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June 28, 2013

The Directors
Modern Land (China) Co., Limited
4/F, Building No. 10, No. 1 Xiangheyuan Road
Dongcheng District, Beijing, PRC

Re: A Summary Appraisal of a 48.471-acre tract of land located along the west side of SH-288, approximately 1,200 feet north of Shadow Creek Parkway in Pearland, Harris and Brazoria Counties, Texas.
CD# 13-03-2014

Dear Sirs,

In accordance with your request, please find attached a summary appraisal report of the above-described property, contingent upon certain assumptions and limiting conditions. The purpose of the appraisal is to express an opinion of the market value of the fee simple interest in the subject property.

It must be noted that our estimate of value is subject to specific assumptions and limiting conditions. Those which are extraordinary in nature, the use of which might have affected the results of this assignment, are summarized as follows. Please refer to the attached appraisal report for the balance of assumptions and limiting conditions pertaining to the subject property.

The subject's site size of 48.471 acres comes from the survey provided by the client dated August 2011. According to the survey, which is based upon 2007 FEMA maps, 22.810 acres of the site are located in the floodway and the remainder is located in the floodplain. However, the prior owner of the subject reportedly spent more than US\$500,000 from April 2007 through July 2008 to bring much of the site out of the floodway/floodplain. According to the client, only 4.80 acres remain in the floodway/detention pond and are considered undevelopable. Therefore, the subject property is considered to have 43.671 acres of developable land. Our value opinion contained within this report specifically assumes this information to be correct. Any variance from the stated sizes may alter the stated value opinion.

Based upon the data, analyses and reasoning contained in the attached report, our market value opinion of the fee simple interest in the subject property as of March 31, 2013 is:

**FIVE MILLION TWO HUNDRED THIRTY THOUSAND DOLLARS
(US\$5,230,000)**

This market value estimate assumes an exposure period of six to nine months.

This letter simply transmits the attached report. The preceding value is subject to the definitions, certifications, assumptions and limiting conditions fully discussed in the report. This letter must remain attached to, and a permanent part of, the accompanying report for the stated opinion of value to be considered valid.

Our analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice and the Code of Ethics of the Appraisal Institute. In valuing the property interest, we have complied with all the relevant requirements contained in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited, and in all material respects the details set out in the International Valuation Standards published by the International Valuation Standards Council.

The undersigned appraiser is responsible for the conclusions and analysis utilized in this appraisal report. However, much of the factual data contained herein were obtained through a cooperative effort involving other members of the professional staff and the Crosson Dannis, Inc. research department.

We appreciate the opportunity to be of service. If you have any questions regarding the conclusions or contents of this report, please contact our office. For further information, your attention is directed to the attached appraisal report.

Respectfully submitted,
Charles G. Dannis, MAI, SRA

Note: Mr. Charles G. Dannis is a State Certified Appraiser who has over 40 years of experience in the valuation of properties in the United States.

EXECUTIVE SUMMARY

Property Identification	A 48.471-acre tract of land located along the west side of SH-288, approximately 1,200 feet north of Shadow Creek Parkway in Pearland, Harris and Brazoria Counties, Texas.
Purpose of Appraisal/Property Rights Appraised	The purpose of the appraisal is to provide an opinion of the market value of the fee simple interest in the subject property.
Effective Date of Valuation	March 31, 2013
Date of Inspection	April 21, 2013
Extraordinary Assumptions/Limiting Conditions	<ol style="list-style-type: none">1. The subject's site size of 48.471 acres comes from the survey provided by the client dated August 2011. According to the survey, which is based upon 2007 FEMA maps, 22.810 acres of the site are located in the floodway and the remainder is located in the floodplain. However, the prior owner of the subject reportedly spent more than US\$500,000 from April 2007 through July 2008 to bring much of the site out of the floodway/floodplain. According to the client, only 4.80 acres remain in the floodway/detention pond and are considered undevelopable. Therefore, the subject property is considered to have 43.671 acres of developable land. Our value opinion contained within this report specifically assumes this information to be correct. Any variance from the stated sizes may alter the stated value opinion.
Personal Property/Non-realty Included in Valuation	None
Zoning	PD M-47, as designated by the City of Pearland.

