Areté
REAL ESTATE & DEVELOPMENT CO.

"We Build Communities"

INVESTOR PROPOSAL

An Introduction to Areté Real Estate & Development Co.

Safe Investment in Land Development | Extraordinary Returns

Contents of this proposal are C O N F I D E N T I A L

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Table of Contents

I. **Introduction** **2**
A Message from Joe Fogarty 2
II. **Executive Summary** **3**
Highlights 4
Investor Snapshot 4
Presale Strategy 4
Locations 5
Partial Project List and Costs 6
III. **Deal Structure** **8**
IV. **Process** **9**
V. **Houston Economy** **10**
Facts About Houston 10
Employment 11
Economy & Trade 13
Economy & Trade (cont.) 14
Real Estate 14
Forbes: America's Fastest-Growing Cities 2015 15
#1: Houston, Texas 15
Population 15
..... 16
VI. **Appendix** **17**
Woodcreek Mortgage Income Statement 17
Woodcreek Mortgage Statement of Net Worth 17
Woodcreek Mortgage Balance Sheet 18
Areté Certificate of Incorporation 19
Woodcreek Mortgage Filing 21
VII. **Letters of Recommendation** **26**
VIII. **Contact** **36**

Introduction

Areté Real Estate & Development Company (Areté) is a Houston based residential community and commercial Land Development Company. In business for more than 25 years, Areté sets the standard for the nation's finest master planned communities.

A Message from Joe Fogarty

Joe Fogarty
President/CEO
Areté Real Estate & Development Co., talks about his life as a Builder and Land Developer.

He further discusses the Houston housing market conditions and the extraordinary investment opportunity we now have.

The effort to establish Public Improvement Districts performed by HawesHillCalderon LLP

Executive Summary

In Houston today, the housing market has experienced record growth over the last couple of years the result of which is low available inventory. Average of 2.8 months across all categories.

- Housing Starts are at their strongest since 3Q08
- Annual new home starts are up 9.4% Year over Year

Only lot supply constraints are stopping builders from ramping up more quickly.

At Areté Real Estate & Development Co. (Areté), as developers it is our job to create communities. We do so by taking raw land and adding water, sewer, drainage, streets and subdividing lots for homes. Those lots are then sold to home builders. Currently there is a shortage of ready build lots available to builders.

Areté to purchase up to 100 land tracts of prime undeveloped land strategically located throughout Houston. Each "land tract" is between 100 to 200 acres (approx. 14,493 acres in total)

We intend to develop this acreage into approximately 100 communities over the next ten years. These communities will include of 48,640 buildable lots to be sold to home builders. The developed lots will sell for an average price of $47,569. The approximate gross revenue $ 2,313,755,488

These projects will have a tremendous economic impact on Houston and provide for its population growth predicted to be 2.2 million per decade through 2050. These projects will create hundreds of jobs, house thousands of people and put billions of dollars into the economy.

Because of the over-all public good, the State of Texas has created a Municipal Authority (Public Improvement District) for Areté projects and to provide for the reimbursement of the development costs of any project within the boundaries of the district. Areté has the authority to annex into the district any number of projects.

A public/private partnership has been arrange between the Improvement District and Aqua Texas. Under this agreement Aqua Texas is require to provide water and sewer plants in each of the developments and to reimburse Areté for the cost of water and sewer, distribution and collection. Between the Improvement District and Aqua Texas we have secured 100% reimbursement of all development costs.

Home builders will buy 35,000 – 40,000 lots a year for the foreseeable future. With our banking relationships for finance and an investment of $100,000,000 we can capture 10% of that market share.

Because of our years of experience in our industry and our standing in Houston together with the confluence of the public/private partnerships that provide for 100% reimbursement of all development costs, we are presented with the opportunity to profit at a level never seen before.

Highlights

- ✓ There is a shortage of single family homes
- ✓ Home builders are working to meet demand, projected to purchase 35,000 – 40,000 lots a year
- ✓ There is a shortage of buildable lots
- ✓ We have identified land which is ideal for development
- ✓ We have the experience and expertise
- ✓ We have unmatched public/private partnerships providing 100% reimbursement.
- ✓ With approximately $100,000,000 we can capture 10% of market share

Investor Snapshot

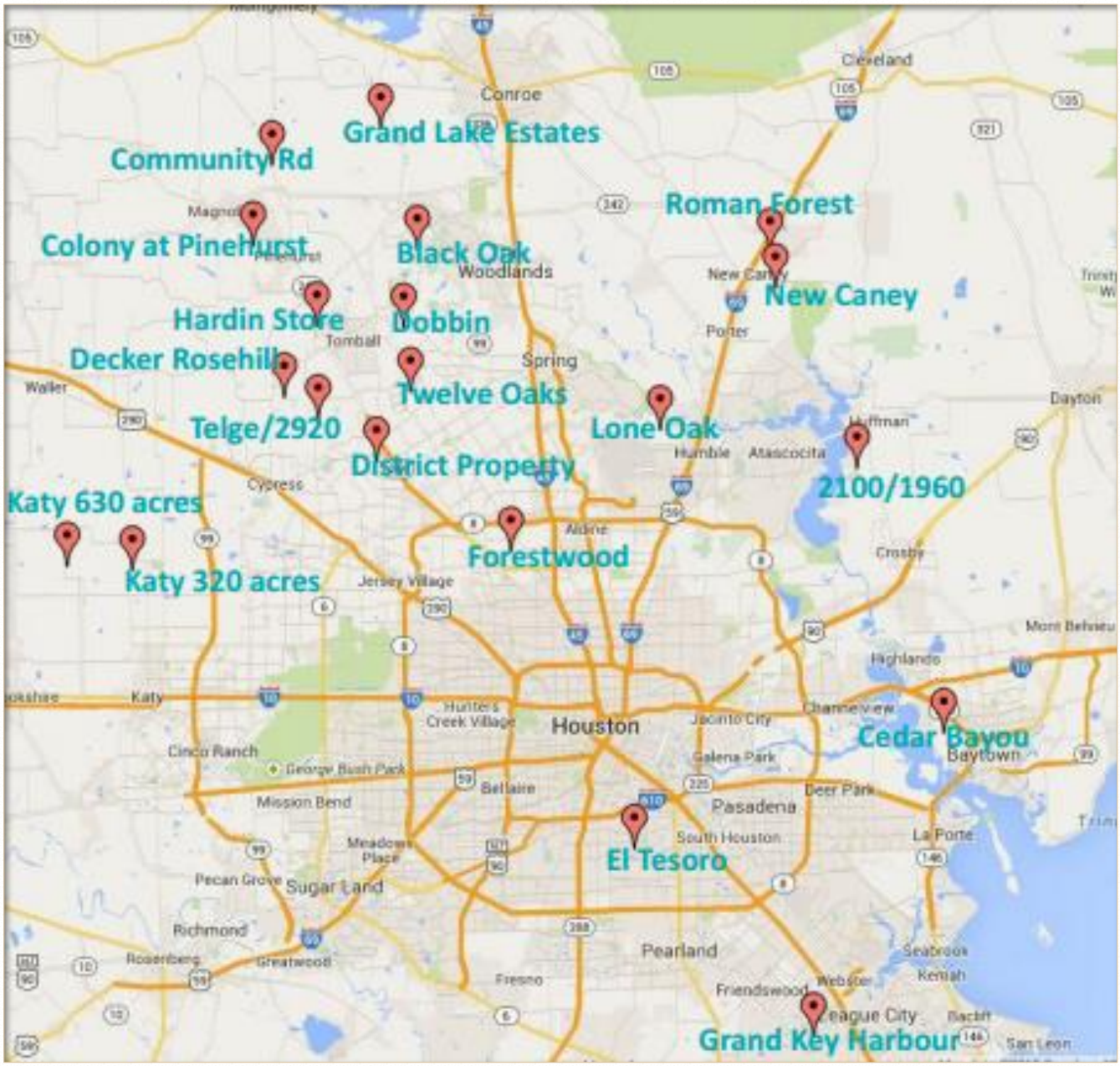
Option 1 - Investment Total:	$ 100,000,000
Preferred Interest:	8%
Equity Share:	20%
Estimated Return:	$ 381,819,202
Principle Repayment Term:	3 Years
Project Term in Total:	10 Years
Projected Net Proceeds for lot sales:	$ 1,848,102,702

