



# HIDALGO COUNTY RIGHT OF WAY DEPARTMENT

JOSE N. PEÑA  
Director

## MEMORANDUM

**To:** Commissioners' Court  
**From:** Danny Guzman *D.G.*  
Right of Way Agent  
**Date:** March 24, 2009  
**Subject:** North "I" Road Project Phase II  
Parcel # 53-A – Maria Altagracia Flores Guerra

---

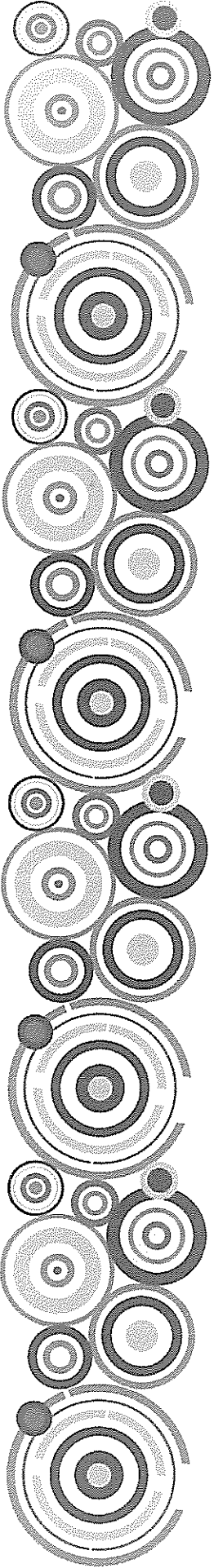
Appraised Value	\$ 4,182.00
Settlement Demand	\$ 5,000.00 **
Difference	<u>\$ 818.00</u> **

\*\*See attached letter

Commissioners' Court Executive Session March 24, 2009.

\_\_\_\_\_  
Approved

\_\_\_\_\_  
Not Approved



**Maria Flores-Guerra**

2313 Arroyo Avenue • McAllen, TX 78504

Phone Number • 956-821-8898

Email Address • mfguerra@rgv.rr.com



March 11, 2009

Mr. Danny Guzman, ROW Agent  
Hidalgo County Right of Way Department  
509 E. Earling Rd.  
San Juan, TX 78589

Re: Parcel 53-A, North "I" Project, Phase II

Dear Mr. Guzman,

Please pardon the delay of this letter. The TAKS assessment is the priority for me in my line of work at this time of the year.

In the essence of time on your part and mine, I will concede to use the old survey you have on file in spite of the fact that it is three years old and due to the construction in the surrounding area the land has appreciated greatly.

If I understand you offer, you now want to purchase outright the piece of land I had previously given the County of Hidalgo a Right of Way for; specifically the first 25 feet of property on Parcel 53-A. If this is correct, the property will be conveyed if it is agreed to by the County of Hidalgo that I be paid \$5,000.00.

If you have any questions, please feel free to contact me at 956-821-8898.

Thank you,

Maria Flores-Guerra

**REAL ESTATE APPRAISAL REPORT**  
**TEXAS DEPARTMENT OF TRANSPORTATION**

Address of Property:	East side of "I" Road, located just north of Alberta Road, Edinburg, Texas 78541	Account:	N/A
Property Owner:	State of Texas	Parcel:	53A
Address of Property Owner:	600 West Expressway 83, Pharr, TX. 78577	CSJ:	N/A
Occupant's Name:	State of Texas	Federal Project No:	N/A
Whole: <input type="checkbox"/>	Partial: <input checked="" type="checkbox"/> Acquisition	Highway:	North "I" Road
			County: Hidalgo County

**Purpose of the Appraisal**

The purpose of this appraisal is to estimate the market value of the fee simple title to the real property to be acquired, encumbered by any easements not to be extinguished, less oil, gas and sulphur. If this acquisition is of less than the whole property, then any special benefits and/or damages to the remainder property must be included in accordance with the laws of Texas:

**Market Value**

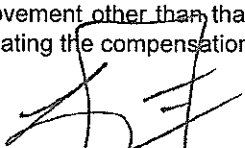
Market value is defined as follows: "Market Value is the price which the property would bring when it is offered for sale by one who desires, but is not obliged to sell, and is bought by one who is under no necessity of buying it, taking into consideration all of the uses to which it is reasonably adaptable and for which it either is or in all reasonable probability will become available within the reasonable future."

**Certificate of Appraiser**

I hereby certify that, it is my opinion the total compensation for the acquisition of the herein described property is \$4,182.00 as of January 9, 2007 based upon my independent appraisal and the exercise of my professional judgment; on January 9, 2007 (date)(s), I personally inspected in the field the property herein appraised; I afforded State of Texas, the property owner or the representative of the property owner, the opportunity to accompany me at the time of the inspection.

The comparables relied upon in making said appraisal were as represented by the photographs contained in the appraisal report and were inspected on January 9, 2007 (date)(s), I have not revealed and will not reveal the findings and results of such appraisal to anyone other than the proper officials of the, County of Hidalgo, Texas Department of Transportation or officials of the Federal Highway Administration until authorized by State officials to do so, or until I am required to do so by due process of law or until I am released from this obligation by having publicly testified to such findings; and, my compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result or the occurrence of a subsequent event.

I certify to the best of my knowledge and belief that the statements of fact contained in this report are true and correct; the reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions and conclusions; I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved; and, my analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the appropriate State laws, regulations, and policies and procedures applicable to the appraisal of right of way for such purposes, and that to the best of my knowledge no portion of the value assigned to such property consists of items which are noncompensable under the established law of said State, and any decrease or increase in the fair market value of subject real property prior to the date of valuation caused by the public improvement other than that due to the physical deterioration within the reasonable control of the owner has been disregarded in estimating the compensation for the property.

  
 \_\_\_\_\_  
 Appraiser Signature - Leonel Garza III  
 \_\_\_\_\_  
 State Certified General Real Estate Appraiser - TX 1328375-General  
 Certification Number  
 \_\_\_\_\_  
 January 14, 2007  
 \_\_\_\_\_  
 Date

To the best of my knowledge, the value does not include any items which are not compensable under the State law.	
_____	_____
District Reviewing Appraiser	Date

### **Certificate of Appraisal**

This appraisal report conforms to the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Standards Board of the Appraisal Foundation. The subject property was analyzed utilizing the Cost Approach to value which is a Sales Comparison Approach to the subject as if vacant and includes the estimated depreciated market value of real estate improvements located within the part to be acquired. This is further explained within each section of the appraisal report.

### **Identification of Client & Intended User of Appraisal Report**

The client for this report is identified as Hidalgo County Right-of-Way Department under the direction of Precinct No. 4, and others which would be involved with the acquisition of said proposed right-of-way along "I" Road. The part to be acquired is for the expansion of the existing road right-of-way of "I" Road with the project limits being Owassa Road north to U.S. Highway 281 within the City of Edinburg. The intended use of the report is to assist Mr. J. Benito Rodriguez, Right-of-Way Agent of Hidalgo County and others involved with the project, for future negotiations of acquiring all or part of said property as fee simple in the name of the County of Hidalgo, Texas. This report is not intended for any other use, unless specified by the client. The clients have identified that the report shall be a limited restricted appraisal report, which is to conform with the ROW-A-6 Form Rev. 7/2004.

The intended user of the report is defined as Hidalgo County Right-of-Way Department, and may include other governmental entities which may be participating in the project. Mr. J. Benito Rodriguez is one of several Right-of-Way Agents of Hidalgo County, who has a local office established at Precinct No. 4, located at 509 E. Earling Rd. San Juan, Texas 78589. Mr. Rodriguez, shall be the project manager for this project under the direction of Honorable Oscar L. Garza, County Commissioner of Precinct No. 4 and Joe Pena the Director of the Right-of-Way Department of Hidalgo County. Mr. Salinas can be contacted at (956) 283-8134.

### **Scope of the Assignment**

By work order dated May 3, 2006 on behalf of Hidalgo County Right-of-Way Department and Hidalgo County Purchasing Department, request for Leonel Garza Jr. & Associates LLC to prepare an appraisal report of the part to be acquired as described by survey and metes and bounds created by R. Gutierrez Engineering of Pharr, Texas. The scope of the assignment is to appraise the area as fee simple, to be acquired as indicated by the survey as of the date of on-site or off-site inspection as permitted by the owner of record.

Market sales within the market area and comparable market areas are to be identified and analyzed for comparability and for their reliability in determining the estimated market value of the subject property. The comparables have been collected, confirmed and analyzed with respect to comparability to the subject property. These comparable sales were gathered through various sources which included the Greater McAllen Multiple Listing Service, Hidalgo County Appraisal District, local Realtors & Brokers, Real Estate Appraisers, and conversations with various owners along the project. The appraisal report shall indicate the current market value of the subject property as per date of on-site and or off-site inspection. This inspection is limited by the permissibility of the subject owner as per date of report. A copy of a certified letter of intent to inspect said property is located within the addenda of this appraisal report.

### **Purpose of the Appraisal Report**

This appraisal is prepared for the purpose of estimating the current market value of the fee simple estate of the subject property in order to determine the value of the proposed right-of-way to be acquired by the County of Hidalgo, as defined within this report. This appraisal does not include any enhancement in value resulting from items of intangible personal property such as marketing and management skill, an assembled work force, working capital, trade names, franchises, patents, trademarks, contracts, leases, or operating agreements and project influence (if any exist).

The area to be acquired may contain personal property items and or real estate items, which may be compensable for the purpose of right-of-way acquisition only. These items deemed compensable shall be included within the body of the report and itemized for clarity. Any improvements not located within the part to be acquired and outside of the permissibility of inspection as defined by the subject owner, shall be given a stated value based on the assessment established by the Hidalgo County Appraisal District, if they are affected by the part to be acquired.

**Property Rights Appraised**

The property rights being appraised in this report consist of the fee simple estate of the subject property. Fee Simple Estate is defined by the Dictionary of Real Estate Appraisal, Fourth Edition, copyright 2002, page 113, by the Appraisal Institute as being: "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."

**Accessibility To Subject Property**

The owner of record of the subject property, as per the Hidalgo County Appraisal District was sent a letter of intent to inspect the subject property. The letter afforded the property owner the opportunity to accompany the appraiser during the on or off-site inspection of the subject property. A copy of the certified letter is located within the addenda of this report.

