

VEALE RANCH OVERVIEW

TARRANT COUNTY

FEBRUARY 2024

PMB Overview

- Founded in 2013
- Partners have over 40 years of combined experience in real estate and capital markets
 - *Held previous senior roles at Hines, Provident Realty & JPMorgan*
 - *Development of over 6,500 residential lots and over \$1B in direct real estate transactions*
- 12 Active Projects across DFW consisting of over 12,000 acres and 25,000 single-family lots
- Specialty in entitlement, zoning and special districts
- Aligned and active partner with City/County in each project



PETER PINCOFFS



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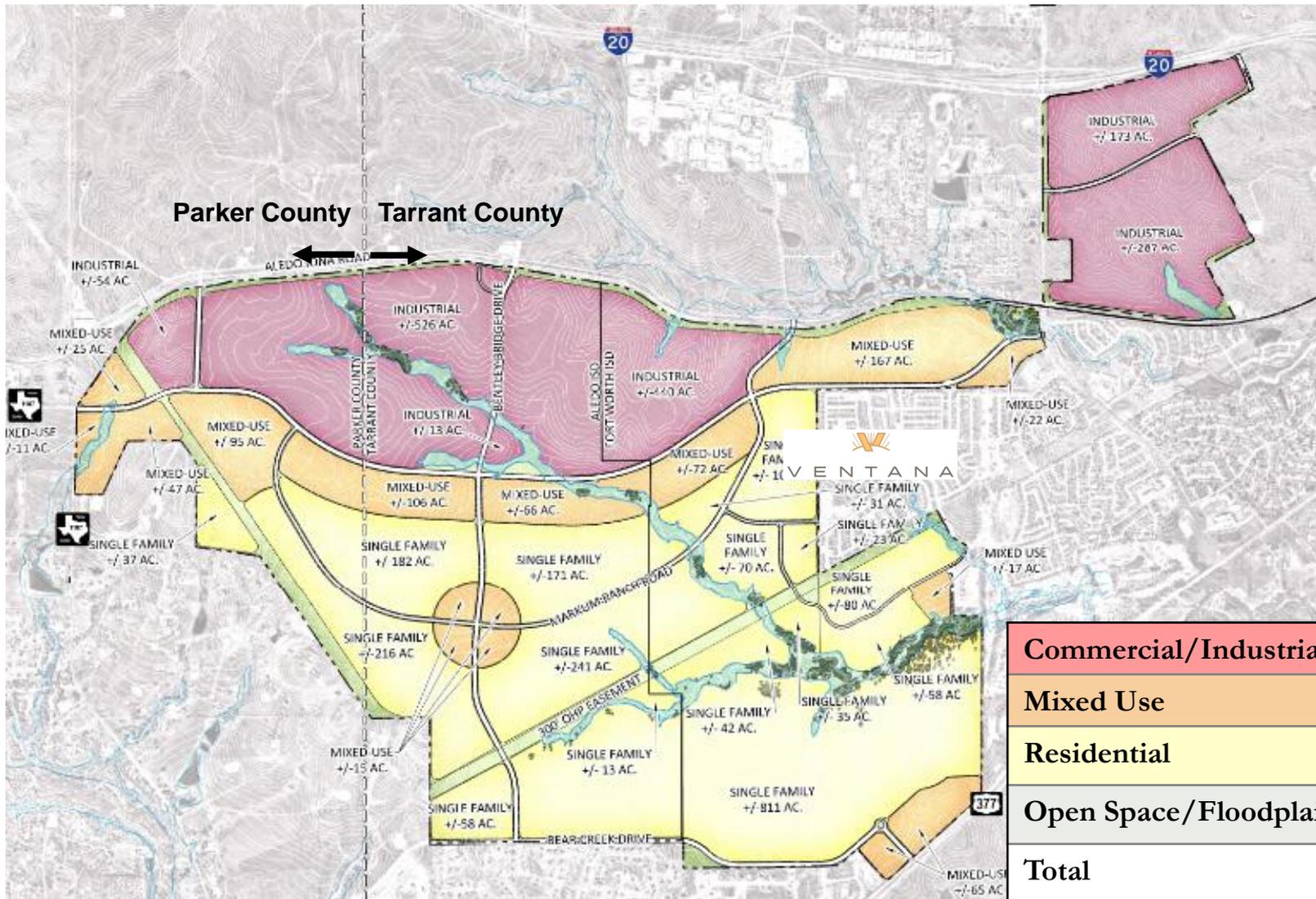


Veale Ranch Overview

- 5,200-acre master planned mixed-use development
 - Commercial – 1,500+/- ac
 - Mixed Use – 950+/- ac
 - Residential – 1,900+/- ac
 - Open Space/Floodplain – 850+/- ac
- Currently located in FW ETJ, just 15 minutes from downtown Fort Worth
 - Executed Development Agreement with Fort Worth will allow for annexation into City in phases
- Well-positioned for significant commercial/industrial development driving future tax base and job growth
- Located in both Fort Worth ISD and Aledo ISD, providing a range of attractive housing options necessary to attract companies



