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ATLAS & HALL, L.L.P.

ATTORNEYS AT LAW

P. O. BOX 3725 (78502-3725)

818 W. PECAN

McALLEN, TEXAS 78501

TEL. (956) 682-5501 FAX (956) 686-6109

STARR COUNTY OFFICE

200 N. BRITTON AVE.

RIO GRANDE CITY, TEXAS 78582

TEL. (956) 488-1896

FAX (956) 488-6482

November 4, 2008

Ms. San Juanita C. Guzman
P. O. Box 1673
Pharr, Texas 78577

Re: Sale to Hidalgo County of a 15.75 acre tract out of Lot 229, Kelly Pharr Subdivision,
Hidalgo County, Texas (Precinct #2 Administration Office Property)

Dear Ms. Guzman:

We have been asked by our client, Hidalgo County (the "County"), to prepare the documents associated with the above-referenced matter. This letter will serve as notice to you of our representation of the County in this matter.

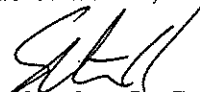
We will not be serving as your attorney with regard to any part of this transaction. We wish this to be made clear to you. You may wish to obtain you own attorney to review the documentation. If so, please have your attorney(s) contact us at the above-referenced address and phone number. We would be happy to work with your counsel in this matter.

Please acknowledge your receipt and agreement concerning our representation by executing this correspondence in the spaces provided below.

Very truly yours,

ATLAS & HALL, L.L.P.

By:


Stephen L. Crain

SLC/ram

AGREED TO AND APPROVED:

SAN JUANITA C. GUZMAN

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

General Warranty Deed

Date: November 4, 2008

Grantor: SAN JUANITA C. GUZMAN, joined herein by my spouse, HOMERO GUZMAN

Grantor's Mailing Address:

P. O. Box 1673
Pharr, Texas 78577

Grantee: COUNTY OF HIDALGO

Grantee's Mailing Address:

509 E. Earling Road
San Juan, Texas 78589

Consideration:

Cash and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.

Property (including any improvements):

That certain real property located in Hidalgo County, Texas, being more particularly described on Exhibit "A" which is attached hereto and made a part hereof for all purposes.

Exceptions to Conveyance and Warranty:

Standby fees, taxes and assessments by any taxing authority for the year 2009 and subsequent years, the payment of which Grantee assumes.
Continued on Exhibit "B" attached hereto and made a part hereof for all purposes.

Grantor, for the Consideration and subject to the Exceptions to Conveyance and Warranty, grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's successors and assigns forever. Grantor binds Grantor and Grantor's heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the Exceptions to Conveyance and Warranty.

When the context requires, singular nouns and pronouns include the plural.

SAN JUANITA C. GUZMAN

HOMERO GUZMAN

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

This instrument was acknowledged before me on this _____ day of _____, 2008, by SAN JUANITA C. GUZMAN.

Notary Public, State of Texas

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

This instrument was acknowledged before me on this _____ day of _____, 2008, by HOMERO GUZMAN.

Notary Public, State of Texas

AFTER RECORDING RETURN TO:

Stephen L. Crain
Atlas & Hall, L.L.P.
P. O. Box 3725
McAllen, Texas 78502-3725

EXHIBIT "A"

A 15.75-acre tract of land out of Lot 229, Kelly Pharr Subdivision, Hidalgo County, Texas, Volume 3, Pages 133, Map Records of Hidalgo County, Texas and said 15.75-acre tract of land also being more particularly described as follows;

Beginning on a cotton picker spindle found at the Southwest corner of said Lot 229, for the Southwest corner of tract herein described,

THENCE, North 08 degrees 25 minutes 00 seconds East, along the West line of Lot 229, at a distance of 20.00 feet pass a No. 4 rebar set on the North Right of Way of Hall Acres Road at 1165.00 pass a No. 4 rebar set on the South Right of Way line of Hidalgo County Drain District No. 1 and a total distance of 1320.00 feet to the Northwest corner of Lot 229, for the Northwest corner of the tract herein described;

THENCE, South 81 degrees 35 minutes 00 seconds East, along to the North line of Lot 229, in said Drain Ditch Right of Way, a distance of 521.95 feet to the Northwest corner of Los Marineros Subdivision, recorded in Volume 34, Page 82, Map Records Hidalgo County, for the Northeast corner of the tract herein described;

THENCE, South 08 degrees 25 minutes 00 seconds West, with West line of Los Marineros Subdivision, at a distance of 192.90 feet to a No. 4 rebar set at a corner of said Subdivision for an exterior corner of the tract herein described;

