

CHERRYVILLE

EXCLUSIVE LISTING | CALDWELL, TEXAS



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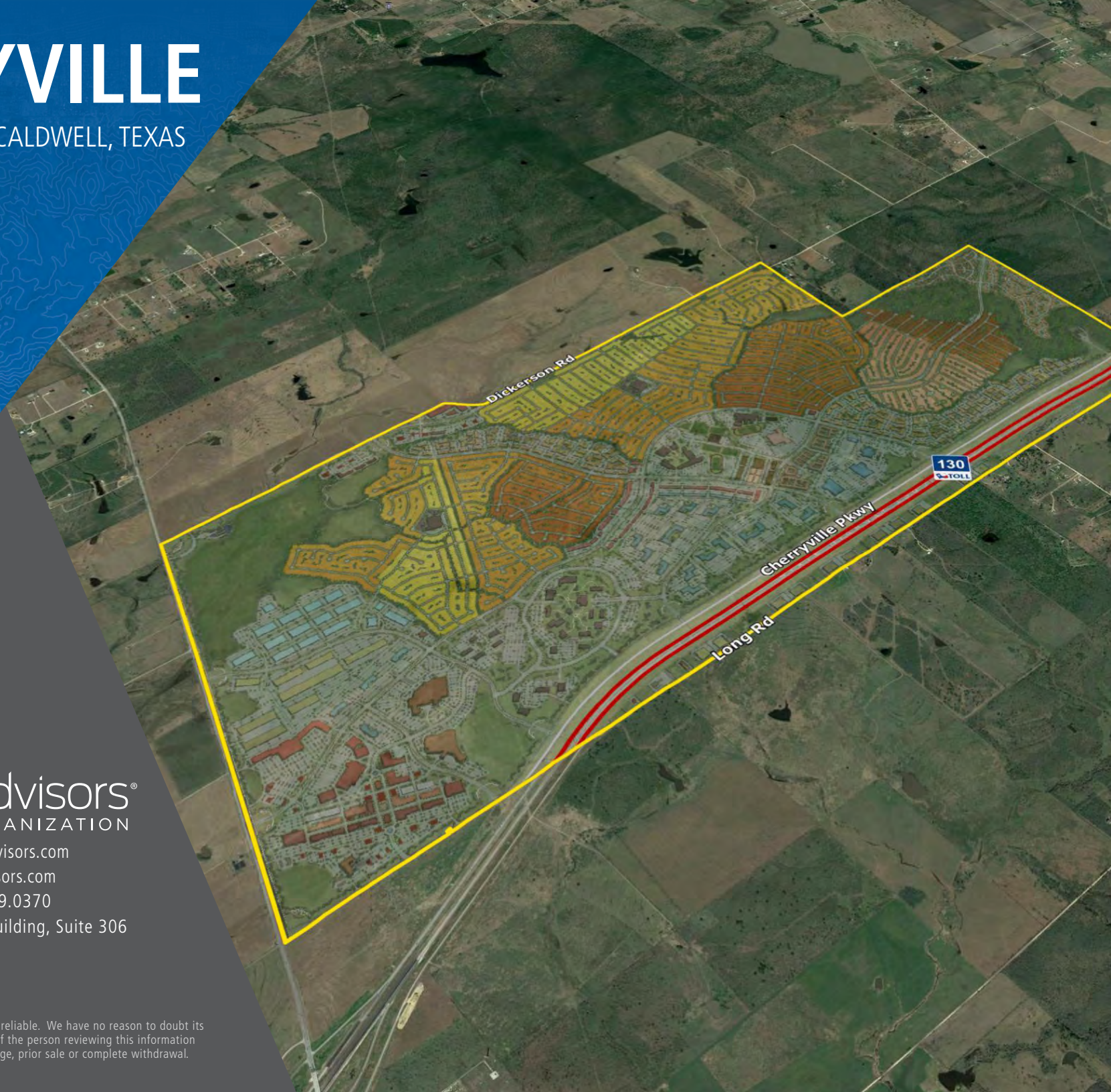
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EXECUTIVE SUMMARY

Land Advisors Organization is pleased to offer Cherryville, a 3,130-acre master planned community in the rapidly developing southern market area of Austin, Texas. With its carefully crafted design, Cherryville is planned for 4,000 single-family residential units, multifamily and senior living enclaves, future school locations and over 4,500,000 square feet of commercial, retail, office and industrial uses. Cherryville offers a unique investment and development opportunity in one of the most strategically located and upcoming submarkets in the dynamic Austin MSA.

In 2019, Austin earned the Urban Land Institute's #1 ranking for national "Markets to Watch" and was voted #1 on the U.S. News's list of "Best Places to Live". According to the latest U.S. Census Bureau report, the Austin MSA has been one of the fastest growing metropolitan areas in the country for the last eight-consecutive years. In 2018, Austin was the country's fastest growing major metropolitan city. In the past five years, Austin has added over 180,965 new jobs, making it one of the greatest areas for new employment in the entire United States.

The Cherryville masterplan is adjoining one of the top performing residential growth areas of Austin. Cherryville is part of the approved Caldwell County MUD #1. The project is located just 50 minutes south of the Austin central business district and is perfectly positioned to capture the current and rising demand for affordable housing in the hot Austin MSA.

SIZE ±3,130 Acres

LOCATION Cherryville is located at the intersection of State Highway 130 and State Highway 80, just 7 minutes south of the City of Lockhart and 10 minutes east of San Marcos. The property is a prime location conveniently situated between several large MSA's: Austin (40 miles) and San Antonio (60 miles).

±3,130
Acres

planned for
4,000
residential units, multifamily
& senior living sites

4.5M SF
of commercial, retail, office
and industrial uses

40 MILES
To Austin, TX

INVESTMENT HIGHLIGHTS

Cherryville is a rare opportunity to own one of the region's largest properties just minutes from one of the fastest growing metropolitan areas in the country. The property combines a picturesque retreat while also geographically positioned in the widening path of growth and future development. Several entitlements are already in place, making Cherryville a hard to duplicate opportunity that is well suited for a development and long-term investment.

