




HIDALGO COUNTY RIGHT OF WAY DEPARTMENT

MEMO

Jose N. Peña
Director

TO: Commissioners' Court

FROM: J. Benito Rodriguez, Agent
Right of Way Department 

DATE: July 13, 2010

RE: San Carlos Drain Improvement Project: Trenton Drain
Parcel – 12 Roberto Rendon

Appraised Value	\$ 42,075.00
Settlement Demand	\$ 45,000.00 **
Difference	(\$ 2,925.00 ***

*** See attached letter

* The Right of Way Department at this time recommends the submitted Settlement Demand.

Commissioners' Court Executive Session July 27, 2010.

 7/27/10 Approved

Not Approved

July 23, 2010


To whom it may concern,

I, Roberto Rendon have reviewed your offer and am submitting a counter offer for your consideration in the amount of \$45,000.00.

I consider this to be a fair and my intensions are not to hold up the project. Therefore, please give it your up-most attention.

Respectfully,

X 

Deal Good til the End of August 2010 -


REAL ESTATE APPRAISAL REPORT
TEXAS DEPARTMENT OF TRANSPORTATION

Address of Property: Located along the south line of E. Trenton District NA
 Road east of Tower Road, Hidalgo ROW CSJ: N/A
 County, Texas.

Property Owner: Roberto Rendon Purchase Order No 628724
 Parcel: 12

Address of Property Owner: P.O. Box 1000 Alamo, Texas 78516 Federal Project No: N/A

Occupant's Name: Roberto Rendon Highway: Trenton Drainage Project County: Hidalgo
 Whole: Partial: Acquisition

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 \$42,075.00 as of June 1, 2010, based upon my independent appraisal and the exercise of my professional judgment; on June 1, 2010, (date)(s), I personally inspected in the field the property herein appraised; I afforded Roberto Rendon, 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 June 1, 2010 (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 or officials of the Federal Highway Administration until authorized by County 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
 July 1, 2010
 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 Precinct No. 4 under the direction of Honorable Hidalgo County Commissioner Oscar L. Garza, Jr. Commissioner Garza and others which would be involved with the acquisition of said proposed right-of-way. The part to be acquired is for the use as a portion of a drainage improvement project with the project limits: Being an area of land located between Alberta Road and Trenton Road, from Alamo Road to east of Tower Road, in Hidalgo County, Texas.

The intended use of the report is to assist Benito Rodriguez, Right-of-Way Agent and others involved with the project, for future negotiations of acquiring a portion of said property as fee simple in the name of the County of Hidalgo. This report is not intended for any other use, unless specified by the client. The clients have identified that the report shall be a summary 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 Precinct No. 4 and may include other governmental entities which may be participating in the project. Benito Rodriguez, Right-of-Way Agent of the Hidalgo County Right-of-Way Department, shall be the project manager for this project under the direction of Commissioner Oscar L. Garza, Jr. Mr. Rodriguez has a local office located at 2401 N Moorefield Road, Mission, Texas and can be contacted at (956) 283-8134.

Scope of the Assignment

By purchase order no. 628724 dated January 11, 2010, on behalf of Hidalgo County Precinct No. 4, Benito Rodriguez, requested 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 Quintanilla, Headley and Associates, Inc Engineering located at 124 E. Stubbs Street, Edinburg, 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, 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. In the event an on-site inspection was not permitted, the appraiser continued the inspection off-site along existing road Alberta and Trenton Roads.

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 Hidalgo County Precinct No. 4, 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 (mineral and or ground lease), 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 corresponding Appraisal District and or by off-site estimation by appraiser as they are not affected by the acquisition.

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. In the event no written or verbal permission was granted to the office of Leonel Garza Jr. & Associates LLC prior to date of inspection, the inspection proceeded off-site along existing road right-of-way. The property owner shall reserve the right to contact this office after the date of inspection for an additional on-site inspection in their presence.

Analysis of Subject As A Whole

A survey of the property owners entire tract was not performed as the part to be acquired incorporates a portion of land located along the southern property boundary of the subject property and does not affect the remainder of the tract in the remainder after state. As per scope of the assignment, the subject property 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 local appraisal district. The property was analyzed based on the whole property less any existing road right-of-way. Based on the inspection of the subject property and the evaluation of the subject as a whole, the remainder shall not be affected by the part to be acquired and therefore shall not be included within the valuation of this report.

Economic Unit Analysis

The subject property shall be analyzed based on a 19.40 acre tract of land as described by survey. Any existing road right-of-way or easements indicated along Alberta 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 Quintanilla, Headley and Associates dated September 11, 2009. The comparable sales used for the analysis of the subject property as whole and as the partial acquisition indicated a range of economic units of 3.0 acres to 15.01 acres. These indicated economic unit values are used for the valuation of the irregular partial acquisition, 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 acquisition for the market valuation of the subject property.

Part To Be Acquired

The proposed acquisition is comprised of fee land in which the land area to be acquired is 2.28 acres and an existing Hidalgo County Irrigation No. 2 Easement of 0.23 acres for a total of 2.51 acres. The proposed acquisition is located along the southern property line of the subject property which fronts along E. Trenton Road. The proposed acquisition has approximately 662.23 lineal feet of frontage along the northern side of a drainage canal easement located along the southern boundary of the subject property. The proposed acquisition, which is the subject of this report, shall be evaluated as a whole as determined by the approaches to market value selected. The subject shall be valued based on the highest and best use as a residential use tract of land, which is based on the local market trends along Alberta and Trenton Roads. This highest and best use is further explained on page 1.4 of this report.

To Be Acquired	2.5100 Acres
	109,336 S.F.

Legal Description of the Part To Be Acquired

A 2.51 acre tract of land out of Lot 1, Block 54, Alamo Land and Sugar Company's Subdivision, Hidalgo County, Texas, according to the map or plat thereof recorded in Volume 1, Pages 24-26, Map Records, Hidalgo County, Texas, and according to Warranty Deed with Vendor's Lien recorded under County Clerk's Document Number 1895452, Official Records, Hidalgo county, Texas.

Remainder Before and After 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. After a review of the remainder after the acquisition, no damages to the remainder were indicated.

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 Roberto Rendon. The part to be acquired was identified as the subject whole property which contained tax identification no. A1800-00-054-0001-00. The subject property, which is an agricultural use tract of land, is assessed at \$194,000. A portion of the subject property receives an agriculture use exemption due to its current use for agricultural row crop. Its assessed agricultural use value is indicated to be assessed at \$8,129. The property taxes for the subject appear to be current; however, further research with the Hidalgo County Tax Office shall be required to confirm any outstanding tax liabilities attributable to the subject property.

General Site Assessment Statement

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 concern 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 its marketability and or value. A survey of the remainder of the subject property was not provided nor necessary due to the acquisition size of the partial acquisition. The extraordinary assumption that no adverse easements or encroachments are located within the subject property which would affect the value of the whole. 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.

Utility Services Available

The subject property is located in a region, which contains, water, water wells, 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 items 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

Based on the off-site inspection of the subject property a visible "For Sale" sign located on-site indicating the subject property is listed for sale. However, additional research was conducted with local Realtor's® Multiple Listing Services and the subject property was not listed within the listing service. The subject property is "For Sale" by owner, Roberto Rendon. Mr. Rendon was contacted by the appraiser on July 2, 2010 at 8:50 am and indicated the current asking price of the subject property was \$16,500 an acre.

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 market areas of Hidalgo County and the Cities of Alamo and San Juan, Texas. The analysis included the indicated "DOM" Days on Market as shown on the several multiple listing service which provides local Realtors® an avenue to advertise properties located in the Rio Grande Valley with the focus within the 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 vacant and as if improved is indicated for single family development. This type of use is concurrent with the recent trends located along Trenton Road within Hidalgo County and nearby municipalities to the project including the City of San Juan and the City of Alamo. This highest and best use is based on the determined economic unit of the subject property as whole which is being acquired in the name of the County of Hidalgo, Texas.