Site Description	<p>The subject site contains 48.471 gross acres and is located along the west side of US-288, approximately 1,200 feet north of Shadow Creek Parkway in Pearland, Harris and Brazoria Counties, Texas. According to the client, 4.80 acres of the subject are in a floodway/detention pond and are considered undevelopable. Therefore, subject is considered to have 43.671 net acres of developable land.</p>
History of the Subject Property	<p>The subject property is currently owned by America Modern Green Development which purchased the property from seller on December 21, 2012 for a price of US\$4,550,000. Reportedly, the seller began marketing the subject to sell in third quarter of 2012. Thus, subject was actively marketed for only three to six months. The current owner plans to build a mixed-use project based upon a senior-living environment. No other ownership changes have occurred during the past three years.</p> <p>The subject property is not currently being offered for sale, nor is it under contract.</p>
Highest and Best Use	<p>Hold as vacant until such time that development becomes feasible as dictated by demand.</p>
Opinion of Market Value	<p>US\$5,230,000 (US\$2.75/net SF); US\$119,759/net acre</p> <p>In valuing the property, we have estimated about US\$2.75 per net square feet for subject property.</p> <p>In undertaking our valuation of the subject property, we have made reference to various recent land sales comparable to the subject property. The price of comparable land sales range from about US\$1.50 per square feet to US\$5.25 per square feet. The unit rate estimated by us is consistent with the prices of comparable land sales. Due adjustments to the unit rates of sales prices have been made to reflect those factors including but not limited to financing terms, conditions of sales, market conditions, zoning/entitlements, size and shape, corner influence, plottage, site improvements, topography, utilities, location and environment in estimating the subject's final market value.</p>
Marketing/Exposure Time:	<p>Nine to 12 months</p>

APPRAISAL PURPOSE, SCOPE AND INTENDED USE/USER

Purpose

The purpose of our appraisal is to provide a market value opinion of the fee simple interest in the subject property as of March 31, 2013.

Scope

The scope of this summary appraisal report included a number of independent investigations and analyses.

The methods and sources utilized are listed as follows:

Demographic/Market Area Analysis: The appraiser viewed the subject market area to ascertain land uses and utilized the site to do business for demographic data on the market area.

Population growth

<u>Population growth rate (CAGR)</u>	<u>Pearland</u>	<u>Brazoria County</u>	<u>Harris County</u>	<u>Houston MSA</u>	<u>U.S.</u>
2000-2010	9.26%	2.62%	1.87%	2.35%	0.93%
2010-2012	3.18%	1.83%	1.41%	1.72%	0.71%
2012-2017	2.48%	1.82%	1.48%	1.71%	0.68%

Source: Crosson Dannis, Inc.

Income growth

<u>Median household income growth rate (CAGR)</u>	<u>Pearland</u>	<u>Brazoria County</u>	<u>Harris County</u>	<u>Houston MSA</u>	<u>U.S.</u>
2010-2012	0.87%	1.41%	1.26%	1.39%	1.46%
2012-2017	1.67%	2.35%	2.80%	2.75%	2.44%

Source: Crosson Dannis, Inc.

Site Description and Analysis: The appraiser viewed and photographed the subject site from its perimeter boundaries on March 31, 2013. The client provided a survey of the subject tract prepared by The Wilson Survey Group dated August 31, 2011. We have also reviewed tax plat maps, floodplain, topography and aerial photographs for the subject property.

Market Data Program: We have utilized Crosson Dannis, Inc. research staff for assembling data on comparable land sales. CoStar, Inc., a national real estate sales data service, was also utilized to obtain comparable sales. The comparable sales used in this report were viewed by the appraiser. We attempted to verify all comparable sales with parties involved in or with specific knowledge of the transactions.

