

Central Texas Investment Property

Austin - San Antonio Corridor
Guadalupe County, TX

1,364 Acres on SH130 (toll)





*To obtain additional information or to
arrange an appointment for a site visit,
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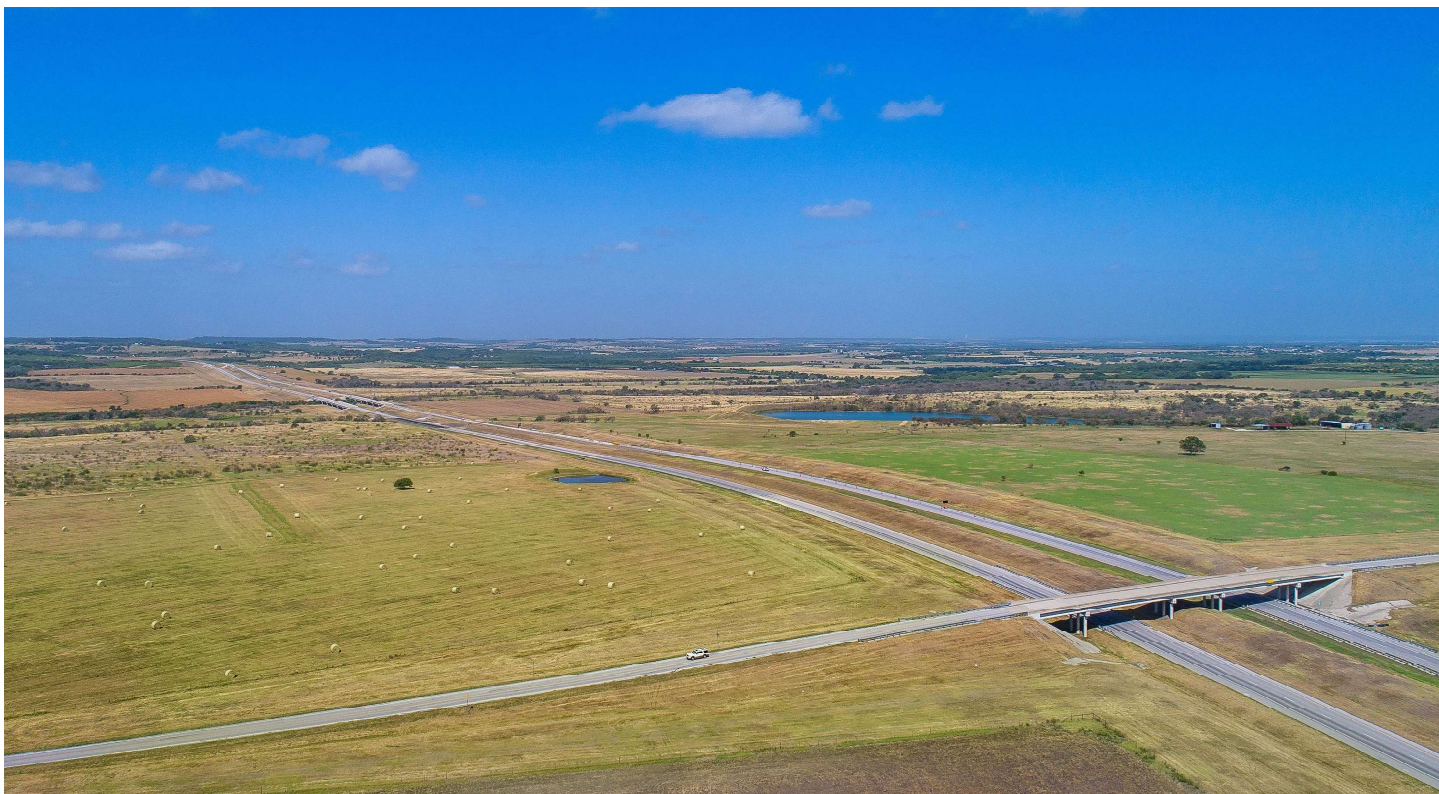
The offering is subject to prior sale, change of price, and other changes in terms or conditions. Seller, at its sole discretion and without prior notice, may withdraw this property from sale in whole or in part.

Central Texas Investment Property

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INVESTMENT SUMMARY



Legacy Ag Group LLC is pleased to present the opportunity to acquire a fee-simple interest in York Valley Ranch (the “Property”), a 1,364-acre tract of land located between Austin and San Antonio, Texas. Situated within one of the nation’s fastest-growing populations, the Property consists of open and gently rolling land with several lakes and ponds fed by York Creek and natural springs. The Property’s prime location straddling SH 130 (Toll) – less than one hour from downtown Austin and San Antonio – gives its future users excellent access to both major cities without the congestion issues of traveling on Interstate 35.

The opportunity to purchase York Valley Ranch enables an investor to capitalize on current revenue from a farm lease and reduced agricultural use-based property taxes, while also receiving the upside potential of future redevelopment in the heart of the Central Texas growth corridor. As the population of the Austin and San Antonio MSAs grows (estimated to double in the coming years), it is anticipated the two cities will grow together along the IH 35/SH 130 corridor. York Valley Ranch has been prepared to take advantage of this coming growth by establishment of the **York Valley Municipal Utility District (or “York Valley MUD”)** - created in 2007 so a future investor can convert the agricultural ranch to another use if desired.