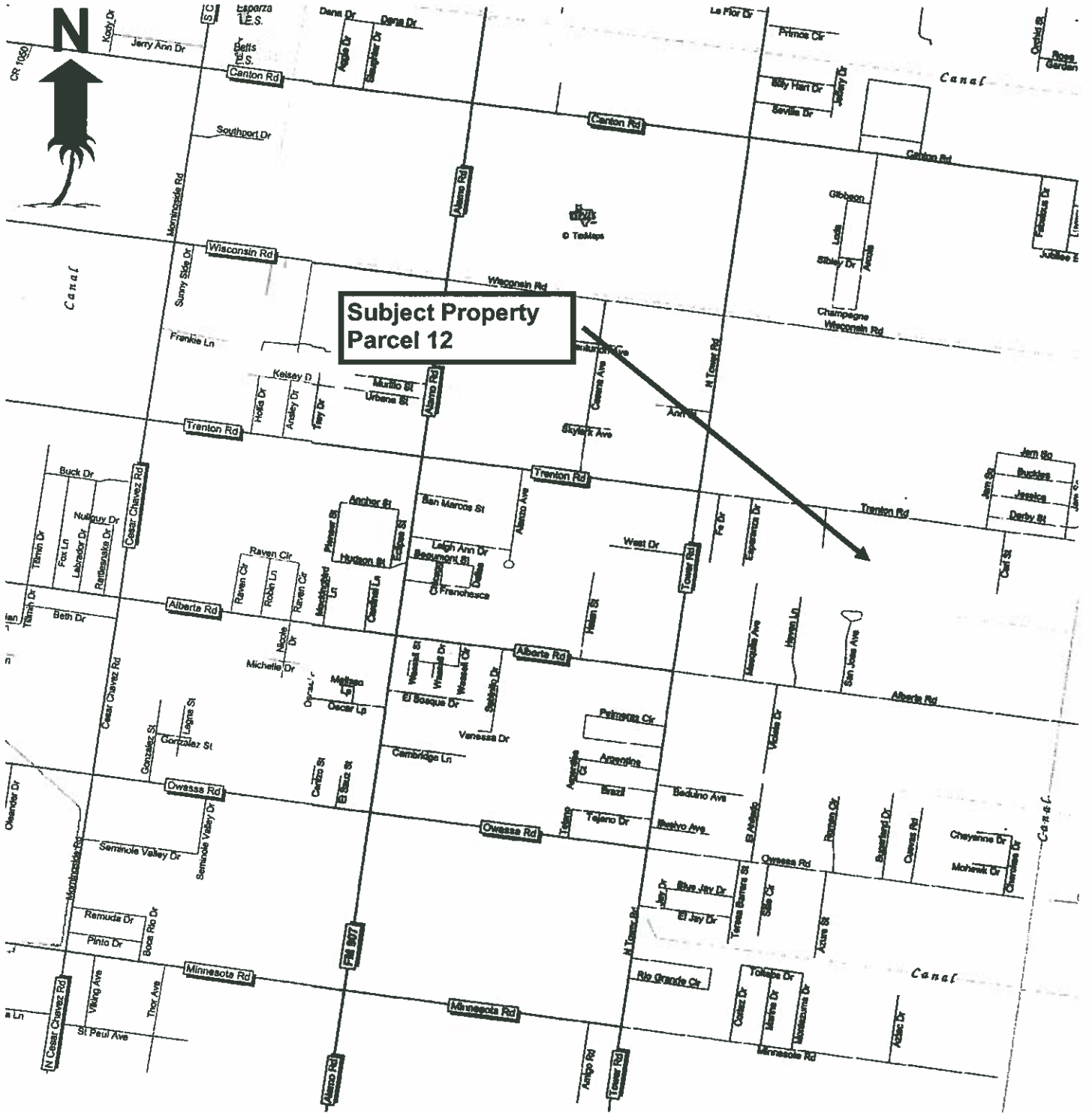
When a property is evaluated, the highest and best use must always be considered. In the current case, the highest and best use of the whole is determined to be for single family development based on several factors. Factors taken into consideration are defined by The Dictionary of Real Estate Appraisal, 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 acquisition, 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 acquisition if applicable. In order to determine the highest and best use, research was performed within Hidalgo County with the corresponding municipalities located near the subject property. Since the subject lies within the jurisdiction of the County of Hidalgo, Texas municipal zoning ordinance restrictions are not applicable to the subject as per date of appraisal. This office shall evaluate the subject property based on the continuing trend along Alberta Road and should continue its use before and after the proposed right-of-way acquisition. Therefore, the highest and best use of single family residential "as vacant" and "as if 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 Hidalgo County. The subject property contains adequate land area and frontage along Trenton Road to allow for future residential development use 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 single family residential highest and best use. 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.

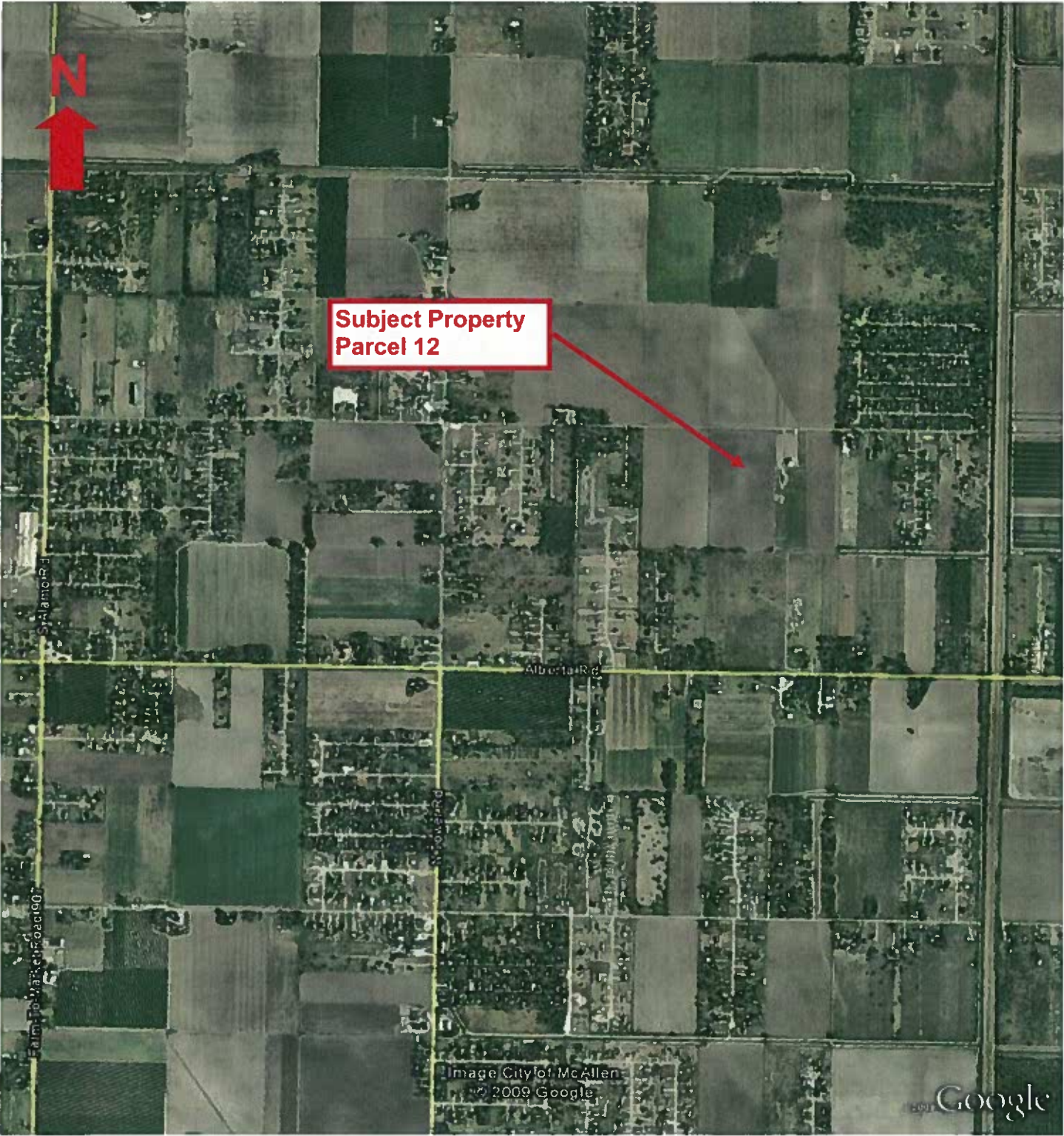
The financial feasibility and maximally productive use of the subject property is based on the growth trends along Alberta Road include agricultural, grazing, residential, and small retail developments. Based on the stable growth along trenton Road and nearby Tower Road and Alamo Road, it is estimated that the subject can be financially feasible to contain residential development "as vacant" and "as if improved". This determination of financial feasibility and productivity is also attributed to the remainder before and after the acquisition 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 vacant" and "as if improved" shall be for single family development. This conclusion is correlated to the subject property as a whole and selected economic unit.