Presale Strategy

- We have already entered into agreements with local and national home builders
- Before closing on the purchase of the land, the "planned" lots are pre-sold to home builders such as: KB Homes, LGI Homes, Grandview Builders, Perry Homes and others
- These pre-sale contract provide mitigation of risk.

Locations

Some of the proposed projects have already been planned and are ready to start. This map show the location of 14 projects



Areté
REAL ESTATE & DEVELOPMENT CO.

Investor Proposal

Partial Project List and Costs

Exhibit A

Location / Name of Project	Total Acres	Land Cost	Engineering cost First section	Total Investment	Total # lots	Lots Size	Lot Price $$	First Section Total lots	Expected Delivery	Projected Margin	Estimated Appraisl After Utilities are add 15% 20%	Builders Deposit	Builder Name
Enclave at Dobbin	62	$ 5,800,000.00	$ 550,000	$ 6,300,000.00	298	50 and 55X120	$ 60,000	98	16-Nov	$ 14,027,404.00	$ 6,670,000.00	$850,000	Colinas,First Texas, Gehan
Decker Prairer Rosehill	150	$ 10,500,000.00	$ 512,000	$ 10,500,512.00	660	60x130	$ 60,000	120	Dec-16	$ 34,000,750.00	$ 12,075,000.00	$ 600,000	Meritage, Lennar. Brighton
Lone Oak - 111 acres	111	$ 7,000,000.00	$ 500,000	$ 7,500,000.00	460	50X120	$32,000	160	17-Mar	$ 14,199,249.00	$ 8,110,000.00	$ 600,000	Castlerock. KB Home
Mill Creek South	54	$ 2,760,880.00	$ 500,000	$ 3,260,880.00	209	50X120	$50,000	72	18-Sep	$ 8,828,954.00	$ 3,300,880.00	$ 600,000	Ashton Woods,Darling
Mill Creek North	74	$ 3,854,109.00	$ 500,000	$ 4,353,109.00	225	50x120	$52,500	75	17-Sep	$ 9,116,115.00	$ 4,432,225.35		
Grant at Cypress Rosehill	120	$ 7,700,000.00	$ 500,000	$ 8,200,000.00	420	50X120	$50,000	120	18-Sep	$ 12,600,000.00	$ 8,900,000.00	$ 600,000	David Weekley, Lennar
Hardin Store Road	104	$ 5,644,080.00	$650,000	$ 6,294,080.00	346	45,50X120	$45,125	76	17-Jun	$ 10,182,000.00	$ 6,684,080.00	$ 500,000	Lennar, Meritage
Equity Needed (district 17)	675	$ 43,259,069.00	$ 3,712,000	$ 46,408,581.00	2618			750		$ 102,954,472.00	$ 50,172,185.35	$3,750,000	
	792	rage cost $63,029.19								$ 117,283,472.00			

Areté
REAL ESTATE & DEVELOPMENT CO.

Investor Proposal

Location / Name of Project	Total Acres	Land Cost	Engineering cost First section	Total Investment	Total # lots	Lots Size	Lot Price $$	First Section	Expected Delivery	Projected Margin	Estimated Appraisl After Utilities are	Builders Deposit	Builder Name
El Tesoro	144	$ 5,000,000.00	$120,000	$ 5,120,000.00	550	40X120	$20,000	113	16-Oct	$11,000,000	$ 6,440,000.00	$ 350,000	Legend
Grand Key Harbor	60	$ 3,500,000.00	$200,000	$ 3,700,000.00	125	45X100	$45,000	25	18-Sep	$16,603,000	$ 4,100,000.00	$ 150,000	David Weekley
200 Acres - Grand Lake Estates	200	$ 6,000,000.00	$ 500,000	$ 6,500,000.00	585	60,70,80X130	$75,000	99	17-Jun	$24,509,201	$ 8,000,000.00	$ 600,000	David Weekley ,Calinas
529 Morrison	150	$ 4,500,000.00	$600,000	$ 5,100,000.00	775	50,55X120	$32,000	120	17-Sep	$24,830,000	$ 6,000,000.00	$ 600,000	KB Home, Colinas
2100 & 1960	137	$ 4,500,000.00	$500,000	$ 5,000,000.00	450	50X120	$32,000	100	17-Oct	$9,500,000	$ 5,870,000.00	$250,000	John Speer
New Caney	270	$ 10,800,000.00	$500,000	$ 11,300,000.00	850	60X120	$35,000	125	17-Dec	$17,850,000	$ 13,500,000.00	$ 600,000	KB Home, John Speer, Colinas
SH 288	200	$ 7,000,000.00	$500,000	$ 7,500,000.00	600	60X120	$35,000	120	17-Dec	$12,600,000	$ 9,000,000.00	$ 600,000	KB Home, Legend, Lennar
2920 & Telge - KB Homes	117	$ 5,850,000.00	$600,000	$ 6,450,000.00	416	50,55X130	$24,047	104	17-Jun	$ 14,329,000.00	$ 7,020,000.00	$ 600,000	Legend, KB Home
		$ 41,300,000.00											
Identified Project													
Tricle Road 14		$ 7,500,000.00											
Forest Wood		$ 2,000,000.00											
Berry Madeen Lake Houston		$ 10,400,000.00											
	1,278	$ 41,300,000.00	$3,520,000	$ 50,670,000.00	4,351			806		$131,221,201	$ 54,080,000	$ 11,250,000	
		Average lot cost		$35572.7821						$116,892,201			