PRICE

Highly flexible seller who will entertain various structures including partial sale, joint venture, revenue & cost sharing participation or bulk purchase.

ENTITLEMENTS

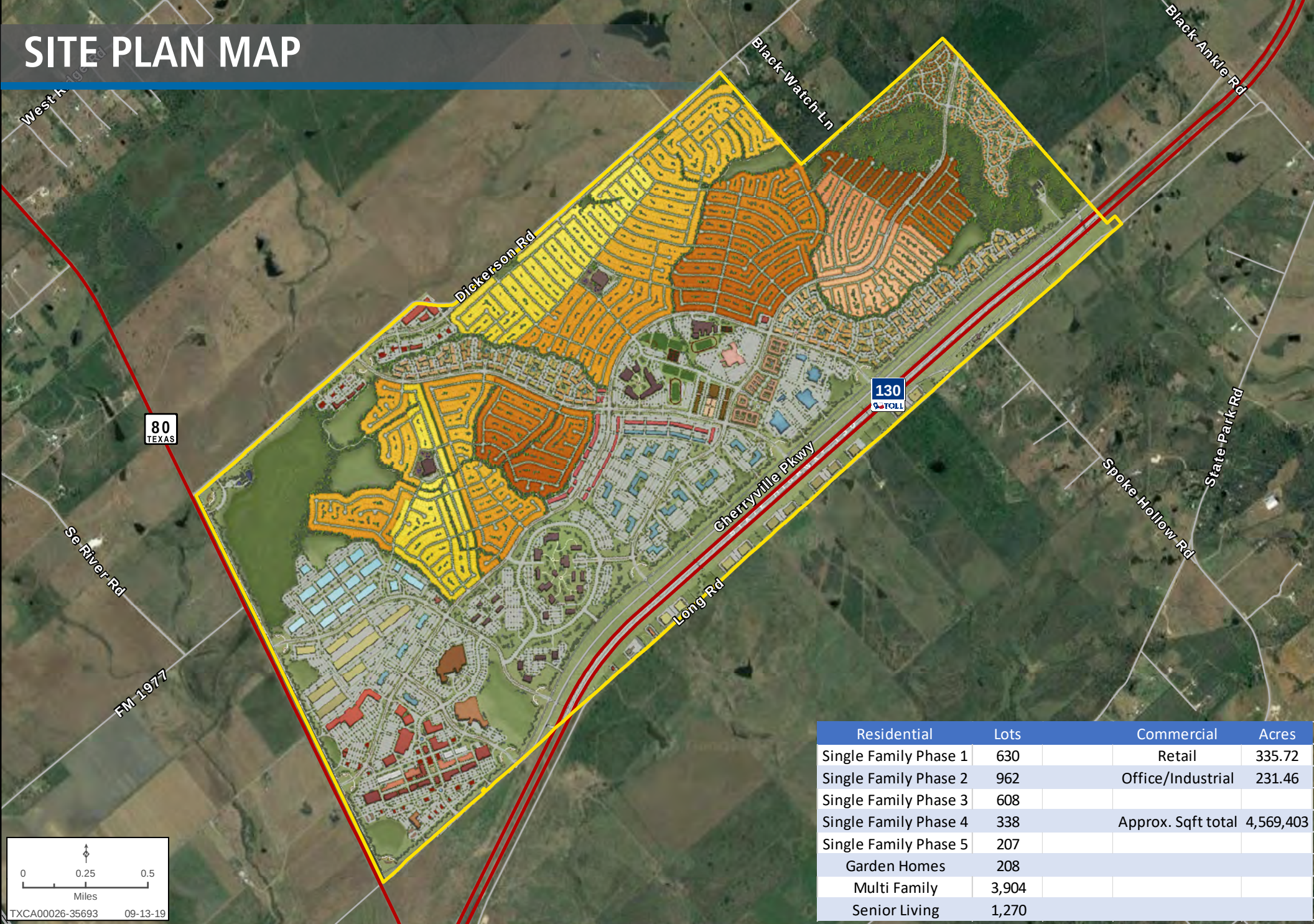
- **MUD:** The property is part of the approved Caldwell County MUD #1. Qualified water, wastewater and drainage infrastructure for the project will be applicable for reimbursement through future bond sales.
- **Utility Agreements:** There is a water contract in place with Crystal Clear SUD which provides the project with its present and future long-term water needs. The Texas Commission on Environmental Quality is in the process of studying a request for a wastewater discharge permit for the entire project. The permit is expected to be granted in the next few months.
- **Land Plan:** The current land plan envisions over 4,000 single-family residential units, multifamily parcels, senior living sites, future school locations and over 4,500,000 square feet of commercial, retail, office and industrial uses.

Cherryville is in the jurisdiction of Caldwell County. Therefore, no zoning requirements are associated with the property. Cherryville is currently under a Wildlife Management Exemption allowing for lower property taxes. Cherryville is located within a qualified opportunity zone.

ROAD FRONTAGE There is approximately 1.75-miles of State Highway 80 frontage along the southern border of the property and 3-miles of frontage on State Highway 130 on the eastern border of the property.



SITE PLAN MAP



Residential	Lots	Commercial	Acres
Single Family Phase 1	630	Retail	335.72
Single Family Phase 2	962	Office/Industrial	231.46
Single Family Phase 3	608		
Single Family Phase 4	338	Approx. Sqft total	4,569,403
Single Family Phase 5	207		
Garden Homes	208		
Multi Family	3,904		
Senior Living	1,270		

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MARKET HIGHLIGHTS

- Ideally located at the intersection of State Highway 80 and State Highway 130, Cherryville is 40 miles to Austin MSA and 35 miles from Austin Bergstrom International Airport.
- The property has over 4.75 miles of frontage.
- Competition for Cherryville is severely constrained due to limited utility availability and high upfront infrastructure costs. In addition, many competing municipal jurisdictions are prohibiting (through denials in the planning process) the small production sized lots that are in the highest market demand. As a result, first time home buyers seeking affordable product will be driven to projects like Cherryville where the product exists to satisfy the tidal wave of demand.
- Austin is significantly constrained when it comes to future supply of homes. The area is becoming increasingly more difficult to obtain the proper entitlements and agreements. Consequently, Cherryville provides an opportunity to deliver much needed and demanded lot replacement inventory for the market area that nearby municipalities will no longer approve.
- The current land plan offers multiple opportunities for product segmentation between value, amenity, custom, age targeted, and commercial building programs offering a wide range of product mix to homebuyers and commercial users.