LOCATION MAP OF SUBJECT PROPERTY



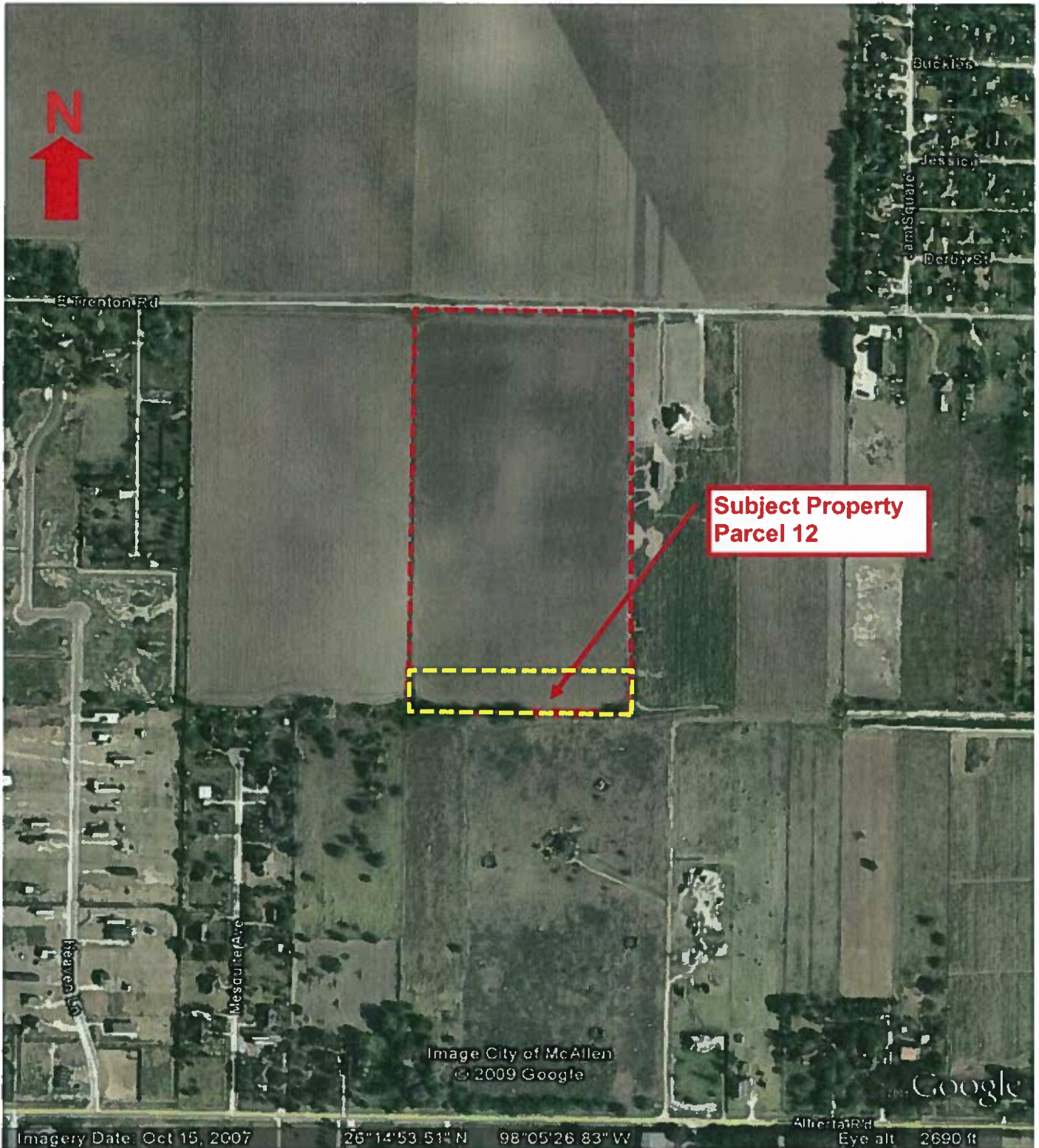
Copyright 1996-2007 TexMaps; 8th Edition

AERIAL PHOTOGRAPH OF SUBJECT PROPERTY



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 WHICH IS OUTLINED IN YELLOW. COMPLETE SURVEY OF SUBJECT AS A WHOLE WAS NOT PROVIDED BY QUINTANILLA, HEADLEY AND ASSOCIATES ENGINEERING . AND IS ESTIMATED BASED ON INFORMATION GATHERED DURING THE INSPECTION OF THE SUBJECT PROPERTY OR THE HIDALGO COUNTY APPRAISAL DISTRICT.

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

METES AND BOUNDS

HIDALGO COUNTY PRECINCT No. 4
SAN CARLOS DRAINAGE IMPROVEMENTS
TRENTON DRAIN
PARCEL: No. 12
OWNER: ROBERTO RENDON

A 2.51 ACRE TRACT OF LAND OUT OF LOT 1, BLOCK 54, ALAMO LAND AND SUGAR COMPANY'S SUBDIVISION, HIDALGO COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME 1, PAGES 24-26, MAP RECORDS, HIDALGO COUNTY, TEXAS, AND ACCORDING TO WARRANTY DEED WITH VENDOR'S LIEN RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 1895482, OFFICIAL RECORDS, HIDALGO COUNTY, TEXAS, REFERENCE TO WHICH IS HERE MADE FOR ALL PURPOSES AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS.

BEGINNING AT A POINT FOR THE SOUTHWEST CORNER OF LOT 1 AND THE SOUTHWEST CORNER OF THIS TRACT.

THENCE; N 08°31'51"E, ALONG THE WEST LINE OF LOT 1, A DISTANCE OF 165.00 FEET TO A 1/2" IRON ROD 24" IN LENGTH WITH PLASTIC CAP STAMPED RPLS 4856 SET FOR THE NORTHWEST CORNER OF THIS TRACT.

THENCE; S 81°28'09"E, A DISTANCE OF 663.23 FEET TO A 1/2" IRON ROD 24" IN LENGTH WITH PLASTIC CAP STAMPED RPLS 4856 SET ON THE WEST LINE OF THE ANASTACIO SANCHEZ TRACT (THE WEST HALF OF THE EAST HALF OF LOT 1, BLOCK 54, ALAMO LAND AND SUGAR COMPANY'S SUBDIVISION, ACCORDING TO WARRANTY DEED WITH VENDOR'S LIEN RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 1817326, OFFICIAL RECORDS, HIDALGO COUNTY, TEXAS) FOR THE NORTHEAST CORNER OF THIS TRACT.

THENCE; S 08°31'51"W, ALONG THE WEST LINE OF THE ANASTACIO SANCHEZ TRACT, A DISTANCE OF 165.00 FEET TO A 1/2" IRON ROD 24" IN LENGTH WITH PLASTIC CAP STAMPED RPLS 4856 SET ON THE SOUTH LINE OF LOT 1 FOR THE SOUTHWEST CORNER OF SAID TRACT AND THE SOUTHEAST CORNER OF THIS TRACT.

