



APPRAISAL REPORT

UNDEVELOPED LAND

Evangeline Parcels,
San Patricio County, Texas



CLIENT



September 26, 2025

Bobby C. Harraid, Jr.
The City of Corpus Christi
Property & Land Acquisition Manager
1201 Leopard Street, 78401
Corpus Christi, Texas 78469-9277



AGRICULTURAL LAND

Evangeline Parcels,
San Patricio County, Texas

In accordance with your request and authorization, we have completed an Appraisal Report of various properties known as the Evangeline Parcels for the purpose of developing an opinions of the market value of the subject properties. It is our intent to comply with the Uniform Standards of Professional Appraisal Practice (USPAP).

It should be noted that the undersigned have experience in appraising properties considered similar to the subject, in the subject market area, and therefore comply with the Competency Rule as outlined in USPAP.

The following report, plus the Addenda, sets forth our findings and conclusions. Maps, plats, and photographs that are considered essential to explain the reasoning followed in making the appraisal have been included and the conclusions are expressed therein. Also, no hazardous materials or waste were noted upon inspection of the subject property. Please refer to the Basic Assumptions and Limiting Conditions section of this report.

USPAP Standards Rule 1-2(h) states that an appraiser must identify the scope of work necessary to complete an assignment. The scope of work is acceptable when it is consistent with: (1) the expectations of participants in the market for the same or similar appraisal services; and (2) what the appraiser's peers' actions would be in performing the same or similar assignment in compliance with USPAP. In the case of the subject property, both of these USPAP criteria have been met.

NOTEWORTHY POINTS

- Per information provided by the client, the larger parcel that is the subject of this appraisal consists of approximately 20,593.24 acres. For purposes of this analysis, the larger parcel has been divided into six (6) smaller parcels based on ownership and unity of use, known as the Evangeline Parcels, in San Patricio County, Texas.
- This report is based on the Hypothetical Condition that no improvements are present as of the effective date of value and analyzes the subject parcels **"As If Vacant"** only.
- The subject property is not currently under contract of sale and is not currently listed.
- The Sales Comparison Approach was fully developed herein. It is noted that the Income Approach and Cost Approach to value are not utilized for this report. The Cost Approach was not considered to be applicable due to the lack of improvements located on the subject parcels "As If Vacant". The Income Approach was not considered to be applicable as properties similar to the subject parcels are typically owner-occupied non-income producing pieces of land. The omission of the Income Approach and Cost Approach to value is not considered to, in any way, reduce the reliability of the value conclusions herein.
- Reader is referred to the Extraordinary Assumption and Hypothetical Condition in the Scope of Work section.



The appraisal, subject to the assumptions and limiting conditions as expressed herein and conducted according to the Uniform Standards of Professional Appraisal Practice, led us to develop the opinions of market value as follows:

INDIVIDUAL VALUES "AS IF VACANT"				
Parcel	Size (AC)	Interest	Date	Value
1	4,404.85	Surface Estate	September 19, 2025	\$22,500,000
2	1,454.65	Surface Estate	September 19, 2025	\$7,300,000
3	5,566.24	Surface Estate	September 19, 2025	\$27,850,000
4	3,752.30	Surface Estate	September 19, 2025	\$21,000,000
5	3,025.87	Surface Estate	September 19, 2025	\$15,150,000
6	2,389.33	Surface Estate	September 19, 2025	\$14,350,000

The client indicated that the appraisal is to determine the value of the land **"As If Vacant" only**; thus, the Hypothetical Condition is made that no improvements are present as of the effective date of value.

Support and explanation for our value conclusion is explained in detail in the contents of the attached report. It has been a pleasure to assist you, and if we can be of service to you in the future, please let us know.

Lowery Property Advisors, LLC

A handwritten signature in blue ink, reading "Mario Caro".

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CONTENTS

SALIENT DATA	1
PARCEL AERIAL EXHIBIT	4
INTRODUCTION	5
SCOPE OF WORK	6
REGIONAL.....	8
NEIGHBORHOOD	12
DEMOGRAPHICS.....	16
ECONOMIC UPDATE.....	18
MARKET ANALYSIS.....	25
SUBJECT PHOTOS – PARCEL 1.....	26
SITE DESCRIPTION – PARCEL 1.....	29
PROPERTY HISTORY – PARCEL 1.....	35
REAL ESTATE TAXES – PARCEL 1	36
HIGHEST & BEST USE – PARCEL 1	37
LAND VALUATION – COMPARABLE SALE DATA.....	40
LAND VALUATION – PARCEL 1.....	48
SUBJECT PHOTOS – PARCEL 2.....	52
SITE DESCRIPTION – PARCEL 2.....	54
PROPERTY HISTORY – PARCEL 2.....	60
REAL ESTATE TAXES – PARCEL 2	61
HIGHEST & BEST USE – PARCEL 2	62
LAND VALUATION – PARCEL 2.....	64
SUBJECT PHOTOS – PARCEL 3.....	68
SITE DESCRIPTION – PARCEL 3.....	72
PROPERTY HISTORY – PARCEL 3.....	78
REAL ESTATE TAXES – PARCEL 3	79



HIGHEST & BEST USE – PARCEL 3	80
LAND VALUATION – PARCEL 3.....	82
SUBJECT PHOTOS – PARCEL 4.....	86
SITE DESCRIPTION – PARCEL 4.....	88
PROPERTY HISTORY – PARCEL 4.....	94
REAL ESTATE TAXES – PARCEL 4	95
HIGHEST & BEST USE – PARCEL 4	96
LAND VALUATION – PARCEL 4.....	98
SUBJECT PHOTOS – PARCEL 5.....	102
SITE DESCRIPTION – PARCEL 5.....	105
PROPERTY HISTORY – PARCEL 5.....	111
REAL ESTATE TAXES – PARCEL 5	113
HIGHEST & BEST USE – PARCEL 5	114
LAND VALUATION – PARCEL 5.....	116
SUBJECT PHOTOS – PARCEL 6.....	120
SITE DESCRIPTION – PARCEL 6.....	122
PROPERTY HISTORY – PARCEL 6.....	128
REAL ESTATE TAXES – PARCEL 6	129
HIGHEST & BEST USE – PARCEL 6	130
LAND VALUATION – PARCEL 6.....	132
RECONCILIATION – INDIVIDUAL VALUES	136
MARKETING / EXPOSURE TIME	137
ASSUMPTIONS & LIMITING CONDITIONS	138
CERTIFICATION	140
ADDENDUM	141



SALIENT DATA

GENERAL

Date of Valuation	September 19, 2025 "As Is"
Date of Report	September 26, 2025
Property Rights Appraised	Surface Estate "As If Vacant"

SITE

Location	Per information provided by the client, the larger parcel that is the subject of this appraisal consists of 20,593.24 acres, situated north and northeast of the city of Sinton, between U.S. Highway 181 and FM 188, in north-central San Patricio County. For purposes of this analysis, the larger parcel has been divided into six smaller parcels based on ownership and unity of use and ownership. Reader is referred to the Site Description section for further details of the individual parcels.
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Site Descriptions	Parcel 1 is located on the northwest side of US Highway 77 and along the southern bank of the Aransas River. The physical address associated with this parcel is 12051 US Highway 77, Sinton, San Patricio County, Texas 78387. It is comprised of an irregular shaped parcel of land totaling 4,404.85 acres with level to rolling topography. Approximately 20% of the property is encumbered by the 100-year floodplain, Zone A.
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Parcel 2 is located northwest of US Highway 77 and northeast of US Highway 181. There is no physical address associated with this property in San Patricio County, Texas. The tract is accessed via a 60-foot-wide ingress/egress easement from US Highway 77. It is comprised of a rectangular shaped parcel of land totaling 1,454.65 acres with level to gently sloping topography. None of the property is located in a designated floodplain.

Parcel 3 is located on the northwest line of US Highway 77 at Carson Road. The physical address associated with this parcel is 12199 Carson Road, Sinton, San Patricio County, Texas 78387. It is comprised of an irregular parcel of land totaling 5,566.24 acres. According to San Patricio County Deed Records, 55.93 acres of the 5,566.24 acres are encumbered by oil/gas equipment sites or utility infrastructure. For the purposes of this appraisal, the 55.93 acres are included in the analysis of Parcel 3. The property has level to gently sloping topography. A minimal portion of the property is located in a designated floodplain.





Parcel 4 is located on the northeast side of US Highway 181 at the Town of St. Paul. There is no physical address associated with this property in San Patricio County, Texas. It is comprised of an irregular parcel of land totaling 3,752.30 acres with level to rolling topography. Approximately 3% of the property is encumbered by the 100-year floodplain, Zone A.

Parcel 5 is located on the northeast side of US Highway 181, north side of State Highway 89, and the northwest side of US Highway 77. The physical address associated with this parcel is 15166 US Highway 181, Sinton, San Patricio County, Texas 78387. It is comprised of an irregular parcel of land totaling 3,025.87 acres with level to gently sloping topography. Approximately 10% of the property is encumbered by the 100-year floodplain, Zone A.

Parcel 6 wraps the northeast corner of State Highway 89 and a railroad ROW. The physical address associated with this parcel is 8534 State Highway 89, Sinton, San Patricio County, Texas 78387. It is comprised of an irregular parcel of land totaling 2,389.88 acres with level to gently sloping topography. Approximately 50% of the property is encumbered by the 100-year floodplain, Zone A.

Legal Descriptions

Parcel 1 – 4,404.85-acre tract comprised of a portion of the C.J. Francisco & E. Portilla Survey, Abstract 25, and the Jose M. & Felipe Portilla Survey, Abstract 24, also being all of Sections 12, 13, 14, and 29, and part of Sections 10, 11, 15, and 28 of the Eliza H. Welder Ranch Subdivision, San Patricio County, Texas

Parcel 2 – 1,454.65-acre tract comprised of a portion of the C.J. Francisco & E. Portilla Survey, Abstract 25, and the Jose M. & Felipe Portilla Survey, Abstract 24, San Patricio County, Texas

Parcel 3 – 5,566.24-acre tract comprised of a portion of the C. J. Francisco & E. Portilla Survey, Abstract 25, and the Jose M. & Felipe Portilla Survey, Abstract 24, also being all of Sections 8, 9, and 16 and part of Sections 10, 15, 74, 75, 76, and 77 of the Eliza H. Welder Ranch Subdivision, San Patricio County, Texas

Parcel 4 – 3,752.30 acres of land, more or less, being 431 acres out of the James O'Connor Survey, Abstract No. 22, 120.5 acres out of the P. & W. Quinn Survey, Abstract No. 29, and 3,200.8 acres out of the A.V. Loupy Survey, Abstract No. 12, San Patricio County, Texas

Parcel 5 – 3,025.87 acres, more or less, being portions of Section Nos. 73, 74, 75, 76, 77, 78, 79, and 80 of the Philip G. Young Subdivision of the Eliza Welder Ranch, San Patricio County, Texas



Parcel 6 – 2,389.88-acre parcel comprised of a portion of Fractional Sections 1, 2, and 4, all of Fractional Sections 21 and 22, and part of Sections 20 and 23 of the Eliza H. Welder Ranch Subdivision, San Patricio County, Texas

Zoning

None

IMPROVEMENTS

General Description

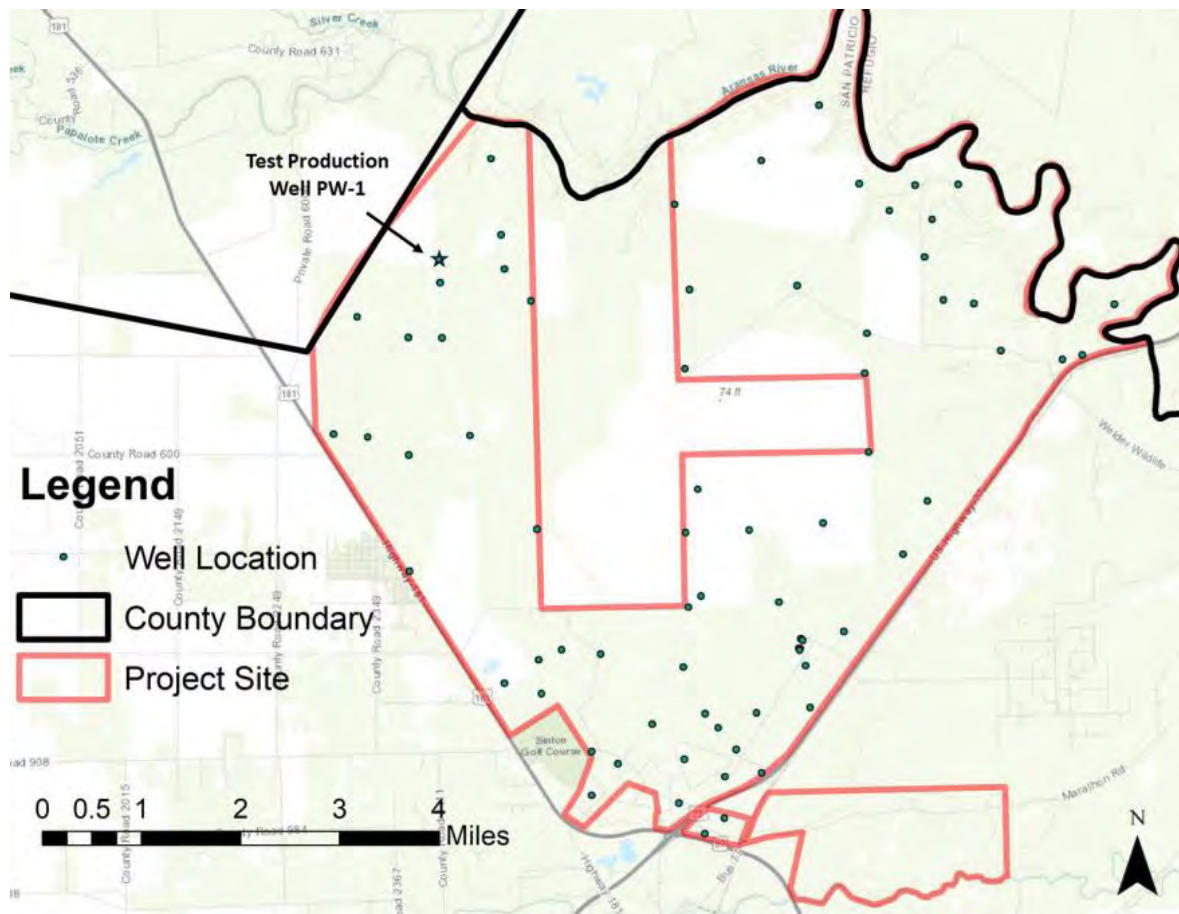
Per the client's request, the subject parcels are valued as vacant land only; thus, the Hypothetical Condition is made that no improvements are present as of the effective date of value. Reader is referred to the Scope of Work section for further details.

HIGHEST & BEST USE

As Vacant

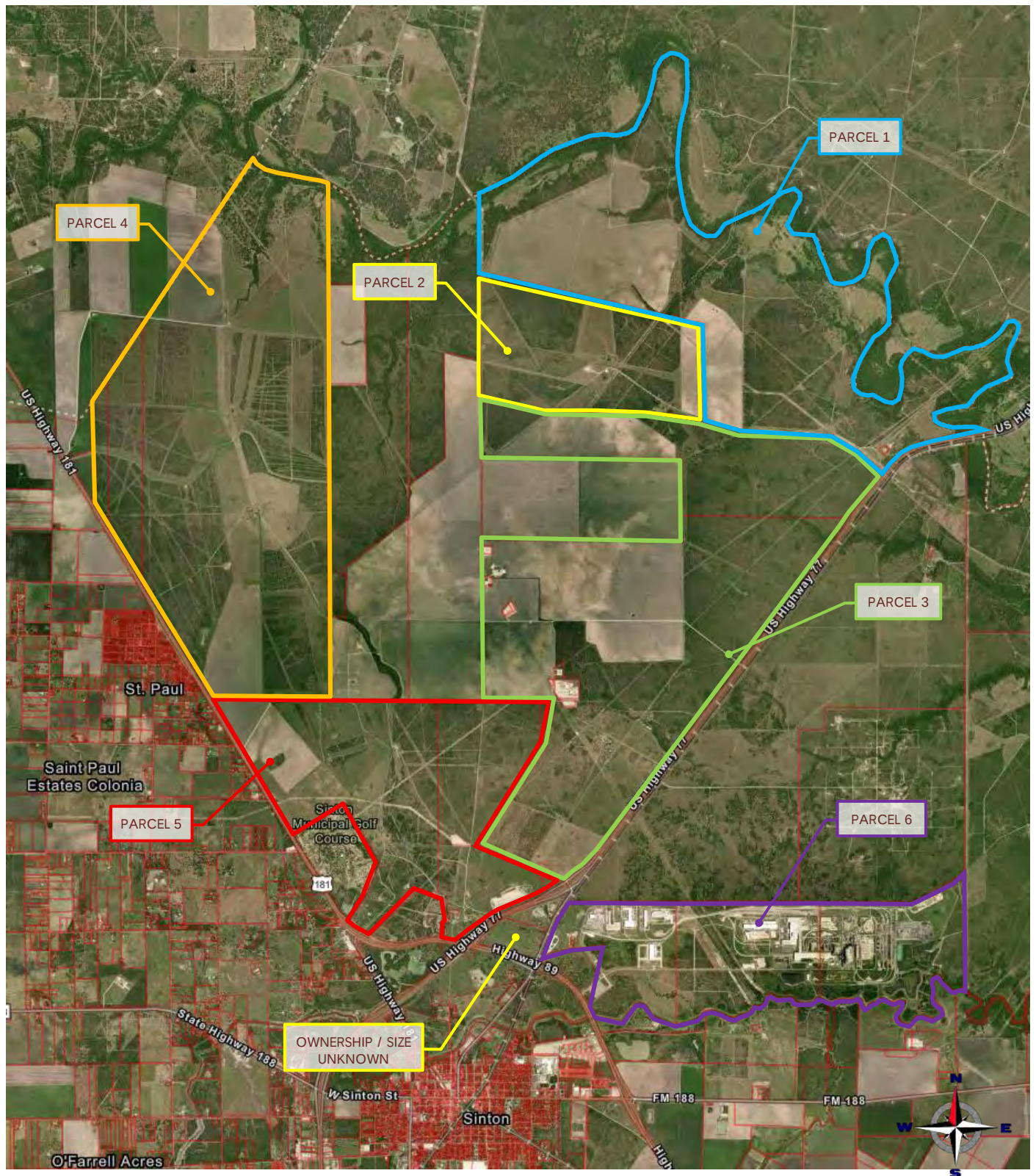
Investment hold with agricultural, recreational, and/or rural residential uses in the interim.

Below is a depiction of the larger parcel provided by the client and on the following page is an aerial exhibit of the six smaller parcels appraised herein.





PARCEL AERIAL EXHIBIT



Note: Surveys of the parcels were not provided. As the ownership and size of the parcel located on the east corner of US Highway 77 and State Highway 89 are unknown, it is excluded from the following analysis.



INTRODUCTION

Per information provided by the client, the larger parcel that is the subject of this appraisal consists of approximately 20,593.24 acres. For purposes of this analysis, the larger parcel has been divided into six (6) smaller parcels based on ownership and unity of use, known as the Evangeline Parcels, in San Patricio County, Texas.

This is an Appraisal Report, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. Supporting documentation concerning the data, reasoning and analyses is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated below. The appraiser is not responsible for unauthorized use of this report. Furthermore, as agreed upon with the client prior to the preparation of this appraisal, this is an appraisal as set forth by USPAP.

TYPE OF VALUE

The value definition employed in this report is Market Value, defined by The Appraisal of Real Estate, 15th Edition and The Dictionary of Real Estate Appraisal, 7th Edition as follows:

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

Intended Use	Purchasing decisions
Intended User	City of Corpus Christi
Client	City of Corpus Christi
Interest Valued	Surface Estate
Date of Valuation	September 19, 2025 "As Is"
Date of Inspection	September 19, 2025
Date of Report	September 26, 2025





SCOPE OF WORK

The scope of the assignment relates to the extent and manner in which research is conducted, data is gathered and analysis is applied. In preparing this appraisal, the appraisers did the following:

- Reviewed deeds, aerial photographs, floodplain maps, and topographical maps associated with the subject parcels;
- Inspected the subject property;
- Search the applicable market area for comparable market data. We utilized multiple sources including but not limited to: *Costar*, *LoopNet*, area brokers, local MLS, as well as our proprietary database.
- Interviewed landowners and local brokers familiar with the subject area and considered their insight of the current market and transactions;
- Obtained information from San Patricio County Appraisal District, surrounding counties and other area jurisdictions regarding taxes, property history, flood plain, utilities, etc.
- The Sales Comparison Approach was fully developed herein. It is noted that the Income Approach and Cost Approach to value are not utilized for this report. The Cost Approach was not considered to be applicable due to the lack of improvements located on the subject parcels "As If Vacant". The Income Approach was not considered to be applicable as properties similar to the subject parcels are typically owner occupied non-income producing pieces of land. The omission of the Income Approach and Cost Approach to value is not considered to, in any way, reduce the reliability of the value conclusions herein. The inclusion or exclusion of any approach to value was determined solely by LPA and not our client.
- To develop the opinions of value, the appraiser performed an appraisal process, as defined by the Uniform Standards of Professional Appraisal Practice.



EXTRAORDINARY ASSUMPTIONS & HYPOTHETICAL CONDITIONS

It is emphasized that per USPAP, *"the use of extraordinary assumptions and or hypothetical conditions may have affected assignment results."* These terms are defined as follows:

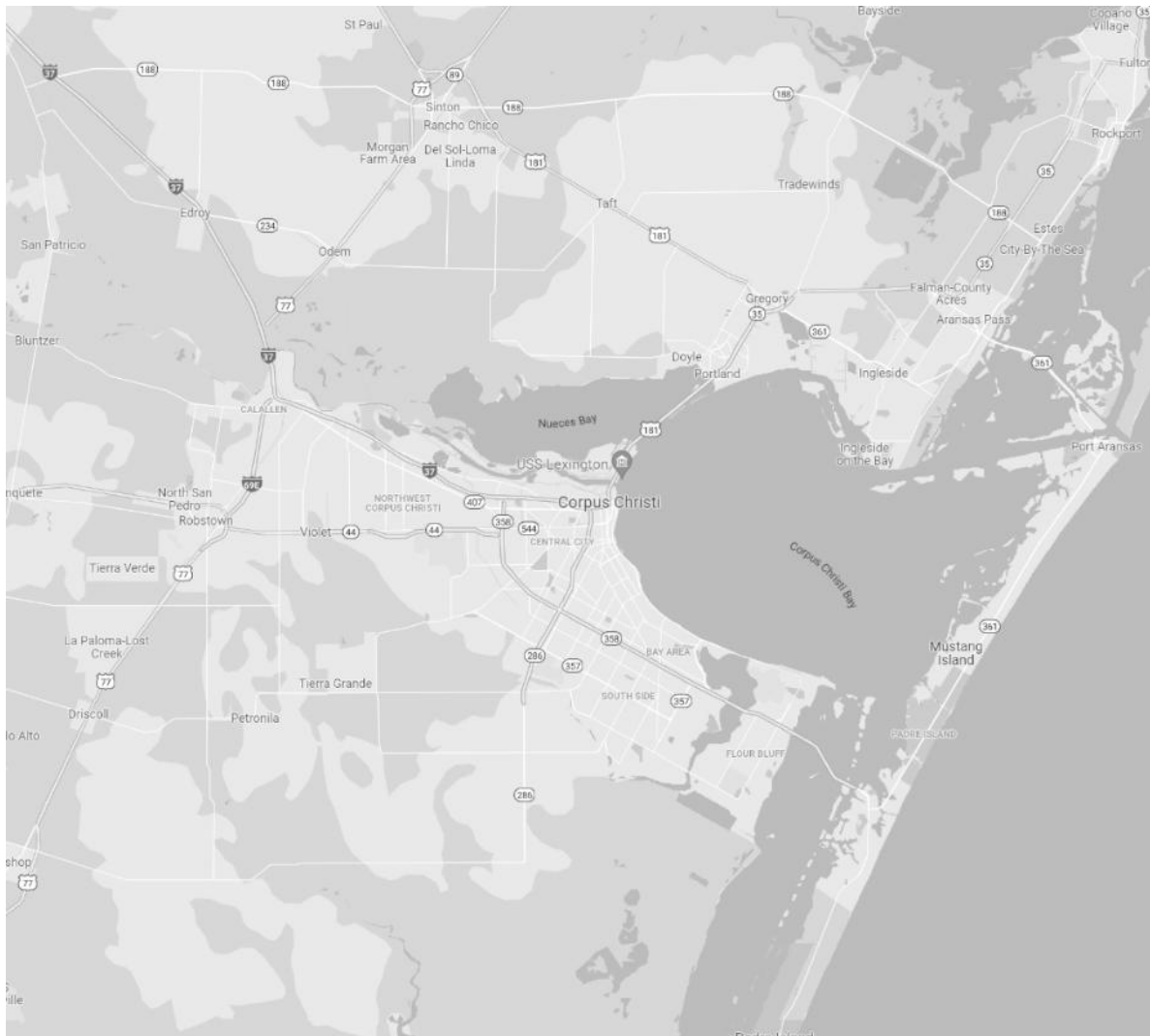
Extraordinary Assumption, *"an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions."* This report is made with the following extraordinary assumption(s):

- A comprehensive survey(s) of the parcels was not provided; thus, for the purpose of this appraisal, the size of each parcel was based on information obtained from a title commitment of the groundwater vested in Evangeline /Laguna LP, a Groundwater Rights Warranty Deed filed in Document 676625 of the San Patricio County Records, and the San Patricio Appraisal District. The Extraordinary Assumption is made that the size of the parcels as indicated by the San Patricio County Appraisal District is accurate. If this is not the case, or a comprehensive survey(s) is obtained, we reserve the right to amend this appraisal.
- Per legal instruction from the landowner, we were unable to perform an inspection of Parcels 4 and 5 from within the subject boundaries. We also did not attempt to secure access to Parcel 6 given the secured operation of manufacturing facilities on site. As a result, these parcels were observed from the existing street right-of-way. The Extraordinary Assumption is made that the characteristics of the parcels resemble that of what was observed from outside the boundaries on the effective date of value.

Hypothetical Condition, *"a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis."* This report is made with the following hypothetical condition(s):

- Per request of the client, the subject parcels are valued as vacant land only; thus, the Hypothetical Condition is made that no improvements are present as of the effective date of value.

The subject is located in the Corpus Christi Metropolitan Statistical Area (MSA) which is located on the Texas Gulf Coast, approximately midway between Houston and the Mexican border. It is 200 miles southwest of Houston, 200 miles south of Austin, 130 miles southeast of San Antonio and 130 miles north of the Mexican border. The MSA covers three counties – Aransas, Nueces, and San Patricio.



According to Esri, the 2025 population estimate of the Corpus Christi Metropolitan Area is 451,200, making it the 8th largest metropolitan area in Texas. Based on that estimate, the area gained approximately 6,200 new residents between 2024 and 2025. The main industries of the area include military, oil production, shipping, and construction. Leisure and hospitality industries are also important to the area, as the coast attracts many tourists.



ECONOMICS

Corpus Christi MSA

Job growth in Corpus Christi has accelerated since August after having been flat during the first half of 2024. The weakness earlier in the year means that almost all industries underperformed yearly compared with their respective national totals. Unemployment has declined 0.5 percentage points to 3.5% over the course of 2024 and is now 0.5 percentage points lower than the national average. Labor force growth has been significantly above average. In the housing market, prices have risen more slowly than nationally, and new construction has stabilized after having dropped sharply during 2022.

The large lithium refining plant nearing completion by Tesla near Corpus Christi promises to boost manufacturing in the metro area. Lithium is used to make batteries for electric vehicles. However, new uncertainties have risen over the availability of sufficient water to run the plant. The company broke ground in March 2024, was nearly finished late in the year, and has begun to conduct tests on its operations. The project was expected to lead to 200 permanent jobs upon completion. The problem is that the plant's water requirements could amount to millions of gallons per day, more than is used by the entire town of Robstown. There are other uncertainties as well. One is that the price of lithium has fallen sharply in recent years as supply exceeds demand. An additional concern is that President Trump might end incentives for development in the EV industry.

The expansion of the capacity to transport liquefied natural gas from the metro area will boost manufacturing and distribution. Cheniere's Stage 3 project went online in January as the company began shipping product. In the near term, the volatility of the market adds uncertainty. LNG exports of natural gas to Europe rose substantially in 2022 and 2023 as Europe sought alternative sources following Russia's invasion of Ukraine. Subsequently, shipments declined as Europe shifted to more renewable power generation sources, but demand from Asia grew. Regardless of the destination, Texas drillers and distributors will ultimately benefit since U.S. natural gas prices are much lower than elsewhere.

The distribution industry will have expanded capacity following the completion of the Port of Corpus Christi's Ship Channel Improvement project, anticipated this year. In general, the port is already the third largest in the country in terms of waterborne tonnage, was among the fastest growing over the past decade, and set a record for tonnage in 2024. The dredging project will make the port deeper and wider, accommodating rising export flows of energy and agricultural products.



A number of demographic issues will limit Corpus Christi's potential for expansion. First, the population has trended down since 2016, reducing demand for personal services and housing. Second, the share of high-wage jobs is less than half the national share. This has contributed to the population decline since it has resulted in out-migration as workers search for better jobs elsewhere. Third, the share of adults with a bachelor's degree is only two-thirds the national share, limiting the attractiveness of the metro area for employers considering expansion or relocation.

Strengths

- Port's strategic gulf location is ideal for trade and exports.
- Low cost of living and Gulf of Mexico location attract retirees and tourists.

Weaknesses

- Low educational attainment and relative geographical isolation reduce the attractiveness to prospective employers.
- The heavy reliance on international trade adds cyclicity to the outlook.

2020	2021	2022	2023	2024	INDICATORS	2025	2026	2027	2028	2029
25.5	28.0	27.7	30.7	32.3	Gross metro product (C17\$ bil)	33.1	33.9	34.8	35.7	36.8
-5.4	9.7	-0.8	10.6	5.1	% change	2.6	2.4	2.6	2.8	2.9
181.3	183.9	190.3	197.8	200.7	Total employment (ths)	203.6	205.8	207.4	209.1	210.9
-6.4	1.4	3.5	3.9	1.5	% change	1.5	1.1	0.8	0.8	0.9
9.1	7.1	5.0	4.4	4.4	Unemployment rate (%)	4.4	4.3	4.3	4.2	4.1
3.5	10.7	0.1	6.4	4.9	Personal income growth (%)	4.1	4.6	4.4	4.2	4.5
56.7	58.0	60.4	62.5	63.7	Median household income (\$ ths)	65.9	68.6	71.1	73.4	75.6
446.2	448.3	448.6	452.6	457.4	Population (ths)	461.2	464.1	466.6	469.0	471.5
0.0	0.5	0.1	0.9	1.1	% change	0.8	0.6	0.5	0.5	0.5
-0.9	1.8	0.0	2.8	3.5	Net migration (ths)	2.6	1.6	1.3	1.3	1.3
1819.0	2423.0	2092.0	1963.0	1905.6	Single-family permits (#)	1382.7	1444.8	1455.1	1442.6	1399.5
277.0	366.0	5.0	71.0	72.0	Multifamily permits (#)	357.7	388.2	410.7	424.4	413.5
4.7	12.0	13.7	2.8	3.8	FHFA house price (1995Q1=100)	0.3	1.7	2.5	3.1	3.3
Moody's Analytics										



MAJOR ATTRACTIONS

Corpus Christi is a popular tourist destination because of its mild climate and location. It is the most frequented vacation destination in Texas with 10.61 million annual visitors. Most visitors are the traditional summer beach visitors and “Winter Texans” which pump an estimated \$1.35 billion annually into the local economy. Corpus Christi convention activity is focused in the area at the north end of Shoreline Boulevard near the Harbor Bridge. The American Bank Center Convention Center events support a number of hotels in the downtown Bay Front area. The center (located at 1901 N. Shoreline Boulevard – north of IH 37 and east of US 181) opened in late 2004 and features a 2,526-seat auditorium, a sports arena seating 10,500 and meeting and exhibition space. The sports arena is home to Corpus Christi's Ice-rays hockey team and the Texas A&M – Corpus Christi University basketball teams. Whataburger Field is home to the Corpus Christi Hooks, the Double-A affiliate of the Houston Astros.

TRANSPORTATION

Corpus Christi International Airport



Corpus Christi International Airport (CRP) serves the Coastal Bend region of Texas. As of April 2025, the airport is served by three major airlines: American Airlines, United Airlines, and Southwest Airlines. American Airlines offers nonstop service to Dallas/Fort Worth International Airport (DFW), United Airlines provides direct flights to Houston's George Bush Intercontinental Airport (IAH), and Southwest Airlines operates nonstop flights to Houston's William P. Hobby Airport (HOU).

Port of Corpus Christi



The Intracoastal Waterway and the Port of Corpus Christi make Corpus Christi a major transportation and bulk cargo center. The port is now the third largest in the nation in terms of annual tonnage and is located midway along the Texas coast on the Gulf of Mexico (approximately 150 miles north of the United States/Mexico border) just north of IH 37 and the Central Business District (CBD). Low-cost barge transportation is available on the 1,300-mile Gulf Intracoastal Waterway that links Corpus Christi with over 12,000 miles of commercially navigable waterways in the mid-continent regions of the Mississippi River and its tributary systems as well as 2,500 miles of waterways along the Gulf of Mexico.

The Texas Department of Transportation



The main thoroughfares that serve the area are I-37, which provides direct access to San Antonio; State Highway 35, which connects the area to Houston; and U.S. Highway 77, which links the area to the Rio Grande Valley. Other important roadways include State Highway 358 (Padre Island Drive) and State Highway 361, which connect the city to Padre Island.

CONCLUSION

Corpus Christi will underperform the nation in 2025, although infrastructure expansions will offset weakness elsewhere. Longer term, population decline, and other structural factors will constrain growth.



NEIGHBORHOOD

A neighborhood is typically a segment of a community, city or town which is a homogeneous grouping of individuals, buildings or business enterprises within the larger community. A neighborhood has three stages of life and possibly a fourth. They are (1) integration (the development stage), (2) equilibrium (the static stage), (3) disintegration (the declining or decaying stage), and possibly (4) a redevelopment or rejuvenation state or period and continuance of the neighborhood life cycle.





NEIGHBORHOOD

The subject property is north and northeast of the city limits of Sinton, Texas, within San Patricio County. The subject neighborhood is generally defined by use patterns, as well as the location of major thoroughfares. Neighborhood boundaries are generally defined as the city limits of Sinton.

GENERAL INFORMATION

As of the 2020 United States Census, the City of Sinton had a population of 5,505. The current population is estimated at 5,594. Sinton is located about 28 miles north of Corpus Christi, a two hour drive from San Antonio and a three hour drive from Houston. Sinton is known as the "Antique Capital" of South Texas, locally Sinton offers unique shops specialized in antiques and collectibles located along Sinton Street (State Highway 188). Sinton is a rural / agricultural town and also offers trails for birding and fishing. Academically, Sinton ISD has performed well and is a state "Recognized" district by the Texas Education Agency. In addition to Sinton, the district also serves the communities of St. Paul, Rancho Chico, Del Sol-Loma Linda, and Morgan Farm Area.

STEEL DYNAMICS



In February 2019, San Patricio County commissioners approved a request from Steel Dynamics Inc. to modify tax abatement guidelines as the company decides whether or not San Patricio County will be chosen for its \$1.9 billion steel plant. In July 2019, Steel Dynamics Inc. announced its decision to build the new facility in Sinton, Texas after receiving a pledge of over \$197 million in tax limitation and abatement agreements from San Patricio County and the State of Texas. In February 2022, Steel Dynamics opened the

1.2 million-square foot facility for operation resulting in 600 new jobs for the area. The electric arc furnace (EAF) flat roll steel mill plant now serves the southern United States and the underserved Mexican flat roll steel market by producing a 3-million-ton annual production capacity. Huge growth is likely expected to follow with the addition of Steel Dynamics as the city of Sinton is poised for development and economic growth.



ACCESS

Access to the subject neighborhood is considered good due to the presence of the Texas freeway system. State Highway 181 provides access to San Antonio to the north and the cities of Gregory, Portland and Corpus Christi to the south. US Highway 77 provides access to Harlingen in the south and Waco in the North. US Highway 77 also bisects Interstate Highway 37 to the south, and Interstate Highway 10 and Interstate Highway 35 to the north.

UTILITIES

The subject neighborhood is adequately served by all the typical utilities, including water, sewer, electric service, natural gas, private well and septic, and public telephone. No shortages of utility service in the developed portions of the neighborhood were reported and lack of utilities has not been detrimental in the development of the area. Major utility companies servicing the neighborhood include the City of Sinton, American Electric Power, and San Patricio Electric Cooperative.

NUISANCES & HAZARDS

Nuisances and hazards are limited in the subject neighborhood. Vibration, smoke, smog, odors and intense noise are basically related to vehicular traffic along the major thoroughfares. As in any area, traffic density poses problems ranging from congestion to noise. These problems are not severe and are a natural part of most communities.