PROVEN MARKET DEMAND

Austin currently has an 18-month supply of single-family vacant developed lots. This is well below the 24-month supply that is generally acknowledged to be a healthy market in equilibrium.

The nearby and well performing submarkets further demonstrate this lack of finished lot inventory:

- Kyle/Buda 18.2-month supply
- Del Valle 20.5-month supply

Sales volumes are collectively up in all counties within the Austin MSA. The largest gains for home sales are in:

- Bastrop County a +9.4% YOY increase
- Williamson Country +7.8%
- Hays County +6.3%

Home buyers are heading away from the Austin CBD into the Highway 130 corridor to find attainable and affordable housing.

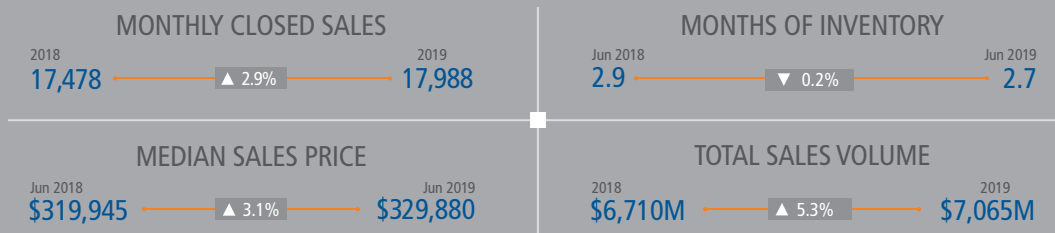
50% of new home sales activity in Austin is priced below \$300,000. As of 2Q19, Austin is projected to produce just under 17,000 new home starts for the year. This volume places the Austin market in the top-ten best performing new home markets in the entire country.

Austin is #1 in the nation, with a 19% year over year increase, in new home contracts.

According to the Austin Board of Realtors, new home sales volumes are gaining ground on resales, with new single-family home sales up 10.4% YOY.

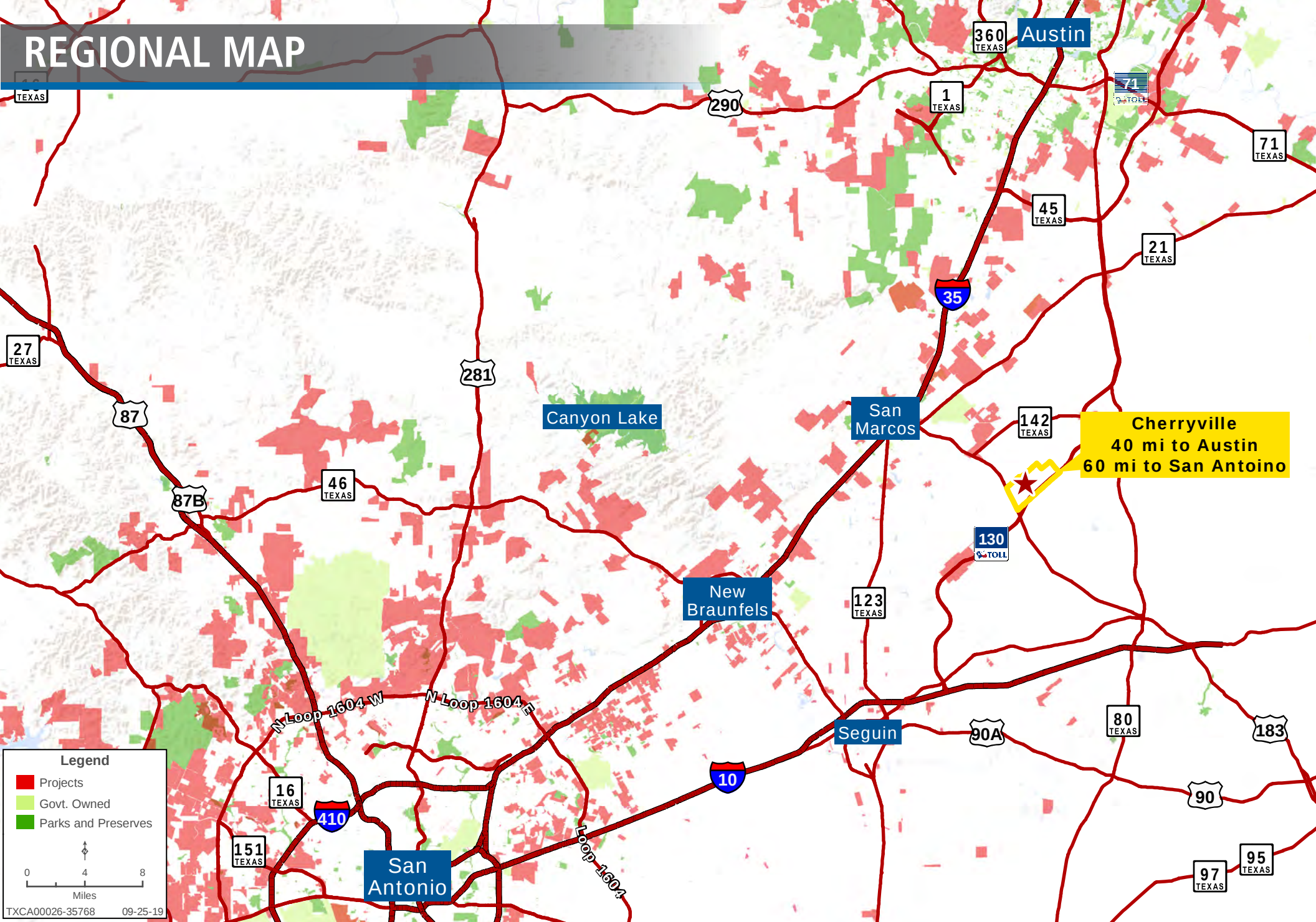
The Austin market has strong housing characteristics driven by robust population (73.5% growth since 2000) and job growth (3.1% annual job growth). An increasing supply of homes is necessary to keep up with demand. In the past 12 months, 1,888 annual starts occurred in the south market area. With less than a year and a half of future finished lot inventory, new housing inventory is needed to satisfy the increased demand. Cherryville has potential to be the destination where the much-needed increase in lot and housing supply will take place within the Austin MSA.

