

**APPRAISAL REPORT**

**FOR**

**LUCAS HOLLOWAY**

**OF**

**Broaddus I.S.D.  
LTS 1-2-3-4-5-6-7-8-9-10-11-12  
Broaddus, Texas 75929**

**AS OF**

**May 31, 2024**

**APPRAISER**

**JIMMIE C. LOVELL  
LOUISIANA STATE CERTIFIED GENERAL  
REAL ESTATE APPRAISER G-0893  
TEXAS STATE CERTIFIED GENERAL  
REAL ESTATE APPRAISER 1325762-G**

**MICHEAL A. HENDRIX  
LOUISIANA STATE CERTIFIED RESIDENTIAL  
REAL ESTATE APPRAISER APR.05047-CRA  
TEXAS STATE CERTIFIED RESIDENTIAL  
REAL ESTATE APPRAISER TX-1361503-R**

**DONALD BURTON  
APPRAISER TRAINEE  
TX-1336807**

**Lovell Appraisal Service  
P.O. Box 1389  
Center, Texas 75935  
318 617-9277 936 598-2900**

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May 31, 2024

Lucas Holloway  
Broaddus I.S.D.  
Broaddus, Texas 75929  
ATTN: Lucas Holloway

RE: Appraisal report of Broaddus I.S.D. 38.499 acres of land, more or less, and improvements,  
Lots 1-12, Broaddus, Texas, San Augustine County 75929

Dear Mr. Holloway:

In response to your authorization letter, I have conducted the required investigation, gathered the necessary data, and made certain analyses that have enabled me to form an opinion of market value of the fee simple interest in the above-captioned subject property.

Based upon the personal inspection of the property, viewing the plans and specifications and the investigation and analyses undertaken, I have formed the opinion that if completed as proposed, May 31, 2024, subject to the assumptions and limiting conditions set forth within the following report, the subject has a market value of:

**(\$650,000.00)**

The Appraisal Report that follows sets forth the identification of the property, the assumptions and limiting conditions, pertinent facts about the area and the subject property, the three approaches to value, the results of the investigation and analyses, and the reasoning leading the conclusions set forth.

Please contact me if you need additional information concerning this report or if I may be of further assistance in this matter.

Respectfully submitted,



Jimmie C. Lovell  
Texas Real Estate Appraiser  
Certified General TX-1325672-G  
Louisiana Certified Appraiser G-0893

## CERTIFICATE OF APPRAISAL

I hereby certify, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. my engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
8. I have made a personal inspection of the property that is the subject of this report.
9. Micheal Hendrix provided significant professional assistance to the person signing this report.
10. The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

This appraisal consists of 53 consecutively numbered pages and is valid only in its entirety.

Based on the data contained in this report, it is my opinion that the Market Value of the subject property as of the effective date of this report is: **\$650,000.00**

Respectfully submitted,



Jimmie C. Lovell  
State Certified General Appraiser  
TX -1325672-G  
LA -G-0893

## SUMMARY OF SALIENT FACTS AND CONCLUSIONS

**Client:** Lucas Holloway  
Broaddus I.S.D.  
LTS 1-2-3-4-5-6-7-8-9-10-11-12  
Broaddus, Texas 75929

**Effective Date of Appraisal:** May 31, 2024

**Date of Report:** July 31, 2024

**Address:** Broaddus I.S.D.  
LTS 1-2-3-4-5-6-7-8-9-10-11-12  
Broaddus, Texas 75929

**Location:** The subject is located on the East boundary Woods St.,  
West boundary of Miller St., South boundary of Buchanan St. Broaddus,  
Texas.

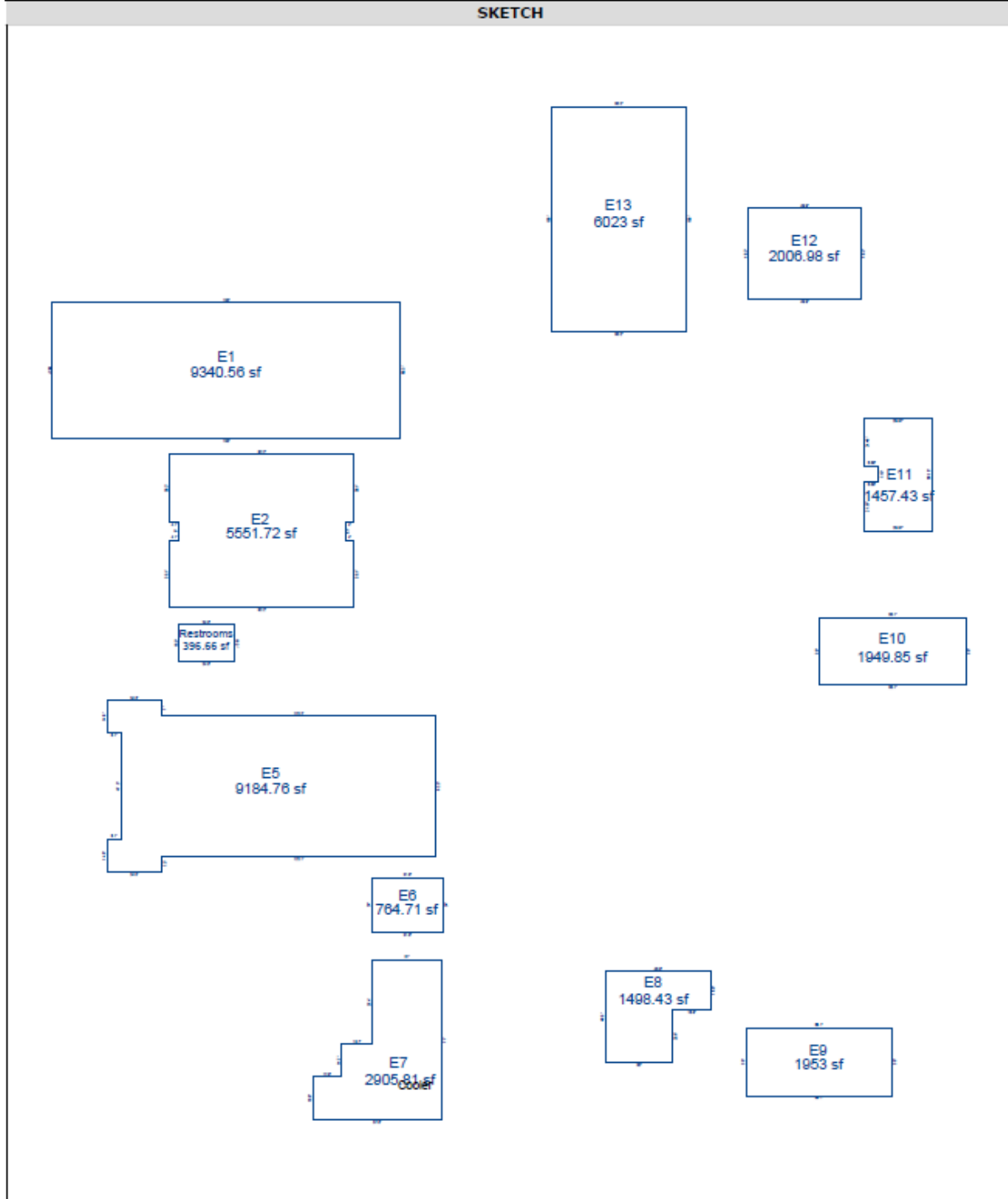
**Site Size:** Being 38.499 acres of land as described in Survey Plat, Exhibit "A"

**Improvements**

Eleven Measured Buildings (See Included Sketch Pages)  
E1 Classrooms, Office, Lounge, Bathrooms – 9,341 sf  
E2 Classrooms, Storage – 5,552 sf  
E5 Gymnasium – 9,185 sf  
E6 Storage – 765 sf  
E7 Cafeteria – 2,906 sf  
E8 Offices, Bathroom – 1,498 sf  
E9 Open Classroom, Bathroom – 1,953 sf  
E10 Storage -,1,950 sf  
E11 Classroom, Bathroom – 1,457 sf  
E12 Shop – 2,007 sf  
E13 Library, Bathroom 6,023 sf  
42,637 Gross building complex  
Not including stand alone bathroom  
Brick and glass front, metal panel sides and rear wall  
Metal roof  
Concrete foundation  
Asphalt Paved Parking

## SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO			
File No.:	Parcel No.:		
Property Address: Buchanan St			
City: Broaddus	County: San Augustine	State: TX	ZipCode: 75929
Owner:			
Client:		Client Address:	
Appraiser Name:		Inspection Date:	



**Zoning:** No known zoning regulations known to be present at time of appraisal.

**Flood Data:** The improvements do not appear to be within a flood hazard area and there were no evidence of flooding upon inspection, other than basement of gymnasium.