- ***Ag-Exempt Property with Current Tax Benefits***

The Property is currently leased to a local producer for farming and livestock operations. The lease enables the Property to qualify for an **“agricultural-use”** property tax exemption that values the Property at a fraction of the actual appraisal amount. Based on 2017 values and tax rates, the agricultural-use exemption resulted in a ~92% reduction in annual property taxes. Additional tax information is set forth in the Parcel Acreage & Tax Summary table located in the Appendix.

- ***Benefit from Existing Municipal Utility District***

In 2007, the Texas Legislature passed S.B. No. 1982, an Act creating York Valley Municipal Utility District (“York Valley MUD”). York Valley MUD has authority to: 1) impose taxes and issue tax-exempt bonds to pay for water, wastewater and drainage improvements, 2) utilize the power of eminent domain, 3) impose taxes

and issue tax-exempt bonds to pay for roads, and 4) divide itself into two or more new districts. All of York Valley Ranch lies within the boundaries of York Valley MUD.

- ***Unique Future Development Opportunity***

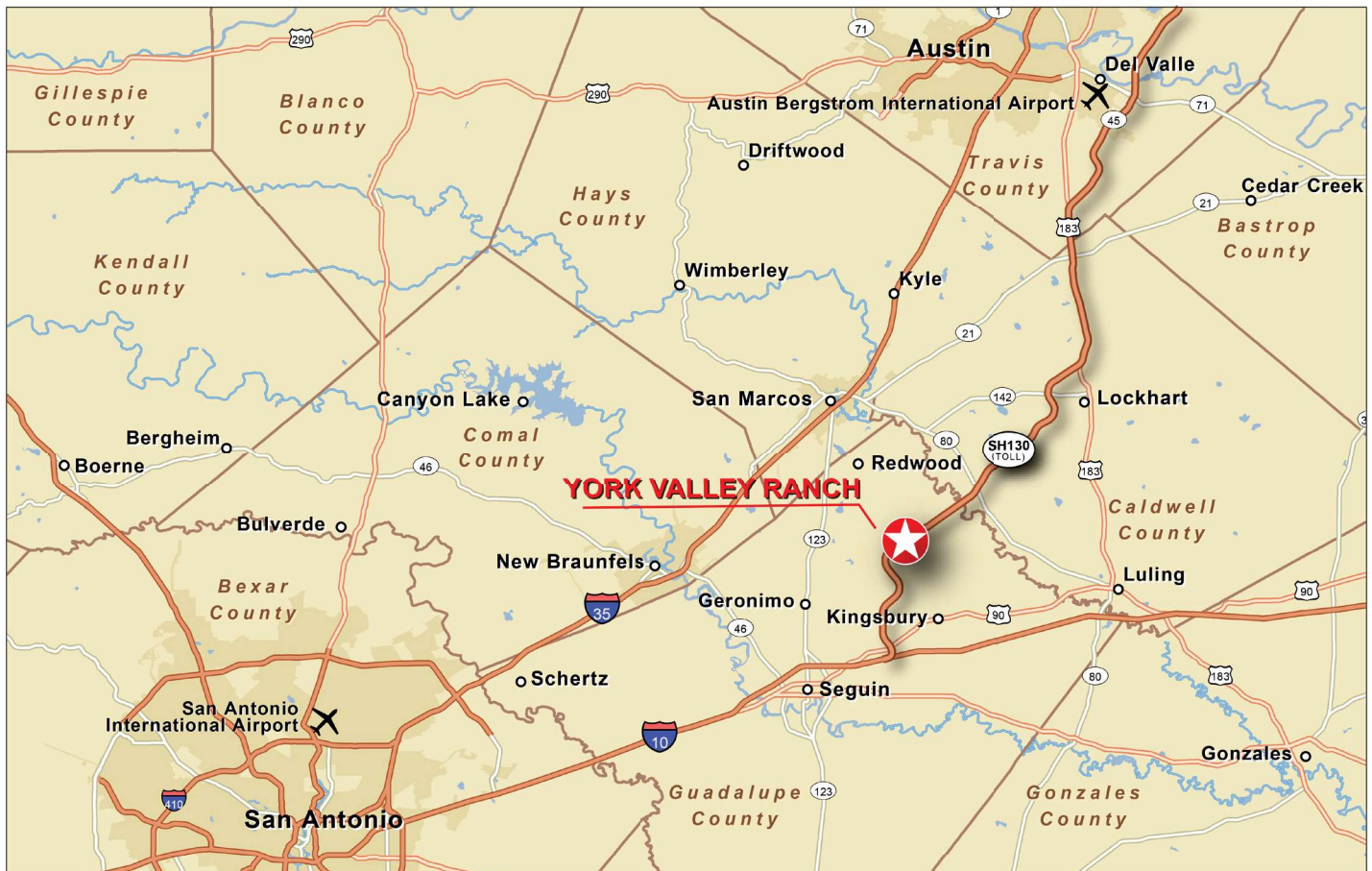
York Valley Ranch is well-positioned to take advantage of future development opportunities. In addition to the MUD that has already been created, the Property is not subject to any city zoning or ordinances. Since the Property is **not within any city's limits or ETJ**, a future developer may realize significant savings versus other development projects that are located within a city's limits or ETJ.