MLS RESALE STATISTICS - SINGLE FAMILY HOMES²

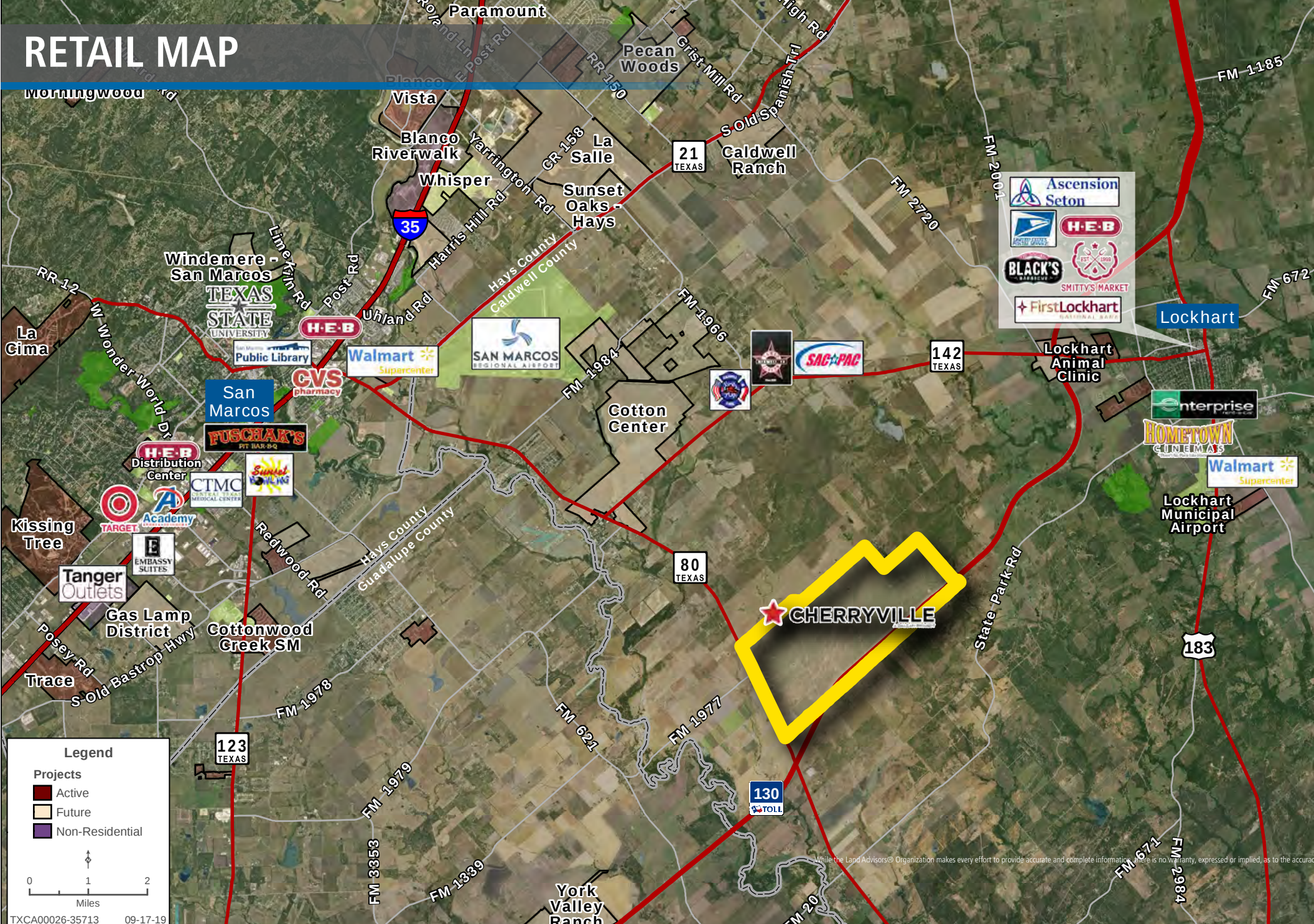


Sources: (1) Metrostudy - Market Study - Pg Quarterly Plan by Market Area (2) Texas A&M Real Estate Center

REGIONAL MAP



RETAIL MAP



STATE & MARKET GROWTH OPPORTUNITIES

For years, Texas has led the nation in employment and population growth, receiving numerous accolades including:

- Being named #1 in "Economic Climate" by Forbes.
- "America's Top State for Economy" by CNBC.
- "Best State for Business" by Chief Executive.

Texas continues to dominate the nation's population growth. Since 2010, Texas has added 3.9 million new residents. Austin received the following rankings and accolades:

- #1 on the U.S. News's list of the, "2019 Best Places to Live" for the third year in a row.
- U.S. Bureau of Labor Statistics ranked Austin as #12 among the top 50 Metro Areas for employment growth.
- Austin has the No. 2 best performing metro economy in the nation, according to the annual ACBJ Economic Index.
- #8 in the U.S. for new home starts and closings.
- Zillow ranked Austin #6 on its list of the top housing markets for 2018.
- Brookings Institute ranks Austin #1 for growth over the last decade in jobs, GMP and jobs within younger firms.
- Voted #1 "hottest" labor market in the U.S., according to the Wall Street Journal's analysis of the 53 largest metros using 5 labor market metrics.
- The Dallas Fed's Austin Business-Cycle Index accelerated to a robust annualized rate of 8.2 in May. This represents the strongest market expansion since November 2015.