**Analysis of Subject As A Whole**

A survey of the property owners entire tract was not performed as the part to be acquired is located along the eastern frontage of North "I" Road. As per scope of the assignment, the subject property (part to be acquired) shall be analyzed based on the combined information of several sources including, the survey provided, on-site and or off-site inspection, personal interviews, and information gathered from the Hidalgo County Appraisal District. The property was analyzed based on the whole property less any existing road right-of-way of which a pro-rata part of the whole is determined to be the subject of this report. The subject property is a large tract of land of which the remainder shall not be affected nor damaged as a result of the acquisition. Therefore, a valuation of the remainder portion of the subject property was not required.

**Economic Unit Analysis**

The subject property shall be analyzed based on a 6.399 acre (278,740 square foot) gross tract of land. Any existing road right-of-way and easements indicated along North "I" Road shall be excluded as per scope of the assignment. The area for the subject property as a whole is indicated as per survey provided by R. Gutierrez Engineering dated February 3, 2006. The comparable sales used for the analysis of the subject property as whole and as the partial taking indicated a range of economic units of 13,300 square feet to 40,075 square feet. These indicated economic unit values are used for the valuation of the irregular partial taking, as the part to be acquired does not constitute an economic unit. Therefore, the pro-rata part of the whole is applied to the partial taking for the market valuation of the subject property. It should be noted that the subject property is currently utilized as part of a drainage canal utilized by the State of Texas. Although the subject is not a readily marketable tract of land for purposes of this report the subject whole property is determined to be an economic unit.

**Part to be Acquired**

The proposed partial acquisition is comprised of fee land in which the net land area to be acquired is 2,788 square feet (0.064 acres). The proposed partial acquisition has approximately 92.75 lineal feet of frontage along the eastern side of North "I" Road. The part to be acquired is an irregular-shaped tract of land which has limited use and site utility due to its location and size as proposed and does not constitute a readily marketable economic unit. Therefore, the part to be acquired, which is the subject of this report, shall be evaluated as a pro-rata part of the whole as determined by the approaches to market value selected. Based on the pro-rata part of the whole, the subject shall be valued based on the highest and best use as a commercial use tract of land which is based on the local market trend along North "I" Road. This highest and best use is further explained on page 1.4 of this report.

<b>To Be Acquired (Net)</b>	<b>0.064 Acres</b>
	<b>2,788 S.F.</b>

**Legal Description of The Part To Be Acquired**

A 0.117 acre tract of land, more or less, of which 0.053 acres lies in existing road right of way leaving a net taking of 0.064 acres, out of a 6.399 (Gross) 6.346 (Net) - acre tract of land, more or less, out of Lot 7, Block 4, John Closner Subdivision, Hidalgo County, Texas.

**Remainder Before and After The Acquisition**

The remainder before and after the acquisition is defined as the partial acquisition subtracted from the whole property which is described as the subject property. It is determined at the time of appraisal whether or not damages to the remainder are caused by the proposed part to be acquired. The highest and best use of the subject property before and after the proposed partial acquisition is analyzed to determine whether or not the use of the subject property will be altered as a result of the proposed part to be acquired. As for the remainder, it was determined that the highest and best use before and after the acquisition shall remain and not be damaged or changed as a result of the acquisition.

### **Property Tax Information**

This appraiser has examined the property tax information indicated by the Hidalgo County Appraisal District (HCAD) as of the date of appraisal and has found that the subject property is under the ownership of State of Texas. The part to be acquired was identified as part of a larger tract of land which contained tax identification no. J5700-00-004-0007-05. The subject property land assessment was indicated to be \$76,000. The indicated unit assess rate for the subject property was indicated to receive full exemptions.

### **Environmental Assessment / Adverse Easements / Encroachments / Topography**

This appraiser has made an off-site inspection of the subject property, and no obvious adverse environmental concerns or potentially hazardous materials were observed. This appraiser is not qualified to make a detailed environmental study and highly recommends that an inspection be made by a qualified environmental engineer if an environmental concerns exists. Leonel Garza Jr. & Associates LLC has performed this appraisal report under the hypothetical condition and extraordinary assumption that the subject property has not experienced any adverse environmental concerns which may influence it's marketability and or value.

A survey of the remainder of the subject property was not provided by R. Gutierrez Engineering as per date of report. Therefore, the extraordinary assumption that no adverse easements nor encroachments are located within the remainder before and after the taking which would affect the value of the whole, part to be acquired and the remainder before and after the acquisition. The subject property was observed that the property is generally level and typical of the surrounding market area. No severe low lying areas were observed, however, this appraiser is not an engineer and cannot certify to the topography nor drainage of the subject property as a whole, part to be acquired and the remainder after.

### **Utility Services Available**

The subject property is located in a region, which contains, water, electricity, and phone service, which is typical of the market area.

### **Identification of Personal Property**

As per scope of the assignment, no personal property located within the proposed right-of-way and the remainder before and after the taking shall be included for compensation, unless it was determined by the appraiser that these item shall be affected or damaged by the proposed taking. In the event the selected items are determined to be compensable, then they shall be included within the cost approach section of this report. A value which shall be either the cost to cure and or the cost of replacement shall be delineated for each item for clarity.

### **Current Listing Status**

It appears that the subject property is not listed for sale as of the effective date of this appraisal. No visible "For Sale" signs were located on the subject property and the property was not listed for sale under a Realtor's® Multiple Listing Service.

### **Estimated Marketing Time Period**

The indicated marketing period is based on the marketing periods of the comparable sales used in the Sales Comparison Approach and the surrounding sales found. Based on the research performed, a twelve (12) to twenty-four month (24) marketing time period appears to be adequate. This time period was selected after a review of multiple land sales within the Edinburg and Pharr markets. The analysis included the indicated "DOM" Days on Market as shown on the McAllen Multiple Listing Service which provides local Realtors an avenue to advertise properties located in the Rio Grande Valley, with its primary focus on properties within Hidalgo County.

### **Exposure Time**

Exposure time is defined as the "length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal." Based on research performed within the market area, an indicated twelve (12) to twenty-four month (24) exposure time is indicated for the subject property. This was estimated based on current and past listings located within the market area which were reviewed during our sales search for comparables similar to the subject property.

### Statement of Highest & Best Use

The subjects highest and best use as if vacant and as improved is indicated for future use as an irrigation canal. This type of use is concurrent with the recent trends located along North "I" Road within the City of Edinburg and nearby municipalities. This highest and best use is based on the determined economic unit of the subject property as whole as the portion being acquired in the name of the County of Hidalgo, Texas, does not itself constitute an economic unit.

When a property is evaluated the highest and best use must always be considered. In the current case the highest and best use of the whole is determined to be for irrigation purposes based on several factors. These factors that are taken into consideration are defined by The Dictionary of Real Estate Appraisal, Fourth Edition, copyright 2002, page 135, by the Appraisal Institute as being: "The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and there results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity."

The scope of the assignment is to evaluate the subject property as a whole, part to be acquired, and the remainder before and after the taking, excluding project influence as required by Standards Rule 1-4(f) under the Jurisdictional Exception provision as defined by the Uniform Standards of Professional Appraisal Practice (USPAP). The highest and best use is analyzed for each of these scenarios as each parcel shall be evaluated before and after the proposed taking. In order to determine the highest and best use, research was performed within the City of Edinburg, City of Pharr and Hidalgo County to determine the legal permissibility of land use along North "I" Road. Along North "I" Road, development is mixed with proposed retail, and single family residential existing.

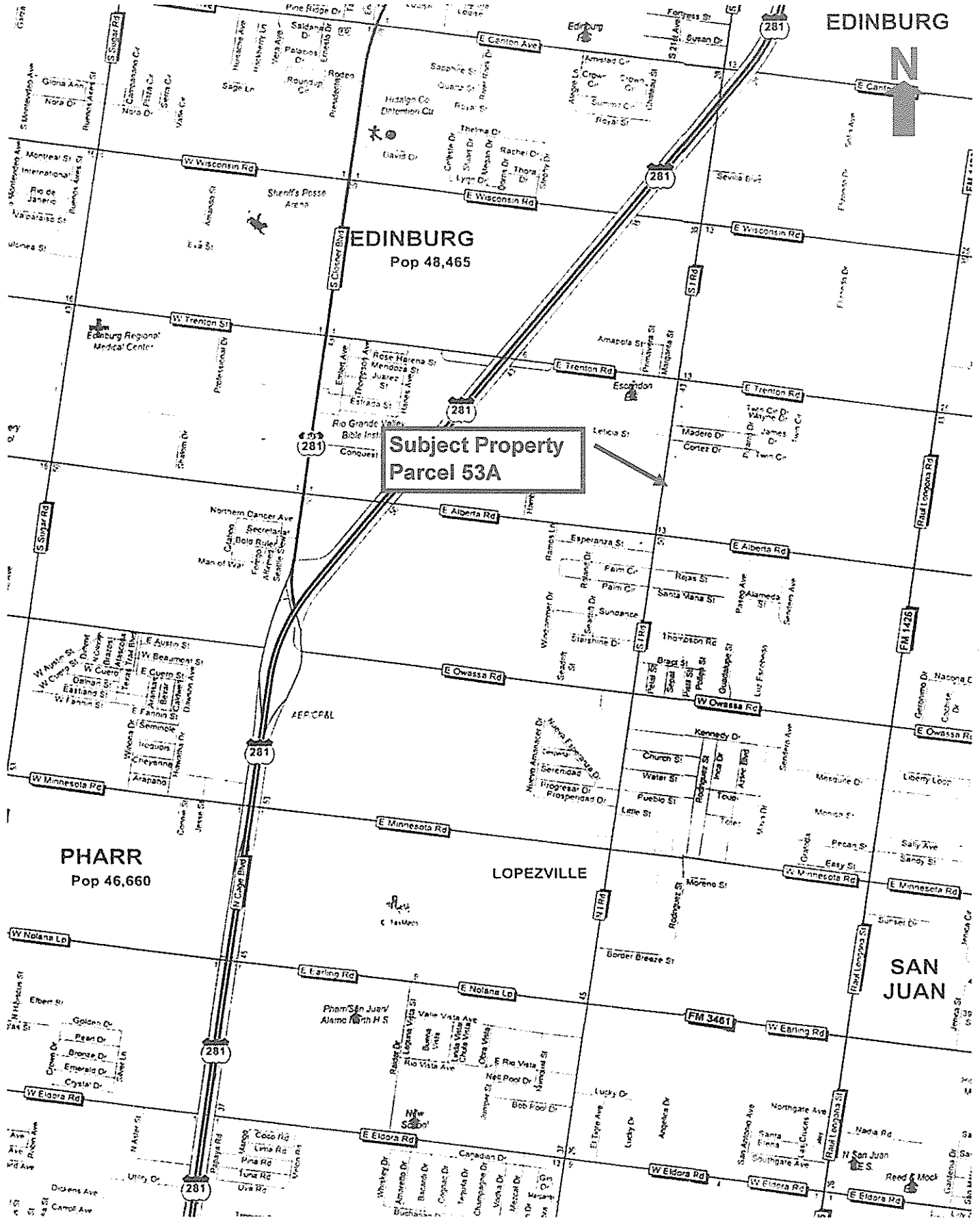
Since the subject lies within the jurisdiction of Edinburg, Texas municipal zoning ordinance restrictions are not applicable to the subject as per date of appraisal. This office shall evaluate the subject properties based on the continuing trend along North "I" Road and the existing ordinance which govern the subject property as existing of which should continue its use before and after the proposed right-of-way acquisition. Therefore, the highest and best use as an irrigation canal "as if vacant" and "as improved" would therefore be legally permissible as of the date of this report.