Deal Structure

- We will create multiple improvement districts in the Texas legislature and will annex development tracts into the district.
- We will form an individual Limited Partnership (LP) for each development tract.
  - Tracts will be acquired and developed by the newly formed LP.
  - Each Partnership will be a single asset entity.
  - The interest in all of these Limited Partnerships will be owned by a Master Limited Partnership. The President of both the Master and Sub-Partnerships will be Joe Fogarty, President of Areté. Additional responsibilities include Project Management.
  - The investors will be Limited Partners with ownership equal to 30% of the total ownership.
- All planned lots will be pre-sold to both national and local builders in advance of the physical construction of each section of each project. A contract will be in place for the sale of all of the lots in each proposed development before land acquisition.
- The Improvement Districts will have authority to reimburse 100% of the cost of developing the roads, including the cost of road right of ways, detention ponds and parks.
- Aqua Texas will buy the water and sewer customer base created by the development at $5,000 each single family home connection effectively paying for the costs to produce. Aqua will then own the water/ sewer systems and the customer base and will maintain those systems at no expense to the district.
- This milestone will provide capital to apply to principle and interest payments
- Projected term to repay Investor Principle is 36 to 48 months.

Process

1) Investor(s) will deposit $100,000,000 into an account at Patriot Bank Houston, TX. The account will be under the control of the Investor(s) alone. The capital account will accrue a return on investment at a rate of 8% per annum from the date of deposit until return.

2) A new Limited Partnership will be created for each development project.

3) Funding will occur at the direction of the Investor. Funds will be dispersed for the acquisition of the land tracts according to purchase contracts subject to Investor approval of a title company settlement statement.

   a) Draws for construction will be only in amounts spelled out in the project budget for work completed and approved by the project engineer.

   b) In each case, management will prepare a detailed cash flow analysis which would demonstrate total need for funds, estimate the total revenues to be generated and the new cash flow provided by each development.

   c) There will be a priority of payment in each partnership such that all subcontractors and vendors are paid first, all debt supported by debt instruments including all interest due the partner's capital account.

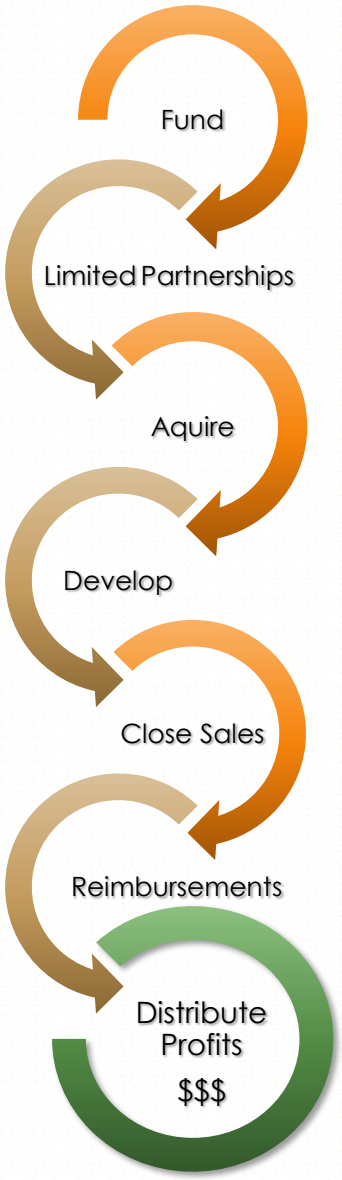
4) Revenue will come in as projects are completed by 3 Channels.

   a) Reimbursements from the Improvement District

   b) Connection purchases from Aqua Texas

   c) Closed sales contracts from home builders

5) Distribution of net cash flow.



Houston Economy

Facts About Houston

- Houston is the fourth most populous city in the nation (trailing only New York, Los Angeles and Chicago), and is the largest in the southern U.S. and Texas.
- The three-airport system served 49.5 million passengers in 2010, including over seven million international travelers.
- If Houston were an independent nation, it would rank as the world's 27th largest economy
- Cost of Living Index shows that Houston's overall after-taxes living costs are 11.1% below the nationwide average, largely due to housing costs that are 24% below the average.
- 92 countries have consular offices in Houston, the third highest in the nation
- Houston boasts more than 40 colleges, university and institutions - offering higher education options to suit all interests.
- Houston is home to the Texas Medical Center, the largest medical center in the world, with a local economic impact of $10 billion. More than 52,000 people work within its facilities, which encompass 21 million square feet. Altogether 4.8 million patients visit them each year.

Houston is home to more Fortune 500 company headquarters than anywhere in America except for New York.

There are 26 Fortune 500 companies headquartered in Houston, fewer than New York's 72 but well ahead of Dallas's 19 and Washington D.C.'s 20. Many are in the city's "energy corridor," the home of the oil and gas industry.

They include Conoco Phillips, Marathon Oil, Sysco, Apache, Halliburton, and many more.

Employment

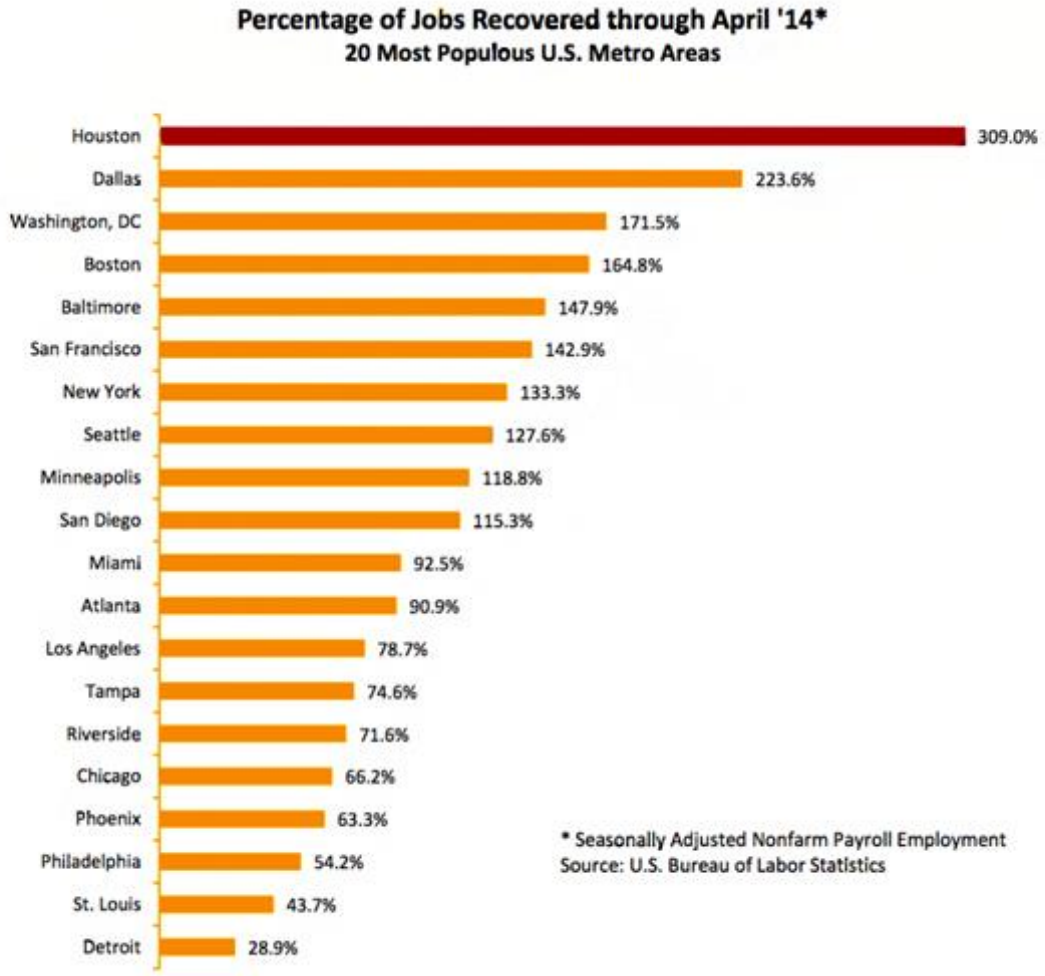
When you think about Houston, Texas, you probably picture massive oil refineries, oppressive humidity, and a sub-par baseball team — a far cry from one of the nation's most up-and-coming cities.