**Highest and Best Use:** Multiple: Commercial and Recreational Property Use.

**Interest Appraised:** Fee Simple

**Estimated Marketing Time:** Based on the comparables sales utilized in this report and other known sales in the subject market area, the marketing period is estimated at twelve months or more at the estimated value stated in this report.

**Estimated Market Value of the Fee Simple Estate**

**Value “As Is”**

Cost Approach Not Developed (could be misleading)

Sales Comparison Approach: **\$650,000**

Income Approach: Not Developed (not enough verifiable rental information for the Broaddus area)

Final Market Value as if Completed: **\$650,000**



Appraiser: \_\_\_\_\_

Jimmie C. Lovell  
Texas State Certified  
General Real Estate Appraiser  
Certification No. TX 1325672-G

Louisiana State Certified  
General Real Estate Appraiser  
Certification No. 0893

## **VALUATION PROCESS**

The valuation process consists of an orderly program by which the problem is defined, the work necessary to solve the problem is planned, and the data involved is acquired, classified, analyzed and interpreted into an estimate of value.

In assignments to estimate market value, the goal of the valuation process is a well-supported value conclusion that reflects all the factors that influence market value of the property being appraised. To achieve this goal, an appraiser studies a property from three different viewpoints, which correspond to the three traditional approaches to value; cost, sales comparison, and income capitalization. All three approaches are interrelated and each requires the gathering and analysis of cost, sales, and income data that pertain to the property being appraised.

One or more of these approaches are used in all estimation of values; the approaches employed depend on the type of property, the use of the appraisal, and the quality and quantity of data available for analysis.

### **COST APPROACH**

In the cost approach the value of a property is derived by adding the estimated value of the land to the depreciated cost of the improvements. This approach is not developed because even with the use of functional obsolescence the derived value could be misleading.

### **SALES COMPARISON APPROACH**

The sales comparison approach produces a value indication by comparing a subject property with the most recent comparable sales of similar properties. The sale prices of these properties will indicate a range of appropriate unit values which will be adjusted to the subject property.

### **INCOME CAPITALIZATION APPROACH**

The income capitalization approach analyzes a property's ability to generate income, which is then converted to an indication of present value by use of market derived rates and/or factors. This approach is not developed due to the lack of rental comparables in the Broadus area to establish needed rental rates to make this approach reliable.

Ideally, these three approaches will indicate a relatively tight value range, which is then correlated to arrive at a final value estimate. The individual factors in each approach are carefully weighed in this reconciliation process.

Due to the small population of Broaddus, there is limited resources and reliable data to be utilized In determining an estimated market value for the subject property. Due diligence was used in the development of this appraisal and very close attention was given to USPAP procedure. In cases where information is limited and there are no other resources available, USPAP states consulting professional peers and this is what has been done. A consensus from the contacted professionals was that because of the peculiarity of the subject property the cost approach would be misleading. Even if a functional obsolescence of the population was used it would still confuse and misrepresent the actual Estimate Market Value of the subject property.

The professionals and peers contacted to help with the assessment process and problems were:

Michael McHalphy -Certified Residential Appraiser

Michael David Wesp – Appraiser Trainee since 2018

Susan Hendrix – Certified Residential Appraiser

Kaye Kaye Smith – Realtor in the Broaddus area

Melisia Elizalde – Real Estate Agent in the Broaddus area.

Along with the three members of the appraisal team working together on this assignment.

Jimmie C Lovell – Certified General

Micheal A Hendrix – Certified Residential

Donald Burton – Appraiser Trainee since 2005



## **CONDITIONS OF APPRAISAL**

This appraisal is made “as is” therefore the value conclusion is not conditioned upon completion of proposed improvements.

## **EFFECTIVE DATE OF APPRAISAL**

The effective date of the appraisal, the date upon which the value applies, is as the last date of inspection, May 31, 2024, by the appraiser, Jimmie C. Lovell, Micheal A. Hendrix and Donald Burton.

## **APPRAISER’S PERESPECTIVE ON MARKET CONDITIONS & VALUE**

The Market Value estimated in this appraisal is based upon an Effective Date which is proximate in time to the Date of the Report, therefore, market conditions affecting value of the Subject Property on these two dates were similar and require no comparison. Market Value, under such circumstances, is defined, therefore, as “Current”.

## **SUBJECT’S REASONABLE EXPOSURE TIME**

Most definitions of value are based upon the concept that the price for which a property will sell is relative to the amount of time the property is exposed on the open market prior to sale.

“Market Value” as defined in this appraisal required that the property be exposed on the open market for a “reasonable time” prior to sale. “Reasonable exposure” is relative to market conditions and property types, and is defined by the Appraisal Standards Board of the Uniform Standards of Professional Appraisal Practice 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 the market value on the Effective Date of the appraisal”.

Based on the market data and due to the small population the typical “days on the market” for comparable properties, the reasonable exposure time for the Subject Property is estimated to be twelve months.

## **RIGHTS APPRAISED**

Fee Simple Interest

In the “English Common Law”, the Fee Simple Interest is defined as the highest estate one can hold in land and which consists of a collection or “Bundle” of rights held by the owner which includes the right to occupy and use, to build upon, to grant easements, to mortgage, to mine and farm, to restrict use, to create covenants, to sell and refuse to sell, to give

away or abandon, to rent or lease and to devise by will.

A 100% interest in the full unencumbered fee simple estate is appraised in this appraisal report, excluding oil, gas and other minerals, if any owned. A title search is not feasible and has not been made. This appraisal is made with the understanding that the present ownership of the subject property includes all rights that may be lawfully owned, therefore, the title is assumed to be fee simple.

### **EASEMENTS COMMENTS**

Numerous easements are located on the subject site, including utility easements. The affect of these easements is to provide for the water, gas, electricity, and telephone services. Street easements may/may not be on the site, a survey is recommended to determine the property lines and easements.

### **PERSONAL PROPERTY, TRADE FIXTURES, INTANGIBLE ITEMS INCLUDED IN THE OVERALL MARKET VALUE**

Personal property, trade fixtures, and other intangible items have not been included in the overall Market Value for the Subject Property due to the fact they are not required for the improvements to perform its highest and best use as improved. The overall estimate of Market Value, as defined, therefore, includes the Subject Real Property.

### **ZONING**

The subject property is located inside the city limits of Broaddus, Texas without zoning restrictions. This designation allows development of the site to its highest and best use.

### **SALES HISTORY OF THE SUBJECT PROPERTY**

There were no transfers found for the prior three years, and the property was not on the open market for sale at the present time.

### **DEFINITION OF APPRAISAL**

“An appraisal is an act or process performed by a qualified appraiser that produces an appropriately supported, objective analysis, opinion or conclusion regarding the nature, quality, value or utility of specified interests in identified real property as of a specific date.”

## **SCOPE OF THE APPRAISAL**

According to Standard Rule 2-2(f) of the Uniform Standards of Professional Practice as adopted by the Appraisal Institute and published by the Appraisal Foundation, the “Scope of the Appraisal” means the extent and manner in which data is collected, confirmed, and reported.

This appraisal will utilize only one of the three approaches to value to estimate the market value of the subject. Information regarding San Augustine County and the City of Broaddus, the surrounding area, the subject property, and its neighborhood has been collected and analyzed to determine the subject’s highest and best use both as if vacant and as improved. This information was obtained from LoopNet, LACDB, Local MLS, Tax Appraisal District Officers, and several Real Estate Professionals and appraisers involved in commercial oriented real estate in the subject area. The data was verified where applicable and is assumed to be correct.