The physical characteristics of the subject property as a whole are typically found throughout the southern region of the City of Edinburg. The subject property contains adequate land area and frontage along north "I" Road to allow the future commercial development before and after the proposed acquisition. Based on the size and shape of the subject property as a whole and the remainder before and after the acquisition, the property shall maintain a highest and best use as an irrigation canal. As for the part to be acquired, it contains limited use based on its proposed size and shape and therefore does not constitute an economic unit in itself and must be used in conjunction with the whole. Since the valuation of the part to be acquired is based on the pro-rata part of the whole, then the part to be acquired shall be evaluated with a similar highest and best use as the whole. This highest and best use shall not be affected for the remainder before and after the acquisition.

The financial feasibility and maximally productive use of the subject property is based on the continued growth along North "I" Road, which includes single family residential, commercial, and light to heavy industrial uses. Based on the continued growth along North "I" Road, it is estimated that the subject can be financially feasible to contain a use as an irrigation canal "as if vacant" and "as improved". This determination of financial feasibility and productivity is also attributed to the remainder before and after the taking which will not be affected nor damaged as a result of the part to be acquired.

After careful review of the four approaches to the highest and best use test, it is concluded that the subject property "as if vacant" and "as improved" shall be for use as an irrigation canal. This conclusion is correlated to the property as a whole, part to be acquired and the remainder before and after the acquisition.

# LOCATION MAP OF SUBJECT PROPERTY



**AERIAL PHOTOGRAPH OF SUBJECT AREA**



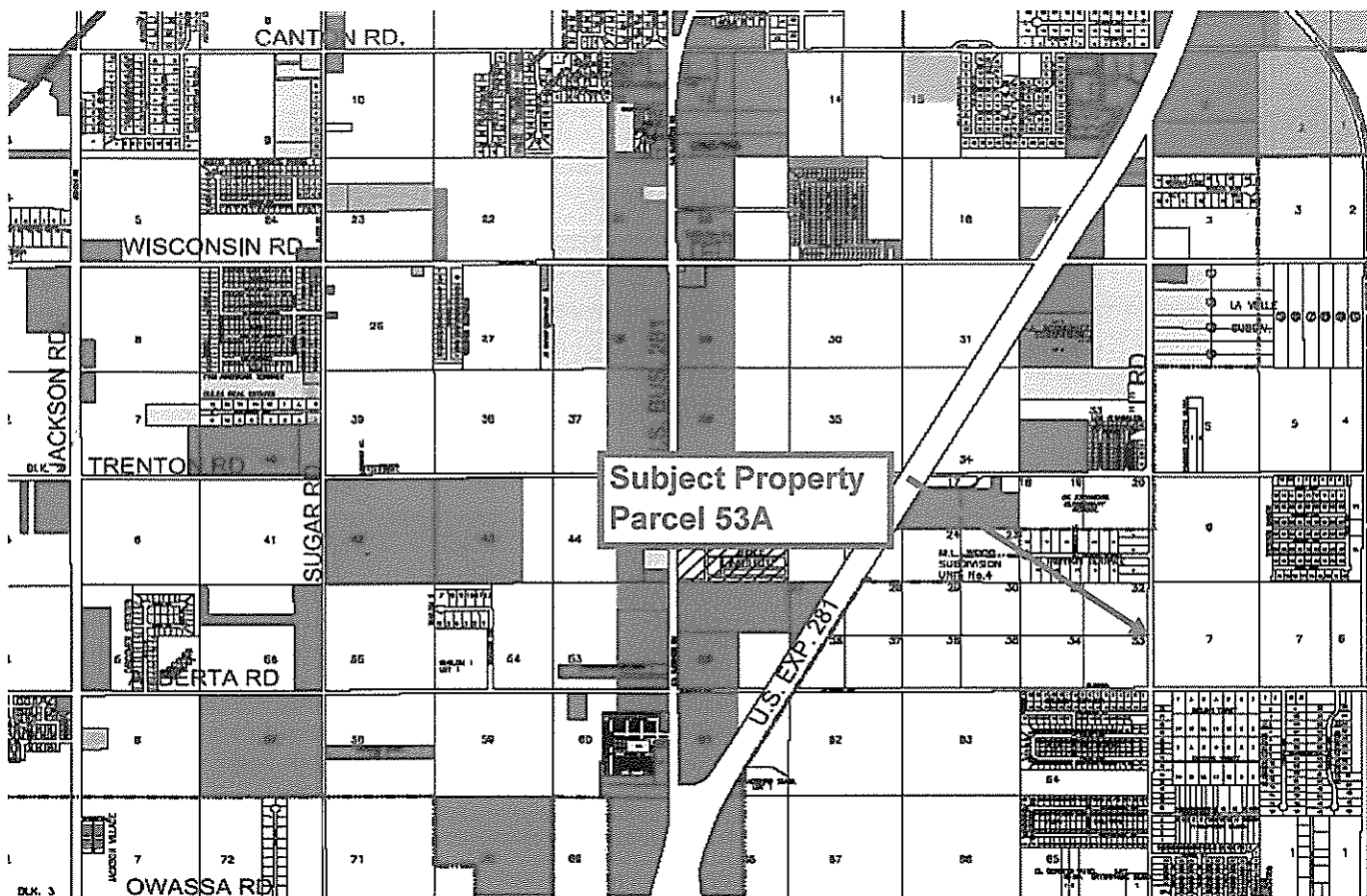
# AERIAL PHOTOGRAPH OF SUBJECT

(Closer View of Subject Property)



NOTE: SUBJECT PROPERTY AS A WHOLE IS ESTIMATED AND DEPICTED BY THE RED DASHED LINE. THIS INCLUDES THE PART TO BE ACQUIRED ALONG NORTH "I" ROAD. COMPLETE SURVEY OF SUBJECT AS A WHOLE WAS NOT PROVIDED BY R. GUTIERREZ ENGINEERING AND IS ESTIMATED BASED ON INFORMATION GATHERED DURING THE INSPECTION OF THE SUBJECT PROPERTY OR THE HIDALGO COUNTY APPRAISAL DISTRICT.

# CITY OF EDINBURG ZONING MAP



### LEGEND:

- R-A1 SINGLE FAMILY RESIDENCE DISTRICT
- R-A2 SINGLE FAMILY RESIDENCE DISTRICT
- R-B1 TWO-FAMILY RESIDENCE DISTRICT
- R-B2 MULTI-FAMILY RESIDENCE DISTRICT
- R-MH RESIDENTIAL MANUFACTURED HOME DISTRICT
- C-0 OFFICE BUSINESS
- C-1 LOCAL BUSINESS DISTRICT
- C-2 GENERAL BUSINESS DISTRICT
- M-1 RESTRICTED INDUSTRIAL
- M-2 INDUSTRIAL DISTRICT (GENERAL)
- COMMUNITY UNIT PLAN

PREPARED BY:

CITY OF EDINBURG  
PLANNING AND ZONING DEPT.

REVISION DATE: 14 JULY 2002  
CITY COUNCIL DATE: MARCH 2003  
REVISED BY: EDDIE SANCHEZ

### PHOTOGRAPHS OF SUBJECT PROPERTY

Parcel No.: 53A

Local Address: East side of "I" Road, located just north of Alberta Road, Edinburg, Texas 78541

Date Taken: June 30, 2006

Taken By: Leonel Garza III

1. Point from which taken: Photo 1: "I" Road R.O.W.  
Photo 2: "I" Road R.O.W.

Looking: Photo 1: Eastern View  
Photo 2: Northern View



**Photo 1**

Eastern view of subject property taken from "I" Road.

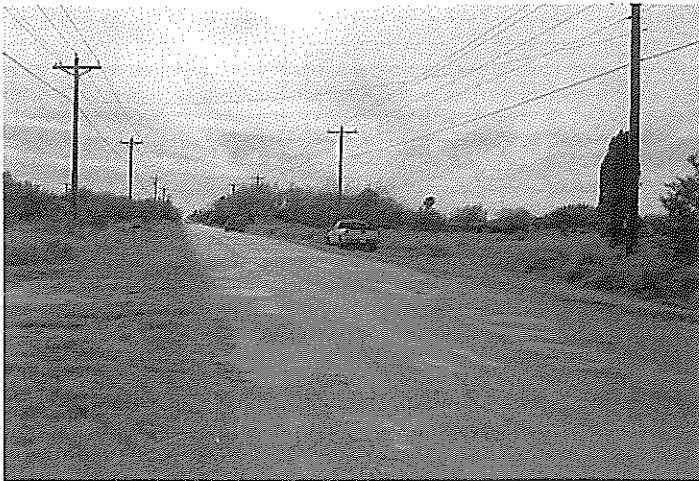


**Photo 2**

Northern view of part to be acquired; taken from existing North "I" Road right-of-way.

2. Point from which taken: Photo 3: "I" Road R.O.W.  
Photo 4: "I" Road R.O.W.

Looking: Photo 3: Southern View  
Photo 4: Northern View



**Photo 3**

Southern view of "I" Road.



