

Statement

Professional Appraisal Service, Inc.

P. O. Box 3722
 McAllen TX 78502
 PH# (956) 687-9535
 Tax Id # 74-2556104

DATE
8/27/2010

TO:
Hidalgo County Precinct #3 724 Breyfogle Road Mission, Texas 78574

AMOUNT DUE	AMOUNT ENC.
\$900.00	

DATE	TRANSACTION				AMOUNT	BALANCE
06/21/2010	Balance forward					900.00
<p><i>Please call to discuss this payment -</i></p> <p><i>Walter Mulcom</i> <i>687-9535</i></p>						
CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	AMOUNT DUE	
0.00	0.00	0.00	0.00	900.00	\$900.00	

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BILL TO

Hidalgo County Precinct #3
724 Breyfogle Road
Mission, Texas 78574

Invoice

DATE	INVOICE #
6/24/2009	6352

TERMS	REP
Due on receipt	JHM

DESCRIPTION	DATE OF SERVICE	AMOUNT
For the update appraisal of Parcel #5, El Capote, Inc., for the 83 Outfall Drainage Project.	6/24/2009	900.00

Total \$900.00



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

Address of Property: Shuerbach Road, 0.36 mile S/o US 83, Mission, Texas Account: Hidalgo County Drainage District #1
 Property Owner: El Capote, Inc. Parcel: #5
 Address of Property Owner: PO Box 53122 - McAllen, TX 78505-3122 RCSJ:
 Occupant's Name: N/A Federal Project No:
 Whole: Partial: Acquisition Highway: US 83 Outfall Project County: Hidalgo

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 sulfur. 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 \$ 54,900 as of June 12, 2009, based upon my independent appraisal and the exercise of my professional judgment;

That on November 18, 2008 and on June 12, 2009 (date)(s), I personally inspected in the field the property herein appraised; that I afforded Mr. Ricardo Hernandez, the property owner or the representative of the property owner, the opportunity to accompany me at the time of the inspection. The property owner did not accompany the appraiser on the inspection.

That the comparables relied upon in making said appraisal were as represented by the photographs contained in the appraisal report and were inspected on or by June 12, 2009 (date)(s);

That I have not revealed and will not reveal the findings and results of such appraisal to anyone other than the proper officials of the Hidalgo County Right of Way Department 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;

That 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;

That 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;

That 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;

That 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 non-compensable 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 for which such property is to be acquired, or by the likelihood that the property would be acquired for such 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.



 John H. Malcom, Jr. MAI, CCIM, SR/WA
 Appraiser Signature
 #TX-1320239-General
 Certification Number

 June 22, 2009

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

USPAP REQUIREMENTS/SALIENT FACTS PAGE

USPAP Comments - Scope of Work: This appraisal involves a partial taking of a strip of land. The larger property is a 93.921 net acre tract of land located south of Business 83 between Schuerbach Road to the east and Scott Lane Road to the west. As of the effective date of the appraisal, the site was unimproved. The cost and income approach are not applicable for the valuation of the part to be acquired, and have not been included in the appraisal report. The underlying land and the portion of the land that is included in the taking is appraised based on comparable sales and utilizing a sales comparison approach. The appraisal report is a summary report prepared under the Uniform Standards of Professional Appraisal Practice and utilizing Form ROW A-6 prepared by the Texas Department of Transportation.

The scope of the work includes a complete analysis of the subject property and the subject neighborhood. In addition, research was conducted on surrounding land uses, market trends and comparable land sales and comparable improved sales. A form report, TXDOT Form ROW-A-6, was prepared which summarized the data and my analysis and conclusions regarding the subject property.

While compiling information to complete this appraisal, I used several different data sources, including but not limited to: local real estate experts, governmental agencies, grantors, grantees, etc.

All methodology used to arrive at the estimate of market value can be found in The Appraisal of Real Estate, Thirteenth Edition, published by the Appraisal Institute. The appraisal methodology and the value conclusion contained herein are in conformance with the 2008 Uniform Standards of Professional Appraisal Practice.

This appraisal report is for the exclusive use of Hidalgo County Right of Way Department (client) for the purpose of assisting with the acquisition of right-of-way for the construction of a drainage ditch as part of the Business Highway 83 Outfall Project.

This is a summary appraisal report which is intended to comply with the reporting requirements set forth under Standards Rule 2-2 (b) of the Uniform Standards of Professional Appraisal Practice for a Summary Appraisal Report. As such, it represents only summary discussions of the data, reasoning and analyses that were used in the appraisal process to develop the appraisers opinion of value. Supporting documentation concerning the data, reasoning and analyses is retained in the appraisers files. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated above. The appraisers are not responsible for unauthorized use of this report.

Within the appraisal process, the three accepted approaches to real property valuation (cost, income and sales comparison approaches) were considered (as applicable). In preparing this appraisal, the appraiser inspected the subject site and neighborhood. Information was gathered on comparable land and improved sales. The sales comparison approach was used to value the site as if vacant. When appropriate, information was obtained regarding comparable costs and the cost approach was utilized to value the site improvements. These approaches to value were reconciled to derive an estimate of value for the whole property, the part taken, the remainder after the taking, severance damages, and just compensation.

Jurisdictional Exception: This appraisal has been prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP). Jurisdictional exception provides for severability preserving the balance of USPAP if one or more parts of USPAP are contrary to law or public policy of a jurisdiction. According to USPAP, law means a body of rules with binding legal force established by controlling governmental authority. This includes federal and state constitutions, legislative and court made law, and administrative rules, regulations and ordinances. As appraisals performed for eminent domain are subject to certain constraints based on statutory and case law regarding compensability, the issue of jurisdictional exception is invoked.

Intended Use and Intended User: This appraisal report is for the exclusive use of Hidalgo County Right of Way Department(client) for the purpose of assisting with the acquisition of right-of-way for the construction of a drainage ditch as part of the Business Highway 83 Outfall Project

Exposure Period: The Market value estimate assumes that the subject property has been exposed to the market for some period of time prior to the date of appraisal. It provides a measure of the stability of the market and helps the reader of the appraisal determine if the market conditions are stable or changing for the recent past and the near future. The exposure time for the current appraisal is 6 months and the marketing time is estimated at 6 to 12 months. Market conditions are believed to be stable for the subject property within this time period.

Environmental: No adverse environmental influences were noted at the time of inspection.

Property Rights Appraised: The property rights appraised are the fee simple estate subject to existing easements and excluding oil, gas, and subsurface minerals.

The fee simple estate - is the absolute ownership unencumbered by any other interest or estate. A fee simple estate is subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

Date of Inspection/Owner Contact: The appraisers contacted the owner by telephone and discussed the project with the owner. The site was inspected on November 18, 2008 and on June 12, 2009.

Effective Date of Appraisal: The effective date of this appraisal is June 12, 2009, the most recent date of inspection. Photos of the subject were taken during the November 18th inspection.

Date of Report: The date of this report is June 22, 2009.



PHOTOGRAPHS OF SUBJECT PROPERTY

Include Each Major Improvement

Parcel No.: 5

Date Taken: November 18, 2008

1. Point from which taken: Schuerbach Road, Subject on Right

Local Address: South of Business 83 on Shuerbach Rd.

Taken By: John Malcom

Looking: South Along Schuerbach Road



2. Point from which taken: Schuerbach Road

Looking: West Over Part to be Acquired



PHOTOGRAPHS OF SUBJECT PROPERTY

Include Each Major Improvement

Parcel No.: 5

Date Taken: November 18, 2008

3. Point from which taken: Schuerbach Road

Local Address: South of Business 83, Shuebach Rd, W/side

Taken By: John Malcom

Looking: View of Abandoned Drainage Easement



4. Point from which taken: Scott Lane Road, Subject on Left

Looking: South Along Scott Lane Road



11/10/2008

HIGHWAY: BUSINESS 83

PROJECT LIMITS: BUSINESS 83 OUTFALL

REVISED FIELD NOTES FOR PARCEL-5 TRACT 1

A tract of land containing 1.83 acres; comprised of 1.59 acres out of Lot Seven (7), and 0.24 acres out of Lot Eight (8), Block Three (3) being out of Del Monte Orchard Co. Subdivision No. 1, situated in Hidalgo County, Texas, according to the Map or plat thereof recorded in Volume 35, Page 25, of the Map Records of Hidalgo County, Texas; and being out of a part and portion of that certain called 113.473 acre tract of land as conveyed to JAVIER F. FERRO, SR. in Warranty Deed with Vendor's Lien dated April 9, 2003, as recorded in Document Number 1190117 of the Official Records of Hidalgo County, Texas; said 1.83 acre tract of land being more particularly described by metes and bounds as follows, with all bearings based on a Grid Coordinate System of the City of McAllen as done by Aranda and Associates:

BEGINNING at a found 1/2-inch iron rod with a D.E.C. plastic cap located at the Southeast corner of that certain tract of land as conveyed to Vida Properties, L.L.C. in Sheriff's Tax Deed dated August 20, 2004, as recorded in Document Number 1376426 of the Official Records of Hidalgo County, Texas, and the Southwest corner of that certain tract of land as conveyed to Hidalgo County Right of Way Department in Warranty Deed dated November 21, 1995, as recorded in Volume 2216, Pages 942-948 of the Deed Records of Hidalgo County, Texas; same being a common corner for Lot Five (5), Lot Six (6), Lot Seven (7), and Lot Eight (8), Block Three (3) of said Del Monte Orchard Co. Subdivision No. 1;

THENCE South 81° 19' 04" East, with the South line of said Lot Five (5), and the North line of said Lot Seven (7), Block Three (3), also being the South line of said tract of land as conveyed to Hidalgo County Right of Way Department, at 75.00 feet pass a found 1/2-inch iron rod with a D.E.C. plastic cap, in all a total distance of 495.00 feet to a set 3/4-inch iron rod with a D.E.C. plastic cap located on the West line of a Hidalgo County Irrigation District No. 6 Abandon Drain Ditch DS-1-1 (140-foot right-of-way easement), as recorded in RESOLUTION ABANDONING EASEMENT dated December 5, 1996, in Document Number 567013 of the Official Records of Hidalgo County, Texas; for the Northeast corner of the tract of land herein described;

THENCE South 08° 40' 56" West, with the West line of said Hidalgo County Irrigation District No. 6 Abandon Drain Ditch DS-1-1 (140-foot right-of-way easement), 140.00 feet to a set 3/4-inch iron rod with a D.E.C. plastic cap for the Southeast corner of the tract of land herein described;

THENCE North 81° 19' 04" West, parallel with the North line of said Lot Seven (7), and the South line of said Lot Five (5), Block Three (3), at 495.00 feet to a point on the West line of said Lot Seven (7), and the East line of said Lot Eight (8), Block Three (3), in all a total distance of 570.00 feet to a set 3/4-inch iron rod with a D.E.C. plastic cap for the Southwest corner of the tract of land herein described;

THENCE North 08° 40' 56" East, parallel to the East line of said Lot Eight (8), and the West line of said Lot Seven (7), Block Three (3), 140.00 feet to a found 1/2-inch iron rod with a D.E.C. plastic cap located on the North line

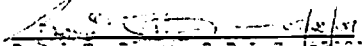
Parcel 5 Tract 1
2 of 2

of said Lot Eight (8), and the South line of said Lot Six (6), Block Three (3), also being the South line of said tract of land as conveyed to Vida Properties, L.L.C., for the Northwest corner of the tract of land herein described;

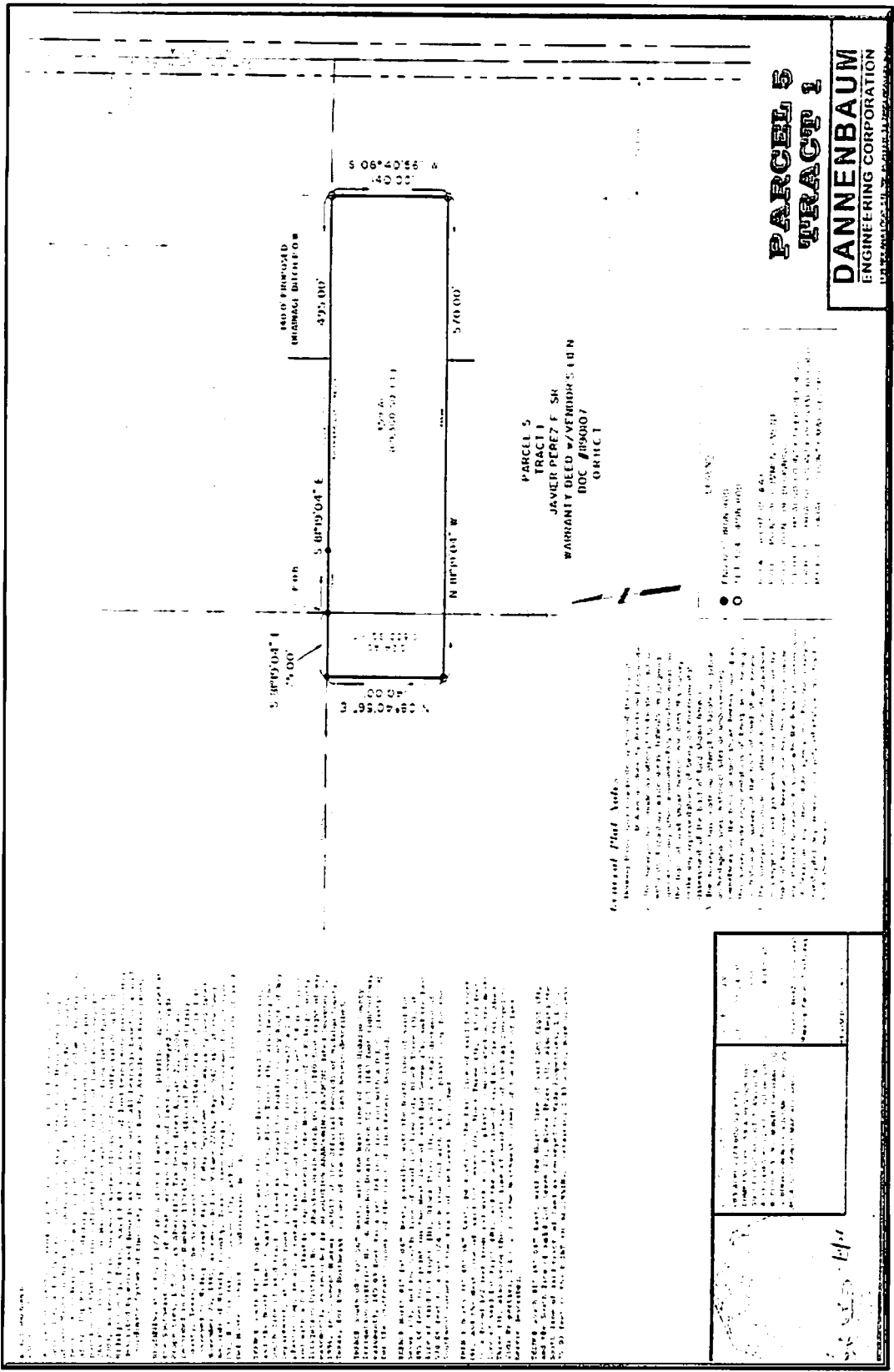
THENCE South $81^{\circ} 19' 04''$ East, with the North line of said Lot Eight (8), and the South line of said Lot Seven (7), Block Three (3), also being the South line of said tract of land as conveyed to Vida Properties, L.L.C., 75.00 feet to the POINT OF BEGINNING; containing 1.83 acres, more or less.

DANNENBAUM ENGINEERING CORPORATION
Consulting Engineers

4042-52 / JV
Parcel 5 Tract 1
May 8, 2007


Royal T. Brown, R.P.L.S. #3861

Note: Parcel plat of even dated to accompany this legal description.



General Plat Note:

1. The bearings and distances shown on this plat were obtained from the field notes of the surveyor who made the survey. It is the responsibility of the surveyor to ensure that the bearings and distances are correct. The surveyor is not responsible for any errors or omissions in the field notes or in the plat. The surveyor is not responsible for any errors or omissions in the field notes or in the plat. The surveyor is not responsible for any errors or omissions in the field notes or in the plat.

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DESCRIPTION OF PROPERTY

The subject area includes property along the west side of Schuerbach Road south of US Expressway 83, in Mission, Texas. Neighborhood boundaries are generally defined as 3 Mile Road to the north, SH 107 (Conway) to the east, Military Highway to the south, and Abram Road to the west. This neighborhood is part of the growing area located between Mission and La Joya in southern Hidalgo County. US Expressway 83 is the primary traffic artery through the area with secondary arteries Business Highway 83, or Loop 374 to the north, and Military Highway to the south. Area development patterns include mixed commercial and residential sites on each side of US Highway 83, Business Highway 83, and portions of Mile 1 North Road from Mission to La Joya. Residential development is the predominant use for land located off of the main traffic arteries. This is a developing area and increased density of development can be anticipated to continue.