- ***Prominent Location Straddling SH 130 in Thriving Central Texas Corridor***

York Valley Ranch benefits from frontage on both sides of State Highway 130, a key connector between Austin and San Antonio. SH 130 bypasses the heavily-congested IH 35 by connecting IH 35 from north of Georgetown to IH 10 near Seguin. It lies approximately equidistant from the IH 35/SH 123 interchange at San Marcos and the IH 10/SH 130 interchange east of Seguin. The Property is located less than one hour from downtown Austin and San Antonio; approximately 40 minutes from Austin-Bergstrom International Airport; within 15 minutes of IH 35 (which links Canada and Mexico), IH 10 (which links the Pacific and Atlantic Oceans), San Marcos and its outlet mall & University, historic New Braunfels, and Seguin. Most of the ranch lies within the San Marcos CISD, with remaining portion in Seguin ISD.

York Valley Ranch is 10.5 miles from the San Marcos city limits, granting the Property convenient access to the heart of “America’s Next Great Metropolis” according to Forbes.

- ***Sale Price: \$5,450,000.00***



PROPERTY OVERVIEW

York Valley Ranch is a highly-rated ranch property in an area primed for future development. The Ranch covers 1,364 acres of open and gently rolling land with varied vegetation, topography, several lakes & multiple ponds fed by York Creek and natural springs. York Creek meanders through the ranch in a northwesterly to southeasterly direction forming the boundary between the San Marcos CISD and Seguin ISD – San Marcos CISD lies to the Northeast side of York Creek, Seguin ISD to the Southwest side.



A Summary of the Property's acreage, defined by parcel as recorded by the Guadalupe County Appraisal District is set forth in the Parcel Acreage & Tax summary located in the Appendix.

Water on the ranch includes the following features:

- 1-½ miles frontage along both banks of York Creek, a strong seasonal creek that runs much of the year and normally holds water year 'round
- Large lake (~23 acres)
- Smaller lake
- Eleven ponds that normally hold water all year 'round according to the longtime ranch manager
- Several Water Wells



A Phase I Environmental Site Assessment was prepared by Schroeder Design Associates, Inc., on August 30, 2006. At that time, the assessment did not identify any potential sources of environmental risk. A copy of the Phase I Environmental Site Assessment is available upon request.

TOPOGRAPHY & SOILS

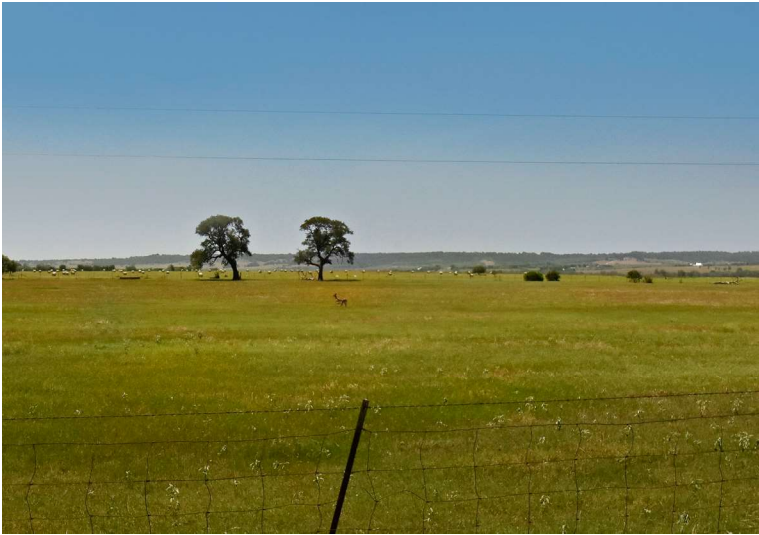
The topography ranges from an elevation of 509 feet on a hill overlooking the large lake, to 436 feet along York Creek. The land is about 80% open pasture land and approximately 20% hilly and rolling terrain with moderate to heavy tree cover, affording scenic views. The open areas include native and improved grasses. The trees, predominantly located on the western and eastern edges of the ranch, and along York Creek include oak, elm, pecan hackberry huisache, and mesquite. The low-lying areas along both banks of York Creek are within the 100-year floodplain. Soils include Houston Black clay, Tinn clay, Ferris & Heiden soils, along with other clay types. See the soils maps in the Appendix for additional soil information.



CURRENT LAND USE

The Property is currently leased to a local producer for farming and livestock operations. The prospective buyer will have the option to either extend the lease or terminate it subject to a buyout provision. Additional details about the lease are available upon request.

So long as the Property is operated subject to the current (or a similar) lease arrangement, it will qualify for the agricultural use valuation for property taxes. See the Parcel Acreage & Tax Summary table in the Appendix for additional property tax information.



IMPROVEMENTS



The Property is set up with facilities for handling and managing livestock. The perimeter is fenced with barbed wire on metal and cedar posts. Additional barbed wire fencing divides interior areas into pastures and traps that facilitate efficient crop, grazing and livestock management.

Interior access for the property includes all-weather gravel roads. A network of typical pasture roads provides access to notable areas of the ranch.



Livestock facilities on the northwest side of the Property, adjacent to Bylerpool Road, include a set of steel corrals, loading/unloading chute, and a covered processing area with hydraulic chute.

A smaller set of steel corrals and loading/unloading chute is located in the Southwest area of the Property, alongside FM 241A (York Crossing).



Other Improvements include four barns, four grain silos, an implement and hay shed, a tool shed, a loafing shed, and a loading ramp.



YORK VALLEY MUD

In 2007, the owners of the Property worked with the Texas Legislature to create the York Valley MUD to enhance opportunities for future development. The Texas Legislature passed S.B. No. 1982, giving the York Valley MUD authority to: 1) impose taxes and issue tax-exempt bonds to pay for water, wastewater and drainage improvements, 2) utilize the power of eminent domain, 3) impose taxes and issue tax-exempt bonds to pay for roads, and 4) divide itself into two or more new districts.