**Photo 4**

Northern view of "I" Road.

**DESCRIPTION OF PROPERTY:**

The subject property, as a whole, is a 6.399 acres tract of land currently being utilized as a drainage canal located along eastern side of North "I" Road in Hidalgo County, Texas. The subject is located within the city of Edinburg, Texas. According to the survey provided by R. Gutierrez Engineering, dated February 3, 2006, the part to be acquired is approximately 0.117 acres (5,097 square feet) gross of which a portion of 0.053 acre lies within existing road right-of-way, an overlapping utility easement and a HCWID #2 Main Canal right-of-way, leaving a net area to be acquired of 0.064 acres (2,788 square feet). This land area currently in fee simple shall be calculated at 100% of the unit value derived from the sales comparison approach as if vacant, which shall exclude any existing road right-of-way in order to derive the net area within the acquisition. This is performed in order to determine the pro-rata part of the whole for the purchase of said tract by the Hidalgo County Right-of-Way Department.

**AREA OR NEIGHBORHOOD ANALYSIS:**

The subject neighborhood along North "I" Road is a mixture of single family residential, small commercial and industrial developments. Several properties along North "I" Road are in a state of development as new subdivisions are being created as indicated by the City of Edinburg Planning Department and the City of Pharr Planning Department. Leonel Garza Jr. & Associates LLC has inspected the market area along North "I" Road and has found that the market is in a state of positive development of which is concentrated at the intersection of US Highway 281, Trenton Road, Owassa Road, Minnesota Road and Nolana Loop.

**SITE ANALYSIS:**

**Five Year Sales History:** The subject property is indicated to be under the ownership of State of Texas as indicated by survey and field notes provided by R. Gutierrez Engineering. Further investigation of the subjects history through the Hidalgo County Appraisal District and the Hidalgo County Clerks Office confirmed the current owner of record to be State of Texas. The subject property was transferred from Maria Altagracia Flores (Grantor) to State of Texas (Grantee) on September 14, 2004. Therefore, the subject has been in the name of State of Texas for over two (2) years.

**Legal Description:  
(Whole Property)** A 6.399 (Gross) 6.346 (Net) - acre tract of land, more or less, out of Lot 7, Block 4, John Closner Subdivision, Hidalgo County, Texas.

**Legal Description:  
(Whole Property)** A 0.117 acre tract of land, more or less, of which 0.053 acres lies in existing road right of way leaving a net taking of 0.064 acres, out of a 6.399 (Gross) 6.346 (Net) - acre tract of land, more or less, out of Lot 7, Block 4, John Closner Subdivision, Hidalgo County, Texas.

**Improvements:** During the off-site inspection of the subject property, no building improvements were indicated within nor affected by the part to be acquired. Any utilities located within the part to be acquired shall be relocated as an item of construction and shall not be included within the compensation of the subject property as per scope of the assignment.

**Highest and Best Use:** Irrigation Canal

**VALUATION OF PART TO BE ACQUIRED**

**LAND VALUATION**

**Representative Comparable Sales**

	<b>Subject</b>	<b>Comp. No. 1</b>	<b>Comp. No. 2</b>	<b>Comp. No. 3</b>
Grantor	Maria Altagracia Flores Guerra	Tropic Valley Corporation	Jose L. Gonzalez, Jr. and wife, Denise J. Gonzalez	Harold Munal and wife Donna Munal
Grantee	State of Texas	Francisco Javier Chavez, et al	J. Lozano Construction, Co.	Laredo DG, LTD
Date of Sale	September 17, 2004	April 8, 2004	January 10, 2006	December 17, 2004
Unit Price	/ Sf	4.14 / Sf	2.78 / Sf	3.49 / Sf
Relative Location	Average	Superior -30%	Superior -30%	Superior -30%
Lot Location	Interior Tract	Interior Tract 0%	Interior Tract 0%	Interior Tract 0%
Financing	Conventional	Similar 0%	Similar 0%	Similar 0%
Conditions of Sale	Cash To Seller	Similar 0%	Similar 0%	Similar 0%
Market Conditions	Average	Similar 0%	Similar 0%	Similar 0%
Physical Characteristics	Typical of Market	Similar 0%	Similar 0%	Similar 0%
Available Utilities	Water / Electricity / Phone	Similar 0%	Similar 0%	Similar 0%
Street Access / Frontage	North "I" Road	I Road South of Nolana Loop 0%	Raul Longoria North of Trenton Road 0%	Raul Longoria South of Trenton Road 0%
Size of Tract	278,740 Sf	13,300 Sf -20%	27,007 Sf -20%	40,075 Sf -20%
Net Adjustments		Δ -50%	Δ -50%	Δ -50%
Indicated Unit Value		\$ 2.07 / Sf	\$ 1.39 / Sf	\$ 1.75 / Sf
<b>Estimated Unit Value of Fee Simple Area</b>				<b>\$ 1.50 / Sf</b>
<b>Estimated Value by Sales Comparison Approach (278,740 sq ft x \$1.50/sf)</b>				<b>\$ 4,182</b>
(Includes Part To Be Acquired Only)				



**COMPARABLE DATA SUPPLEMENT**

ROW Account: N/A Parcel No.: 53A Highway: North "I" Road County: Hidalgo County

Land Sale  Improved Sale  Rental Data



Grantor/ Lessor: Jose L. Gonzalez, Jr. and wife, Denise J. Gonzalez Grantee/Lessee: J. Lozano Construction, Co.

Date: January 10, 2006 Recording Information: Document No. 1580072 Key Map: N / A

Address: Located on the east side of Raul Longoria, just north of Trenton Road, San Juan, Hidalgo County, Texas. Zip Code: 78539

Legal Description: A 0.69 acre tract, more or less, out of Lot Ten (10), Block One (1), John Closner Subdivision, an addition to the City of Edinburg, Hidalgo County, Texas, according to a map or plat recorded in Volume O, Page 4, Map Records in the Office of the County Clerk of Hidalgo County, Texas.

Confirmed Price: \$ 75,000 Verified with: Deed Records & MLS No.04374

Terms and Conditions of Sale: Conventional - Cash To Seller

Rental Data: N/A

Land Size: 0.62 Acres or 27,007 Sf Unit Price as Vacant : \$ 120,968 /Acre or \$ 2.78 / Sf

Type Street: Asphalt Paved Utilities: Water/Electricity/Phone

Improvement(s) Description: N/A

Improvement(s) Size: N/A (GBA) N/A (NRA) N/A Unit Price as Improved \$: N/A

Condition and Functional Design: N/A

Current Use: Vacant Highest and Best Use: Commercial Development

Date of Inspection: January 9, 2007 Zoning: Not Applicable Flood Plain: Zone B

Attach Additional Information:

The property was purchased for the future commercial development of the site. The property dimensions are 146.0' x 210.0' with 146.0' lineal feet of frontage along the east side of Raul Longoria Road. The property has access to all City of Edinburg utilities which includes water and sewer.

Appraiser: Leonel Garza III January 9, 2007  
(Typed, not signed) Date

**COMPARABLE DATA SUPPLEMENT**

ROW Account: N/A Parcel No.: 53A Highway: North "I" Road County: Hidalgo County

Land Sale  Improved Sale  Rental Data



Grantor/ Lessor: Harold Munal and wife Donna Munal Grantee/Lessee: Laredo DG, LTD

Date: December 17, 2004 Recording Information: Doc. #1427051 Key Map: N/A

Address: Raul Longoria (E/S), Approx. 0.10 mile south of Trenton Road, Hidalgo County, Texas. Zip Code: 78541

Legal Description: The South 160 feet of the West 290 feet of the North 510 feet of Lot 11, Block 1, John Closner Subdivision of Porciones 71 and 72, Hidalgo County, Texas.

Confirmed Price: \$ 139,827 Verified with: Pete Diaz of B-Kan Realty

Terms and Conditions of Sale: Cash To Seller

Rental Data: N/A

Land Size: 0.92 Acres or 40,075 Sf Unit Price as Vacant: \$ 130,680 / Acre or \$ 3.49 / Sf

Type Street: Asphalt Paved Utilities: All Municipal Utilities Available

Improvement(s) Description: N/A

Improvement(s) Size: N/A (GBA) N/A (NRA) N/A Unit Price as Improved \$: N/A

Condition and Functional Design: N/A

Current Use: Dollar General Highest and Best Use: Commercial Retail Development

Date of Inspection: January 9, 2007 Zoning: No Zoning Restrictions Flood Plain: Zone B Indicated