LIFE CYCLE

Each neighborhood has a unique and dynamic quality all its own, given man's unique imagination, design and development of an area. This quality is described as a "life cycle," which is identified in *The Appraisal of Real Estate* as evolving through the following four stages.

Growth	Neighborhood gains public favor and acceptance
Stability	Equilibrium without marked gains or losses
Decline	Diminishing demand
Revitalization	Renewal, modernization and increasing demand



The subject neighborhood appears to be in the stability period of its life cycle. The immediate area is heavily influenced by agricultural, oil production, energy transportation, government jobs, mining, lodging, construction, and manufacturing. In late 2021, Exxon/Mobil Corp in partnership with Saudi Arabia Basic Industries Corp began commercial operations of a petrochemical complex located on a 1,300-acre site near Gregory, just southeast of Sinton. The project is expected to generate more than \$50B in economic benefits to the surrounding areas within the first 6 years of operation. The immediate area is rural in nature and is considered to be approximately 25% developed. Properties appear to range in age from new to over 50 years.

CONCLUSION

The subject neighborhood is located in San Patricio County, Texas. Demand for virtually all types of real estate in this area has been experiencing growth in recent years. The future growth of the neighborhood relies heavily upon the economy (Port of Corpus Christi) and the overall strength of the real estate market within the entire South Texas / Coastal Bend Region. The subject property displays good locational attributes in the defined neighborhood and should benefit from any positive economic conditions experienced by the immediate area.



DEMOGRAPHICS

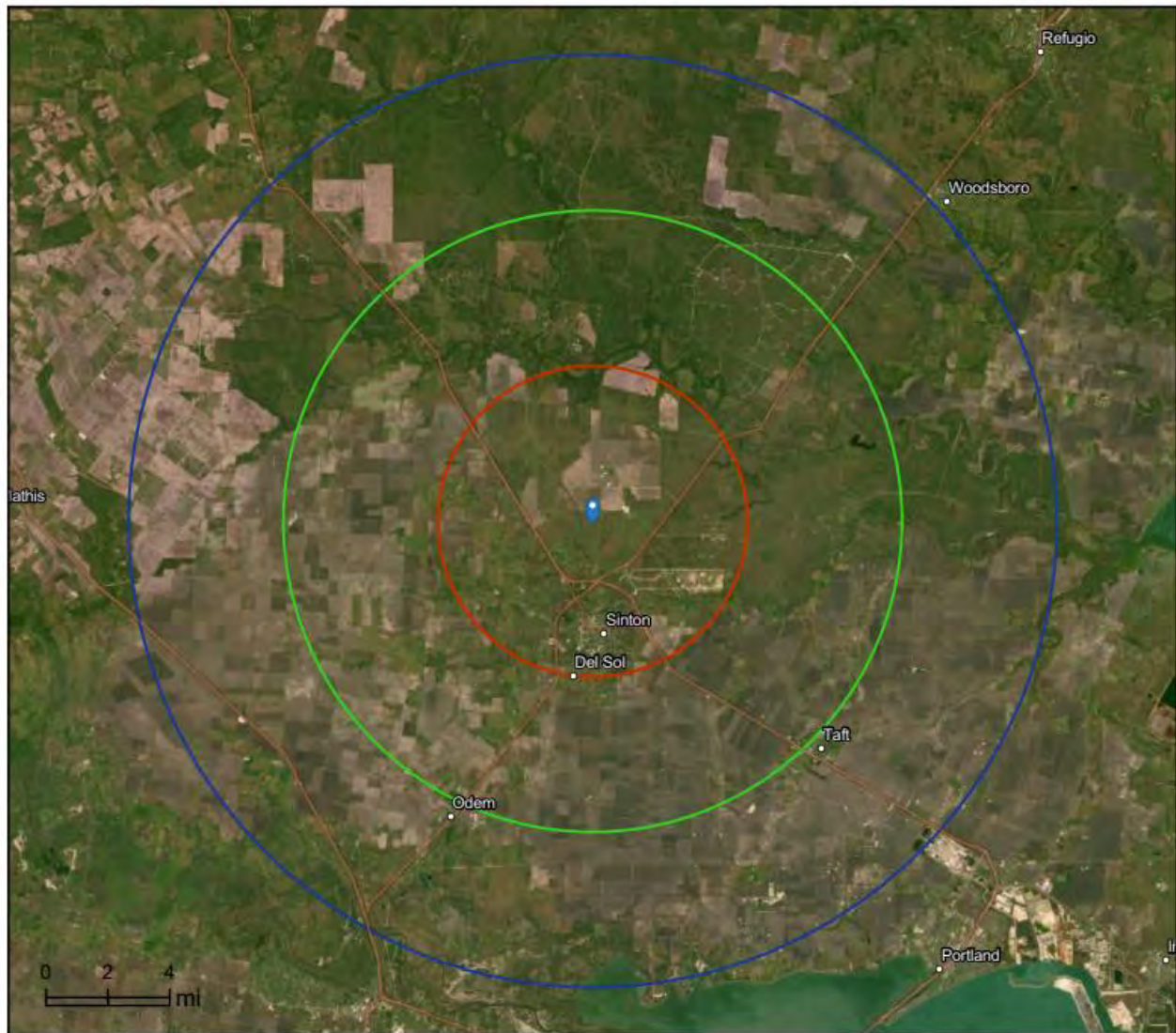
The following pages summarize data generated by the STDB.



Site Map

78387, Sinton, Texas
Rings: 5, 10, 15 mile radii

Prepared by Esri
Latitude: 28.08587
Longitude: -97.51087





Executive Summary

78387, Sinton, Texas
Rings: 5, 10, 15 mile radii

Prepared by Esri

Latitude: 28.185377
Longitude: -97.51857

	5 miles	10 miles	15 miles
Population			
2010 Population	7,830	11,295	20,645
2020 Population	7,782	11,415	20,431
2025 Population	7,786	11,460	20,457
2030 Population	7,823	11,539	20,588
2010-2020 Annual Rate	-0.06%	0.11%	-0.10%
2020-2025 Annual Rate	0.01%	0.07%	0.02%
2025-2030 Annual Rate	0.09%	0.14%	0.13%
Mortgage Income			
2025 Percent of Income for Mortgage	14.6%	18.0%	17.6%
Median Household Income			
2025 Median Household Income	\$50,303	\$51,044	\$55,097
2030 Median Household Income	\$56,185	\$58,078	\$63,092
2025-2030 Annual Rate	2.24%	2.62%	2.75%
Average Household Income			
2025 Average Household Income	\$67,697	\$69,915	\$71,723
2030 Average Household Income	\$74,159	\$77,142	\$78,688
2025-2030 Annual Rate	1.84%	1.99%	1.87%
Per Capita Income			
2025 Per Capita Income	\$24,243	\$25,100	\$25,873
2030 Per Capita Income	\$26,984	\$28,140	\$28,843
2025-2030 Annual Rate	2.17%	2.31%	2.20%
GINI Index			
2025 Gini Index	46.0	46.5	44.5
Households by Income			
Current median household income is \$55,097 in the area, compared to \$81,624 for all U.S. households. Median household income is projected to be \$63,092 in five years, compared to \$92,476 all U.S. households.			
Current average household income is \$71,723 in this area, compared to \$116,179 for all U.S. households. Average household income is projected to be \$78,688 in five years, compared to \$128,612 for all U.S. households.			
Current per capita income is \$25,873 in the area, compared to the U.S. per capita income of \$45,360. The per capita income is projected to be \$28,843 in five years, compared to \$50,744 for all U.S. households.			
Housing			
2025 Housing Affordability Index	141	113	115
2010 Total Housing Units	2,950	4,330	7,982
2010 Owner Occupied Housing Units	1,736	2,668	4,974
2010 Renter Occupied Housing Units	886	1,116	1,952
2010 Vacant Housing Units	328	546	1,056
2020 Total Housing Units	3,057	4,520	8,193
2020 Owner Occupied Housing Units	1,777	2,793	5,155
2020 Renter Occupied Housing Units	918	1,162	1,957
2020 Vacant Housing Units	363	559	1,084
2025 Total Housing Units	3,170	4,723	8,509
2025 Owner Occupied Housing Units	1,866	2,954	5,426
2025 Renter Occupied Housing Units	902	1,145	1,926
2025 Vacant Housing Units	402	624	1,157
2030 Total Housing Units	3,248	4,846	8,716
2030 Owner Occupied Housing Units	1,952	3,088	5,664
2030 Renter Occupied Housing Units	874	1,108	1,856
2030 Vacant Housing Units	419	650	1,196
Socioeconomic Status Index			
2025 Socioeconomic Status Index	38.8	40.0	41.3

Currently, 63.8% of the 8,509 housing units in the area are owner occupied; 22.6%, renter occupied; and 13.6% are vacant. Currently, in the U.S., 57.9% of the housing units in the area are owner occupied; 32.3% are renter occupied; and 9.8% are vacant. In 2020, there were 8,193 housing units in the area and 13.2% vacant housing units. The annual rate of change in housing units since 2020 is 0.72%. Median home value in the area is \$154,784, compared to a median home value of \$370,578 for the U.S. In five years, median value is projected to change by 7.78% annually to \$225,077.



ECONOMIC UPDATE

LPA is committed to monitoring the current economic environment. The following section analyzes several current economic factors such as the lingering effects of COVID-19, inflation, gas prices, supply chain issues, unemployment, etc. and the effects on commercial real estate.

CURRENT ECONOMIC CONDITIONS

As the effects of the pandemic subsided, the commercial real estate market entered a new chapter marked by renewed activity, evolving interest rates, and shifting patterns of demand. Remote work continued to reshape office usage - with vacancy rates exceeding 20% in several major metros - while development adapted to rising construction costs, which climbed more than 30% between 2021 and 2023. At the same time, tighter lending standards promoted more strategic investment. Federal Reserve policy - including 11 rate hikes that pushed the federal funds rate above 5% - along with global developments and renewed tariffs, contributed to more deliberate investor decision-making, renewed transaction momentum, and sector-wide realignment. The timeline below highlights key events over the past several years that have had a significant impact on commercial real estate across the United States:

Mar 2021	American Rescue Plan injects capital, boosting retail and industrial demand.
Mar 2022	Fed begins aggressive rate hikes, slowing CRE transactions.
Jul 2023	Job growth rebounds, lifting demand across CRE sectors.
May 2023	Consumer spending holds strong, supporting retail assets.
Apr 2024	Cities introduce incentives for office-to-residential conversions.
Oct 2024	GDP growth beats forecasts, signaling broad momentum.
Feb 2025	New steel and aluminum tariffs push construction costs higher.
Apr 2025	Manufacturing growth and reshoring spur demand for industrial space.
Jun 2025	Fed signals rate cuts, improving outlook for CRE financing.
Aug 2025	AI, cybersecurity, and next-gen payments are reshaping CRE finance operations.



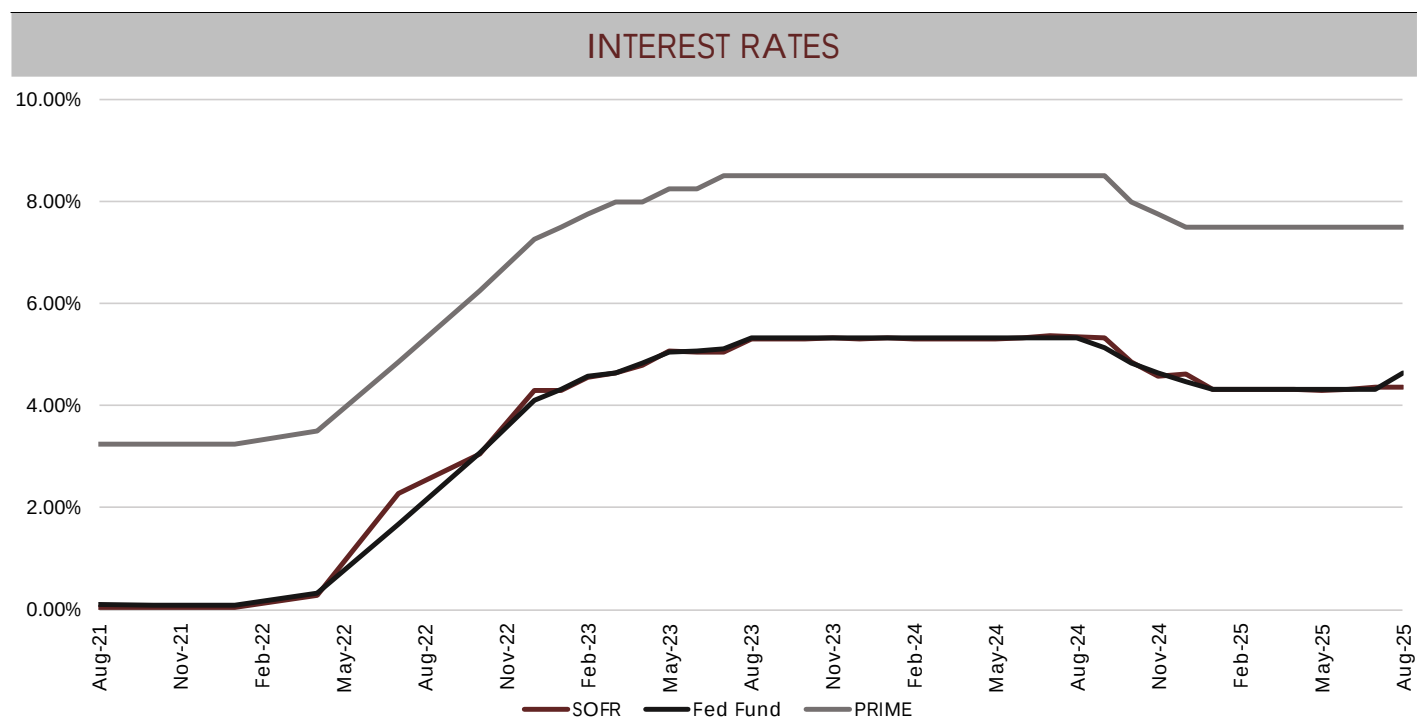


INTEREST RATES

Prime Rate is individually determined by banks and often used as a reference rate (also known as the base rate) for several types of loans. Examples of the types of loans using this rate include credit card loans and small business loans. The prime rate is used by banks to lend to consumers and are fixed and typically do not change over extended periods of time.

Secured Overnight Financing Rate is a benchmark interest rate that institutions utilize for business and consumer loans. The Secured Overnight Financing Rate (SOFR) is the dominant benchmark rate after the US LIBOR panels ended on June 30, 2023. Unlike its predecessor, SOFR incorporates actual lending transaction data amongst institutions making it a more reliable source.

Federal Funds Rate is set by the Federal Open Market Committee (FOMC). This rate is the target at which excess reserves are lent and borrowed amongst commercial banks overnight. This rate influences short-term rates on credit cards and consumer loans as well as piquing investors' interest by impacting the stock market.



FedPrimeRate

To combat higher than average inflation, rates began increasing in early 2022. However, in September 2024, federal interest rates were cut by 50 basis points for the first time in four years. A second cut of 25 basis points followed in November 2024, and a third cut of 25 basis points was implemented in December 2024, reflecting a strategic shift in monetary policy aimed at easing financial pressures. Interest rates and capitalization rates typically move in tandem. The increased cost of capital often exerts upward pressure on capitalization rates, which can, but does not always, lead to market softening. LPA remains committed to monitoring and analyzing the ongoing impact of these rate adjustments on commercial real estate markets.





INFLATION

Inflation has hit the United States hard since the beginning of 2021. Inflation is the rate of increase in prices over a given period of time. The most common form of measurement is the Consumer Price Index (CPI). This measures the percentage change in price over a “basket” of goods and services in households. According to the U.S Bureau of Labor Statistics, the annual inflation rate in the U.S. has slowed more than expected to 3.2% in July 2023 from an over 40-year high of 9.1% in June 2022. The below chart using data from the U.S. Bureau of Statistics shows the inflation rate over the last 40 years and the increase of inflation in the U.S. since April 2020, and the start of the COVID-19 pandemic.

INFLATION SINCE 1982

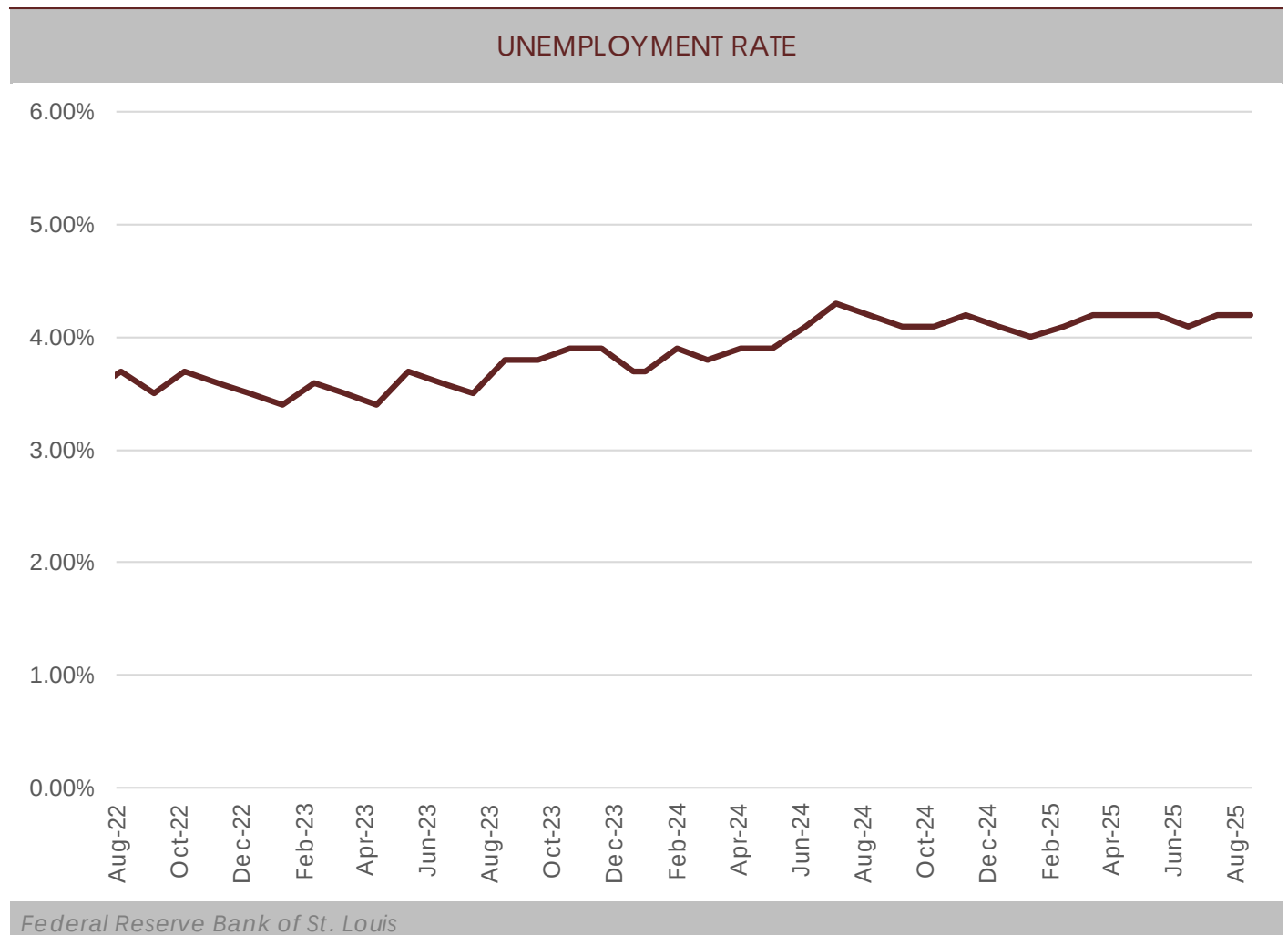


U.S. Bureau of Statistics



UNEMPLOYMENT

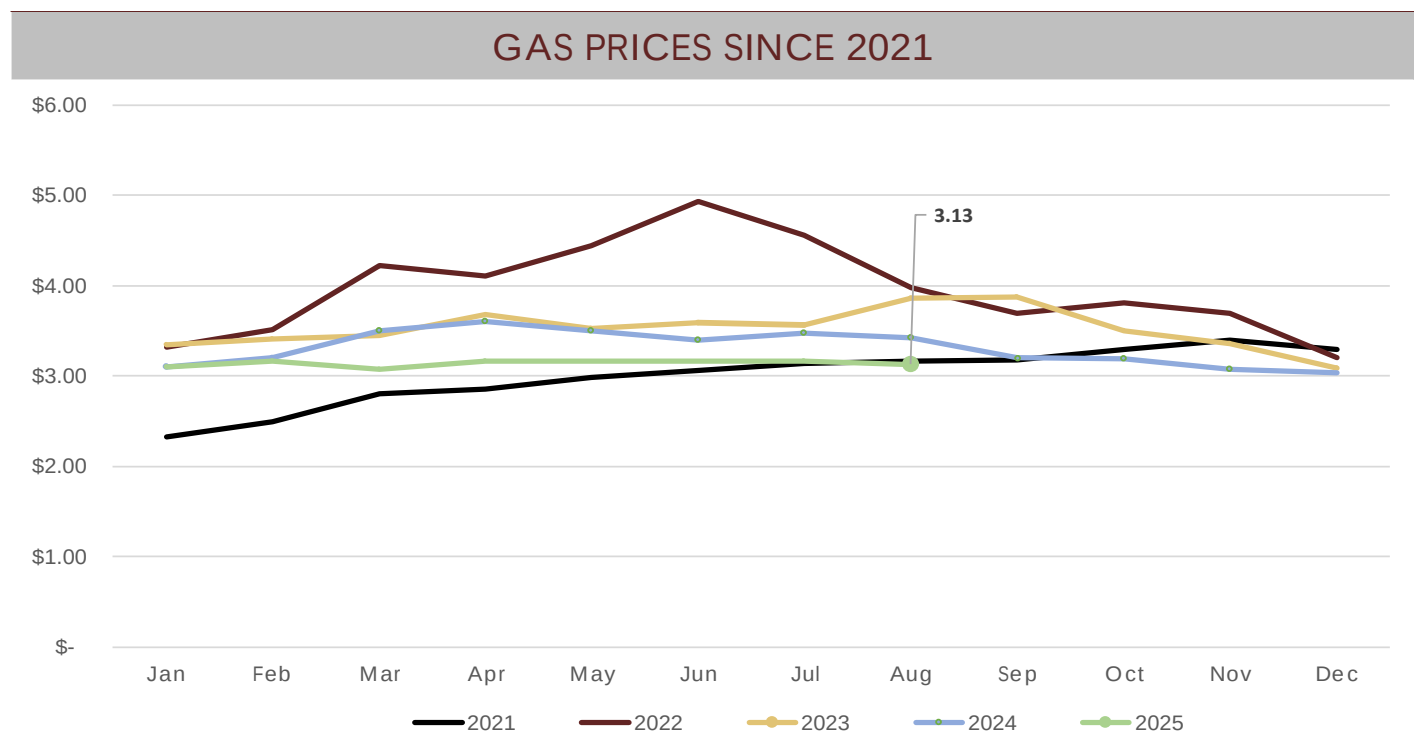
The COVID-19 pandemic accelerated already emerging trends in slow labor force growth and higher demand for skilled labor. The number of jobless claims skyrocketed in March 2020, when the pandemic officially began, with official unemployment numbers reaching 23.1 million or 14.7%. Unemployment had steadily declined over the following months, with the unemployment rate reaching as low as 3.5% in 2023 - returning to pre-pandemic levels. In 2022, US employers added a total of 4.5 million new jobs, which is the second strongest year in the past 40 years after 2021. The majority of the new jobs were led by the leisure and hospitality industry as well as professional and business services. Despite the low unemployment rate and job creations, industries are still having problems being understaffed as people used COVID-19 to change jobs and careers, leaving holes in the industries they've left behind. Career changes and the need to work remotely have led to a worker shortage, especially in the food service and hospitality industries. The chart below shows the monthly unemployment rate since August 2022.





GAS PRICES

Since early 2022, the national average gas price has generally remained above pre-pandemic levels, though there have been periods of decline. In mid-2022, prices dropped by 32 cents in July and 79 cents in August, followed by a 98-day streak of falling gas prices—the second longest on record behind the 115-day streak in 2014–2015. More recently, prices have fluctuated due to global supply chain shifts, geopolitical tensions, and changes in oil production. Currently, the national average remains volatile but has shown signs of stabilizing. The chart below illustrates the national average gas price per gallon over the past seven years.



U.S. Energy Information Administration

The sharp increase can be contributed to the Russia/Ukraine war as Russia is the 2nd largest exporter of oil in the world. Since beginning in February 2022, the Russia/Ukraine conflict has caused Russia to become heavily sanctioned, playing an important factor in the increase of gas prices. Although the U.S. is the world's leading gasoline producer, production has decreased since late 2019. Additionally, refineries closing at the beginning of COVID-19 have led to a decrease in operating oil refineries leading to higher demand than supply. Refineries increase their rates when demand is higher than supply due to the need of the product and the increased willingness of people to pay for that product.

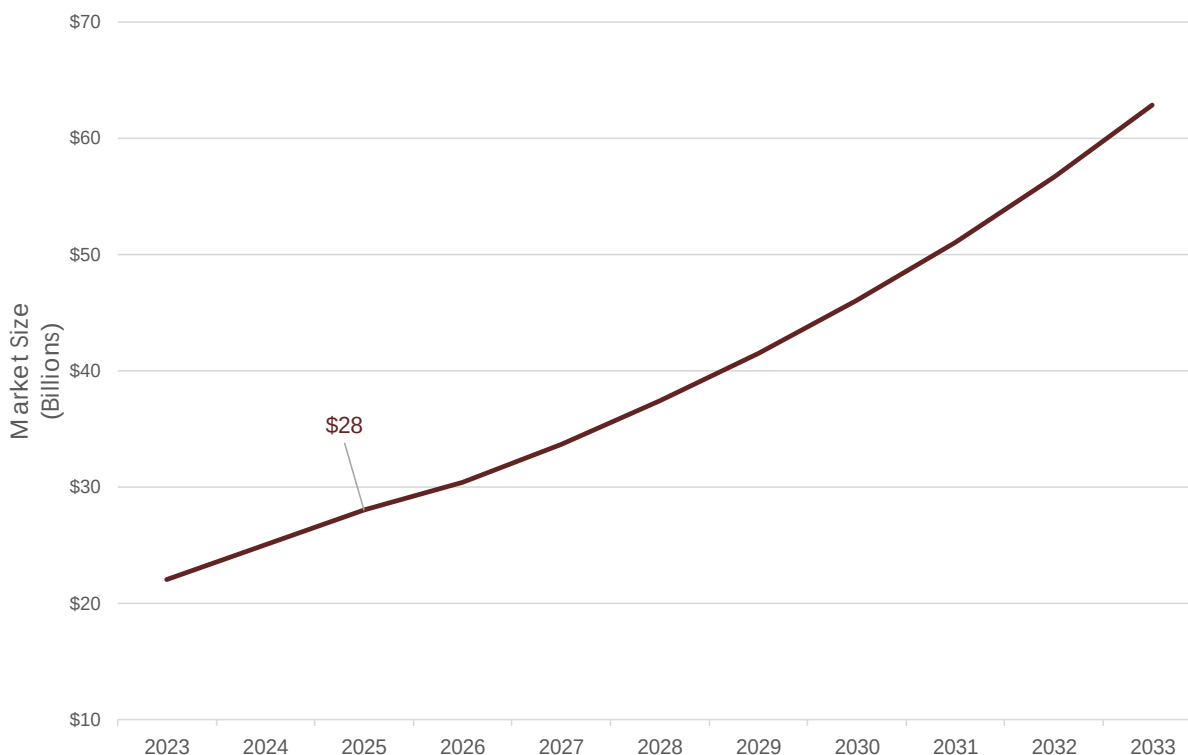
Some reasons for the sharp decrease in gas prices involve panic over inflation driving down prices, people driving less due to the high gas prices, and the Biden administration's release of emergency oil from the national stockpile.



EMERGING TECHNOLOGY

Technological advancements in proptech are transforming commercial real estate operations and influencing property valuations. Smart buildings, equipped with Internet of Things (IoT) and automation, enhance energy efficiency, security, and occupant comfort, increasing their market value. These attributes are highly valued, leading to higher valuations. Proptech solutions create operational efficiencies, reducing costs and errors, and streamlining property management. These efficiencies improve financial performance, making properties more attractive to investors. By automating tasks, these technologies reduce costs and errors, leading to better financial performance and, consequently, higher property valuations.

U.S. SMART BUILDING MARKET SIZE



Precedence Research

The U.S. smart building market is poised for substantial growth, driven by technological advancements and strategic investments. Key details include:

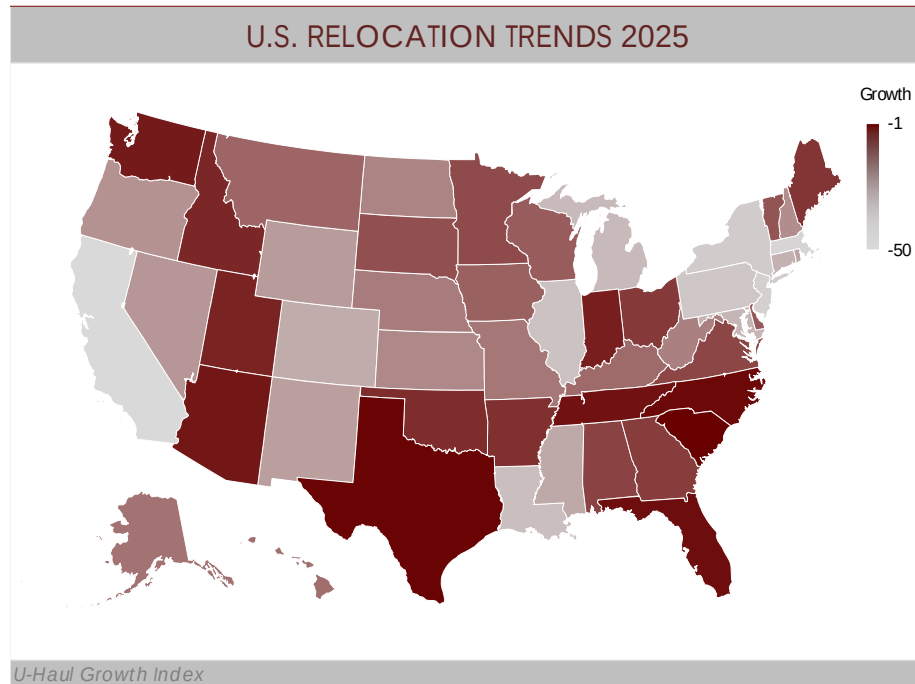
- 2024 Market Size: Reached USD 24.66 billion.
- 2034 Projection: Expected to grow to USD 68.67 billion.
- Growth Rate: Anticipated CAGR of 10.70% from 2025 to 2034.
- Regional Share: North America captured a 35% revenue share in 2024.





RELOCATION TRENDS

Relocation trends between states in the US significantly impact the commercial real estate sector. Population influxes in states like Texas and Florida boost demand for office spaces, retail outlets, and residential developments, leading to higher property values and rental rates. Consequently, developers and investors capitalize on these opportunities by initiating new construction projects or refurbishing existing properties to meet rising demand. States with population outflows, like New York and California, face challenges in the commercial real estate market as dynamics in office, retail, and industrial real estate rapidly evolve.



Office Sector	As companies relocate or downsize, vacancies rise, reducing rental rates and property values. Landlords must innovate leasing strategies or reposition assets to attract and retain tenants.
Retail Sector	Retail real estate growth is slow due to declining population and consumer spending. Property owners need creative approaches to maintain occupancy and attract tenants.
Industrial Sector	Demand for logistics facilities is growing as e-commerce and population increase. Areas with significant population growth are seeing more investment in industrial real estate to support logistics infrastructure.

CONCLUSION

The current economic environment is ever changing. LPA is working diligently to capture and analyze current market data to reliably quantify impacts on real property values, national and regional. As the situation evolves, LPA is committed to monitoring current events and how they impact the commercial real estate market.





MARKET ANALYSIS

The following information was the result of an analytic search via the *Texas Real Estate Research Center*. The research revealed historical rural land price trends over the last 5 years.

RURAL LAND PRICE TRENDS			
Source:	Year	Median Sales Price	% Change YoY
Region: South Texas	Q1 2025	\$6,064	-4.11%
	Q1 2024	\$6,324	8.01%
	Q1 2023	\$5,855	17.55%
	Q1 2022	\$4,981	26.33%
	Q1 2021	\$3,943	
	Average		11.94%
Land Market Area: Coastal Prairie-South (LMA 20)	2024	\$5,513	0.24%
	2023	\$5,500	5.77%
	2022	\$5,200	23.81%
	2021	\$4,200	20.83%
	2020	\$3,476	
	Average		12.66%

Source: Texas Real Estate Research Center

Overall, the subject market has experienced positive value appreciation over the past five years, with the greatest year-over-year increases occurring in 2021 and 2022. However, since 2022 we have seen a steady increase in the cost of capital, which has resulted in a decrease in overall demand and tempered growth in 2023 and 2024. As the population in the area grows and interest rates begin to fall, demand should rebound in the near term.



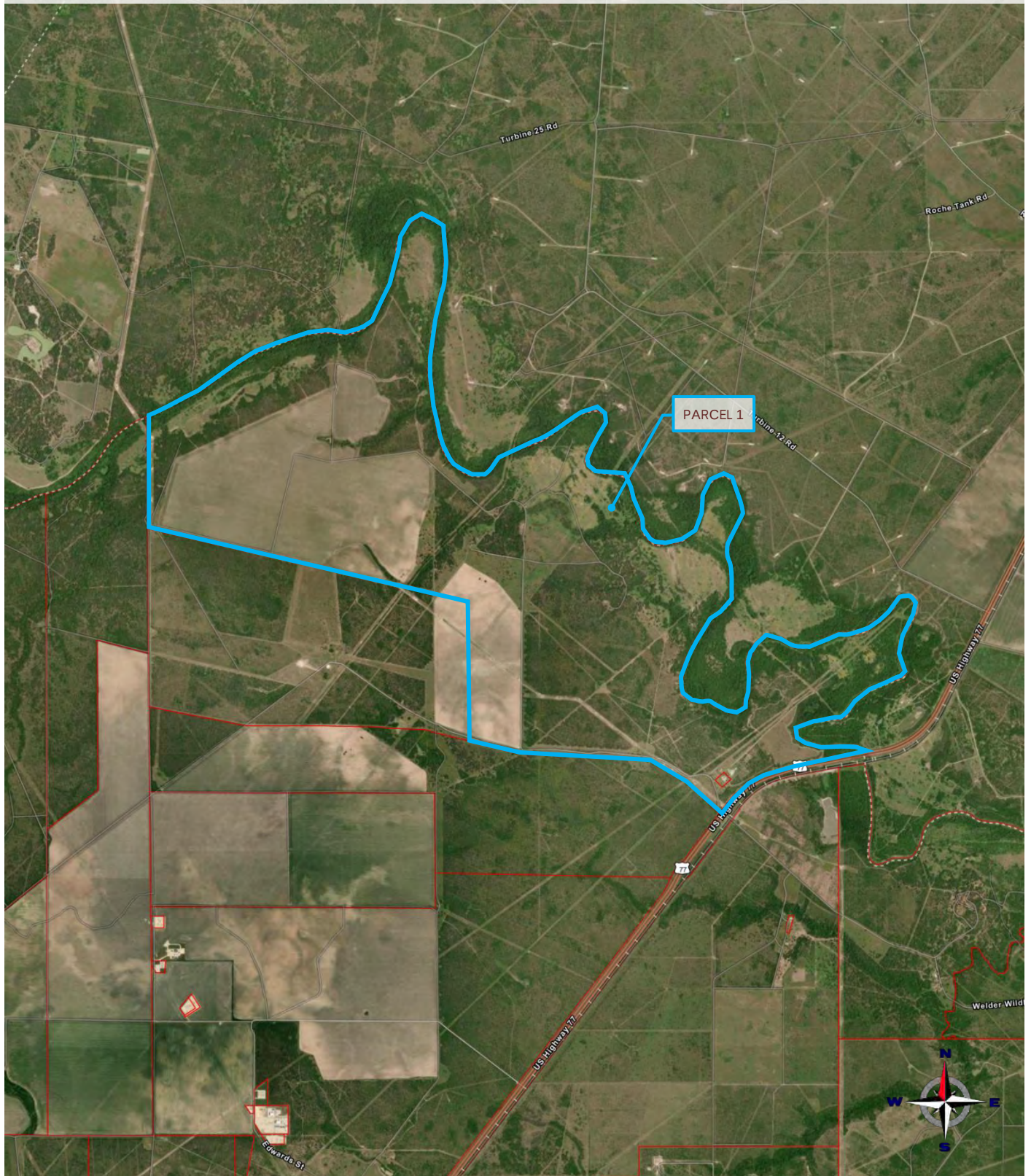
SUBJECT PHOTOS – PARCEL 1







AERIAL PHOTOGRAPH





SITE DESCRIPTION – PARCEL 1

Parcel 1 is improved with a ranch headquarters facility including residences, barns, various outbuildings, and supporting site improvements. As previously discussed, the client requested that the subject parcels be valued “as if vacant” land only; thus, the Hypothetical Condition is made that no improvements are present as of the effective date of value.

