



February 4, 2005

Mr. Jeff Baker
Keller Independent School District
350 Keller Parkway
Keller, Texas 76248

RE: Proposal for Appraisal Services
Three Tracts of Land, Tarrant County, Texas

Dear Jeff:

I am pleased to present a proposal for providing appraisal services concerning property owned by KISD. The three sites include approximately 28.92 acres located along the north side of the 2200 block of Union Church Road in Southlake, approximately 1.4 acres located along the east side of Precinct Line Road, just south of Tarrant Parkway in Colleyville, and approximately 22.3 acres located along the east side of U.S. Highway 377 and the west side of Whitley Road in Keller. It is our understanding that KISD, our Client, is requesting appraisals on each site to determine the current fair market for a possible sale. A range of value will be provided along with a point value opinion of value.

Based on the complexity of this assignment, the proposed fee will be based on an hourly rate of \$100 per hour with a maximum fee of \$7,500. We anticipate completion of this assignment on or before 30 days after receipt of a signed engagement letter. The total fee is due upon completion and delivery of the reports. Three reports will be provided for each property. It is our intention to provide complete appraisals presented as summary (narrative) reports.

As our Client, you understand that we will need access to pertinent documents, materials, facilities and/or personnel in order to complete its assignment in a timely manner. Any delays associated with the receipt of requested information, inspection appointments, or notice to proceed will automatically extend the final delivery of the report as proposed. We acknowledge that we have received copies of the tax information and tax maps for each property along with a general location map prepared by you.

LOCAL EXPERTISE . . . NATIONALLY

The appraisal will be prepared in conformity with and subject to the Standards of Professional Practice and the Code of Ethics of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice developed by the Appraisal Standards Board of the Appraisal Foundation.

Should you require additional services, we are prepared to provide appraisal updates and court testimony. My fee for updates and preparation of exhibits is based on \$125.00 an hour. My fee for pre-trial conferences, depositions, and court testimony is based on \$225.00 per hour.

Unless arrangements are made otherwise, a late charge of 15% per annum will be charged on any balance not paid within thirty (30) days of delivery of the report(s). Integra Realty Resources DFW, LLP will provide 3 copies of the report; additional copies will be available at the actual cost of reproduction.

The appraisal report will be addressed to you on behalf of KISD, our client. Integra Realty Resources DFW, LLP acknowledges and accepts that the Client is a quasi-public company in the State of Texas, and as such, may be required to provide all of the appraisal work product in writing, or by copy, to its staff and governing authorities, along with, but not limited to, the subject property owners, legal counsel and negotiators, and by acceptance of this engagement, approves such release by the Client of the subject material only as necessary.

If this proposal is acceptable to you, please authorize us to proceed by signing in the space provided below. Please return one copy to us and retain the other for your files.

Thank you for considering us for this assignment and we look forward to working with you. Please call if you wish to discuss this proposal or the assignment any further.

LLP

Sincerely,
INTEGRA REALTY RESOURCES DFW,



Donald J. Sherwood, MAI, SR/WA
Managing Director

AGREED & ACCEPTED THIS ___ DAY OF _____, 2005.

BY: _____
Signature

Name (Print)