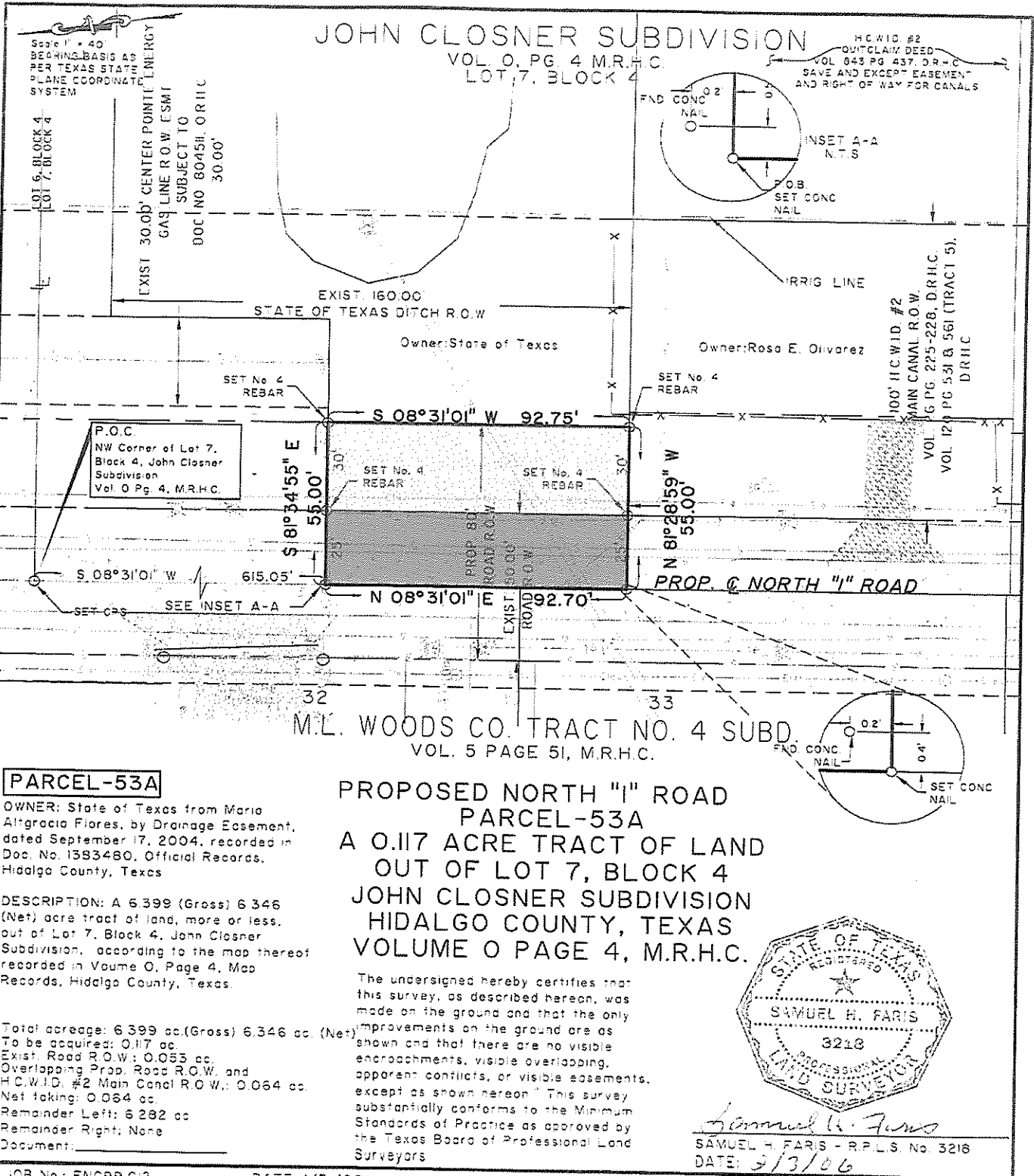
Attach Additional Information:

The subject was a vacant tract of land which was sold originally as a portion of a larger tract of land which has since been divided into several partitions. The southeast corner of the original tract was purchased for the development of an El Tigre Food Store. The subject is adjoining this tract to the south and was purchased for the development of a Dollar General Store. 1.07 Acres (Gross); 0.97 Acres (Net).

Appraiser: Leonel Garza III January 9, 2007  
(Typed, not signed) Date



**SURVEY OF SUBJECT PROPERTY (Page 1 of 1)**



**R. Gutierrez Engineering Corp. • 130 E. Park Ave. • Pharr, Tx. • (956) 782-2557**

**Yellow Highlight = Proposed Right-of-Way ; Green Highlight = Existing Right-of-Way**

FIELD NOTES OF PART TO BE ACQUIRED (Page 1 of 1)

COUNTY: HIDALGO

Eng99.012  
January 31, 2006  
Page 1

HIGHWAY: North "I" ROAD Part 2

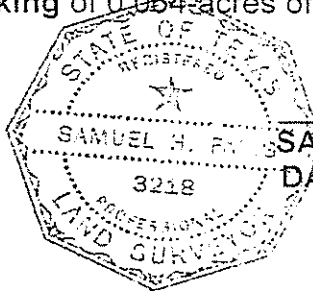
PROJECT LIMITS: Owassa Road North to Expressway 281

FIELD NOTES FOR PARCEL - 53A

Being a 0.117-acre tract of land, more or less, out of a 6.399 (Gross) 6.346 (Net) -acre tract of land, more or less, out of Lot 7, Block 4, John Closner Subdivision, Hidalgo County, Texas, as recorded in Volume 0, Page 4, Map Records, Hidalgo County, Texas. Said 6.399 (Gross) 6.346 (Net)-acre tract of land is vested to the States of Texas from Maria Altagracia Flores, by virtue of a Drainage Easement dated September 17, 2004, recorded in Document No. 1383480, Official Records, Hidalgo County, Texas. Said 0117-acre tract of land is more particularly described by metes and bounds as follows;

Commencing at a Cotton Picker Spindle set for the Northwest corner of said Lot 7, Block 4, **THENCE**, South 08 degrees 31 minutes 01 seconds West, with and along the West line of said Lot 7, Block 4, and the centerline of "I" Road, for a distance of 615.05 feet to a concrete nail set for the Northwest corner and the **POINT OF BEGINNING** of said tract herein described;

1. **THENCE**, South 81 degrees 34 minutes 55 seconds East, with and along the North Right of Way line of said State of Texas Drainage Easement as recorded in Document No. 1383480, O.R.H.C., for a distance of 25.00 feet past a No. 4 rebar set for a point on the Existing East Right of Way line of "I" Road, continuing on the same bearing, for a total distance of 55.00 feet to a No. 4 rebar set for the Northeast corner of said tract herein described;
2. **THENCE**, South 08 degrees 31 minutes 01 seconds West, parallel to the West line of said Lot 7, Block 4, for a distance of 92.75 feet to a No. 4 rebar set on the South Right of Way line of said State of Texas Drainage Easement, and for the Southeast corner of said tract herein described;
3. **THENCE**, North 81 degrees 28 minutes 59 seconds West, with and the South line of said State of Texas Drainage Easement, for a distance of 30.00 feet past a No. 4 rebar set for a point on the Existing East Right of Way line of "I" Road, continuing on the same bearing, for a total distance of 55.00 feet to a concrete nail set on the West line of said Lot 7, Block 4, for the Southwest corner of said tract herein described;
4. **THENCE**, North 08 degrees 31 minutes 01 seconds East, with and along the West line of said Lot 7, Block 4, for a distance of 92.70 feet to the **POINT OF BEGINNING** and containing 0.117-acres of land, more or less, of which 0.053-acres lies in the Existing Road Right of Way, 0.064-acres lies in the Overlapping Proposed Road Right of Way and Hidalgo County Water Improvement District No. 2 Main Canal Right of Way, and leaving a **Proposed Net Taking** of 0.064-acres of land, more or less.



*Samuel H. Faris*  
 SAMUEL H. FARIS - R.P.L.S. No. 3218  
 DATE: 2/3/06

**Explanation of Adjustments with Reconciliation:**

During the analysis of the part to be acquired, the value for the subject property as a whole was determined. This determination of market value is utilized for the valuation of the part to be acquired which is a pro-rata part of the whole. The local market was searched for comparable sales of which contained similar frontage along I Road and other similar nearby thoroughfares. Each of the sales utilized are located within 2.0 miles from the subject property with similar highest and best uses as commercial retail. Several sales were located within this parameter of which had occurred within the past two years. Three sales were selected which were the most comparable to the subject property and required the least number of adjustments. The following three comparable sales were reviewed for location, available utilities, financing, site utility, topography and other factors of which the real estate market shall recognized for the purchase of said tracts.

Sale No. 1 is located on the west side of "I" Road, just south of Nolana Loop in the City of Pharr. The property was purchased for commercial development. Due to the superior location of the sale as compared to the subject property a downward adjustment of -30% was indicated for the sale. An additional -20% for the difference in size was indicated. No other adjustments were indicated for the comparable sale. Based on the adjustments indicated for the comparable sale, the subject property indicated unit value is \$2.07 per square foot.

Sale No. 2 is located at the east side of Raul Longoria, just north of Trenton Road of the subject property. The property is an interior lot purchased for future commercial development. Due to the superior location of the sale as compared to the subject property a downward adjustment of -30% was indicated for the sale. An additional -20% was indicated for the difference in size. No other adjustments were indicated for the comparable sale. Based on the adjustments indicated for the comparable sale, the subject property indicated unit value is \$1.39 per square foot.

Sale No. 3 is located on the east side of Raul Longoria Road south of Trenton Road. The property was purchased and then subdivided for the development of a retail store known as Dollar General. Due to the superior location of the sale as compared to the subject property a downward adjustment of -30% was indicated for the sale. An additional -20% was indicated for the difference in size. No other adjustments were indicated for the comparable sale. Based on the adjustments indicated for the comparable sale, the subject property indicated unit value is \$1.75 per square foot.

After reviewing the comparable sales selected, an unadjusted unit range of market value of \$2.78 per square foot to \$4.14 per square foot was indicated. After adjustments were made in paired sales analysis of the comparable to the subject property, an adjusted range of market value of \$1.39 per square foot to \$2.07 per square foot was determined. Based on the existing developments within the immediate market area and the current trends found along I Road and the overall size of the subject property as a whole, a unit value near the mid-range was selected, \$1.50 per square foot.

ESTIMATED VALUE OF ACQUISITION

Land: 2,788 Sf @ \$ 1.50 per square foot \$ 4,182

Improvements:	<u>No Site Improvements Indicated</u>	\$ -
	_____	\$ -
	_____	\$ -
	_____	\$ -
	_____	\$ -
	_____	\$ -
	<b>Total Improvements</b>	\$ -

TOTAL ESTIMATED VALUE	_____	\$ 4,182
Cost To Cure Damages	_____	\$ -
Estimated Total Compensation	_____	\$ 4,182

## **ADDENDUM**

- 1. Certification of Appraisal**
- 2. Assumption & Limiting Conditions**
- 3. Qualifications of Appraisers**
- 4. Letter of Inspection Sent To Owner of Record Via Certified Mail**
- 5. Certified Letter Tracking Information**
- 6. Warranty Deed**

## Certification of Appraisal

### I certify that, to the best of my knowledge and belief:

- \* The statements of fact contained in this report are true and correct.
- \* The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- \* I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved.
- \* I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- \* My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- \* My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- \* My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice in conjunction with the standards accepted by the Texas Department of Transportation.
- \* I have made a personal observation of the property that is the subject of this report. Assisting in the gathering of on-site information during the date of inspection was Luis Carlos Garza, Appraiser Trainee. Their specific use during this project was limited to the measuring of improvements located within taking and those items which may be damaged by the part to be acquired, aiding in the photography of the subject property and partial analysis. The full analysis and data gathering of sales information and other information concerning the subject property was performed by Leonel Garza III, General Certified Appraiser.
- \* I certify that, to the best of my knowledge and belief, the reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
- \* I certify that the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representative and for the purpose of right-of-way acquisition only and does not meet the standards required by certain financial institutions for the purpose of acquiring a loan.
- \* The employment and compensation of this appraiser in completing this appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of the client to begin negotiations of said property for acquisition.