> But you shouldn't dismiss Houston so easily;
> *"the Bayou City is an economic juggernaut."*

It's by far the country's No. 1 job creator and home to 26 Fortune 500 companies. A paycheck goes farther here than anywhere else in the country, and it has a medical center larger than downtown Dallas.

Add a thriving restaurant and cultural scene, and you've got a winning case for Houston as the best city in America. Here are 18 reasons you may want to pack your bags and head south.

It's got the jobs. Houston is the No. 1 city for job creation in the U.S. By a lot.



It hosts the world's largest concentration of healthcare organizations, with scientists working hard to beat cancer.

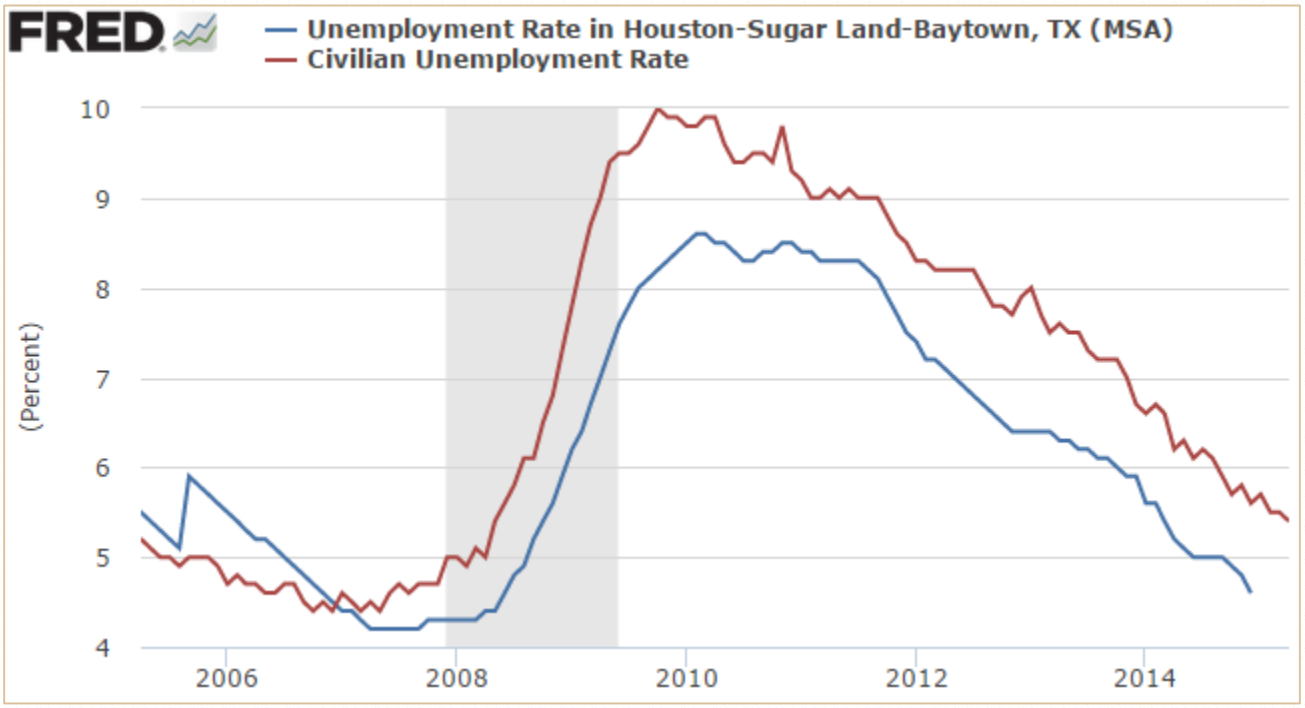
The Texas Medical Center is the largest single employer in Houston, and the largest medical center in the world, with 21 hospitals, eight academic and research institutions, and 50 total related organizations, all not-for-profit.

The complex is larger than downtown Dallas.

Institutions include the University Of Texas M.D. Anderson Cancer Center, one of the world's premier cancer treatment and research hospitals, which is spending billions in an aggressive push to cure five types of cancer.

Zdenko Zivkovic/Flickr

Houston's unemployment rate is significantly below the national level.

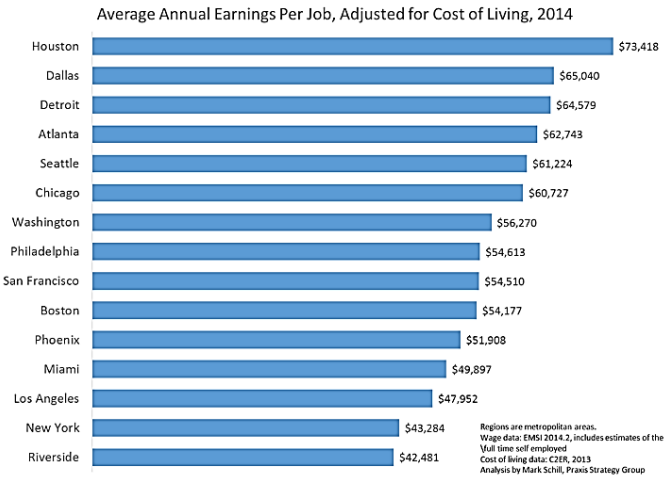


FRED

A paycheck goes farther in Houston than any other major metropolitan area.

Living well isn't just about high pay. It's about how much everything costs. You can't beat Houston here.