THENCE; N 81°28'09"W, ALONG THE SOUTH LINE OF LOT 1, A DISTANCE OF 663.23 FEET TO THE POINT OF BEGINNING AND CONTAINING 2.51 ACRES OF LAND MORE OR LESS.

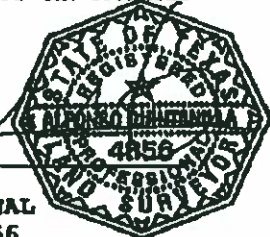
BEARINGS ARE IN ACCORDANCE WITH ALAMO ESTATES UNIT No. 2, RECORDED IN VOLUME 30, PAGE 153, MAP RECORDS, HIDALGO COUNTY, TEXAS.

THE PROPERTY DESCRIBED IN THIS METES AND BOUNDS MAY BE SUBJECT TO THE SUBDIVISION REGULATIONS OF THE COUNTY OF HIDALGO AND/OR ORDINANCES OR GOVERNMENTAL REGULATIONS OF THE CITY IN WHICH THE PROPERTY MAY BE LOCATED OR HOLDING EXTRA TERRITORIAL JURISDICTION.

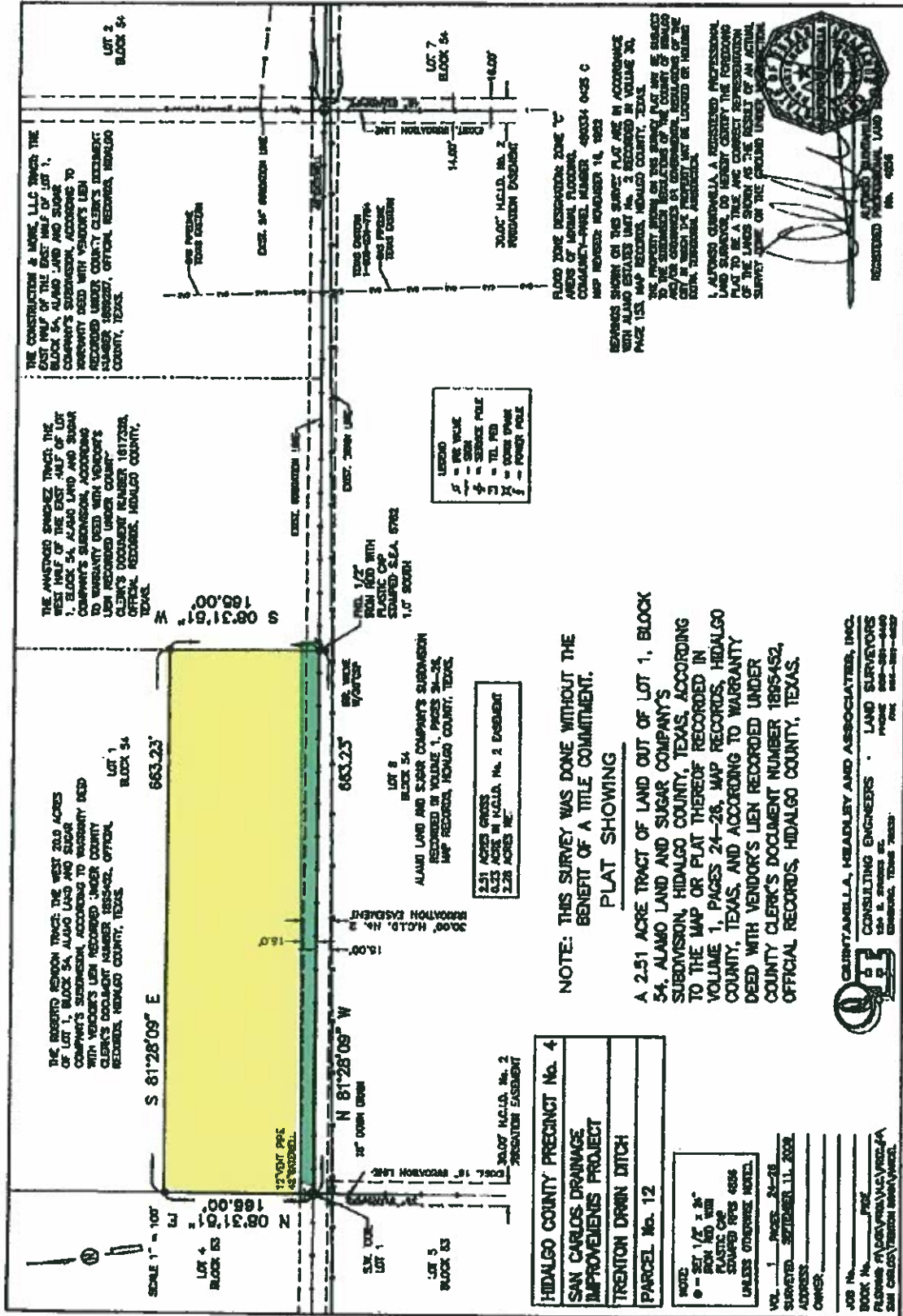
I, ALFONSO QUINTANILLA, A REGISTERED PROFESSIONAL LAND SURVEYOR IN THE STATE OF TEXAS, DO HEREBY CERTIFY THE ABOVE METES AND BOUNDS TO BE TRUE AND CORRECT, AND TO BE THE REPRESENTATION AND RESULT OF AN ACTUAL SURVEY DONE ON THE GROUND UNDER MY DIRECTION.

DATE PREPARED: September 11, 2009


ALFONSO QUINTANILLA
REGISTERED PROFESSIONAL
LAND SURVEYOR No. 4856



SURVEY OF PART TO BE ACQUIRED (Page 1 of 1)



Yellow Highlight = Fee Simple; Green Highlight = Hidalgo County Irrigation District Easement

PHOTOGRAPHS OF SUBJECT PROPERTY

Parcel No.: 12

Local Address: Located along the south line of E. Trenton Road east of Tower Road, Hidalgo County, Texas.

Date Taken: June 1, 2010

Taken By: Leonel Garza III

1. Point from which taken: Photo 1: Trenton Road ROW
Photo 2: Trenton Road ROW

Looking: Photo 1: Southern View
Photo 2: Southwestern View



Photo 1

Southern view of subject whole property from Trenton Road ROW.



Photo 2

Southwestern view of the part to be acquired.

2. Point from which taken: Photo 3: Trenton Road ROW
Photo 4: Trenton Road ROW

Looking: Photo 3: Western View
Photo 4: Eastern View



Photo 3

Western view of E. Trenton Road. The subject property is to the left of the photo.



Photo 4

Eastern view of E. Trenton Road. The subject is located along the right of the photo.

DESCRIPTION OF PROPERTY:

The subject property, as a whole, is a 19.40 acre agricultural use tract of land located along the south side of Trenton Road in the County of Hidalgo, Texas. According to the survey provided by Quintanilla, Headley and Associates Engineering, dated September 11, 2009, the part to be acquired is approximately 2.51 acres (109,336 square feet) located along the most southern property boundary of the subject whole property. The subject property is encumbered by a 0.23 acre (10,019 square foot) Hidalgo County Irrigation District easement. The northern property boundary of the subject property fronts along E. Trenton Road. Based on the area indicated by the survey provided the subject of this report shall be utilized as the economic unit of the subject property for valuation. 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. This is performed in order to determine the unit value for the proposed acquisition for the purchase of said tract in the name of the County of Hidalgo, Texas

AREA OR NEIGHBORHOOD ANALYSIS:

The subject neighborhood along Trenton Road, east of Tower Road is a mixture of single family homes, single family residential developments and agricultural uses. Leonel Garza Jr. & Associates LLC has inspected the market area along Alberta Road and Trenton Road and has found that the market contains stable growth as traffic in the immediate area along Trenton Road continues to increase.