In the cost approach, the land value was derived utilizing the sales comparison approach whereby vacant and effectively vacant land sales were analyzed and adjusted for differences as compared to the subject. The grantor and/or grantee were contacted to confirm and/or verify sales price and terms of sale. This value was then added to the depreciated value of the improvements which were valued using construction cost furnished for the subject, local contractors and the Local Service Cost Handbook. Other information was obtained from the market to estimate various forms of depreciation. (Not Developed)

For the sales comparison approach, improved sales and listings were collected, analyzed, and utilized within this section of the report. This data was obtained from real estate brokers, title companies, lenders, and owners of similar type properties that are on the market. These sales were adjusted for differences with the subject utilizing various forms of appraisal techniques.

This data was analyzed along with other property sales not necessarily utilized within the report. Listings and construction cost variables have been collected in order to double check the value conclusions.

For the income capitalization approach, market data regarding rents, occupancies, operating expenses, historical trends, and investor strategies were collected, analyzed and utilized within the income section of this report. Other information was derived from available market data. (Not Developed)

A review or a reconciliation of each approach to value was then performed and an estimate of value was made.

## **EXTENT OF PROCESS OF COLLECTING, CONFIRMING AND REPORTING DATA**

The estimate of market value is derived through a correlation of the three applicable approaches to value, i.e., Cost Approach, Sales Comparison Approach and Income Capitalization Approach. The subject land was inspected personally by this appraiser. The analysis of the property was supplemented by data gathered from various sources such as the property owner, lender, real estate agent or other interested party. Public record information was also considered and gathered from the County assessment office and multiple listing service. The Sales Comparison Approach is applicable to all types of property types which there is a sufficient number of reliable sales to determined relevant units of comparison by acre, square foot, or multiplier to develop a comparative analysis for each unit. Comparable data was verified by consulting a knowledgeable source. An applicable capitalization method and appropriate capitalization rate was developed for an indicated value by the Income Approach. In the Cost Approach an estimated reproduction or replacement cost of the building and land improvements as of the date of the appraisal is developed and to the depreciated building cost estimate is added the land. The Sales Comparison, Income and Cost Approach were utilized to determine the estimated value of the subject property.

Even though the Cost Approach and the Income Approach were not incorporated or used in this appraisal, due diligence was used in researching possible comparables and

statistics that may have enabled the use of these approaches to value.

## **FUNCTION OF APPRAISAL**

The function, or intended use of this appraisal is to provide Broaddus I.S.D. of Broaddus, Texas with current information regarding the market value of the subject property for marketing purposes.

## **AREA AND SITE ANALYSIS**

The subject is located in Broaddus, Texas, on the east boundary Woods St. and west boundary of Miller St. and South boundary of Buchanan St within the city limits of Broaddus, Texas. The area consists of a Restaurants, Fuel Station, Lodging and Retail.

The area is serviced by all municipal utilities, fire and police protection.

The subject site consists of approximately 38.499 acres of land, more or less, with the current improvements.

No unusual aspects in the neighborhood that would adversely affect the marketability of the subject property noted. However, due to the small population and low volume of real estate transactions in the subject area there is a need to consider a functional obsolesces.

## **ECONOMIC**

The small commercial industry in Broaddus has not encouraged a rise in the population and employment in the prior three years with the demand for industrial products, housing, office space, renovation of existing offices, oil and gas exploration in East Texas, medical facilities and special purpose properties has caused a lack of demand for properties in the area. The primary demand for properties in the subject area is lake front and agricultural properties.

## **DEFINITION OF MARKET VALUE**

Market value is defined by Title XI of the Financial Institution Reform, Recovery, and Enforcement Act (FIRREA) of 1989, as follows:

“Market Value” means the most probable price which a property should bring in competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently, knowledgeable, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

## **ENVIROMENTAL CONSIDERATION**

I am not qualified to render an opinion regarding any environmental contamination on or within the subject property. During the course of my inspection of the property, I did not observe any signs of possible contaminants within the site or improvements, however, no responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover any possible contaminants.

## **AMERICANS WITH DISABILITIES ACT**

This law became effective in 1992 and provides for a phased in compliance over the next few years. The law is intended to require equal access/usage to various facilities such as apartments, restaurants, lodging, office buildings, and other publicly accessed areas for the disabled. I may offer my opinion or report my observation of the appraised property, but I am not qualified to render a compliance study on the subject property. I recommend that a compliance study be performed to determine any compliance issues.

## DESCRIPTION OF SUBJECT PROPERTY

- Address:** Broaddus I.S.D.  
LTS 1-2-3-4-5-6-7-8-9-10-11-12  
Broaddus, Texas 75929
- Location:** The subject is located within the city limits of Broaddus, one block east of TX-147, which is the main highway through the city of Broaddus.
- Access:** By Buchanan St East bound from TX-147 to the intersection of Buchanan St. and Miller St..
- Utilities:** City water, gas, sewer, telephone, electricity
- Land:** Being 38.499 acres of land, more or less  
The site is gently sloping, above the street frontage, with a good view of on-coming traffic.  
**Site Sketch furnished by client; Addenda Exhibit "B"**
- Site Improvements:** The site improvements will include concrete entry and asphalt driveway with multiple parking slots to include handicapped parking
- Improvements:** Previously listed in this report.
- Age:** The improvements are in different stages of condition and have a variety of effective ages, some of the improvements show deferred maintenance and some are still well maintained. It also appears that many of the building were added over a period to time. See included client provided information.
- Flood Data:** The subject does not appear to be within a flood hazard area and there was no evidence of flood upon inspection, however, There is not FEMA map available for the subject area, it may be an unmapped area.

## HIGHEST AND BEST USE

The concept of highest and best use is a market derived interpretation based on various economic principles and forces such as supply and demand, conformity, and utility. Therefore, highest and best use analysis are derived directly from the market conditions prevalent as of the effective date of appraisal.

The Dictionary of Real Estate Appraisal, second edition, published by the American Institute of Real Estate Appraisers, 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 legal permissibility, physical possibility, financial feasibility, and maximum profitability.

From this definition, it is obvious that market value of the land or site and of an improved property are both estimated under the assumption that potential purchasers will pay prices reflect their analysis of the most profitable use of the land, or the property, as improved. For highest and best use of both land, as though vacant, and as improved, a use must meet four criteria as follows: (1) legally permissible; (2) physically possible; (3) financially feasible; and (4) maximally productive.

**Legal Permissible** – Except for legally non-conforming property, the first step in determining what is legally permissible is to analyze private restrictions, zoning, building codes, historic district controls, and environmental regulations.

**Physically Possible**- The physical characteristics of a site can affect the use to which it can be put. These characteristics can include size, location, shape, topography, easements, utility availability, and surrounding properties.

**Financially Feasible**- The uses that are physically possible and legally permissible must be analyzed further to determine those that are likely to produce some income, or return, greater than the combined income needed to satisfy operating expense, financial expense, and capital amortization. All uses that are expected to produce a positive return are regarded as financially feasible.

**Maximally Productive**- Among financially feasible uses, which use produces the highest rate of return or value (even a constant rate of return), is the highest and best use.



## **Highest and Best Use, continued**

A highest and best use analysis first examines a specific parcel of land and assumes that it is vacant even if it is not. This allows the appraisers to analyze the forces active in the local market and to determine to what extent they affect the subject property . The practice of examining the site as if vacant is a fundamental appraisal concept of valuation theory. The highest and best use of a site, as if vacant, indicates how the land should be used if it were vacant.

**Legally Permissible** – The subject property is located inside the city limits of Broadus, Texas which has no current zoning regulations.

**Physically Possible** - The physical characteristics of the site can affect the uses to which it can be put. The subject site being relatively large acreage is physically suited for multi-unit offices, shops, multifamily and/or similar or commercial uses.

**Financially Feasible** – The uses that are physically possible and legally permissible must be analyzed further to determine those that are likely to produce some income, or return, greater than the combined income needed to satisfy operating expense, financial expense, and capital amortization. All uses that are expected to produce a positive return are regarded as financially feasible. The most feasible use would be to utilize the subject for its proposed or similar type use.

**Maximally Productive** – This is the use that would generate the highest rate of return to the site. The site is vacant with proposed multiply tenant office facility, recreational, multifamily or several other venture prospects, with improvements totaling about 42,637 square feet building area. It is my opinion that the most maximally productive use of the site “as vacant” would be one of the several listed in prior portions of this report.