When you adjust for cost of living, Houston has the highest pay in the country at $73,418, ahead of places like the San Jose area, which has high wages but extremely high costs.



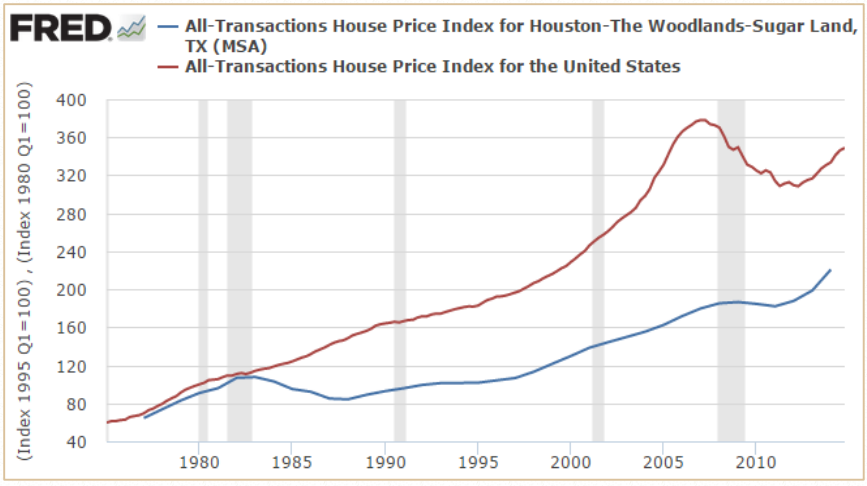
Economy & Trade

Houston is home to a thriving business economy that has rapidly diversified from its strong energy base. This economic diversification includes growth in high-technology industries, medical research, health care and professional services.

Today, the Houston economy is based on a broad spectrum of industries including:

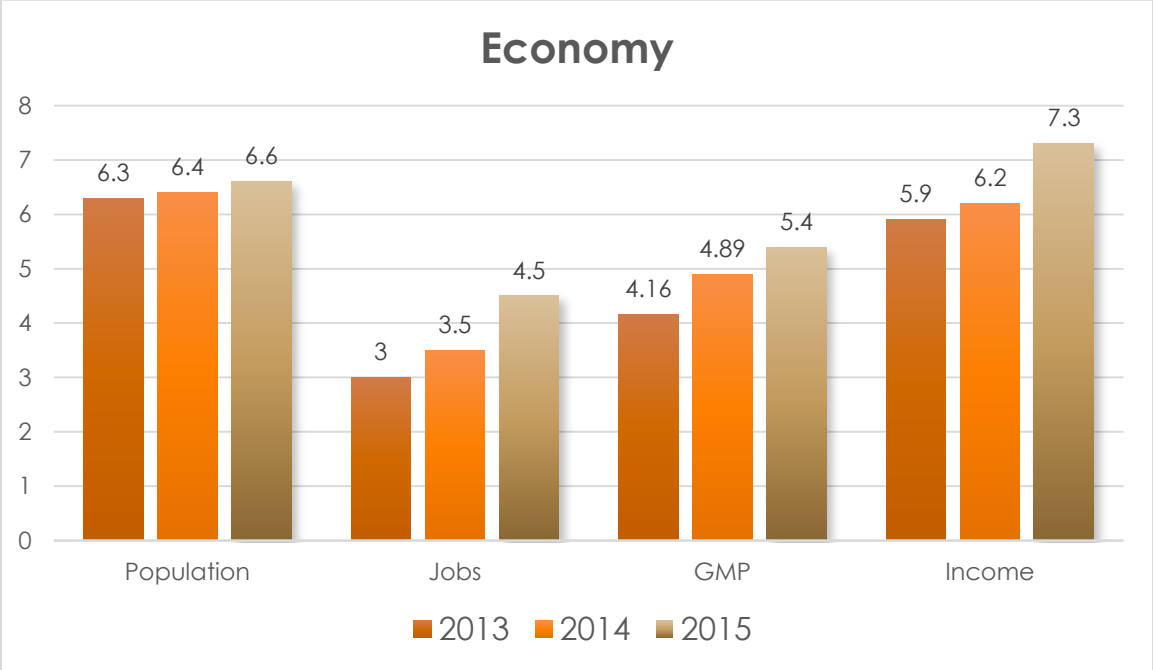
- Oil and gas exploration
- Basic petroleum refining
- Petrochemical production
- Medical research and health care delivery
- High-technology (computer, aerospace, environmental, etc.)
- Government (City, state and federal)
- International import and export
- Commercial fishing
- Agriculture
- Education
- Film and Media
- Banking and finance

> Housing is more affordable here. Houston didn't experience a housing bubble the way the rest of the country did.



Economy & Trade (cont.)

- #1 on Forbes fastest growing cities list
- 2015 Projected Growth rate: 1.74%
- Job Growth rate: 4.5%
- Unemployment: 4.8%
- 2014 GMP Growth: 3.52%
- Median Income: $71,900



- Houston realtors sold more than 425,000 homes in the past five years. The region is on pace to record 91,000 closings this year, which would set a record. Home sales are closing at the rate of one every six minutes.

Read the entire Houston Partners Employment Forecast by Transwestern® at http://1drv.ms/1zU8HiE

Real Estate

- Annual new home starts are up 9.4% YoY; only lot supply constraints are stopping builders from ramping up more quickly
- Housing Starts are at their strongest since 3Q08
- Builder bottlenecks are causing strong appreciation in home values; with rental rates rising buyers have little choice but to pay higher prices

December 2014: The Houston new home market continued to surge in the third quarter, with builders starting construction on 8,531 new homes, about double the annual increase from last quarter. Representing a year-over-year gain of 9%, Houston hasn't seen this many new homes since the third quarter of 2007. On an annualized basis, starts stand at 29,905, 8% above 3Q13, and the strongest rolling four quarters since 3Q08.

Forbes: America's Fastest-Growing Cities 2015

Forbes publishes a list of the fastest-growing cities in America each year. This year Texas placed five cities on the list, the most of any state: after Houston, the top 3 of our list is rounded out by Austin and Dallas, followed by Fort Worth (No. 8) and San Antonio (No. 10), to give Texas half the cities in the top 10, propelled by strong population growth and unemployment levels under 5%.