SITE ANALYSIS:

Five Year Sales History:

The subject property is indicated to be under the ownership Roberto Rendon, as indicated by survey and field notes provided by Quintanilla, Headley and Associates Engineering. Further investigation of the subject's ownership history through the Hidalgo County Appraisal District and the Hidalgo County Clerks Office confirmed the current owner of record to be Roberto Rendon. The subject property was transferred from Cecil Lewis (Grantor) to Roberto Rendon (Grantee) on June 2, 2008 as recorded in Doc No 1895452, Official Records of Hidalgo County, Texas. The subject has been in the name of Roberto Rendon for over one (1) years.

**Legal Description:
(Whole Property)**

The west 20.00 acres of Lot 1, Block 54, Alamo Land and Sugar Company's Subdivision, Hidalgo County, Texas, according to the map or plat thereof recorded in Volume 1, Pages 24-26, Map Records, Hidalgo County, Texas, and according to Warranty Deed with Vendor's Lien recorded under County Clerk's Document Number 1895452, Official Records, Hidalgo county, Texas.

**Legal Description:
(Part To Be Acquired)**

A 2.51 acre tract of land out of Lot 1, Block 54, Alamo Land and Sugar Company's Subdivision, Hidalgo County, Texas, according to the map or plat thereof recorded in Volume 1, Pages 24-26, Map Records, Hidalgo County, Texas, and according to Warranty Deed with Vendor's Lien recorded under County Clerk's Document Number 1895452, Official Records, Hidalgo county, Texas.

Improvements:

During the off-site inspection of the subject property no building improvements were indicated within 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.

HIGHEST AND BEST USE ANALYSIS: Single Family Residential Development

VALUATION OF PART TO BE ACQUIRED

LAND VALUATION

Representative Comparable Sales

	Subject	Comp. No. 1	Comp. No. 2	Comp. No. 3
Grantor	<u>Cecil Lewis</u>	<u>Todd D. Kinney and Michelle Kinney</u>	<u>Jorge Villanueva and wife, Crselda Villanuva</u>	<u>Irene M. Harbers, Eileen K. Bowerman, Jane Y. Baumgardner, and Leland J. Harbers</u>
Grantee	<u>Roberto Rendon</u>	<u>Garco, LTD</u>	<u>Rafael Solis Gonzalez</u>	<u>Balderas Brothers Land Development Company</u>
Date	<u>June 2, 2008</u>	<u>May 5, 2008</u>	<u>August 17, 2009</u>	<u>January 12, 2007</u>
Unit Price	<u> / Ac</u>	<u>13,324 / Ac</u>	<u>30,612 / Ac</u>	<u>12,270 / Ac</u>
Relative Location	<u>Average</u>	<u>Similar 0%</u>	<u>Superior -20%</u>	<u>Similar 0%</u>
Lot Location	<u>Interior Tract</u>	<u>Interior Tract 0%</u>	<u>Interior Tract 0%</u>	<u>Interior Tract 0%</u>
Financing	<u>Conventional</u>	<u>Similar 0%</u>	<u>Similar 0%</u>	<u>Similar 0%</u>
Conditions of Sale	<u>Cash To Seller</u>	<u>Similar 0%</u>	<u>Similar 0%</u>	<u>Similar 0%</u>
Market Conditions	<u>Average</u>	<u>Similar 0%</u>	<u>Similar 0%</u>	<u>Similar 0%</u>
Physical Characteristics	<u>Level</u>	<u>Similar 0%</u>	<u>Similar 0%</u>	<u>Similar 0%</u>
Available Utilities	<u>Water / Electricity / Phone</u>	<u>Similar 0%</u>	<u>Similar 0%</u>	<u>Similar 0%</u>
Street Access / Frontage	<u>E. Trenton Road</u>	<u>Alberta Road 0%</u>	<u>Wisconsin Road 0%</u>	<u>Cesar Chavez Road 0%</u>
Size of Tract	<u>19.400 Ac</u>	<u>15.01 Ac 0%</u>	<u>2.94 Ac -20%</u>	<u>9.78 Ac -5%</u>
Net Adjustments		<u>Δ 0%</u>	<u>Δ -40%</u>	<u>Δ -5%</u>
Indicated Unit Value		\$ <u>13,324 / Ac</u>	\$ <u>18,367 / Ac</u>	\$ <u>11,657 / Ac</u>
Estimated Unit Value of Fee Simple Area				\$ <u>18,000 / Acre</u>
Estimated Unit Value of Easement Area (\$18,000/Acres x 25% of Fee Simple Value)				\$ <u>4,500 / Acre</u>
Estimated Value by Sales Comparison Approach (Includes Part To Be Acquired Only)		(2.28 Acres x \$18,000/Acre)		\$ <u>41,040</u>
Estimated Value by Sales Comparison Approach (Includes Part To Be Acquired Only)		(0.23 Acres x \$4,500/Acre)		\$ <u>1,035</u>
Combined Market Value				\$ <u>42,075</u>

COMPARABLE DATA SUPPLEMENT

District: NA Parcel No.: 12 Highway: Trenton County: Hidalgo ROW CSJ N/A

 Land Sale Drainage Improved Sale Rental Data



Grantor/Lessor: Todd D. Kinney and Michelle Kinney Grantee/Lessee: Garco, LTD.

 Date: May 5, 2008 Recording Information: Doc# 110853 Key Map: N/A

 Address: Located along the northern frontage of Alberta Road, east of Tower Road, Hidalgo County, Texas Zip Code: 78537

 Legal Description: A 15.01 acre tract of land out of the east 20.00 acres of Block 82, Hall Field Subdivision, Hidalgo County, Texas, according to map or plat thereof recorded in Volume 1, Page 53, Map Records Hidalgo County, Texas.

 Confirmed Price \$: 200,000 Verified with: MLS# F107045s

 Terms and Conditions of Sale: Cash to Seller

 Rental Data: N/A

 Land Size: 15.01 Acres Unit Price as Vacant \$: 13,324 per acre

 Type Street: Asphalt Paved – Alberta Road Utilities: Water, Electricity, and Phone

 Improvement(s) Description: None

 Improvement(s) Size: NA (GBA) NA (NRA) Unit Price as Improved \$: NA

 Condition and Functional Design: NA

 Current Use: Orchard Highest & Best Use: Single Family Residential Development

 Date of Inspection: March 4, 2009 / June 1, 2010 Zoning: N/A Flood Plain:

 Attach additional information as necessary.

Appraiser: Leonel Garza III June 28, 2010

 (Typed, not signed) Date

COMPARABLE DATA SUPPLEMENT

District: NA Parcel No.: 12 Highway: Trenton County: Hidalgo ROW CSJ N/A

Land Sale Drainage Improved Sale Rental Data



Grantor/Lessor: Irene M. Harbers, Eileen K. Bowerman, Jane Y. Baumgardner, and Leland J. Harbers Grantee/Lessee: Balderas Brothers Land Development Company

Date: January 12, 2007 Recording Information: Doc# 1730360 Key Map: N/A

Address: Located along the eastern side of Cesar Chavez Road, north of Owassa Road, Edinburg, Texas. Zip Code: 78539

Legal Description: The East 1/2 of Lot 8, Block 46, Alamo Land and Sugar Company Subdivision, Hidalgo County, Texas, according to the map or plat thereof recorded in Volume 1, Page 24, Map Records of Hidalgo County, Texas.

Confirmed Price \$: 120,000 Verified with: MLS# A16637s

Terms and Conditions of Sale: Cash to Seller

Rental Data: N/A

Land Size: 9.78 acres Unit Price as Vacant \$: 12,270 per acre

Type Street: Asphalt Paved – Cesar Chavez Road Utilities: Water, Electricity, and Phone

Improvement(s) Description: N/A

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

Condition and Functional Design: NA

Current Use: Vacant (at time of sale) Highest & Best Use: Single Family Residential Development

Date of Inspection: March 4, 2009 / June 1, 2010 Zoning: N/A Flood Plain: N/A

Attach additional information as necessary.