PHYSICAL

Location

Parcel 1 is located on the northwest side of US Highway 77 and along the southern bank of the Aransas River. The physical address associated with this parcel is 12051 US Highway 77, Sinton, San Patricio County, Texas 78387.

Size / Configuration / Flood Zone

The subject parcel is a 4,404.85-acre irregular shaped tract of land. The property has generally level to gently rolling topography with a slight slope with the drainage to the Aransas River, which meanders along the north boundary. It has steep slopes along the river. According to FEMA Flood Maps, approximately $\pm 20\%$ of the subject is located within Zone A, an area within the 100-year flood plain. The property is comprised of a combination of dryland cultivated fields, open/improved pastures, and native pastureland brush. Water features include livestock ponds, a total of thirteen wells with the adjacent land owned by a related entity, and some piped water for livestock troughs. The wells are powered by a combination of windmills and solar powered pumps. The property has a good road system and is perimeter and cross fenced with typical ranch fencing creating several grazing pastures. The fencing and roads are in good condition. It also has access to a set of wood livestock pens on the adjacent land. It should be noted that the property has approximately ± 12.5 miles of frontage along the Aransas River.

Legal Description

4,404.85-acre tract comprised of a portion of the C.J. Francisco & E. Portilla Survey, Abstract 25, and the Jose M. & Felipe Portilla Survey, Abstract 24, also being all of Sections 12, 13, 14, and 29, and part of Sections 10, 11, 15, and 28 of the Eliza H. Welder Ranch Subdivision, San Patricio County, Texas.

Frontage / Accessibility

The most recent deed indicates that the subject property has 5,601.87 feet of frontage along the northwest side of US Highway 77. The subject tract possesses adequate frontage and access from US Highway 77, which is a primary traffic carrier in average/good overall condition.





Utilities

Public water and sewer services are not provided by any utility service providers and a private water well and septic system would be needed for development. Electricity is provided by San Patricio Electric Cooperative. According to local officials, these utilities are sufficient for the rural/agricultural uses in the area. In addition, local officials provide fire and police protection. Natural gas is provided by the region's typical providers. At the present time, all utilities appear to be sufficient for area development patterns.

Soils

The site's soil appears such that its load-bearing capacity does not restrict the construction of ordinary structural improvements. No evidence to the contrary was noted during our physical inspection of the site.

LEGAL

Zoning / Restrictions

The subject property is located within an unincorporated area of San Patricio County and is therefore not subject to any zoning restrictions.

The subject is a legal, conforming use.

Easements / Encroachments

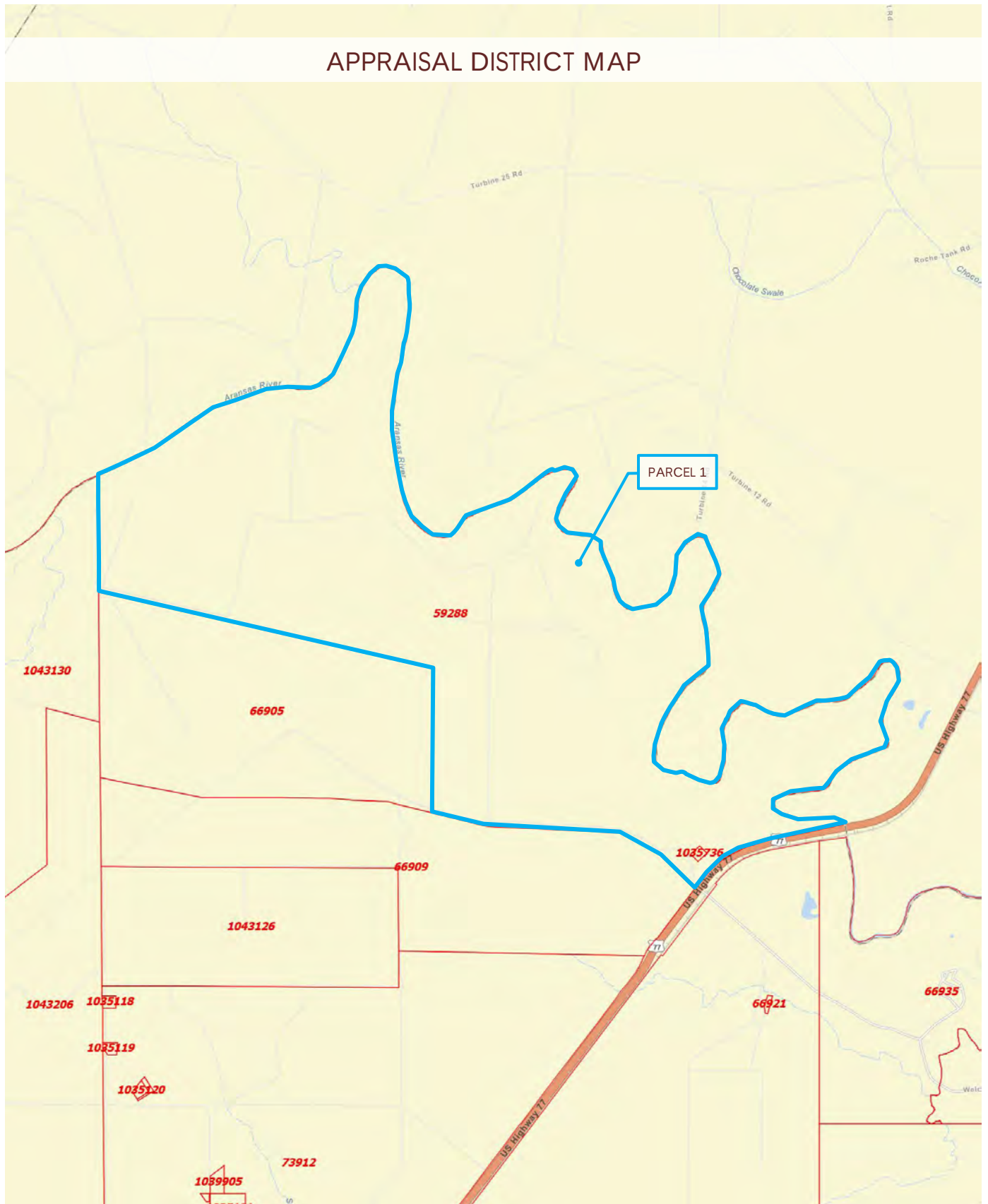
A title commitment for the subject land parcel was not furnished. An American Electric Power (AEP) high voltage transmission line (HVTL) easement with lattice steel towers bisects the east half of the property in a northwest/southeast direction and a steel monopole electric line traverses the property in proximity to US Highway 77 in a northeast/southwest direction. In addition, based on information obtained from the Texas Railroad Commission and the vesting deed, the subject is encumbered by multiple pipeline easements throughout the property. Reader is referred to the Texas Railroad Commission map for the general location of these easements. Due to the general location of these easements, there may be additional land planning requirements in the use of the property, but overall, they are not considered detrimental toward development and/or the site's overall marketability. No other detrimental easements and/or encroachments were noted upon physical inspection of the subject tract. It should be noted, however, that if a current survey map indicates that adverse easement exists, these factors might impact the market value and/or the marketability of the subject property. Therefore, it is assumed that no easements and/or encroachments exist, which would adversely affect the marketability or desirability of the site.

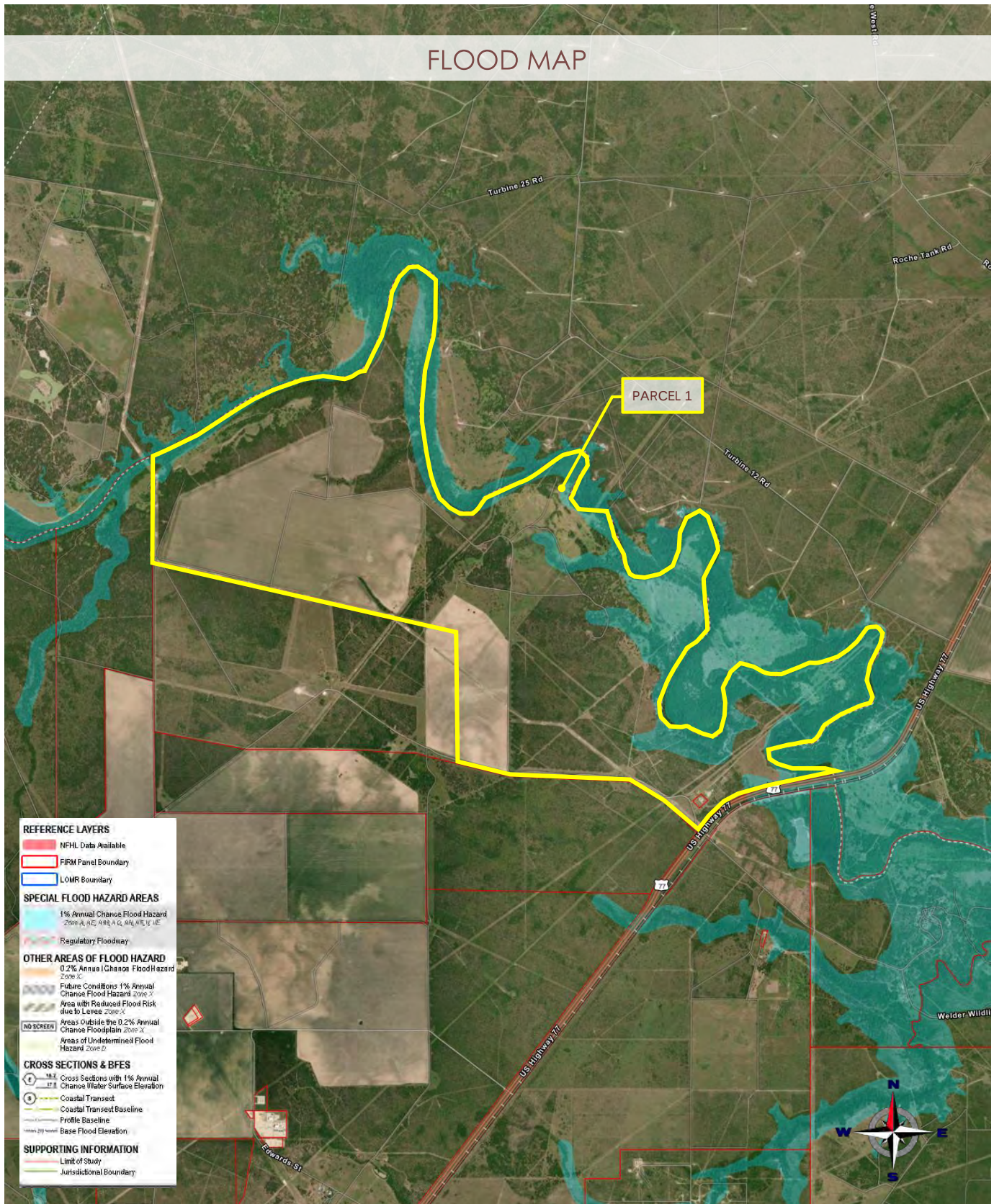
CONCLUSION

Given the physical and legal characteristics, the subject property is capable of being developed with a multitude of agricultural, recreational, and/or rural residential uses.



APPRAISAL DISTRICT MAP

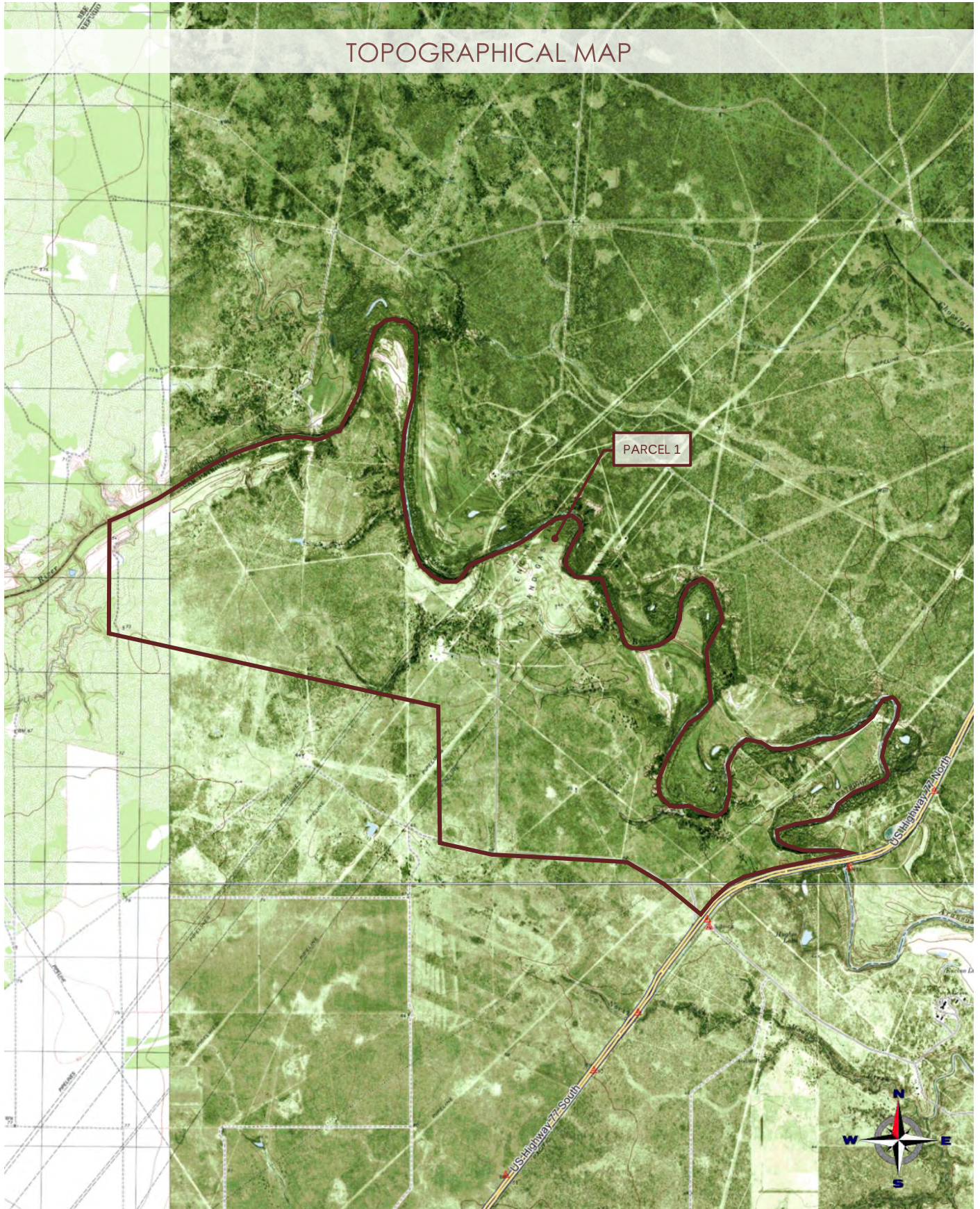




FEMA Flood Insurance Rate Map Nos. 48409C0100E, 48409C0125E, and 48409C0275E, effective November 4, 2016.



TOPOGRAPHICAL MAP



[illegible]



PROPERTY HISTORY – PARCEL 1

Ownership of the subject property is currently vested in *David Edwards Oakes, Jr. and David Edwards Oakes, III*, as evidenced by county records. No known real property transactions related to the subject have occurred in excess of three years prior to the date of the report. The subject property is not currently under contract of sale and is not currently listed. No other property history was reported. The tax records associated with the subject per San Patricio Appraisal District, are as follows:

Account		
Property ID:	59288	Geographic ID: 2139-0025-0000-001
Type:	R	Zoning:
Property Use:		Condo:
Location		
Situs Address:	12051 HWY 77 SINTON, TX 78387	
Map ID:	-	Mapsco:
Legal Description:	4401.660 AC ("EX A") OUT OF A24 AND A25, BEING DESCRIBED IN "EX A" OF CF597066 AS ALL OF THAT 5859.50AC TRACT ("EX A-1") SAVE AND EXCEPT 1454.65AC ("EX C").	
Abstract/Subdivision:		
Neighborhood:	(SR200) SINTON RURAL W 77	
Owner		
Owner ID:	12981	
Name:	EDWARDS DAVID OAKES JR	
Agent:	96736	
Mailing Address:	C/O PROSPERITY BANK, TRUST DEPT. 1401 AVENUE Q LUBBOCK, TX 79401	
% Ownership:	100.0%	

Account		
Property ID:	1035736	Geographic ID: 2139-0025-0000-101
Type:	R	Zoning:
Property Use:		Condo:
Location		
Situs Address:	12053 HWY 77 SINTON, TX 78387	
Map ID:	-	Mapsco:
Legal Description:	3.190 AC PT OF ("EX A") OUT OF A24 AND A25, BEING DESCRIBED IN "EX A" OF CF597066 AS ALL OF THAT 5859.50AC TRACT ("EX A-1") SAVE AND EXCEPT 1454.65AC ("EX C").	
Abstract/Subdivision:		
Neighborhood:		
Owner		
Owner ID:	88151	
Name:	EDWARDS OAKES DAVID III	
Agent:	86184	
Mailing Address:	202 INDIANA AVENUE CORPUS CHRISTI, TX 78404-1713	
% Ownership:	100.0%	



REAL ESTATE TAXES – PARCEL 1

The subject property is located in San Patricio County, Texas and is taxed based on values established by the county tax assessors. The tax rates are applied to the assessed value of the subject property, and the taxes for the subject property are then estimated. The taxes are estimated per \$100 of assessed value. This property is subject to taxes for San Patricio County and Sinton Independent School District.

The subject property displays a 2025 market assessment, including improvements, of \$8,411,238. The land is assessed at a market value of \$7,125,712 (\$1,618/AC), which is considered favorable based on the analysis herein. The property displays an agricultural use reduction of \$6,351,767, resulting in a taxable value of \$2,059,471. There were no reported delinquent taxes for the subject property, according to information provided by the San Patricio County Tax Assessor-Collector.

Current taxes based on the 2024 tax rates and the 2025 taxable value are calculated as follows:

PROPERTY TAX CALCULATION			
Acct #: 59288 & 1035736			
Authority	Assessed Value	Rate / \$100	Tax Liability
County	\$2,059,471	\$0.445780	\$9,181
School	\$2,059,471	\$1.235200	\$25,439
			\$34,620



HIGHEST & BEST USE – PARCEL 1

The Appraisal Institute defines highest and best use as follows: "The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value."

The four criteria the highest and best use must meet are:

PHYSICALLY POSSIBLE		LEGALLY PERMISSIBLE	
1	What uses of the site in question are physically possible?	2	What uses are permitted by zoning and deed restrictions?
FINANCIALLY FEASIBLE		MAXIMALLY PRODUCTIVE	
3	Which possible and permissible uses will produce a net return to the owner of the site?	4	Among the financially feasible uses that are physically possible and legally permissible, which use will produce the highest net return or the highest present worth?

There are two types of highest and best use studies. The first is the highest and best use of the land or site as though vacant. The second is the highest and best use of the property as improved. The highest and best use of land or a site as though vacant assumes that the parcel is vacant or can be made vacant by demolishing any improvements. The question to be answered in this analysis is: If the land is, or were vacant, what use should be made of it?

The highest and best use of a property as improved pertains to the use that should be made of an improved property in light of its improvements. Should it be maintained as it is, or be renovated, expanded, demolished, or partly demolished? Should it be replaced with a different type or intensity of use, or should it be held as an interim use? The improvements should be retained as long as they have some value and the return from the property exceeds the return that would be realized by a new use, after deducting the costs of demolishing the old building and constructing a new one.



HIGHEST & BEST USE - AS IF VACANT

Physically Possible

The subject parcel consists of a 4,404.85-acre tract of land located on the northwest side of US Highway 77 and along the southern bank of the Aransas River. The property has 5,601.87 feet of frontage along the northwest side of US Highway 77. It possesses adequate frontage and access. The property has generally level to gently rolling topography with a slight slope with the drainage of the Aransas River, which meanders along the north boundary. It has steep slopes along the river. According to FEMA Flood Maps, approximately $\pm 20\%$ of the subject is located within Zone A, an area within the 100-year flood plain. The property is comprised of a combination of dryland cultivated fields, open/improved pastures, and native pastureland brush. It should be noted that the property has approximately ± 12.5 miles of frontage along the Aransas River. Public water and sewer services are not provided by any utility service providers and public water, and wastewater systems would be needed for dense development. The site is primarily surrounded by agricultural, recreational, and rural residential uses. Access to the subject's neighborhood is considered good due to its location along a primary traffic carrier.

The principle of conformity is an important consideration in determining the physically possible uses of a site. Conformity is the appraisal principle that holds that real property value is created and sustained when the characteristics of a property conform to the demands of its market. The styles and uses of the properties in an area may conform for several reasons, including economic pressures; the shared preferences of owners for certain types of structures, amenities, services; and the enforcement of uniform standards by zoning ordinances. Based on the subject's physical characteristics and the principle of conformity, the site would most likely be utilized for agricultural, recreational, and/or rural residential use.

Legally Permissible

As mentioned previously, the subject is located in an unincorporated area of San Patricio County and is not subject to any zoning restrictions. No private deed restrictions were uncovered during a normal investigation, which would further limit the potential uses of the subject tract. Nonetheless, a title policy is strongly suggested in order to guarantee the absence of adverse restrictions. No other legal restrictions or covenants were found to be imposed on the subject property at the time of the appraisal, which would further restrict its development. The site's legally permissible use, as if vacant, supports the physical indication that the subject's most probable use would be utilized for agricultural, recreational, and/or rural residential use.



Financially Feasible & Maximally Productive

The prior consideration of physically possible uses and legally permissible does not significantly narrow the use of the subject property. The subject property has been used for and is currently surrounded by rural residential, recreational, and agricultural uses. Based on market data presented in this report, it appears that agricultural, recreational, and/or rural residential use is likely feasible. Income from agricultural operations, recreational and rural home sites is not sufficient to pay and adequate return on the value of the property. Rural properties in San Patricio County are owned for agricultural and recreational benefits, rural residences, and investment hold.

After considering legal, physical, and financial alternatives, it is our opinion that the highest and best use of the subject parcel, as if vacant, is for investment hold with agricultural, recreational, and/or rural residential uses in the interim.

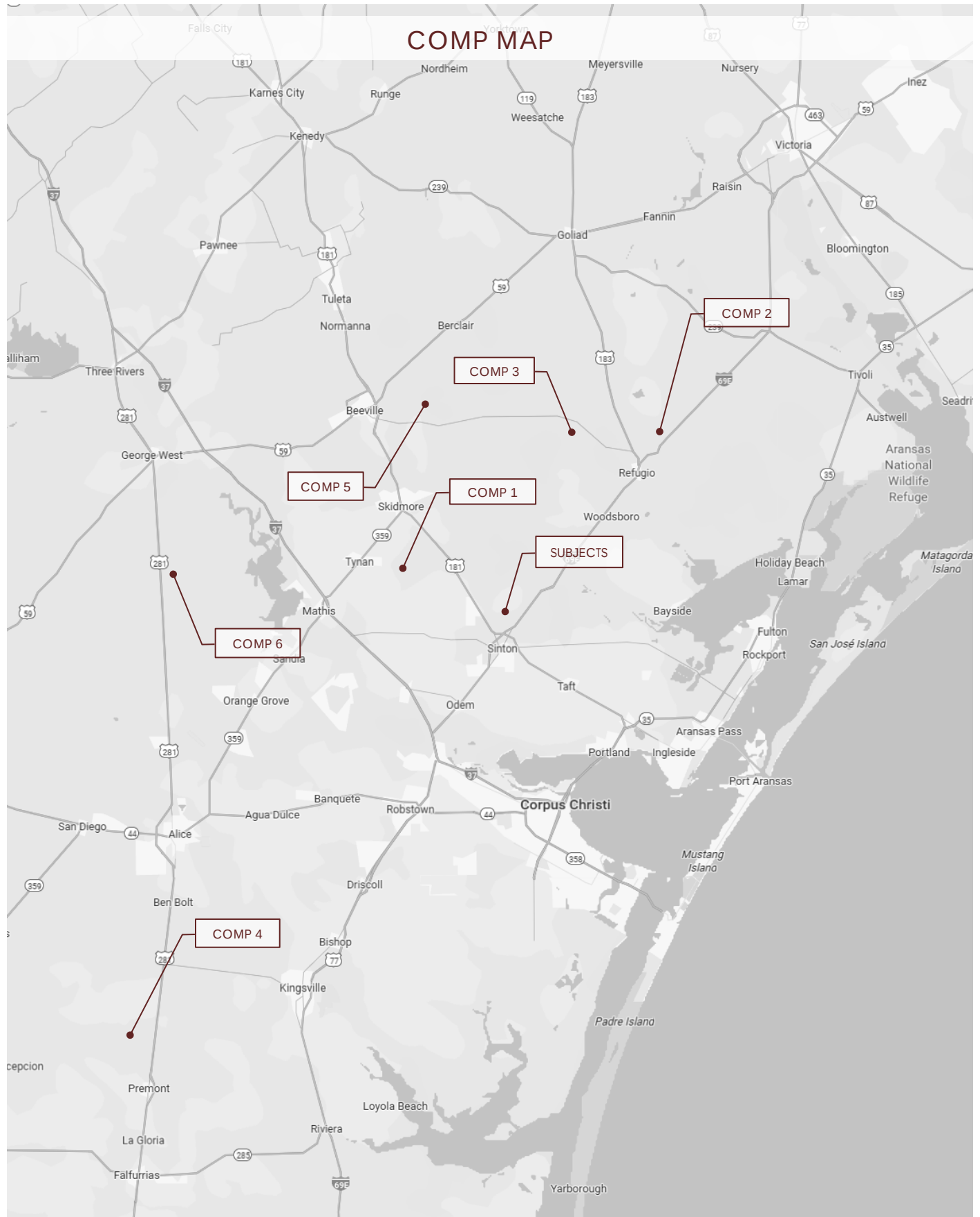


LAND VALUATION – COMPARABLE SALE DATA

The principles of real estate appraisal are basic to the sales comparison approach; however, one of the most important is the principle of substitution. "As applied to the sales comparison approach, the principle of substitution holds that the value of a property tends to be set by the price that would be paid to acquire a substitute property of similar utility and desirability."

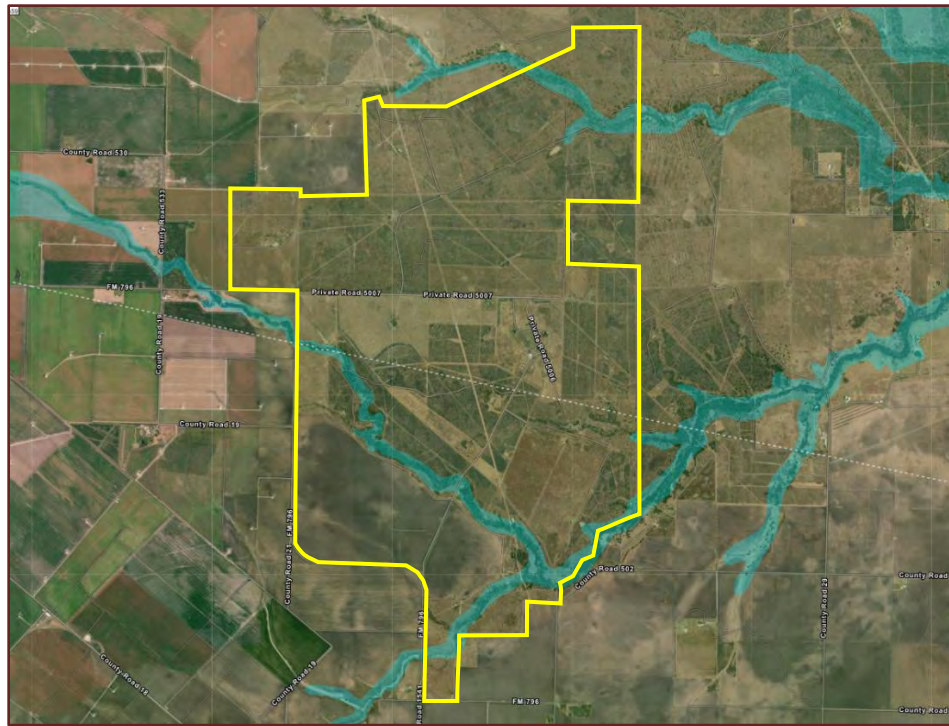
The sales comparison approach is a method of estimating market value whereby a subject property is compared with comparable properties that have sold recently. One premise of the sales comparison approach is that the market will determine a price for the property being appraised in the same manner that it determines the prices of comparable, competitive properties. Essentially, the sales comparison approach is a systematic procedure for carrying out comparative shopping. As applied to real estate, the comparison is applied to the unique characteristics of the economic good that cause real estate prices to vary.

The sales used in the analysis for Parcels 1 through 6 are discussed on the following pages, preceded by a map showing the location of each sale in relation to the parent tract





COMPARABLE 1



LOCATION

Address / Location N & E lines of FM 796, N of SH 188,
San Patricio and Bee County, Texas

SALES DATA

Date of Sale	Listing
Sales Price	\$27,000,000
Price Per Acre	\$4,469
Price Per SF	\$0.10

PHYSICAL DESCRIPTION

Size (acres)	6041.00
Size (SF)	263,145,960
Zoning	None
Shape	Irregular
Topography	Level to gently rolling
Utilities	Electricity

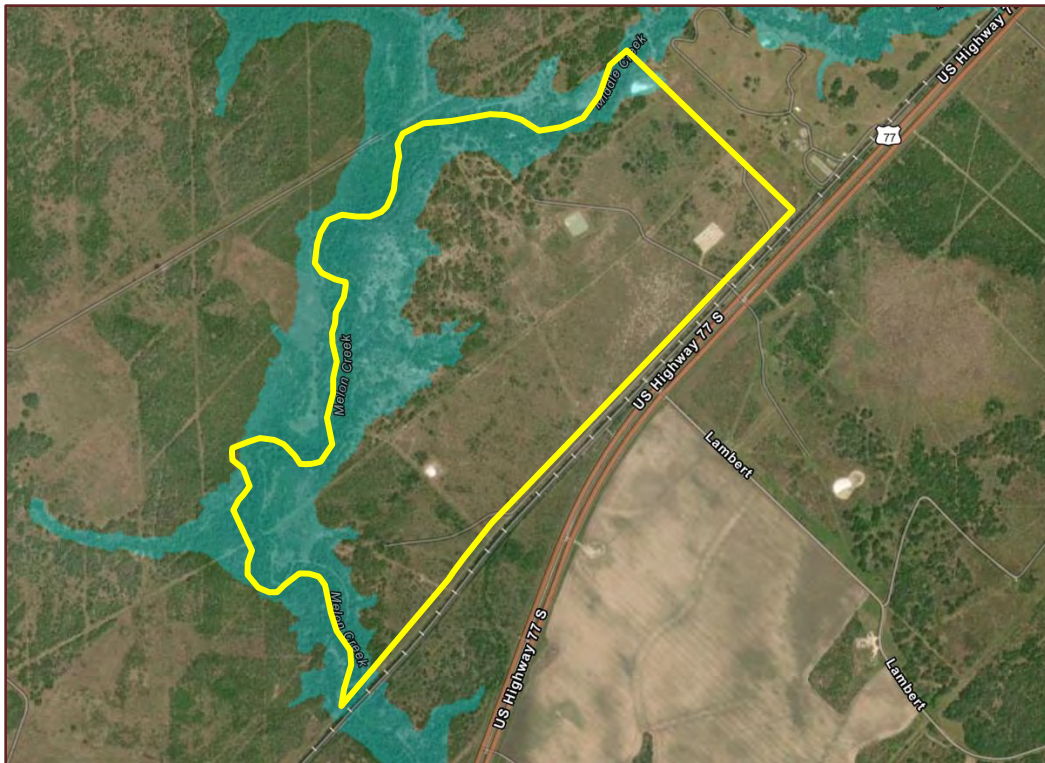
Grantor:	Killam Ranch Properties
Grantee:	Listing
Recording	Listing
Confirmation	Broker

COMMENTS

The property, known as the O|W Ranch, is located along the north and east lines of FM 796, approximately 4 miles north of SH 188 on the San Patricio / Bee county line. Only surface estate will convey with this transaction. Approximately 793 acres, or 13% of the property, consists of cultivated farmland with the remaining acreage divided into 20 grazing pastures. Each pasture features either an earthen pond or water trough. The property has average to good infrastructure including perimeter high fencing, good road system, and cross fencing. Water features include four electric powered water wells with submersible pumps, miles of piped water, eleven windmills, and several surface ponds. Bullshead Creek crosses the north portion of the property, and Papalota Creek traverses the central portion of the property to drain into the Aquilla Creek traversing the south portion of the tract. According to FEMA flood maps approximately $\pm 5\%$ of the property is located within the 100-year flood plain. The property is encumbered by multiple pipeline easements and oil/gas well production sites. Improvements consist of four homes at the headquarters, two employee houses, horse stables, two sets of cattle pens, and two sets of dog kennels with an estimated contributory value of \$1,500,000, which is deducted from the \$28,500,000 list price resulting in an adjusted land price of \$27,000,000. Broker - Jay Leyendecker - 956.337.2808



COMPARABLE 2



LOCATION

Address / Location NW side of US Hwy 77, NE of Refugio, Refugio County, Texas

SALES DATA

Date of Sale	August 5, 2025
Sales Price	\$1,995,761
Price Per Acre	\$4,600
Price Per SF	\$0.11

PHYSICAL DESCRIPTION

Size (acres)	433.86
Size (SF)	18,898,985
Zoning	None
Shape	Irregular
Topography	Level to slightly sloping
Utilities	Electricity

Grantor:	Paul M. and Kathryn Linney Dirks
Grantee:	Viduarri Land & Cattle LLC
Recording	2025000756
Confirmation	Broker

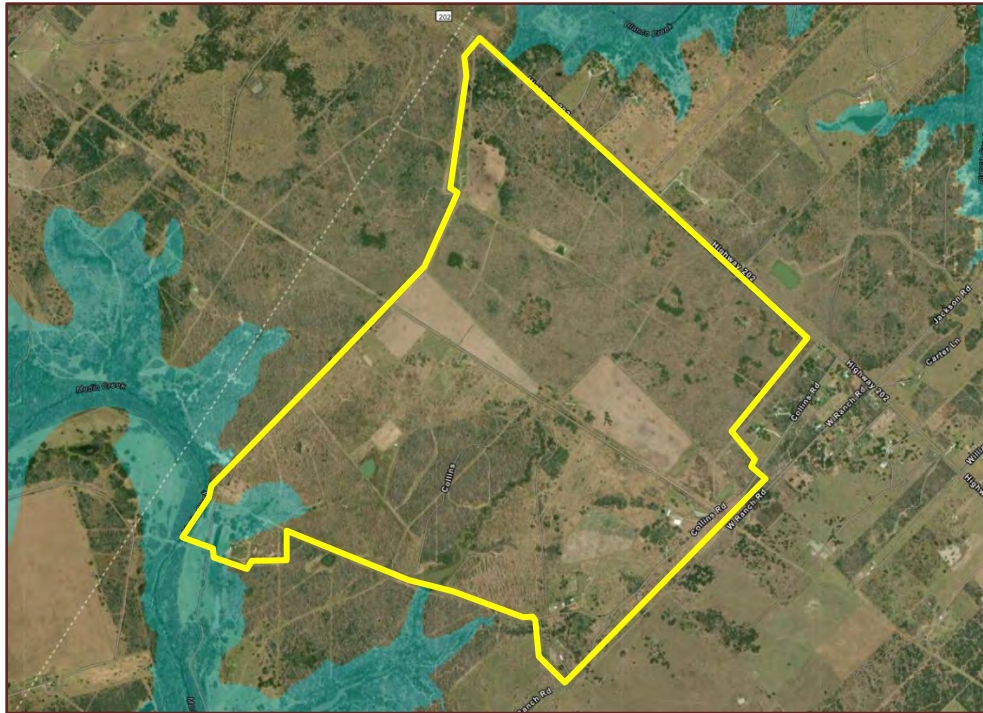
COMMENTS

The property, known as the Melon Creek Ranch, is located along the northwest line of US Highway 77, approximately 3 miles northeast of Refugio. Access from US Highway 77 is limited due to a Missouri-Pacific Rail line extending along this frontage. A private rail crossing provides access. Only the surface estate conveyed with this transaction. The property is comprised of a combination of open/improved pasture and native pastureland with a cover of trees and underbrush. The property has typical ranch fencing in average condition. Water features include two wells, three stock ponds, piped water to the troughs, and +/- 1.6 miles of frontage along Melon Creek, which meanders along the western property line. Melon Creek at this location is mostly seasonal with some year-round pools of water. Middle Creek, a wet weather creek, also forms a portion of the north property line. According to FEMA flood maps approximately ±20% of the property is located within the 100-year flood plain. The property is encumbered by multiple pipeline easements and oil/gas well production sites.