THENCE, North 81 degrees 35 minutes 00 seconds West, with the most Southerly North line of Los Marineros Subdivision, a distance of 7.95 feet to a No. 4 rebar found at a corner of said Subdivision, for an interior corner of the tract herein described;

THENCE, South 08 degrees 25 minutes 00 seconds West, with the West line of Los Marineros Subdivision, a distance of 937.10 feet to a No. 4 rebar found at a corner of said Subdivision, for an interior corner of the tract herein described;

THENCE, South 81 degrees 35 minutes 00 seconds East, with the most Northerly South line of Los Marineros Subdivision, a distance of 31.92 feet to a No. 4 rebar found, at a corner of said Subdivision for an exterior corner of the tract herein described;

THENCE, South 08 degrees 25 minutes 00 seconds West, along the West line of Los Marineros Subdivision, at a distance of 170.00 feet pass a No. 4 rebar set on the North Right of Way of Hall Acres Road and a total distance of 190.00 feet to a cotton picker spindle set on the South line of Lot 229, for the Southeast corner of the tract herein described;

THENCE, North 81 degrees 35 minutes 00 seconds West, along the South line of Lot 229, in Hall Acres Road Right of Way a distance of 545.92 feet to the **POINT OF BEINNING**, containing 15.75-acres of land, more or less, of which 0.251 acre lies in Hall Acres Road Right of Way and 0.697 acre lies in Hidalgo County Drain District No. 1.

EXHIBIT "B"

Blanket easements, rules, regulations and rights in favor of Hidalgo County Irrigation District No. 2 and easements and restrictions as shown on the map of the above described subdivision.

Easement in favor of Hidalgo County Drainage District No. 1 as shown by instrument dated January 18, 1962, recorded in Volume 1028, Page 530, Deed Records of Hidalgo County, Texas.

Water line easement in favor of Military Highway Water Supply Corporation as shown by instrument dated March 26, 1979, recorded in Volume 1634, Page 983, Deed Records of Hidalgo County, Texas.

Sanitary sewer line easement in favor of City of Pharr as shown by instrument dated August 30, 1993, filed August 30, 1993 under Document Number 341107, Official Records of Hidalgo County, Texas.

Subject to apparent abandoned gas pipeline across said tract as evidence on the survey prepared by Plinio C. Medina, dated October 9, 2008, Job No. ENG08.024A. (Owner's Title Policy only)

Terms, stipulations and conditions contained in Oil, Gas and Mineral Lease executed by Maye E. Pelt to T. B. Hoffer, dated December 9, 1946, recorded in Volume 70, Page 500, Oil and Gas Records of Hidalgo County, Texas.

Mineral and/or royalty reservation contained in deed dated December 31, 1987, recorded in Volume 2544, Page 66, Official Records of Hidalgo County, Texas.

Mineral and/or royalty reservation contained in deed dated December 31, 1987, recorded in Volume 2444, Page 69, Official Records of Hidalgo County, Texas.

Terms, stipulations and conditions contained in Declaration of Unit as set forth in instrument dated June 15, 1951, recorded in Volume 115, Page 595, Oil and Gas Records of Hidalgo County, Texas.

Any portion of the property described herein within the limits or boundaries of any public or private roadway and/or highway.

Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the land.

Subject to the subdivision regulations of the County of Hidalgo and/or Ordinances or governmental regulation of the City in which the property may be located or holding extra-territorial jurisdiction of said property.

Nonforeign Affidavit—Individual

Date: November 4, 2008

Transferor: SAN JUANITA C. GUZMAN

Transferor's Mailing Address:

P. O. Box 1673
Pharr, Texas 78577

Transferor's Social Security Number: _____

Transferee: COUNTY OF HIDALGO

Property: That certain real property located in Hidalgo County, Texas, being more particularly described on Exhibit "A" which is attached hereto and made a part hereof for all purposes.

Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. To inform Transferee that withholding of tax is not required on my disposition of a U.S. real property interest, I swear on oath that the contents of this affidavit are true.

I am not a nonresident alien for purposes of U.S. income taxation.

I understand that this certification may be disclosed to the Internal Revenue Service by Transferee and that any false statement I have made here could be punished by fine, imprisonment, or both.

Under penalties of perjury I declare that I have examined this affidavit and to the best of my knowledge and belief it is true, correct, and complete.

SAN JUANITA C. GUZMAN

STATE OF TEXAS

§

COUNTY OF HIDALGO

§

§

This instrument was acknowledged before me on the ____ day of _____, 2008,
by SAN JUANITA C. GUZMAN.