Appraiser: Leonel Garza III June 28, 2010

 (Typed, not signed) Date

COMPARABLE DATA SUPPLEMENT

District: NA Parcel No.: 12 Highway: Trenton County: Hidalgo ROW CSJ N/A

Land Sale Drainage Improved Sale Rental Data



Grantor/Lessor: Irene M. Harbers, Eileen K. Bowerman, Jane Y. Baumgardner, and Leland J. Harbers Grantee/Lessee: Balderas Brothers Land Development Company

Date: January 12, 2007 Recording Information: Doc# 1730360 Key Map: N/A

Address: Located along the eastern side of Cesar Chavez Road, north of Owassa Road, Edinburg, Texas. Zip Code: 78539

Legal Description: The East ½ of Lot 8, Block 46, Alamo Land and Sugar Company Subdivision, Hidalgo County, Texas, according to the map or plat thereof recorded in Volume 1, Page 24, Map Records of Hidalgo County, Texas.

Confirmed Price \$: 120,000 Verified with: MLS# A16637s

Terms and Conditions of Sale: Cash to Seller

Rental Data: N/A

Land Size: 9.78 acres Unit Price as Vacant \$: 12,270 per acre

Type Street: Asphalt Paved – Cesar Chavez Road Utilities: Water, Electricity, and Phone

Improvement(s) Description: N/A

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

Condition and Functional Design: NA

Current Use: Vacant (at time of sale) Highest & Best Use: Single Family Residential Development

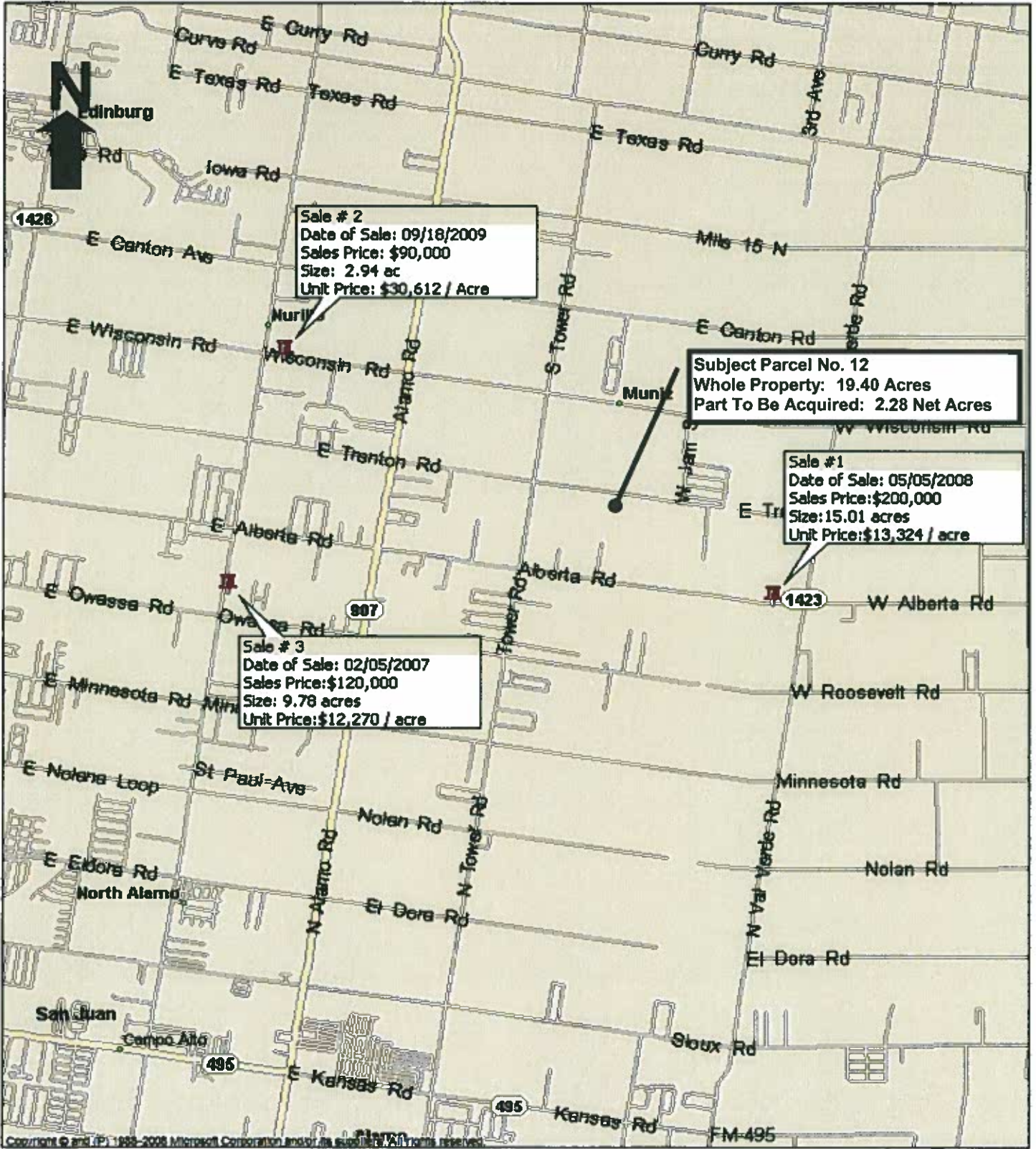
Date of Inspection: March 4, 2009 / June 1, 2010 Zoning: N/A Flood Plain: N/A

Attach additional information as necessary.

Appraiser: Leonel Garza III June 28, 2010

 (Typed, not signed) Date

COMPARABLE SALES MAP



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Explanation of Adjustments with Reconciliation:

During the analysis of the acquisition area, the value for the subject property as a whole or economic unit was determined. This determination of market value is utilized for the valuation of the proposed acquisition which is a pro-rata part of the whole. The local market and extended market was searched for comparable sales of which contained similar frontage along Tower Road and other similar and intersecting thoroughfares. Each of the sales utilized are located within Hidalgo County and are the most comparable located in the market place of which all information pertinent to the transaction could be verified. Several sales were located within this parameter of which had occurred within the past three 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 along the northern frontage of Alberta Road, east of Tower Road within Hidalgo County, Texas. The property was purchased for \$200,000 for 15.01 acres which equates to a unit rate of \$13,324 per acre. Due to the sales similar location, financing, marketing conditions, physical characteristics, and access as compared to the subject property, no adjustments for these items of comparison were indicated. No other adjustments were indicated. After adjustments a unit value for the subject property is indicated to be \$13,324 per acre.

Sale No. 2 is located at the along the southern side of Wisconsin Road, east of Cesar Chavez Road in Alamo, Texas. The property was purchased for \$90,000 for 2.94 acres which equates to a unit rate of \$30,612 per acre. Due to the sales similar, financing, marketing conditions, physical characteristics, and access as compared to the subject property, no adjustments for these items of comparison were indicated. The sale is located in an area superior to the subject property as such an downward adjustment of -20% was indicated. In addition, the sale is a smaller tract of land and as such an downward adjustment of -20% was indicated. No other adjustments were indicated. After adjustments a unit value for the subject property is indicated to be \$18,367 per acre.

Sale No. 3 is located along the eastern side of Cesar Chavez Road, within the City of Edinburg 2 Mile Extra Territorial Jurisdiction, Hidalgo County, Texas. The property was purchased for \$120,000 for 9.78 acres which equates to a unit rate of \$12,270 per acre. Due to the sales similar location, financing, marketing conditions, physical characteristics, and access as compared to the subject property, no adjustments for these items of comparison were indicated. The sale is a smaller tract of land and as such an downward adjustment of -5% was indicated. No other adjustments were indicated. After adjustments a unit value for the subject property is indicated to be \$11,657 per acre.