York Valley MUD currently operates under the control and supervision of a board of directors elected by eligible registered voters residing within the boundaries of the district (of which there are currently none). York Valley MUD has entered into a reimbursement agreement with BADC York Valley, Ltd. pursuant to which the MUD will reimburse BADC York Valley, Ltd. or its successors for certain infrastructure improvements and other costs incurred on the MUD's behalf. The reimbursement agreement can be amended by a future owner or developer of the Property.



FUTURE DEVELOPMENT & UTILITIES

The York Valley MUD was established with future development potential in mind. The Property's current owner conducted extensive research on the Property's future development potential, concluding that it would be suitable for a variety of uses. Services for future development, such as a master planned community, are as follows:

- **Water:**
York Valley lies within the service area of Crystal Clear Special Utility District (www.crystalclearsud.org). Water to meet the ranch's current needs can be supplied via CCSUD's existing water line that runs along FM1339 north of the Property.
- **Wastewater:**
CCSUD and Guadalupe-Blanco River Authority (GBRA) have both indicated they could participate to any degree desired in a wastewater treatment plant for the ranch.
- **Electric:**
The Property lies within the service area of Guadalupe Valley Electric Co-Op.
- **Telephone:**
The Property lies within the service area of Verizon Communications, Inc.
- **Natural Gas/Propane:**
Natural Gas or propane may be available on an individual basis. A natural gas pipeline owned and operated by Oasis Pipeline Co. crosses the southern portion of the ranch.

The Property can potentially be subdivided into four separate tracts as future growth and development opportunities arise. York Valley Ranch is naturally subdivided by SH 130 (north-south) and York Creek (east-west). The four tracts contain approximately 476 acres (NW quadrant), 290 acres (SW quadrant), 269 acres (NE quadrant), and 329 acres (SE quadrant). See Appendix maps for additional location information.

Communications Tower Group, LLC currently has an Option and Ground Lease Agreement with the Owner to potentially lease a 75' X 75' area on the property. If exercised, the lease will generate indexed annual lease income of \$14,000 per year.

The Property's current owner had discussions with the developer of SH 130 related to ingress/egress to the Property at the intersection of SH 130 & Bylerpool Road. In the event future development economics warrant, sufficient land to accommodate entrance and exit ramps at this location has been reserved by the Tollway owner.



DESCRIPTIVE INFORMATION

LOCATION:

York Valley Ranch benefits from a prime location in the center of what Forbes calls “America’s Next Great Metropolis.” Both Austin and San Antonio have demonstrated strong economic growth over the past decade, and the Property’s location between the two cities positions it to take advantage of continued growth. The Property is located an approximate 40-minute drive from Austin Bergstrom International Airport, and no more than one hour from downtown Austin and San Antonio. Under normal driving conditions, Austin Bergstrom International Airport is more accessible from York Valley Ranch than from most of the fast-growing suburbs north and west of Austin.

On a micro level, the Property lies between San Marcos and Seguin, two notable towns in the Central Texas Growth corridor.

- **San Marcos** – Home to Texas State University, San Marcos has a well-educated workforce with an affordable cost of living. The city registered a population of ~62,000 people in 2016. According to the Cost of Living Index 2017 Annual Report, San Marcos is one of the most affordable cities, posting a composite index score of 92.3% (as compared to Austin at 97.7%, and Dallas at 102.1%, for reference). In 2016, approximately 86.4% of the workforce had a high school level of education or higher, and approximately 32.0% of the workforce had attained a bachelor’s degree or higher.
- **Seguin** – Seguin is known as one of the strongest manufacturing clusters in the region, as it is home to more manufacturing jobs per capita than any other city in Texas. More than 30,000 called Seguin home in 2016, and the city continues to grow as new jobs are added to the region.

Notable employers in the two cities include Amazon Fulfillment, Caterpillar, Continental Automotive Systems, and a variety of educational institutions.

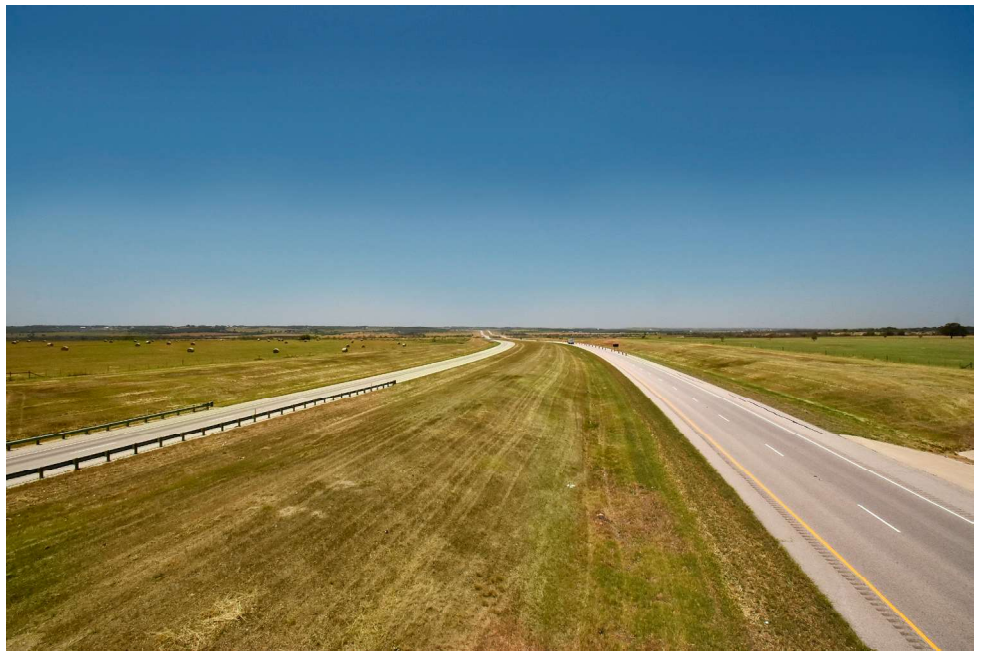


ACCESS:

The Property is ~11.5 miles from the IH 35 @ SH 123 interchange in San Marcos; ~11.5 miles from the SH 130 @ IH 10 interchange east of Seguin; ~10.5 miles from the San Marcos city limits; and ~11 miles from the Seguin city limits.

The Property lies in the center of the rectangle formed by FM 20, FM 3353, FM 1339, and FM 621.

The southern segment of SH130(Toll) bisects York Valley Ranch from north to south. The on/off ramps to SH 130 in closest proximity to the Property are at FM 621 (north - less than 4 miles via existing paved roads) and at FM 20 (south - less than 3 miles via existing paved roads). The Property has frontage on SH 130 (both sides), Bylerpool Road, Wade Road, and York Crossing.



EASEMENTS:

The Property is encumbered by a gas transmission line (operated by Energy Transfer Company) and a hazardous liquids products gas line (operated by Flint Hills Resources, LC). The property also has easements normally associated with existing electric distribution lines. Other easements, if any, (to be identified by survey) are expected to be typical of ranches in the market area and have minimal effect on the marketability of the Property.

ZONING:

The Property is not located within any city limits or Extra Territorial Jurisdiction ("ETJ"), and it is not subject to any deed restrictions. It can be used for any legal purpose within Guadalupe County, subject to applicable Guadalupe County rules and regulations.



WATER RIGHTS:

All water rights convey with the Property.

MINERAL RIGHTS:

Owner will retain all mineral rights.

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Central Texas Investment Property

APPENDIX

Parcel Acreage & Tax Summary (Guadalupe County Appraisal District)A1

MAPS

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Parcel Acreage & Tax Summary

Guadalupe County Appraisal District

			CAD	2018 Valuation ¹	
Parcel ID	<u>Geographic ID</u>		<u>Acres</u>	<u>Aq Use Value</u>	<u>P. Tax²</u>
<u>SH 130, West Side</u>					
1	61427	2G0085-0000-00400-0-00	262.000	\$ 47,946.00	\$ 862.45
2	61428	2G0085-0000-00410-0-00	3.000	26,286.00	472.83
3	133856	2G0085-0000-00475-0-00	67.700	12,389.00	222.85
4	132359	2G0085-0000-00450-0-00	0.600	110.00	1.99
5	137097	2G0085-0000-00430-0-00	2.676	490.00	8.82
6	133870	2G0085-0000-00350-0-00	81.000	14,823.00	266.63
7	61426	2G0085-0000-00300-0-00	193.930	34,895.00	629.75
8	60364	2G0056-0000-01000-0-00	136.023	62,099.00	1,120.70
9	137947	2G0085-0000-00420-0-00	10.000	1,830.00	32.92
			756.929	200,868.00	\$ 3,618.94
<u>SH 130, East Side</u>					
1	137098	2G0085-0000-00455-0-00	1.500	275.00	4.95
2	133855	2G0085-0000-00425-0-00	26.000	4,758.00	85.58
3	71573	2G0085-0000-00600-0-00	137.580	21,932.00	394.51
4	137096	2G0085-0000-00480-0-00	46.680	8,542.00	153.66
5	137094	2G0085-0000-00415-0-00	14.359	2,628.00	47.28
6	137093	2G0085-0000-00355-0-00	34.309	6,279.00	112.95
7	137083	2G0085-0000-00305-0-00	148.000	28,316.00	511.03
8	60377	2G0056-0000-01500-0-00	198.728	38,066.00	686.98
			607.156	110,796.00	1,996.94
RANCH TOTALS			1,364.085	\$ 311,664.00	\$ 5,615.88