Although precise population information has not been obtained for the defined area, demographic information has been considered for a three mile radius extending from the subject property. A 3 mile radius extends north to a point near Mile 2 Line North Road, on the south to the Rio Grande River, on the east to a point near Bryan Road and on the west to the extension of Showers Road. Within this area, the following demographic factors are noted:

The current population is estimated at 54,636. Population growth is estimated to have increased 18.2% between 2000 and 2008. The median age is estimated at 27.3 years and approximately 61.3% of the population is under the age of 35 and approximately 46.5% is under the age of 25 years. The median household income is estimated at \$26,591 (the US average is \$73,126 and the median for Hidalgo County is \$30,932) with the average household income estimated at \$36,531.

For persons over the age of 25 years, the educational attainment level includes 23.4% with a high school diploma, 13.9% with some college education but no degree, and 33.7% with an associate, bachelors, or graduate degree. This indicates that 50.7% of the population, over the age of 25 has completed a high school education (Hidalgo County = 59.2%).

For persons over the age of 16, approximately 88.9% are employed, 11.1% are unemployed, and 48.3% are not in the labor force. The average time traveled to work was around 23.0 minutes in the year 2000. For Hidalgo County as a whole, 90.8% of the population over 16 years is employed, 9.2% is unemployed, 47.4% is not in the labor force.

The housing supply was estimated at 20,050 units in 2008 with 59.8% being owner occupied, and 17.1% being renter occupied, and 25.5% being vacant.

The southwest Mission area reflects the demographic attributes of the Rio Grande Valley with slightly lower income levels and education attainment levels than Hidalgo County and the Valley as a whole. The Rio Grande Valley and Hidalgo County both fall below the State of Texas and the United States in terms of wage and income as well as educational attainment and employment.

Public improvements within the area include the widening project for US Highway 83, the future widening of US Business Highway 83, and expansion of the water and sewer system throughout the community. US Highway 83 has recently been completed with construction to turn the highway into a controlled access road with on/off ramps through the community. The second part of the project is now underway which will involve the acquisition of additional right of way to construct frontage roads along the main travel lanes of the highway. The La Joya Water Supply Corporation is involved in an EDAP project to extend sewer service throughout the community. The project will commence in the Sullivan City area and extend eastward through Palmview as the project progresses.



Legal Description - Whole Property: A tract of land containing 113.473 acres, more or less, situated in Hidalgo County, Texas, and also being all of Lot 7 and 8, Block 3, all of Block 5, all of Lots 2, 4 and 5, Part or portion of Lots 1 and 3, Block 7, part or portion of Lots 7 & 8, Block 8, part or portion of Lot 4, Block 9, all of Lot 1 and part or portion of Lot 2 Block 10, Del Monte Orchard Co. Subdivision, No. 1, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 5, Page 25, Map Records, Hidalgo County, Texas.

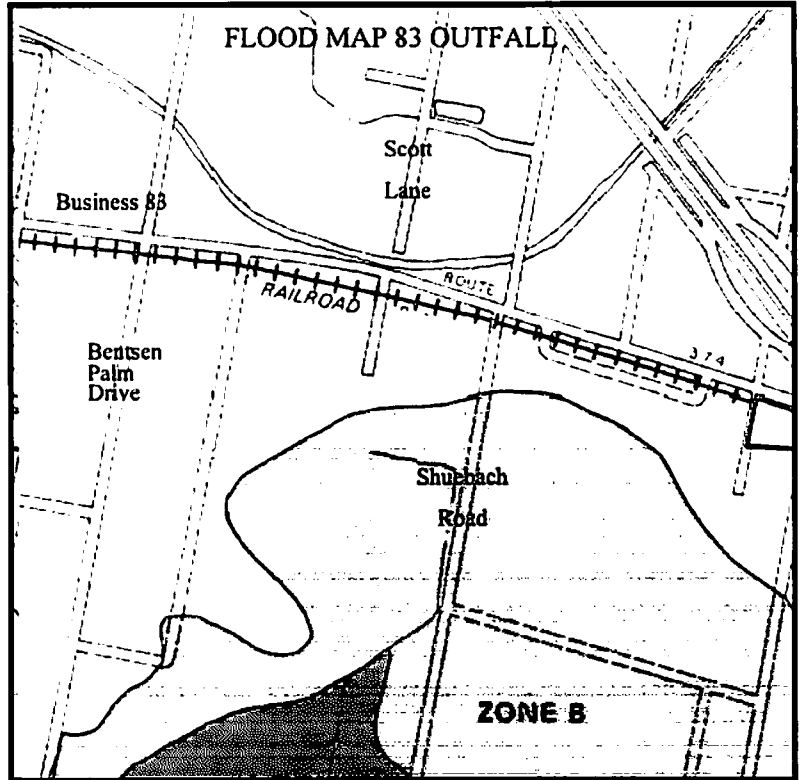
Legal Description - Part to be Acquired: The part to be acquired includes 1.83 acres out of the parent tract. The part to be acquired is identified by a metes and bounds description contained in the Field Notes and Site Plat that are included as an exhibit to this report.

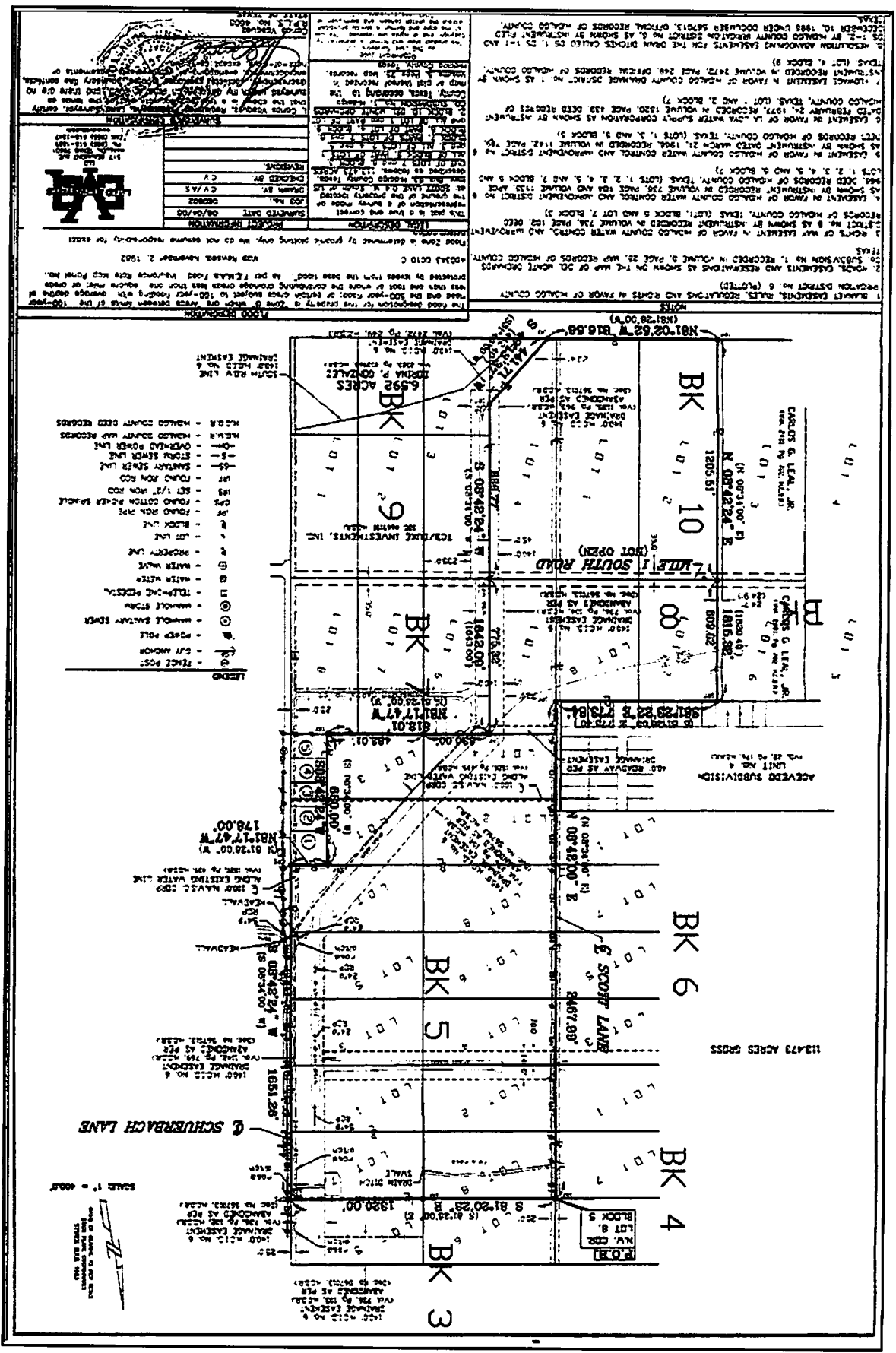
5 Year Sales History: According to information provided by the client, the subject property transferred from Sharyland Investors, Ltd., a Texas Limited Partnership to El Capote, Inc., a Texas Corporation on July 1, 2008. The consideration given is unknown. No offers to either sell or purchase the property are known to the appraisers.