**Highest and Best use as Vacant-** Based on the above discussion, the highest and best use of the site, as if vacant and available for development, would be to utilize the subject site for one of several commercial type of use.

**Highest and Best Use as improved-** The subject proposed improvements do conform to the functional use of the site, therefore, it is my opinion that the highest and best use as improved is the proposed use, commercial.

## **VACANT LAND VALUATION DIRECT SALES COMPARISON**

The Direct Sale Comparison Approach is utilized to arrive at an estimate of value for the land. Land is always valued as if vacant and available for development to its highest and best use. The land has been directly compared with recent sales of similar properties that have the same potential highest and best use.

The land is compared directly with recent sales and current offerings of similar properties with the same potential highest and best use. In determining the land values estimates of the subject properties, the county deed records are searched for recent sales of comparable properties and local realtors consulted in order to find recent sales and listing of similar properties. The grantor and/or grantee and the title companies were interviewed, if possible, in order to verify the sales.

The available data has been analyzed and compared with the subject property for similar and dissimilar characteristics. The analysis of the sales indicates that a per acre unit should be utilized for comparison.

On the following pages I have provided the following information:

- (1) Detailed description and pertinent data for each of the vacant land sales.
- (2) Map showing location of the sales and subject.
- (3) The direct sales comparison and reconciliation.
- (4) The conclusion of the vacant land value.

## COMPARABLE LAND SALE #1

Location: TBD CR 3200  
San Augustine, Texas 75972

Date: 09/09/2022

Grantor: Frances Raylynn Sowell

Grantee: Unavailable

Legal Description: AB 36 Z REDMOND – 33.086 ACRES, San Augustine County, Texas.

Zoning: None

Improvements: None

Utilities: Community Water Available

Consideration: \$184,000 / \$0.13 SF

Financing: Cash Sale

Data Source: MLS# 205423, SACAD, Files, Public Records

Highest and Best Use: Agricultural

Comments: Located between Broaddus and San Augustine

Adjustments:

Location: Superior -10%  
Size: Equal  
Highest & Best Use: Equal  
Adjusted Price: \$0.12 SF      Indicated value of Subject Site \$201,242

**COMPARABLE LAND SALE #2**

Location: TBD FM 83  
Broaddus, Texas 75929

Date: 06/23/2022

Grantor: Busbee Land & Timber, LP

Grantee: Unavailable

Legal Description: AB 15 JACOB GARRETT – 28.01 ACRES, San Augustine County, Texas.

Zoning: None

Improvements: None

Utilities: Community Water Available

Consideration: \$135,000 / \$0.11 SF

Financing: Conventional Sale

Data Source: MLS# 76722, SACAD, Files, Public Records

Highest and Best Use: Agricultural

Comments: Located just outside of Broaddus

Adjustments:

Location: Equal  
Size: Equal  
Highest & Best Use: Equal  
Adjusted Price: \$0.11 SF      Indicated value of Subject Site \$184,472

### COMPARABLE LAND SALE NO.3

Location: 13709 FM 83  
Broaddus, Texas 75929

Date: 06/20/2024 Active Listing

Grantor: Costal West Investments, LLC

Grantee: NA

Legal Description: AB 41 J SHIPP TRACT 14 ROLLING HILLS RANCHES – 20.00  
ACRES, San Augustine County, Texas.

Zoning: None

Improvements: None

Utilities: Rural Available

Consideration: \$135,000 / \$0.11 SF

Financing: Conventional Sale

Data Source: MLS# 76722, SACAD, Files, Public Records

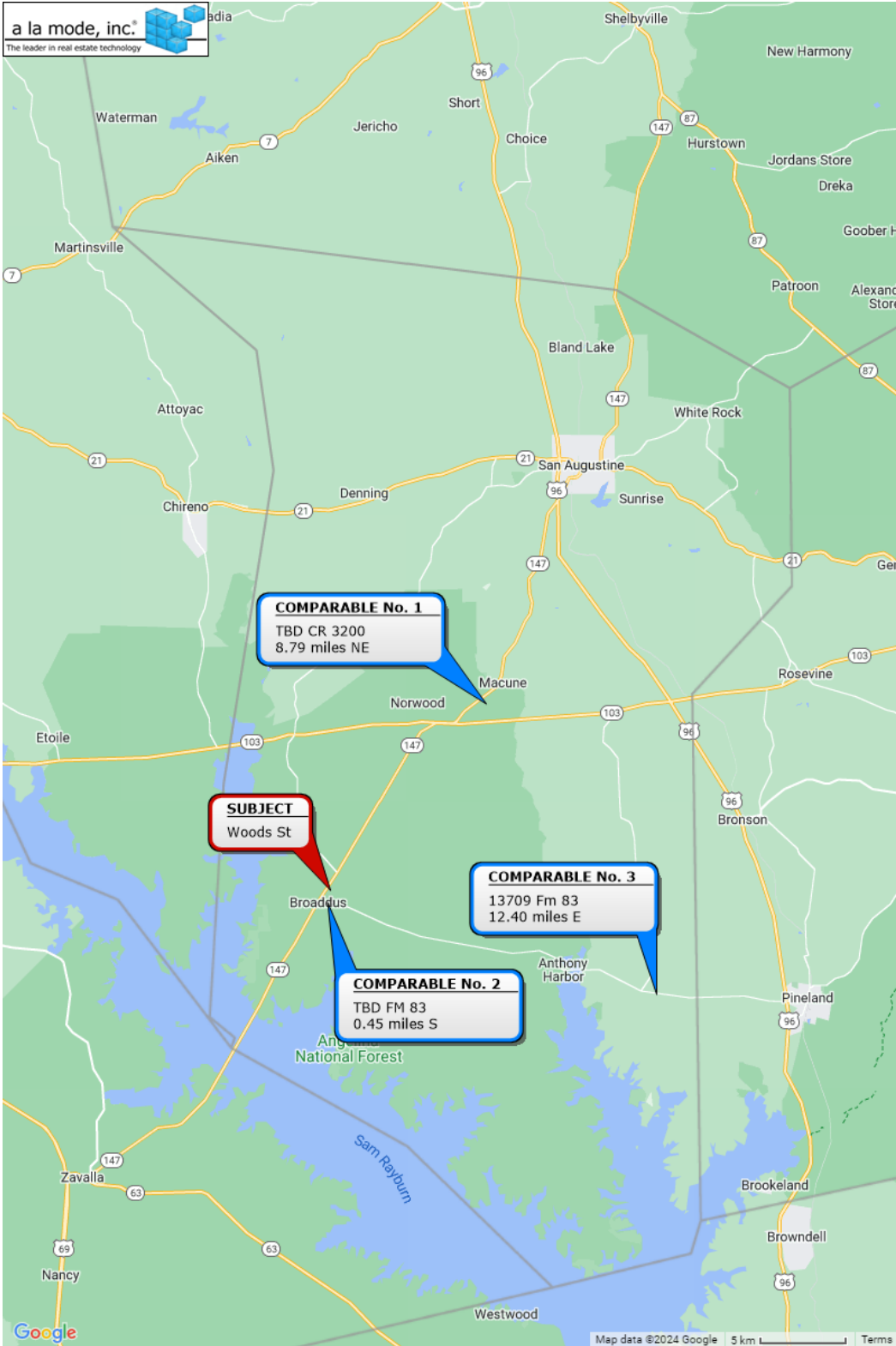
Highest and Best Use: Agricultural/Residential

Comments: Located between Broaddus and Pineland

Adjustments:

Location: Equal  
Size: Equal  
Highest & Best Use: Equal  
Adjusted Price: \$0.10 SF      Indicated value of Subject Site \$167,702

Indicated Value of Site - \$180,000



**COMPARABLE LAND SALES LOCATION MAP**

## **COST APPROACH**

The cost approach to value presumes that no prudent buyer will pay more for a property, than an amount necessary to secure an equally desirably site and build a substitute improvement, new, presuming no undue time delays. As a matter of fact, he or she will probably pay somewhat less than cost new, depending upon the condition of the subject.