ECONOMIC TRENDS

UNEMPLOYMENT RATE

AUSTIN		TEXAS	
Jun 2018	Jun 2019	Jun 2018	Jun 2019
3.2%	2.7%	4.2%	3.6%
-0.5%		-0.6%	



TOTAL NONFARM EMPLOYMENT (in thousands)

AUSTIN		TEXAS	
Jun 2018	Jun 2019	Jun 2018	Jun 2019
1,201.1	1,215.8	13,866.7	14,034.4
+1.2%		+1.3%	



EMPLOYMENT GROWTH

AUSTIN		TEXAS	
Annualized Employment Change		Annualized Employment Change	
3.1%		2.1%	



2.7%

Austin Unemployment Rate



3.1%

Annualized Job Growth



\$372,827

Median New Home Price



0.4%

Annualized Home Closings

HIGH SPEED COMMUTE INTO AUSTIN

Regionally, Cherryville is in a strategic location. The project is situated along SH 130; less than an hour commute to the technology employment centers in downtown and north Austin.

With Austin traffic becoming an increasing burden on its residents, Cherryville offers quick commute times to central and north Austin. This is possible due to direct road access to SH 130, where the speed limit is 85 MPH.

- SH130: 7,043 VPD a 12.62% ▲ since 2016
- SH80: 5,989 VPD a 4.03% ▲ since 2016

The SH 130 Tollway is a major regional highway that connects east San Antonio and north Austin and everything in between. Since construction in 2015, traffic counts have skyrocketed. This is relieving the traffic from I-35, as anticipated.

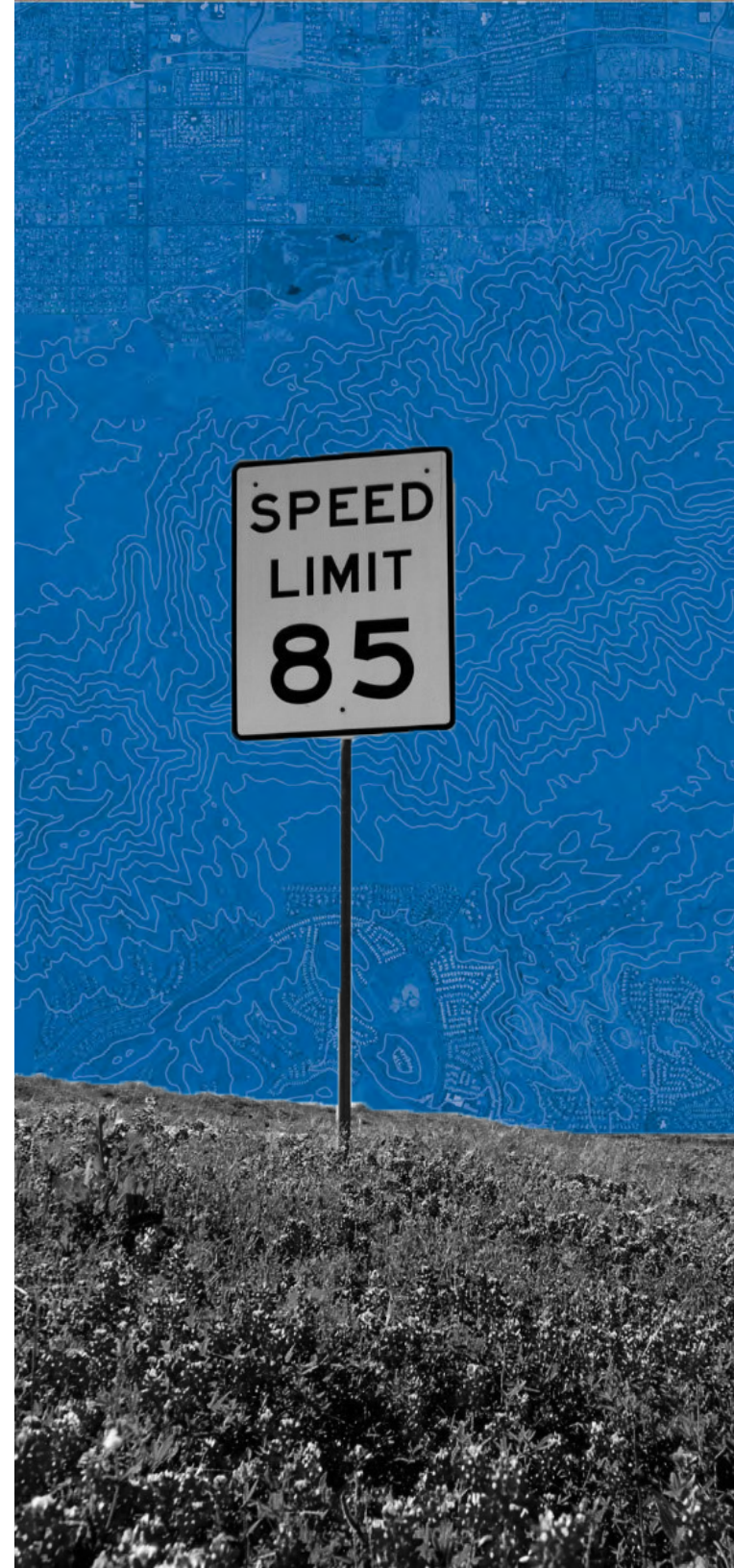
SH 80 also serves as a major route for connectivity into the destinations of San Antonio, San Marcos and Austin.

Driving Distance to Austin

40 miles

Driving Distance to San Antonio

60 miles



OUTSTANDING DEMOGRAPHICS

From 2010 to 2017, the Austin MSA population has increased more than 23% to an estimated 2,115,827. Since 2000, the city has experienced a 73.5% growth rate, increasing the population from 1,249,763 to 2,168,316. Austin is projected to reach a population of 2,306,857 by 2020.