Preliminary Concept Plan

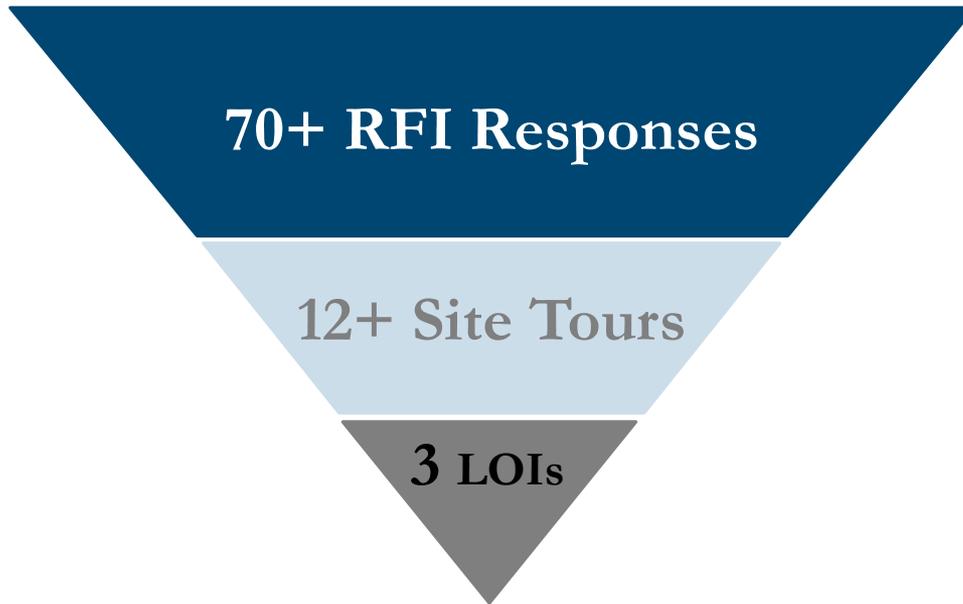


Preliminary Buildout Value Estimates

Preliminary, for discussion purposes only

	Commercial	Mixed Use	Residential
Acreage	1,500 acres	950 acres	1,900 acres
Use	Industrial, Manufacturing, Flex Office, Office/Campus	Neighborhood Retail/Restaurant, Office, Multifamily, High density residential	Single Family Residential – patio homes to 1AC+ Estate Homes (\$350K-\$1MM+)
Estimated Units	12-18MM SF	10-13MM SF	4,000-6,500 homes
Estimated Buildout Value	\$1.5-2.5B	\$1.5-2.7B	\$1.7-2.8B

Estimated Total Buildout Value (2024): Approximately \$4.7-8.0B



*April 2023 – First Sale - Project Alley
(~165ac; \$100MM+ Investment)*

- Opportunities range from advanced manufacturing, distribution and campus facilities
- Along with Walsh, Veale represents one of very few megasite opportunities in the US
- Total investment ranges \$30M+ - \$8B+
- Jobs range 100 – 20,000+
- Key constraints to date:
 - Water infrastructure (18+ months *initially*)
 - Roadway infrastructure
 - Competitive incentive structure vs other states

Development Agreement Summary

PMB and the City of Fort Worth executed a Development Agreement on March 9, 2023

General

- Development agreement encompasses ~5,200 acres
- Zoning to match Concept Plan
 - Industrial zoning is Heavy “K” Industrial, and all uses cumulative thereto
- All ETJ land will be annexed into Fort Worth City Limits on a phase-by-phase basis

PID/TIRZ

- Public Improvement District created August 2023
- Tax-Increment Reinvestment Zone created September 2023
- Master Reimbursement Agreement executed December 2023

Infrastructure

- City under construction of key water infrastructure including 1.5MGD EST and 36” trunk line targeting completion of all regional water infrastructure Q1/2025
- Current PID/TIRZ structure contemplates reimbursement only, but development agreement allows for potential to fund upfront major infrastructure (roads/bridges, drainage, etc.)

Other

- Requires planning and dedication for public facilities (schools, libraries, etc.) and open space (parks and trails)
- City to dedicate resources to help expedite approval of permits & construction plans
- Allow for concurrent reviews and other process improvements to shorten development & design times by ~3-4 months

TIRZ 16 (Veale Ranch) Summary

Tax Increment Reinvestment Zone 16 Summary		
	City of Fort Worth	Proposed Tarrant County
Area	~5,200 acres	~4,350 acres
Participation Rate	65% of new property tax revenue	50% of new property tax revenue
Term	30 years maximum per development phase, 83 years max overall	30 years maximum
Est. Buildout Value <i>(at expiration of Term)</i>	\$38.3B <i>(Year: 2105)</i>	\$11.B <i>(Year: 2051)</i>
Base Value (2023)	\$5.3MM	\$4.4MM
Eligible Infrastructure	All public infrastructure, excluding local residential streets and 8" residential water and sewer lines	Major arterial roadways and bridges only
Preliminary Estimate of Eligible Infrastructure <i>(2023 Dollars)</i>	\$813MM	\$272MM
% of Total Infrastructure Costs	57%	20%
Estimated Tax Increment Generated <i>(TIRZ Term)</i>	\$9.8B	\$311MM
Estimated TIRZ Contributions	\$1.8B	\$155MM

Preliminary Project Infrastructure Costs

Preliminary, for discussion purposes only

Category	PID/TIRZ Eligible Cost (2024)	Private (2024)	Total (2024)
Excavation	\$0	\$43	\$43
Retaining Walls	\$0	\$47	\$47
Residential Roads	\$0	\$144	\$144
Major Roads/ Bridges	\$216	\$0	\$216
Water	\$24	\$61	\$85
Sewer	\$23	\$71	\$94
Drainage	\$70	\$0	\$70
Parks/ Open Spaces	\$53	\$33	\$86
Engineering/City Fees	\$114	\$66	\$180
Cost of Issuance	\$125	\$0	\$125
<u>Contingency (30%)</u>	\$188	\$139	\$327
Total	\$813MM	\$605MM	\$1.42B