Broker - Eric Bluntzer - 361.513.7007



COMPARABLE 3

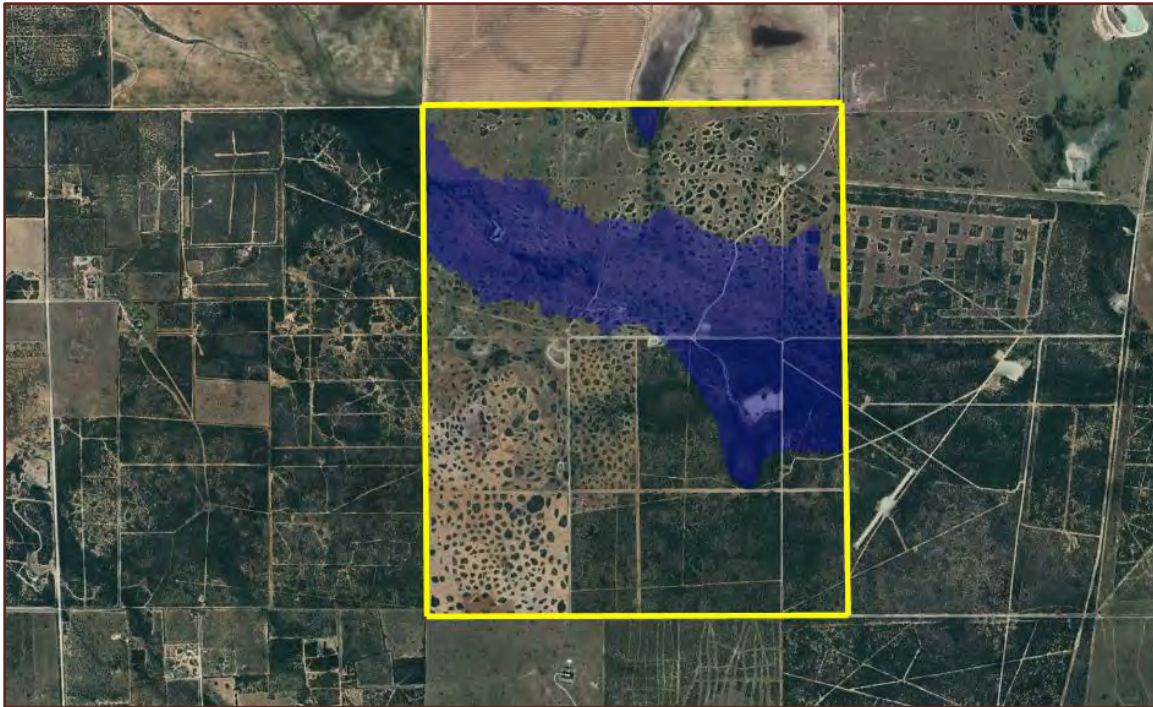


LOCATION		SALES DATA	
Address / Location	154 Collins Road, Refugio County, Texas	Date of Sale	July 10, 2025
		Sales Price	\$6,922,700
		Price Per Acre	\$5,092
		Price Per SF	\$0.12
PHYSICAL DESCRIPTION		Grantor:	Salty Cactus LLC
Size (acres)	1359.54	Grantee:	Cotuleno Land Limited Partnership
Size (SF)	59,221,562	Recording	2025000661
Zoning	None	Confirmation	Broker/Settlement Statement
Shape	Irregular		
Topography	Level to gently rolling		
Utilities	Electricity		

COMMENTS	
The property, known as the Salty Cactus Ranch, is located along the southwest line of Highway 202 and northwest line of Collin Road, approximately 7.5 miles northwest of Refugio. A fractional mineral interest (less than 10%) in approximately 820 acres conveyed. It is comprised of a combination of open/improved pasture and native pastureland with a cover of trees and underbrush. The terrain varies from being primarily level to gently rolling with some steep grade along the Medio Creek on the west boundary. The property is high fenced. Water features include +/- 15 stock ponds that are supplemented via a piped water system from a an irrigation well that is rated at 1,000 gpm. The irrigation well powered by a propane engine also feeds a fully functional pivot irrigation system that waters 30 acres. According to FEMA flood maps approximately ±2% of the property is located within the 100-year flood plain. The property is bisected by a natural gas pipeline. Improvements on the property consist of a two story main lodge with four bedrooms, two guest houses, swimming pool, poolside cabana with bar, a large equipment barn, free-standing office building, skinning shed with walk-in-cooler, two sets of permanent dog kennels, two sets of cattle pens, a thirteen stall horse barn, hot walker, lighted roping arena, and multiple paddocks. Total estimated contributory value of all improvements is \$1,500,000, which is deducted from the \$8,422,700 sale price resulting in an adjusted land price of \$6,922,700. Broker - Mark Hubbard - 361.317.6839	



COMPARABLE 4



LOCATION

Address / S/L of County Road 433,
Location Jim Wells County, Texas

SALES DATA

Date of Sale	February 4, 2025
Sales Price	\$7,100,000
Price Per Acre	\$3,998
Price Per SF	\$0.09

PHYSICAL DESCRIPTION

Size (acres)	1775.80
Size (SF)	77,353,848
Zoning	None
Shape	Rectangular
Topography	Level to slightly sloping
Utilities	Electricity

Grantor:	Atwell Los Jaboncillos, LP
Grantee:	El Patron Ranch, LLC
Recording	494997
Confirmation	Broker

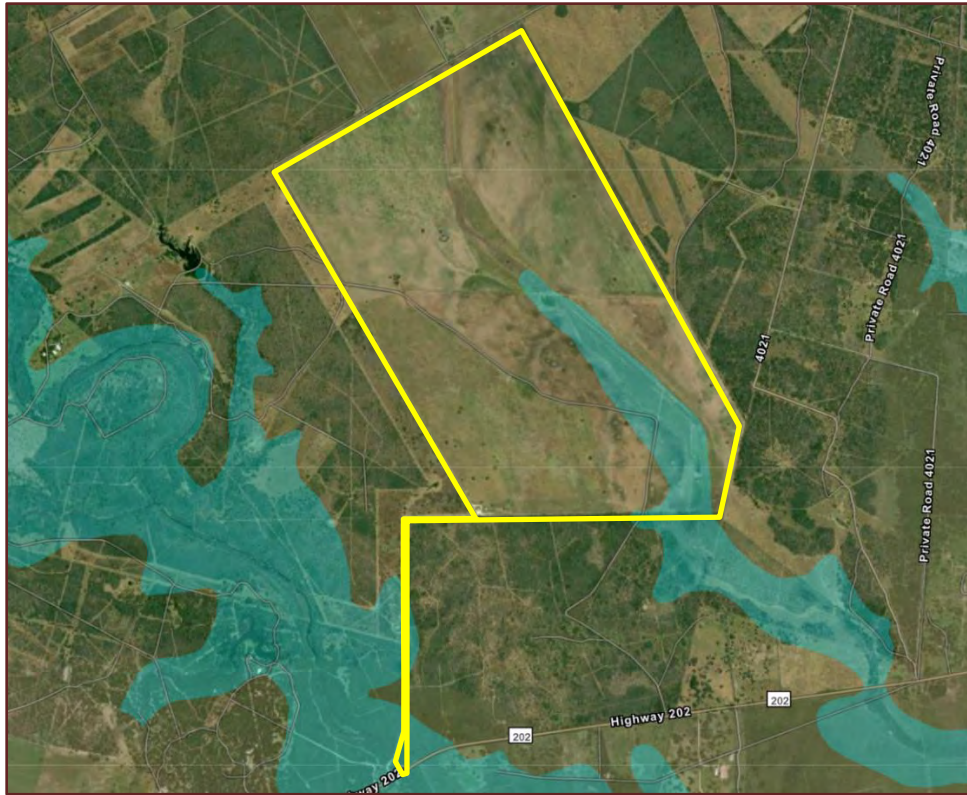
COMMENTS

The property, known as the Patron Ranch, is located along the south line of County Road 433, approximately 5 miles north of Premont. Only the surface estate conveyed with this transaction. Improvements consist of multiple metal barns/sheds, which according to the property contact had minimal contributory value. Approximately 70% of the property is mottled grassland with the remainder having a heavy cover of native brush and trees. The property has average to good infrastructure including perimeter high fencing, excellent road system, and cross fencing to create seven separate pastures. Water features include two wells with electric powered submersible pumps, two wells on windmills, and piped water to each pasture. Surface water includes multiple stock ponds and lakes, and Salado Creek runs through the central portion of the property. According to FEMA flood maps, approximately $\pm 35\%$ of the property is located within the 100-year flood plain. The property is encumbered by multiple pipeline easements and oil/gas well production sites.

Broker - Lindsey Holubec - 512.629.5525



COMPARABLE 5



LOCATION

Address / Location 6161 Highway 202, Bee County, Texas

SALES DATA

Date of Sale March 15, 2024

Sales Price \$7,095,147

Price Per Acre \$4,143

Price Per SF \$0.10

PHYSICAL DESCRIPTION

Size (acres) 1712.54

Size (SF) 74,598,242

Zoning None

Shape Irregular

Topography Level to gently sloping

Utilities Electricity

Grantor: Cassidey Ann Williams, et al.

Grantee: Turnbull Land & Cattle, Ltd.

Recording 2024-653

Confirmation Broker/Settlement Statement

COMMENTS

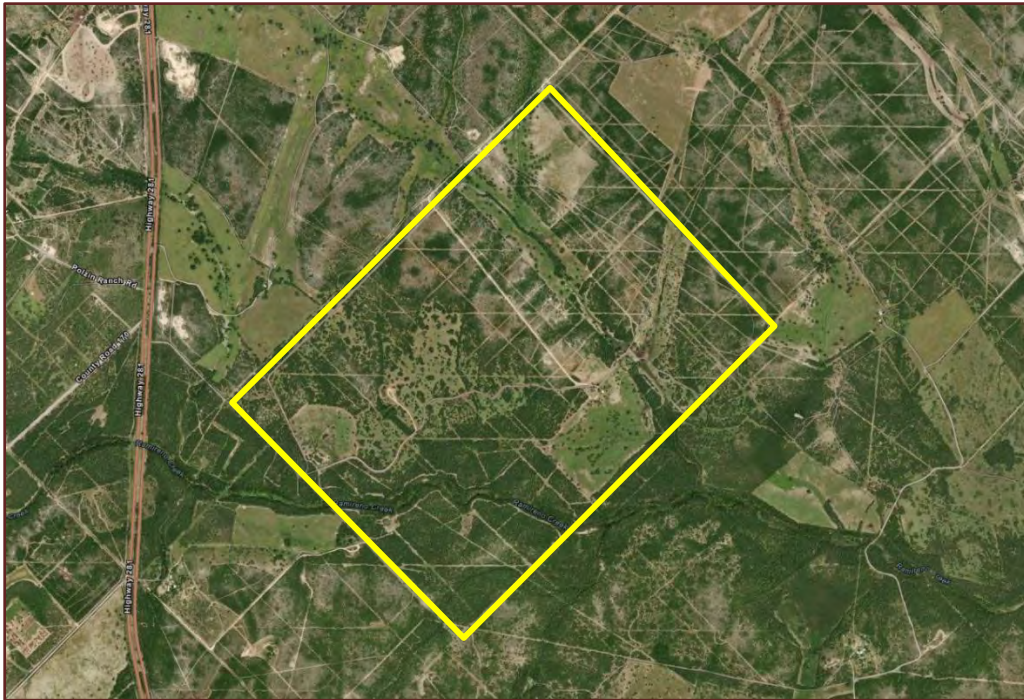
The property is located on a deeded lane extending north of Highway 202, east of US Highway 181, and approximately 9.0 miles east of Beeville. Only the surface estate conveyed in the transaction. The property is comprised of a combination of open/improved pasture with a scattering of mature oak trees and cultivated dry farmland. It has perimeter high fencing with typical ranch cross fencing creating seven pastures, and metal pipe livestock pens in good condition. Water features include two wells and three stock ponds. Neddy Creek crosses the tract in a northwest/southeast direction. According to FEMA flood maps, approximately +/- 9% of the property is located within the 100-year flood plain. Improvements on the property consist of a three bedroom farm house, 6000 SF metal barn, and supporting site improvements. Total contributory value of all improvements is estimated at \$250,000, which is deducted from the \$7,345,147 sale price resulting in an adjusted land price of \$7,095,147.

Broker - Tina Kahlig - 210.495.8462





COMPARABLE 6



LOCATION

Address / Location E of US Hwy 281, N of FM 3162,
Live Oak County, Texas

SALES DATA

Date of Sale	July 10, 2023
Sales Price	\$5,292,898
Price Per Acre	\$4,532
Price Per SF	\$0.10

PHYSICAL DESCRIPTION

Size (acres)	1167.77
Size (SF)	50,868,235
Zoning	None
Shape	Rectangular
Topography	Rolling
Utilities	Electricity

Grantor:	Texas DWS Family Holdings, LP
Grantee:	Wurzbach Land Holdings, LP
Recording	242180
Confirmation	Broker

COMMENTS

The property, known as the Ramirena Creek Ranch, is located east of US Highway 281, north of FM 3162, and approximately 13 miles south of George West. Only the surface estate conveyed in the transaction. Access to the property is provided by a 30-foot wide access easement. The property is comprised of a combination of open/improved pasture, and native pastureland with a cover of trees and underbrush. It has standard perimeter and cross ranch fencing, livestock pens, and road network in average to good condition. Water features include five wells, stock ponds scattered throughout the property, and some piped water to troughs. Ramirena Creek crosses the south portion of the tract in a west/east direction. According to FEMA flood maps, there is no flood data available in this area of Live Oak County; however, it appears the creek carries water during rain events. The property is encumbered by multiple pipeline easements. Improvements on the property consist of a four bed/two bath main house, a one bed/one bath second house, a barndominium, a covered shed with attached enclosed storage, and supporting site improvements. Total contributory value of all improvements is estimated at \$400,000, which is deducted from the \$5,692,898 sale price resulting in an adjusted land price of \$5,292,898. Broker - Jason Ruple - 214.814.8100



LAND VALUATION – PARCEL 1

LAND SALES SUMMARY

The market data utilized for the basis of this analysis is considered the best available and indicative of current market trends for undeveloped land in the subject market area. Components that affect the sale price of vacant land are numerous, but the most prominent are property rights conveyed, terms, conditions of sale, market conditions, size, location, physical features, zoning, public utility availability, and improvements. The following criteria and subsequent adjustment grid have been implemented in order to reconcile the quality and quantity of the data available and analyzed within this approach to value.

Property Rights

The adjustment for property rights conveyed recognizes that differences in legal interest or estate between the subject and the comparable properties may occur. In this analysis, the sales conveyed surface estate and therefore, no adjustments are indicated.

Financing Terms

The adjustment for cash equivalency takes into account the fact that the transaction price of the comparable property may not be equal to its cash equivalent price. All the sales utilized in this analysis were cash to seller transactions or transactions involving market financing, and no adjustment for cash equivalency is necessary.

Conditions of Sale

Adjustments for conditions of sale are intended to recognize motivations of the buyer and the seller that are unique to ordinary market conditions. With respect to this factor, Comparable 1 is an active listing and warrants a downward adjustment to account for negotiation of the asking price. The remaining comparable market data utilized herein were arm's length transactions. Thus, no adjustments are warranted.

Market Conditions

The transactions occurred between July 2023 and August 2025, with Comparable 1 being an active listing. As previously discussed, the effective date of value is September 19, 2025. Based on the *Texas Real Estate Center* rural land price trends presented in the Market Analysis section, the market has experienced gradual price appreciation over the past several years. Based on the data presented, an upward adjustment of 5.0% per year has been applied accordingly, to reflect improving market conditions.



Location

Differences in value occur due to varying degrees of accessibility, exposure, and surrounding development to a site. Access is often determined by corner locations, natural barriers, ease of entrance on and off of major thoroughfares, etc. Surrounding development also plays an important part of locational influences for a property. The subject Parcel 1 is located on the northwest side of US Highway 77 and along the southern bank of the Aransas River. It has 5,601.87 feet of frontage along the northwest side of US Highway 77, a primary traffic carrier. With respect to this factor, all of the comparables, except Comparable 3, indicate upward adjustments for their locations in inferior market areas and/or accessibility when compared to the subject. A larger adjustment is made to Comparable 2 for its inferior access via a private railroad crossing and to Comparable 4 for its inferior remote location in Jim Wells County relative to the subject. Comparable 3 has a similar location to the subject property and is not adjusted.

Size

Size is a factor that must be considered when comparing vacant land sales. Typically, but not always, larger tracts sell for a lower unit value. Therefore, when making comparisons on a per unit basis, such as price per unit, the larger tracts tend to be adjusted upward, and the smaller tracts tend to be adjusted downward to accurately reflect the differences. With respect to this factor, materially larger tracts of land were adjusted upward accordingly, and materially smaller tracts of land were adjusted downward accordingly.

Physical Features

The overall site characteristics of each sale have been compared to the subject site. These include traits such as drainage, site preparation expense, topography, and configuration. Configuration, if irregular, may limit development. The subject is an irregular shaped tract of land with approximately $\pm 20\%$ located within the Zone A, the 100-year flood plain. With respect to this factor, Comparables 1, 3, and 6 indicate downward adjustments as they either have less or none of the property encumbered by a flood plain. Although Comparable 4 has more property located in the flood plain, this is offset by its superior rectangular shape when compared to the subject; thus, it is not adjusted. Comparable 5 is not adjusted as although less of the property is in a designated flood plain, this is offset by its inferior flag shape when compared to the subject.



Water Features

The availability of live water has a significant impact on working and recreational ranches in South Texas since the non-availability of such features could restrict the overall potential use and marketability of the property. Therefore, when analyzing vacant land, it is important to determine whether surface water features such as lakes, livestock tanks, water wells, rivers and creeks are available. If they are not available, the appraiser must examine to what extreme a potential investor/end user would have to go in gaining access to such features. The subject features approximately ± 12.5 linear miles of frontage along the Aransas River. With respect to this factor, the comparables indicate upward adjustments for not displaying river frontage. Smaller adjustments are made to Comparables 2 and 3 as they both have frontage along creeks that have year-round pools of water.

Easements/Encumbrances

Easements and encumbrances which impact the utility, convenience of access, or aesthetics of a ranch property are typically given consideration by market participants depending on the severity of the encumbrance. An American Electric Power (AEP) high voltage transmission line (HVTL) easement with lattice steel towers bisects the east half of the property in a northwest/southeast direction and a steel monopole electric line traverses the property in proximity to US Highway 77 in a northeast/southwest direction. In addition, based on information obtained from the Texas Railroad Commission and the vesting deed, the subject is encumbered by multiple pipeline easements throughout the property. With respect to this factor, Comparable 3 is bisected by only one pipeline easement and Comparable 5 with no encumbrances are adjusted downward. The other comparables have similar easements/encumbrances as the subject; thus, no adjustments are indicated.



CONCLUSION – PARCEL 1

In this analysis of the subject property, similar weight was given to all of the comparables. The following criteria and subsequent adjustment grid have been implemented in order to reconcile the quality and quantity of the data available and analyzed within this approach to value.

	SUBJECT	1	2	3	4	5	6
Date	Current	Listing	Aug-25	Jul-25	Feb-25	Mar-24	Jul-23
Sale Price		\$27,000,000	\$1,995,761	\$6,922,700	\$7,100,000	\$7,095,147	\$5,292,898
SIZE - AC	4,404.85	6,041.00	433.86	1,359.54	1,775.80	1,712.54	1,167.77
Unit Price (\$ / Acre)		\$4,469	\$4,600	\$5,092	\$3,998	\$4,143	\$4,532

TRANSACTION ADJUSTMENTS

Property Rights	Surface Estate	Similar 0% \$4,469	Similar 0% \$4,600	Similar 0% \$5,092	Similar 0% \$3,998	Similar 0% \$4,143	Similar 0% \$4,532
Financing Terms	Cash	Similar 0% \$4,469	Similar 0% \$4,600	Similar 0% \$5,092	Similar 0% \$3,998	Similar 0% \$4,143	Similar 0% \$4,532
Conditions of Sale	Arm's Length	Listing -2% \$4,380	Similar 0% \$4,600	Similar 0% \$5,092	Similar 0% \$3,998	Similar 0% \$4,143	Similar 0% \$4,532
Market Conditions	Current	Listing 0% \$4,380	Aug-25 0% \$4,600	Jul-25 1% \$5,143	Feb-25 3% \$4,118	Mar-24 8% \$4,474	Jul-23 11% \$5,031

PROPERTY ADJUSTMENTS

Location	Average	Inferior 10%	Inferior 20%	Similar 0%	Inferior 20%	Inferior 10%	Inferior 10%
Size - Acre	4,404.85	6,041.00 5%	433.86 -15%	1,359.54 -5%	1,775.80 -5%	1,712.54 -5%	1,167.77 -10%
Physical Features	Irregular / +/- 20% Flood Plain	Superior -5%	Similar 0%	Superior -5%	Similar 0%	Similar 0%	Superior -5%
Water Features	Aransas River	Inferior 10%	Inferior 5%	Inferior 5%	Inferior 10%	Inferior 10%	Inferior 10%
Easements / Encumbrances	HVTL & Pipelines	Similar 0%	Similar 0%	Superior -5%	Similar 0%	Superior -5%	Similar 0%
Total Adjustment		20%	10%	-10%	25%	10%	5%
Adjusted \$ / Acre		\$5,256	\$5,060	\$4,629	\$5,148	\$4,922	\$5,283
Adjusted Mean \$ / Acre							\$5,049

A value generally in-line with the mean is considered reasonable and utilized herein.

Concluded
Unit Value

\$5,100

Land Size (AC) SIZE - AC 4,404.85

Value Indication \$22,464,735

Concluded Value - "As If Vacant" \$22,500,000



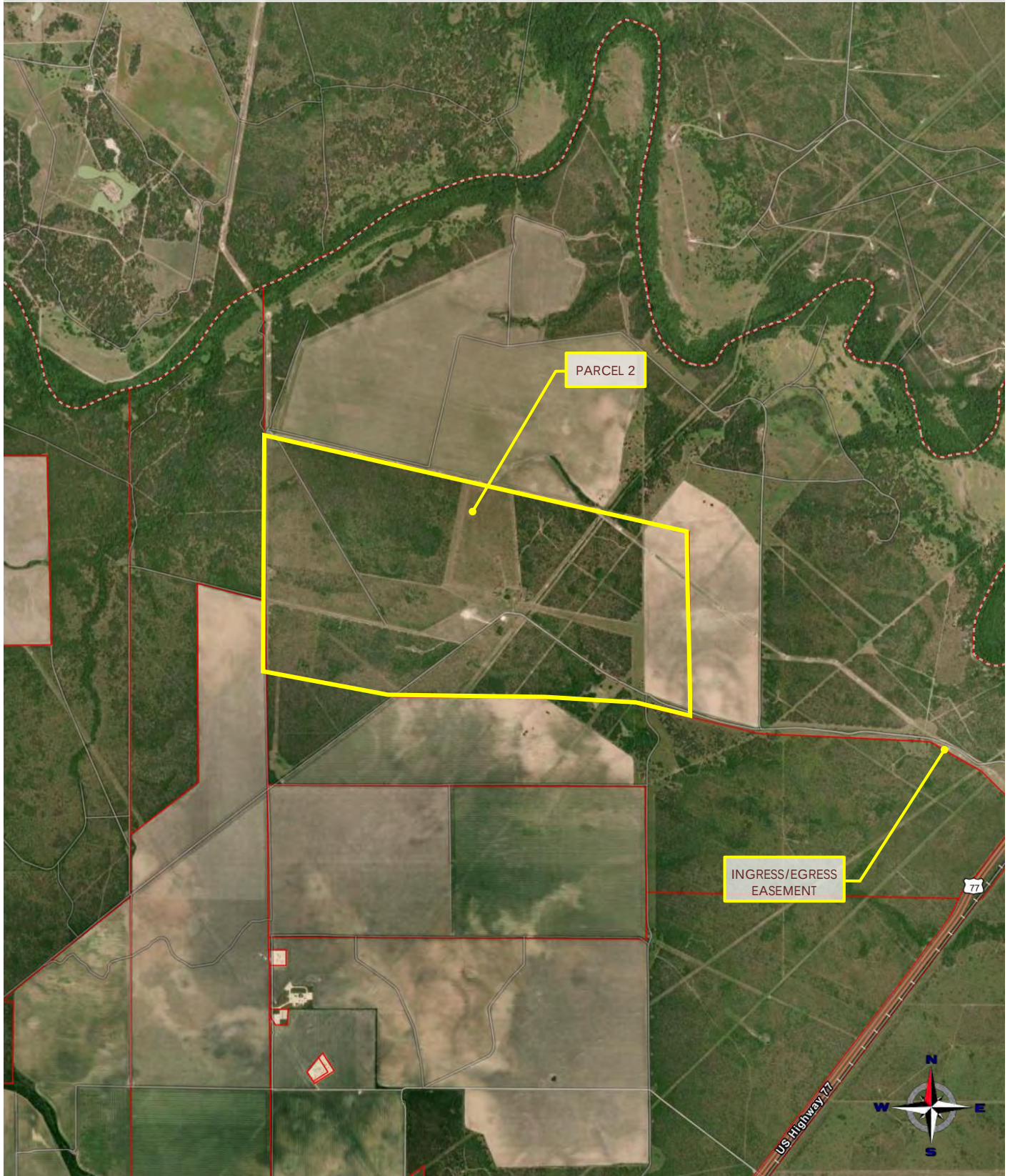


SUBJECT PHOTOS – PARCEL 2





AERIAL PHOTOGRAPH





SITE DESCRIPTION – PARCEL 2

PHYSICAL

Location

Parcel 2 is located northwest of US Highway 77 and northeast of US Highway 181. There is no physical address associated with this property in San Patricio County, Texas.

Size / Configuration / Flood Zone

The subject parcel is a 1,454.65-acre rectangular shaped tract of land. The property has generally level to gently sloping topography. According to FEMA Flood Maps, none of the subject property is located in a designated flood plain. The property is comprised of a combination of dryland cultivated fields, open/improved pastures, and native pastureland brush. Water features include livestock ponds, a total of thirteen wells with the adjacent land owned by a related entity, and some piped water to troughs. The wells are powered by a combination of windmills and solar powered pumps. The property has a good road system and is perimeter and cross fenced with typical ranch fencing creating several grazing pastures. The fencing and roads are in good condition. It has a set of wood livestock pens.

Legal Description

1,454.65-acre tract comprised of a portion of the C.J. Francisco & E. Portilla Survey, Abstract 25, and the Jose M. & Felipe Portilla Survey, Abstract 24, San Patricio County, Texas.

Frontage / Accessibility

The most recent vesting deed indicates that the subject property is accessed by a 60-foot-wide perpetual and nonexclusive easement for ingress/egress and utilities extending west/northwest from US Highway 77. The subject tract possesses adequate accessibility from US Highway 77, which is a primary traffic carrier in average/good overall condition.

Utilities

Public water and sewer services are not provided by any utility service providers and a private water well and septic system would be needed for development. Electricity is provided by San Patricio Electric Cooperative. According to local officials, these utilities are sufficient for the rural/agricultural uses in the area. In addition, local officials provide fire and police protection. Natural gas is provided by the region's typical providers. At the present time, all utilities appear to be sufficient for area development patterns.

Soils

The site's soil appears such that its load-bearing capacity does not restrict the construction of ordinary structural improvements. No evidence to the contrary was noted during our physical inspection of the site.





LEGAL

Zoning / Restrictions

The subject property is located within an unincorporated area of San Patricio County and is therefore not subject to any zoning restrictions.

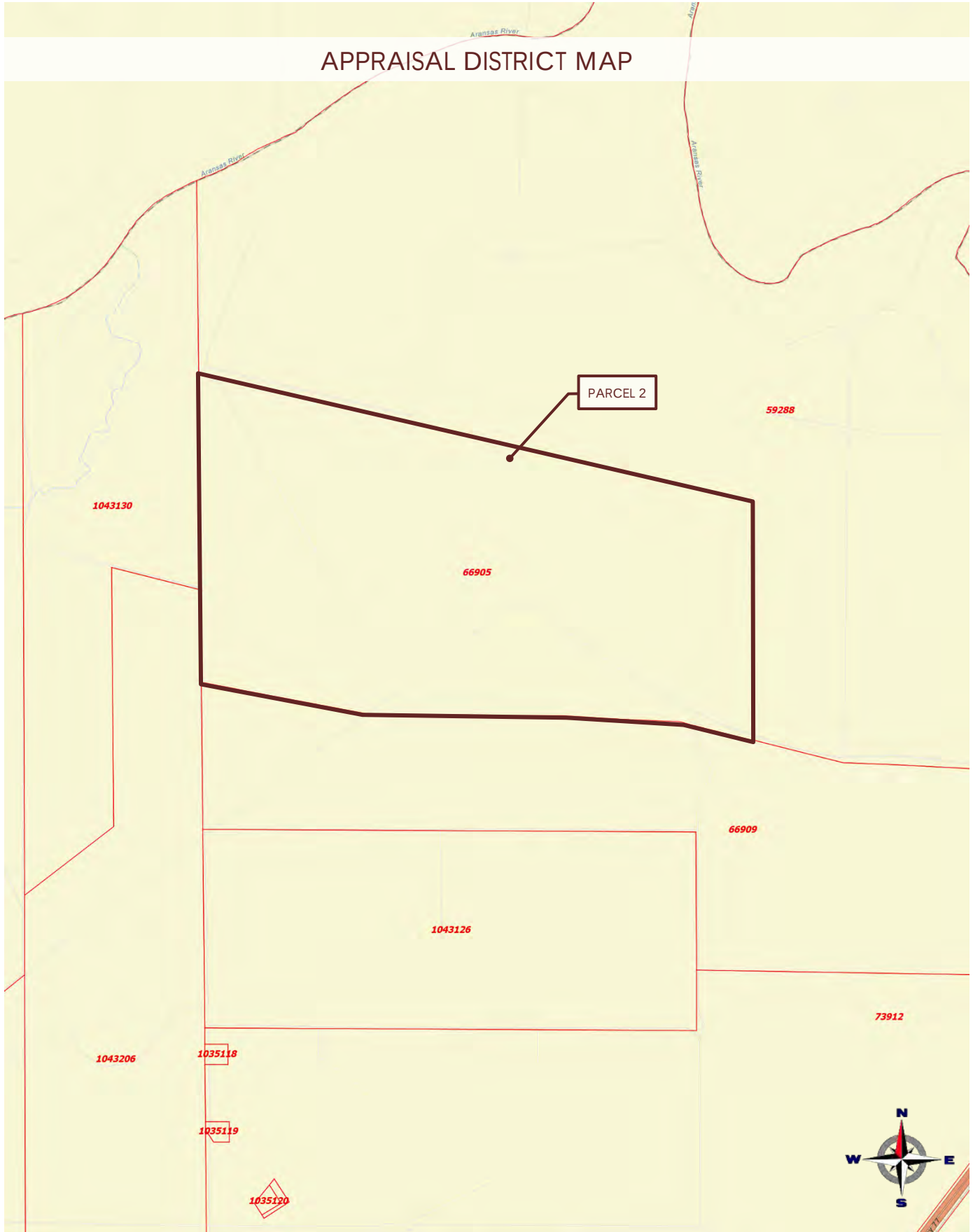
The subject is a legal, conforming use.

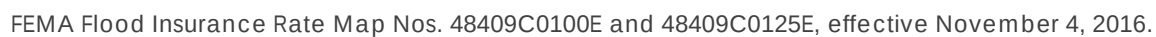
Easements / Encroachments

A title commitment for the subject land parcel was not furnished. An American Electric Power (AEP) high voltage transmission line (HVTL) easement with lattice steel towers crosses the northeast corner of the property in a northwest/southeast direction. In addition, based on information obtained from the Texas Railroad Commission and the vesting deed, the east half of the subject is encumbered by multiple pipeline easements. Reader is referred to the Texas Railroad Commission map for the general location of these easements. Due to the general location of these easements, there may be additional land planning requirements in the use of the property, but overall, they are not considered detrimental toward development and/or the site's overall marketability. No other detrimental easements and/or encroachments were noted upon physical inspection of the subject tract. It should be noted, however, that if a current survey map indicates that adverse easement exists, these factors might impact the market value and/or the marketability of the subject property. Therefore, it is assumed that no easements and/or encroachments exist, which would adversely affect the marketability or desirability of the site.

CONCLUSION

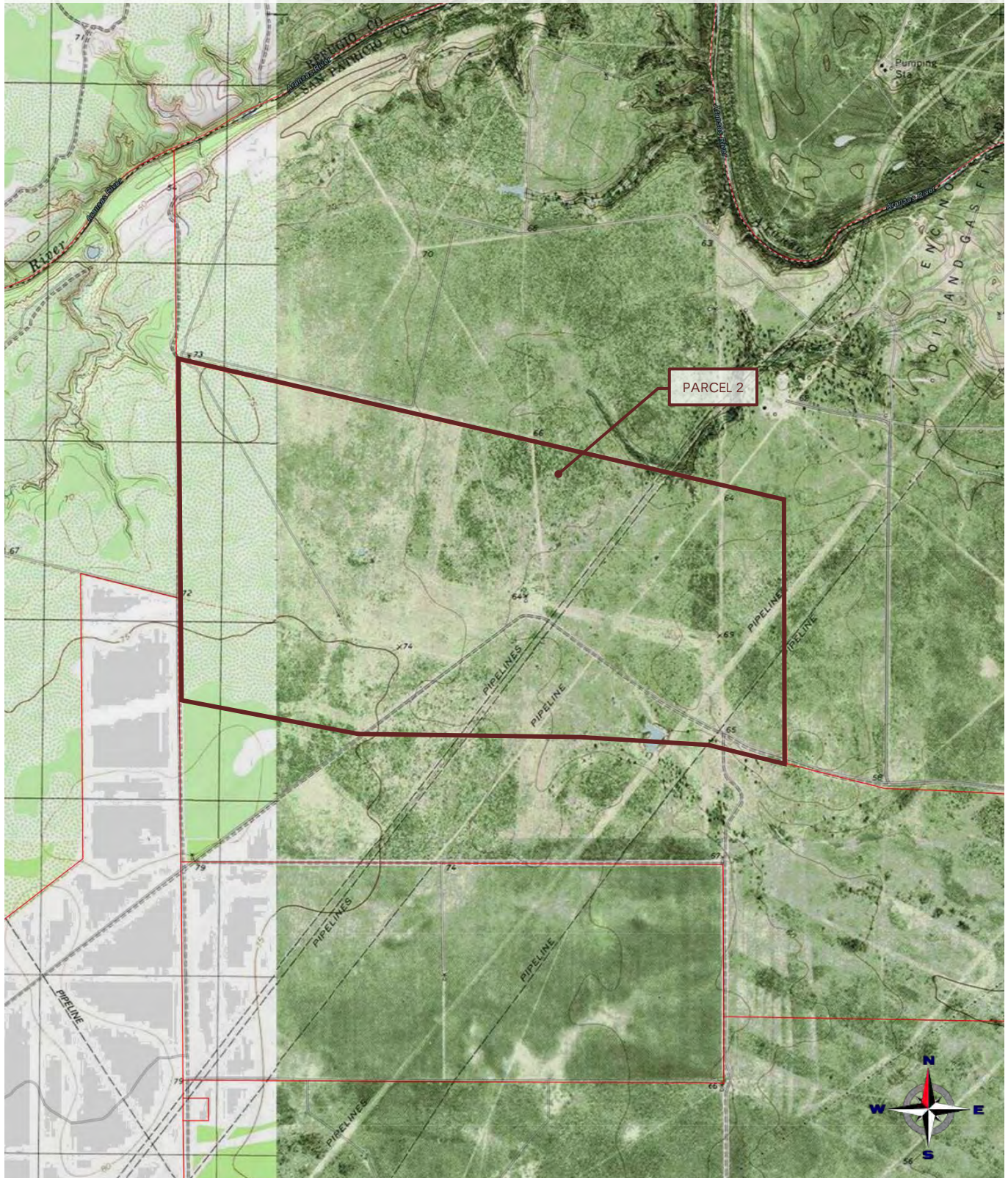
Given the physical and legal characteristics, the subject property is capable of being developed with a multitude of agricultural, recreational, and/or rural residential uses.







