

**APPRAISAL
BROKERAGE &
CONSULTING CO.**



C. S. "Chuck" Mullinax, MAI, CMEA, SBA
P. O. Box 794774
Dallas, Texas 75379

September 19, 2013
CITY OF UNIVERSITY PARK
Department of Public Works
4420 Worcola Street
Dallas, Texas 75206
Attention: Gene R. "Bud" Smallwood, P.E. Director

Re: Summary Appraisal Report
Abandonment of Fondren Street between Airline & Dublin Streets & three alleys
between Airline and Dublin, University Park, Dallas County, Texas.

Dear Mr. Smallwood;

Pursuant to your instructions, we have conducted the required investigation, gathered the necessary data and made certain analyses that have enabled us to form an opinion of market value for the "fee simple" interest in the above-captioned properties. The attached Summary Appraisal Report sets forth findings and conclusions derived therefrom, together with photographs and exhibits that are considered essential to explain the processes followed in completing the report.

Traditional valuation methodologies were applied and the report has been prepared in accordance with generally accepted appraisal standards promulgated by USPAP and the Appraisal Institute.

Subject to the Assumptions and Limiting Conditions included in the body of this report, our final estimate of market value for the "fee simple" interest in the subject property per the September 11, 2013 date of this report is:

TRACT A	\$470,000
TRACT B	\$2,350,000
TRACT C	\$470,000
TRACT D	\$605,000
TOTAL	\$3,895,000

THREE MILLION EIGHT HUNDRED NINETY FIVE THOUSAND DOLLARS

Respectfully,

C. S. Mullinax, MAI, CMEA, SBA
TX 1321048 G

CSM/ejm
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REAL ESTATE APPRAISALS . PHONE (972) 380-0075 . FAX (866) 226-6771

csmai@yahoo.com

Size

The marketplace for real estate is comparable to that for other commodities in that price tends to be influenced by volume. It can be demonstrated that as volume (size in this instance) decreases, the price per square foot will likely rise, all other factors being similar. In contrast, unit price typically deteriorates when volume of an additional unit is not perceived by the marketplace to be worth the same expenditure as earlier units. In some instances when land close to a city in older developed areas is being assembled for use of a larger project, "plottage" for assemblage sometimes impacts land value in a contrary manner. At the same time, increased size does not always infer lower price per unit. In this case, the university owns approximately 2.2 acres or either side of each of the parcels to be abandoned. Sites of this size are rare in University Park and the only way to get a site of this size is through "plottage or assemblage" as mentioned above. When that activity becomes apparent in the market, there are invariably "hold outs" or parties who do not wish to sell and the end result is a higher price for the entire tract because of the necessary premiums paid. For that reason, the smaller sales could be adjusted upward. However in this case, the university has already absorbed the penalty in the acquisition process and it would seem redundant to penalize them a second time by charging a premium for the abandonment. Utility easements were discussed with the client at length and it is the appraiser's understanding that the tracts were to be appraised in "fee simple" for 100% of the rights. **If for some reason, it becomes necessary to segregate the easements, they would constitute 25% of the fee value.**

Conclusions

Based on my analysis, each of the tracts has a value of \$62.00/sf {modified mean} as of the date of the appraisal. Calculation of those values are as follows:

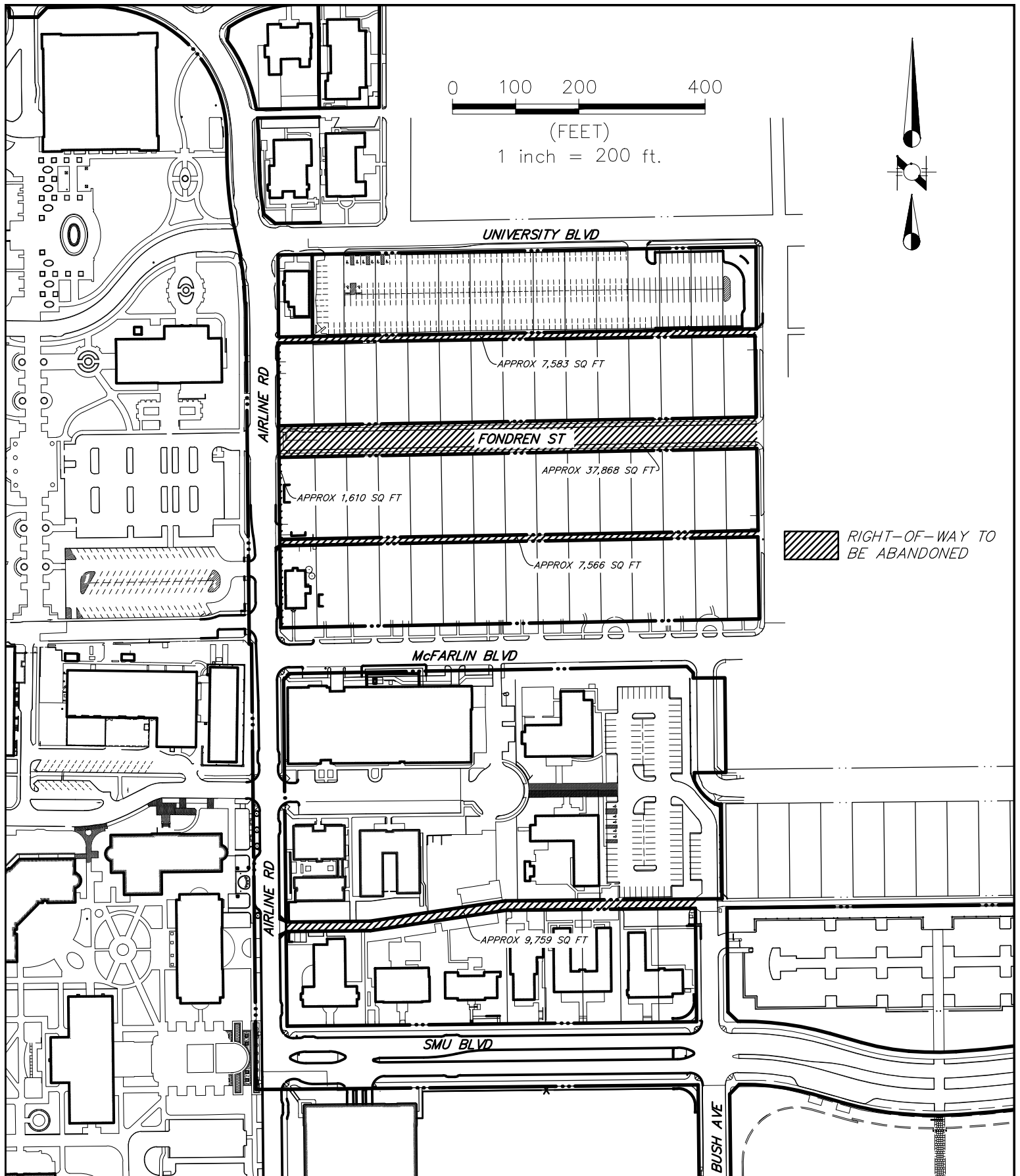
TRACT A	7,584 sf	@ \$62.00/sf		\$470,000
TRACT B	37,896 sf	@ \$62.00/sf		\$2,350,000
TRACT C	7,574 sf	@ \$62.00/sf		\$470,000
TRACT D	9,766 sf	@ \$62.00/sf		\$605,000
TOTAL				\$3,895,000

SITE VALUE BY SALES COMPARISON (\$62.00/SF)

\$3,895,000



C. S. Mullinax, MAI, CMEA, SBA
TX1321048-G {6/30/15}



RLG

RAYMOND L. GOODSON JR., INC.
CONSULTING ENGINEERS

5445 LA SIERRA DRIVE, SUITE 300, LB 17
DALLAS, TEXAS 75231 214-739-8100
E-MAIL: rlg@rlginc.com FIRM REG: F-493

SCALE: 1" = 200'

EXHIBIT "A"
RIGHT-OF-WAY ABANDONEMENT
SOUTHERN METHODIST UNIVERSITY
CITY OF UNIVERSITY PARK, TEXAS

DATE: MAY 23, 2013