---

**Leonel Garza III**  
**General Certified Real Estate Appraiser**  
**License No. TX - 1328375-General**



---

**Luis Carlos Garza**  
**Appraiser Trainee**  
**License No. TX - 1335013 - Trainee**

## ASSUMPTIONS AND LIMITING CONDITIONS

### *This report has been prepared with the following general assumption:*

1. No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
3. Responsible ownership and competent property management are assumed.
4. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.
5. All engineering, title reports and surveys provided are assumed to be correct. The survey and field notes and other illustrative material in this report are included only to assist the reader in visualizing the property.
6. It is assumed that there are no hidden or un-apparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
7. It is assumed that the property is a full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in the appraisal report.
8. It is assumed that all required licenses; certificates of occupancy, consents, or other legislative or administrative authority from any local state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
9. It is assumed that the use of the land and improvements is confined within the boundaries or property line of the property described and that there is no encroachment or trespass unless noted in the survey provided.
10. Unless otherwise stated in this report, this appraiser did not observe the existence of hazardous material, which may or may not be present on the property. The appraiser does not have any knowledge of the existence of such material on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

### *This appraisal report has been made with the following general limiting conditions:*

1. Any allocation of the total value of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
2. Possession of this report, or a copy thereof, does not carry with it the right of publication with out the written permission of Leonel Garza Jr. & Associates LLC.
3. The appraiser, by reason of this appraisal, is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.
4. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser and or the client of this report.
5. If the property rights appraised are the "Leased Fee Estate", then the final indicated market value estimate is based on the continued performance under the lease terms.
6. All original appraisal reports have been signed in blue. Any other copy, which is not signed in blue, may have been altered, and this appraiser is not responsible for its contents or values indicated.

### *Assumptions and Interpretations Made of the Marketing Period*

1. Marketing Time Period: Begins with the date of value estimate and with the indicated exposure time.
2. Exposure to the open market: listing the property on the market for sale with a Realtor, member of Multiple Listing Service, or a licensed Real Estate Broker, that will properly expose the property to the market. This appraiser does not consider a sign placed by a property owner on the property as proper marketing. If the property is presently listed for sale on the market, this appraiser must be notified prior to the completion of the appraisal.
3. Exposure Time: The length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.

## QUALIFICATIONS OF APPRAISER - LEONEL GARZA III

### EDUCATION

- \* Graduate, 1995, Texas A&M University, College Station, Texas  
Bachelor of Science in Biomedical Science
- \* Graduate, 1991 McAllen Memorial High School, McAllen, Texas

### LICENSE HELD

- \* State Certified General Real Estate Appraiser
- \* License Number TX - 1328375-General
- \* December 31, 2004 Through December 31, 2006 (Active)

### PUBLIC SERVICE & PROFESSIONAL ORGANIZATIONS

- \* **Associate Member of the Appraisal Institute (Not an MAI Designated Appraiser)**  
Currently taking courses toward the designation of MAI through the Appraisal Institute. Approximate time of completion, 2 years)
- \* **Chairman of the City of McAllen Zoning Board of Adjustments & Appeals**  
The ZBOA protects enforces and reviews the current city zoning ordinances for all types of properties within the boundaries of the City of McAllen. Cases heard are first brought to the City Planning and Zoning Commission and then to the ZBOA if a variance is required. The ZBOA shall review the previous boards decision and upon a super-majority vote shall decide whether or not the applicants request for overturning the previous boards action is required.
- \* **Chairman of the Hidalgo County Subdivision Review Board**  
The county commission on subdivision review's primary goal is to ensure that proper standards, set by Texas State Law and the Texas State Attorney Generals Office, are mandated by each proposed subdivision developer and or land owner who resides within the County of Hidalgo and or Extraterritorial Jurisdiction of municipalities throughout the County of Hidalgo.
- \* **Chairman of the Hidalgo County Building Line of Adjustments Board**  
This county advisory board reviews applications of those who have recently constructed or contain non-conforming structures of which are not in compliance with a recorded subdivision plat nor the Hidalgo County Planning Departments minimum set back requirements. These requirements are govern by the Texas Water Development Board and the Texas Model Subdivision Rules.
- \* **Former Executive Board Member of the Lower Rio Grande Boy Scout Council**  
The goal of the council is to maintain membership and the continued progress of the boy scouts within the Lower Rio Grande Valley. The council shall maintain progress reports of financial status of the council and plan for events world wide which local children may participate as a representative of the council. These events include the World Jamboree and the National Jamboree.
- \* **Former Vice Chairman and Member of the City of McAllen Ambulance Advisory Committee**  
The Ambulance Advisory Committee is responsible for review the current contract provider for 911 services within the City of McAllen and attend to any concerns and or complaints toward the contractor.
- \* **Former Member of the City of McAllen Building Board of Adjustment and Appeals**  
The BBOA reviews the decision of City Staff for the demolition of properties deemed unsafe through the City for a variety of reasons. The board review all facts and concerns and make the decision to secure or proceed with demolition based upon the safety of the neighboring property owners and occupants. The greatest concern for the commission is the safety of the surrounding neighborhood occupants.
- \* **Former Member of the Pharr Municipal Park Charter Committee**  
Appointed in 1998-1999, our goal was to establish a 103-acre master planned recreational park to the City of Pharr during our membership with the City of Pharr Leadership Class X. The project is still on-going.

## **WORK EXPERIENCE & CONTINUING EDUCATION**

- \* Employee of Leonel Garza Jr. & Associates since 1990
- \* State Certified General Real Estate Appraiser since 1998 - Present
- \* Owner of G-3 Construction which primary focus is custom single-family residences and multifamily apartment complexes.
- \* Commercial property manager throughout the City of McAllen & Pharr, Texas.
- \* Appraiser Trainee from 1995 thru 1998 under the sponsorship of Leonel Garza Jr. Leonel Garza Jr. was a State Certified General Real Estate Appraiser in McAllen, Texas for over 18 years, and was a Board Member of the Texas State Appraisal Review Board from October 23, 1995 Through September 15, 1998 appointed by Governor George W. Bush for two terms.

### **December 11, 2004**

- \* National Uniform Standards of Professional Practice Course 400, Sponsored By The Houston Chapter Appraisal Institute, Houston, Texas.

### **November 16, 2004**

- \* Residential Cost Approach – Marshall & Swift Evaluation Cost Guide, Sponsored by the Lincoln Graduate Center, San Antonio, Texas.

### **September 12, 2003**

- \* 2003 Eminent Domain Seminar, Sponsored by the International Right of Way Association (IRWA) in San Marcos, Texas.

### **May 16, 2002**

- \* "Uniform Standards of Professional Appraisal Practice". Sponsored by the Houston Chapter of the Appraisal Institute, Houston, Texas.

### **December 15, 2000**

- \* Residential Appraisal Update, Course #117. Sponsored by The Columbia Institute in San Antonio, Texas.

### **September 18, 2000**

- \* "Current Issues in Ad Valorem Property Tax Valuation. Sponsored by the Institute for Real Estate Professionals, Inc. in Dallas, Texas.

### **September 19, 2000**

- \* "Uniform Standards of Professional Appraisal Practice". Sponsored by the Institute for Real Estate Professionals, Inc. in Dallas, Texas.

### **September 20, 2000**

- \* "Texas Property Tax Law 2000". Sponsored by the Institute for Real Estate Professionals, Inc. in Dallas, Texas.

### **October 8-14, 1998**

- \* Course 530: Advance Sale Comparison and Cost Approach, Sponsored by the Houston Chapter of the Appraisal Institute, Houston, Texas.

### **September 24-29, 1998**

- \* Course 510: Advance Income Capitalization, Sponsored by the Houston Chapter of the Appraisal Institute, Houston, Texas.

### **May 4 thru May 9, 1998**

- \* Course 320: Basic Income Capitalization, Sponsored by the Houston Chapter of the Appraisal Institute, Houston, Texas.

### **September 20 thru September 21, 1996**

- \* Austin Chapter of the Appraisal Institute, Uniform Standards of Appraisal Practice (USPAP) Part B, Course 420; Held in Austin, Texas.

**September 18 thru September 19, 1996**

- \* Austin Chapter of the Appraisal Institute, Uniform Standards of Appraisal Practice (USPAP) Part A, Course 410; Held in Austin, Texas.

**June 25, 1996**

- \* "Apartment and Rental Housing Legal Seminar"; Sponsored by the Texas Apartment Association of the Rio Grande Valley, McAllen, Texas.

**April 11-16, 1996**

- \* Course 120: Appraisal Procedures, Sponsored by the Houston Chapter of the Appraisal Institute, Houston, Texas.

**February 15-20, 1996**

- \* Course 110: Appraisal Principles, Sponsored by the Houston Chapter of the Appraisal Institute, Houston, Texas.