#1: Houston, Texas

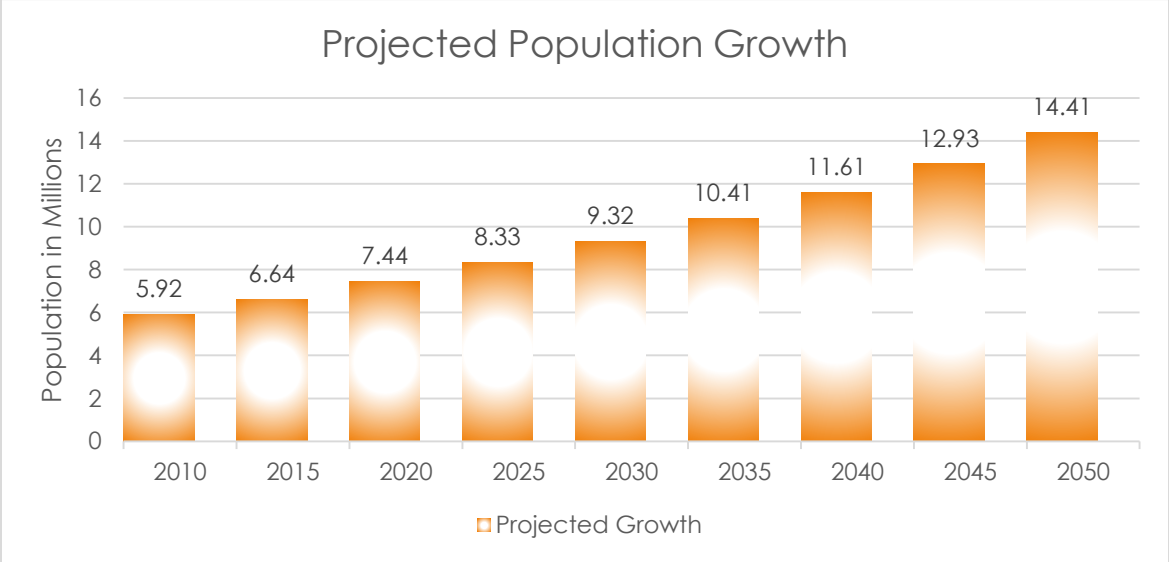
Thanks in large part to the boom in horizontal drilling and fracking, which has helped the Houston metro area add a whopping 667,800 new jobs since 2005.

> ***The "Energy City" is an economic powerhouse***: its 4.5% year-over-year job growth rate is the nation's fastest. Jobs at major corporations like ConocoPhillips and Halliburton help boost the median annual pay for college-educated workers to $71,900, fourth among America's 100 largest metro areas. Add to that an economy that grew at a 3.52% clip last year alone, and Houston lands the No. 1 spot on Forbes' annual list of America's Fastest-Growing Cities.

Population

Houston-The Woodlands-Sugar Land, TX MSA shows population of 6.64 million into 2015

Projected 2.2 million person increase per decade through 2050



Appendix

Woodcreek Mortgage Income Statement

12 months ending December 31st. 2014

Income				
Sale of Property	$	1,186,652.42		
Commission Income	$	391,980.75		
Interest Income	$	169,146.21		
Reimbursement	$	125,279.19		
Other Income	$	43,101.43		
	Total Income		**$**	**1,916,160.00**
Expenses				
Development Expense	$	574,019.73		
Commissions	$	142,744.00		
Rental Expense	$	6,901.37		
Legal & Accounting	$	103,010.78		
Overhead	$	442,317.34		
Interest	$	181,219.27		
	Total Expense		**$**	**1,450,212.49**
	Net Income		**$**	**465,947.51**

Woodcreek Mortgage Statement of Net Worth

Assets				
Woodcreek Mortgage 25% of the stock				
Plus other assets*	$	8,149,633		
	Total Assets		**$**	**8,149,633**
Liabilities				
Deferred Income Taxes (30% Rate)	$	2,444,889		
	Total Liabilities		$	(2,444,889)
	Net Worth		**$**	**5,704,744**

Woodcreek Mortgage Balance Sheet

Real Estate Assets					
Fair Value - Real Estate Interests (1)		$	34,735,742		
Real Estate Owned		$	632,762		
		Total Real Estate Assets		**$**	**35,368,504**
Reimbursements					
MUD Reimbursement -	Greenbrook	$	1,711,020		
MUD Reimbursement -	Glen Eagles	$	1,441,448		
MUD Reimbursement -	Mallard Crossing	$	1,250,000		
		Total Reimbursements		**$**	**4,402,468**
Other Assets					
Mortgage Receivables		$	2,469,523		
Loans - Related Parties		$	614,777		
Cash in Bank		$	233,968		
Accounts Receivable		$	111,348		
Earnest Money		$	61,000		
		Total Other Assets		**$**	**3,490,616**
		Total Assets		**$**	**43,261,588**

Liabilities & Stockholders Equity

Liabilities					
Accounts Payable		$	99,279		
Taxes Payable		$	26,963		
Mortgage Escrow Accounts		$	31,090		
Note Payable - Patriot Bank		$	3,745,499		
Provision for Federal Tax		$	6,078,755		
	Total Liabilities	**$**	**9,981,586**		
Stockholders Equity Common Stock		$	32,118,534		
		Total Liabilities & Capital		**$**	**43,261,588**

Areté Certificate of Incorporation

DLO-CH

The State of Texas

Secretary of State

CERTIFICATE OF INCORPORATION

OF

ARETE REAL ESTATE AND DEVELOPMENT COMPANY
CHARTER NUMBER 01145775

THE UNDERSIGNED, AS SECRETARY OF STATE OF THE STATE OF TEXAS, HEREBY CERTIFIES THAT ARTICLES OF INCORPORATION FOR THE ABOVE CORPORATION, DULY SIGNED AND VERIFIED HAVE BEEN RECEIVED IN THIS OFFICE AND ARE FOUND TO CONFORM TO LAW.

ACCORDINGLY THE UNDERSIGNED, AS SUCH SECRETARY OF STATE, AND BY VIRTUE OF THE AUTHORITY VESTED IN THE SECRETARY BY LAW, HEREBY ISSUES THIS CERTIFICATE OF INCORPORATION AND ATTACHES HERETO A COPY OF THE ARTICLES OF INCORPORATION.

ISSUANCE OF THIS CERTIFICATE OF INCORPORATION DOES NOT AUTHORIZE THE USE OF A CORPORATE NAME IN THIS STATE IN VIOLATION OF THE RIGHTS OF ANOTHER UNDER THE FEDERAL TRADEMARK ACT OF 1946, THE TEXAS TRADEMARK LAW, THE ASSUMED BUSINESS OR PROFESSIONAL NAME ACT OR THE COMMON LAW.

DATED MAR. 9, 1990

Secretary of State

Taxable Entity Search Results
Taxable Entity Search
Help

Franchise Tax Account Status

As of: 05/11/2015 12:11:25 PM

This Page is Not Sufficient for Filings with the Secretary of State

Obtain a certification for filings with the Secretary of State.