Reviewing the comparable sales selected, an unadjusted range of market unit value of \$12,270 per acre to \$30,612 per acre is indicated. After applicable adjustments were made in a paired sales analysis of the comparables to the subject property, an adjusted range of unit market value of \$11,657 per acre to \$18,367 per acre was determined. Based on the subject property location along Tower Road. A value near the mid to upper end of the range of the adjusted unit rates was selected for the subject property, \$18,000 per acre. This unit rate shall be attributed to the part to be acquired segment that is owned in fee simple. As for the segment that is currently encumbered by the Hidalgo County Irrigation District No. 2 drain easement, the area shall be valued 25% of the fee simple area indicated. Therefore, the easement shall be valued at \$4,500 per acre. The following page contains the unit value breakdown utilized for the total compensation of the part to be acquired.

ADDENDUM

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

Certification of Appraisal

I, Leonel Garza III, 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.
- 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 a loan.
- I have no present or prospective interest in the property that is the subject of this report and 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 (2009-2010 Edition)*.
- I have made a personal on-site visit of the property that is the subject of this report.
- Luis C. Garza, State Certified General Real Estate Appraiser with Leonel Garza Jr. & Associates who provided significant professional assistance in the preparation of this report not limited to a physical inspection, taking of photographs of the subject property and value analysis. Personal Assistant Adrian Perez, aided in the physical measuring of the subject property only.
- No one other than those mentioned within this certification provided significant real property appraisal assistance to the person(s) signing this certification.
- 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 representatives. I also acknowledge that Leonel Garza III is an associate member of the Appraisal Institute and is not an MAI Designated Appraiser, however is currently seeking designation. Leonel Garza is designated as a Master Real Estate Appraiser through the National Association of Master Appraisers.
- 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 a loan.



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



Luis Carlos Garza
General Certified Real Estate Appraiser
License No. TX - 1338051 - General

ASSUMPTIONS AND LIMITING CONDITIONS

This report has been prepared with the following general assumptions:

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 is assumed to be correct. The plot plans and 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 in 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 report.
11. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by this appraiser. 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.

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.
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 or 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.
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. The original and one copy of this report have been signed in blue ink. Any other copy, which is not signed in blue may have been altered, and this appraiser is not responsible for its contents or value indicated.

Assumptions and Interpretations Made by Appraiser of the Marketing Period

1. Indicated Marketing Time: Begins with the date of value estimate and the exposure time indicated.
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 bank 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

Licenses

State Certified General Real Estate Appraiser

Number TX - 1328375-General

Licensed Since December 31, 1998

Expires: December 31, 2010 (Active)

State Certified Property Tax Consultant

Number TX - 00003181

Licensed Since May 20, 2002

June 16, 2009 through June 16, 2010 (Active)

Public Service Organizations

Associate Member of the Appraisal Institute (Not MAI Designated)

Currently taking courses toward the designation of MAI through the Appraisal Institute.

National Association of Master Appraisers

Designated as a Master Senior Appraiser in 2006 by the National Association of Master Appraisers. This designation is obtained through educational requirements and experience.

Associate Member of the International Right of Way Association (IRWA) (Member # 7899430)

Former Chairman of the City of McAllen Zoning Board of Adjustments and Appeals

This city board has the duty to hear and decide appeals where it is alleged there is error in any requirement, or determination made administratively in the enforcement of the Zoning Ordinance. The Board hears appeals that grant variances to setback requirements and special exceptions to reconstruction of nonconforming buildings.

Chairman of the Hidalgo County Subdivision Advisory Board

This county board on subdivision reviews primary goal is to ensure that proper standards, set by Texas Water Development Board and the Texas Subdivision Model Rules and or opinions from the Texas State Attorney Generals Office, are conducted in the development of proposed subdivision within the County of Hidalgo and or Extraterritorial Jurisdiction of municipalities throughout the County of Hidalgo. The board's secondary function is to review applications for variances against the Flood Plain Administrators decisions of the base flood elevations throughout the County of Hidalgo.

Chairman of the Hidalgo County Building Line of Adjustments

This county board reviews applications of variances to general set-back regulations set forth by the County of Hidalgo. This review includes the review of existing and or proposed encroachments into set-backs, easements, road right-of-way set-back, subdivision plat requirements and or requirements set forth by adjoining municipalities of which the subject is within the extraterritorial jurisdiction.

Member of The McAllen Palm City Lions Club

Direct the fund raising for the annual Thanksgiving Drive on behalf of Lion Leonel Garza Jr. who founded the drive more than 20 years ago. In 2005 & 2006, the club raised funds to feed 60 families throughout the City of McAllen.

Former Executive Board Member of the Lower Rio Grande Valley Boy Scouts 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 of the City of McAllen Ambulance Advisory Committee

Evaluates and reports to the City Commission on the operation of the emergency ambulance service rendered by company or companies rendering such service.

Former Member of the City of McAllen Building Board of Adjustments 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 reviews 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.

Work Experience

- *Employee of Leonel Garza Jr. & Associates since 1990*
- *State Certified General Real Estate Appraiser since December 31, 1998*
- *Owner of G-3 Construction which primary focus is custom commercial and multifamily residential construction.*
- *Commercial and residential property manager throughout the City of McAllen & Pharr, Texas.*
- *Licensed Property Tax Consultant Since 2000.*
- *Appraiser Trainee from 1995 thru 1998 under the sponsorship of Leonel Garza Jr. who was a State Certified General Real Estate Appraiser & 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 (2) terms.*

Clients For Which Appraisals Have Been Prepared By This Appraiser

Banks	Bankruptcy Courts	Cities of:	
Attorneys	Homeowners	Alamo	Cameron County
Retailers	Rancher	Alton	Hidalgo County
Doctors	National Franchises	Edinburg	Starr County
Oil Companies	Estate Planners	Hidalgo	
Farmers	Texas Department of	Mercedes	
Mortgage Companies	Transportation	Mission	
Hotel Franchises		McAllen	
US Department of Interior		Pharr	
		San Juan	
		Progresso	

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	Edcouch	Alice	Austin
Beeville	Hargill	Georgewest	Donna
Elsa	Harlingen	Kingsville	Edinburg
Mission	Hidalgo	McAllen	La Feria
New Braunfels	Los Ebanos	Palmview	La Joya
Progresso	Port Isabel	San Antonio	Mercedes
Rio Grande City	South Padre Island	Sullivan City	San Juan
Roma	Zapata	McCook	Weslaco

QUALIFICATIONS OF APPRAISER - LUIS CARLOS GARZA

Education

- Graduate 2002 University of Texas Pan American, Edinburg, Texas
Bachelor of Business Administration
- Graduate 1995 McAllen High School, McAllen, Texas

Licenses Held

- State Certified General Real Estate Appraiser
Number TX – 1338051-General
Licensed since July 28, 2008
Expires: July 31, 2010 (Active)

Public Service Organization

- McAllen Palm City Lions Club
- Associate Member of the International Right of Way Association (IRWA) (Member # 7899432)

Work Experience

- Employee of Leonel Garza Jr. and Associates since 2004

CERTIFIED LETTER OF INSPECTION SENT TO PROPERTY OWNER OF RECORD

Leonel Garza Jr. & Associates LLC
Appraisal Services

1419 Dove, Suite 1 - McAllen, Texas 78504
(956) 687-7295 (24 hour answering service) Fax (956) 687-9238

November 2, 2009

Project: Trenton Drainage Project

A 2.51 acre tract of land out of Lot 1, Block 54, Alamo Land and Sugar Company's Subdivision, Hidalgo County, Texas

Parcel 12
Roberto Rendon
P.O. Box 1000
Alamo, Texas 78516

To Whom It May Concern:

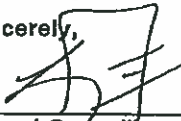
Leonel Garza Jr. & Associates LLC has been contracted by Hidalgo County Precinct No. 4, to appraise various properties within your market area for the purpose of acquiring either land in fee simple or as an easement. This proposed acquisition is for the purpose of a master plan drainage system for the County of Hidalgo. Attached is a survey of the property to be acquired. This office shall be inspecting the subject property from existing road right-of-way until verbal or written permission from you is granted to enter the subject property. We would like to extend the opportunity to meet with our office at your site at a later date in order to explain the project and the purpose of the appraisal report requested by Hidalgo County Precinct No. 4.

