 00000318
Texas Licensed Real Estate Broker – No. 0392506

EXPERT TESTIMONY

166TH Judicial District Court – Bexar County, Texas
224TH Civil District Court – Bexar County, Texas
285TH Judicial District Court – Bexar County, Texas
288TH Judicial District Court – Bexar County, Texas
340th Judicial District Court – Tom Green County, Texas
United States Bankruptcy Court – Western District of Texas
Commission Hearings
Bexar County Appraisal District
Collin County Appraisal District
El Paso Central Appraisal District
Depositions, Mediations and Arbitrations

CHAPTER OFFICE

Appraisal Institute – South Texas Chapter:

Chairman, By-Laws Committee 2012 & 2011
Immediate Past President 2010
President 2009
First Vice President 2008
Second Vice President 2007
Treasurer 2006
Secretary 2005

American Society of Appraisers (ASA) – San Antonio Chapter:

Chapter Membership Chairman 2007 - present
District Director 2006 – 2007
President 2004 – 2006
Vice President 2002 – 2004

Counselors of Real Estate – South and Central Texas Chapter:

Chairman 2010 - 2011
Chairman 2005 – 2006
Founding Chairman – 2005

SERVICE

Eagle Scout - 1982 ■ Life Member, National Eagle Scout Association

Rotary Club of San Antonio – 1990 – present

Rotary Club of San Antonio – Youth Education Foundation Board of Trustees – 1994 – present

San Antonio Academy Alumni Council – 1989 – present

■ President 1997 – 1998

Texas Appraiser Licensing and Certification Board

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

Certified General Real Estate Appraiser

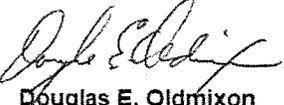
Number: **TX 1322704 G**

Issued: **03/07/2012**

Expires: **03/31/2014**

Appraiser: **SAMUEL MAVERICK NOBLE**

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

THE CRE DESIGNATION



CRE (Counselor of Real Estate) – the real estate industry's most respected source for professional advice on property and land-related matters

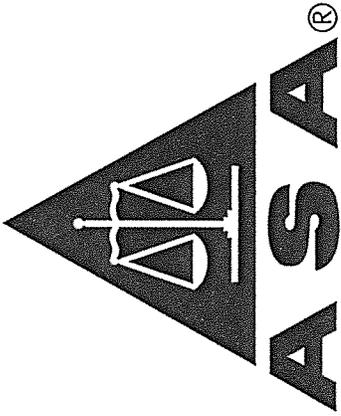
The Counselor of Real Estate is the ultimate source of knowledge available to meet the need of both public and private property owners, investors and developers. The CRE is compensated by a pre-agreed fee or salary for services, rather than by commission or contingent fees.

CREs service both domestic and foreign clients and have access to the most advanced methodologies, techniques, and computer-assisted evaluation procedures. They have the benefit of years of proven knowledge and experience which qualifies them for practical application and proper interpretation of real estate trends.

The CRE designation is awarded to the Counselor by his peers, members of the American Society of Real Estate Counselors. Membership in the Society is by invitation based on the individual's reputation for integrity, experience and judgment in rendering advice on real estate matters. An individual may be recommended for membership by a CRE or may initiate his own request for membership. Use of the CRE designation provides the highest recognition in the real estate industry to clients and real estate professionals. Acceptance of the designation commits the recipient to adhere to a strict Code of Ethics and Standards of Professional Practice.

The American Society of Real Estate Counselors, founded in 1953, is the professional consulting affiliate of the NATIONAL ASSOCIATION OF REALTORS. Its nearly 900 members benefit from ongoing networking opportunities which include national and local chapter meetings, high level conferences, educational seminars, task force and committee assignments and liaison capacities with other member organizations within the real estate industry.

Anyone with a significant real estate problem should consider consulting with a CRE. An individual Counselor can offer many specialized services in the rapidly changing marketplace, or thanks to CRE networking capabilities, he can put you in touch with a Counselor that specializes in your particular area of need. For more information on membership, specialized counseling services, educational programs for professional enrichment, or a listing of publications, please contact the American Society of Real Estate Counselors, 430 North Michigan Avenue, Chicago, Illinois 60611-4089 – telephone 312.329.8427, fax 312.329.8881.



The American Society of Appraisers

Attests that

SAMUEL M. NOBLE, ASA

has successfully participated in the

Society's mandatory Recreditation Program

and has complied with its continuing education requirements,

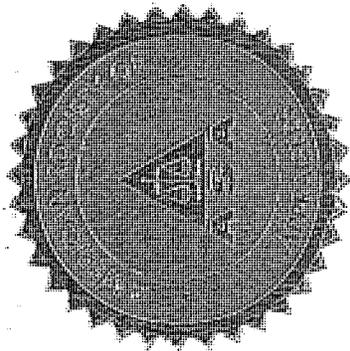
as set forth in the organization's Constitution, Bylaws and

Administrative Rules. Therefore, formal recacreditation has

been granted by the International Board of Governors and will

remain valid through

February 01, 2017



International President

Chairman, Int'l Board of Examiners