Site Description: The appraised property is located near Mission, Hidalgo County, Texas and lies just south of Business 83 between Shuebach Road to the east and Scott Lane Road to the west. It is irregular in shape and offers 1,320' along its northern boundary, 3,953.4' of non contiguous frontage along its eastern boundary, 816.6' of frontage along its southern boundary and 4,283' of non contiguous frontage along its western boundary. The property includes approximately 113.473 gross acres and is bisected by a drainage ditch, Mile 1 South Road right of way (which has not yet been constructed), Scott Lane Road right of way (which has not yet been extended south through the property). According to deed information, a portion of the drainage ditch that runs along the eastern boundary of the subject has been abandoned to the public. According to the Abandonment Deed "This does not affect any easement heretofore conveyed or transferred to, or in use by, any governmental entity". According to Deed information, net land area is 93.921 acres.

Available utilities include water, electricity, and phone service. Sewer has been extended to a Hidalgo County Health clinic located on the west side of Shuebach Road which borders the subject on the north, but this was done only to serve that county office, as a courtesy. The appraised property is located in the ETJ of the City of Mission but within the La Joya Water Supply Corporation CCN, or service area. The LJWSC has a 12" water line along Scott Lane and a 4" water line along Schuebach Road. The LJWSC does not have sewer service in the area. The site is located in the ETJ of Mission and is not zoned at this time. The City of Mission does not have authority to provide water or sewer service to the property without the permission of the LJWSC. The City Manager for the City of Mission indicates that the City is unlikely to provide sewer service unless they also provide water service and receive revenue from water sales.

The property lies within an area with a mix of Zone AH, B and C flood insurance rate areas. Topography is near level. The appraiser has been provided with a survey for the whole property. The survey indicates that the property is located in a Zone B and C flood insurance rate area. The part to be acquired is a 140' wide strip off of the northeastern portion of the property.





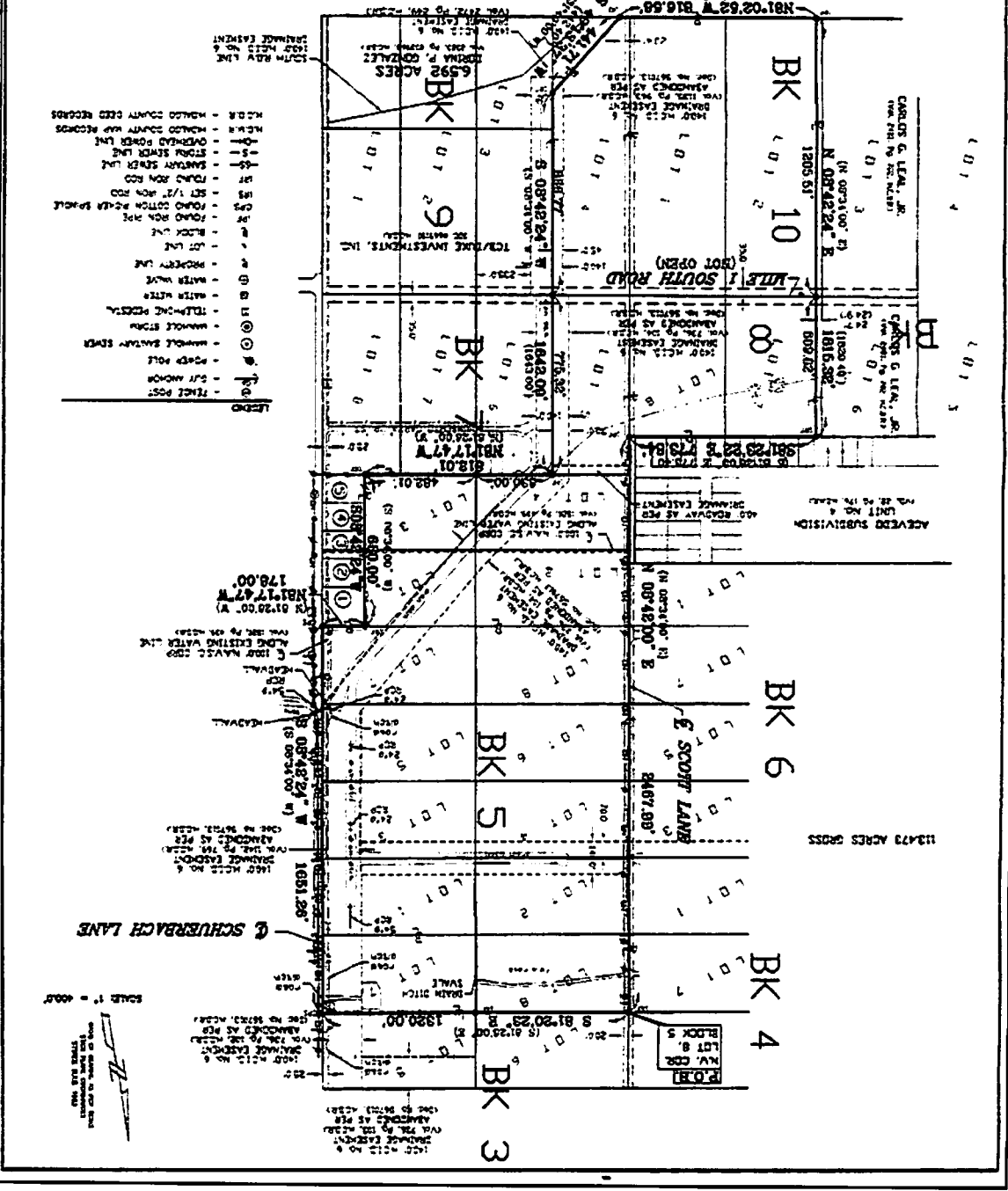
NOTES

1. BLOCKS 3, 4, 5, 6, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.



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THIS IS A TRUE AND CORRECT COPY OF THE ORIGINAL RECORD AS FILED IN THE PUBLIC RECORDS OF HALL COUNTY, GEORGIA, ON FEBRUARY 2, 1902.



Tax Information: The appraised property is located within the following taxing entities and is subject to the indicated tax rates: The tax accounts are included based on the current assessed value for 2008. The assessed value in the following grid reflects land and improvements.

TAXING ENTITIES	TAX RATES \$/100
Hidalgo County Drainage District #1	\$0.049200
Hidalgo County	\$0.590000
South Texas College	\$1.540000
Road District #5	\$0.010900
La Joya ISD	\$1.252000
South Texas ISD	\$0.049200
COMBINED TAX RATE	\$3.491300
Assessed Value	\$797,790
Current Tax Load	\$27,853

Improvement Description: N/A, As of the effective date of the appraisal, the subject property was unimproved.

Highest and Best Use - Whole Property: The subject site is located in a developing area of Palmview/Mission and central Hidalgo County. According to deed information, net land area is 93.921 acres and potable water, electricity, and telephone service is available in the area and to the site. A portion of the property is located in a special flood hazard area. It is within the ETJ of the City of Mission and is not zoned. Highest and best use is for residential or mixed commercial and residential use.

Part to be Acquired: The part to be acquired includes a 140' x 570' rectangular shaped tract of land out of the northeast part of the whole. The taking area is 1.83 acres. The taking does constitute an economic unit and the highest and best use is for a separate economic unit. Highest and best use is for commercial or residential use.

Remainder After the Taking: The remainder after the taking will include the remaining land. After the taking the whole property maintains similar physical characteristics and attributes. The remainder is not adversely affected as a result of the acquisition and the highest and best use after the taking remains for mixed use consistent with the limitations imposed by the tract shape and various encumbrances.

