

**Todd Property Advisors**  
Real Property Analysts, Inc.

September 29, 2014

Mr. Brady Beal  
Meridian Bank Texas  
100 Lexington, Suite 100  
Fort Worth, Texas 76102

**RE: Valuation of a 20,500 square foot office/warehouse facility located at 1702 FM 1201, Gainesville, Cooke County, Texas.**

Mr. Brady Beal:

We have personally inspected the above-referenced property and have prepared an opinion of value in accordance with your request. The objective of this appraisal is to provide an opinion of market value of the fee simple estate of the subject property in "as is" condition, as of the effective date of appraisal. All data considered pertinent to the preparation of this appraisal has been investigated and analyzed and the results of the analysis together with our conclusions may be found in the following report. Mitchell B. Todd, MAI and Clint A. Hurley have performed numerous appraisals on similar properties and are sufficiently competent to complete this assignment.

This appraisal involves an appraisal report in compliance with the Scope of Work Rule of the 2014-2015 Edition of the Uniform Standards of Professional Appraisal Practice (USPAP) as provided by the Appraisal Foundation. It involves the application of the Sales Comparison Approaches to value, as well as a Certification. The exclusion of the Cost Approach to Value is considered reasonable and its exclusion should not mislead the user of this appraisal. The exclusion of the Cost Approach is considered reasonable due to the majority of subject property having been constructed in 2006 and having a current age of 9 years. The appraiser's scope of work decision involved the exclusion of the Cost Approach due to the fact that this approach would provide a less reliable indication of value. The exclusion of the Income Capitalization Approach to value is considered to be reasonable, given that the majority of similar facilities are owner-occupied and not leased; this is also the case for the subject facility. The exclusion of the Income Capitalization Approach should not mislead the user of this appraisal, given that it would provide a less credible indication of value compared to the Sales Comparison Approach. Additionally, please note the Assumptions and Limiting Conditions located at the end of this report. For purposes of this report, we have only been asked to provide an opinion of market value.

All methodology utilized to arrive upon the opinion of *market value* can be found in The Appraisal of Real Estate, Fourteenth Edition, as published by The Appraisal Institute. This appraisal report sets forth the identification of the subject property, information regarding the subject and its surrounding area, sales data, the results of the investigations and analyses, and the reasoning leading to our conclusion. The appraisal assignment was not based on a requested minimum valuation, a specific valuation or the approval of a loan.

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To the best of our knowledge, the subject property has no natural, cultural, recreational, or scientific value. As is discussed in the Estimate of Exposure Time section of this report, it is our opinion that the sale of the subject property could be consummated within a twelve month period at the opinion of value arrived herein.

In our opinion, and after careful consideration of the various factors entering into this appraisal, the "as is" market value of the fee simple estate of the subject property, as of September 23, 2014, was:

"As Is" Market Value:  
**ONE MILLION THIRTY THOUSAND DOLLARS**  
**(\$1,030,000)**

**Extraordinary Assumption:**

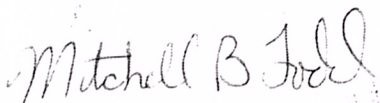
The subject property is physically located east of FM 1201 and does not have direct frontage along the roadway. However, the subject tract reportedly has an access easement with the adjacent tract that allows access to FM 1201. This easement is finished with asphalt paved & gravel driveway. A survey of the subject site was requested, but one was not provided at the time of this appraisal. If the aforementioned access easement is not as described above, the appraiser's opinions or conclusions could be affected.

Further, this opinion of value is contingent upon the subject property being free of any hazardous wastes deposited thereupon by the present or previous owners/tenants of the site which would adversely affect the value of the property. The existence of any such materials was not observed upon the physical inspection of the property. However, we are not qualified to detect these substances and it is recommended that an expert in this field be obtained if the client has suspicion of these materials and substances existing on the property.

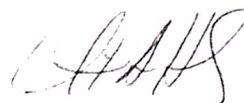
It is also assumed there is full compliance with all requirements of Title III, of the Americans with Disabilities Act (ADA) which became effective January 26, 1992. No responsibility is assumed by the appraisers for any such conditions, or for any expertise of architectural/design knowledge and cost required identifying such non-compliance.

There was no information required or deemed pertinent to the completion of this appraisal, which was not available to the undersigned. Additionally, the value conclusion found within this report is exclusive of any personal property, fixtures, or intangible items that are not real property. Thus, the reported value within this report pertains to the real property only.

Respectfully submitted,



Mitchell B. Todd, MAI  
President  
State Certification #TX-1323514-G



Clint A. Hurley  
Senior Vice President  
State Certification #TX-1337851-G