The cost approach to value involves the following steps:

1. Estimate the value of the land as if vacant and available for development to its highest and best use.
2. Estimate the reproduction or replacement cost of the improvements.
3. Analyze and estimate all forms of depreciation.
4. Deduct all prevailing forms of depreciation from reproduction cost new to arrive at the depreciated reproduction cost of the improvements.
5. Add estimated value of the land to the depreciated reproduction cost of the improvements and arrive at the indicated value by the Cost Approach.

Accrued depreciation is a loss in value from the reproduction cost or replacement cost new of improvements from any cause, as of the date of an appraisal. This loss emanates from one or more of these sources. The sources are physical deterioration, functional obsolescence and external obsolescence. After identifying and measuring the separate elements of the accrued depreciation, an appraiser deducts the dollar amount of the applicable types of depreciation from reproduction or replacement cost of the improvements.

**Estimate the dollar amount of accrued depreciation due to:**

- Physical Depreciation
- Deferred Maintenance (curable)
- Functional obsolescence
- External obsolescence

Deduct the total amount of accrued depreciation from the cost new to derive the present depreciated cost of the basic improvements.

**Age/Life:** This incurable physical depreciation is estimated by dividing the physical effective age by the total economic life.

**Functional Obsolescence**

The subject property is reasonably functionally designed, as compared to competitive property. It is my opinion the subject has no functional obsolescence.

**External Obsolescence**

The subject land and its located are consistent with trends found in the neighborhood. It is my opinion that the subject has no external obsolescence.

**Land Value**

The site value as if vacant was obtained through the analysis of sales of similar sites in the immediate neighborhood. This value is added to the depreciated cost new to obtain the market value estimate for the subject by the cost approach to value.



## **COST DEVELOPMENT AND ESTIMATION**

Costs data were obtained from local contractors and from the Marshall & Swift Valuation Service Square Foot Method for similar light industrial and offices. The base costs are adjusted by a series of multipliers provided by Marshall Swift to account for difference in standard specifications, building size and shape, current costs and local costs in the Center, San Augustine County area. (Not Developed)

## SALES COMPARISON APPROACH

The Sales Comparison Approach involves direct comparison of the property being appraised to similar properties that have sold in the same or in a similar market to derive a market value indication for the property being appraised. This approach is also called the Market Data Approach.

The Sales Comparison Approach is a method of estimating market value whereby a subject property is compared with comparable properties that have sold recently.

When available, it is preferably all properties are in the same area. One premise of Sales Comparison 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 Direct Sales Comparison Approach is a Systematic procedure for carrying out comparative shopping. In this approach, the comparison is applied to the unique characteristics of real estate that cause its prices to vary.

In applying the Sales Comparison Approach, an appraiser follows a systematic procedure. The appraiser must always compare like with like. That is the appraiser must adjust each comparable to the subject property to impute an indicated value to the subject property. The steps of the procedure are as follows:

Research the market to obtain information about transactions, listings, and other offerings of properties similar to the subject property.

Verify the information by considering whether the

- a. Data obtained are factually accurate
- b. Transactions reflect arm's length market considerations. An appraiser verifies information by consulting a knowledgeable source.

Determine relevant units of comparison (e.g., acre, square foot, multiplier), and develop a comparative analysis for each unit.

Compare the subject and comparable sales according to the elements of comparison and adjust the sale price of each comparable as appropriate or eliminate the property as a comparable.

Reconcile the multiple value indications that result from the comparables into a single value indication.

The Sales Comparison Approach is applicable to all property types for which there is a sufficient number of recent, reliable transactions to create value patterns in a market. For property types that are bought and sold regularly, the Direct Sales Comparison Approach often provides the most reliable indication of market value.

It is considered reliable in such situations because it is direct and systematic.

Units of comparison are components into which a property may be divided for comparison purposes. Typical units of comparison are square foot, front foot, cubic foot, room, bed, seat and apartment unit. When an entire property is compared with other entire properties, the unit of comparison is the entire property. The function of using a unit of comparison is to adjust for size differences among properties. For example, even though two apartment buildings have similar apartment units, one is twice as large as the other. Thus, the entire property cannot be used as a unit of comparison, but comparisons could be made according to price per apartment or perhaps price per square foot.

The critical element in the application of this approach is the determination of what constitutes “the market.” It may or may not be appropriate to consider only those sales in the immediate vicinity of the subject property. The appraiser must apply judgment in selecting those available sales which would compete in the market with the subject property for investor monies. The factors considered in this comparison includes: market conditions, location, physical characteristics, condition of sale, and financing terms. The subject property is the standard and the adjustments are made to the sales price of the comparable property in order to arrive at an indication of value for the subject.

The strength of this approach lies in the fact that it reflects actual market behavior of typical purchasers and sellers under current market conditions. It is direct and simple to understand. Its weakness lies in the fact that there may be inadequate data in the market place to justify its use; the fact that it is based upon historical data rather than future expectations, and also the fact that the conditions of comparability may not closely conform to the subject property.

The sales comparison approach draws heavily upon the principle of substitution. In essence, this principle states that a prudent purchaser will pay no more for any particular property than it would cost that buyer to acquire an equally desirable alternate property.

The reliability of this approach depends upon the degree of comparability between properties, verification of the sales data, the condition under which the property is sold, and the time of sale. This approach is applicable to both vacant and improved properties.

San Augustine County, Texas and the adjoining state of Louisiana deed records were searched for recent comparable property sales. Also the MLS Service, LoopNet, LACDB, Real Estate

Agents, Appraisers and the Tax Appraisal District Officers were contacted for recent sales and offerings of similar property which would be competitive to the subject property. Other knowledgeable individuals active in this area were contacted for information relating to the market.

This appraiser locate properties similar to the subject that have sold within the prior four years, being similar in location, size and overall marketability as the subject in order to determine the estimated market value by the sales comparison approach.

## COMPARABLE WHOLE PROPERTY SALE #1

Address: 963 Texas State Hwy 63 W  
Jasper, Texas 75951

Highest and Best Use: Commercial Complex

Date of Sale: Under Contract 04/23/2024, Sold 06/28/2024

Sale Price: \$799,999

Grantor: Unavailable

Grantee: Unavailable

Site Size: 26.81 ac or 1,167,844 SF / \$0.69 SF

Gross Building area: 12,454 SF \$64.24 SF Building area

Construction: Multi-Unit Office, Warehouse, Meeting; Slab, Siding, Metal, Block

Location: Just west of Jasper near 63 & 190 intersection

Condition: Average: Effective age 5-8 years

Data Source: MLS #210001, JCAD, Tax Data

Adjustments:

Location -15%/-120,000

Site Equal

Condition -30%/-240,000

Size -25%/-200,000 Adjusted per SF = \$19.27



## COMPARABLE IMPROVED PROPERTY SALE #2

Address: 2850 N Wheeler  
Jasper, Texas 75951

Highest and Best Use: Commercial Complex

Date of Sale: 01/19/2022

Sale Price: \$249,000

Grantor: Unavailable

Grantee: Unavailable

Site Size: 4.029 ac or 175,503 SF / \$1.42 SF

Gross Building area: 13,995 SF \$17.79 SF Building area

Construction: Multi-Unit Retail, Warehouse; Slab, Metal, Wood

Location: Just north of Jasper on Hwy 96

Condition: Average: Effective age 25 years

Data Source: MLS #202666, JCAD, Tax Data

Adjustments:

Location -15%/- \$37,350

Site +\$100,000

Condition Equal

Size -20%/- \$49,800 Adjusted per SF = \$18.71



### COMPARABLE IMPROVED PROPERTY SALE #3

Address: 5015 Highway 59 N  
Marshall, Texas 75671

Highest and Best Use: Commercial Complex

Date of Sale: 09/08/2022

Sale Price: \$465,000

Grantor: Derrick Ellis

Grantee: Unavailable

Site Size: 8.82 ac or 384,199 SF / \$1.21 SF

Gross Building area: 32,000 SF \$14.53 SF Building area

Construction: Multi-Unit Office, Warehouse, Meeting; Slab, Metal, Block

Location: Hwy 59 near Marshall Industrial

Condition: Average: Effective age 10-12 years

Data Source: MLS #20193991, HCAD, Tax Data

Adjustments:

Location -5%/- \$23,250

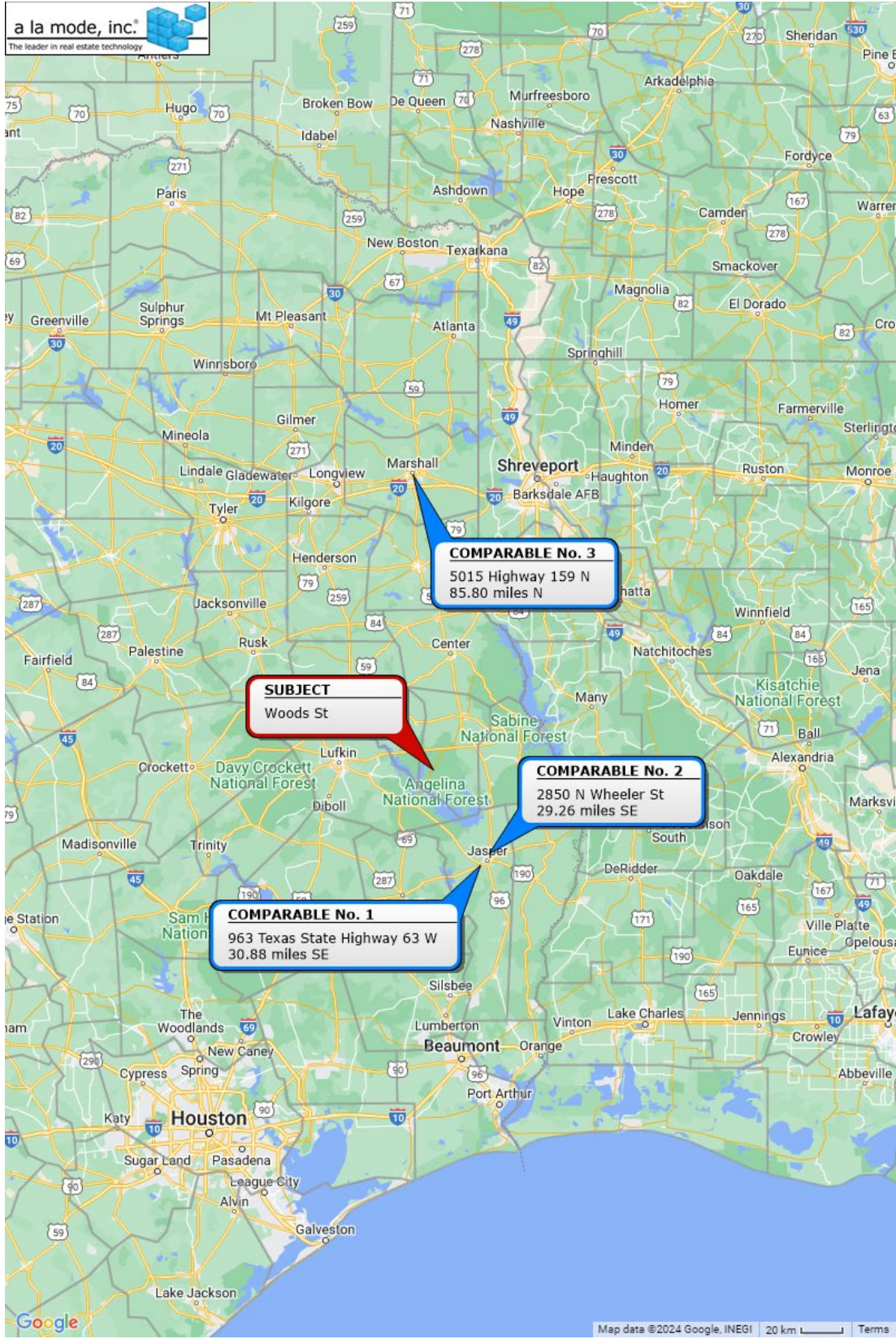
Site Equal

Condition Equal

Size Equal Adjusted per SF = \$13.80







**COMPARABLE SALES LOCATION MAP**

## **Market Rent Analysis**

The first step in the Income Approach is to estimate market rent. Market Rent is defined in The Dictionary of Real Estate Appraisal, Third Edition, copyright 1993, by the Appraisal Institute, page 221, as being:

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

In order to determine the gross potential income of the subject property, the market rent must first be developed. Comparable properties were researched in order to extract a current market rental rate. The rentals analyzed in terms of expense allocations, location, size, age/condition, type of construction, and other amenities in direct comparison to the subject property.

Initially, I researched comparable properties within the neighborhood, specifically in the vicinity of Longview, Texas and Bossier and Shreveport, Louisiana.

The rental estimate utilized within this report represent the most comparable information available.

### **LOCAL**

### **COMPARABLE RENTAL PROPERTIES**

**No Data Available for the subject area.**

## VALUATION METHODOLOGY

The local market generally shows a preference for buildings based on criteria of size and income potential. They are also the basis for adjustments when the sales considered vary somewhat from the profile of the subject property. Adjustments are generally made to equalize the factors of the sale to the conditions noted for the subject. If a sale is superior a negative adjustment is applied. If a sale is inferior a positive adjustment is applied. The sample in a typical real estate appraisal is not large enough to draw true statistical conclusions. In fact, samples of real estate transactions hardly ever qualify for true statistical conclusions. However, the mean of the sample and the standard deviation do provide us with points of reference that can be considered subjectively in choosing a value estimate. Additionally, the market at some times lacks a cohesiveness that allows adjustments to be verified by the tightening of range of value. This is due to the speculative nature of the market or the availability of data, however it does not impact the quality of the analysis, it merely shows that real estate is a commodity in a relatively inefficient market.

Elements of comparison are the characteristics of properties and transactions that cause prices to vary. Certain elements should be considered and compared, if necessary. Adjustments for them should be made to the price of each comparable property. The elements of comparison are (1) financing terms, (2) condition of sale, (3) market conditions (time), (4) location, (5) physical characteristics and (6) income characteristics.

Building Area Method

Sale #1 = \$19.27	X	42,637	=	\$821,615
Sale #2 = \$18.71	X	42,637	=	\$797,738
Sale #3 = \$13.80	X	42,637	=	\$588,391

The Value found by the Sales Comparison Approach was based upon sales of improved properties similar to the subject in general likeness and are the best sales available that data was readily available. Very little weight was given to the site area method. Therefore the estimated value by the Sales Comparison Approach is **\$650,000**.

## **INCOME APPROACH TO VALUE**

### **Not Developed**

Real Estate represents the present worth of future benefits which an owner can reasonably anticipate. The Income Approach to value is a discounting process to which future expectations are translated to present worth. The Income Approach is predicated on the assumption that there is a definite relationship between the amount of net income the property can produce and its value. The application of the income Approach calls for estimating the economic rent the property can produce. After estimating the gross income, a provision for vacancy and collection loss is deducted, as well as the estimated expenses that can be incurred in producing the gross income. The expense estimate must take into consideration the necessary operating expenditures, taxes, insurance, and reserve for replacement of short lived items. The net income thus derived is then capitalized into an indication of value using a capitalization rate, which is typical for the property being appraised.

## **RECONCILIATION AND FINAL VALUE CONCLUSION**

<b>COST APPROACH</b>	<b>NA</b>
<b>DIRECT SALES COMPARISON APPROACH</b>	<b>\$650,000</b>
<b>INCOME APPROACH</b>	<b>NA</b>

An attempt has been made throughout this appraisal analysis to test the subject property in light of market place reactions. All three approaches have used actual data, obtained from the market, in formulating value estimates. Value is determined by the market, the appraiser simply analyzes and interprets.

All three approaches to value were considered, however, due to the type property and the demand for similar properties in the market area and the limited supply at the present time, it is my opinion that the most consideration be given the Cost Approach.

The Cost Approach was given great consideration due to the quantity and quality of data available. This appraiser interviewed local contractors involved in building similar improvements and the use of Local Cost Manuel for the subject area in order to determine the construct cost of similar improvements. Land value was determined by sales of similar properties with the same highest and best use potential, in similar commercial areas of the city.

The Direct Sales Comparison Approach measures directly the actions of market participants who have engaged in buy/sale transactions on similar properties. When sufficient data is available, this approach is normally given significant weight, or emphasis in the final value conclusion.