TOPOGRAPHICAL MAP







PROPERTY HISTORY – PARCEL 2

Ownership of the subject property is currently vested in *David Edwards Oakes, III Sons Trust 1976 A et al.*, as evidenced by county records. No known real property transactions related to the subject have occurred in excess of three years prior to the date of the report. The subject property is not currently under contract of sale and is not currently listed. No other property history was reported. The tax record associated with the subject per San Patricio Appraisal District, are as follows:

Account		
Property ID:	66905	Geographic ID: 1361-0013-0000-006
Type:	R	Zoning:
Property Use:		Condo:
Location		
Situs Address:	HWY 77 SINTON, TX 78387	
Map ID:	M-3-	Mapscó:
Legal Description:	1454.65 AC ("EX C") OUT OF A24 AND A25, BEING DESCRIBED BY M&B IN "EX C" OF CF597066.	
Abstract/Subdivision:	1361	
Neighborhood:	(SR100-AG) SINTON RURA E 77 AG BLDGS	
Owner		
Owner ID:	103020	
Name:	EDWARDS OAKES DAVID III SONS TRUST 1976 A ETAL	
Agent:	96736	
Mailing Address:	EDWARDS OAKES DAVID III CO-TRUSTEE 1401 AVE Q LUBBOCK, TX 79401-3819	
% Ownership:	100.0%	



REAL ESTATE TAXES – PARCEL 2

The subject property is located in San Patricio County, Texas and is taxed based on values established by the county tax assessors. The tax rates are applied to the assessed value of the subject property, and the taxes for the subject property are then estimated. The taxes are estimated per \$100 of assessed value. This property is subject to taxes for San Patricio County and Sinton Independent School District.

The subject property displays a 2025 market assessment of \$2,327,440 (\$1,600/AC), which is considered favorable based on the analysis herein. The property displays an agricultural use reduction of \$2,178,762, resulting in a taxable value of \$148,678. There were no reported delinquent taxes for the subject property, according to information provided by the San Patricio County Tax Assessor-Collector.

Current taxes based on the 2024 tax rates and the 2025 taxable value are calculated as follows:

PROPERTY TAX CALCULATION			
Acct #: 66905			
Authority	Assessed Value	Rate / \$100	Tax Liability
County	\$148,678	\$0.445780	\$663
School	\$148,678	\$1.235200	\$1,836
			\$2,499



HIGHEST & BEST USE – PARCEL 2

HIGHEST & BEST USE - AS IF VACANT

Physically Possible

The subject parcel consists of a 1,454.65-acre tract of land located northwest of US Highway 77 and northeast of US Highway 181. The subject property is accessed by a 60-foot-wide perpetual and nonexclusive easement for ingress/egress and utilities extending west/northwest from US Highway 77. The subject tract possesses adequate accessibility from US Highway 77. The property has generally level to gently sloping topography. According to FEMA Flood Maps, none of the subject is located within a designated flood plain. The property is comprised of a combination of dryland cultivated fields, open/improved pastures, and native pastureland brush. Public water and sewer services are not provided by any utility service providers and public water, and wastewater systems would be needed for dense development. The site is primarily surrounded by agricultural, recreational, and rural residential uses. Access to the subject's neighborhood is considered good due to its location along a primary traffic carrier.

The principle of conformity is an important consideration in determining the physically possible uses of a site. Conformity is the appraisal principle that holds that real property value is created and sustained when the characteristics of a property conform to the demands of its market. The styles and uses of the properties in an area may conform for several reasons, including economic pressures; the shared preferences of owners for certain types of structures, amenities, services; and the enforcement of uniform standards by zoning ordinances. Based on the subject's physical characteristics and the principle of conformity, the site would most likely be utilized for agricultural, recreational, and/or rural residential use.

Legally Permissible

As mentioned previously, the subject is located in an unincorporated area of San Patricio County and is not subject to any zoning restrictions. No private deed restrictions were uncovered during a normal investigation, which would further limit the potential uses of the subject tract. Nonetheless, a title policy is strongly suggested in order to guarantee the absence of adverse restrictions. No other legal restrictions or covenants were found to be imposed on the subject property at the time of the appraisal, which would further restrict its development. The site's legally permissible use, as if vacant, supports the physical indication that the subject's most probable use would be utilized for agricultural, recreational, and/or rural residential use.



Financially Feasible & Maximally Productive

The prior consideration of physically possible uses and legally permissible does not significantly narrow the use of the subject property. The subject property has been used for and is currently surrounded by rural residential, recreational, and agricultural uses. Based on market data presented in this report, it appears that agricultural, recreational, and/or rural residential use is likely feasible. Income from agricultural operations, recreational and rural home sites is not sufficient to pay and adequate return on the value of the property. Rural properties in San Patricio County are owned for agricultural and recreational benefits, rural residences, and investment hold.

After considering legal, physical, and financial alternatives, it is our opinion that the highest and best use of the subject parcel, as if vacant, is for investment hold with agricultural, recreational, and/or rural residential uses in the interim.



LAND VALUATION – PARCEL 2

LAND SALES SUMMARY

The same comparables were utilized in the analysis of Parcel 2. Details on these comparables can be found on pages 42 through 47.

Property Rights

The adjustment for property rights conveyed recognizes that differences in legal interest or estate between the subject and the comparable properties may occur. In this analysis, the sales conveyed surface estate and therefore, no adjustments are indicated.

Financing Terms

The adjustment for cash equivalency takes into account the fact that the transaction price of the comparable property may not be equal to its cash equivalent price. All the sales utilized in this analysis were cash to seller transactions or transactions involving market financing, and no adjustment for cash equivalency is necessary.

Conditions of Sale

Adjustments for conditions of sale are intended to recognize motivations of the buyer and the seller that are unique to ordinary market conditions. With respect to this factor, Comparable 1 is an active listing and warrants a downward adjustment to account for negotiation of the asking price. The remaining comparable market data utilized herein were arm's length transactions. Thus, no adjustments are warranted.

Market Conditions

The transactions occurred between July 2023 and August 2025 with Comparable 1 being an active listing. As previously discussed, the effective date of value is September 19, 2025. Based on the *Texas Real Estate Center* rural land price trends presented in the Market Analysis section, the market has experienced gradual price appreciation over the past several years. Based on the data presented, an upward adjustment of 5.0% per year has been applied to reflect improving market conditions.



Location

Differences in value occur due to varying degrees of accessibility, exposure, and surrounding development to a site. Access is often determined by corner locations, natural barriers, ease of entrance on and off of major thoroughfares, etc. Surrounding development also plays an important part of locational influences for a property. The subject Parcel 2 is located northwest of US Highway 77 and northeast of US Highway 181. It is accessed by a 60-foot-wide perpetual and nonexclusive easement for ingress/egress and utilities extending west/northwest from US Highway 77. With respect to this factor, Comparables 1, 5, and 6 are considered to have similar locations as the subject and are not adjusted. Comparable 2 is adjusted upward for its inferior access via a private railroad crossing and to Comparable 4 for its inferior remote location in Jim Wells County relative to the subject. Comparable 3 is adjusted downward for its superior location on Highway 202.

Size

Size is a factor that must be considered when comparing vacant land sales. Typically, but not always, larger tracts sell for a lower unit value. Therefore, when making comparisons on a per unit basis, such as price per unit, the larger tracts tend to be adjusted upward and the smaller tracts tend to be adjusted downward to accurately reflect the differences. With respect to this factor, materially larger tracts of land were adjusted upward accordingly, and materially smaller tracts of land were adjusted downward accordingly.

Physical Features

The overall site characteristics of each sale have been compared to the subject site. These include traits such as drainage, site preparation expense, topography, and configuration. Configuration, if irregular, may limit development. The subject is a rectangular shaped tract of land with none of the property located in a designated flood plain. With respect to this factor, Comparables 1 through 5 indicate upward adjustments as portions of these properties are located in designated flood plains. Comparable 6 has similar physical features as the subject and is not adjusted.

Water Features

The availability of live water has a significant impact on working and recreational ranches in South Texas since the non-availability of such features could restrict the overall potential use and marketability of the property. Therefore, when analyzing vacant land, it is important to determine whether or water features such as lakes, livestock tanks, water wells, rivers and creeks are available. If they are not available, the appraiser must examine to what extreme a potential investor/end user would have to go in gaining access to such features. The subject has no significant water feature. With respect to this factor, Comparables 2 and 3 are adjusted downward for their superior water features having frontage along creeks that have year-round pools of water.



Easements/Encumbrances

Easements and encumbrances which impact the utility, convenience of access, or aesthetics of a ranch property are typically given consideration by market participants depending on the severity of the encumbrance. An American Electric Power (AEP) high voltage transmission line (HVTL) easement with lattice steel towers crosses the northeast corner of the property in a northwest/southeast direction. In addition, based on information obtained from the Texas Railroad Commission and the vesting deed, the east half of the subject is encumbered by multiple pipeline easements. With respect to this factor, Comparable 3 is only bisected by one pipeline easement and Comparable 5 with no encumbrances are adjusted downward. The other comparables have similar easements/encumbrances as the subject; thus, no adjustments are indicated.



CONCLUSION – PARCEL 2

In this analysis of the subject property, similar weight was given to all of the comparables. The following criteria and subsequent adjustment grid have been implemented in order to reconcile the quality and quantity of the data available and analyzed within this approach to value.

SUBJECT		1	2	3	4	5	6
Date	Current	Listing	Aug-25	Jul-25	Feb-25	Mar-24	Jul-23
Sale Price		\$27,000,000	\$1,995,761	\$6,922,700	\$7,100,000	\$7,095,147	\$5,292,898
SIZE - AC	1,454.65	6,041.00	433.86	1,359.54	1,775.80	1,712.54	1,167.77
Unit Price (\$ / Acre)		\$4,469	\$4,600	\$5,092	\$3,998	\$4,143	\$4,532
TRANSACTION ADJUSTMENTS							
Property Rights	Surface Estate	Similar 0% \$4,469	Similar 0% \$4,600	Similar 0% \$5,092	Similar 0% \$3,998	Similar 0% \$4,143	Similar 0% \$4,532
Financing Terms	Cash	Similar 0% \$4,469	Similar 0% \$4,600	Similar 0% \$5,092	Similar 0% \$3,998	Similar 0% \$4,143	Similar 0% \$4,532
Conditions of Sale	Arm's Length	Listing -2% \$4,380	Similar 0% \$4,600	Similar 0% \$5,092	Similar 0% \$3,998	Similar 0% \$4,143	Similar 0% \$4,532
Market Conditions	Current	Listing 0% \$4,380	Aug-25 0% \$4,600	Jul-25 1% \$5,143	Feb-25 3% \$4,118	Mar-24 8% \$4,474	Jul-23 11% \$5,031
PROPERTY ADJUSTMENTS							
Location	Average	Similar 0%	Inferior 10%	Superior -5%	Inferior 10%	Similar 0%	Similar 0%
Size - Acre	1,454.65	6,041.00 10%	433.86 -5%	1,359.54 0%	1,775.80 0%	1,712.54 0%	1,167.77 0%
Physical Features	Rectangular / No Flood Plain	Inferior 5%	Inferior 10%	Inferior 5%	Inferior 10%	Inferior 10%	Similar 0%
Water Features	Typical	Similar 0%	Superior -5%	Superior -5%	Similar 0%	Similar 0%	Similar 0%
Easements / Encumbrances	HVTL & Pipelines	Similar 0%	Similar 0%	Superior -5%	Similar 0%	Superior -5%	Similar 0%
Total Adjustment		15%	10%	-10%	20%	5%	0%
Adjusted \$ / Acre		\$5,037	\$5,060	\$4,629	\$4,942	\$4,698	\$5,031
Adjusted Mean \$ / Acre							\$4,899
A value generally in-line with the mean is considered reasonable and utilized herein.						Concluded Unit Value	\$5,000
Land Size (AC)						SIZE - AC	1,454.65
Value Indication							\$7,273,250
Concluded Value - "As If Vacant"							\$7,300,000



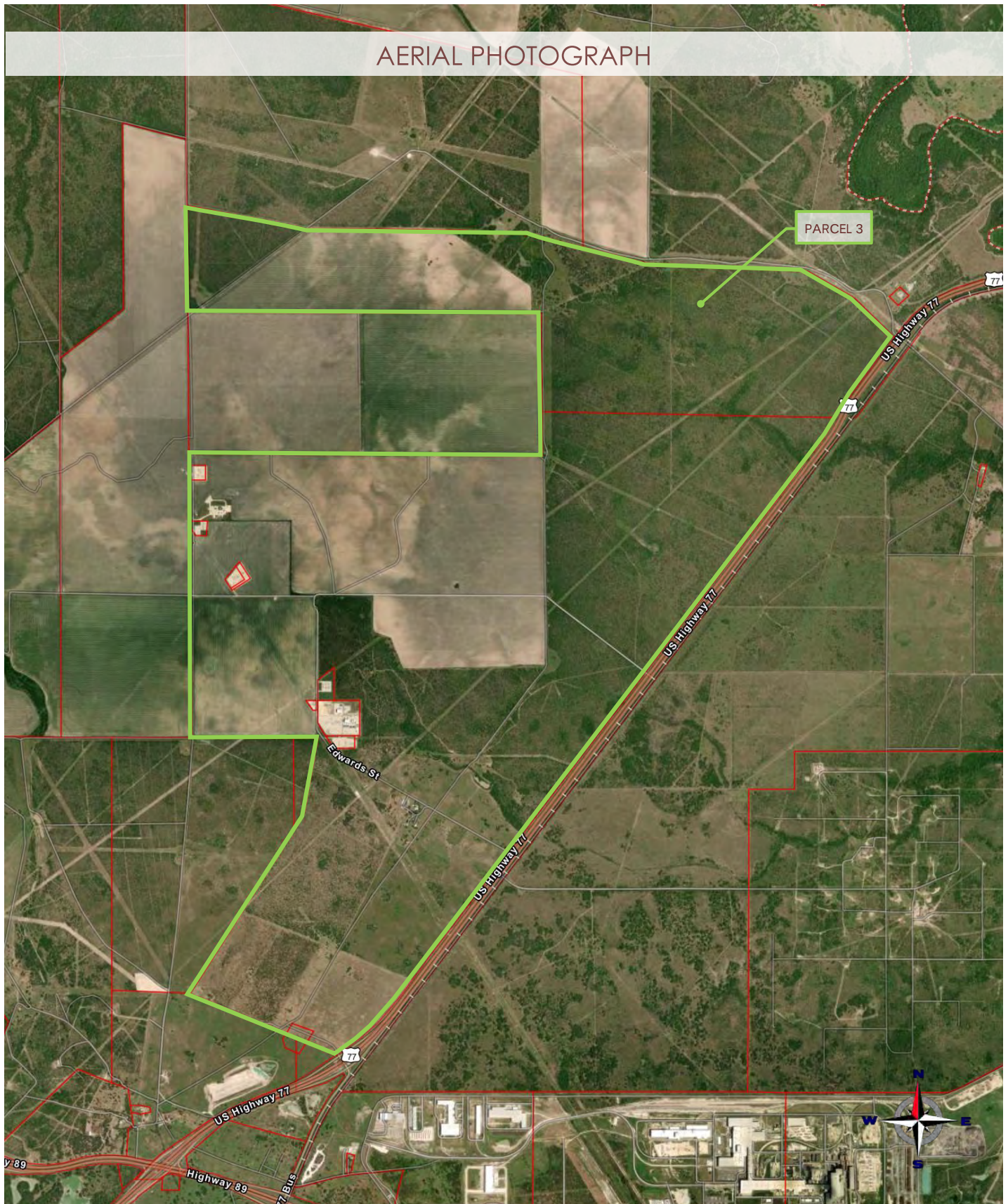


SUBJECT PHOTOS – PARCEL 3











SITE DESCRIPTION – PARCEL 3

Parcel 3 is improved with a ranch headquarters facility including residences, barns, various outbuildings, and supporting site improvements. As previously discussed, the client requested that the subject parcels be valued “as if vacant” land only; thus, the Hypothetical Condition is made that no improvements are present as of the effective date of value.

PHYSICAL

Location

Parcel 3 is located on the northwest line of US Highway 77 at Carson Road. The physical address associated with this parcel is 12199 Carson Road, Sinton, San Patricio County, Texas 78387.

Size / Configuration / Flood Zone

The subject parcel is comprised of an irregular parcel of land totaling 5,566.24 acres. According to San Patricio County Deed Records, 55.93 acres of the 5,566.24 acres are encumbered by oil/gas equipment or utility infrastructure sites. For the purposes of this appraisal, the 55.93 acres are included in the analysis of Parcel 3. The property has generally level to gently sloping topography with the drainage of South Fork Moody Creek, which meanders into the property from the US Highway 77 frontage in a northeast direction and a tributary to the Aransas River that extends into the northeast quadrant. According to FEMA Flood Maps, a minimal portion of the subject is located within Zone A, an area within the 100-year flood plain. The property is comprised of a combination of dryland cultivated fields, open/improved pastures, and native pastureland brush. Water features include livestock ponds, a total of seven wells, and some water piped to troughs. The wells have solar powered pumps. The property has a good road system and is perimeter and cross fenced with typical ranch fencing creating several grazing pastures. The fencing and roads are in good condition. It also has access to a set of metal livestock pens.

Legal Description

5,566.24-acre tract comprised of a portion of the C. J. Francisco & E. Portilla Survey, Abstract 25, and the Jose M. & Felipe Portilla Survey, Abstract 24, also being all of Sections 8, 9, and 16 and part of Sections 10, 15, 74, 75, 76, and 77 of the Eliza H. Welder Ranch Subdivision, San Patricio County, Texas.

Frontage / Accessibility

The most recent deed indicates that the subject property has approximately ± 4.88 miles of frontage along the northwest side of US Highway 77. The subject tract possesses adequate frontage and access from US Highway 77, which is a primary traffic carrier in average overall condition.





Utilities

Public water and sewer services are not provided by any utility service providers and a private water well and septic system would be needed for development. Electricity is provided by San Patricio Electric Cooperative. According to local officials, these utilities are sufficient for the rural/agricultural uses in the area. In addition, local officials provide fire and police protection. Natural gas is provided by the region's typical providers. At the present time, all utilities appear to be sufficient for area development patterns.

Soils

The site's soil appears such that its load-bearing capacity does not restrict the construction of ordinary structural improvements. No evidence to the contrary was noted during our physical inspection of the site.

LEGAL

Zoning / Restrictions

The subject property is located within an unincorporated area of San Patricio County and is therefore not subject to any zoning restrictions.

The subject is a legal, conforming use.

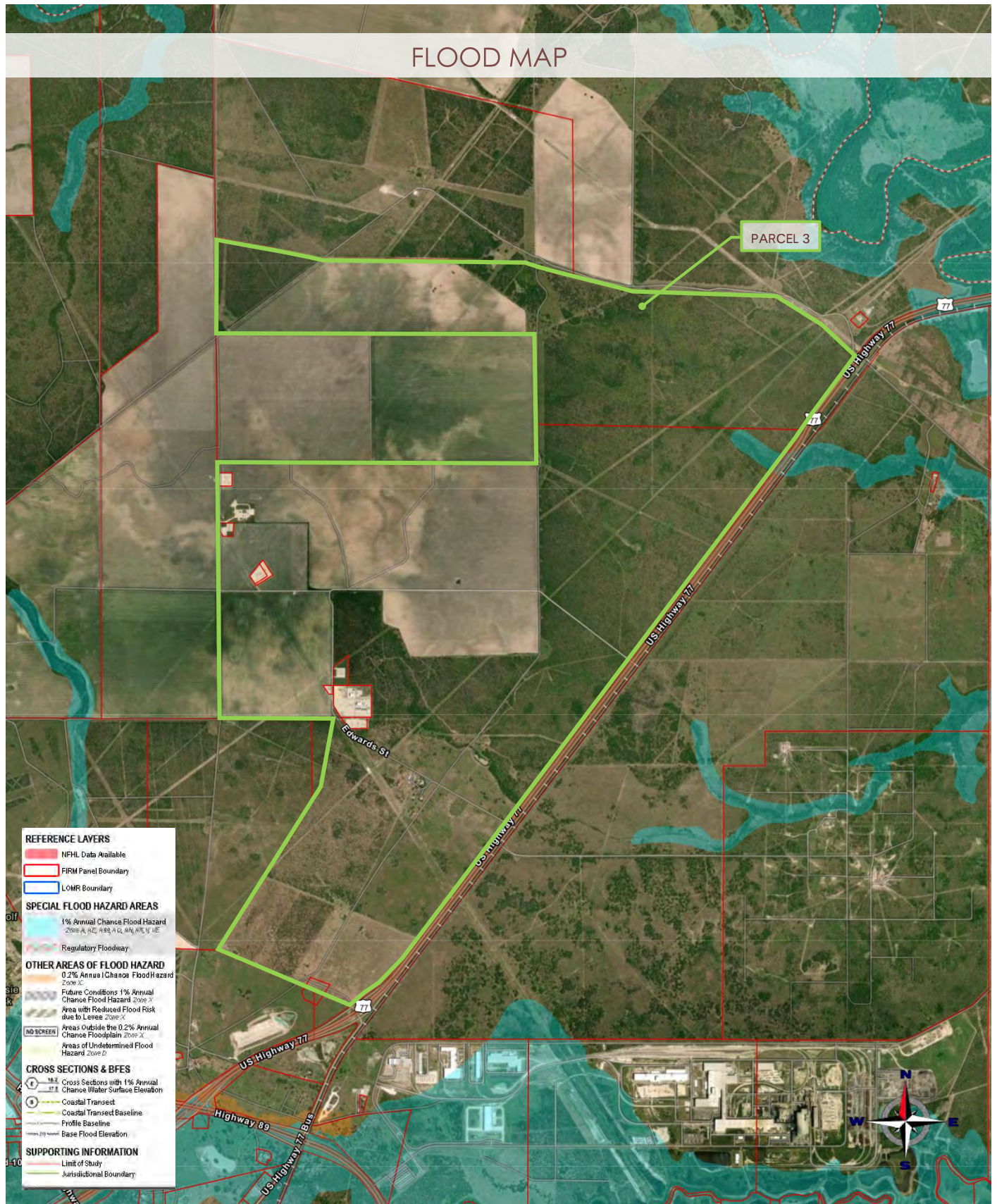
Easements / Encroachments

A title commitment for the subject land parcel was not furnished. A steel monopole electric line bisects the property in a northeast/southwest direction. In addition, based on information obtained from the Texas Railroad Commission and the vesting deed the subject is encumbered by multiple pipeline easements and gas/oil gathering sites throughout the property. Reader is referred to the Texas Railroad Commission map for the general location of these easements. Due to the general location of these easements, there may be additional land planning requirements in the use of the property, but overall, they are not considered detrimental toward development and/or the site's overall marketability. No other detrimental easements and/or encroachments were noted upon physical inspection of the subject tract. It should be noted, however, that if a current survey map, indicates that adverse easement exists, these factors might impact the market value and/or the marketability of the subject property. Therefore, it is assumed that no easements and/or encroachments exist, which would adversely affect the marketability or desirability of the site.

CONCLUSION

Given the physical and legal characteristics, the subject property is capable of being developed with a multitude of agricultural, recreational, and/or rural residential uses.

[illegible]

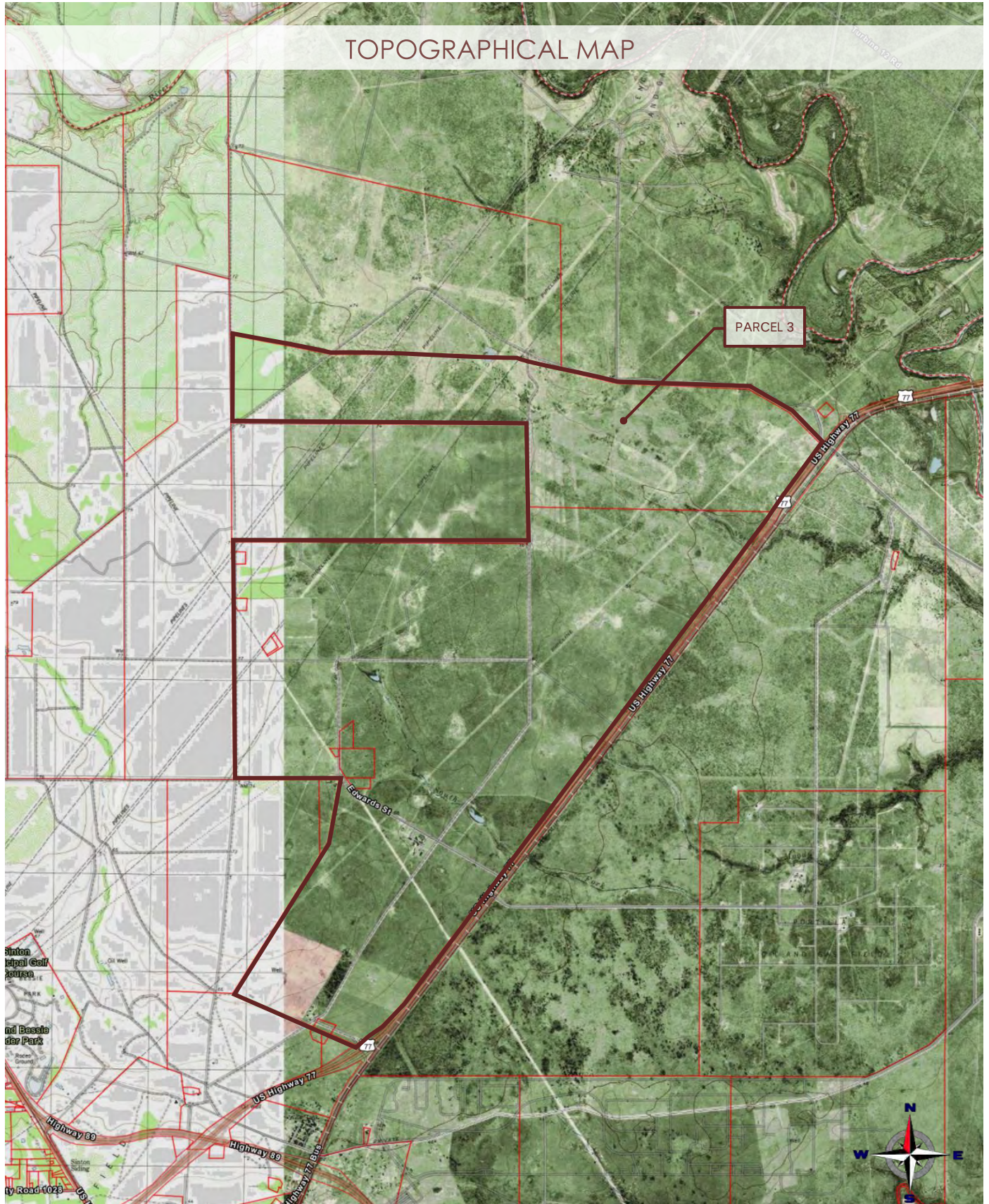


FEMA Flood Insurance Rate Map Nos. 48409C0100E, 48409C0125E, 48409C0250E, and 48409C0275E, effective November 4, 2016.





TOPOGRAPHICAL MAP



[illegible]



PROPERTY HISTORY – PARCEL 3

Ownership of the subject property, outside of the oil/gas equipment or utility infrastructure sites, is currently vested in *R.H. Welder Heirs, Ltd.*, as evidenced by county records. No known real property transactions related to the subject have occurred in excess of three years prior to the date of the report. The subject property is not currently under contract of sale and is not currently listed. No other property history was reported. The tax record associated with the subject, outside of the oil/gas equipment or utility infrastructure sites, per San Patricio Appraisal District, are as follows:

Account		
Property ID:	73912	Geographic ID: 2139-0025-0000-000
Type:	R	Zoning:
Property Use:		Condo:
Location		
Situs Address:	12199 CARSON RD SINTON, TX 78387	
Map ID:	-	Mapscø:
Legal Description:	PT OF 4111.59 AC TR EX B AKA P.E. CARSON PORTION OUT OF 11494.39 AC TR AKA P.W. EDWARDS PARTITION ABST 24 & 25 (4056.917 ACRES) PT OF 4111.59 AC ("EX B") OUT OF A24 AND A25, BEING DESCRIBED IN "EX B" OF CF597066 AS ALL OF THAT 5566.24AC TRACT ("EX B-1") S	
Abstract/Subdivision:	A0024	
Neighborhood:	(SR200) SINTON RURAL W 77	
Owner		
Owner ID:	5162	
Name:	R H WELDER HEIRS LTD	
Agent:		
Mailing Address:	315 EARL GARRETT ST KERRVILLE, TX 78028-4529	
% Ownership:	100.0%	

Account		
Property ID:	66909	Geographic ID: 1361-0013-0000-007
Type:	R	Zoning:
Property Use:		Condo:
Location		
Situs Address:	HWY 77 SINTON, TX 78387	
Map ID:	M-3-	Mapsc:
Legal Description:	1454.65 AC ("EX D") OUT OF A24 AND A25, BEING DESCRIBED BY M&B IN "EX D" OF CF597066.	
Abstract/Subdivision:	1361	
Neighborhood:	(SR100-AG) SINTON RURA E 77 AG BLDGS	
Owner		
Owner ID:	5162	
Name:	R H WELDER HEIRS LTD	
Agent:		
Mailing Address:	315 EARL GARRETT ST KERRVILLE, TX 78028-4529	
% Ownership:	100.0%	



REAL ESTATE TAXES – PARCEL 3

The subject property is located in San Patricio County, Texas and is taxed based on values established by the county tax assessors. The tax rates are applied to the assessed value of the subject property, and the taxes for the subject property are then estimated. The taxes are estimated per \$100 of assessed value. This property is subject to taxes for San Patricio County and Sinton Independent School District.

The subject property, outside of the oil/gas equipment or utility infrastructure sites, displays a 2025 market assessment, including improvements, of \$11,952,575. The land is assessed at a market value of \$9,828,079 (\$1,784/AC), which is considered favorable based on the analysis herein. The property displays an agricultural use reduction of \$8,760,722, resulting in a taxable value of \$3,191,853. There were no reported delinquent taxes for the subject property, according to information provided by the San Patricio County Tax Assessor-Collector.

Current taxes based on the 2024 tax rates and the 2025 taxable value are calculated as follows:

PROPERTY TAX CALCULATION			
Acct #: 73912 & 66909			
Authority	Assessed Value	Rate / \$100	Tax Liability
County	\$3,191,853	\$0.445780	\$14,229
School	\$3,191,853	\$1.235200	\$39,426
			\$53,655



HIGHEST & BEST USE – PARCEL 3

HIGHEST & BEST USE - AS IF VACANT

Physically Possible

The subject parcel is comprised of an irregular parcel of land totaling 5,566.24 acres located on the northwest line of US Highway 77 at Carson Road. According to San Patricio County Deed Records, 55.93 acres of the 5,566.24 acres are encumbered by oil/gas equipment or utility infrastructure sites. For the purposes of this appraisal, the 55.93 acres are included in the analysis of Parcel 3. The property has generally level to gently sloping topography with the drainage of South Fork Moody Creek, which meanders into the property from the US Highway 77 frontage in a northeast direction and a tributary to the Aransas River that extends into the northeast quadrant. According to FEMA Flood Maps, a minimal portion of the subject is located within Zone A, an area within the 100-year flood plain. The property is comprised of a combination of dryland cultivated fields, open/improved pastures, and native pastureland brush. The property has approximately $\pm$ 4.88 miles of frontage along the northwest side of US Highway 77. It possesses adequate frontage and access. Public water and sewer services are not provided by any utility service providers and public water, and wastewater systems would be needed for dense development. The site is primarily surrounded by agricultural, recreational, and rural residential uses. Access to the subject's neighborhood is considered good due to its location along a primary traffic carrier.

Based on the subject's physical characteristics and the principle of conformity, the site would most likely be utilized for agricultural, recreational, and/or rural residential use.

Legally Permissible

As mentioned previously, the subject is located in an unincorporated area of San Patricio County and is not subject to any zoning restrictions. No private deed restrictions were uncovered during a normal investigation, which would further limit the potential uses of the subject tract. Nonetheless, a title policy is strongly suggested in order to guarantee the absence of adverse restrictions. No other legal restrictions or covenants were found to be imposed on the subject property at the time of the appraisal, which would further restrict its development. The site's legally permissible use, as if vacant, supports the physical indication that the subject's most probable use would be utilized for agricultural, recreational, and/or rural residential use.





Financially Feasible & Maximally Productive

The prior consideration of physically possible uses and legally permissible does not significantly narrow the use of the subject property. The subject property has been used for and is currently surrounded by rural residential, recreational, and agricultural uses. Based on market data presented in this report, it appears that agricultural, recreational, and/or rural residential use is likely feasible. Income from agricultural operations, recreational and rural home sites is not sufficient to pay and adequate return on the value of the property. Rural properties in San Patricio County are owned for agricultural and recreational benefits, rural residences, and investment hold.

After considering legal, physical, and financial alternatives, it is our opinion that the highest and best use of the subject parcel, as if vacant, is for investment hold with agricultural, recreational, and/or rural residential uses in the interim.



LAND VALUATION – PARCEL 3

LAND SALES SUMMARY

The same comparables were utilized in the analysis of Parcel 3. Details on these comparables can be found on pages 42 through 47.

Property Rights

The adjustment for property rights conveyed recognizes that differences in legal interest or estate between the subject and the comparable properties may occur. In this analysis, the sales conveyed surface estate and therefore, no adjustments are indicated.

Financing Terms

The adjustment for cash equivalency takes into account the fact that the transaction price of the comparable property may not be equal to its cash equivalent price. All the sales utilized in this analysis were cash to seller transactions or transactions involving market financing, and no adjustment for cash equivalency is necessary.

Conditions of Sale

Adjustments for conditions of sale are intended to recognize motivations of the buyer and the seller that are unique to ordinary market conditions. With respect to this factor, Comparable 1 is an active listing and warrants a downward adjustment to account for negotiation of the asking price. The remaining comparable market data utilized herein were arm's length transactions. Thus, no adjustments are warranted.

Market Conditions

The transactions occurred between July 2023 and August 2025, with Comparable 1 being an active listing. As previously discussed, the effective date of value is September 19, 2025. Based on the *Texas Real Estate Center* rural land price trends presented in the Market Analysis section, the market has experienced gradual price appreciation over the past several years. Based on the data presented, an upward adjustment of 5.0% per year has been applied to reflect improving market conditions.



Location

Differences in value occur due to varying degrees of accessibility, exposure, and surrounding development to a site. Access is often determined by corner locations, natural barriers, ease of entrance on and off of major thoroughfares, etc. Surrounding development also plays an important part of locational influences for a property. The subject Parcel 3 is located on the northwest line of US Highway 77 at Carson Road. It has approximately $\pm$ 4.88 miles of frontage along the northwest side of US Highway 77, a primary traffic carrier. With respect to this factor, all of the comparables, except Comparable 3, indicate upward adjustments for their locations in inferior market areas and/or accessibility when compared to the subject. A larger adjustment is made to Comparable 2 for its inferior access via a private railroad crossing and to Comparable 4 for its inferior remote location in Jim Wells County relative to the subject. Comparable 3 has a similar location as the subject property and is not adjusted.

Size

Size is a factor that must be considered when comparing vacant land sales. Typically, but not always, larger tracts sell for a lower unit value. Therefore, when making comparisons on a per unit basis, such as price per unit, the larger tracts tend to be adjusted upward, and the smaller tracts tend to be adjusted downward to accurately reflect the differences. With respect to this factor, materially larger tracts of land were adjusted upward accordingly, and materially smaller tracts of land were adjusted downward accordingly.

Physical Features

The overall site characteristics of each sale have been compared to the subject site. These include traits such as drainage, site preparation expense, topography, and configuration. Configuration, if irregular, may limit development. The subject is an irregular shaped tract of land with a minimal portion of the property located in a designated flood plain. With respect to this factor, Comparables 1, 2, 4, and 5 indicate upward adjustments as more of these properties are located in designated flood plains. Comparable 3 has similar physical features as the subject and is not adjusted. Comparable 6 is adjusted downward for its superior rectangular shape when compared to the subject.

Water Features

The availability of live water has a significant impact on working and recreational ranches in South Texas since the non-availability of such features could restrict the overall potential use and marketability of the property. Therefore, when analyzing vacant land, it is important to determine whether or water features such as lakes, livestock tanks, water wells, rivers and creeks are available. If they are not available, the appraiser must examine to what extreme a potential investor/end user would have to go in gaining access to such features. The subject features no significant water feature. With respect to this factor, Comparables 2 and 3 are adjusted downward for their superior water features having frontage along creeks that have year-round pools of water.



Easements/Encumbrances

Easements and encumbrances which impact the utility, convenience of access, or aesthetics of a ranch property are typically given consideration by market participants depending on the severity of the encumbrance. A steel monopole electric line bisects the property in a northeast/southwest direction and based on information obtained from the Texas Railroad Commission and the vesting deed, the subject is encumbered by multiple pipeline easements. With respect to this factor, Comparable 3 is bisected by only one pipeline easement and Comparable 5 with no encumbrances are adjusted downward. The other comparables have similar easements/encumbrances as the subject; thus, no adjustments are indicated.



CONCLUSION – PARCEL 3

In this analysis of the subject property, similar weight was given to all of the comparables. The following criteria and subsequent adjustment grid have been implemented in order to reconcile the quality and quantity of the data available and analyzed within this approach to value.