Discussion of Economic Unit: The property includes approximately 113.473 gross acres and it has 3,953.4' of non contiguous frontage along its eastern boundary, 816.6' of frontage along its southern boundary and 4,283' of non contiguous frontage along its western boundary. The property is bisected by a drainage ditch, Mile 1 South Road right of way (which has not yet been constructed), Scott Lane Road right of way (which has not yet been extended south through the property). For valuation purposes, an economic unit of 8 acres (348,480 sf) being 475' along Shuebach Road by a maximum depth of 735' is selected. Access to the site is from Schuerbach Road across a 140' wide abandoned easement in favor of HCID #6. The 140' abandoned easement is currently utilized by Hidalgo County Drainage District #1 as part of the drainage system for Hidalgo County. The appraiser was advised that the abandoned easement will remain in its current configuration and could be utilized for ingress/egress purposes to the 8.0 acre economic unit. The site configuration is suitable for residential use and the site is of sufficient size to utilize an on site septic system. The economic unit and the part to be acquired are located in a flood zone "B" flood insurance rate area. Highest and best use for the economic unit is for commercial or residential use. The 8.0 acre economic unit is consistent with other tracts in the area that have a similar highest and best use. The compensation for the part to be acquired is a pro rata share of the whole.

VALUATION
OF PART TO BE ACQUIRED
LAND VALUATION
Representative Comparable Sales

	Subject	Sale #1	Sale #2	Sale #3
Grantor		3 L Lots & Developers	Oscar Garza and Noralinda Garza	Arnaldo Salazar Estate
Grantee		3 Diamonds, Inc.	Felix Chavez, Jr.	Valley West Plaza
Sale Price		\$100,000	\$285,000	\$300,000
Date of Sale		July, 2007	Sept. 30, 2008	August 2008
Unit Value/Acre		\$20,964	\$32,605	\$37,500
Location	Shuebach and Scott Lane, S/o of Bus 83	Scott Lane, S/o Business 83	Mile 2 and Breyfogle, SEC	Ebony Highland Drive
Property Rights	Fee Simple	Similar	Similar	Similar
Financing	Cash	Similar	Similar	Similar
Conditions Sale	Arm's length	Similar	Similar	Similar
Market Conditions	June 2009	Similar	Similar	Similar
Time Adjusted Value		\$20,964	\$32,605	\$37,500
Location/Interior	Interior	Similar/Interior	Corner	Interior
Adjustment		0%	-10%	-10%
Physical Characteristics	8.0 acres	4.77 acres	8.741 acres	8.0 acres
Size Adjustment		-10%	0%	0%
Tract Shape/ Dimensions Utilities	Rectangular 474' x 735'	Rectangular 330' x 630'	Slightly Irregular 635' x 615'	Rectangular 660' x 528'
Adjustment		0%	0%	0%
Topography/ Easement	Zone B No Adverse	Zone B No Adverse	Zone C No Adverse	Zone C No Adverse
Adjustment		0%	-5%	0%
Net Adjustment		-10%	-15%	-10%
Adjusted Value		\$18,868	\$27,714	\$33,750

Land Sale No. 1

Property Identification

Record ID	1624
Property Type	Development Land - Residential
Address	Palmview, Hidalgo County, Texas
Location	Scott Lane, east side, ± 0.34 mile south of Business 83
Tax ID	D2800-00-003-0006-00

Sale Data

Grantor	3 L Lots & Developers, LLC, a Texas LLC
Grantee	3 Diamonds, Inc. a Texas Corporation
Sale Date	July 17, 2007
Deed Book/Page	DOC #1784696
Property Rights	Surface only
Conditions of Sale	Arm's length
Financing	Cash to Seller
Sale History	See Remarks
Verification	Norberto Salinas (Grantee); 956-584-0262, November 19, 2008; Other sources: Deed Records, Confirmed by Paul Haerther

Sale Price	\$100,000
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Land Data

Topography	Below street grade, brushy
Utilities	Water, electricity and telephone
Dimensions	330' x 630'
Shape	Rectangular
Flood Info	Zone "B"
Depth	630

Land Size Information

Gross Land Size	4.770 Acres or 207,781 SF
Useable Land Size	4.770 Acres or 207,781 SF , 100.00%
Front Footage	330 ft Total Frontage: 330 ft Scott Lane

Indicators

Sale Price/Gross Acre	\$20,964
Sale Price/Gross SF	\$0.48
Sale Price/Useable Acre	\$20,964
Sale Price/Useable SF	\$0.48
Sale Price/Front Foot	\$303

Legal Description

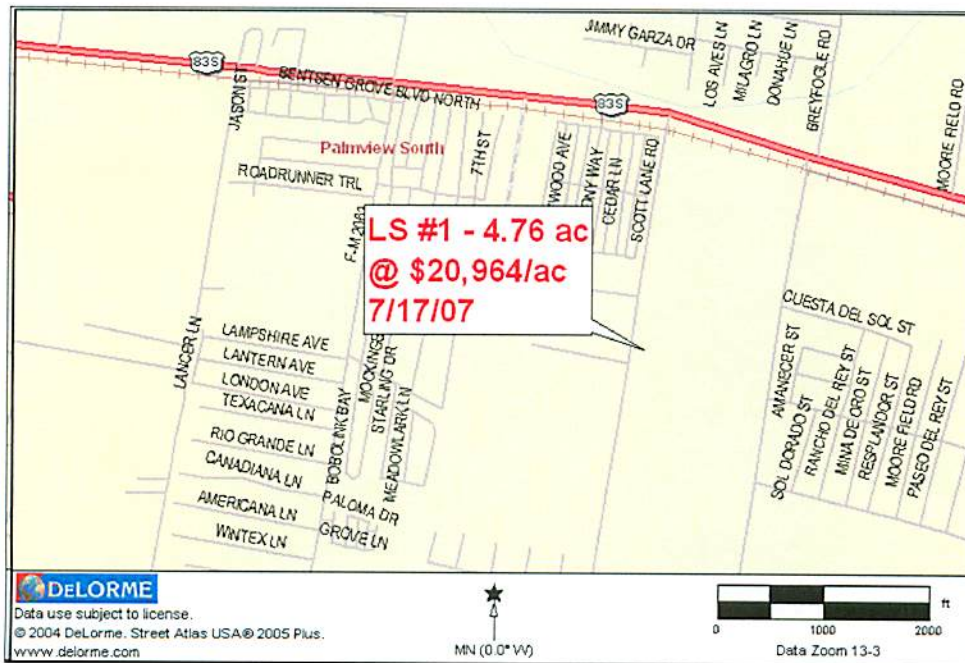
Lot Six (6) Block Three (3), Del Monte Orchard Subdivision, No 1, Hidalgo County, Texas, according to the map or plat thereof recorded in Volume 5, Page 25, Map Records,

Land Sale No. 1 (Cont.)

Remarks

The seller has provided the appraiser with a survey which indicates that the property is bisected east to west for 620' of its depth by a 40' wide drainage ditch which includes its spoil bank. (Another survey provided by HCDD#1 seems to indicate that the ditch is an abandoned drainage easement.) This ditch is in the tract's northern area and 60.5' of the tract's width is located to the north of the ditch. The ditch has been backfilled and the uninhabitable structures removed and the brush cleared.

LAND SALE #1 - PHOTO & MAP EXHIBIT



Land Sale No. 2

Property Identification

Record ID 1698
Property Type Development Land - Mixed Use
Address Mission, Hidalgo County, Texas 78572
Location Breyfogle Rd and Mile 2 Rd North, the SEC
Tax ID N1200-01-000-0040-00

Sale Data

Grantor Oscar Garza and wife, Noralinda G. Garza
Grantee Felix Chavez, Jr.
Sale Date September 30, 2008
Deed Book/Page 1927955
Property Rights Surface only
Marketing Time 237
Conditions of Sale Arms length
Financing \$200,000 note to San Antonio National Bank
Verification Glissy Herrera, Office mgr. Real Estate Investments Co.; 956-605-7142, June 16, 2009; Confirmed by Tony Morin

Sale Price \$285,000

Land Data

Topography Brushy, at or below street grade
Utilities Water, sewer, electricity and telephone
Dimensions 635' x 615'
Shape Slightly irregular
Flood Info Zone C 480334 0400C 11/16/82
Depth 635

Land Size Information

Gross Land Size 9.620 Acres or 419,100 SF
Useable Land Size 8.741 Acres or 366,447 SF , 90.86%
Unusable Land Size 0.879 Acres or 52,654 SF , 9.14%
Front Footage 1,250 ft Total Frontage

Indicators

Sale Price/Gross Acre \$29,626
Sale Price/Gross SF \$0.68
Sale Price/Useable Acre \$32,605
Sale Price/Useable SF \$0.75
Sale Price/Front Foot \$228

Land Sale No. 2 (Cont.)