ARETE REAL ESTATE AND DEVELOPMENT COMPANY	
Texas Taxpayer Number	30113957721
Mailing Address	340 N SAM HOUSTON PKWY E STE 100 HOUSTON, TX 77060-3321
Right to Transact Business in Texas	ACTIVE
State of Formation	TX
Effective SOS Registration Date	03/09/1990
Texas SOS File Number	0114577500
Registered Agent Name	JOE FOGARTY
Registered Office Street Address	340 NORTH SAM HOUSTON PARKWAY EAST #100 HOUSTON, TX 77060

Woodcreek Mortgage Filing

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697

Hope Andrade
Secretary of State

Office of the Secretary of State

CERTIFICATE OF FILING
OF

Woodcreek Mortgage Corporation
File Number: 801098434

The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic For-Profit Corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 03/16/2009

Effective: 03/16/2009

Hope Andrade
Secretary of State

Come visit us on the internet at http://www.sos.state.tx.us/

Phone: (512) 463-5555
Prepared by: Rosa Arrellano

Fax: (512) 463-5709
TID: 10306

Dial: 7-1-1 for Relay Services
Document: 250197320002

CERTIFICATE OF FORMATION

OF

WOODCREEK MORTGAGE CORPORATION
(A Corporation)

FILED
in the Office of the
Secretary of State of Texas
MAR 16 2009
Corporations Section

ARTICLE ONE

The name of the filing entity being formed is Woodcreek Mortgage Corporation (the "Corporation").

ARTICLE TWO

The filing entity being formed is a corporation.

ARTICLE THREE

The purpose for which the Corporation is formed is any lawful purpose for which a for-profit corporation may be formed under the Texas Business Organizations Code.

ARTICLE FOUR

The street address of the Corporation's initial Registered Office, and the name of its initial Registered Agent at that office, are as follows:

Woodrow A. Holland
1770 St. James Place, Suite 120
Houston, Texas 77056

ARTICLE FIVE

The aggregate number of shares which the Corporation shall have authority to issue is One Million (1,000,000). The shares shall have a par value of One Dollar ($1.00).

ARTICLE SIX

The initial Board of Directors shall consist of two Directors. The names and addresses of the persons who will serve as initial Directors until the first annual meeting of Shareholders and successors are elected and qualified are:

Joe Fogarty
340 N. Sam Houston Parkway E., Suite 100
Houston, Texas 77060

William Esparza
340 N. Sam Houston Parkway E., Suite 100
Houston, Texas 77060

ARTICLE SEVEN

The undersigned Organizer hereby disclaims any past or future interests in or control of Woodcreek Mortgage Corporation and resigns as the Organizer effective upon the formation of the Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand this thirteenth day of March, 2009.

Sharon M. Leal

Sharon M. Leal, Organizer
408 W. 17th Street, Suite 101
Austin, Texas 78701-1207
(512) 474-2002

WOODCREEK MORTGAGE CORPORATION
CERTIFICATE OF FORMATION, PAGE 2

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697

Hope Andrade
Secretary of State

Office of the Secretary of State

March 16, 2009

Lawyer's Aid Service Inc
PO Box 848
Austin, TX 78767 USA

RE: Woodcreek Mortgage Corporation
File Number: 801098434

It has been our pleasure to file the certificate of formation and issue the enclosed certificate of filing evidencing the existence of the newly created domestic for-profit corporation.

Unless exempted, the entity formed is subject to state tax laws, including franchise tax laws. Shortly, the Comptroller of Public Accounts will be contacting the entity at its registered office for information that will assist the Comptroller in setting up the franchise tax account for the entity. The initial franchise tax report will be due a year and 89 days after the effective date of formation. Thereafter, an annual franchise tax report is due each May 15. Information about franchise tax, and contact information for the Comptroller's office, is available on their web site at http://window.state.tx.us/taxinfo/franchise/index.html.

The entity formed does not file annual reports with the Secretary of State. Documents will be filed with the Secretary of State if the entity needs to amend one of the provisions in its certificate of formation. It is important for the entity to continuously maintain a registered agent and office in Texas. Failure to maintain an agent or office or file a change to the information in Texas may result in the involuntary termination of the entity.

If we can be of further service at any time, please let us know.

Sincerely,

Corporations Section
Business & Public Filings Division
(512) 463-5555

Enclosure

Come visit us on the internet at http://www.sos.state.tx.us/

Phone: (512) 463-5555
Prepared by: Rosa Arrellano

Fax: (512) 463-5709
TID: 10285

Dial: 7-1-1 for Relay Services
Document: 250197320002

Taxable Entity Search Results
Taxable Entity Search
Help

Franchise Tax Account Status

As of: 05/11/2015 12:13:00 PM

This Page is Not Sufficient for Filings with the Secretary of State

Obtain a certification for filings with the Secretary of State.

WOODCREEK MORTGAGE CORPORATION	
Texas Taxpayer Number	32039098481
Mailing Address	340 N SAM HOUSTON PKWY E STE 100 HOUSTON, TX 77060-3321
Right to Transact Business in Texas	ACTIVE
State of Formation	TX
Effective SOS Registration Date	03/16/2009
Texas SOS File Number	0801098434
Registered Agent Name	WOODROW A HOLLAND
Registered Office Street Address	1770 ST. JAMES PLACE, SUITE 120 HOUSTON, TX 77056

Letters of Recommendation

DISCOUNT TIRE

3-30-2015

To whom it may Concern;

I have been associated with Joe Fogarty both professionally and personally for over 30 years. In that time we have worked together on real estate projects, construction projects and charitable projects.

As a matter of fact Joe gave me personal advice on the purchase of a piece of lake front property more than 27 years ago and I have enjoyed the property ever since.

The relationship has been mutually satisfying through all the years.

I would not hesitate to recommend and association with Joe.

Sincerely,

Larry Allen

March 30, 2015

To whom it may concern.

My name is Ivan Arjona and I am a real estate agent with the RE/MAX The Woodlands & Spring in the Northwest Houston area.

I have been working with Arete and Mr. Joe Fogarty since 2013 in various projects that involve the acquisition of several tracts of land in the northern Houston area. We work closely with Joe and his team and have had a very good experience. In my opinion Mr. Fogarty is an extremely skilled negotiator and strategist as well as a knowledgeable developer with an incredible vision for opportunities in future projects. Throughout the relationship, Joe Fogarty and his team have been a pleasure to work with as well as a great partnership to learn from.

We highly recommend Joe Fogarty and Arete for any business ventures you may be considering.

Some of my credentials include being recently recognized by the Houston Business Journal as one of 2014's Top 25 Real Estate Agents in Houston (ranked 17) and by RE/MAX of Texas as one of their Top 20 Individuals statewide (ranked #11).

If you have any additional questions, please kindly email me or call my cell phone at 713-504-8260. My email is ivan@ivanarjona.com.

Sincerely yours,

Ivan Arjona

RE/MAX The Woodlands & Spring

Ivan Arjona
Realtor®
E-mail: ivan@ivanarjona.com
Mobile: 713-504-8260

RE/MAX® The Woodlands & Spring
6620 Woodlands Pkwy - The Woodlands, Texas 77382
Office: 281-362-2540
Fax: 281-520-4316

David Weekley Homes

August 6, 2014

Joe Fogarty
Arete Real Estate & Development
340 N Sam Houston Parkway E., Suite 140
Houston, Texas 77060

Re: Letter of Recommendation

Dear Joe:

Please accept this reference letter regarding you and your development company.