SUBJECT		1	2	3	4	5	6
Date	Current	Listing	Aug-25	Jul-25	Feb-25	Mar-24	Jul-23
Sale Price		\$27,000,000	\$1,995,761	\$6,922,700	\$7,100,000	\$7,095,147	\$5,292,898
SIZE - AC	5,566.24	6,041.00	433.86	1,359.54	1,775.80	1,712.54	1,167.77
Unit Price (\$ / Acre)		\$4,469	\$4,600	\$5,092	\$3,998	\$4,143	\$4,532
TRANSACTION ADJUSTMENTS							
Property Rights	Surface Estate	Similar 0% \$4,469	Similar 0% \$4,600	Similar 0% \$5,092	Similar 0% \$3,998	Similar 0% \$4,143	Similar 0% \$4,532
Financing Terms	Cash	Similar 0% \$4,469	Similar 0% \$4,600	Similar 0% \$5,092	Similar 0% \$3,998	Similar 0% \$4,143	Similar 0% \$4,532
Conditions of Sale	Arm's Length	Listing -2% \$4,380	Similar 0% \$4,600	Similar 0% \$5,092	Similar 0% \$3,998	Similar 0% \$4,143	Similar 0% \$4,532
Market Conditions	Current	Listing 0% \$4,380	Aug-25 0% \$4,600	Jul-25 1% \$5,143	Feb-25 3% \$4,118	Mar-24 8% \$4,474	Jul-23 11% \$5,031
PROPERTY ADJUSTMENTS							
Location	Average	Inferior 10%	Inferior 20%	Similar 0%	Inferior 20%	Inferior 10%	Inferior 10%
Size - Acre	5,566.24	6,041.00 0%	433.86 -15%	1,359.54 -10%	1,775.80 -5%	1,712.54 -5%	1,167.77 -10%
Physical Features	Irregular / Minimal Flood	Inferior 5%	Inferior 10%	Similar 0%	Inferior 10%	Inferior 10%	Superior -5%
Water Features	Typical	Similar 0%	Superior -5%	Superior -5%	Similar 0%	Similar 0%	Similar 0%
Easements / Encumbrances	HVTL & Pipelines	Similar 0%	Similar 0%	Superior -5%	Similar 0%	Superior -5%	Similar 0%
Total Adjustment		15%	10%	-20%	25%	10%	-5%
Adjusted \$ / Acre		\$5,037	\$5,060	\$4,114	\$5,148	\$4,922	\$4,780
Adjusted Mean \$ / Acre							\$4,843
With primary weight placed on the most recent sales; a value generally in-line with the mean is considered reasonable and utilized herein.						Concluded Unit Value	\$5,000
Land Size (AC)						SIZE - AC	5,566.24
Value Indication							\$27,831,200
Concluded Value - "As If Vacant"							\$27,850,000



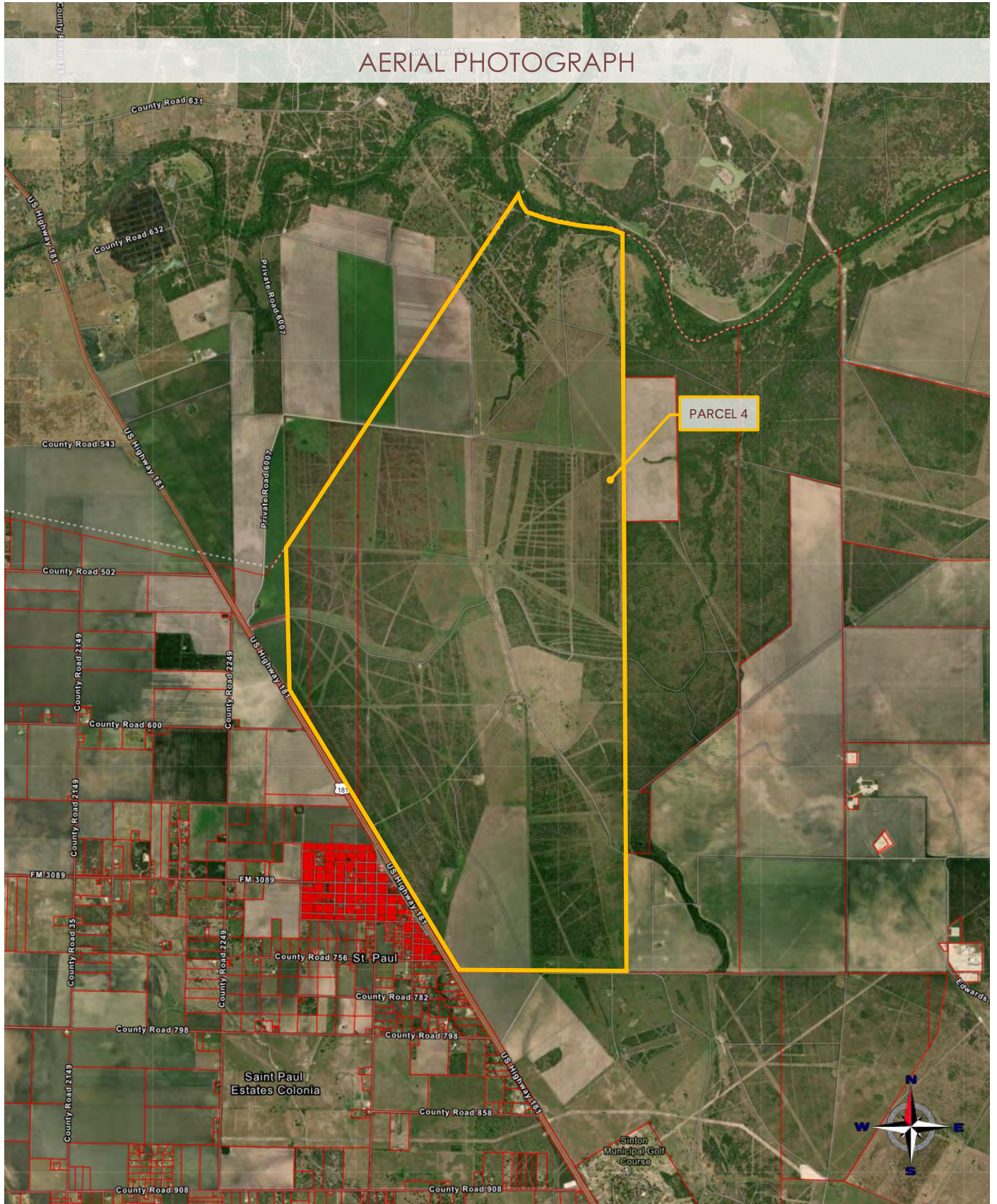


SUBJECT PHOTOS – PARCEL 4





AERIAL PHOTOGRAPH





SITE DESCRIPTION – PARCEL 4

PHYSICAL

Location

Parcel 4 is located on the northeast side of US Highway 181 at the Town of St. Paul. There is no physical address associated with this property in San Patricio County, Texas.

Size / Configuration / Flood Zone

The subject parcel is a 3,752.30-acre irregular shaped tract of land. The property has generally level to gently sloping topography with the drainage of the Aransas River, which meanders along the north boundary. It has steep slopes along the river. According to FEMA Flood Maps, approximately $\pm 3\%$ of the subject is located within Zone A, an area within the 100-year flood plain. The property is comprised of a combination of dryland cultivated fields, open/improved pastures, and native pastureland brush. It should be noted that the property has approximately $\pm 4,200$ linear feet of frontage along the Aransas River. The property appears to have a good road system and is perimeter and cross fenced with typical ranch fencing creating several grazing pastures. The fencing and roads are in good condition.

Legal Description

3,752.30 acres of land, more or less, being 431 acres out of the James O'Connor Survey, Abstract No. 22, 120.5 acres out of the P. & W. Quinn Survey, Abstract No. 29, and 3,200.8 acres out of the A.V. Loupy Survey, Abstract No. 12, San Patricio County, Texas.

Frontage / Accessibility

The subject property has approximately ± 2.2 miles of frontage along the northeast side of US Highway 181. The subject tract possesses adequate frontage and access from US Highway 181, which is a primary traffic carrier in average/good overall condition.

Utilities

Public water and sewer services are not provided by any utility service providers and a private water well and septic system would be needed for development. Electricity is provided by San Patricio Electric Cooperative. According to local officials, these utilities are sufficient for the rural/agricultural uses in the area. In addition, local officials provide fire and police protection. Natural gas is provided by the region's typical providers. At the present time, all utilities appear to be sufficient for area development patterns.

Soils

The site's soil appears such that its load-bearing capacity does not restrict the construction of ordinary structural improvements. No evidence to the contrary was noted during our physical inspection of the site.





LEGAL

Zoning / Restrictions

The subject property is located within an unincorporated area of San Patricio County and is therefore not subject to any zoning restrictions.

The subject is a legal, conforming use.

Easements / Encroachments

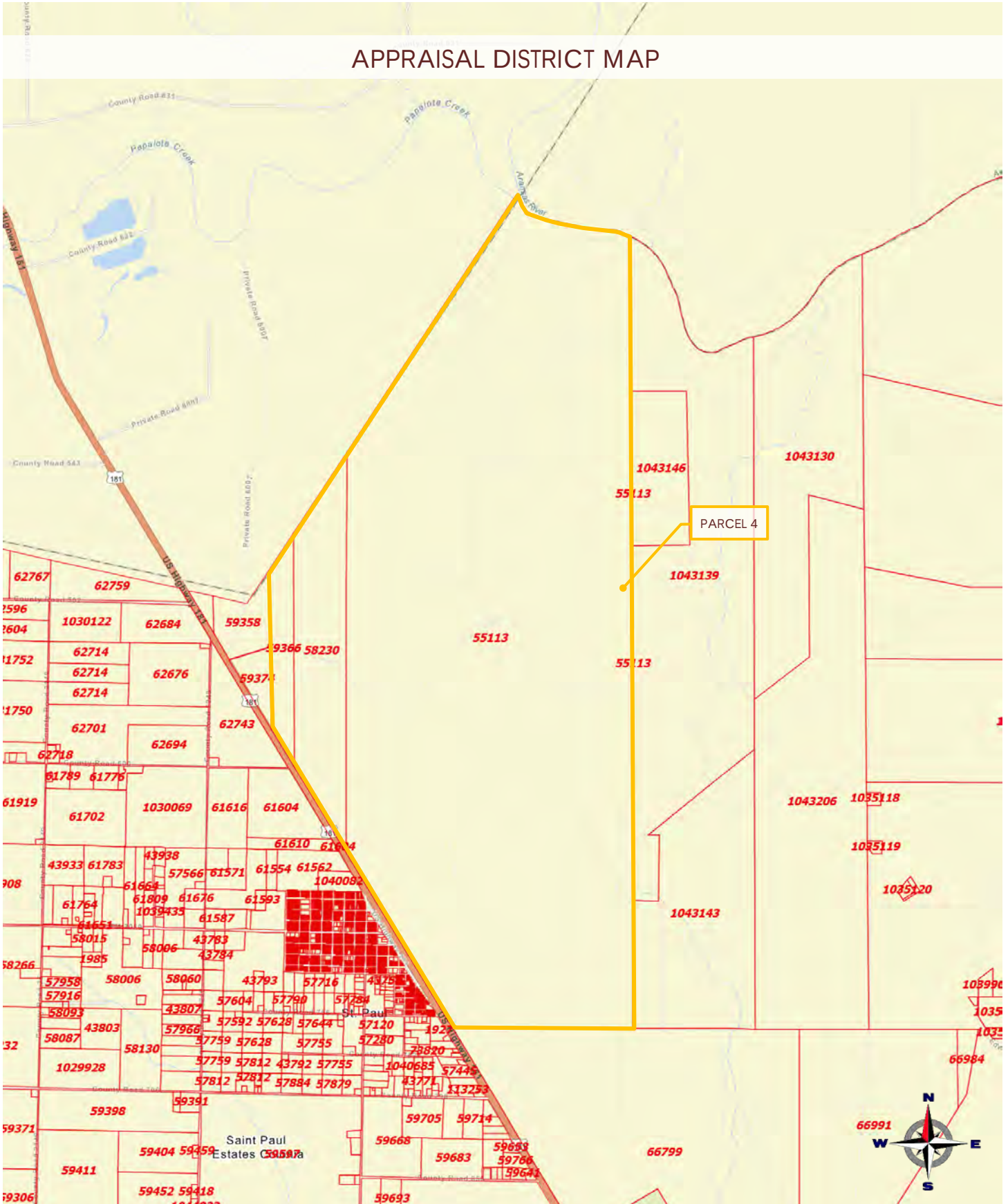
A title commitment for the subject land parcel was not furnished. According to the Texas Railroad Commission, a gas pipeline easement bisects the north portion of the property in a northwest/southeast direction. Reader is referred to the Texas Railroad Commission map for the general location of these easements. Due to the general location of this easement, it is not considered detrimental toward development and/or the site's overall marketability. No other detrimental easements and/or encroachments were noted upon physical inspection of the subject tract. It should be noted, however, that if a current survey map indicates that adverse easement exists, these factors might impact the market value and/or the marketability of the subject property. Therefore, it is assumed that no easements and/or encroachments exist, which would adversely affect the marketability or desirability of the site.

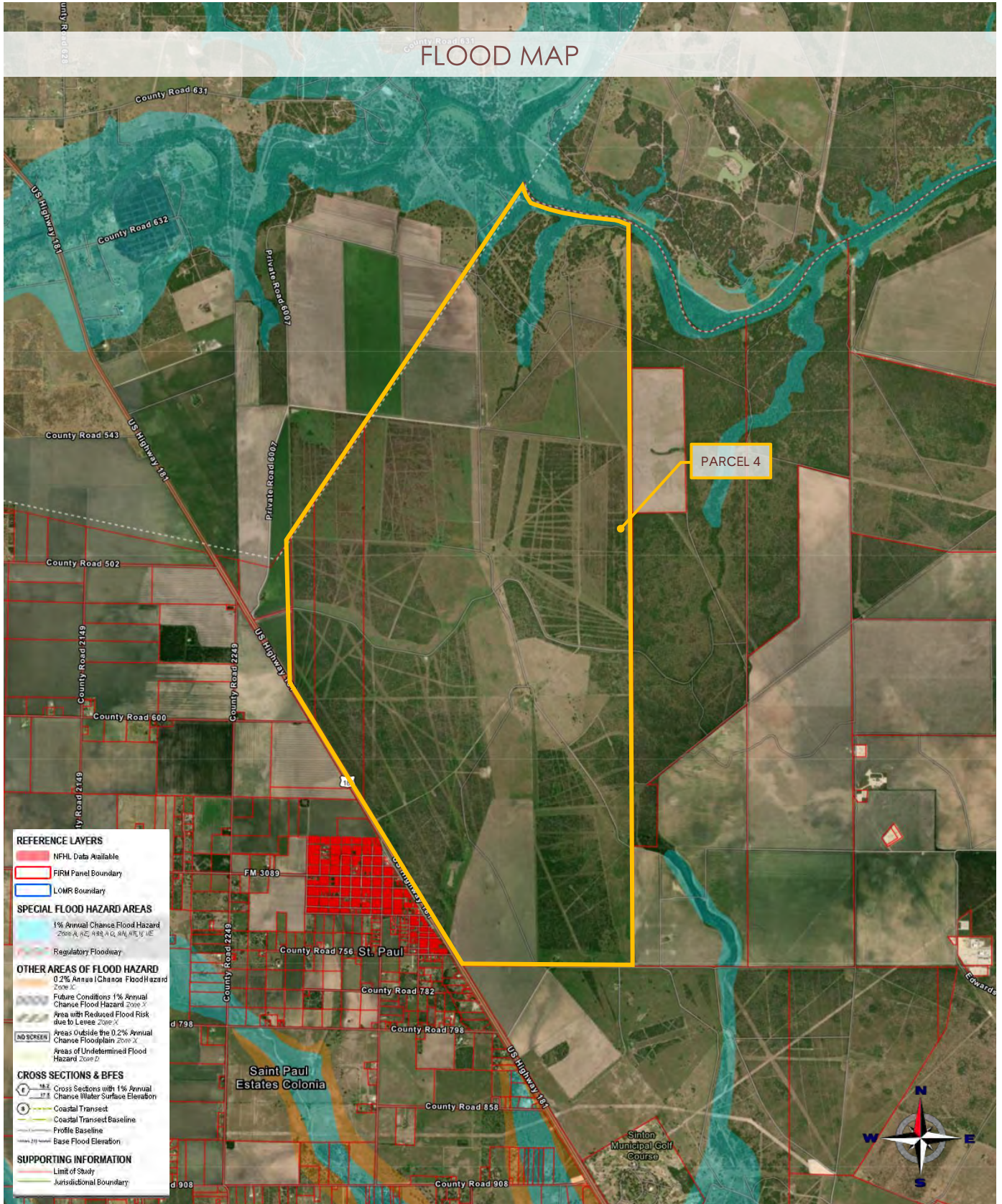
CONCLUSION

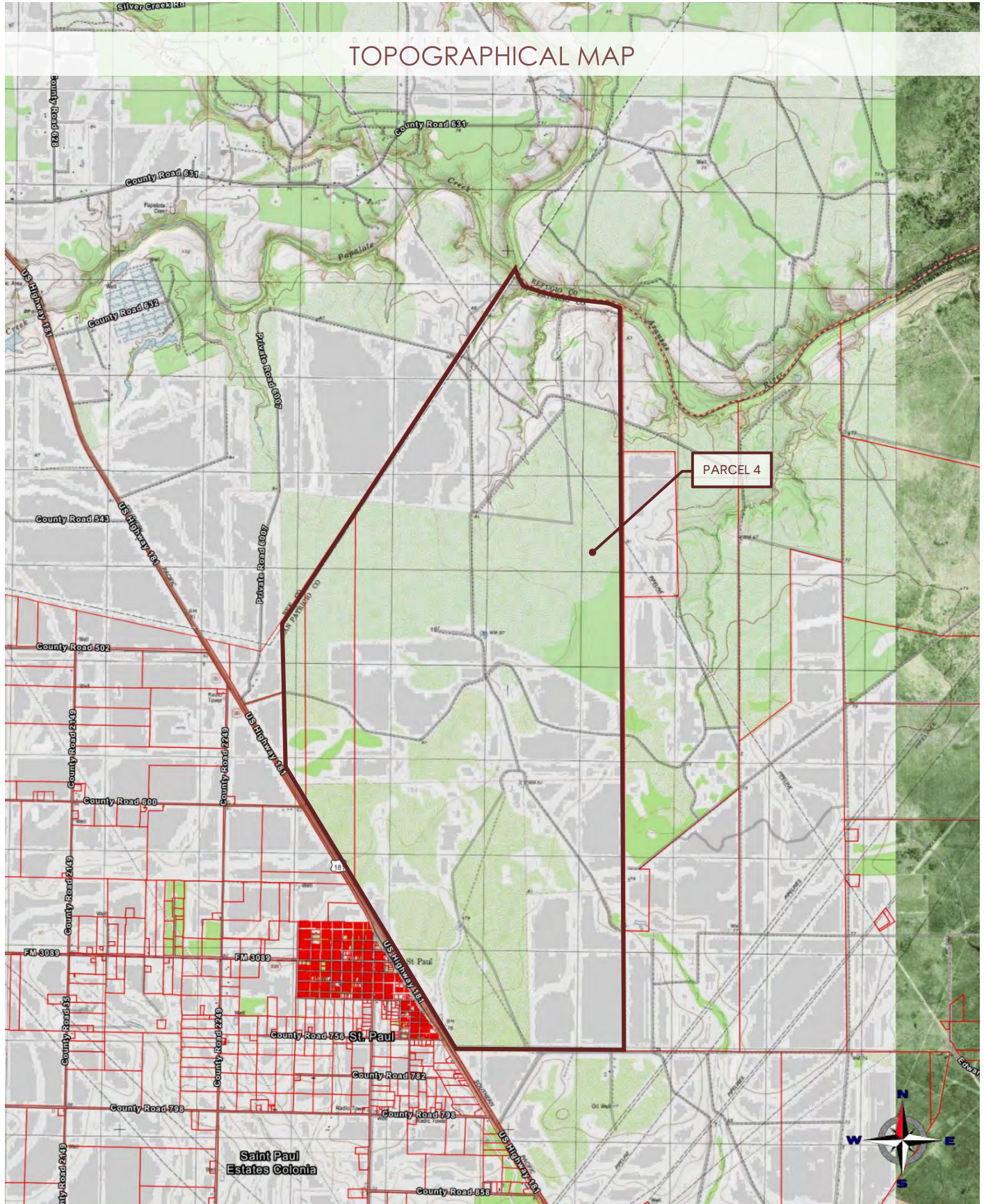
Given the physical and legal characteristics, the subject property is capable of being developed with a multitude of agricultural, recreational, and/or rural residential uses.

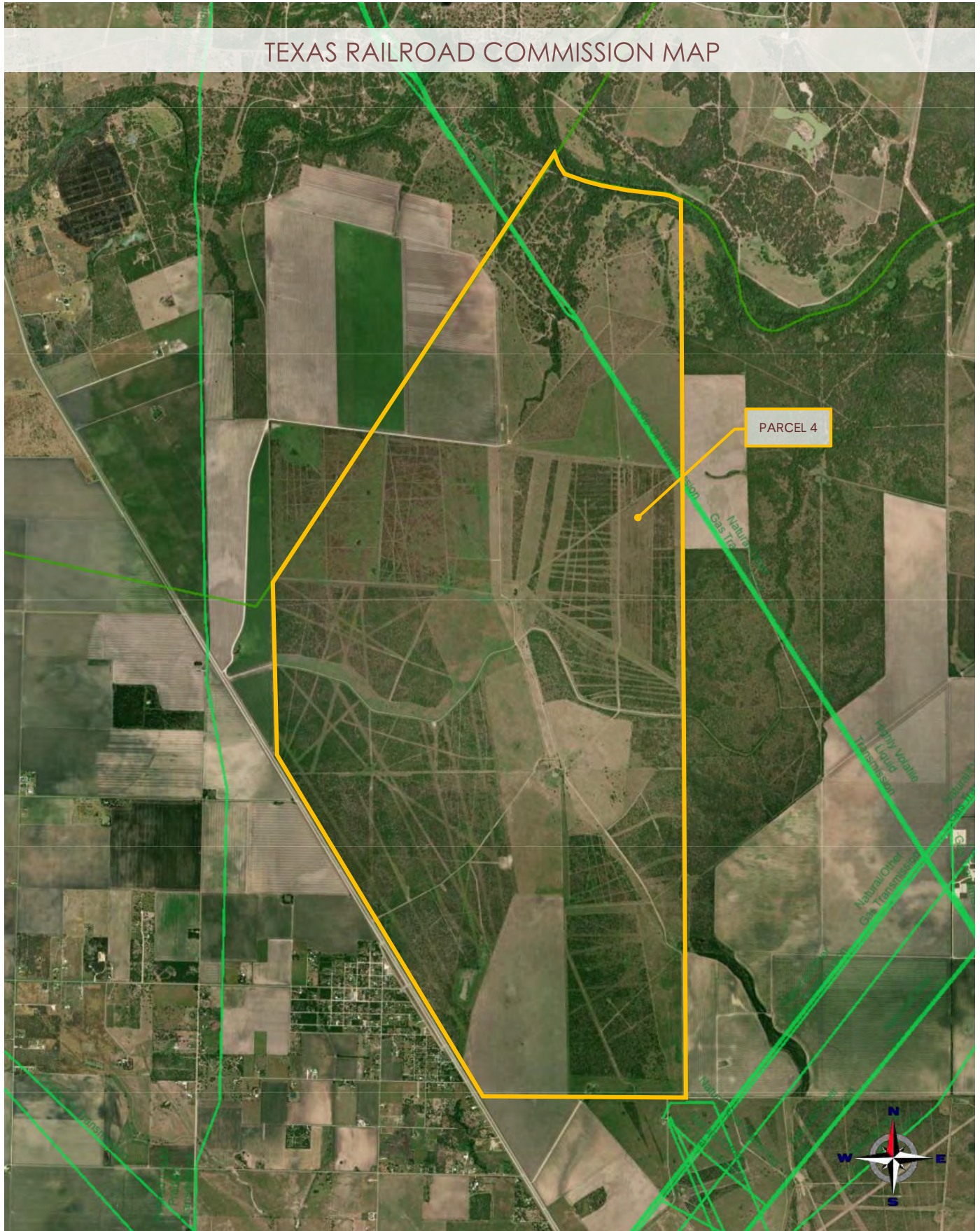


APPRAISAL DISTRICT MAP











PROPERTY HISTORY – PARCEL 4

Ownership of the subject property is currently vested in *E H Partnership, Ltd.*, as evidenced by county records. No known real property transactions related to the subject have occurred in excess of three years prior to the date of the report. The subject property is not currently under contract of sale and is not currently listed. No other property history was reported. The tax records associated with the subject per San Patricio Appraisal District, are as follows:

Account		
Property ID:	55113	Geographic ID: 2139-0012-0000-001
Type:	R	Zoning:
Property Use:		Condo:
Location		
Situs Address:	HWY 181 SINTON, TX 78387	
Map ID:	K-1-2-	Mapsc0:
Legal Description:	AB 12 AV LOUPY SUR 3200 ACRES	
Abstract/Subdivision:		
Neighborhood:	(SR200-AG) SINTON RURAL W 77 AG BLDGS	
Owner		
Owner ID:	47924	
Name:	E H PARTNERSHIP LTD	
Agent:		
Mailing Address:	921 N CHAPARRAL ST #103 CORPUS CHRISTI, TX 78401-2008	
% Ownership:	100.0%	

Account		
Property ID:	58230	Geographic ID: 2138-0022-0000-001
Type:	R	Zoning:
Property Use:		Condo:
Location		
Situs Address:	HWY 181 SINTON, TX 78387	
Map ID:	K-1,2-	Mapsc0:
Legal Description:	ABST 22 JAMES O CONNOR	
Abstract/Subdivision:		
Neighborhood:	(SR200-AG) SINTON RURAL W 77 AG BLDGS	
Owner		
Owner ID:	47924	
Name:	E H PARTNERSHIP LTD	
Agent:		
Mailing Address:	921 N CHAPARRAL ST #103 CORPUS CHRISTI, TX 78401-2008	
% Ownership:	100.0%	

Account		
Property ID:	59366	Geographic ID: 2139-0029-0000-002
Type:	R	Zoning:
Property Use:		Condo:
Location		
Situs Address:	HWY 181 & 77 SINTON, TX 78387	
Map ID:	SEE N-	Mapsc0:
Legal Description:	ABST 29 WM & PAT QUIN	
Abstract/Subdivision:		
Neighborhood:	(SR200-AG) SINTON RURAL W 77 AG BLDGS	
Owner		
Owner ID:	47924	
Name:	E H PARTNERSHIP LTD	
Agent:		
Mailing Address:	921 N CHAPARRAL ST #103 CORPUS CHRISTI, TX 78401-2008	
% Ownership:	100.0%	



REAL ESTATE TAXES – PARCEL 4

The subject property is located in San Patricio County, Texas and is taxed based on values established by the county tax assessors. The tax rates are applied to the assessed value of the subject property, and the taxes for the subject property are then estimated. The taxes are estimated per \$100 of assessed value. This property is subject to taxes for San Patricio County and Sinton Independent School District.

The subject property displays a 2025 market assessment of \$6,002,400 (\$1,600/AC), which is considered favorable based on the analysis herein. The property displays an agricultural use reduction of \$5,569,891, resulting in a taxable value of \$432,509. There were no reported delinquent taxes for the subject property, according to information provided by the San Patricio County Tax Assessor-Collector.

Current taxes based on the 2024 tax rates and the 2025 taxable value are calculated as follows:

PROPERTY TAX CALCULATION			
Acct #: 55113, 58230, & 59366			
Authority	Assessed Value	Rate / \$100	Tax Liability
County	\$432,509	\$0.445780	\$1,928
School	\$432,509	\$1.235200	\$5,342
			\$7,270



HIGHEST & BEST USE – PARCEL 4

HIGHEST & BEST USE - AS IF VACANT

Physically Possible

The subject parcel consists of a 3,752.30-acre tract of land located on the northeast side of US Highway 181 at the Town of St. Paul. The property has generally level to gently sloping topography with the drainage of the Aransas River, which meanders along the north boundary. It has steep slopes along the river. According to FEMA Flood Maps, approximately $\pm 3\%$ of the subject is located within Zone A, an area within the 100-year flood plain. The property is comprised of a combination of dryland cultivated fields, open/improved pastures, and native pastureland brush. It should be noted that the property has approximately 4,200 feet of frontage along the Aransas River. The property has approximately ± 2.2 miles of frontage along the northeast side of US Highway 181. It possesses adequate frontage and access. Public water and sewer services are not provided by any utility service providers and public water, and wastewater systems would be needed for dense development. The site is primarily surrounded by agricultural, recreational, and rural residential uses. Access to the subject's neighborhood is considered good due to its location along a primary traffic carrier.

Based on the subject's physical characteristics and the principle of conformity, the site would most likely be utilized for agricultural, recreational, and/or rural residential use.

Legally Permissible

As mentioned previously, the subject is located in an unincorporated area of San Patricio County and is not subject to any zoning restrictions. No private deed restrictions were uncovered during a normal investigation, which would further limit the potential uses of the subject tract. Nonetheless, a title policy is strongly suggested in order to guarantee the absence of adverse restrictions. No other legal restrictions or covenants were found to be imposed on the subject property at the time of the appraisal, which would further restrict its development. The site's legally permissible use, as if vacant, supports the physical indication that the subject's most probable use would be utilized for agricultural, recreational, and/or rural residential use.

Financially Feasible & Maximally Productive

The prior consideration of physically possible uses and legally permissible does not significantly narrow the use of the subject property. The subject property has been used for and is currently surrounded by rural residential, recreational, and agricultural uses. Based on market data presented in this report, it appears that agricultural, recreational, and/or rural residential use is likely feasible. Income from agricultural operations, recreational and rural home sites is not sufficient to pay and adequate return on the value of the property. Rural properties in San Patricio County are owned for agricultural and recreational benefits, rural residences, and investment hold.





After considering legal, physical, and financial alternatives, it is our opinion that the highest and best use of the subject parcel, as if vacant, is for investment hold with agricultural, recreational, and/or rural residential uses in the interim.



LAND VALUATION – PARCEL 4

LAND SALES SUMMARY

The same comparables were utilized in the analysis of Parcel 4. Details on these comparables can be found on pages 42 through 47.

Property Rights

The adjustment for property rights conveyed recognizes that differences in legal interest or estate between the subject and the comparable properties may occur. In this analysis, the sales conveyed surface estate and therefore, no adjustments are indicated.

Financing Terms

The adjustment for cash equivalency takes into account the fact that the transaction price of the comparable property may not be equal to its cash equivalent price. All the sales utilized in this analysis were cash to seller transactions or transactions involving market financing, and no adjustment for cash equivalency is necessary.

Conditions of Sale

Adjustments for conditions of sale are intended to recognize motivations of the buyer and the seller that are unique to ordinary market conditions. With respect to this factor, Comparable 1 is an active listing and warrants a downward adjustment to account for negotiation of the asking price. The remaining comparable market data utilized herein were arm's length transactions. Thus, no adjustments are warranted.

Market Conditions

The transactions occurred between July 2023 and August 2025, with Comparable 1 being an active listing. As previously discussed, the effective date of value is September 19, 2025. Based on the *Texas Real Estate Center* rural land price trends presented in the Market Analysis section, the market has experienced gradual price appreciation over the past several years. Based on the data presented, an upward adjustment of 5.0% per year has been applied to reflect improving market conditions.



Location

Differences in value occur due to varying degrees of accessibility, exposure, and surrounding development to a site. Access is often determined by corner locations, natural barriers, ease of entrance on and off of major thoroughfares, etc. Surrounding development also plays an important part of locational influences for a property. The subject Parcel 4 is located on the northeast side of US Highway 181 at the Town of St. Paul. It has approximately ± 2.2 miles of frontage along the northeast side of US Highway 181, a primary traffic carrier. With respect to this factor, all of the comparables, except Comparable 3, indicate upward adjustments for their locations in inferior market areas and/or accessibility when compared to the subject. A larger adjustment is made to Comparable 2 for its inferior access via a private railroad crossing and to Comparable 4 for its inferior remote location in Jim Wells County relative to the subject. Comparable 3 has a similar location to the subject property and is not adjusted.

Size

Size is a factor that must be considered when comparing vacant land sales. Typically, but not always, larger tracts sell for a lower unit value. Therefore, when making comparisons on a per unit basis, such as price per unit, the larger tracts tend to be adjusted upward, and the smaller tracts tend to be adjusted downward to accurately reflect the differences. With respect to this factor, materially larger tracts of land were adjusted upward accordingly, and materially smaller tracts of land were adjusted downward accordingly.

Physical Features

The overall site characteristics of each sale have been compared to the subject site. These include traits such as drainage, site preparation expense, topography, and configuration. Configuration, if irregular, may limit development. The subject is an irregular shaped tract of land with approximately $\pm 3\%$ of the property located within Zone A, an area within the 100-year flood plain. With respect to this factor, Comparables 1 and 3 have similar physical features as the subject and are not adjusted. Comparables 2, 4, and 5 indicate upward adjustments as more of these properties are located in designated flood plains. Comparable 6 is adjusted downward for its superior rectangular shape when compared to the subject.



Water Features

The availability of live water has a significant impact on working and recreational ranches in South Texas since the non-availability of such features could restrict the overall potential use and marketability of the property. Therefore, when analyzing vacant land, it is important to determine whether or water features such as lakes, livestock tanks, water wells, rivers and creeks are available. If they are not available, the appraiser must examine to what extreme a potential investor/end user would have to go in gaining access to such features. The subject features approximately $\pm 4,200$ linear feet of frontage along the Aransas River. With respect to this factor, the comparables indicate upward adjustments for not displaying river frontage. A smaller adjustment is made to Comparables 2 and 3 as they both have frontage along creeks that have year-round pools of water.

Easements/Encumbrances

Easements and encumbrances which impact the utility, convenience of access, or aesthetics of a ranch property are typically given consideration by market participants depending on the severity of the encumbrance. According to the Texas Railroad Commission, a gas pipeline easement bisects the north portion of the property in a northwest/southeast direction. With respect to this factor, Comparables 1, 2, 4, and 6 are adjusted upward for the fact that they are crossed by several pipeline easements and encumbered by oil/gas well productions sites.



CONCLUSION – PARCEL 4

In this analysis of the subject property, similar weight was given to all of the comparables. The following criteria and subsequent adjustment grid have been implemented in order to reconcile the quality and quantity of the data available and analyzed within this approach to value.

SUBJECT		1	2	3	4	5	6
Date	Current	Listing	Aug-25	Jul-25	Feb-25	Mar-24	Jul-23
Sale Price		\$27,000,000	\$1,995,761	\$6,922,700	\$7,100,000	\$7,095,147	\$5,292,898
SIZE - AC	3,752.30	6,041.00	433.86	1,359.54	1,775.80	1,712.54	1,167.77
Unit Price (\$ / Acre)		\$4,469	\$4,600	\$5,092	\$3,998	\$4,143	\$4,532
TRANSACTION ADJUSTMENTS							
Property Rights	Surface Estate	Similar 0% \$4,469	Similar 0% \$4,600	Similar 0% \$5,092	Similar 0% \$3,998	Similar 0% \$4,143	Similar 0% \$4,532
Financing Terms	Cash	Similar 0% \$4,469	Similar 0% \$4,600	Similar 0% \$5,092	Similar 0% \$3,998	Similar 0% \$4,143	Similar 0% \$4,532
Conditions of Sale	Arm's Length	Listing -2% \$4,380	Similar 0% \$4,600	Similar 0% \$5,092	Similar 0% \$3,998	Similar 0% \$4,143	Similar 0% \$4,532
Market Conditions	Current	Listing 0% \$4,380	Aug-25 0% \$4,600	Jul-25 1% \$5,143	Feb-25 3% \$4,118	Mar-24 8% \$4,474	Jul-23 11% \$5,031
PROPERTY ADJUSTMENTS							
Location	Average	Inferior 10%	Inferior 20%	Similar 0%	Inferior 20%	Inferior 10%	Inferior 10%
Size - Acre	3,752.30	6,041.00 5%	433.86 -15%	1,359.54 -5%	1,775.80 -5%	1,712.54 -5%	1,167.77 -5%
Physical Features	Irregular / +/- 3% Flood Plain	Similar 0%	Inferior 5%	Similar 0%	Inferior 10%	Inferior 10%	Superior -5%
Water Features	Aransas River	Inferior 10%	Inferior 5%	Inferior 5%	Inferior 10%	Inferior 10%	Inferior 10%
Easements / Encumbrances	Pipeline	Inferior 5%	Inferior 5%	Similar 0%	Inferior 5%	Similar 0%	Inferior 5%
Total Adjustment		30%	20%	0%	40%	25%	15%
Adjusted \$ / Acre		\$5,694	\$5,520	\$5,143	\$5,765	\$5,593	\$5,786
Adjusted Mean \$ / Acre							\$5,584
A value generally in-line with the mean is considered reasonable and utilized herein.						Concluded Unit Value	\$5,600
Land Size (AC)						SIZE - AC	3,752.30
Value Indication							\$21,012,880
Concluded Value - "As If Vacant"							\$21,000,000





SUBJECT PHOTOS – PARCEL 5







AERIAL PHOTOGRAPH





SITE DESCRIPTION – PARCEL 5

Parcel 5 is improved with a ranch headquarters facility including residences, barns, various outbuildings, and supporting site improvements. As previously discussed, the client requested that the subject parcels be valued “as if vacant” land only; thus, the Hypothetical Condition is made that no improvements are present as of the effective date of value.