The Income Approach is given the least consideration due to the income data not readily available in the subject area on properties similar to the subject.

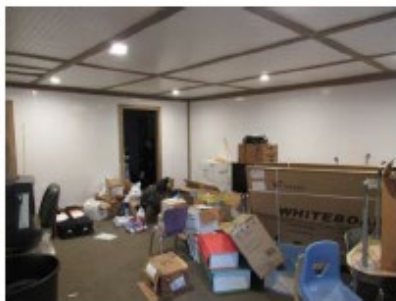
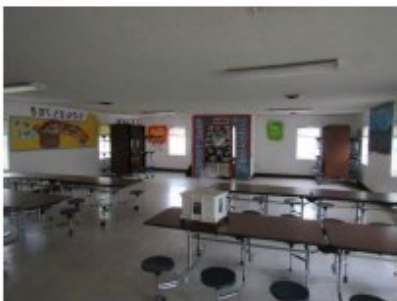
Based on this analysis, giving most consideration to my estimate of value via the Cost Approach and Direct Sales Comparison Approach and giving limited consideration to the Income Approach, it is my opinion that the market value of the subject site with improvements as described in the report, assuming all noted contingent and limiting conditions in this report, as of December 17, 2007, is:

**SIX HUNDRED FIFTY THOUSAND DOLLARS**  
**\$650,000.00**











## ASSUMPTIONS AND LIMITING CONDITIONS

1. **ACCEPTANCE OF, AND/OR USE OF, THIS APPRAISAL BY THE CLIENT, OR ANY THIRD PARTY, CONSTITUTES ACCEPTANCE OF ALL THE FOLLOWING CONDITIONS. FURTHER, THE CLIENT AND/OR ANY OTHER PARTY UTILIZING THIS REPORT HAS THOROUGHLY READ AND UNDERSTOOD THE DATA AND CONCLUSIONS, OR HAS OBTAINED FURTHER EXPLANATION IN WRITING FROM THE APPRAISER OR AN INDEPENDENT REVIEW APPRAISER WHO HAS BEEN HIRED AT THE CLIENT'S EXPENSE.**
2. **The estimate of value, as defined in the report, is not based in whole or in part upon race, color, or national origin of the present owner or occupants of the properties in the vicinity of the property appraised.**
3. **LIMIT OF LIABILITY:** The liability of the appraiser is limited to the client and to the fee collected. There is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all assumptions and limiting conditions of the assignment and related discussions. I assume no responsibility for any costs incurred to discover, or correct, any deficiencies of any type present in the property; physically, financially, and legal in nature.
4. **COPIES, PUBLICATION, DISTRIBUTION, USE OF REPORT:** Possession of this report, or any copy thereof, does not carry with it the right of publication; nor may it be used for other than its intended use. The physical report(s) remain the property of the appraiser for the use of the client –the fee being for the analytical services only.

The Bylaws and Regulations of the Appraisal Institute require each Member to control the use and distribution of each appraisal report signed by such Member; except as hereinafter provided, the client may distribute copies of this appraisal report in its entirety to such third parties as he/she may select; however, selected portions of this appraisal report shall not be given to third parties without the prior written consent of Jimmie C. Lovell, owner of Lovell Appraisal Service. Neither all nor any part of this appraisal report shall be disseminated to the general public by the use of advertising media, public relations, news, sales or other media for public communication without the prior written consent of the appraiser.

5. **CONFIDENTIALITY:** This appraisal report is to be used only in its entirety and no part is to be used without the entire report. All conclusions and opinions concerning the analysis set forth in the report were prepared by Jimmie C. Lovell. No changes of any items shall be made by anyone other than the appraiser. The appraiser shall have no responsibility if any unauthorized change is made.

I will not divulge the evaluation contents, analytical findings or conclusions, or give a copy of the report to anyone other than the client or his designee as specified in writing, except as may be required by the court of law or with the power of subpoena.

6. **TRADE SECRETS:** This appraisal was obtained from Jimmie C. Lovell, an independent contractor and consists of “trade secrets and commercial or financial information” which is privileged and confidential and exempt from disclosure under 5 U.S.C. 552 (b) (4). Jimmie C. Lovell must be notified concerning any request to reproduce this appraisal in whole or part and written consent must be obtained prior to any duplication of this report, either in whole or in part.
7. **INFORMATION USED:** No responsibility or liability is assumed for accuracy of the information furnished by work of others, the client, his designee, or public records. The comparable data relied upon in this report has been confirmed with one or more parties familiar with the transaction or from affidavit or other sources thought reasonable; all are considered appropriate for inclusion to the best of my factual judgment and knowledge. An impractical and uneconomic expenditure of time would be required in attempting to furnish unimpeachable verification in all instances, particularly as to engineering and market related information. It is suggested that the client consider independent verification as a prerequisite to any transaction involving sale, lease, or other significant commitment of funds for the subject property.
8. **TESTIMONY AND COMPLETION OF CONTRACT FOR APPRAISAL SERVICES:** The contract for appraisal, consultation or analytical services is fulfilled and the total fee payable upon completion of the report. I will not be asked or required to give testimony in court or hearing because of having made this appraisal, nor will I be required to engage in post appraisal consultation with the client or third parties except under separate and special arrangement and at additional fee. If testimony or deposition is required, proper notification must be given the appraiser to allow for scheduling and preparation. If testimony or deposition is required because of subpoena, the client shall be responsible for any additional time, fees, and charges regardless of the issuing party.
9. **EXHIBITS:** The sketches and maps in this report are included to assist the reader in visualizing the property and are not necessarily to scale. Various photos if included, are for the same purpose as of the date of the photos. Site plans are not surveys unless shown as prepared by an actual engineer, architect, or other experts.
10. **LEGAL, ENGINEERING, FINANCIAL, STRUCTURAL, OR MECHANICAL, HIDDEN COMPONENTS, SOIL:** No responsibility is assumed for matters legal in character or nature, nor matters of survey, nor of any architectural, structural, mechanical, or engineering nature. No opinion is rendered as to the title, which is presumed to be good

and merchantable. The property is appraised as if free and clear, unless otherwise stated in particular parts of the report.

It is an assumption and limiting condition of this report that the owner of record has good and marketable title to the subject.

The legal description as furnished by the client, his designee, or as derived by the appraiser is assumed to be correct.

No advice is given regarding mechanical equipment, structural integrity or adequacy, soils and potential for settlement, drainage, matters concerning liens, title status, and legal marketability of the subject. All parties involved should inspect the property before any disbursement of funds. If any party involved with the subject is concerned about mechanical and/or structural items, inspections by a qualified and licensed contractor, civil or structural engineer, architect, or other expert in the appropriate field should be obtained. Questions about legal matters should be presented to qualified attorney.

I have inspected, as far as possible by observation, the land and improvements if any attached to the property. However it was not possible to personally observe conditions beneath the soil or hidden structural components. I have not critically inspected mechanical components in the improvements and no representations are made as to these matters unless specifically stated and considered in the report. The value estimate assumes there no such conditions that would cause a loss in value.

The land or the soil of the area being appraised appears firm. However, subsidence in the area is not unknown. I do not warrant against this condition, or any other occurrence of problems arising from soil conditions.

It is assumed there are no hidden, unapparent, or apparent conditions of the property site, subsoil, or structures or toxic materials which would render it more or less valuable. No responsibility is assumed for any such conditions or for any expertise or engineering to discover them. All mechanical components are assumed to be in operable condition and status standard for properties of the subject type. Conditions of heating, cooling, ventilation, electrical, and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. No judgment has been made by me as to the adequacy of insulation, type of insulation, or energy efficiency of the improvements or equipment which is assumed standard for subject age and type.

I assume no responsibility for any cost or consequences arising due to the need, or lack of need, for flood insurance. An agent for The Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.

**11. LEGALITY OF USE:** The appraisal is based on the premise that there is full compliance with all applicable Federal, State and local environmental regulations and laws unless otherwise stated in the report. It is further assumed that all applicable zoning, building, use regulations and restrictions of all types have been complied with unless

otherwise stated in the report. Also, it is assumed that all required licenses, consents, permits or other legislative or administrative authority by local, State, Federal and/or private entity or organization have been, or can be, obtained or renewed for any use considered in the value estimate.