As you know, since I started with David Weekley Homes over ten (10) years ago, we have worked on several real estate projects together in the Houston area.

I have always found you and your staff to be forthright, responsive and trustworthy. You have hired some very talented real estate professionals, and we certainly consider you a developer we can count on.

I have witnessed and admired your firm's ability to locate desirable land parcels, arrange advantageous land purchase structures, and resolve the many development challenges that are inherent in the real estate development business. Your ability to provide infrastructure and develop lots on a timely and cost effective basis has certainly helped us be successful in Houston.

As a company, we are always interested in doing business with you and your firm. We are also very interested in your continued growth and success, and willing to assist you in achieving that goal. Thanks for being a valued part of our team!

Sincerely,

Mark J. Welch
Land Acquisition Manager

340 N Sam Houston Pkwy E
Suite 268
Houston, TX 77060
281-847-4033

August 11, 2014

My experience with Joe dates back to 2002 and we have worked together on many projects over the years. He has always been a competent developer delivering residential lots timely and completely ready for vertical construction. He also has the experience and tenacity to develop the most challenging tracts for residential construction. He routinely solves difficult issues with entitlement, drainage, etc...

I looking forward to working with Joe and the Arete team in the future.

Ken Williams
General Partner
Lexington 26, LP dba Colina Homes

ELLIS MANAGEMENT COMPANY
A Division of Ellis Cattle Company

2825 Wilcrest Dr., Suite 300 ◆ Houston , Texas 77042 ◆ Office (713) 952-8022 ◆ Fax (713) 334-7166

To Whom It May Concern: March 31, 2015

It is my distinct privilege to write this letter of recommendation for Mr. Joe Fogarty. I met Joe about 8 years ago when we were having problems on a real estate development. Joe was instrumental in curing a million dollar deal that could have gone bad.

Joe is a leader when it comes to seeing the big picture on a real estate transaction and seeing it through completion. Often I will call Joe just to get a pulse on what is happening in the land development market since he is on top of a fluid landscape.

Feel free to reach out to me if you would like to address more of Joe Fogarty's skills and traits.

Sincerely,

Barney Van Huss

Director

MRI Management Recruiters of Champions

Suite 8
3220 FM 1960 West
Houston, TX 77068

(281) 580-6020
(800) 728-1272
http://www.mrichampions.com

March 31, 2015

To Whom It May Concern:

I have had the pleasure of working with Joe Fogarty of Arete Real Estate & Development Company for several years on various projects involving our mutual church. Joe states what he can do and he does it; you can count on him to accomplish whatever is his responsibility.

Joe was quite instrumental in assisting our local Habitat for Humanity affiliate with a strategic land purchase that helped keep our program costs reasonable. During this transaction and subsequently, I found Joe to be very knowledgeable of the real estate situation in Houston and the surrounding areas. I personally doubt there are many individuals as knowledgeable of and who understand the strategy of land development as well as Joe.

I am happy to recommend Joe Fogarty.

Very truly yours,

MANAGEMENT RECRUITERS OF CHAMPIONS

Gary K. Akin

Gary K. Akin
Owner

W. G. Burchfield & Bro.

Real Estate Brokerage and Related Services
Since 1906

March 31, 2015

To Whom It May Concern

Re: History and Experience with Joe Fogarty

Dear Concerned:

Our firm has been working in the development world of Houston, Texas for over one hundred years. In the past twenty years we have had several occasions to work with Joe Fogarty and Arete Real Estate Development. Mr. Fogarty demonstrates a vast experience in the development conditions here in this five county area. Many are familiar with one or more aspects of the development endeavor. Mr. Fogarty has demonstrated a valuable knowledge and experience in the entire spectrum of the development world. It is always a pleasure to contemplate an association to Joe in that regard.

Respectfully submitted
W. G. Burchfield & Bro.

Robert R. Burchfield
Managing Member and Partner

KLEIN EQUITIES
6602 Spring-Cypress Rd
Spring, TX 77379
281-374-9393 ph
281-374-9395 fax

March 31, 2015

To whom it may concern,

My name is David Klein and I am the principal of Klein Equities, a commercial real estate development company. We have been involved with Joe Fogarty on numerous real estate transactions for over twenty years. Joe is a very creative, innovative, and hard working real estate professional. He is principled, ethical, and has high moral values. Joe is also very quick to understand complex issues and ambitious enough to take advantage of real estate opportunities.

Sincerely,

David Klein

J.L. PERRONE, P.C.
Certified Public Accountant
12337 Jones Rd., Ste 118-A
Houston, Tx 77070

713-408-3321

April 5, 2015

Re: Joe Fogarty

To Whom It May Concern:

My name is John L. Perrone, President of JL Perrone PC. I am in the income tax and financial planning business for small to medium sized businesses comprised of corporations, limited partnerships, limited liability companies, trusts and the individual owners of these businesses. The majority of my work is in the United States and with some individuals living and owning businesses in Singapore.

In connection with my work, Joe Fogarty has been a client of mine for some thirty years with many entities that are and were involved in the development and sales of residential real estate subdivisions in the Houston area. Because Mr. Fogarty is very knowledgable, honest and competent in these real estate developments, I would recommend him to you as a viable, honest and competent individual to invest equity in his real estate developments

If you have any questions about my recommendation of Mr. Fogarty, please contact me.

Yours truly.

John L. Perrone
President of JL Perrone PC

MUI Services L.L.C.
Construction Excellence

- Managing
- Monitoring
- Constructing

April 02, 2015

Re: Joe Fogarty
Arete Real Estate & Development Co.
Suite 140
340 N Sam Houston Pkwy E
Houston, Texas 77060
Phone: 281-272-6134

Letter of Recommendation:

My experience with Joe dates back to 2002 and we have worked together on many projects over the years. He has always been a competent developer delivering residential lots timely and completely ready for vertical construction. Joe has taken the lead on several successful projects and his acumen, tenacity and political connections have helped us be successful. He also has the experience and the tenacity to develop the most challenging tracts for residential construction. He routinely solves difficult issues with entitlement, drainage, etc…

I trust his judgement, fairness and honesty. No matter the complexity of the project, Mr. Fogarty seems to find the path to completion.

I am looking forward to working with Joe and the Arete team in the future. And I welcome anyone to contact me to confirm my conviction of Joe Fogarty's worthiness.

Thanks,

Howard J. Middleton, Jr.

1011 Creekmont Dr. • Houston, Texas 77091 • Phone: (713) 884-1404 • Fax: (713) 682-1991
A DBE / MWBE / MBE / HUD / Equal Opportunity Employer

Investor Proposal

Contact

For all requests please contact

Sophia Filfil

Principle Owner
Director of Sales

Office (281) 272-6134
Direct (713) 398-7927

SophiaFilfil@aretetx.com