PHYSICAL

Location

Parcel 5 is located on the northeast side of US Highway 181, north side of State Highway 89, and northwest side of US Highway 77. The physical address associated with this parcel is 15166 US Highway 181, Sinton, San Patricio County, Texas 78387.

Size / Configuration / Flood Zone

The subject parcel is a 3,025.87-acre irregular shaped tract of land. According to San Patricio County Deed Records, 10.00 acres of the 3,025.87 acres are encumbered by an American Electric Power (AEP) site. For the purposes of this appraisal, the 10.00 acres are included in the analysis of Parcel 5. The property has generally level to gently sloping topography with the drainage of a tributary to Chiltipin Creek, which traverses the tract in a north/south direction. According to FEMA Flood Maps, approximately $\pm 10\%$ of the subject is located within Zone A, an area within the 100-year flood plain. The property is comprised of a combination of dryland cultivated fields, open/improved pastures, and native pastureland brush. An aggregate and sand quarry is located in the southeast portion of the tract in proximity to US Highway 77. The property appears to have a good road system and is perimeter and cross fenced with typical ranch fencing creating several grazing pastures. The fencing and roads are in good condition.

Legal Description

3,025.87 acres, more or less, being portions of Section Nos. 73, 74, 75, 76, 77, 78, 79, and 80 of the Philip G. Young Subdivision of the Eliza Welder Ranch, San Patricio County, Texas.

Frontage / Accessibility

The subject property has approximately ± 1.5 miles of frontage along the northeast side of US Highway 181, approximately $\pm 2,100$ feet of broken frontage along the north side of US Highway 89, and approximately ± 1.14 miles of frontage along the northwest side of US Highway 77. The subject tract possesses adequate frontage and access from US Highways 181, 89, and 77, which are primary traffic carriers in average/good overall condition.





Utilities

Public water and sewer services are not provided by any utility service providers and a private water well and septic system would be needed for development. Electricity is provided by San Patricio Electric Cooperative. According to local officials, these utilities are sufficient for the rural/agricultural uses in the area. In addition, local officials provide fire and police protection. Natural gas is provided by the region's typical providers. At the present time, all utilities appear to be sufficient for area development patterns.

Soils

The site's soil appears such that its load-bearing capacity does not restrict the construction of ordinary structural improvements. No evidence to the contrary was noted during our physical inspection of the site.

LEGAL

Zoning / Restrictions

The subject property is located within an unincorporated area of San Patricio County and is therefore not subject to any zoning restrictions.

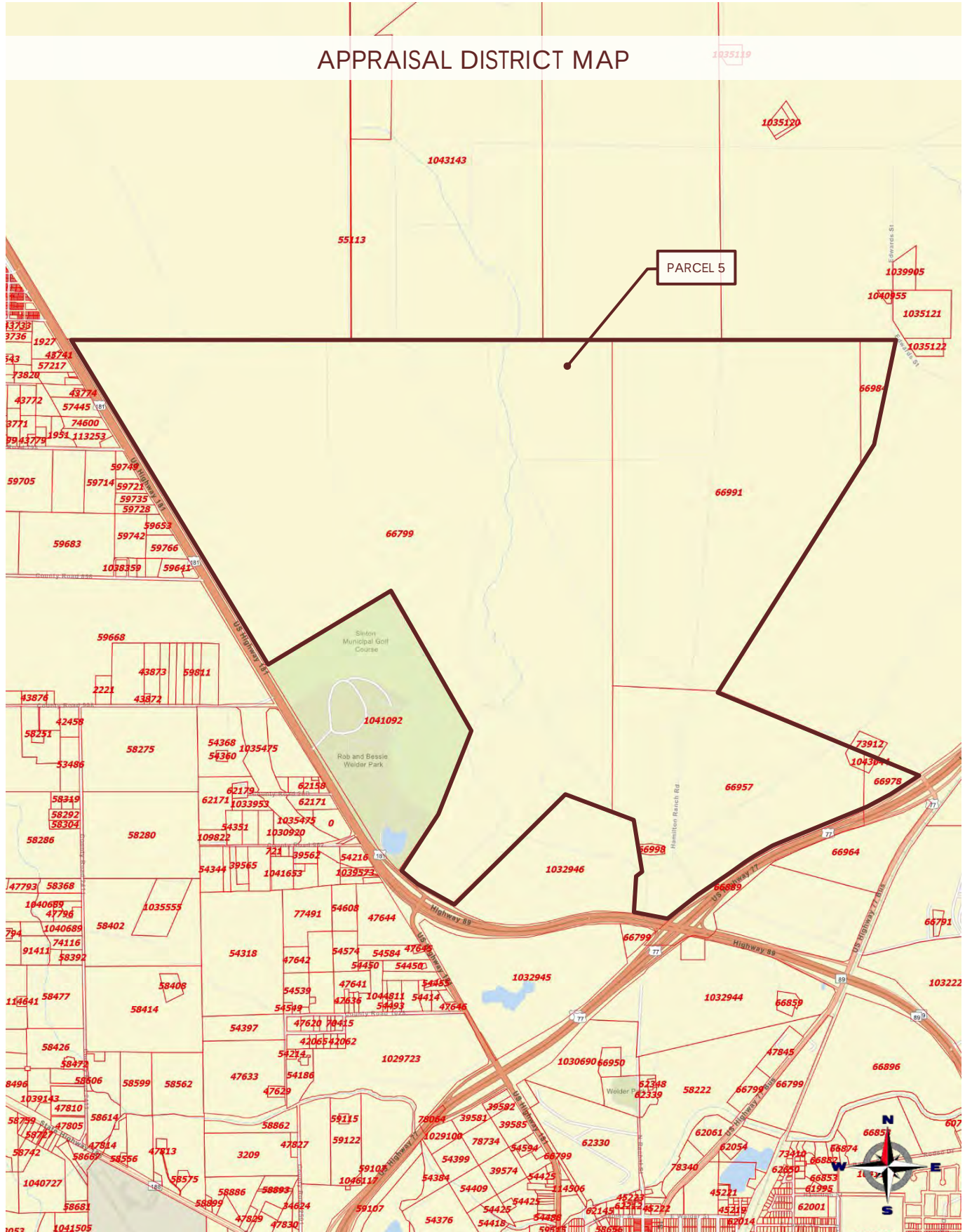
The subject is a legal, conforming use.

Easements / Encroachments

A title commitment for the subject land parcel was not furnished. A steel monopole electric line bisects the property in a northeast/southwest direction. In addition, based on information obtained from the Texas Railroad Commission and the vesting deed the subject is encumbered by multiple pipeline easements and gas/oil gathering sites throughout the property. Reader is referred to the Texas Railroad Commission map for the general location of these easements. Due to the general location of these easements, there may be additional land planning requirements in the use of the property, but overall, they are not considered detrimental toward development and/or the site's overall marketability. No other detrimental easements and/or encroachments were noted upon physical inspection of the subject tract. It should be noted, however, that if a current survey map indicates that adverse easement exists, these factors might impact the market value and/or the marketability of the subject property. Therefore, it is assumed that no easements and/or encroachments exist, which would adversely affect the marketability or desirability of the site.

CONCLUSION

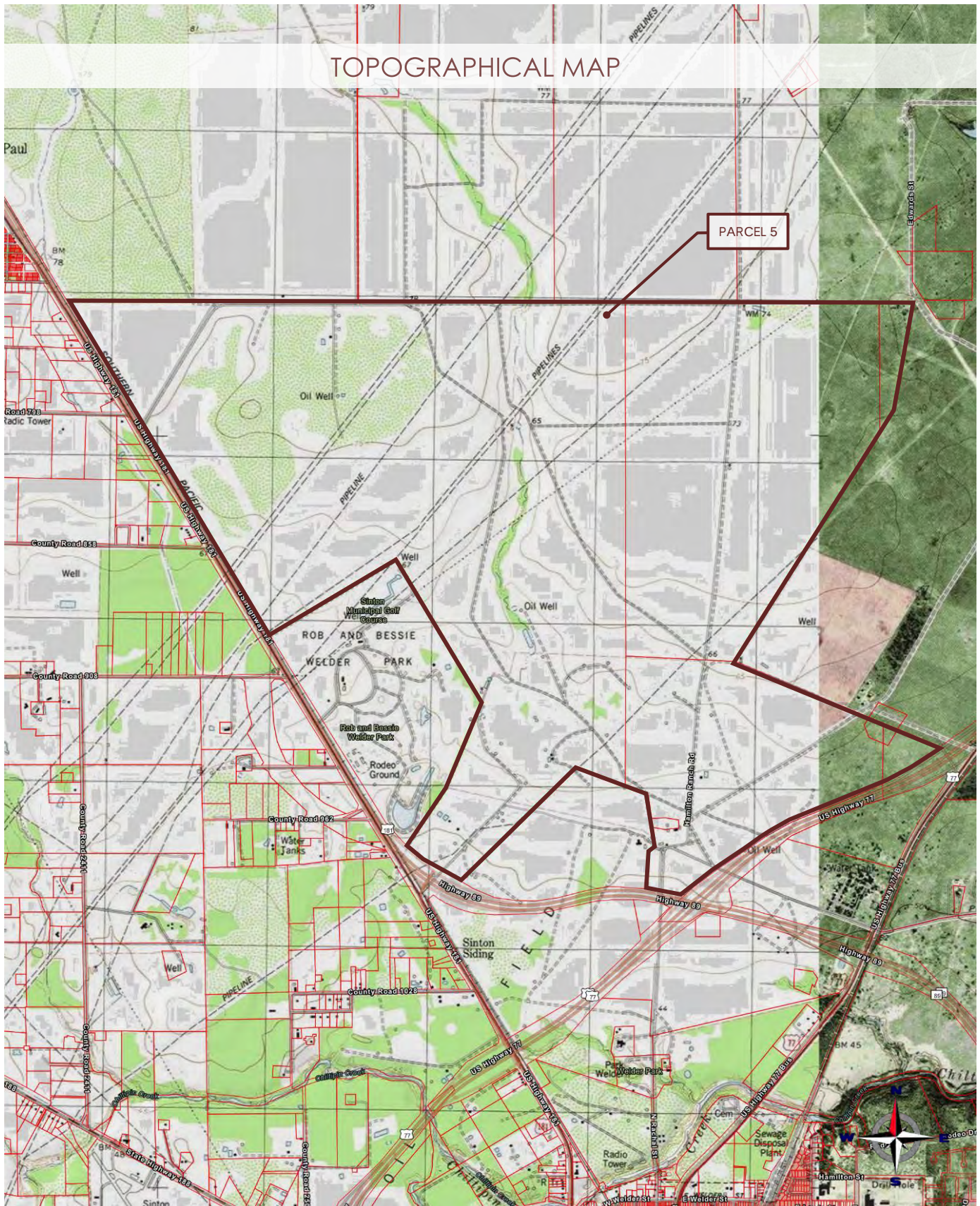
Given the physical and legal characteristics, the subject property is capable of being developed with a multitude of agricultural, recreational, and/or rural residential uses.

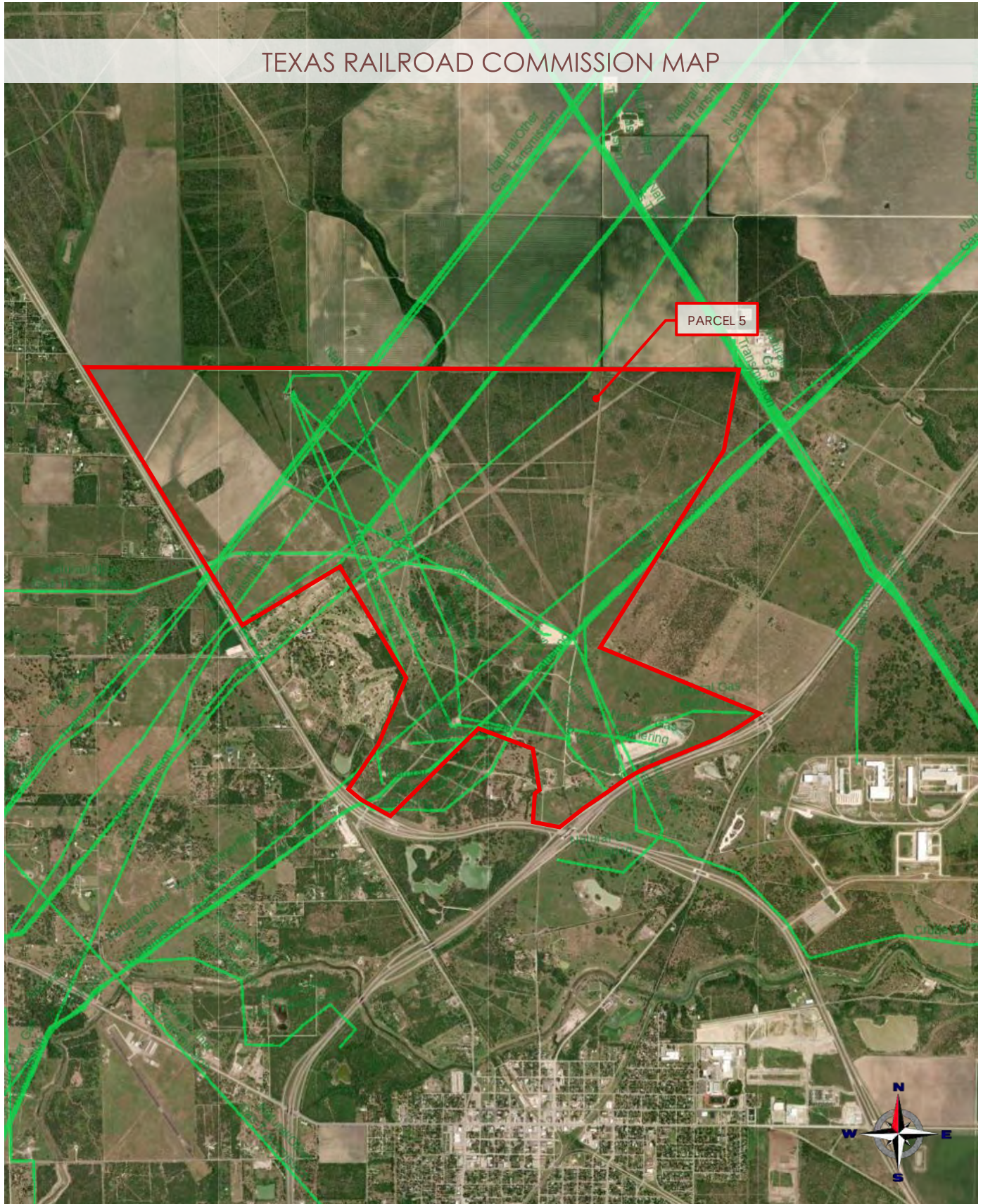






PARCEL 5







PROPERTY HISTORY – PARCEL 5

Ownership of the subject property, outside of the American Electric Power (AEP) site, is currently vested in *Diana Welder Hamilton Ranch Partnership, Ltd.* as evidenced by county records. The Texas Department of Transportation was in the process of acquiring a 15.86-acre portion of Parcel 5 for the expansion and conversion of US Highway 77 to Interstate Highway 69. Reportedly, a settlement was reached between the landowner and TxDOT in August 2025 prior to eminent domain proceedings, but the terms of the settlement were not disclosed. No other known real property transactions related to the subject have occurred in excess of three years prior to the date of the report. The subject property is not currently under contract of sale and is not currently listed. No other property history was reported. The tax records associated with the subject, outside of the American Electric Power (AEP) site, per San Patricio Appraisal District, are as follows:

Account		
Property ID:	66978	Geographic ID: 1361-0075-0000-000
Type:	R	Zoning:
Property Use:		Condo:
Location		
Situs Address:	9803 HWY 77 SINTON, TX 78387	
Map ID:	L-5-	Mapsc0:
Legal Description:	PT 75 PHILLIP S/D-WELDER 76.76 ACRES	
Abstract/Subdivision:	1361	
Neighborhood:	(SR100-AG) SINTON RURA E 77 AG BLDGS	
Owner		
Owner ID:	25475	
Name:	HAMILTON DIANA WELDER	
Agent:		
Mailing Address:	RANCH PARTNERSHIP 921 N CHAPARRAL ST #103 CORPUS CHRISTI, TX 78401-2008	
% Ownership:	100.0%	

Account		
Property ID:	66998	Geographic ID: 1361-0079-0000-000
Type:	R	Zoning:
Property Use:		Condo:
Location		
Situs Address:	9738 HAMILTON SINTON, TX 78387	
Map ID:	L-4-	Mapsc0:
Legal Description:	PT 79 PHILLIP S/D WELDER	
Abstract/Subdivision:	1361	
Neighborhood:	(S100-MH) SINGLE WIDE MH	
Owner		
Owner ID:	25475	
Name:	HAMILTON DIANA WELDER	
Agent:		
Mailing Address:	RANCH PARTNERSHIP 921 N CHAPARRAL ST #103 CORPUS CHRISTI, TX 78401-2008	
% Ownership:	100.0%	

Account		
Property ID:	66957	Geographic ID: 1361-0074-0000-001
Type:	R	Zoning:
Property Use:		Condo:
Location		
Situs Address:	HWY 77 SINTON, TX 78387	
Map ID:	M-4-	Mapsc0:
Legal Description:	ELIZA H WELDER RANCH SUBD PT SEC 74 (535.685 ACRES)	
Abstract/Subdivision:	1361	
Neighborhood:	(SR110) SINTON RURAL E 77 NEWER HOMES	
Owner		
Owner ID:	25475	
Name:	HAMILTON DIANA WELDER	
Agent:		
Mailing Address:	RANCH PARTNERSHIP 921 N CHAPARRAL ST #103 CORPUS CHRISTI, TX 78401-2008	
% Ownership:	100.0%	

Account		
Property ID:	66984	Geographic ID: 1361-0076-0000-000
Type:	R	Zoning:
Property Use:		Condo:
Location		
Situs Address:	HWY 77 SINTON, TX 78387	
Map ID:	L-4-	Mapsc0:
Legal Description:	PT 76 PHILLIP S/D-WELDER 30.53 ACRES	
Abstract/Subdivision:	1361	
Neighborhood:	(SR100-AG) SINTON RURA E 77 AG BLDGS	
Owner		
Owner ID:	25475	
Name:	HAMILTON DIANA WELDER	
Agent:		
Mailing Address:	RANCH PARTNERSHIP 921 N CHAPARRAL ST #103 CORPUS CHRISTI, TX 78401-2008	
% Ownership:	100.0%	



Account		
Property ID:	66991	Geographic ID: 1361-0077-0000-000
Type:	R	Zoning:
Property Use:		Condo:
Location		
Situs Address:	HWY 77 SINTON, TX 78387	
Map ID:	L-4-	Mapsc0:
Legal Description:	PT 77 PHILLIP S/D-WELDER 727.85 ACRES	
Abstract/Subdivision:	1361	
Neighborhood:	(SR100-AG) SINTON RURA E 77 AG BLDGS	
Owner		
Owner ID:	25475	
Name:	HAMILTON DIANA WELDER	
Agent:		
Mailing Address:	RANCH PARTNERSHIP 921 N CHAPARRAL ST #103 CORPUS CHRISTI, TX 78401-2008	
% Ownership:	100.0%	

Account		
Property ID:	66799	Geographic ID: 1361-0000-0000-011
Type:	R	Zoning:
Property Use:		Condo:
Location		
Situs Address:	15166 HWY 181 SINTON, TX 78387	
Map ID:	K-4-	Mapsc0:
Legal Description:	ELIZA H WELDER RANCH SUBD SEC 73 SEC 78 THRU 80 (1643.425 ACRES)	
Abstract/Subdivision:	1361	
Neighborhood:	(SR100-AG) SINTON RURA E 77 AG BLDGS	
Owner		
Owner ID:	25475	
Name:	HAMILTON DIANA WELDER	
Agent:		
Mailing Address:	RANCH PARTNERSHIP 921 N CHAPARRAL ST #103 CORPUS CHRISTI, TX 78401-2008	
% Ownership:	100.0%	



REAL ESTATE TAXES – PARCEL 5

The subject property is located in San Patricio County, Texas and is taxed based on values established by the county tax assessors. The tax rates are applied to the assessed value of the subject property, and the taxes for the subject property are then estimated. The taxes are estimated per \$100 of assessed value. This property is subject to taxes for San Patricio County and Sinton Independent School District.

The subject property, outside of the American Electric Power (AEP) site, displays a 2025 market assessment, including improvements, of \$8,311,055. The land is assessed at a market value of \$7,793,947 (\$2,584/AC), which is considered favorable based on the analysis herein. The property displays an agricultural use reduction of \$7,342,842, resulting in a taxable value of \$968,213. There were no reported delinquent taxes for the subject property, according to information provided by the San Patricio County Tax Assessor-Collector.

Current taxes based on the 2024 tax rates and the 2025 taxable value are calculated as follows:

PROPERTY TAX CALCULATION			
Acct #: 66978, 66957, 66998, 66984, 66991, & 66799			
Authority	Assessed Value	Rate / \$100	Tax Liability
County	\$968,213	\$0.445780	\$4,316
School	\$968,213	\$1.235200	\$11,959
			\$16,275



HIGHEST & BEST USE – PARCEL 5

HIGHEST & BEST USE - AS IF VACANT

Physically Possible

The subject parcel is comprised of an irregular parcel of land totaling 3,025.87 acres located on the northeast side of US Highway 181, north side of State Highway 89, and northwest side of US Highway 77. According to San Patricio County Deed Records, 10.00 acres of the 3,025.87 acres are encumbered by an American Electric Power (AEP) site. The property has generally level to gently sloping topography with the drainage of a tributary to Chiltipin Creek, which traverses the tract in a north/south direction. According to FEMA Flood Maps, approximately $\pm 10\%$ of the subject is located within Zone A, an area within the 100-year flood plain. The property is comprised of a combination of dryland cultivated fields, open/improved pastures, and native pastureland brush. The property has approximately ± 1.5 miles of frontage along the northeast side of US Highway 181, approximately $\pm 2,100$ feet of broken frontage along the north side of US Highway 89, and approximately ± 1.14 miles of frontage along the northwest side of US Highway 77. It possesses adequate frontage and access. Public water and sewer services are not provided by any utility service providers and public water, and wastewater systems would be needed for dense development. The site is primarily surrounded by agricultural, recreational, and rural residential uses. Access to the subject's neighborhood is considered good due to its location along a primary traffic carrier.

Based on the subject's physical characteristics and the principle of conformity, the site would most likely be utilized for agricultural, recreational, and/or rural residential use.

Legally Permissible

As mentioned previously, the subject is located in an unincorporated area of San Patricio County and is not subject to any zoning restrictions. No private deed restrictions were uncovered during a normal investigation, which would further limit the potential uses of the subject tract. Nonetheless, a title policy is strongly suggested in order to guarantee the absence of adverse restrictions. No other legal restrictions or covenants were found to be imposed on the subject property at the time of the appraisal, which would further restrict its development. The site's legally permissible use, as if vacant, supports the physical indication that the subject's most probable use would be utilized for agricultural, recreational, and/or rural residential use.





Financially Feasible & Maximally Productive

The prior consideration of physically possible uses and legally permissible does not significantly narrow the use of the subject property. The subject property has been used for and is currently surrounded by rural residential, recreational, and agricultural uses. Based on market data presented in this report, it appears that agricultural, recreational, and/or rural residential use is likely feasible. Income from agricultural operations, recreational and rural home sites is not sufficient to pay and adequate return on the value of the property. Rural properties in San Patricio County are owned for agricultural and recreational benefits, rural residences, and investment hold.

After considering legal, physical, and financial alternatives, it is our opinion that the highest and best use of the subject parcel, as if vacant, is for investment hold with agricultural, recreational, and/or rural residential uses in the interim.



LAND VALUATION – PARCEL 5

LAND SALES SUMMARY

The same comparables were utilized in the analysis of Parcel 5. Details on these comparables can be found on pages 42 through 47.

Property Rights

The adjustment for property rights conveyed recognizes that differences in legal interest or estate between the subject and the comparable properties may occur. In this analysis, the sales conveyed surface estate and therefore, no adjustments are indicated.

Financing Terms

The adjustment for cash equivalency takes into account the fact that the transaction price of the comparable property may not be equal to its cash equivalent price. All the sales utilized in this analysis were cash to seller transactions or transactions involving market financing, and no adjustment for cash equivalency is *necessary*.

Conditions of Sale

Adjustments for conditions of sale are intended to recognize motivations of the buyer and the seller that are unique to ordinary market conditions. With respect to this factor, Comparable 1 is an active listing and warrants a downward adjustment to account for negotiation of the asking price. The remaining comparable market data utilized herein were arm's length transactions. Thus, no adjustments are warranted.

Market Conditions

The transactions occurred between July 2023 and August 2025, with Comparable 1 being an active listing. As previously discussed, the effective date of value is September 19, 2025. Based on the *Texas Real Estate Center* rural land price trends presented in the Market Analysis section, the market has experienced gradual price appreciation over the past several years. Based on the data presented, an upward adjustment of 5.0% per year has been applied to reflect improving market conditions.



Location

Differences in value occur due to varying degrees of accessibility, exposure, and surrounding development to a site. Access is often determined by corner locations, natural barriers, ease of entrance on and off of major thoroughfares, etc. Surrounding development also plays an important part of locational influences for a property. The subject Parcel 5 is located on the northeast side of US Highway 181, north side of State Highway 89, and northwest side of US Highway 77. It has approximately ± 1.5 miles of frontage along the northeast side of US Highway 181, approximately $\pm 2,100$ feet of broken frontage along the north side of US Highway 89, and approximately ± 1.14 miles of frontage along the northwest side of US Highway 77, primary traffic carriers. With respect to this factor, all of the comparables, except Comparable 3, indicate upward adjustments for their locations in inferior market areas and/or accessibility when compared to the subject. A larger adjustment is made to Comparable 2 for its inferior access via a private railroad crossing and to Comparable 4 for its inferior remote location in Jim Wells County relative to the subject. Comparable 3 has a similar location to the subject property and is not adjusted.

Size

Size is a factor that must be considered when comparing vacant land sales. Typically, but not always, larger tracts sell for a lower unit value. Therefore, when making comparisons on a per unit basis, such as price per unit, the larger tracts tend to be adjusted upward, and the smaller tracts tend to be adjusted downward to accurately reflect the differences. With respect to this factor, materially larger tracts of land were adjusted upward accordingly, and materially smaller tracts of land were adjusted downward accordingly.

Physical Features

The overall site characteristics of each sale have been compared to the subject site. These include traits such as drainage, site preparation expense, topography, and configuration. Configuration, if irregular, may limit development. . The subject is an irregular shaped tract of land with approximately 10% located within the Zone A, the 100-year flood plain. With respect to this factor, Comparables 1 and 3 are considered to have similar physical features when compared to the subject and are not adjusted. Comparables 2 and 4 indicate upward adjustments as more of these properties are encumbered by a flood plain. Comparable 5 is adjusted upward for its inferior flag shape relative to the subject. Comparable 6 is adjusted downward for its superior rectangular shape and the fact that none of the property is located in a designated flood plain.



Water Features

The availability of live water has a significant impact on working and recreational ranches in South Texas since the non-availability of such features could restrict the overall potential use and marketability of the property. Therefore, when analyzing vacant land, it is important to determine whether or water features such as lakes, livestock tanks, water wells, rivers and creeks are available. If they are not available, the appraiser must examine to what extreme a potential investor/end user would have to go in gaining access to such features. The subject has no significant water feature. With respect to this factor, Comparables 2 and 3 are adjusted downward for their superior water features having frontage along creeks that have year-round pools of water.

Easements/Encumbrances

Easements and encumbrances which impact the utility, convenience of access, or aesthetics of a ranch property are typically given consideration by market participants depending on the severity of the encumbrance. Based on information obtained from the Texas Railroad Commission and the vesting deed, the subject is encumbered by multiple pipeline easements. With respect to this factor, Comparable 3 is bisected by only one pipeline easement and Comparable 5 has no encumbrances, thus these sales are adjusted downward. The other comparables have similar easements/encumbrances as the subject; thus, no adjustments are indicated. Generally, easements extending along property boundaries and/or natural topographical features are typical and not considered very impactful to a property's value. With respect to this factor, no adjustments are indicated.



CONCLUSION – PARCEL 5

In this analysis of the subject property, similar weight was given to all of the comparables. The following criteria and subsequent adjustment grid have been implemented in order to reconcile the quality and quantity of the data available and analyzed within this approach to value.

SUBJECT		1	2	3	4	5	6
Date	Current	Listing	Aug-25	Jul-25	Feb-25	Mar-24	Jul-23
Sale Price		\$27,000,000	\$1,995,761	\$6,922,700	\$7,100,000	\$7,095,147	\$5,292,898
SIZE - A C	3,025.87	6,041.00	433.86	1,359.54	1,775.80	1,712.54	1,167.77
Unit Price (\$ / Acre)		\$4,469	\$4,600	\$5,092	\$3,998	\$4,143	\$4,532
TRANSACTION ADJUSTMENTS							
Property Rights	Surface Estate	Similar 0% \$4,469	Similar 0% \$4,600	Similar 0% \$5,092	Similar 0% \$3,998	Similar 0% \$4,143	Similar 0% \$4,532
Financing Terms	Cash	Similar 0% \$4,469	Similar 0% \$4,600	Similar 0% \$5,092	Similar 0% \$3,998	Similar 0% \$4,143	Similar 0% \$4,532
Conditions of Sale	Arm's Length	Listing -2% \$4,380	Similar 0% \$4,600	Similar 0% \$5,092	Similar 0% \$3,998	Similar 0% \$4,143	Similar 0% \$4,532
Market Conditions	Current	Listing 0% \$4,380	Aug-25 0% \$4,600	Jul-25 1% \$5,143	Feb-25 3% \$4,118	Mar-24 8% \$4,474	Jul-23 11% \$5,031
PROPERTY ADJUSTMENTS							
Location	Average	Inferior 10%	Inferior 20%	Similar 0%	Inferior 20%	Inferior 10%	Inferior 10%
Size - Acre	3,025.87	6,041.00 5%	433.86 -10%	1,359.54 -5%	1,775.80 -5%	1,712.54 -5%	1,167.77 -10%
Physical Features	Irregular / 10% Flood Plain	Similar 0%	Inferior 10%	Similar 0%	Inferior 10%	Inferior 5%	Superior -5%
Water Features	Typical	Similar 0%	Superior -5%	Superior -5%	Similar 0%	Similar 0%	Similar 0%
Easements / Encumbrances	Pipelines	Similar 0%	Similar 0%	Superior -5%	Similar 0%	Superior -5%	Similar 0%
Total Adjustment		15%	15%	-15%	25%	5%	-5%
Adjusted \$ / Acre		\$5,037	\$5,290	\$4,371	\$5,148	\$4,698	\$4,780
Adjusted Mean \$ / Acre							\$4,887
Given the subject's location along multiple thoroughfares, a value slightly above the mean is considered reasonable and utilized herein.						Concluded Unit Value	\$5,000
Land Size (AC)						SIZE - AC	3,025.87
Value Indication							\$15,129,350
Concluded Value - "As If Vacant"							\$15,150,000



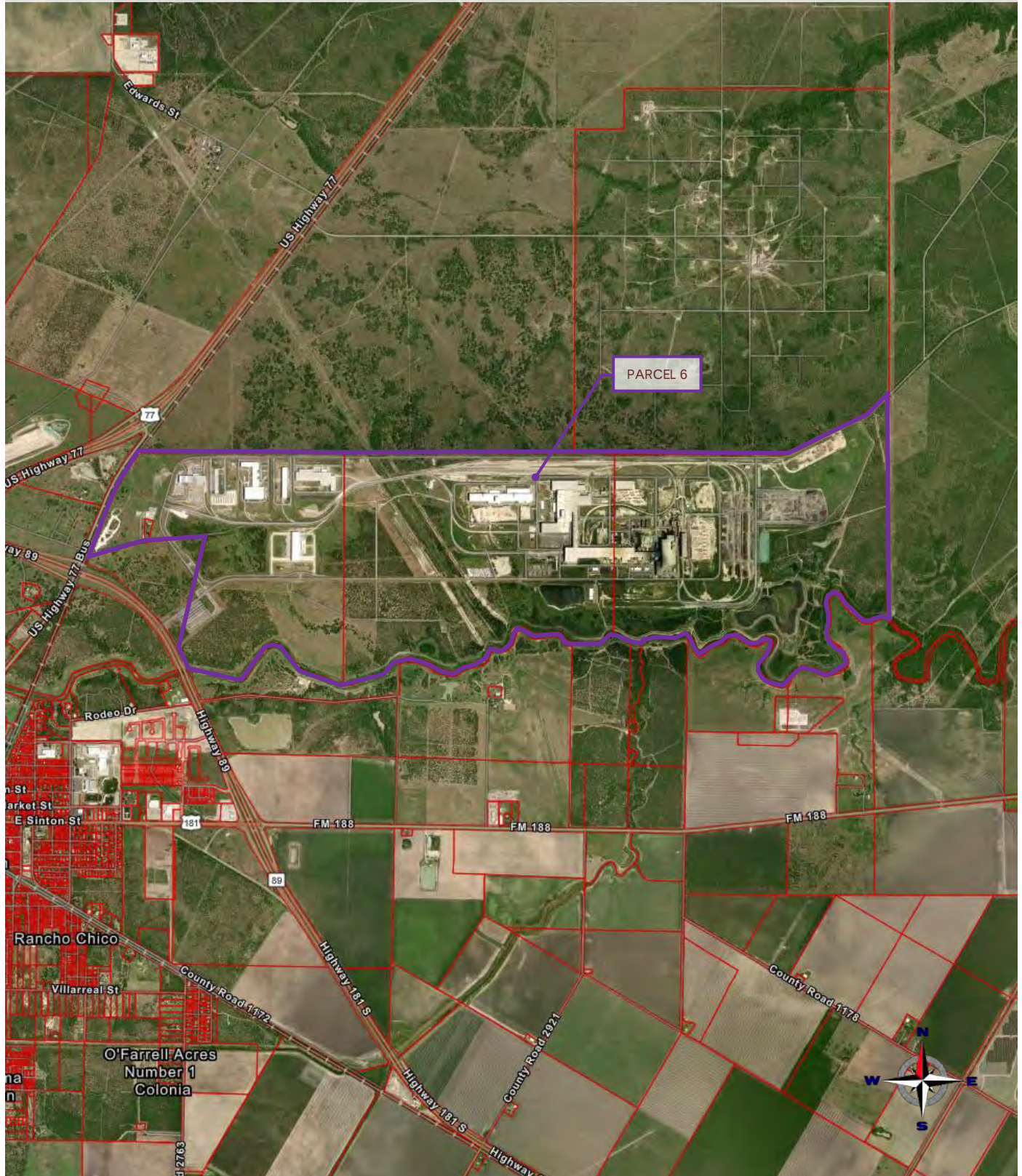


SUBJECT PHOTOS – PARCEL 6





AERIAL PHOTOGRAPH





SITE DESCRIPTION – PARCEL 6

Parcel 6 is improved with the Steel Dynamics Sinton facility. As previously discussed, the client requested that the subject parcels be valued “as if vacant” land only; thus, the Hypothetical Condition is made that no improvements are present as of the effective date of value.

PHYSICAL

Location

Parcel 6 wraps the northeast corner of State Highway 89 and an active Missouri Pacific Railroad right-of-way. The physical address associated with this parcel is 8534 State Highway 89, Sinton, San Patricio County, Texas 78387.

Size / Configuration / Flood Zone

The subject parcel is a 2,389.88-acre irregular shaped tract of land. The property has generally level to gently sloping topography with the drainage of Chiltipin Creek, which meanders along the south boundary. It has steep slopes along the creek. According to FEMA Flood Maps, approximately $\pm 50\%$ of the subject is located within Zone A, an area within the 100-year flood plain. The property is comprised of a combination of open/improved pastures with some regrowth brush, and native pastureland brush. It should be noted that the property has approximately ± 4.8 miles of linear feet in the centerline of Chiltipin Creek. The property has a good road system and is perimeter and cross fenced with typical ranch fencing. The fencing and roads are in good condition.

Legal Description

2,389.88-acre parcel comprised of a portion of Fractional Sections 1, 2, and 4, all of Fractional Sections 21 and 22, and part of Sections 20 and 23 of the Eliza H. Welder Ranch Subdivision, San Patricio County, Texas

Frontage / Accessibility

The most recent deed information indicates that the subject property has 624.01 feet of frontage along the northeast side of State Highway 89. A Missouri Pacific Railroad right-of-way improved with an active rail line extends along the northwest property line for approximately 2,974 feet, which affords the property with rail service. The subject tract possesses adequate frontage and access from State Highway 89, which is a primary traffic carrier in average/good overall condition.