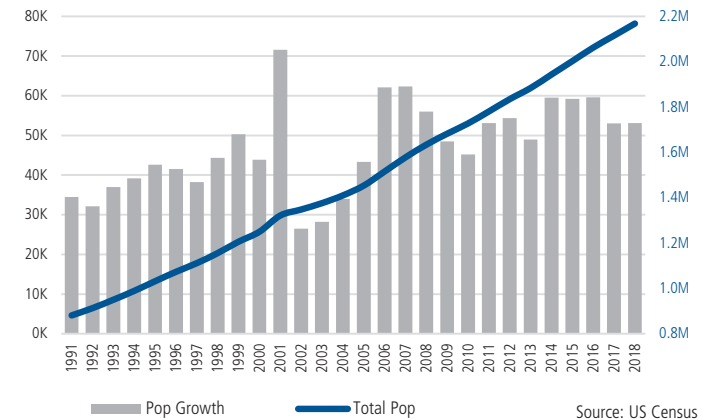
- The average household income in the Austin MSA was \$73,800. The average household income within 5 miles of Cherryville, was \$57,156.
- The average housing unit price in the Austin south market area is \$293,329, a 1.8% increase from 2018, but still offering a more affordable option than the overall Austin MSA value of \$334,702.

Cherryville provides the opportunity to achieve affordable new homes at some of the lowest price points in the entire Austin MSA. Austin caters towards younger professionals, with a median age of 34.7 compared to the national median age of 38.2. Cherryville benefits from the strong economy in Austin where the unemployment rate is 2.7%, much lower when compared to the national average of 4.1%.

Healthy YOY Employment Growth Seen In

	Mining, Logging & Construction	5.4%
	Information	4.8%
	Professional & Business Services	4.1%
	Financial Activities	3.5%

Population Growth & Total Population



NEW HOUSING TRENDS

ANNUALIZED NEW HOME STARTS¹



Q2 2018

16,540

Q2 2019

16,404

0.8%

ANNUALIZED NEW HOME CLOSINGS¹

Q2 2018

16,341

Q2 2019

16,409

0.4%



MEDIAN NEW HOME PRICE¹

Q2 2018

\$368,836

Q2 2019

\$372,827

1.1%

AREA OVERVIEW

ESTABLISHED CORPORATE LOCATION

Cherryville is located in close proximity to major employment centers and corporate relocations including:

- **Seton Medical Center**- This facility is minutes away and is the largest medical campus in Hays County offering a wide array of services and medical professionals. The center features an ultramodern state-of-the-art hospital, Dell Children's Emergency Care, cancer treatment, outpatient diagnostic and therapeutic services and a medical office building.
- **University of Texas**- UT is one of the most highly recognized academic institutions in the country and is home to more than 51,000 students and over 6,000 employees. According to U.S. News & World Report, UT ranks in the top 20 public universities in the country with the No. 1 accounting, Latin American history and petroleum engineering graduate programs in the country.
- **Texas State Capitol**- Located 50 minutes away from Cherryville the Capitol serves as the central point for legislation and politics for Texas and Austin. The Capitol is one of the largest employers in the Austin MSA.
- **Texas State University**- Less than 20 minutes away, Texas State University is one of the best emerging public universities in the country. Texas State has 38,808 students offering 98 degree programs. Texas State has more than 1,300 full-time faculty and more than 2,000 full-time staff.
- **Met Tech Center**- The premier south Austin business park located on 550 acres. This employment center is less than 35 minutes north of Cherryville and is home to Fortune 500 companies, state and federal office operations and data center facilities including Cyrus One Data Center, Austin VA Outpatient Clinic and Progressive Insurance.
- **Tanger Outlet Center**- Located 20 minutes away in nearby San Marcos is the Tanger Outlet Center which is a top performing retail center with over 190 million shopping visits in 2018. The Tanger Outlet Center features over 105 of the most popular brand names and designer outlet stores.
- **Amazon Distribution Center**- Located 25 minutes away, the 855,000 square foot facility is one of Amazon's few robotics fulfillment centers in the country. The site opened in 2016 and has over 1,000 workers to staff the facility.
- **Oracle**- The tech giant acquired a 25-acre business park site just south of downtown Austin, less than 45 minutes from Cherryville. The initial 560,000 square foot facility is complete, and Oracle is currently expanding with another office under construction. Oracle will focus on cloud computing technology and is planning on expanding its local employer footprint by 6,000 employees with this new south Austin location.