**12. COMPONENT VALUES:** The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and is invalid if so used.

**13. INCLUSIONS:** Furnishing and equipment or personal property or business operations, except as specifically indicated and typically considered as part of real estate, have been considered, therefore the real estate and required personal property have been considered in the value estimate. In some property types, business and real estate interests and values are combined.

**14. PROPOSED IMPROVEMENTS, CONDITIONED VALUE:** Improvements proposed, if any, on or off-site, as well as any repairs required, are considered for purposes of this appraisal to be completed in a good and workmanlike manner according to information submitted and/or considered.

In cases of proposed construction, the appraisal is subject to change upon inspection of the property after construction is completed. This estimate of market value is as of the date shown. If the improvements are proposed, the estimate of market value is as if the improvements have been completed and are operating at levels shown and projected.

**15. VALUE CHANGE & ALTERATION OF ESTIMATE BY APPRAISER:** The estimated value, which is defined in the report, is subject to change with market movement over time. Value is highly related to exposure, time, promotional effort, terms, motivation, and conditions surrounding the offering. The value estimate considers the productivity and relative attractiveness of the property, both physically and economically, in the marketplace as it contributes to an economic or social need.

In case of appraisals involving capitalization of income benefits, the estimate of the various values as defined is a reflection of such benefits and appraiser's interpretation of income, yields, and other factors derived from general and specific client and market information. Such estimates are as of a specific date; they are thus subject to change since the market and value are naturally dynamic.

The estimate of value, as defined in the appraisal report is not based in whole or in part upon the race, color, or origin of the present owners or occupants of the properties in the vicinity of the property appraised.

16. **CHANGE:** The appraisal report and value estimates are subject to change if physical, legal entity or financing different than envisioned at the time of writing becomes apparent at a later date.
17. **MANAGEMENT OF THE PROPERTY:** It is assumed the subject will be under prudent and competent ownership and management, being neither inefficient nor super-efficient.
18. **FEE:** The fee for this report is for the service rendered and not for the time spent on the physical report, nor the physical report itself. The fee paid for the preparation of this report has no relation to the final values reported. **THIS APPRAISAL ASSIGNMENT WAS NOT ACCEPTED BASED ON (1) A REQUESTED MINIMUM VALUATION, (2) A SPECIFIC VALUATION, OR (3) THE APPROVAL OF A LOAN.**
19. **CHANGES AND MODIFICATIONS:** I reserve the right to alter statements, analysis, conclusions or any value estimate if pertinent facts become known which were unknown at the time of the report preparation.
20. **MINERAL RIGHTS:** Mineral rights have not been given segregated consideration unless specifically identified in the appraisal report. I have, however, assumed that all minerals which must be recovered by strip mine methods are a part of the surface estate, unless otherwise stated in the report.
21. **HAZARDOUS SUBSTANCES AND TOXIC MATERIALS:** Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, radon, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of, or detected by, the appraiser during the inspection of the subject. I have no knowledge of the existence of such materials on or in the property, unless otherwise stated. **HOWEVER, I AM NOT QUALIFIED TO TEST FOR, OR DETECT, SUCH SUBSTANCES OR CONDITIONS.**

If the presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions which may affect property value are detected at some later date, the value estimate contained herein is to be considered invalid. The value estimate contained in this report is predicated on the assumption that there is no such condition on, or in, the property, or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such condition, nor for any expertise or engineering knowledge required to discover the hazardous substances or toxic materials.

22. **AMERICANS WITH DISABILITIES ACT:** The Americans with Disabilities Act (ADA) became effective January 26, 1992. I have not made a specific compliance survey



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

#### **SPECIAL ASSUMPTIONS AND LIMITING CONDITIONS**

The appraiser is not a building contractor, engineer, or qualified home inspector. The appraiser is not qualified to observe or report on physical items that are not easily visible. Any parties to this transaction having concerns regarding structural, mechanical, infestation, contamination or other issues about the subject property are urged to consult an expert in the appropriate field. **THE APPRAISER MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND WITH THE RESPECT TO ANY SUCH ITEMS THAT ARE NOT READILY OBSERVABLE.**

## **QUALIFICATIONS OF JIMMIE CORITA LOVELL**

### **PROFESSIONAL AFFILIATIONS**

State of Texas Licensed Real Estate Broker No. 273575  
Texas Certified General Real Estate Appraiser No. 1325672-G  
Louisiana Certified General Real Estate Appraiser No. G-0893  
Associate Member Appraisal Institute  
Member of National Association of Realtors

### **PRESENT EMPLOYMENT**

Lovell Appraisal Service  
Jimmie C. Lovell, Owner  
P.O. Box 1389  
Center, Texas 75935

### **CLIENTS AND TYPE OF PROPERTY APPRAISED**

In connection with the above employment, clients include Financial Institutions, Attorneys, Individuals and Corporations. In this capacity, appraisals have been made of: Commercial Properties, Subdivisions, Farms, Land, Ranches, Residence, Apartments, Industrial Properties, all type of easements, and a wide variety of Special Purpose Properties.

#### References:

Farmers State Bank, Center, Texas	Countrywide Mortgage
Texas State Bank, Joaquin, Texas	Wells Fargo Home Mortgage
Shelby Savings Bank, Center, Texas	RBC/Formerly Sterling Capital
Citizens Bank, Center, Texas	Federal & District Courts
Hibernia Bank of Louisiana, & Texas	Texas Department of Highway
Others upon request	

### **EDUCATION**

#### **Completed primary education in Tenaha and secondary in the Houston Public School System**

Graduate of Panola College in Real Estate  
University of Texas, Business Law, Business Communication  
East Texas Baptist University, Real Estate Appraisal  
McKissock Appraisal School, USPAP and FHA Exam Preparation  
East Texas State University, Appraisal Standards and Ethics  
Angelina College, MCE  
Champion School of Real Estate  
Sam Houston State University, MCE  
Robertson Real Estate College, Manufactured Housing  
Appraisal Institute of Real Estate Appraisers

## APPRAISAL AND REAL ESTATE STUDIES

Fundamentals of Real Estate Appraisal  
Appraisal of Manufactured Homes  
Appraising Real Property  
Appraising Residences & Income Property  
Rural Real Estate Appraisal  
Assessing and the Appraisal Process  
Business Valuation  
Louisiana Real Estate Contracts  
Real Estate Finance  
Texas Real Estate Law  
Real Estate Math  
Real Estate Marketing  
Real Estate Brokerage  
Louisiana Real Estate Record Keeping  
Valuation of Detrimental Conditions in Real Estate

Advance Level Finance  
Fundamentals of Rural Real Estate  
Valuation of Immature Timber  
HUD Fair Housing  
FHA Exam Preparation  
Real Estate Law  
Appraising Rural Property



### Certified General Real Estate Appraiser

Appraiser: **Jimmie Corita Lovell**

License #: **TX 1325672 G**

License Expires: **11/30/2025**

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](http://www.talcb.texas.gov).

Chelsea Buchholtz  
Commissioner



## Appraiser Trainee


Trainee: **Donald W Burton**

Authorization #: **TX 1336807 Trainee** Expires: **03/31/2026**

Review the list of the above Trainee's Supervisors on the License Holder Search at [www.talcb.texas.gov](http://www.talcb.texas.gov).

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: Appraiser Trainee

For additional information or to file a complaint please contact TALCB at [www.talcb.texas.gov](http://www.talcb.texas.gov).

  
Chelsea Buchholtz  
Executive Director




## Certified Residential Real Estate Appraiser

Appraiser: **Micheal Hendrix**

License #: **TX 1361503 R** License Expires: **08/31/2025**

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 Residential Real Estate Appraiser

For additional information or to file a complaint please contact TALCB at [www.talcb.texas.gov](http://www.talcb.texas.gov).

  
Chelsea Buchholtz  
Commissioner

**JIMMIE C. LOVELL, CA  
REAL ESTATE APPRAISER  
P. O. BOX 1389  
CENTER, TEXAS 75935  
(936) 598-2900**

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July 31, 2024

Broaddus ISD  
Attention Lucas Holloway

Appraisal Fee.....Due upon receipt.....\$3,500.

RE: LTS 1-2-3-4-5-6-7-8-9-10-11-12

Broaddus, Texas 75929