Utilities

According to a representative with the City of Sinton, the city provides both public water and sewer services to the property. Electricity is provided by San Patricio Electric Cooperative. Electricity is provided by San Patricio Electric Cooperative. According to local officials, these utilities are sufficient for the current use of the property and other developments in the area. In addition, local officials provide fire and police protection. Natural gas is provided by the region's typical providers. At the present time, all utilities appear to be sufficient for area development patterns.

Soils

The site's soil appears such that its load-bearing capacity does not restrict the construction of ordinary structural improvements. No evidence to the contrary was noted during our physical inspection of the site.

LEGAL

Zoning / Restrictions

The subject property is located within an unincorporated area of San Patricio County and is therefore not subject to any zoning restrictions.

The subject is a legal, conforming use.

Easements / Encroachments

A title commitment for the subject land parcel was not furnished. According to the Texas Railroad Commission and the vesting deed, the subject is encumbered by pipeline easements bisecting the property in a northwest/southeast direction and crossing through the southwest quadrant of the tract in an east/west direction. Reader is referred to the Texas Railroad Commission map for the general location of these easements. Due to the general location of these easements, they are not considered detrimental toward development and/or the site's overall marketability. No other detrimental easements and/or encroachments were noted upon physical inspection of the subject tract. It should be noted, however, that if a current survey map indicates that adverse easement exists, these factors might impact the market value and/or the marketability of the subject property. Therefore, it is assumed that no easements and/or encroachments exist, which would adversely affect the marketability or desirability of the site.

CONCLUSION

Given the physical and legal characteristics, the subject property, as if vacant, is capable of being developed with a multitude uses.



APPRaisal DISTRICT MAP

PARCEL 6

South Fork Moody Creek

Olive Drainage Ditch

US Highway 77

FM 188

FM 193

FM 185

FM 181

FM 180

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FM 176

FM 175

FM 174

FM 173

FM 172

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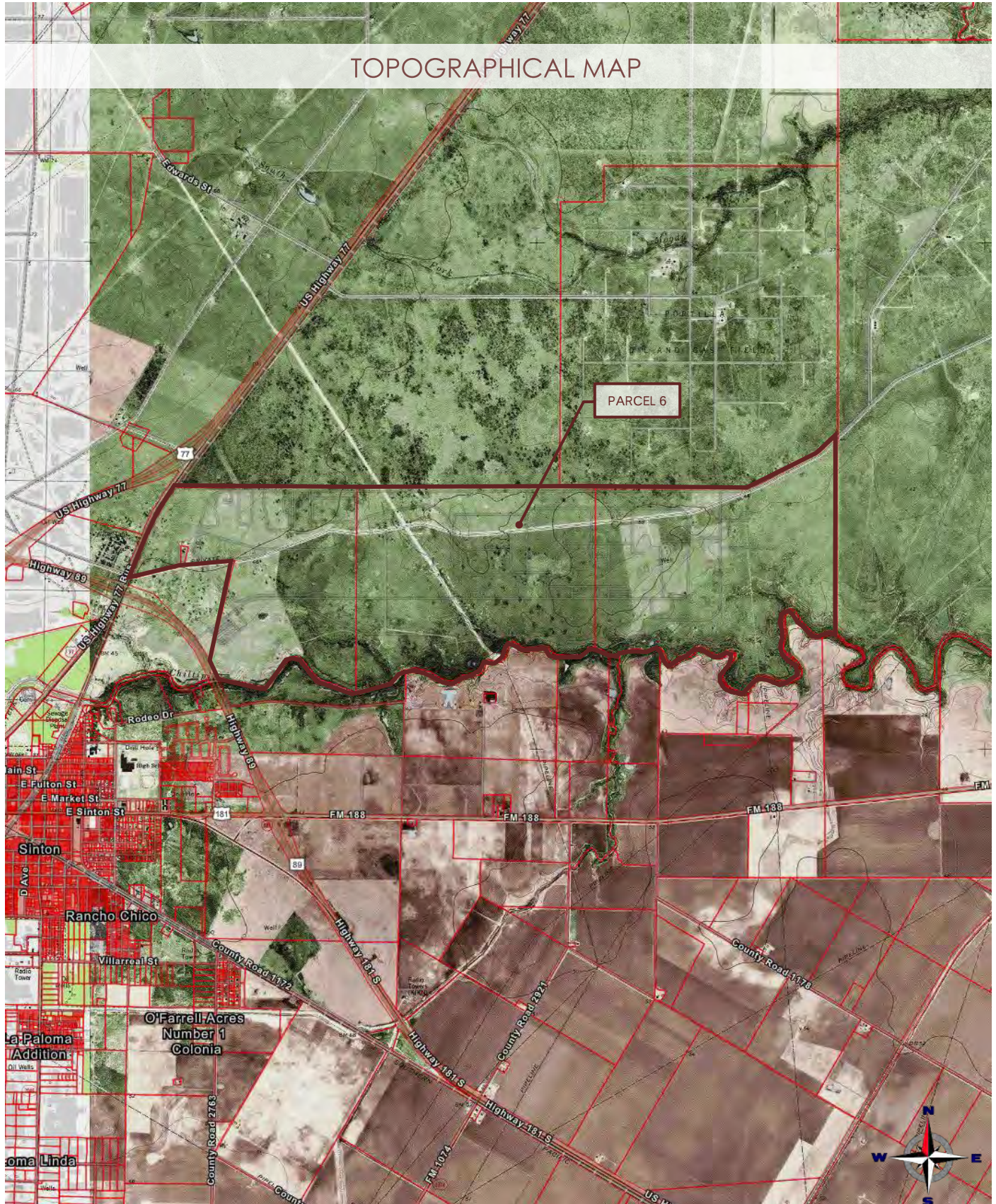
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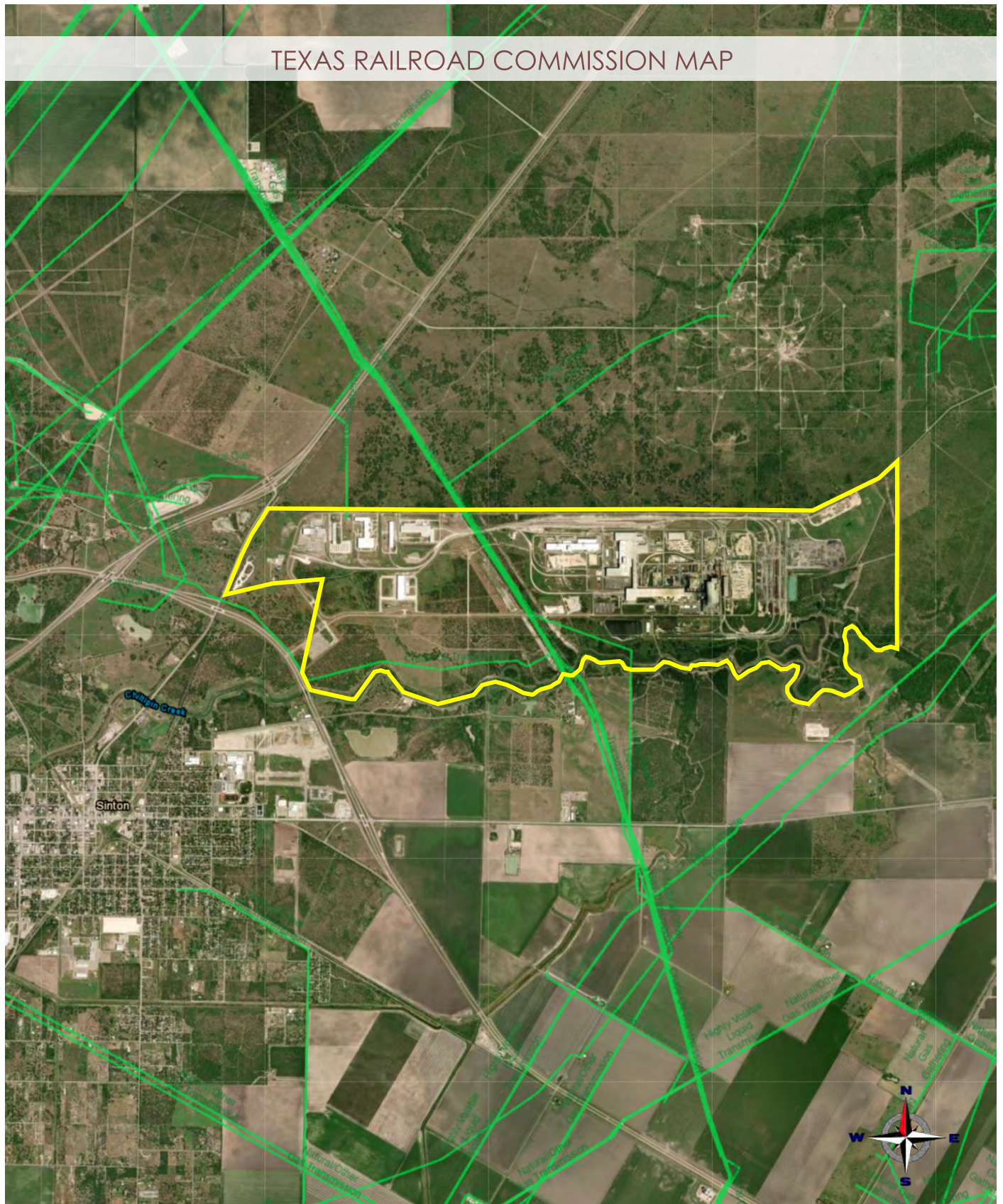
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PROPERTY HISTORY – PARCEL 6

Ownership of the subject property is currently vested in *Steel Dynamics Southwest, LLC*, as evidenced by county records. No known real property transactions related to the subject have occurred in excess of three years prior to the date of the report. The subject property is not currently under contract of sale and is not currently listed. No other property history was reported. The tax records associated with the subject per San Patricio Appraisal District, are as follows:

Account		
Property ID:	66791	Geographic ID: 1361-0000-0000-010
Type:	R	Zoning:
Property Use:		Condo:
Location		
Situs Address:	HWY 77 SINTON, TX 78387	
Map ID:	M-4-	Mapsc0:
Legal Description:	ELIZA H WELDER RANCH SUBD, PT SEC 1, 2, 4, 5 (2 ACRES)	
Abstract/Subdivision:	1361	
Neighborhood:	(SR100) SINTON RURAL E 77 OLDER HOMES	
Owner		
Owner ID:	92163	
Name:	STEEL DYNAMICS SOUTHWEST LLC	
Agent:	78140	
Mailing Address:	ATTN: BRIAN PRATHER, CONTROLLER 8534 HWY 89 SINTON, TX 78387-2147	
% Ownership:	100.0%	

Account		
Property ID:	109823	Geographic ID: 1361-0004-0000-000
Type:	R	Zoning:
Property Use:		Condo:
Location		
Situs Address:	8534 TX 89 SINTON, TX 78387	
Map ID:	M-4-	Mapsc0:
Legal Description:	ELIZA H WELDER RANCH SUBD, PT SEC 4, 5, 20, 21 (873.86 ACRES)	
Abstract/Subdivision:	1361	
Neighborhood:		
Owner		
Owner ID:	92163	
Name:	STEEL DYNAMICS SOUTHWEST LLC	
Agent:	78140	
Mailing Address:	ATTN: BRIAN PRATHER, CONTROLLER 8534 HWY 89 SINTON, TX 78387-2147	
% Ownership:	100.0%	

Account		
Property ID:	1038272	Geographic ID: 1361-0001-0000-012
Type:	R	Zoning:
Property Use:		Condo:
Location		
Situs Address:	8534 TX 89 SINTON, TX 78387	
Map ID:	M-4-	Mapsc0:
Legal Description:	ELIZA H WELDER RANCH SUBD SEC 1, 2, 4, 5 (640.163 ACRES)	
Abstract/Subdivision:	1361	
Neighborhood:		
Owner		
Owner ID:	92163	
Name:	STEEL DYNAMICS SOUTHWEST LLC	
Agent:	78140	
Mailing Address:	ATTN: BRIAN PRATHER, CONTROLLER 8534 HWY 89 SINTON, TX 78387-2147	
% Ownership:	100.0%	

Account		
Property ID:	109825	Geographic ID: 1361-0020-0000-000
Type:	R	Zoning:
Property Use:		Condo:
Location		
Situs Address:	8934 TX 89 SINTON, TX 78387	
Map ID:	M-4-	Mapsc0:
Legal Description:	ELIZA H WELDER RANCH SUBD, PT SEC 20 THRU 23 (873.86 ACRES)	
Abstract/Subdivision:	1361	
Neighborhood:		
Owner		
Owner ID:	92163	
Name:	STEEL DYNAMICS SOUTHWEST LLC	
Agent:	78140	
Mailing Address:	ATTN: BRIAN PRATHER, CONTROLLER 8534 HWY 89 SINTON, TX 78387-2147	
% Ownership:	100.0%	



REAL ESTATE TAXES – PARCEL 6

The subject property is located in San Patricio County, Texas and is taxed based on values established by the county tax assessors. The tax rates are applied to the assessed value of the subject property, and the taxes for the subject property are then estimated. The taxes are estimated per \$100 of assessed value. This property is subject to taxes for San Patricio County and Sinton Independent School District.

The subject property displays a 2025 market assessment including improvements, of \$8,725,500. The land is assessed at a market value of \$8,376,751 (\$3,505/AC), which is considered favorable based on the analysis herein. The property displays an agricultural use reduction of \$2,362,665, resulting in a taxable value of \$6,362,835. There were no reported delinquent taxes for the subject property, according to information provided by the San Patricio County Tax Assessor-Collector.

Current taxes based on the 2024 tax rates and the 2025 taxable value without taking into consideration any applicable exemptions are calculated as follows:

PROPERTY TAX CALCULATION			
Acct #: 66791, 1038272, 109823, & 109825			
Authority	Assessed Value	Rate / \$100	Tax Liability
County	\$6,362,835	\$0.445780	\$28,364
School	\$6,362,835	\$1.235200	\$78,594
			\$106,958



HIGHEST & BEST USE – PARCEL 6

HIGHEST & BEST USE - AS IF VACANT

Physically Possible

The subject parcel consists of a 2,389.88-acre tract of land wrapping the northeast corner of State Highway 89 and an active Missouri Pacific Railroad right-of-way. The property has generally level to gently sloping topography with the drainage of Chiltipin Creek, which meanders along the south boundary. It has steep slopes along the creek. According to FEMA Flood Maps, approximately $\pm 50\%$ of the subject is located within Zone A, an area within the 100-year flood plain. The property is comprised of a combination of open/improved pastures with some regrowth brush, and native pastureland brush. It should be noted that the property has approximately ± 4.8 miles of linear feet in the centerline of Chiltipin Creek. The property has 624.01 feet of frontage along the northeast side of State Highway 89. A Missouri Pacific Railroad right-of-way improved with an active rail line extends along the northwest property line for approximately $\pm 2,974$ feet, which affords the property with rail service. It possesses adequate frontage and access. Public water and sewer services are not provided by any utility service providers and a private water well and septic system would be needed for development. The site is primarily surrounded by agricultural, recreational, and rural residential uses. Access to the subject's neighborhood is considered good due to its location along a primary traffic carrier.

Based on the subject's physical characteristics and the principle of conformity, the site would most likely be utilized for agricultural, recreational, and/or rural residential use; however, given the rail service the subject tract could also lend itself to industrial use.

Legally Permissible

As mentioned previously, the subject is located in an unincorporated area of San Patricio County and is not subject to any zoning restrictions. No private deed restrictions were uncovered during a normal investigation, which would further limit the potential uses of the subject tract. Nonetheless, a title policy is strongly suggested in order to guarantee the absence of adverse restrictions. No other legal restrictions or covenants were found to be imposed on the subject property at the time of the appraisal, which would further restrict its development. The site's legally permissible use, as if vacant, supports the physical indication that the subject's most probable use would be utilized for industrial use, with agricultural and recreational use in the interim.





Financially Feasible & Maximally Productive

The prior consideration of physically possible uses and legally permissible does not significantly narrow the use of the subject property. The subject property has been used for and is currently surrounded by rural residential, recreational, and agricultural uses. Based on market data presented in this report, it appears that agricultural, recreational, and/or rural residential use is feasible; however, given the rail service the subject tract is more suitable for some type of industrial use. Rural properties in San Patricio County are owned for agricultural and recreational benefits, rural residences, and long-term investments with hope of future capital enhancement.

After considering legal, physical, and financial alternatives, it is our opinion that the highest and best use of the subject parcel, as if vacant, is investment hold with agricultural, recreational, and/or rural residential use in the interim; however, given the availability of public utilities and the accessibility of rail the property lends itself to some type of industrial use.



LAND VALUATION – PARCEL 6

LAND SALES SUMMARY

The same comparables were utilized in the analysis of Parcel 6. Details on these comparables can be found on pages 42 through 47.

Property Rights

The adjustment for property rights conveyed recognizes that differences in legal interest or estate between the subject and the comparable properties may occur. In this analysis, the sales conveyed surface estate and therefore, no adjustments are indicated.

Financing Terms

The adjustment for cash equivalency takes into account the fact that the transaction price of the comparable property may not be equal to its cash equivalent price. All the sales utilized in this analysis were cash to seller transactions or transactions involving market financing, and no adjustment for cash equivalency is necessary.

Conditions of Sale

Adjustments for conditions of sale are intended to recognize motivations of the buyer and the seller that are unique to ordinary market conditions. With respect to this factor, Comparable 1 is an active listing and warrants a downward adjustment to account for negotiation of the asking price. The remaining comparable market data utilized herein were arm's length transactions. Thus, no adjustments are warranted.

Market Conditions

The transactions occurred between July 2023 and August 2025, with Comparable 1 being an active listing. As previously discussed, the effective date of value is September 19, 2025. Based on the *Texas Real Estate Center* rural land price trends presented in the Market Analysis section, the market has experienced gradual price appreciation over the past several years. Based on the data presented, an upward adjustment of 5.0% per year has been applied to reflect improving market conditions



Location

Differences in value occur due to varying degrees of accessibility, exposure, and surrounding development to a site. Access is often determined by corner locations, natural barriers, ease of entrance on and off of major thoroughfares, etc. Surrounding development also plays an important part of locational influences for a property. The subject Parcel 6 wraps the northeast corner of State Highway 89 and an active Missouri Pacific Railroad right-of-way. It has 624.01 feet of frontage along the northeast side of State Highway 89, a primary traffic carrier. With respect to this factor, all of the comparables, except Comparable 3, indicate upward adjustments for their locations in inferior market areas and/or accessibility when compared to the subject. A larger adjustment is made to Comparable 2 for its inferior access via a private railroad crossing and to Comparable 4 for its inferior remote location in Jim Wells County relative to the subject. Comparable 3 has a similar location to the subject property and is not adjusted.

Size

Size is a factor that must be considered when comparing vacant land sales. Typically, but not always, larger tracts sell for a lower unit value. Therefore, when making comparisons on a per unit basis, such as price per unit, the larger tracts tend to be adjusted upward, and the smaller tracts tend to be adjusted downward to accurately reflect the differences. With respect to this factor, materially larger tracts of land were adjusted upward accordingly, and materially smaller tracts of land were adjusted downward accordingly.

Physical Features

The overall site characteristics of each sale have been compared to the subject site. These include traits such as drainage, site preparation expense, topography, and configuration. The subject property is an irregular shaped tract of land with approximately $\pm 50\%$ of the property located within Zone A, an area within the 100-year flood plain. Configuration, if irregular, may limit development. With respect to this factor, all of the comparables indicate a downward adjustment as they either have less or none of the property located in a designated flood plain. The adjustment to Comparables 4 and 6 is partially offset by their superior rectangular shapes and to Comparable 5 by its inferior flag shape relative to the subject.

Rail Service

As previously discussed, a rail spur extends from the main rail line and into the subject tract in an east direction affording the property rail service. No sales of rail served properties were found in the subject market area; thus, a paired sale analysis was performed in order to estimate an adjustment, if any, for the tract having rail service. The pairing of two sets of sales, each with and without rail service capability, suggest that industrial sites with access to rail service sale for an 8% to 10% premium. A reconciled upward adjustment of 10% is applied to the sales to recognize the fact that the subject property has access to an active rail spur.



Water Features

The availability of live water has a significant impact on working and recreational ranches in South Texas since the non-availability of such features could restrict the overall potential use and marketability of the property. Therefore, when analyzing vacant land, it is important to determine whether or water features such as lakes, livestock tanks, water wells, rivers and creeks are available. If they are not available, the appraiser must examine to what extreme a potential investor/end user would have to go in gaining access to such features. The subject features approximately ± 4.8 linear miles of frontage along Chiltipin Creek. With respect to this factor, Comparables 1, 4, 5, and 6 indicate upward adjustments for not displaying any water features.

Easements/Encumbrances

Easements and encumbrances which impact the utility, convenience of access, or aesthetics of a ranch property are typically given consideration by market participants depending on the severity of the encumbrance. Based on information obtained from the Texas Railroad Commission and the vesting deed, the subject is encumbered by two pipeline easements. With respect to this factor, Comparables 1, 2, 4, and 6 are adjusted upward for the fact that they are crossed by several pipeline easements and encumbered by oil/gas well productions sites.

Utilities

The availability of public utilities such as water, electric power and sanitary sewer service have an impact on property values since the non-availability of such utilities could restrict the overall development and/or potential use of an individual site. Therefore, when analyzing vacant land, it is important to determine whether or not public utilities are available. If they are not available, the appraiser must examine to what extreme a potential developer would have to go in gaining access to such services. According to a representative with the City of Sinton, the city provides both public water and sewer services to the property. The comparables are adjusted upward for the lack of access to these utilities.



CONCLUSION – PARCEL 6

In this analysis of the subject property, similar weight was given to all of the comparables. The following criteria and subsequent adjustment grid have been implemented in order to reconcile the quality and quantity of the data available and analyzed within this approach to value.

SUBJECT		1	2	3	4	5	6
Date	Current	Listing	Aug-25	Jul-25	Feb-25	Mar-24	Jul-23
Sale Price		\$27,000,000	\$1,995,761	\$6,922,700	\$7,100,000	\$7,095,147	\$5,292,898
SIZE - AC	2,389.88	6,041.00	433.86	1,359.54	1,775.80	1,712.54	1,167.77
Unit Price (\$ / Acre)		\$4,469	\$4,600	\$5,092	\$3,998	\$4,143	\$4,532
TRANSACTION ADJUSTMENTS							
Property Rights	Surface Estate	Similar 0% \$4,469	Similar 0% \$4,600	Similar 0% \$5,092	Similar 0% \$3,998	Similar 0% \$4,143	Similar 0% \$4,532
Financing Terms	Cash	Similar 0% \$4,469	Similar 0% \$4,600	Similar 0% \$5,092	Similar 0% \$3,998	Similar 0% \$4,143	Similar 0% \$4,532
Conditions of Sale	Arm's Length	Listing -2% \$4,380	Similar 0% \$4,600	Similar 0% \$5,092	Similar 0% \$3,998	Similar 0% \$4,143	Similar 0% \$4,532
Market Conditions	Current	Listing 0% \$4,380	Aug-25 0% \$4,600	Jul-25 1% \$5,143	Feb-25 3% \$4,118	Mar-24 8% \$4,474	Jul-23 11% \$5,031
PROPERTY ADJUSTMENTS							
Location	Average	Inferior 10%	Inferior 20%	Similar 0%	Inferior 20%	Inferior 10%	Inferior 10%
Size - Acre	2,389.88	6,041.00 5%	433.86 -10%	1,359.54 -5%	1,775.80 0%	1,712.54 0%	1,167.77 -5%
Physical Features	Irregular / +/- 50% Flood Plain	Superior -10%	Superior -5%	Superior -10%	Superior -5%	Superior -5%	Superior -10%
Rail Access	Yes	Inferior 10%	Inferior 10%	Inferior 10%	Inferior 10%	Inferior 10%	Inferior 10%
Water Features	Chilipin Creek	Inferior 5%	Similar 0%	Similar 0%	Inferior 5%	Inferior 5%	Inferior 5%
Easements / Encumbrances	Pipelines	Inferior 5%	Inferior 5%	Similar 0%	Inferior 5%	Similar 0%	Inferior 5%
Utilities	All Available	Inferior 10%	Inferior 10%	Inferior 10%	Inferior 10%	Inferior 10%	Inferior 10%
Total Adjustment		35%	30%	5%	45%	30%	25%
Adjusted \$ / Acre		\$5,913	\$5,980	\$5,400	\$5,971	\$5,817	\$6,289
Adjusted Mean \$ / Acre							\$5,895
Given the fact that the subject tract has rail access and the availability of all public utilities, a value slightly above the mean is considered reasonable and utilized herein.						Concluded Unit Value	\$6,000
Land Size (AC)						SIZE - AC	2,389.88
Value Indication							\$14,339,280
Concluded Value - "As If Vacant"							\$14,350,000





RECONCILIATION – INDIVIDUAL VALUES

In the preceding sections of this report, an indication of value based upon the Sales Comparison Approach has been developed by processing data considered applicable and significant with respect to the subject parcels. This appraisal, subject to the assumptions and limiting conditions expressed herein and conducted according to the Uniform Standards of Professional Appraisal Practice, led us to the opinion that the subject parcels have market values of:

INDIVIDUAL VALUES "AS IF VACANT"				
Parcel	Size (AC)	Interest	Date	Value
1	4,404.85	Surface Estate	September 19, 2025	\$22,500,000
2	1,454.65	Surface Estate	September 19, 2025	\$7,300,000
3	5,566.24	Surface Estate	September 19, 2025	\$27,850,000
4	3,752.30	Surface Estate	September 19, 2025	\$21,000,000
5	3,025.87	Surface Estate	September 19, 2025	\$15,150,000
6	2,389.33	Surface Estate	September 19, 2025	\$14,350,000

The client indicated that the appraisal is to determine the value of the land "As If Vacant" only. Thus, the Hypothetical Condition is made that no improvements are present as of the effective date of value.



MARKETING / EXPOSURE TIME

Consideration has been given to a reasonable estimated exposure and marketing period estimate for the subject property/parcels.

Exposure Time as it relates to the subject is utilized in establishing market value. The Comment to Standards Rule 1-2 (c) of USPAP states that when estimating market value, the appraiser should be specific as to the estimate of exposure time linked to the value estimate.

Reasonable exposure time is one of a series of conditions in most market value definitions. Exposure time is always presumed to precede the effective date of the appraisal. Exposure time may be defined as follows: the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.

Marketing Time is a function of various factors including, prevailing market conditions, the price of the product being marketed, the competitive position of the property in the market, and the amount and quality of marketing effort allocated to the property. It is strongly emphasized that the appraisers have no control of the aforementioned factors, nor can the appraisers anticipate or predict any of them. Therefore, it is assumed that the property will receive an adequate marketing effort.

Therefore, an estimated marketing time for each subject parcel of ± 12 months and estimated exposure time of ± 12 months is considered reasonable.



ASSUMPTIONS & LIMITING CONDITIONS

"Report" signifies the appraisal or consulting report and its conclusions, to which these Assumptions and Limiting Conditions are annexed.

"Property" signifies the subject of the Report.

"LPA" means Lowery Property Advisors, LLC, or its subsidiary that issued the Report.

"Appraiser(s)" means the employee(s) of LPA who prepared and signed the Report.

The Report has been made subject to the following assumptions and limiting conditions:

- Unless otherwise specifically noted in the body of the report, it is assumed that the title to the property or properties appraised is clear and marketable and that there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. LPA is not aware of any title defects, nor has it been advised of any representations relative to the condition of the title. LPA has not reviewed any documents dealing with liens, encumbrances, easements, deed restrictions, clouds and other conditions that may affect the quality of the title. Insurance against financial loss resulting in claims that may arise out of defects in the subject's title should be sought from a reputable title company which specializes in real property.
- Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property was not observed by the appraisers. LPA has no knowledge of the existence of such materials on or in the property. LPA, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated groundwater or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would constitute a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired. LPA has inspected as thoroughly as possible by observation. However, it was impossible to personally inspect conditions beneath the soil. Therefore, no representation is made as to these matters unless specially considered in the appraisal.
- The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
- Responsible ownership and competent property management are assumed.
- The information furnished by others is believed to be reliable. However, LPA gives no warranty for its accuracy.
- LPA assumes that all engineering is correct. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
- If provided, the estimated insurable value is included at the request of the client and has not been performed by a qualified insurance agent or risk management underwriter. The cost estimate should not be solely relied upon for insurable value purposes. The appraisers are not familiar with the definition of insurable value from the actual insurance provider, the local government underwriting regulations, or the types of insurance coverage available. LPA has followed traditional appraisal standards to develop a reasonable calculation based upon industry practices and industry accepted publications such as the Marshall Valuation Service handbook. Actual construction costs can vary greatly from this estimate. These factors can impact cost estimates and are beyond the scope of the intended use of this appraisal. The appraisers are not cost experts in cost estimating for insurance purposes.
- LPA assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
- It is assumed that there is full compliance with all applicable federal, state and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the Appraisal Report.
- All applicable zoning and use regulations and restrictions are assumed to have been complied with, unless a nonconformity has been stated, defined, and considered in the Appraisal Report.
- Required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization are assumed to have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.





- The utilization of the land and improvements is assumed to be within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.
- All information, comments and conclusions pertaining to subject and other properties described represent the opinion of the appraiser formed after a personal examination of each.
- The appraiser has no interest, present or prospective, in the subject property.
- Sketches in this report are included to assist the reader in visualizing the property.
- LPA assumes that there are no hidden or unapparent conditions of the appraised property, which would render it more or less valuable. Furthermore, the appraisers assume that there are no potentially harmful asbestos or other materials and/or site contaminants in, on, or near soil, subsoil, or structure of the appraised property and that there has been no disposal, discharge, leakage, or spillage of pollutants or contaminant which would render it more or less valuable, whether or not these materials or contaminants are apparent or hidden and unapparent.
- No responsibility is assumed by the appraisers for these conditions. In addition, no responsibility is assumed by LPA for the cost of engineering and/or laboratory studies which might be required to discover such materials or contaminants. And no such engineering or laboratory studies have been ordered for the appraised property.
- Disclosure by the appraiser of the contents of this Appraisal Report is subject to review in accordance with the by-laws and regulations of The Appraisal Institute.
- The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
- Possession of this report, or a copy thereof, does not carry with it the right of publication, unless prior arrangements have been made.
- The appraiser, by reason of this appraisal, is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.
- Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without prior written consent and approval of the appraiser.
- This appraisal was made in accordance with the Code of Professional Ethics and Uniform Standards of Professional Appraisal Practice as promulgated by the Appraisal Foundation and the Appraisal Institute.
- Acceptance of and/or use of this report constitutes acceptance of all assumptions and limiting conditions stipulated.
- The *Americans with Disabilities Act* ("ADA") became effective July 26, 1990. LPA has not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible non-compliance with the requirements of ADA in estimating the value of the property.
- Unless otherwise noted in the body of the report, it is assumed that there are no mineral deposits or subsurface rights of value involved in this appraisal, whether they are gas, liquid, or solid. Nor are the rights associated with extraction or exploration of such elements considered unless otherwise stated in this Appraisal Report. Unless otherwise stated, it is also assumed that there are no air or developments rights of value that may be transferred.
- By use of this Report, each party that uses this Report agrees to be bound by all of the Assumptions and Limiting Conditions, Hypothetical Conditions and Extraordinary Assumptions stated herein.



CERTIFICATION

We certify to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and is our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no present or prospective interest in the property that is the subject of this report and have no personal interest in or bias with respect to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice, as well as the State of Texas.
- Mario Caro, MAI, AI-GRS, SR/WA and Carl K. Eisenhauer, MAI made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the person(s) signing this certification.
- This appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.
- As of the date of this report, Mario Caro, MAI, AI-GRS, SR/WA and Carl K. Eisenhauer, MAI have completed the continuing education program for Designated Members of the Appraisal Institute. Moreover, 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 & Standards of Professional Appraisal Practice of the Appraisal Institute, which includes the Uniform Standards of Professional Appraisal Practice.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- Mario Caro, MAI, AI-GRS, SR/WA appraised a portion of Parcel 5 in a report dated September 13, 2023 , but we have not provided any other services as an appraiser or in any other capacity regarding the property that is the subject of this report within a three-year period immediately preceding acceptance of this assignment.

MARIO CARO, MAI, AI-GRS, SR/WA
Certificate No. TX1334889-G

CARL K. EISENHAUER, MAI
Certificate No. TX1332801-G



ADDENDUM



MARIO CARO, MAI, AI-GRS, SR/WA

SAN ANTONIO OFFICE

100 NE Loop 410 #1350
San Antonio, Texas 78216

direct 210.528.1491
mario@lowerypa.com

EXPERIENCE

Mario Caro has served as Senior Managing Director of LPA San Antonio since 2016. LPA is a commercial appraisal and consulting firm completing a wide range of projects throughout the southwest. Property types include, but are not limited to office, retail, industrial, multi-family, mixed-use, self-storage, hotel/motel, car washes, vacant land, daycare, subdivisions, and special use.

Mario began his appraisal career in 2001 with a regional appraisal company in Houston and specialized in right-of-way and eminent domain appraisal on public and private projects nationwide. In 2005, he returned to his hometown in San Antonio and joined a boutique appraisal firm providing right-of-way and commercial valuation. After 10 years, he transitioned to a global real estate firm where he developed their Texas right-of-way/litigation support practice and appraised commercial properties for lending purposes.

Mario has over 20 years of experience appraising for litigation and legal support matters in both federal and state courts. Numerous clients, including public agencies, attorneys, title companies, and lenders nationwide have relied on his expertise in an appraiser and review appraiser capacity. Mario has provided expert witness testimony and support on a variety of property types for public transportation, utility and recreational corridors, and drainage facilities.

PROFESSIONAL ASSOCIATIONS

- Appraisal Institute
 - Designated Member (MAI, AI-GRS)
 - National Board of Directors 2025
 - Vice Chair 2025, Region VIII
 - President 2022, South Texas Chapter
 - First and Second Vice President 2021 & 2020, South Texas Chapter
 - Treasurer 2019, South Texas
 - Secretary 2018, South Texas
 - National Nominating Committee Alternate 2023, Region VIII
 - Regional Rep 2020-2021, South Texas
 - Education Chair 2020, South Texas
 - Alternate Regional Rep 2014-2019, South Texas Chapter
 - Candidate Guidance Chair 2014-2019, South Texas Chapter
- International Right-of-Way Association
 - Designated Member (SR/WA, R/W-AC)
 - Communications Chair 2024-2025, South Texas
 - President 2022-2023, South Texas
 - Vice President 2021-2022, South Texas
 - Treasurer 2020-2021, South Texas
 - Secretary 2019-2020, South Texas
 - Activities Chair 2012-2013, South Texas

LICENSES

Texas General Appraiser
1334889-G

New Mexico General Appr.
REA-2023-0077

EDUCATION

BS – Texas A&M University – Agribusiness

Coursework for MAI designation

Coursework for SR/WA designation

Coursework for AI-GRS designation

Coursework for R/W-AC designation



Appraiser: **MARIO ANTONIO CARO**
License #: **TX 1334889 G**

**Certified General
Real Estate Appraiser**

License Expires: **05/31/2027**

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

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

Chelsea Buchholtz
Chelsea Buchholtz
Executive Director

CARL EISENHAUER, MAI

SAN ANTONIO OFFICE

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EXPERIENCE

Carl Eisenhauer has served as Director of LPA San Antonio since 2022. LPA is a commercial appraisal and consulting firm completing a wide range of projects throughout the southwest. Property types include, but are not limited to office, retail, industrial, multi-family, mixed-use, self-storage, hotel / motel, carwash, vacant land, daycare, subdivisions, and special use.

Carl began his appraisal career in 2000 with a boutique appraisal company in San Antonio and specialized in right-of-way and eminent domain appraisal on public and private projects in the State of Texas. Prior to 2000, he was employed by one of the largest property tax consulting firms in San Antonio and represented clients both locally and statewide.

Carl has over 25 years' experience appraising for litigation and legal support matters in both federal, state courts and county courts. Numerous clients served, including public agencies, attorneys, land acquisition firms, and property owners have relied on his expertise in an appraiser and review appraiser capacity. Carl has provided expert witness testimony and support on a variety of property types for public transportation, utility and recreational corridors, and drainage facilities.

PROFESSIONAL ASSOCIATIONS

- Appraisal Institute
 - MAI designation
 - President 2020, South Texas Chapter
 - First and Second Vice President 2019 & 2018 South Texas Chapter
 - Treasurer 2017, South Texas
 - Secretary 2016, South Texas
 - Treasurer South Texas 2017
 - Regional Rep 2018-2020, South Texas
 - Region VIII Nominating Committee, 2022
 - Education Chair 2018, South Texas
 - Board of Directors 2012-2015, South Texas
- International Right-of- Way Association Member - 7902930

LICENSES

Texas General Appr.
TX 1332801 G

EDUCATION

BS – Texas A&M University –
Industrial Distribution
Coursework for MAI designation



**Certified General
Real Estate Appraiser**

Appraiser: **CARL KENNETH EISENHAUER**
License #: **TX 1332801 G**

License Expires: **09/30/2027**

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

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

Chelsea Buchholtz
Chelsea Buchholtz
Executive Director