The Hidalgo County Precinct No. 4 is interested in acquiring said property believed to be in the name of Roberto Rendon. This is the beginning process for future negotiations to acquire the all or a portion of the subject property. If you or your representative wish to meet with us 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 this letter does not pertain to you and you have sold said property, please notify our office as soon as possible so that the proper ownership identification can be performed.

If you have any questions please call the office of Leonel Garza Jr. & Associates LLC at (956) 687-7295.

With this letter I request permission to perform an on-site inspection and 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 as soon as possible. Thank you.

Sincerely,



Leonel Garza II
State Certified General
Real Estate Appraiser
TX1328376-General

Cc: Hidalgo County Right-of-Way Department
Benito Rodriguez, Right-of-Way Agent
2401 N Moorefield Road
Mission, Texas 78572
(956) 283-8134

Leonel Garza Jr. & Associates LLC

CERTIFIED LETTER TRACKING INFORMATION

7005 3110 0000 0984 1865

U.S. Postal Service TM CERTIFIED MAILTM RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)		
For delivery information visit our website at www.usps.com		
OFFICIAL USE		
Postage	\$ 0.44	0049
Certified Fee	\$2.80	07
Return Receipt Fee (Endorsement Required)	\$2.30	Postmark Here
Restricted Delivery Fee (Endorsement Required)	\$0.00	
Total Postage & Fees	\$ 5.54	11/03/2009 Linton PD
Street, Apt. No. or PO Box No. <i>Roberto Rendón</i> <i>P.O. Box 1000</i> City, State, ZIP+4 <i>Alamo, TX 78510</i>		
PS Form 3811, June 2002		See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to: *Parcel 12*
Roberto Rendón
P.O. Box 1000
Alamo, TX 78510
Linton Drain

2. Article Number
 (Transfer from service label) **7005 3110 0000 0984 1865**

COMPLETE THIS SECTION ON DELIVERY

A. Signature *Araceli Rendón* Agent Addressee

B. Received by (Printed Name) *Araceli's Rendón* C. Date of Delivery *11/05/09*

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

WARRANTY DEED (Page 1 of 3)

CHARGE TO: VLTC
GF# 112053

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.

Warranty Deed with Vendor's Lien

Date: May 20, 2008

Grantor: CECIL LEWIS, a widower

Grantor's Mailing Address:

Cecil Lewis
162 Lake Park Circle
Mathis, Texas 78368

Grantee: ROBERTO RENDON

Grantee's Mailing Address:

Roberto Rendon
P.O. Box 1000
Alamo, TX 78518
Hidalgo County

Consideration:

Cash and a note of even date executed by Grantee and payable to the order of Grantor in the principal amount of ONE HUNDRED SIXTY THOUSAND AND NO/100 DOLLARS (\$160,000.00). The note is secured by a first and superior vendor's lien and superior title retained in this deed and by a first-lien deed of trust of even date from Grantee to Terry D. Key, trustee.

Property (Including any improvements):

The West 20 acres of Lot 1, Block 54, ALAMO LAND AND SUGAR COMPANY'S SUBDIVISION, Hidalgo County, Texas, according to the map recorded in Volume 1, Page 24, Map Records in the Office of the County Clerk of Hidalgo County, Texas, reference to which is here made for all purposes

Reservations from Conveyance:

None

Exceptions to Conveyance and Warranty:

1. Blanket easements, rules, regulations and rights in favor of Hidalgo County

WARRANTY DEED (Page 2 of 3)

2. Irrigation District No. 2.
2. Roads, easements and reservations as shown on the map and dedication of Alamo Land and Sugar's Company's Subdivision, recorded in Volume 1, Page 24, Map Records of Hidalgo County, Texas.
3. Easements for roadways and canals in favor of Alamo Land and Sugar Company as shown by instrument dated December 10, 1917, recorded in Volume 71, Page 605, Deed Records of Hidalgo County, Texas.
4. Easements for roadways, laterals and canals as shown by instrument dated December 15, 1927, recorded in Volume 267, Page 465 and dated December 15, 1927, recorded in Volume 273, Page 469, Deed Records of Hidalgo County, Texas.
5. Right of Way easement in favor of Texas Eastern Transmission Corp. as shown by Condemnation dated October 24, 1956 and under Cause No. CL-1510 and by instrument dated November 12, 1956, recorded in Volume 877, Page 15, Deed Records of Hidalgo County, Texas.
6. An undivided $\frac{1}{2}$ interest in all oil, gas and other minerals has been heretofore reserved by prior grantors as set forth in Deed dated August 26, 1972, recorded in Volume 1333, Page 631, Deed Records of Hidalgo County, Texas.
7. An undivided $\frac{3}{4}$ th interest in all oil, gas and other minerals has been heretofore reserved by prior grantors as set forth in Deed dated August 22, 1972, recorded in Volume 1333, Page 645, Deed Records of Hidalgo County, Texas.
8. Terms, stipulations and conditions contained in Oil, Gas and Mineral Lease executed by Cecil Lewis and wife, Mardell Lewis to Hale Schaleben, dated April 25, 1973, recorded in Volume 345, Page 559, Oil and Gas Records of Hidalgo County, Texas. Said lease was assigned unto Pennzoil Producing Co. by instrument dated August 14, 1973, recorded in Volume 346, Page 61, Oil and Gas Records of Hidalgo County, Texas.
9. Terms, stipulations and conditions contained in Oil, Gas and Mineral Lease executed by Heath, Stuart & Schneider Enterprises, Inc. to Hale Schaleben, dated May 3, 1973, recorded in Volume 345, Page 562, Oil and Gas Records of Hidalgo County, Texas. Said lease was assigned unto Pennzoil Producing Co. by instrument dated August 14, 1973, recorded in Volume 346, Page 61, Oil and Gas Records of Hidalgo County, Texas.
10. Terms, stipulations and conditions contained in Oil, Gas and Mineral Lease executed by Lester H. Kolberg and others to Hale Schaleben, dated June 8, 1973, recorded in Volume 345, Page 612, Oil and Gas Records of Hidalgo County, Texas. Said lease was assigned unto Pennzoil Producing Co. by instrument dated July 6, 1973, recorded in Volume 346, Page 59, Oil and Gas Records of Hidalgo County, Texas.
11. Terms, stipulations and conditions contained in Oil, Gas and Mineral Leases in favor of Yuma Petroleum Company, dated July 19, 1985, recorded in Volume 2174, Page 986 and dated July 16, 1985, recorded in Volume 2239, Page 25, Official Records of Hidalgo County, Texas.
12. Terms, stipulations and conditions contained in Oil, Gas and Mineral Leases in favor of Jamex II, Ltd., L.L.P., filed July 17, 2001 under Document Number 989422, 989425, 989430 and 989431, Official Records of Hidalgo County, Texas.
13. Visible and apparent easements on or across the property herein described.
14. Subject to the subdivision regulations of the County of Hidalgo and/or Ordinances or governmental regulation of the City in which the property may

WARRANTY DEED (Page 3 of 3)

- 15. be located or holding extra-territorial jurisdiction of said property. Any part thereof lies within canal right of way claimed in fee simple by Hidalgo County Irrigation District No. 2 is expressly excluded from coverage of this policy.

Grantor, for the Consideration and subject to the Reservations from Conveyance and 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 heirs, 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 heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

The vendor's lien against and superior title to the Property are retained until each note described is fully paid according to its terms, at which time this deed will become absolute.

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

Cecil Lewis

 CECIL LEWIS

STATE OF TEXAS)

COUNTY OF HIDALGO)

SH
San Antonio

This instrument was acknowledged before me on May 21, 2008, 2008, by CECIL LEWIS.

Sandra J. Hendrickson

 Notary Public, State of Texas
 My commission expires:
Oct 28, 2010

PREPARED IN THE OFFICE OF:

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