Legal Description

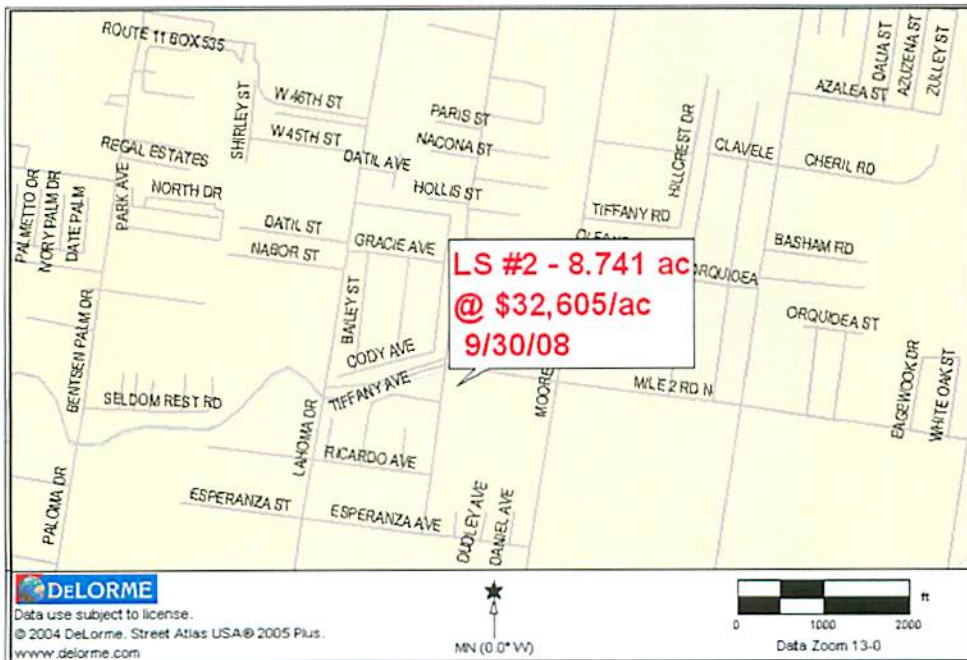
Tract I: All of Lot 40, New Caledonia Unit No. 1, Hidalgo County, Texas, according to the map or plat thereof recorded in Volume 6, Page 19, Map Records of Hidalgo County, Texas. Save and except that portion of said property conveyed to the County of Hidalgo by deed dated March 19, 2004 executed by Oscar Garza and wife, Noralinda G. Garza, filed for record on March 25, 2004 in the office of the County Clerk of Hidalgo County Texas under Document No.. 1313588.

Tract II: A tract of land 20 feet in depth by 660 feet in width located immediately North of and along the northern boundary of Lot 40, New Caledonia Unit No. 1, Hidalgo County, Texas, according to the map or plat thereof recorded in Volume 6, Page 19, Map Records of Hidalgo County, Texas and being a portion of the property conveyed to Grantor by the American Land Company of Texas by Warranty Deed dated September 30, 1936 recorded in Volume 419, Page 179, Deed Records of Hidalgo County, Texas.

Remarks

This is the sale of an irregular shaped brush tract having frontage on Breyfogle Rd. (aka Shuebach Rd) and on Mile 2 North Road in the western area of Mission. Sewer service is in the area, running east along the north side of Mile 2 North Road but it is not located south of Mile 2 on Breyfogle Road. Tract 2 is a 660' by 20' strip lying along the north side of Mile 2 North Road.

LAND SALE #2 - PHOTO & MAP EXHIBIT



Land Sale No. 3

Property Identification

Record ID 1645
Property Type Development Land - Residential
Address Mission, Hidalgo County, Texas
Location Ebony Highland Drive, West of Bryan Road

Sale Data

Grantor Arnaldo Salazar, Jr. Estate, Patty Salazar Administratrix
Grantee Valley West Plaza/Villa Rama East Subdivision
Sale Date August 21, 2008
Deed Book/Page DOC #1922517
Property Rights Surface
Conditions of Sale Arms Length
Financing Cash to Seller
Verification MLS #115385/Real Estate Inv. Co.; (956) 687-9737, January 20, 2009;
Other sources: Deed Records, Confirmed by Paul Haerther

Sale Price \$300,000

Land Data

Topography Generally Level
Utilities Water, Electric
Dimensions 660' (north/south) x 528' (east/west)
Shape Rectangular
Flood Info Zone "C"

Land Size Information

Gross Land Size 8.000 Acres or 348,480 SF
Useable Land Size 8.000 Acres or 348,480 SF , 100.00%

Indicators

Sale Price/Gross Acre \$37,500
Sale Price/Gross SF \$0.86
Sale Price/Useable Acre \$37,500
Sale Price/Useable SF \$0.86

Legal Description

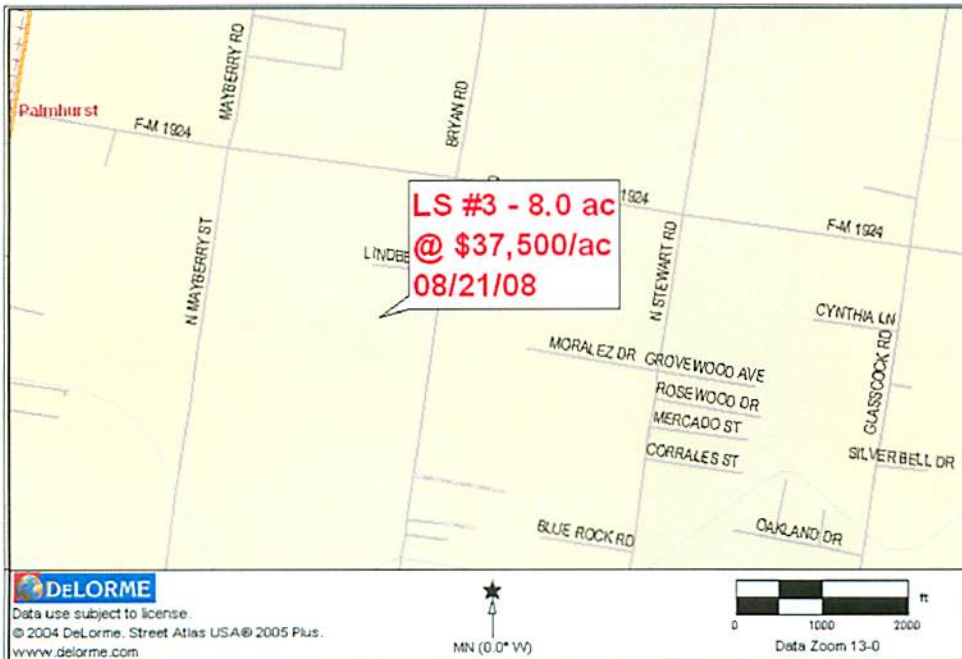
Tract 1 - The North 330 feet of the West 528 feet of Lot 31-10, West Addition to Sharyland, Hidalgo County, Texas, according to the map recorded in Volume 1, Page 56, Map Records in the Office of the County Clerk of Hidalgo County, Texas.

Tract 2 - The South 330 feet of the West 528 feet of Lot 31-10, West Addition to Sharyland, Hidalgo County, Texas, according to the map recorded in Volume 1, Page 56, Map Records in the Office of the County Clerk of Hidalgo County, Texas.