Clients For Whom Appraisals Have Been Prepared By This Appraiser			
Banks	Bankruptcy Courts	<u>Cities</u>	<u>Counties</u>
Attorneys	Texas Department of Transportation	Alamo	Hidalgo
Retailers	Homeowners	Mission	Cameron
Doctors	Rancher	McAllen	Star
Oil Companies	Banks	Pharr	
Farmers	National Franchises Estate Planners	Hidalgo	
Mortgage Companies		San Juan	
Hotel Franchises		Edinburg	
US Department of Interior		Mercedes	

Type of Appraisals Which Have Been Prepared By This Office		
Caliche Pits / Land Fills	Apartment Complexes	Agricultural Land
Commercial Lots	Automobile Agencies	Bar / Lounges
Convenience Stores	Mini-Storage Units	Grocery Stores
Farms & Ranches	Mobile Home Park Subdivision	Multi- Tenant Retail
Industrial (McAllen Foreign Trade Zone)	Motels / Hotels	Multi-Tenant Offices
Industrial Subdivisions	Ranches	Residential
Medical Offices	Residential Subdivisions	Vacant Residential Lots
Retail Commercial Strips	Restaurants	Veterinary Clinics
Warehouses	Right-of-Way Acquisitions	
	Truck Stops	

Areas Where Appraised Properties Have Been Performed By This Office			
Alamo	Georgewest	McAllen	Rio Grande City
Alice	Hargill	McCook	Roma
Austin	Harlingen	Mercedes	San Antonio
Beeville	Hidalgo	Mission	San Juan
Donna	Kingsville	New Braunfels	South Padre Island
Edcouch	Kyle	Palmview	Sullivan City
Edinburg	La Feria	Pleasanton	Weslaco
Eagle Pass	La Joya	Port Isabel	Zapata
Elsa	Los Ebanos	Progreso	

**CERTIFIED LETTER OF INSPECTION TO PROPERTY OWNER**

Leonel Garza Jr. & Associates LLC

State Certified General Real Estate Appraiser  
Real Estate Property Tax Consultant

1419 Dove, Suite 1 - McAllen, Texas 78504  
(956) 687-7295 (24 hour answering service) Fax (956) 687-9236  
Email Address: leonel3@aol.com

January 9, 2007

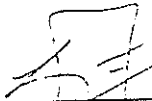
Parcel 53A  
State of Texas  
c/o Texas Department of Transportation  
600 West Expressway 83  
Pharr, Texas 78577

To Whom It May Concern:

Leonel Garza Jr. & Associates LLC has been contracted by Hidalgo County Right-of-Way Department to appraise various properties along North I Road for the purpose of acquiring additional right-of-way. The purpose of such "right-of-way" is for the expansion and renovation of North I Road. The project limits for the expansion is from Owassa Road to just south of Canton Road. This project is Phase II of a master plan created by Commissioner Hector Palacios to enhance the roadway within your neighborhood. The County of Hidalgo is interested in acquiring a small portion of the frontage of your property for this expansion. Marked on the attached exhibit is the portion of land, which is to be appraised and purchased by the Hidalgo County Right-of-Way Department. This is the beginning process for future negotiations to acquire the land. Our office will inspect the subject property from the existing right-of-way on the week of January 9, 2007 thru January 30, 2007. If you or your representative, wish to meet with us for to discuss the purpose of the appraisal, and join me for an on-site inspection of your land, I can be reached at (956) 687-7295. I will be researching the market area for any and all real estate sales, and would appreciate any leads or information in which you may have. If you have any questions please call the office of Leonel Garza Jr. & Associates LLC at (956) 687-7295 or J Benito Rodriguez, Hidalgo County Right-of-Way Agent, at (956) 283-8134.

With this letter I request permission to perform an off-site and on-site inspection and to photograph your property. If you have any objections to our inspection of your property please call the office of Leonel Garza Jr. and Associates LLC at (956) 687-7295 prior to the proposed inspection date. Thank you.

Sincerely,



Leonel Garza III  
State Certified General  
Real Estate Appraiser  
TX - 1328375-General

Cc: Hidalgo County Right-of-Way Department  
J. Benito Rodriguez - Right-of-Way Agent  
509 East Earling San Juan, Texas 78589  
(956) 283-8134

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by <u>Printed Name</u> C. Date of Delivery</p> <p>D. Is delivery address different from item 3? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, enter delivery address below</p>
<p>1. Article Addressed to:</p> <p><u>State of Texas - Texas Department of Transportation</u></p> <p><u>600 West Expressway 83</u> <u>Pharr, Texas 78577</u></p>	<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail</p> <p><input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>2. Article Number (Transfer from service label)</p> <p><u>7005 1160 0001 0493 1691</u></p>	
<p>PS Form 3811, February, © 2004 Domestic Return Receipt 10255-02-11-1540</p>	

Leonel Garza Jr. & Associates LLC

WARRANTY DEED (Page 1 of 6)

CHARGE TO GP # 722775, nlc  
EDWARDS ABSTRACT & TITLE CO.

Notice of Confidentiality Rights: If you are a natural person, you may remove or strike any of the following information from this instrument before it is filed for record in the public records: your Social Security Number or your Driver's License Number.

1383480



ROW-N-31  
Rev. 8/2003  
Replaces Form D-15-31  
GSD-EPC  
Page 1 of 2

DRAINAGE EASEMENT FOR HIGHWAY PURPOSES

THE STATE OF TEXAS  
COUNTY OF HIDALGO

§  
§  
§

KNOW ALL MEN BY THESE PRESENTS:

That, Maria Altagracia Flores aka Maria Altagracia Flores Guerra of the County of Hidalgo, State of Texas, hereinafter referred to as Grantors, whether one or more, for and in consideration of the sum of One Hundred Twenty Five Thousand Dollars (\$125,000.00) to Grantors in hand paid by the State of Texas, acting by and through the Texas Transportation Commission, receipt of which is hereby acknowledged, and for which no lien is retained, either expressed or implied, do by these presents Grant, Bargain, Sell and Convey unto the State of Texas an easement in, along, upon and across the property which is situated in the County of Hidalgo, State of Texas, which is more particularly described in Exhibit "A", which is attached hereto and incorporated herein for any and all purposes.

This easement conveyed herein is for the purpose of opening, constructing and maintaining a permanent channel or drainage easement in, along, upon and across said premises described in Exhibit "A" together with the right and privilege at all times of the Grantee herein, its agents, employees and representatives of ingress and egress to and from said premises for the purpose of making any improvements, modifications or repairs which the State deems necessary.

And for the same consideration described above and upon the same conditions, the Grantors have this day granted and conveyed and by these presents do grant and convey unto the State of Texas any and all improvements presently existing upon the property described in said Exhibit "A"; SAVE and EXCEPT, N/A.

HOWEVER, it is expressly understood and agreed that Grantors are retaining title to the following improvements located on the aforesaid property, to wit: N/A.

Grantors covenant and agree to remove the above-described improvements from said land by the N/A day of N/A, N/A, subject, however, to such extensions of time as may be granted by the State in writing; and if, for any reason, Grantors fail or refuse to remove same within said period of time prescribed, then, without any further consideration, the title to all or any part of such improvements not so removed shall pass to and vest in the State of Texas forever.

As a part of the grant hereby made it is agreed between the parties hereto that any stone, earth, gravel or caliche which may be excavated in the opening, construction or maintenance of said channel or drainage easement may be removed from said premises by the State.

WARRANTY DEED (Page 2 of 6)

ROW-N-31  
Rev. 8/2003  
Page 2 of 2

TO HAVE AND TO HOLD the premises described in Exhibit "A" for said purposes together with all and singular the rights, privileges and appurtenances thereto in any manner belonging, unto the State of Texas forever; and Grantor hereby binds itself, its heirs, successors or assigns, to Warrant and Forever Defend, all and singular, the said easement herein conveyed unto the State of Texas, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

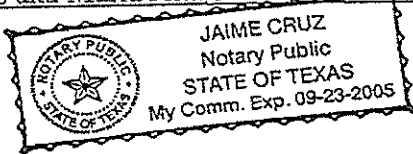
IN WITNESS WHEREOF, this instrument is executed on this the 17<sup>th</sup> day of September 2004.

[Signature]  
\_\_\_\_\_  
Maria Altagracia Flores aka  
Maria Altagracia Flores Guerra

Acknowledgement

State of Texas  
County of Hidalgo

This instrument was acknowledged before me on September 17, 2004 by Maria Altagracia Flores aka Maria Altagracia Flores Guerra.



[Signature]  
\_\_\_\_\_  
Notary Public's Signature

Corporate Acknowledgment

State of Texas  
County of

This instrument was acknowledged before me on \_\_\_\_\_  
by \_\_\_\_\_  
of \_\_\_\_\_, a \_\_\_\_\_  
corporation, on behalf of said corporation.

\_\_\_\_\_  
Notary Public's Signature

After recording please return this instrument to:

Luana M. Gonzalez  
Pharr District Right of Way Administrator  
Texas Department of Transportation  
P.O. Drawer EE  
Pharr, Texas 78577

CERTIFICATE OF RECORDING

THE STATE OF TEXAS, §  
COUNTY OF \_\_\_\_\_ §

WARRANTY DEED (Page 3 of 6)

COUNTY: HIDALGO

HIGHWAY: US 281

RSCJ: 0255-08-093

CCSJ: 0255-08-091

JANUARY 16, 2004  
Revised: April 9, 2004  
Revised: July 19, 2004  
PAGE: 1 of 3  
PARCEL 9E

Exhibit "A"  
Property Description for  
PARCEL 9E

A 6.346-acre tract of land more or less out of the North 20.00 acres of Lot 7, Block 4, John Closner, et al Subdivision, Hidalgo County, Texas, according to the map thereof recorded in Volume 0, Pages 4-5, Map Records of Hidalgo County, Texas. Said 20.00 acre tract of land is vested to Maria Altagracia Flores from Angel H. Flores and wife Anastacia Flores, by virtue of a Gift Deed dated February 19, 1996, recorded in Document No. 508474, Official Records of Hidalgo County, Texas. Said 6.346-acre tract of land being more particularly described by metes and bounds as follows;

**Commencing** at a Cotton Picker Spindle found for the Northwest corner of said Lot 7, **THENCE**, South 08 degrees 32 minutes 29 seconds West (South 08 degrees 49 minutes 00 seconds West), with and along the West line of said Lot 7 for a distance of 615.05 feet to a 60D nail set for a point on the existing West line of said Lot 7. **THENCE**, South 81 degrees 33 minutes 27 seconds East (South 81 degrees 16 minutes 56 seconds East) a distance of 25.00 feet to a No. 4 rebar set for the Northwest corner and the **POINT OF BEGINNING** of said tract herein described;

1. **THENCE**, South 81 degrees 33 minutes 27 seconds East (South 81 degrees 16 minutes 56 seconds East), a distance of 50.00 feet past the centerline of a 30.0' Reliant Energy Field Services, Inc. Pipeline Easement as by Document No. 804511, for a total distance of 65.00 to a No. 4 rebar set for the external corner of said Easement, and for an interior corner of said tract herein described;
2. **THENCE**, North 08 degrees 32 minutes 29 seconds East (North 08 degrees 49 minutes 00 seconds East), parallel to the West Lot line of Lot 7 and along the East Easement Line of the 30.0' Reliant Energy Field Services, Inc. Pipeline Easement for a distance of 67.19 feet to a No. 4 rebar set for an exterior corner of said tract herein described;
3. **THENCE**, South 81 degrees 27 minutes 31 seconds East (South 81 degrees 11 minutes 00 seconds East), parallel to the North line of Lot 7 for a distance of 982.16 feet to a No. 4 rebar set for an interior corner of said tract herein described;
4. **THENCE**, North 08 degrees 32 minutes 29 seconds East (North 08 degrees 49 minutes 00 seconds East), a distance of 527.71 feet past an existing 20' irrigation pipeline easement as recorded in Volume 2348, Page 701, Official Records of Hidalgo County, Texas, for a total distance of 547.71 feet to a found TXDOT Aluminum Disk with a 5/8" iron rod for an exterior corner of said tract; said point being the North line of Lot 7 and of said tract herein described;