Notary Public, State of Texas

EXHIBIT "A"

A 15.75-acre tract of land out of Lot 229, Kelly Pharr Subdivision, Hidalgo County, Texas, Volume 3, Pages 133, Map Records of Hidalgo County, Texas and said 15.75-acre tract of land also being more particularly described as follows;

Beginning on a cotton picker spindle found at the Southwest corner of said Lot 229, for the Southwest corner of tract herein described,

THENCE, North 08 degrees 25 minutes 00 seconds East, along the West line of Lot 229, at a distance of 20.00 feet pass a No. 4 rebar set on the North Right of Way of Hall Acres Road at 1165.00 pass a No. 4 rebar set on the South Right of Way line of Hidalgo County Drain District No. 1 and a total distance of 1320.00 feet to the Northwest corner of Lot 229, for the Northwest corner of the tract herein described;

THENCE, South 81 degrees 35 minutes 00 seconds East, along to the North line of Lot 229, in said Drain Ditch Right of Way, a distance of 521.95 feet to the Northwest corner of Los Marineros Subdivision, recorded in Volume 34, Page 82, Map Records Hidalgo County, for the Northeast corner of the tract herein described;

THENCE, South 08 degrees 25 minutes 00 seconds West, with West line of Los Marineros Subdivision, at a distance of 192.90 feet to a No. 4 rebar set at a corner of said Subdivision for an exterior corner of the tract herein described;

THENCE, North 81 degrees 35 minutes 00 seconds West, with the most Southerly North line of Los Marineros Subdivision, a distance of 7.95 feet to a No. 4 rebar found at a corner of said Subdivision, for an interior corner of the tract herein described;

THENCE, South 08 degrees 25 minutes 00 seconds West, with the West line of Los Marineros Subdivision, a distance of 937.10 feet to a No. 4 rebar found at a corner of said Subdivision, for an interior corner of the tract herein described;

THENCE, South 81 degrees 35 minutes 00 seconds East, with the most Northerly South line of Los Marineros Subdivision, a distance of 31.92 feet to a No. 4 rebar found, at a corner of said Subdivision for an exterior corner of the tract herein described;

THENCE, South 08 degrees 25 minutes 00 seconds West, along the West line of Los Marineros Subdivision, at a distance of 170.00 feet pass a No. 4 rebar set on the North Right of Way of Hall Acres Road and a total distance of 190.00 feet to a cotton picker spindle set on the South line of Lot 229, for the Southeast corner of the tract herein described;

THENCE, North 81 degrees 35 minutes 00 seconds West, along the South line of Lot 229, in Hall Acres Road Right of Way a distance of 545.92 feet to the **POINT OF BEINNING**, containing 15.75-acres of land, more or less, of which 0.251 acre lies in Hall Acres Road Right of Way and 0.697 acre lies in Hidalgo County Drain District No. 1.

AFFIDAVIT AS TO DEBTS AND LIENS

THE STATE OF TEXAS
COUNTY OF HIDALGO

§
§
§

GF# 112688

BEFORE ME, the undersigned authority, on this day, personally appeared the undersigned (hereinafter called Affiant) (whether one or more) and each on his oath, deposes and says, as follows:

1. Affiant is the owner of the following described property, to-wit:

A 15.75-acre tract of land, more or less, out of Lot 229, KELLY PHARR SUBDIVISION, Hidalgo County, Texas, Volume 3, Pages 133, Map Records of Hidalgo County, Texas and said 15.75-acre tract of land also being more particularly described as follows;

BEGINNING on a cotton picker spindle found at the Southwest corner of said Lot 229, for the Southwest corner of tract herein described,

THENCE, North 08 degrees, 25 minutes, 00 seconds East, along the West line of Lot 229, at a distance of 20.00 feet pass a No. 4 rebar set on the North Right of Way of Hall Acres Road at 1,165.00 pass a No. 4 rebar set on the South Right of Way line of Hidalgo County Drain District No. 1 and a total distance of 1,320.00 feet to the Northwest corner of Lot 229, for the Northwest corner of the tract herein described;

THENCE, South 81 degrees, 35 minutes, 00 seconds East, along to the North line of Lot 229, in said Drain Ditch Right of Way, a distance of 521.95 feet to the Northwest corner of Los Marineros Subdivision, recorded in Volume 34, Page 82, Map Records Hidalgo County, for the Northeast corner of the tract herein described;

THENCE, South 08 degrees, 25 minutes, 00 seconds West, with West line of Los Marineros Subdivision, at a distance of 192.90 feet to a No. 4 rebar set at a corner of said Subdivision for an exterior corner of the tract herein described;

THENCE, North 81 degrees, 35 minutes, 00 seconds West, with the most Southerly North line of Los Marineros Subdivision, a distance of 7.95 feet to a No. 4 rebar found at a corner of said Subdivision, for an interior corner of the tract herein described;

THENCE, South 08 degrees, 25 minutes, 00 seconds West, with the West line of Los Marineros Subdivision, a distance of 937.10 feet to a No. 4 rebar found at a corner of said Subdivision, for an interior corner of the tract herein described;

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THENCE, North 81 degrees, 35 minutes, 00 seconds West, along the South line of Lot 229, in Hall Acres Road Right of Way a distance of 545.92 feet to the POINT OF BEGINNING, of which 0.251 acre lies in Hall Acres Road Right of Way and 0.697 acre lies in Hidalgo County Drain District No. 1.