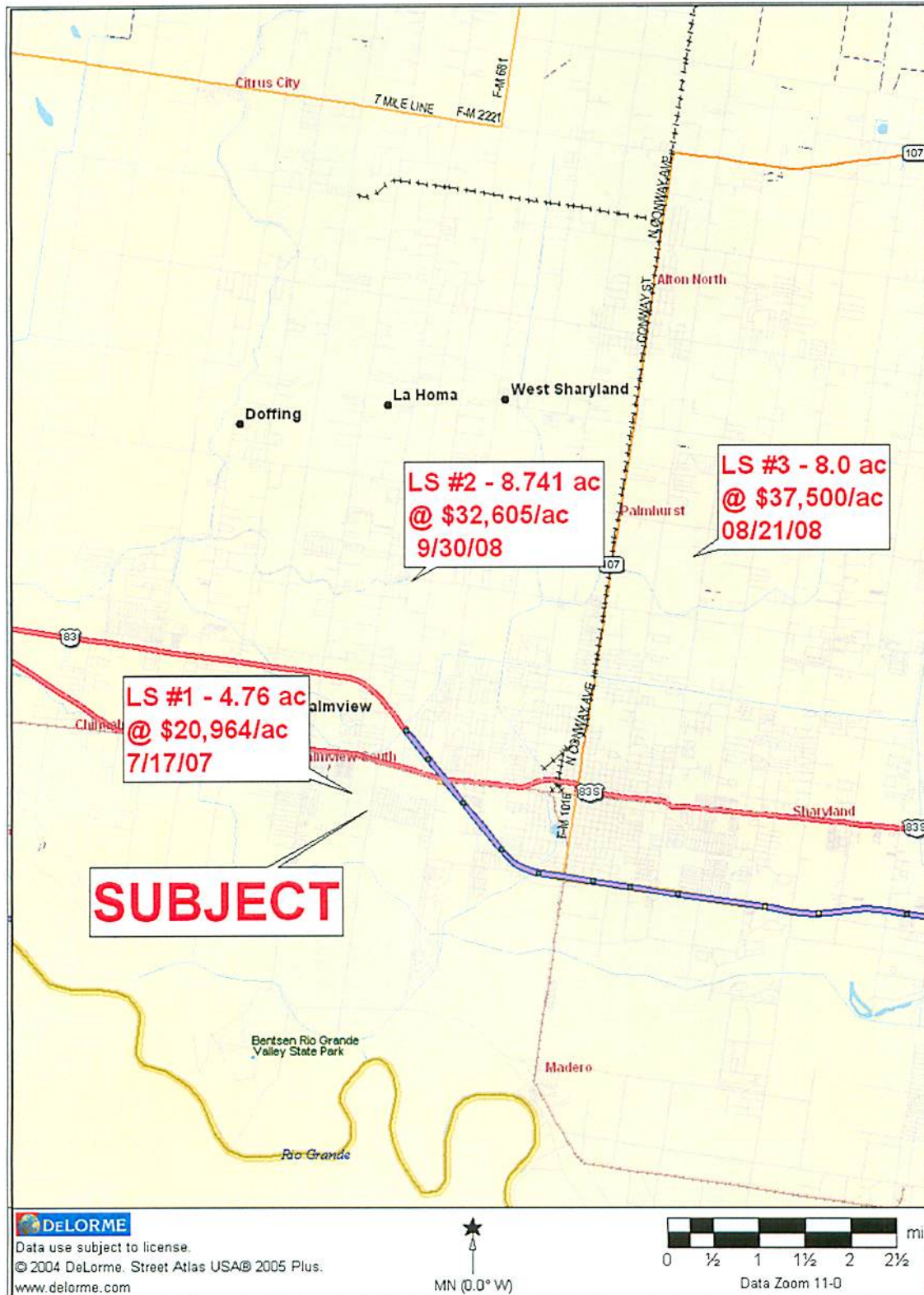
Remarks

This is a sale of a vacant residential development tract located at the end of Ebony Highland Drive to the west of Bryan Road to the north of the City of Mission, Texas. The property is 528' wide from east to west by a depth of 660' from north to south. The property is only accessible from Ebony Highland Drive, which leads to Bryan Road to the east. Tract size is 8.0 acres and the property has access to city water and electrical services. The property was purchased for development of a five lot residential subdivision, which is currently under construction.

LAND SALE #3 - PHOTO & MAP EXHIBIT



LAND COMPARABLE MAP



Explanation of Adjustments with Reconciliation:

The appraised property and comparable sales are similar for property rights conveyed, financing terms, and conditions of sale. No adjustment is necessary for these elements of comparison.

Market Conditions - The comparable sales were conveyed between July 2007 and August 2008. The date of current appraisal is June, 2009 and the comparable sales precede the date of appraisal from 9 months to 23 months. Market conditions had been rising throughout Hidalgo County for the period from 2006 through 2007. Around year end 2007, prices began to stabilize and in some cases may have begun to decrease. The appraiser will include a market conditions adjustment of 5% per year. The adjustments will be applied in increments of 5% to year end 2007. No adjustment is included for 2008 due to a lack of comparable data to support a change in direction for market conditions from 2008 to the present.

Location - The appraised property is an interior site located south of Business 83 along Shuebach Road in the Palmview/Mission area and in the ETJ of the City of Mission. It is a developing area and continued residential development is expected. The appraisers note new construction in the area with farmland steadily transitioning to residential use. Sale #1 is an interior site located across Scott Lane from the subject making it similar for location. Sale #2 is a corner location at Breyfogle and Mile 2 North. This area is also experiencing rapid growth. The subject is similar for location and inferior for corner influence and Sale #2 is adjusted downward in the grid. Sale #3 is located on Ebony Highland Drive, which is located about 2/3 mile north of Mile 2 North Road. This area is superior to the subject and Sale #3 is adjusted downward in the comparison grid.

Size - The element of size is considered to be a necessary adjustment in this market area. Size adjustments reflect the observed condition that smaller sized tracts frequently sell for higher unit values than larger sized tracts. The adjustment is based on a doubling system with an allocation of 10% for each doubling between the subject and comparable sale.

Shape, Topography & Flood Zone - The appraised property and comparable sales are basically level tracts located in similar flood zones. No adjustments are necessary for this item of comparison. The subject property offers 735' of depth from east to west. The subject is similar to the comparable sales for shape/depth and no adjustment is necessary.

Utilities - The subject is located in an area that has water, electricity and telephone service but no sewer service. Sale #1 and #3 are similar for utilities. Sale #2 is located in an area with sewer service along the north side of Mile 2 North Road. The subject is inferior for utilities and Sale #2 is adjusted down in the comparison grid.

The adjusted range of value is \$18,868 to \$33,750 per acre. All sales have been considered. More weight is given to Sale #2 and Sale #3 for their more recent dates and a unit value of \$30,000/acre is selected for the subject property. Based on a unit value of \$30,000 per acre, the site value for the whole property would be \$240,000 (8.0 acres @ \$30,000/acre = \$240,000).

CERTIFICATION

The undersigned does hereby certify that, except as otherwise noted in this appraisal report: I certify that, to the best of my knowledge and belief:

- the statement 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 conclusion.
- I have no (or the specified) present or prospective interest in the property that is the subject of this report and no (or the specified) 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 on 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 analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- I have (or have not) made a personal inspection of the property that is the subject of this report. (If more than one person signs this certification, the certification must clearly specify which individuals did and which individuals did not make a personal inspection of the appraised property).
- no one provided significant real property appraisal assistance to the person signing this certification. (If there are exceptions, the name of each individual providing significant real property appraisal assistance must be stated).
- My 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. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. As of the date of this report, John H. Malcom, Jr. has completed the requirements of the continuing education program of the Appraisal Institute.
- I do not authorize the out-of-context quoting from or partial reprinting of this appraisal report. Further, neither all nor any part of this report shall be disseminated to the general public by the use of media for public communication without the prior written consent of the appraiser(s) signing this appraisal report.
- The date of appraisal is June 12, 2009.



John H. Malcom, Jr, MAI, CCIM, SR/WA
(Did Physically Inspect Property)
Texas General Real Estate Appraiser,
Certificate #TX-1320239-G

UNDERLYING ASSUMPTIONS AND CONTINGENT CONDITIONS

The appraiser assumes:

That the record owner has a marketable fee simple title to the subject property.

