



REAL ESTATE APPRAISAL REPORT
TEXAS DEPARTMENT OF TRANSPORTATION

Address of Property: Located between Mile 14 and Mile 16 Roads, west of FM 2058, Hidalgo County, Texas.

District: Pharr

Property Owner: County of Hidalgo

ROW CSJ: N/A

Address of Property Owner: 100 E. Cano, Edinburg, Texas 78539

Parcel: N/A

Occupant's Name: Vacant

Federal Project No: N/A

Whole:

Partial:

Acquisition

Highway: N/A

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 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 \$192,500.00 as of December 3, 2010, based upon my independent appraisal and the exercise of my professional judgment; on December 3, 2010, (date)(s), I personally inspected in the field the property herein appraised; I afforded the County of Hidalgo, the property owner or the representative (s) 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 December 3, 2010, 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 Precinct No. 3, 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 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 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

State Certified General Real Estate Appraiser – TX 1328375 – General Certification Number

December 6, 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

Legal Description:

Lot Seven (7), Eyhorn Landfill Subdivision No.1, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 49, Page 175-177, Map Records, Hidalgo County, Texas.

Remainder Before and After Sale

Since the subject property shall be sold in its entirety, no remainder shall remain.

Property Tax Information

The Hidalgo County Appraisal District is located at 4405 S. Professional Drive-Edinburg, Texas 78539 and can also be accessed via www.hidalgoad.org. According to the information provided by the website, the subject property was confirmed to be under the ownership Hidalgo County. This was found under the tax account E8700-01-000-0007-00 of which the subject property is current assessed at \$161,700 or \$2,100 per acre.

General Site Assessment Statement

This appraiser has made a partial on-site visit 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 any environmental concerns exist. 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. The extraordinary assumption is that neither adverse easements nor 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 or drainage of the subject property. It was indicated that a portion of the property may have been utilized for caliche pit of which the aerial photography available at the time of this report did not indicated a pit. This appraiser made an onsite inspection of a portion of the property along existing road right of way. In the event a pit is found on-site this appraiser reserves the right to re-evaluate the subject property. This report shall be performed under the extraordinary assumption that no caliche pits exist within the area identified by scope of the assignment. The subject is also improved with multiple gas wells and gas lines of which traverse through the subject property. It is also acknowledged that an extraordinary assumption that these easements and well shall not affect the overall market value of the subject property.

Utility Services Available

The subject property is located in a region, which contains electricity and phone service, which is typical of the market area. The area is considered a rural section of northwestern Hidalgo County of which other utilities are limited such as drainage and irrigation.

Identification of Personal Property

The proposed surplus property is a vacant tract of land which contains no personal property.

Current Listing Status

Based on the on and or off-site inspection of the subject property no visible "For Sale" signs were located on-site indicated the subject property listed for sale. Additional research was conducted with local Realtor's® Multiple Listing Services and the subject property was not listed.

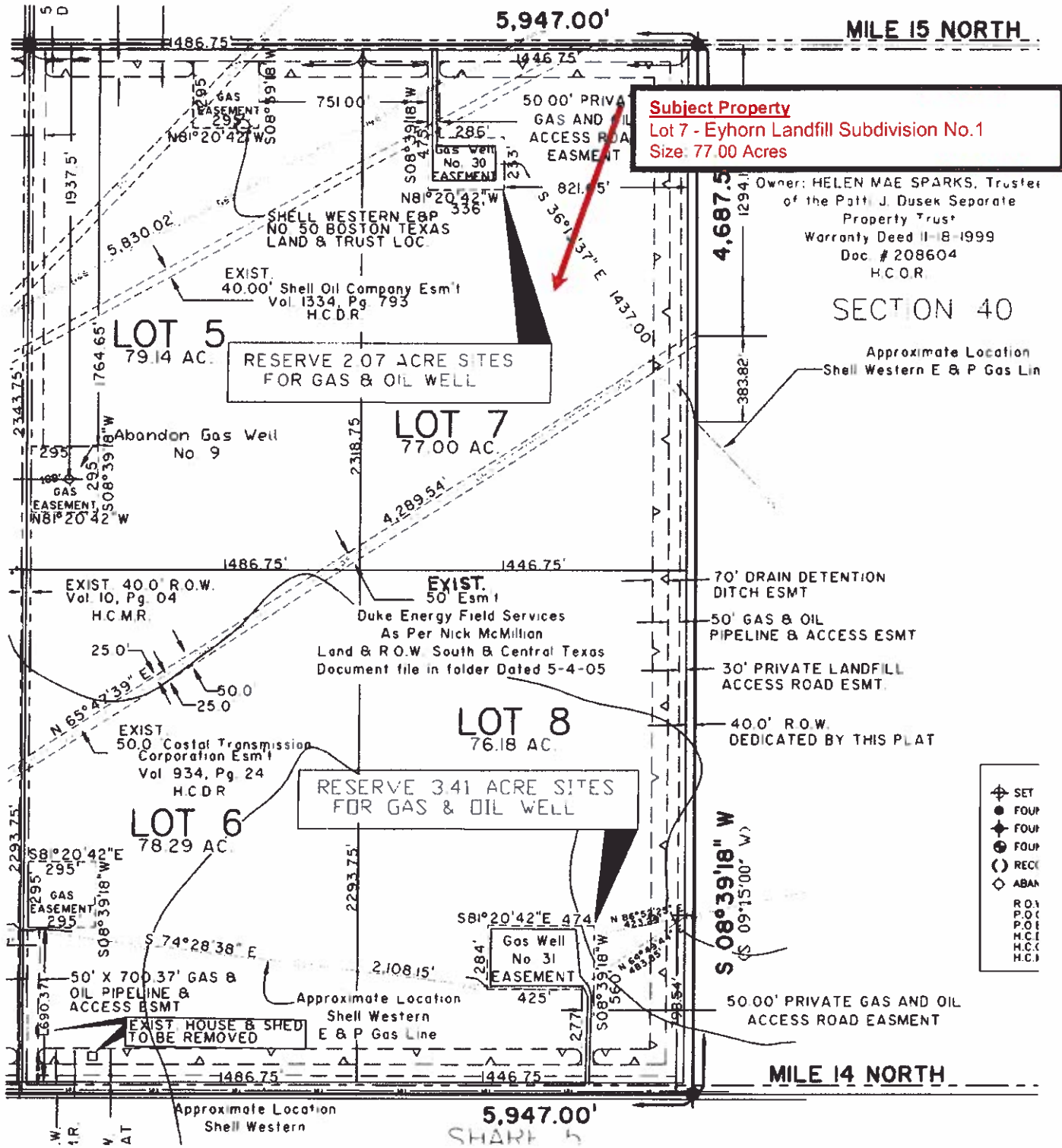
Exposure Time

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.

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 County of Hidalgo and along Mile 14 Road, Mile 16 Road, and neighboring thorough fares, with a review of current listings.

LOT 7 OF THE EYHORN LANDFILL SUBDIVISION No. 1



Subject Property
 Lot 7 - Eyhorn Landfill Subdivision No.1
 Size: 77.00 Acres

Owner: HELEN MAE SPARKS, Trustee
 of the Patt. J. Dusek Separate
 Property Trust
 Warranty Deed II-18-1999
 Doc. # 208604
 H.C.O.R.

SECTION 40

Approximate Location
 Shell Western E & P Gas Lin

RESERVE 341 ACRE SITES
 FOR GAS & OIL WELL

RESERVE 207 ACRE SITES
 FOR GAS & OIL WELL

EXIST. HOUSE & SHED
 TO BE REMOVED

SHARP 5