WARRANTY DEED (Page 4 of 6)

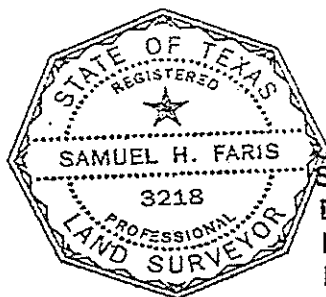
JANUARY 16, 2004  
Revised: April 9, 2004  
Revised: July 19, 2004  
PAGE: 2 of 3  
PARCEL 9E

5. **THENCE**, South 81 degrees 27 minutes 31 seconds East (South 81 degrees 11 minutes 00 seconds East), along the North line of Lot 7 and of the existing 20' irrigation pipeline easement, for a distance of 160.00 feet to a No. 4 rebar found for the Northeast corner of said tract, said point also being the corner of the existing 20' irrigation pipeline easement, of said tract herein described;
6. **THENCE**, South 08 degrees 32 minutes 29 seconds West (South 08 degrees 49 minutes 00 seconds West), along the East line of Lot 7 for a distance of 707.71 feet to a No. 4 rebar set for the Southeast corner of said tract herein described;
7. **THENCE**, North 81 degrees 27 minutes 31 seconds West (North 81 degrees 11 minutes 00 seconds West), parallel to the North line of Lot 7, a distance of 1207.16 to a No. 4 rebar set on the Existing East Right of Way line of "I" Road for the Southwest corner of said tract herein described;
8. **THENCE**, North 08 degrees 32 minutes 29 seconds East (North 08 degrees 49 minutes 00 seconds East), along the West line of Lot 7 for a distance of 92.70 feet to the **POINT OF BEGINNING** and containing 6.346 acres of land, more or less.

Notes:

1. All bearings and coordinates are based on the Texas State Plane Coordinate System, NAD 83, (1993 adjustment) Texas South Zone 4205. Coordinate distances are U.S. survey feet. All distances and coordinates shown are surface and may be converted to grid by multiplying by a combined scale factor of 0.9999600016.
2. All bearings in parenthesis "( )" are recorded.
3. A plat of same date accompanies this metes and bounds description.

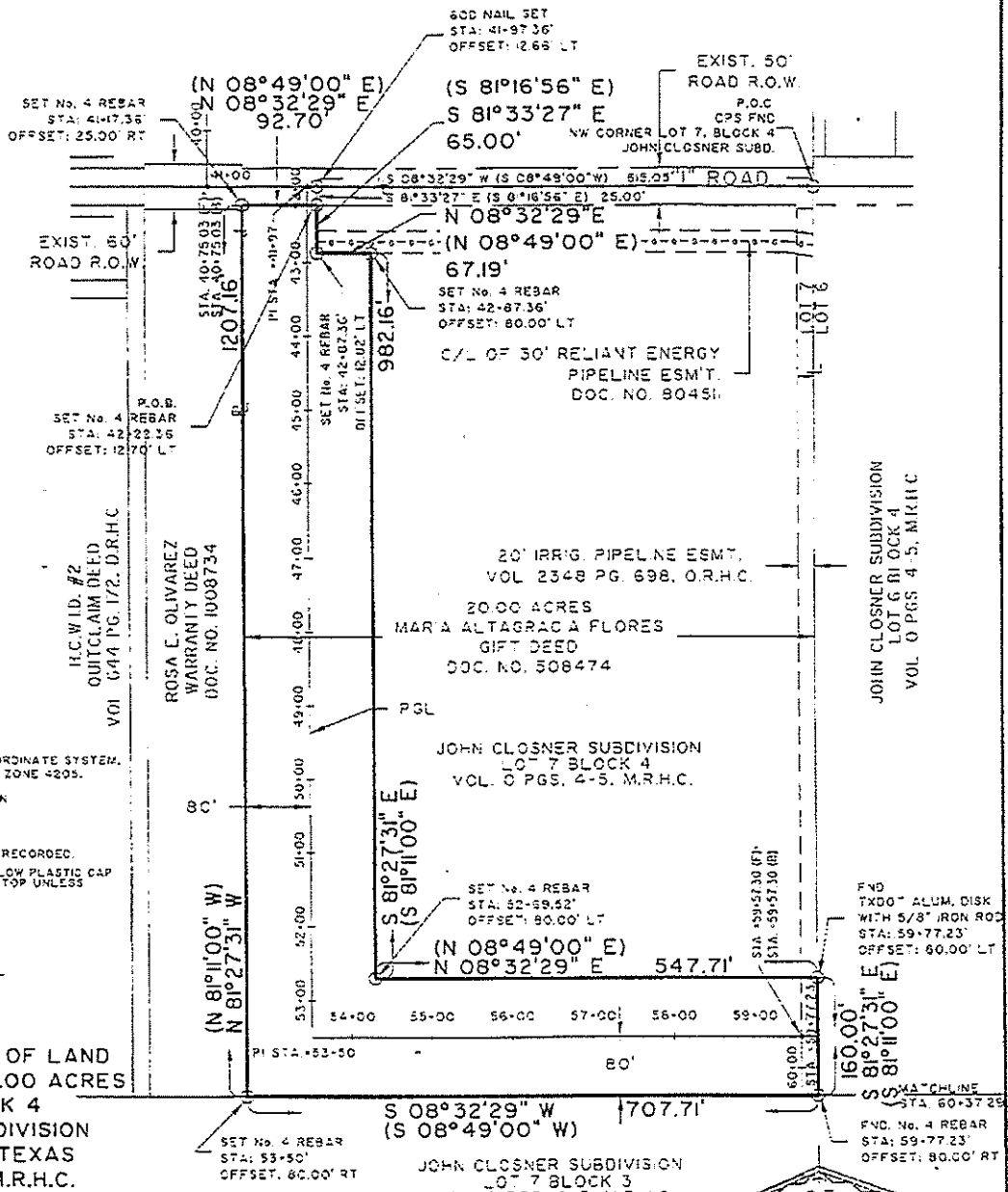
I do hereby certify that the plat shown hereon conforms to the current General Rules of Procedures and Practices as promulgated by the Texas Board of Professional Land Surveyors.



*Samuel H. Faris*  
SAMUEL H. FARIS - R.P.L.S. No. 3218  
Date: January 16, 2004  
Revised: April 9, 2004  
Revised: 7/19/04

WARRANTY DEED (Page 5 of 6)

SCALE: 1"=200'  
 BEARING BASIS:  
 JOHN CLOSNER SUBD.  
 VOL. 0 PGS. 4-5, M.R.H.C.



- NOTES:
- ALL BEARINGS AND COORDINATES ARE BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, NAD 83, (1993 adjustment), TEXAS SOUTH ZONE +205. COORDINATE DISTANCES ARE U.S. FEET. ALL DISTANCES AND COORDINATES SHOWN ARE SURFACE AND MAY BE CONVERTED TO GRID BY MULTIPLYING BY A COMBINED SCALE FACTOR OF 0.999960006.
  - ALL BEARINGS IN PARENTHESIS ( ) ARE RECORDED.
  - SET INDICATES SET No. 4 REBAR WITH YELLOW PLASTIC CAP PLASTIC CAP WITH R.G.E.C. STAMPED ON TOP UNLESS NOTED OTHERWISE.

**SURVEY PLAT OF PARCEL 9E**  
 A 6.346 ACRE TRACT OF LAND OUT OF THE NORTH 20.00 ACRES OF LOT 7, BLOCK 4 JOHN CLOSNER SUBDIVISION HIDALGO COUNTY, TEXAS VOL. 0 PGS. 4-5, M.R.H.C.

**Parcel - 9E**

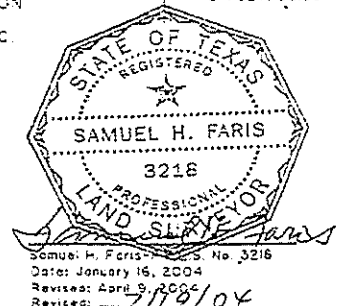
OWNER: MARIA ALTAGRACIA FLORES BY VIRTUE OF A GIFT DEED FROM ANGEL H. FLORES AND WIFE ANASTACIA FLORES DATED FEBRUARY 19, 1996, RECORDED IN DOC. NO. 508474, OFFICIAL RECORDS, HIDALGO COUNTY, TEXAS

DESCRIPTION: THE NORTH 20.00 ACRES OF LAND, MORE OR LESS, OF LOT 7, BLOCK 4, JOHN CLOSNER SUBDIVISION, VOL. 0 PGS. 4-5, M.R.H.C.

Total Acreage: 20.019 ac. (872,028 sq. ft.)  
 To be Acquired: 6.346 ac. (276,432 sq. ft.)  
 Exist. M.C.L.D. #2 est.: 0.074 ac. (3,223 sq. ft.)  
 Net Taking: 6.272 ac. (273,208 sq. ft.)  
 Remainder Left: 13.673 ac. (595,596 sq. ft.)  
 Remainder Right: NONE

SHEET 3 OF 3

I do hereby certify that the plat shown herein conforms to the current General Rules of Procedure and Practices as promulgated by the Texas Board of Professional Land Surveyors.



Samuel H. Faris, License No. 3218  
 Date: January 16, 2004  
 Revised: April 9, 2004  
 Revised: 7/19/04

JOB No.: ENG000.007

DATE: 1/16/04

DRAWN BY: ER

R. GUTIERREZ ENG. CORP. 130 E. PARK AVE. PHARR, TEXAS (956) 782-2557

WARRANTY DEED (Page 6 of 6)

Filed for Record in:  
Hidalgo County  
by J. D. Salinas, III  
County Clerk

On: Sep 24, 2004 at 02:45P

As a Recording

Document Number: 1383400  
Total Fees : 22.00

Receipt Number -- 517490  
By:  
Adriana Solis, Deputy