This report is submitted subject to the following contingent conditions:

1. No investigation of title to the property has been made, and the premises are assumed to be free and clear of all deeds of trust, leases, use restrictions and reservations, easements, cases or actions pending, tax liens, and bonded indebtedness, unless otherwise specified. The property has been appraised as though free and clear and under responsible ownership unless otherwise noted in the report.
2. No survey has been made as to mineral ownership, drilling or mining rights in the property. No representation as to these rights is made herein.
3. No survey, legal, or engineering analysis of this property has been made by use. It is assumed that the legal description and area computations furnished are accurate. We assume the existing boundaries to be correct, and assume no responsibility for any conditions not readily observable from our customary inspection of the premises, which might affect the valuation, excepting those items specifically mentioned in this report. This report assumes the condition of the property unchanged since the date of last field inspection.
4. This report is based in part upon information assembled from a wide range of sources, and therefore the incorporated data cannot be guaranteed in any fashion. An impractical and uneconomic expenditure of time would be required in attempting to furnish unimpeachable verification in all instances, particularly as to engineering, construction and structural data, title and use restrictions, zoning and proposed public or private projects in the area. Information, estimates, and opinions furnished to the appraiser, and contained in the report were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the appraiser can be assumed by the appraisers. The appraiser assumes no responsibility for independently verifying this information. If the client has any question regarding this information, it is the client's responsibility to seek whatever independent verification is deemed necessary.
5. We suggest that independent verification within these categories be accomplished as a prerequisite to any transaction involving sale, lease or other significant commitment of subject property, and that such verification be performed by the appropriate specialists.
6. The appraisers, by reason of this appraisal, are not required to give testimony or to be in attendance in court or at any governmental or other hearing with reference to the property without prior arrangements having been made with the appraisers relative to such additional employment.
7. The distribution of valuation between land and buildings applies only under the program of utilization and conditions stated in this report and is invalidated under any other program of utilization.
8. Disclosure of the contents of this appraisal report is governed by the By-Laws and Regulations of the Appraisal Institute.
9. 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 he is connected, or any reference to the Appraisal Institute or to the MAI, SRPA, SRA, SREA, or RM designation) shall be disseminated to the public through advertising media, public relations media, news media, sales media or any other public means of communication without the prior written consent and approval of the undersigned.
10. Sketches are accurate only for purposes of approximation. They are in no way intended to be accurate engineer's drawings and should not be used as such.
11. Value is reported in dollars on the basis of the national economy prevailing on the date of appraisal.
12. That efficient management will exist in connection with the further use of the property.

13. That the property will be adequately maintained in a good physical condition.
14. The appraisers regard real estate as "...land, and structures of a permanent nature erected thereon. In general, all immovable things...".
15. It is assumed that applicable federal, state, and local land use statutes and zoning regulations permit use of the property for any lawful purpose.
16. Although an effort has been made to determine if the appraised property is subject to flooding, no responsibility is assumed for the accuracy of the maps and other information utilized for that purpose.
17. It is assumed that property inspected is in average physical condition, considering its age, location and nature of use, unless the appraisal specifies a different condition.
18. Typical mortgage financing as customarily secured for the type of property that is the subject of this appraisal is considered. If a favorable mortgage position is considered, it will be specifically identified in the report.
19. If any improvements were included in this appraisal, a careful visual inspection was made, and any deferred maintenance or apparent physical defects have been noted in the report. The appraisers, however, assume no responsibility for any hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. No responsibility is assumed for engineering which might be required to discover such factors and no inspection of other walls or under floors have been made. It is assumed that there are no structural defects hidden by floor or wall coverings or any other hidden or unapparent conditions of the property; that all mechanical equipment and appliances are in good working condition; and that all electrical components and the roofing are in good condition. If the client has any questions regarding these items, it is the clients' responsibility to order the appropriate inspections. The appraiser does not have the skill or expertise needed to make such inspections. The appraiser assumes no responsibility for these items.
20. If the improvements are proposed construction or under construction, then the final value estimate is contingent upon completion according to plans, specifications, description of improvements, and applicable to building and safety codes.
21. Urea Formaldehyde Foam Insulation (UFFI) Warning: The United States Consumer Product Safety Commission (CPSC) has banned the future installation of Urea Formaldehyde Foam Insulation (UFFI), having determined that such insulation can present an unreasonable health risk to those exposed to it. The presence or absence of UFFI in this property has not been established. If UFFI is present, this appraisal is null and void.
22. The inspection of the property is for the sole purpose of determining value. An inspector registered with the Texas Real Estate Commission should be consulted if the purpose is to determine condition of structural, electrical, mechanical, plumbing, termites or other components and/or their relevance to property condition addendum in sales contract.
23. In this appraisal assignment, the existence of potentially hazardous material used in the construction or maintenance of the building, such as the presence of urea formaldehyde foam insulation, and/or existence of toxic waste, which may or may not be present on the property, has not been considered. The appraiser is not qualified to detect such substances. We urge the client to retain an expert in this field if desired.
24. The appraisal of the Whole Property considered all factors willing, knowledgeable buyers and sellers would consider in negotiating the purchase price of the property except the influence of the proposed road project. This exception was made under the Jurisdictional Exception provision of the Uniform Standards of Professional Appraisal Practice.
25. The appraisal of the Remainder considered all factors willing, knowledgeable buyers and sellers would consider in negotiating the purchase price of the property including the use to which the part taken is to be put and the effects of the condemnation but excluded the effects of all non-compensable elements. Such exclusion is permitted under the Jurisdictional Exception provision to the Uniform Standards of Professional Appraisal Practice.

QUALIFICATION OF THE APPRAISER
JOHN H. MALCOM JR, MAI, CCIM, SR/WA

EDUCATION

College

University of Texas at Austin, B.B.A. Degree Finance
Southwest Texas State University

American Institute of Real Estate Appraisers

Exam 1A1- Real Estate Appraisal Principles - July 23, 1982
Exam 1A2- Basic Valuation Procedures - January 28, 1983
Exam I410- Standards of Professional Practice, Part A - March 20, 1997
Exam I420- Standards of Professional Practice, Part B - March 22, 1997
Exam 430 - Standards of Professional Practice, Part C - September 17, 2002
Exam 1B-A Capitalization Theory and Techniques Part A - June 08, 1985
Exam 1B-B Capitalization Theory and Techniques Part B - June 15, 1985
Exam 3 - Rural Valuation - March 17, 1986
Exam 2-1 Case Studies - September 26, 1987
Exam 2-2 Report Writing Valuation & Analysis - October 3, 1987
Comprehensive Examination - Passed February 13, 1989
Exam - Feasibility, Market Value, Investment Timing: Option Value - October 23, 2002

Commercial Investment Real Estate Institute

Exam CI 101 - Fundamentals Real Estate Investment & Taxation - October 4, 1991
Exam CI 201 - Market Analysis for Commercial Real Estate - June 12, 1992
Exam CI 301 - Decision Analysis for Commercial Real Estate - August 7, 1992
Exam CI 402 - Essentials of Marketing Commercial Property & Services - 9/23/1995
Comprehensive Examination - Passed January 28, 1993

International Right of Way Association

Course 100 - Principles of Land Acquisition - October 23, 1998
Course 103 - Ethics and the Right of Way Profession - February 15, 2000
Course 214 - Skills of Expert Testimony - February 18, 2000
Course 401 - Appraisal of Partial Acquisitions - June 18, 1999
Course 800 - Principles of Real Estate Law - March 28, 2001
Course 803 - Eminent Domain Law Basics / Right of Way Professionals - Feb. 16, 2000
Course 900 - Principles of Real Estate Engineering - October 19, 2000
Course 215 - Pipeline Right of Way Agents Development Program - October 16, 2001
Course 206 - Presentation Skills - 1/18/2002
Course 403 - Easement Valuation - 6/04/2004
Comprehensive Examination - Law Section - Completed March 31, 2001
Comprehensive Examination - Negotiation Section - Completed May 26, 2001
Comprehensive Examination - Appraisal Section - Completed June 25, 2001
Comprehensive Examination - Engineering Section - Completed October 18, 2001

PROFESSIONAL AFFILIATIONS

Member National Association of Realtors
Member Texas Association of Realtors
Member Greater McAllen Association of Realtors
Licensed Real Estate Broker State of Texas, #305134
Member Appraisal Institute, MAI Certificate #8467
Texas General Real Estate Appraiser, Certificate #TX-1320239-G
Commercial Investment Real Estate Institute, CCIM Certificate #4906
Senior Member, International Right of Way Association, SR/WA - Registration #4785

PROFESSIONAL EXPERIENCE: 1981 to Present - Real estate appraiser Professional Appraisal

Service, Inc., Rio Grande Valley and South Texas. Experience includes appraisals of single and multi-family residential units, residential & office condominiums, office buildings, retail centers, motels, country clubs and golf courses, marinas, mobile home and recreational vehicle parks, warehouses, packing sheds, unimproved land, farms, ranches, grain elevators, residential, commercial, and industrial subdivisions, right-of-way appraisals, appraisals of partial interests (leased fee, sandwich leases, and leasehold estates). Qualified as expert witness for court testimony.

1977 - 1981 Account executive with New York Stock Exchange member of Rotan Mosle in McAllen, Texas. Responsible for investment analysis and portfolio management for individual clients.

CONTINUING EDUCATION - SEMINARS

2001 Eminent Domain Seminar, Current Legal Issues in Right of Way, San Marcos, Texas
2002 Eminent Domain Seminar, Current Legal Issues in Right of Way, San Marcos, Texas
2003 Eminent Domain Seminar, Current Legal Issues in Right of Way, San Marcos, Texas
2004 Eminent Domain Seminar, Current Legal Issues in Right of Way, San Marcos, Texas