2. Affiant is desirous of selling the above described property and has requested **Valley Land Title Co.**, agent for **Commonwealth Land Title Insurance Company**, to issue a title policy guarantying the title of same to his purchaser.

3. In connection with the issuance of such policy, Affiant makes the following statement of facts:

- a. That Affiant owes no past due Federal or State taxes and that there are no delinquent Federal assessments presently existing against Affiant, and that no Federal or State Liens have been filed against Affiant.
- b. That there are no delinquent State, County, City, School District, Water District or other governmental agency taxes due or owing against said property and that no tax suit has been filed by any State, County, Municipal Water District or other governmental agency for taxes levied against said property.
- c. All labor and material used in the construction of improvements or repairs, if any, on the above described property have been paid for and there are now no unpaid labor or material claims against the improvements or repairs, if any, or the property upon which same are situated, and Affiant hereby declares that all sums of money due for the erection of improvements or repairs, if any, have been fully paid and satisfied and there are no Mechanic's or Materialmen's liens against the hereinabove property.
- d. That no paving assessments or lien has been filed against the hereinabove described property, and Affiant owes no paving charges.
- e. That there are no judgment liens filed against Affiant.
- f. That there are no suits pending against Affiant in Federal or State Court.
- g. That Affiant knows of no adverse claim to the hereinabove described property and that so far as Affiant knows there are no encroachments or boundary conflicts.
- h. That there are no outstanding home improvements loans, recorded or unrecorded, except as follows:

None

- i. That Affiant has not heretofore sold, contracted to sell or conveyed any part of said property other than in connection with this sale.
- j. No unpaid debts for electric or plumbing fixtures, water heaters, floor furnaces, air conditioners, radio or television antennae, carpeting, rugs, lawn sprinkling systems, venetian blinds, window shades, draperies, electric appliances, fences street paving, or any personal property or fixtures that are located on the subject property described above, and that no such items have been purchased on time payment contracts, and there are no security interests on such property secured by financing statements, security agreement or otherwise except the following:

Secured Party

Approximate Amount

None

- k. No loans of any kind on such property except the following:

Creditor

Approximate Amount

None

4. Affiant recognizes that but for the making of the hereinabove statements of fact relative the hereinabove described property **Valley Land Title Co.** would not issue a title policy on said property and that such statements have been made as a material inducement for the issuance of such policy.

Witness my hand this ____ day of November, 2008.

San Juanita C. Guzman

SWORN TO AND SUBSCRIBED BEFORE ME, by the said **San Juanita C. Guzman**, at **McAllen, Hidalgo County, Texas**, this ____ day of _____, _____.

NOTARY PUBLIC STATE OF TEXAS

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

This instrument was acknowledged before me on this ____ day of _____, _____, by **San Juanita C. Guzman**.

NOTARY PUBLIC STATE OF TEXAS

WAIVER OF INSPECTION

Valley Land Title Co.
612 W. Nolana
Ste. #570
McAllen, TX 78504

RE: Owner's Title Policy of Insurance
Your GF# 112688

Gentlemen:

We agree that the Owner's Title Policy you are to issue covering

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will be on the usual Texas form which contains the following printed exceptions:

1. Restrictive covenants affecting the land described or referred to above.
2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments, or any overlapping of improvements.
3. Standby fees and taxes for the year **2008**, and subsequent years, and subsequent assessments for prior years due to change in land usage or ownership, and that the policy to be issued on this particular transaction will contain the following special exceptions:
4. Lien or liens created or assumed in conjunction with this transaction, if any.
5. Rights of parties in possession.

Since **Valley Land Title Co.** examines only the record title and does not actually see the property, we hereby waive inspection by **Valley Land Title Co.** of this property and accept our policy subject to the rights of parties in possession. We agree that it is our responsibility to inspect said premises and to obtain possession of it from the present occupants, if any.

We acknowledge we are not relying upon any representation, statement or other assertion about the property condition or parties in possession, but are relying upon our inspection of the property. We take the property under the express understanding that the title insurance agent and title insurance company have made no express or implied warranties. We understand the title insurance agent and title insurance company have determined the insurability of title solely for their own benefit.

Very truly yours,
County of Hidalgo

By