



**PLANNING DEPARTMENT**  
**County Of Hidalgo**

Raul E. Sesin, P.E.  
Planning Administrator

TO: JUDGE JUAN D. SALINAS, III  
COUNTY COMMISSIONER'S COURT

FROM: RAUL E. SESIN, P.E., PLANNING ADMINISTRATOR

DATE: MAY 21, 2008

RE: LOS NARANJOS PHASE 2 SUBDIVISION – PCT. 3

ON APRIL 22, 2008, THE COUNTY COMMISSIONERS COURT GRANTED FINAL APPROVAL WITH FINANCIAL GUARANTEE FOR THE ABOVE REFERENCED SUBDIVISION. LETTER OF CREDIT NO. 50028-24740 WAS USED TO SECURE THE FUNDS FOR THE WATER DISTRIBUTION, STREET PAVING, STORM DRAINAGE IMPROVEMENTS, LAND CLEARING, SEPTIC TANK SYSTEMS AND STREET SIGNS & BARRICADES.

THE DEVELOPER IS REQUESTING A PARTIAL RELEASE OF THE LETTER OF CREDIT IN THE AMOUNT OF \$149,500.00 DOLLARS. THIS AMOUNT REFLECTS THE COMPLETION OF THE WATER DISTRIBUTION SYSTEM LESS A 10% RETAINAGE AND THE COMPLETION OF LAND CLEARING.

STAFF HAS NO OBJECTION TO A PARTIAL RELEASE OF THE LETTER OF CREDIT IN THE AMOUNT OF \$149,500.00 FOR THE AFOREMENTIONED IMPROVEMENTS.

**BORDER CAPITAL BANK NO. 50028-24740**

ORIGINAL AMOUNT	\$ 607,500.00
1 <sup>ST</sup> RELEASE	\$ 149,500.00
BALANCE	\$ 458,000.00



# PLANNING DEPARTMENT

## County Of Hidalgo

Raul E. Sesin, P.E.  
Planning Administrator

*Los Naranjos Phase 2 Subdivision*  
**IRREVOCABLE LETTER OF CREDIT**

IRREVOCABLE LETTER OF CREDIT NO. 50028-24740

TO: County Judge (in his or her official capacity) Hidalgo County, Texas

DATE: November 9, 2007

We hereby authorize you to draw at sight on **Border Capital Bank**, for the account of **Los Naranjos No. 2, Ltd.** (the Customer), up to the aggregate amount of SIX HUNDRED SEVEN THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$607,500.00) (the Stated Amount) available by our draft, accompanied by a certification by the county judge, any county commissioner, or the county treasurer that the following condition exists:

"A Condition of Draw exists under Subdivision Construction Agreement dated November 9, 2007, by and between the Customer and the County of Hidalgo (the Agreement). County is in substantial compliance with the terms of said Agreement and has calculated the amount of this draft in accordance with the terms of the Agreement."

Drafts must be drawn and presented by or on November 9, 2008 by the close of business of the Issuer of this credit and must specify the date and number of this credit. Drafts will be honored within five calendar days of presentment. We hereby engage all drawers that drafts drawn and presented in accordance with this credit shall be duly honored. Partial draws are permitted and the letter of credit shall be reduced by the amount of such partial draws as well as by any reduction letters authorized by the County. The sum of such partial draws shall on no account exceed the Stated Amount of this credit, and upon any draw or reduction letter which exhausts this credit, the original of this credit will be surrendered to us.

Except as expressly stated, this credit shall be subject to the Uniform Customs and Practice for Documentary Credits (1993 Revision), International Chamber of Commerce (Publication No. 500).

This credit is irrevocable prior to its expiration date unless both parties consent to revocation in writing.

Address of Issuer: 1801 South McColl Road, PO Box 5555, McAllen, Texas 78502-5555  
Signature of Issuer's Authorized Officer

  
Printed Name: Fred Garza  
Title: Senior Vice-President