It is important to note that Texas is a “non-disclosure state.” Buyers and sellers of real property are under no legal obligation to disclose prices of transactions. For this reason, although there may have been numerous other actual sales, those included herein are not only deemed most relevant, but those upon which reliable sales price data are available.

Valuation Process: The valuation process used herein is the sales comparison approach. The cost and income approaches are not appropriate for the valuation of vacant land.

Intended Use/User

It is our understanding that the client’s intended use of this appraisal is to assist in asset evaluation. The intended user is our client; no other users are intended by the appraiser.

Definitions of Terminology

Market Value – The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.¹

Value As Is – The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.²

Fee Simple Estate – Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.³

Extraordinary Assumption – An assumption directly related to a specific assignment which if found to be false, could alter the appraiser’s opinions or conclusions.⁴

1 (12 C.F.R. Part 34.42 (g); 55 Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992; 59 Federal Register 29499, September 26, 1994).

2 Appraisal Institute, The Dictionary of Real Estate Appraisal, 5th Edition, Page 12.

3 Ibid, Page 78.

4 The Appraisal Foundation, Uniform Standards of Professional Appraisal Practice, 2003 Edition, Page 3.

PROPERTY RIGHTS APPRAISED

The property rights being appraised are those of the fee simple interest in the subject property.

IDENTIFICATION OF PROPERTY

The subject property is a 48.471-acre tract of vacant land located along the west side of SH-288, approximately 1,200 feet north of Shadow Creek Parkway in Pearland, Harris and Brazoria Counties, Texas.

The tract is legally described as follows:

A 48.471 acre tract in the James Hamilton Survey, Abstract No. 881 in Harris County and Abstract No. 747 in Brazoria County, Texas. Said 48.417 acre tract is in Lot 5 of the Subdivision of the John Hamilton Survey as recorded in Volume 83, Page 342 in the Harris County Deed Records and is that same 48.471 acre tract of land described in a deed to the seller as recorded in Clerk's File Nos. 20100132332 and 20100235353 in the Harris County Clerk's Office.

ASSUMPTIONS AND LIMITING CONDITIONS

1. The appraisers will not be required to give testimony or appear in court because of having made this appraisal, with reference to the property in question, unless previous arrangements have been made.
2. The distribution of the total valuation in this report between land and improvements applies only under the reported highest and best use of the property. The allocation of value for land and improvements must not be used in conjunction with any other appraisal and is invalid if so used.
3. Disclosure of the contents of the appraisal report is governed by the bylaws and regulations of the professional appraisal organizations with which the appraiser is affiliated: specifically, the Appraisal Institute.
4. When the signatory of this appraisal report is a candidate or a member of the Appraisal Institute, its bylaws and regulations require the member or candidate to control the use and distribution of the report. Therefore, except as hereinafter provided, the party for whom this appraisal report was prepared may distribute copies of the report, in its entirety, to such third parties as may be selected by the party for whom this appraisal report was prepared. However, selected portions of this appraisal report shall not be given to third parties without the prior written consent of the signatory of the report. Further, neither all nor any part of this appraisal report shall be disseminated to the general public by the use of advertising media, public relations media, news media, sales media or other media for public communication without the prior written consent of the signatory of the report. Nor shall the appraiser, firm, or professional organization of which the appraiser is a member be identified without written consent of the appraiser.
5. The legal description used in this report is assumed to be correct.
6. No survey of the property has been made by the appraisers and no responsibility is assumed in connection with such matters. Sketches are included only to assist the reader in visualizing the property.
7. No responsibility is assumed for matters of a legal nature affecting title to the property, nor is an opinion of title rendered. The title is assumed to be good and merchantable.
8. Information furnished by others is assumed to be true, correct and reliable. A reasonable effort has been made to verify such information; however, no responsibility for its accuracy is assumed by the appraiser.
9. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover such factors.
10. The value estimates assumes responsible ownership and competent management.

11. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation mold, asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did the appraisers become aware of such during the appraiser's inspection. The appraisers have no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraisers, however, are not qualified to test such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde foam insulation, mold or other hazardous substances or environmental conditions, may affect the value of the property, the value estimated is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover them.
12. The United States Corps of Engineers regulates wetlands (as defined in the Corps of Engineers Wetland Delineation Manual, January 1987). The appraiser has no knowledge that any portion of the subject property is wetlands. Further, the appraiser is not qualified to make such a determination. It should be understood that the value estimated is predicated on the assumption that there is no such condition on the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover them.
13. Opinions of value contained herein are estimates. There is no guarantee, written or implied, that the subject property will sell or lease for the indicated amounts.
14. Crosson Dannis, Inc., as well as any employee, agent or officer thereof, shall not be completely indemnified against any and all losses, claims, damages, liabilities, costs or expenses to which the recipient and/or third party user may become subject, but only if neither Crosson Dannis, Inc. nor any other indemnified person shall have been negligent or shall have taken or omitted to take any action in bad faith in connection with the preparation of this report.

Extraordinary Assumptions and Limiting Conditions (the use of which might have affected the results of this assignment)

15. The subject's site size of 48.471 acres comes from the survey provided by the client dated August 2011. According to the survey, which is based upon 2007 FEMA maps, 22.810 acres of the site are located in the floodway and the remainder is located in the floodplain. However, the prior owner of the subject reportedly spent more than US\$500,000 from April 2007 through July 2008 to bring much of the site out of the floodway/floodplain. According to the client, only 4.80 acres remain in the floodway/detention pond and are considered undevelopable. Therefore, the subject property is considered to have 43.671 acres of developable land. Our value opinion contained within this report specifically assumes this information to be correct. Any variance from the stated sizes may alter the stated value opinion.

ZONING AND LAND-USE LIMITATIONS

The subject site currently has a zoning of PD M-47 as designated by the City of Pearland. Subject received this zoning designation in February 2008 when the prior owner had plans to build a 57.7-acre mixed-use lifestyle center development called the Water Lights District. This District had plans for development with 390,000 square feet of office, 93,000 square feet of retail, 125,000 square feet of restaurant space, 500 hotel rooms, 1,400 multi-family residential units and 5,100 to 5,900 parking spaces. Plans for Water Lights District do not permit “big box” type retail stores, traditional apartment complexes or commercial establishments that cause nuisance to the residential areas designated as first floor commercial, multi-family residential above. The zoning has not been revised since 2008.

A synopsis of pertinent data for the subject’s zoning according to the conceptual master plans Water Lights District and the City of Pearland Unified Development Code is as follows:

Maximum Lot Coverage:	None
Maximum Floor Area Ratio:	None
Minimum Front, Side and Rear Yard:	With the exception of those lots situated adjacent to SH-288, South Spectrum Boulevard and Fruge Road, public street, front, rear, and side yard setbacks shall not be applicable within the Water Lights District. Minimum setback requirements measured from the right-of-way line of the following roadways shall be applicable to buildings and parking structures: lots abutting SH-288, up to and including 10 stories, minimum 20 feet. Lots abutting SH-288 over 10 stories minimum 30 feet. Lots abutting South Spectrum Boulevard and Fruge Road, minimum 20 feet.
Minimum Lot Size:	0.40 acres. There shall be no minimum lot width or depth requirement.
Maximum Building Height:	Multi-family residential building 25 stories, Multi-family residential building with first floor commercial 7 stories, hotels 10 stories, all other non-residential buildings 10 stories.
Parking Requirements:	Varies according to use; for apartments 2.5 spaces per dwelling unit; for hotels 1.1 spaces per guest room; for retail stores one space per 200 SF of floor area; for restaurants one space per 125 SF of floor area; for office use one space per 200 SF of floor area.
Permitted Uses:	Permitted uses include retail (non-“big box”), office, hotel and “non-traditional” multi-family residential.