Seton Medical Center



Texas State University

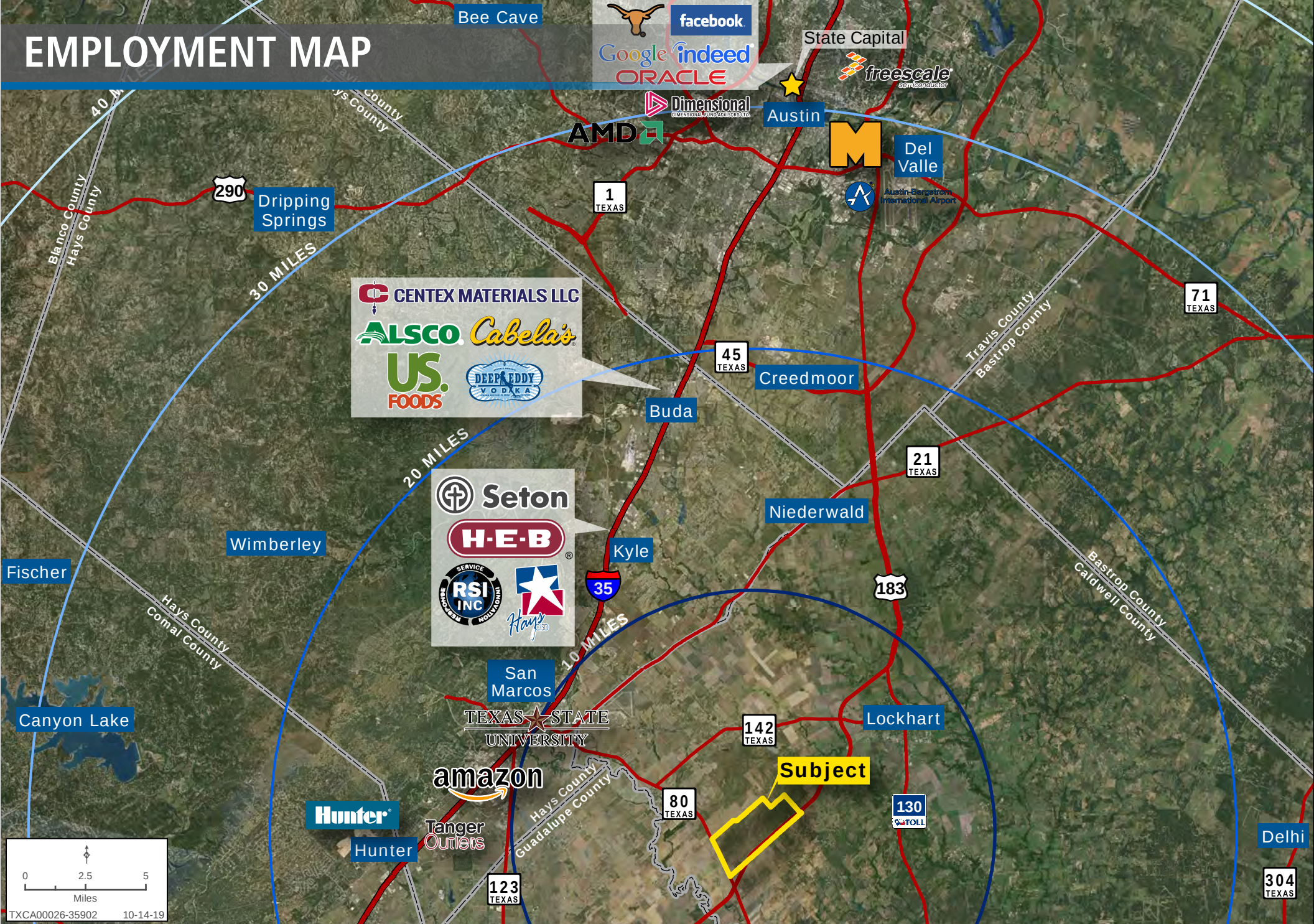


Amazon Distribution Center

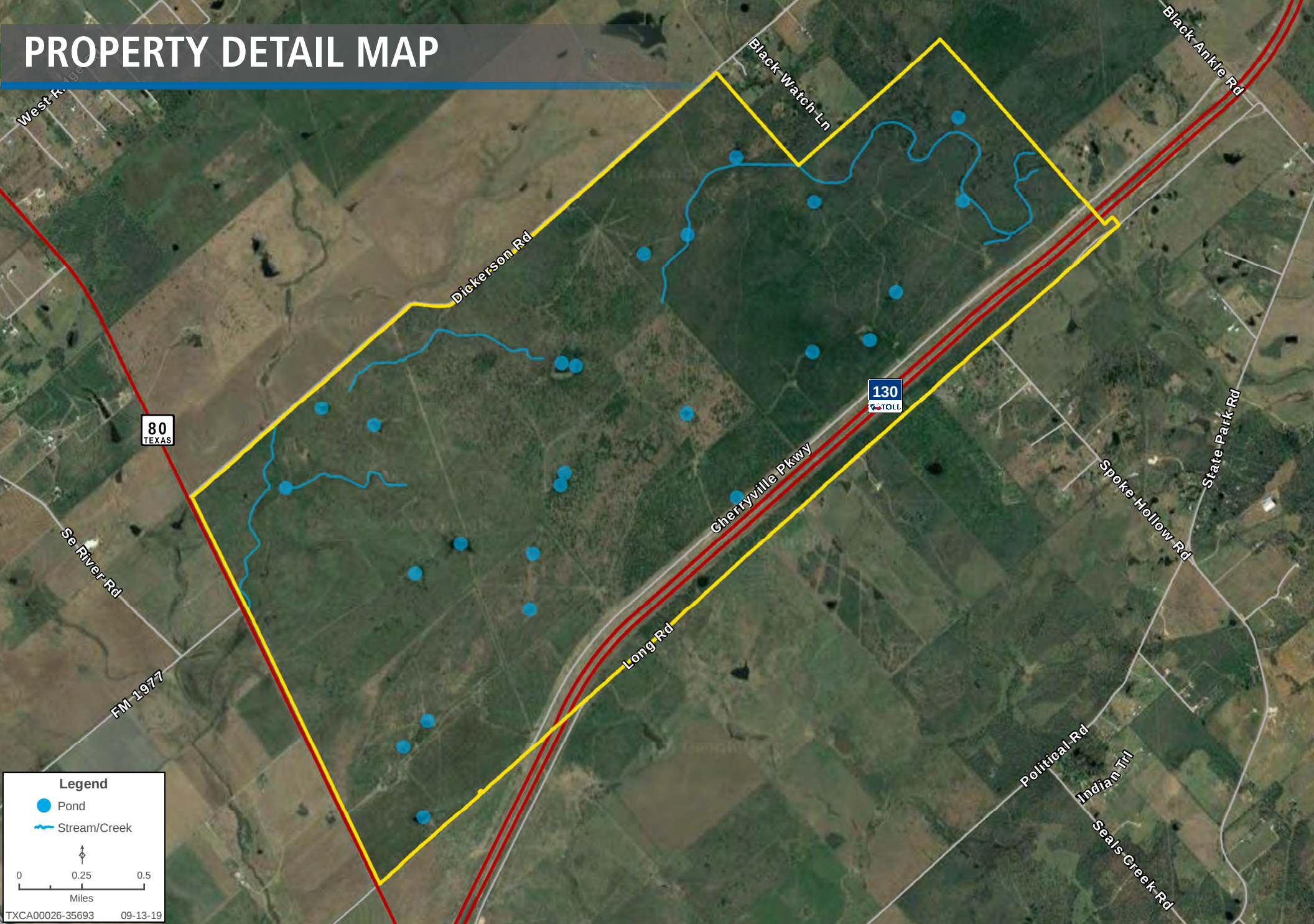


Oracle

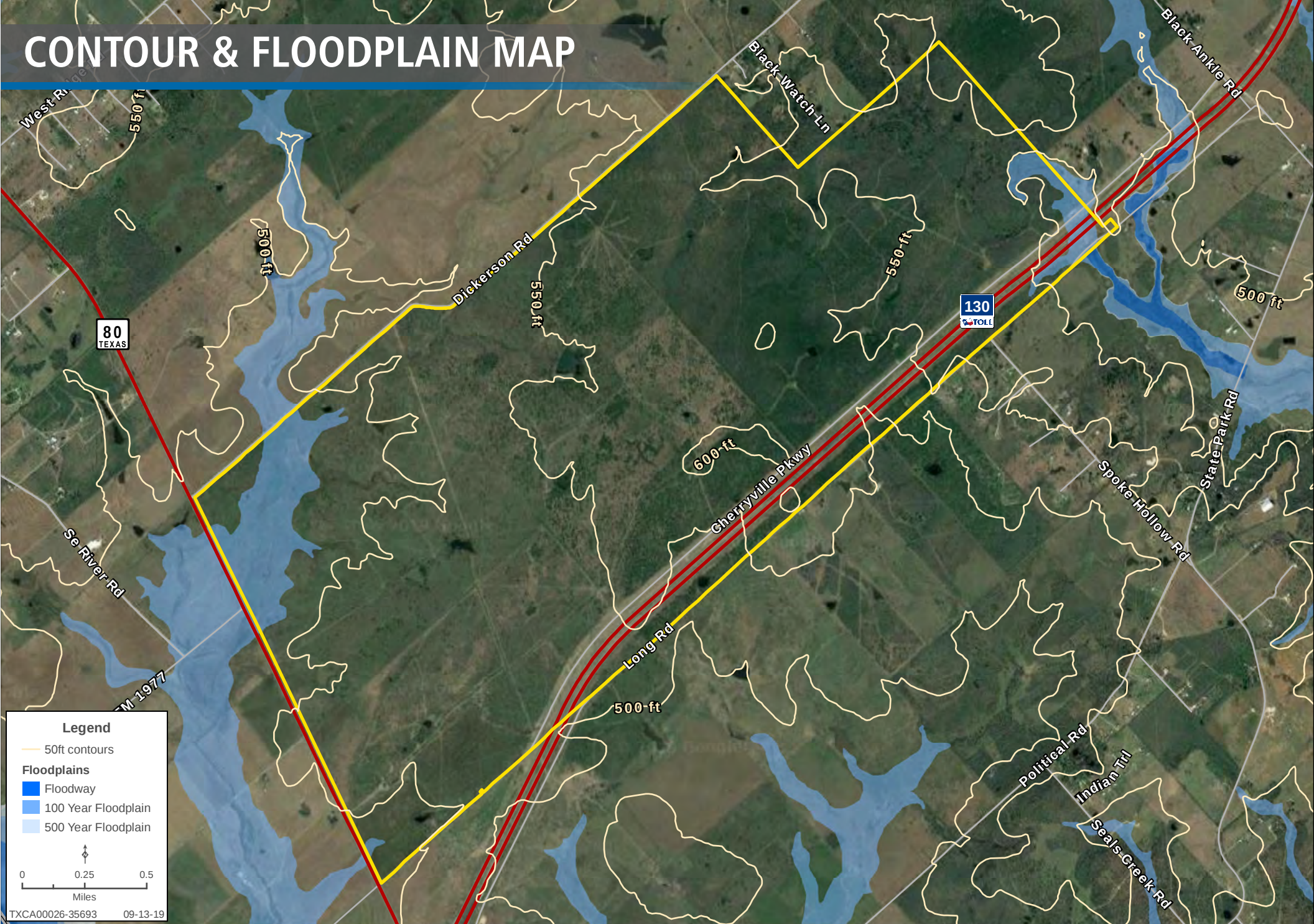
EMPLOYMENT MAP



PROPERTY DETAIL MAP



CONTOUR & FLOODPLAIN MAP









INFORMATION ABOUT BROKERAGE SERVICES

Texas law requires all real estate license holders 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 confidential 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.

Land Advisors Organization

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Buyer/Tenant/Seller/Landlord Initials

Date

THE TEXAS REAL ESTATE COMMISSION (TREC) REGULATES REAL ESTATE BROKERS AND SALES AGENTS, REAL ESTATE INSPECTORS, HOME WARRANTY COMPANIES, EASEMENT AND RIGHT-OF-WAY AGENTS, AND TIMESHARE INTEREST PROVIDERS

YOU CAN FIND MORE INFORMATION AND CHECK THE STATUS OF A LICENSE HOLDER AT WWW.TREC.TEXAS.GOV

YOU CAN SEND A COMPLAINT AGAINST A LICENSE HOLDER TO TREC - A COMPLAINT FORM IS AVAILABLE ON THE TREC WEBSITE

TREC ADMINISTERS TWO RECOVERY FUNDS WHICH MAY BE USED TO SATISFY A CIVIL COURT JUDGMENT AGAINST A BROKER, SALES AGENT, REAL ESTATE INSPECTOR, OR EASEMENT OR RIGHT-OF-WAY AGENT, IF CERTAIN REQUIREMENTS ARE MET

IF YOU HAVE QUESTIONS OR ISSUES ABOUT THE ACTIVITIES OF A LICENSE HOLDER, THE COMPLAINT PROCESS OR THE RECOVERY FUNDS, PLEASE VISIT THE WEBSITE OR CONTACT TREC AT:

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