¹ Based on Values Assigned by County Appraisal District for Year 2018

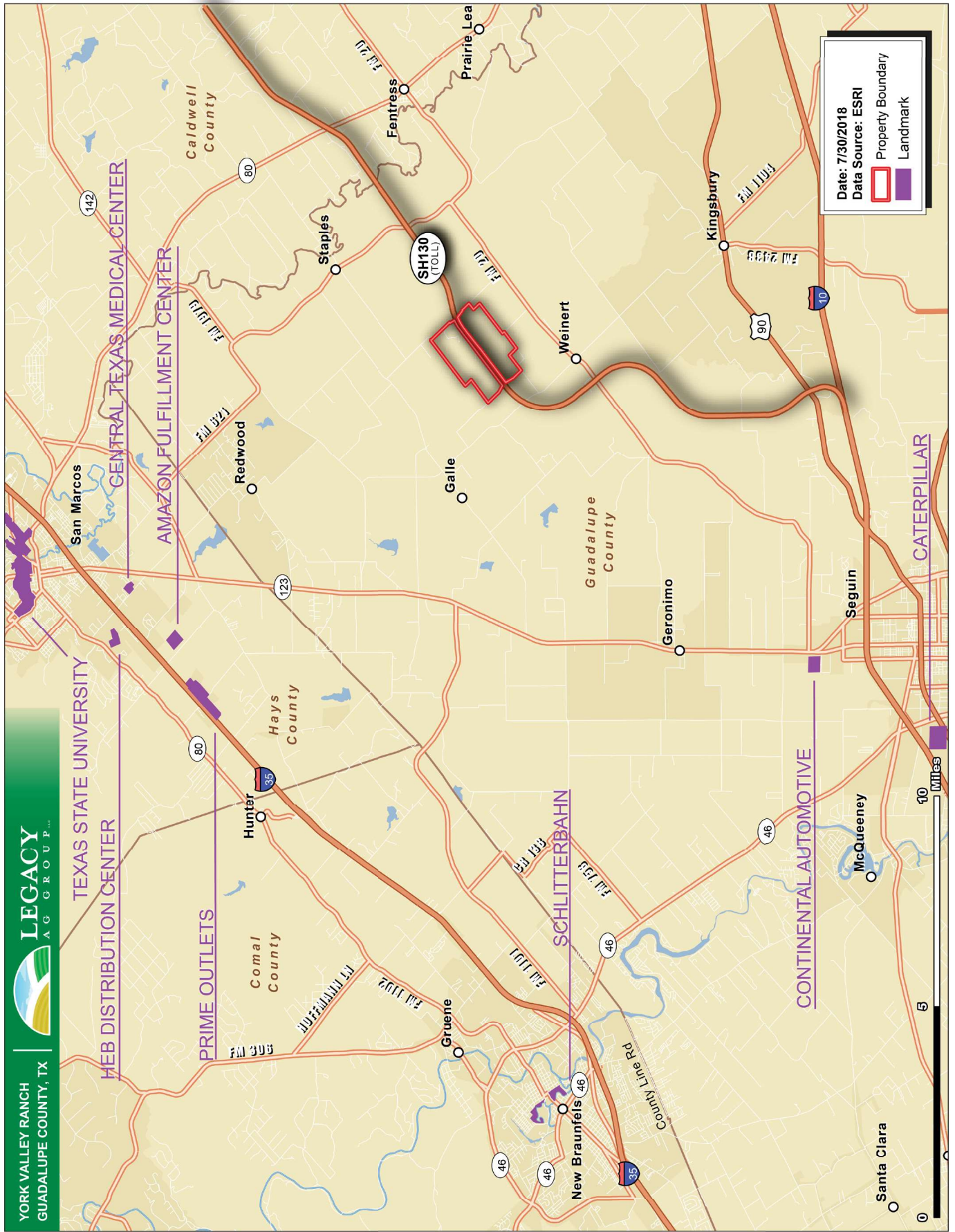
² Estimated 2018 Property Tax

REGIONAL MAP

YORK VALLEY RANCH
GUADALUPE COUNTY, TX

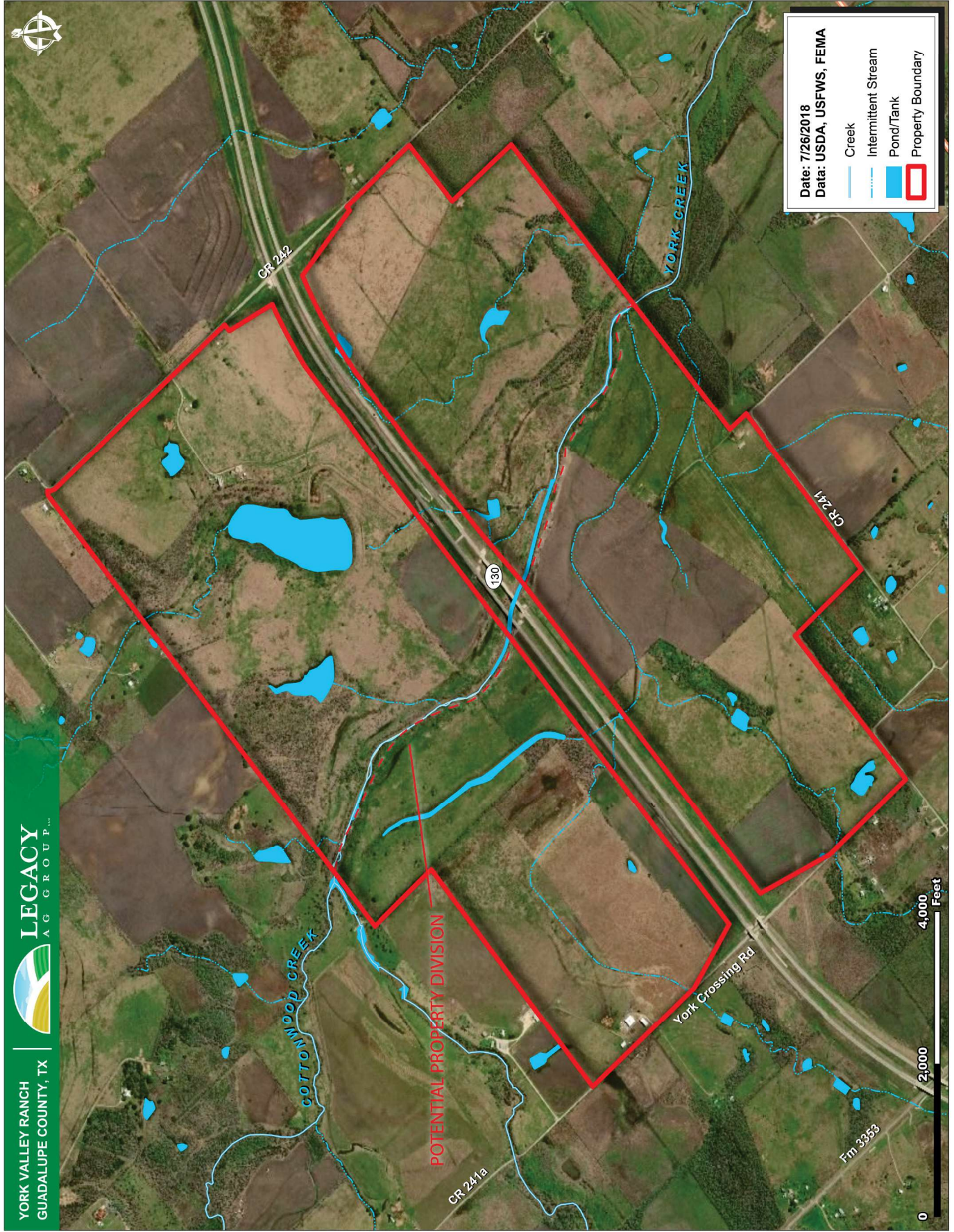


AREA MAP

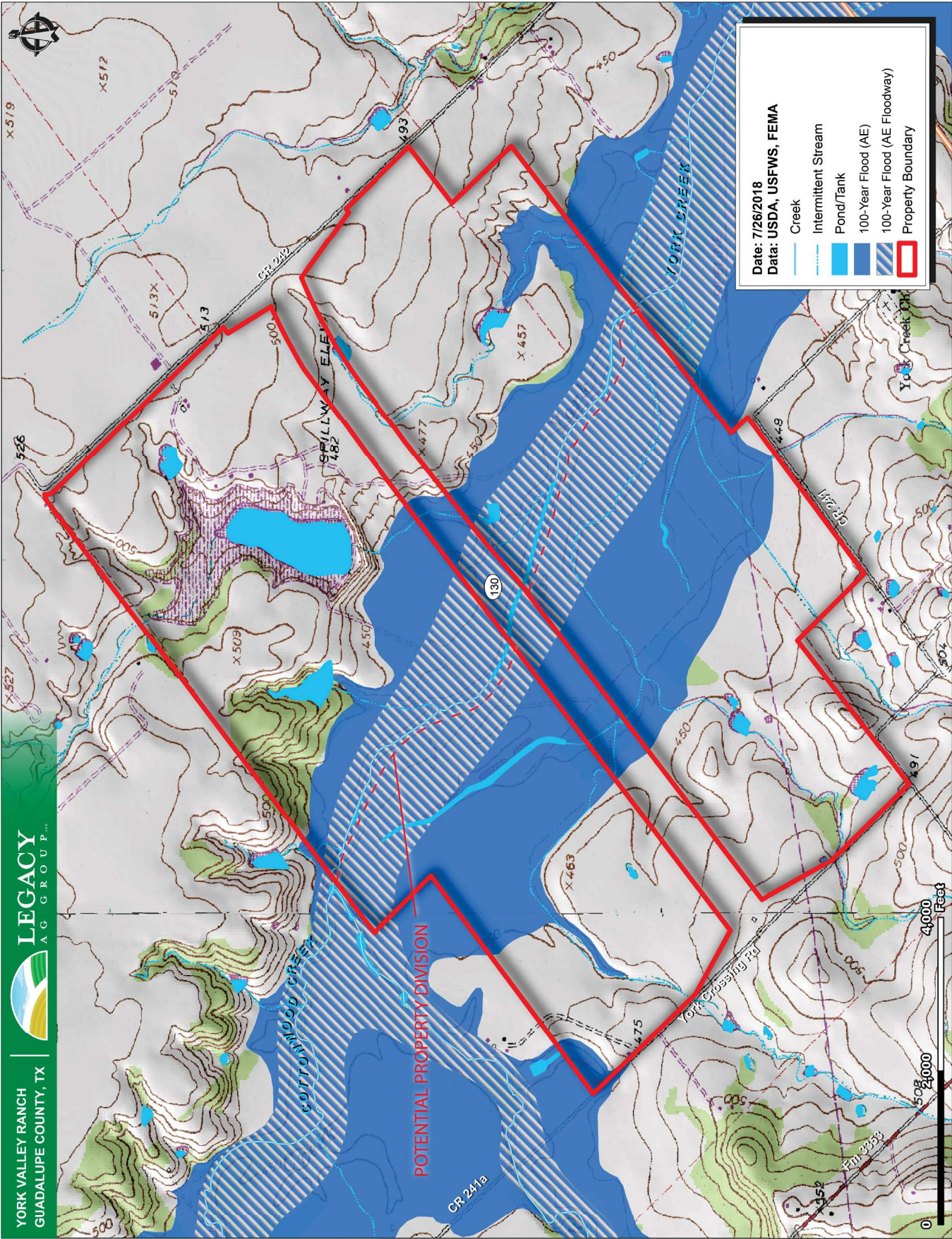


AERIAL MAP

YORK VALLEY RANCH
GUADALUPE COUNTY, TX



TOPOGRAPHY MAP



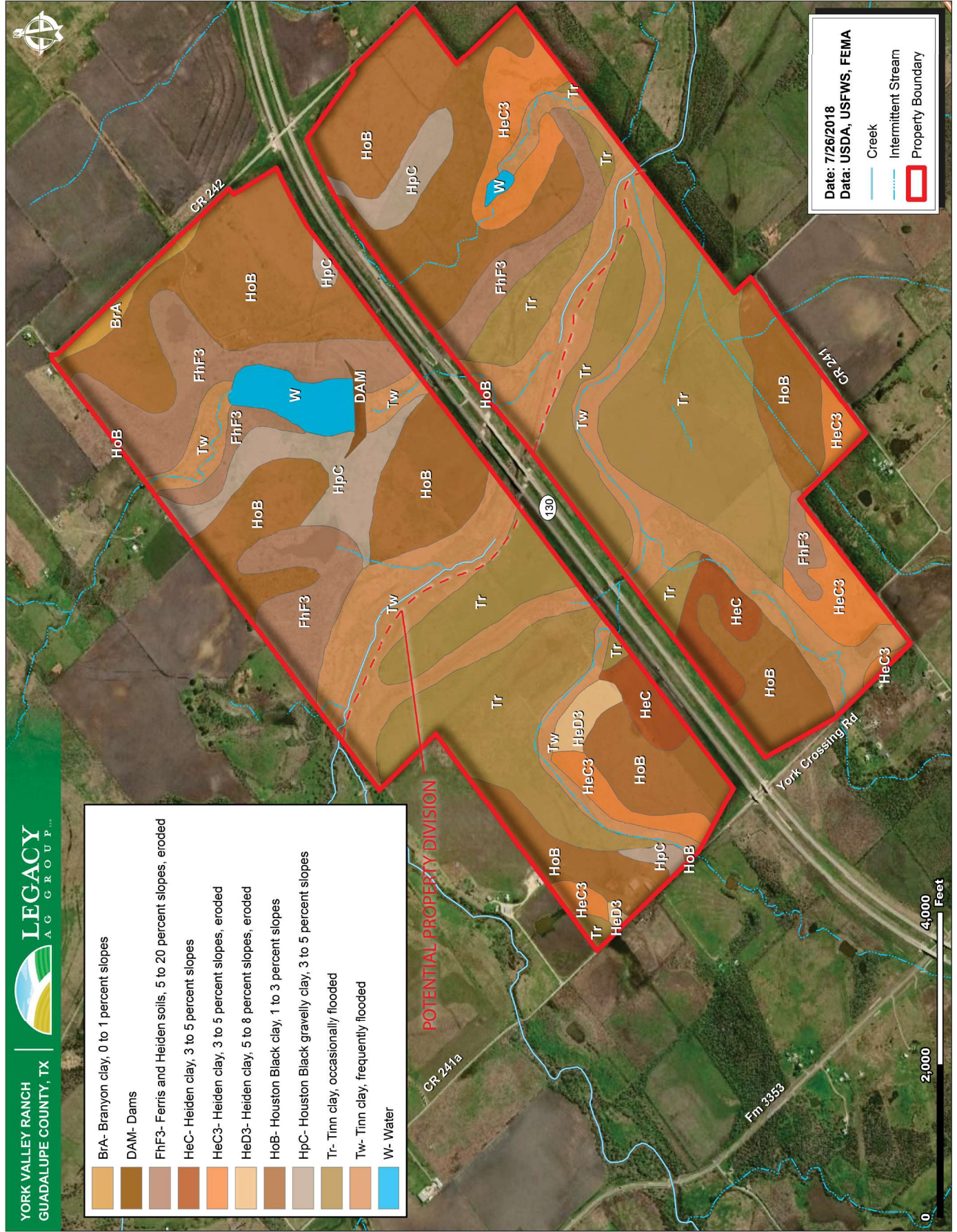
SOILS (STANDARD) MAP

YORK VALLEY RANCH
GUADALUPE COUNTY, TX



LEGACY
AG GROUP

BrA- Branyon clay, 0 to 1 percent slopes
DAM- Dams
FhF3- Ferris and Heiden soils, 5 to 20 percent slopes, eroded
HeC- Heiden clay, 3 to 5 percent slopes
HeC3- Heiden clay, 3 to 5 percent slopes, eroded
HeD3- Heiden clay, 5 to 8 percent slopes, eroded
HoB- Houston Black clay, 1 to 3 percent slopes
HpC- Houston Black gravelly clay, 3 to 5 percent slopes
Tr- Tinn clay, occasionally flooded
Tw- Tinn clay, frequently flooded
W- Water



YORK VALLEY RANCH
GUADALUPE COUNTY, TX





11/2/2015

Information About Brokerage Services

Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

TYPES OF REAL ESTATE LICENSE HOLDERS:

- **A BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of each party to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - any coincidental information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

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Licensed Broker /Broker Firm Name or	License No.	Email	Phone
Primary Assumed Business Name			
<u>Joseph W. Rapp</u>	<u>504342</u>	<u>jwrapp@LegacyAgGroup.com</u>	<u>(512)551-9580</u>
Designated Broker of Firm	License No.	Email	Phone
<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	
Licensed Supervisor of Sales Agent/	License No.	Email	Phone
Associate			
<u>Joseph W. Rapp</u>	<u>504342</u>	<u>jwrapp@LegacyAgGroup.com</u>	<u>(512)551-9580</u>
Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials

Date

Regulated by the Texas Real Estate Commission

Information available at www.trec.texas.gov

IABS 1-0 Date

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