THE VALUATION PROCESS

The estimation of a real property's market value involves a systematic process in which the problem is defined; the work necessary to solve the problem is planned; and the data required is acquired, classified, analyzed and interpreted into an estimate of value. In this process, three basic approaches, when applicable, are used by the appraiser: the sales comparison approach, the income capitalisation approach, and the cost approach. When one or more of these approaches is not applicable in the appraisal process, full justification must be presented. A brief explanation of each approach follows.

The **sales comparison approach** involves the comparison of similar properties that have recently sold or similar properties that are currently offered for sale, with the subject property. The notable differences in the comparable properties are adjusted from the subject property to indicate a value range for the property being appraised. This value range, as indicated by the adjusted comparable properties, is then correlated into a final indicated value for the subject property by this approach.

The **income capitalisation approach** is a process in which the anticipated flow of future benefits (actual dollar income or amenities) is discounted to a present value figure through the capitalization process. The appraiser is primarily concerned with the future benefits resulting from net income. The steps in this approach include estimating potential gross income by comparison with competing properties and estimating expenses (derived from historical and/or market experience) to determine a projected net income stream. The income stream is then capitalized into an indication of value by using capitalization rates extracted from competitive properties in the market or by using other techniques when applicable. Alternatively, the income stream as well as the reversion of the property is converted into an estimate of value by use of a Discounted Cash Flow (DCF) analysis. If both techniques are used, the resultant value indications must be reconciled.

In the **cost approach**, the appraiser first estimates the value of the subject site by comparing it to similar sites that have recently sold or are currently offered for sale. The reproduction cost new of the improvements is then estimated. Depreciation from all sources is determined and subtracted from the reproduction cost new of the improvements to arrive at their present value. The present value of all improvements is added to the estimated site value, resulting in an indicated value by the cost approach.

In the final reconciliation, the appraiser weights each approach to value as dictated by the individual characteristics of the subject. The final value estimate reflects the results of such deliberation.

The subject property is a vacant tract of land. Under the conditions of a vacant land appraisal, the income capitalization and cost approaches are not considered applicable. For the income capitalisation approach to be applicable there must be sufficient income information to develop a justifiable income stream for the subject property. The existing marketplace indicates that a typical purchaser of vacant land does not purchase with the intention of leasing the land

for the purpose of producing an annual income stream. The investor typically purchases the land with the intention of development and/or resale. It is concluded that there is insufficient income information on comparable land to develop a defensible income approach.

The cost approach is basically limited to improved properties. There must be information on the replacement or reproduction costs of comparable properties. Since land cannot be reproduced or replaced, it is considered to be an inappropriate measure of value in this situation. This appraisal is, therefore, limited to the sales comparison approach.

SALES COMPARISON APPROACH

This approach of estimating market value was previously outlined in The Valuation Process section of this report. Available data sources were researched to identify sales and offers which are similar to the subject site in terms of location, size and zoning.

It is important to note that Texas is a “non-disclosure state.” Buyers and sellers of real property are under no legal obligation to disclose prices of transactions. For this reason, although there may have been other actual sales, those included herein are not only deemed most relevant, but those upon which reliable sales price data are available to us.

A summary of the comparables is presented in the report. Complete data sheets are included in its Addenda. The sales selected are considered to be most relevant to the subject and are located in or near Pearland.

A map showing the location of the comparable land sales is presented in the report.



Based upon the data, analyses and reasoning contained in the referenced report, our market value opinion of the fee simple interest in the subject property as of March 31, 2013 was:

**FIVE MILLION TWO HUNDRED THIRTY THOUSAND DOLLARS
(US\$5,230,000)**

This market value estimate assumes an exposure period of six to nine months.

This letter simply summarizes the salient sections of our appraisal report. The preceding value is subject to the definitions, certifications, assumptions and limiting conditions fully discussed in the report. Said report is incorporated herein by reference and is made an integral part hereof. Any reader of this letter should have full benefit of said report before making any decisions whatsoever regarding the subject.

The undersigned appraiser is responsible for the conclusions and analysis utilized in this appraisal report. However, much of the factual data contained herein were obtained through a cooperative effort involving other members of the professional staff and the Crosson Dannis, Inc. research department.