




HIDALGO COUNTY RIGHT OF WAY DEPARTMENT

Jose N. Peña
Director

MEMO

To: Commissioners' Court

From: Bobby Villarreal 
Right of Way Agent


Date: June 29, 2010

Subject: Southfork Drain Project
Parcels # 19,20,24,25

Appraised Value	\$ 33,396.00
Settlement Demand	\$ 35,994.00
Difference	(\$ 2,598.00) ***

***See attached letter

Commissioners' Court Executive Session June 29, 2010.

 7/6/10 Approved

Not Approved

SUMMARY OF RIO FRESH & ROBERTA JACKSON, ET AL OFFERS

parcel	acreage	Appraisal per acre	improvements	Offer	counter/ acre	Counteroffers	difference
19	0.396	18,500	1,354	8,680	20,000	9,274	594
20	0.002	18,500		37	20,000	40	3
25	0.760	18,500		14,060	20,000	15,200	1,140
24	0.574	18,500		10,619	20,000	11,480	861
TTL				33,396		35,994	2,598



HIDALGO COUNTY RIGHT OF WAY DEPARTMENT

Jose N. Peña
Director
March 25, 2010

CM 7003 2260 0001 7218 1019

Rio Fresh
P.O. 1619
San Juan, Texas 78589-1619

RE: Southfork Drain Project
Parcel: 19

To whom it may concern,

Commissioners' Court of Hidalgo County in cooperation with the Board of Directors of Hidalgo County Drainage District No. 1 have authorized me to make an offer for the property to be acquired under the above captioned parcel for drainage right of way purposes in connection with the Southfork Drain project.

Based on an Appraisal by Mr. Leonel Garza, III with Leonel Garza, Jr., & Associates LLC, a State Certified General Real Estate Appraiser, the Board of Directors of Hidalgo County Drainage District No. 1 have authorized me to make an offer of **\$8,680.00** for a taking of your property. The offer represents total compensation for land and improvements. We are prepared to negotiate with you to acquire this parcel of land at its full-appraised value.

BREAKDOWN

Land

0.3960 Acres @ \$ 18,500.00 per acre \$ 7,326.00

Improvements

7' If Game Fencing (7' lineal Feet @\$14.00/lf) \$ 98.00
(2) 14' Chain Link Gates with 3 Strains of BW \$ 500.00
72' lf of Chain Link Fencing with 3 Strains of BW \$ 756.00
(72' @ \$10.50/per lf)

Total Improvements \$ 1,354.00

Total Estimated Value \$ 8,680.00

Total Offer \$ 8,680.00

We would appreciate if you took the time to review the package of information sent. If this offer is not accepted or feel that you may need additional time to consider the offer, please contact our office, otherwise, within ten working days from the date receipt of this letter, condemnation proceedings will be instituted for the acquisition of the right of way. Thereafter, the County Court at Law will appoint three disinterested freeholders to serve as Special Commissioners', a date will be set for the hearing and you will be notified of the time and place set for the hearing at which the Special Commissioners will hear the evidence presented and arrive at an award which will be filed with the court. The Drainage District may then deposit the amount of the award with the County Clerk of the County of Hidalgo at which time the District may take possession of the property involved. If either you or the District is dissatisfied with the amount of the award, objections may be filed within the time prescribed by law, and the case subsequently may be tried before the County Court at Law as in other civil cases.

Respectfully,

A handwritten signature in black ink, appearing to be 'B. Villarreal', written in a cursive style.

Bobby Villarreal, Right of Way Agent
Hidalgo County Right of Way Department



HIDALGO COUNTY RIGHT OF WAY DEPARTMENT

CM 7003 2260 0001 7218 1033

Jose N. Peña
Director

March 25, 2010

Rio Fresh
P.O. 1619
San Juan, Texas 78589-1619

RE: Southfork Drain Project
Parcel: 20

To whom it may concern,

Commissioners' Court of Hidalgo County in cooperation with the Board of Directors of Hidalgo County Drainage District No. 1 have authorized me to make an offer for the property to be acquired under the above captioned parcel for drainage right of way purposes in connection with the Southfork Drain project.


Based on an Appraisal by Mr. Leonel Garza, III with Leonel Garza, Jr., & Associates LLC, a State Certified General Real Estate Appraiser, the Board of Directors of Hidalgo County Drainage District No. 1 have authorized me to make an offer of **\$37.00** for a taking of your property. The offer represents total compensation for land and improvements. We are prepared to negotiate with you to acquire this parcel of land at its full-appraised value.

BREAKDOWN

<u>Land</u>		
0.0020 Acres @ \$ 18,500.00 per acre		\$ 37.00
<u>Improvements</u>		
None		
Total Improvements	\$ 0.00	
Total Estimated Value		\$ 37.00
Total Offer		\$ 37.00

We would appreciate if you took the time to review the package of information sent. If this offer is not accepted or feel that you may need additional time to consider the offer, please contact our office, otherwise, within ten working days from the date receipt of this letter, condemnation proceedings will be instituted for the acquisition of the right of way. Thereafter, the County Court at Law will appoint three disinterested freeholders to serve as Special Commissioners', a date will be set for the hearing and you will be notified of the time and place set for the hearing at which the Special Commissioners will hear the evidence presented and arrive at an award which will be filed with the court. The Drainage District may then deposit the amount of the award with the County Clerk of the County of Hidalgo at which time the District may take possession of the property involved. If either you or the District is dissatisfied with the amount of the award, objections may be filed within the time prescribed by law, and the case subsequently may be tried before the County Court at Law as in other civil cases.

Respectfully,

A handwritten signature in black ink, appearing to read 'Bobby Villarreal', with a stylized flourish extending to the right.

Bobby Villarreal, ROW Agent
Hidalgo County Right of Way Department

jose

From: roberto [roberto.villarreal@co.hidalgo.tx.us]
Sent: Monday, June 28, 2010 4:09 PM
To: 'jose'
Subject: FW: Southfork Drain Project

Our offer is at \$18.5/acre and they countered with \$25, which the court rejected. Now they say \$20/acre. See message below

From: CMOR323@aol.com [mailto:CMOR323@aol.com]
Sent: Monday, June 28, 2010 2:06 PM
To: roberto.villarreal@co.hidalgo.tx.us
Subject: Re: Southfork Drain Project

Bobby:
We would agree to \$20,000 an acre but anything less than that, we would want to go to the three person panel.
Christine Morley

In a message dated 6/23/2010 1:48:26 P.M. Central Daylight Time, roberto.villarreal@co.hidalgo.tx.us writes:

Ms. Morley:
I needed some direction on whether you wanted accept the final offer or go to condemnation.
Please advise me of your wishes.

Bobby Villarreal
Hidalgo Co. ROW Dept
283-8134

From: CMOR323@aol.com [mailto:CMOR323@aol.com]
Sent: Thursday, April 22, 2010 3:25 PM
To: roberto.villarreal@co.hidalgo.tx.us
Subject: Re: Southfork Drain Project

Bobby-
We sold some property in 2008 that is located further away from the Pharr Bridge than the property the Drainage District wants to acquire for the price of \$23000.00 per gross acre. Based on that sale, we feel the market value of our property that the Drainage District has offered \$18,500.00 per acre should be \$25,000.00 per acre. Let me know if I need to put this in the form of a letter and mail it.
Christine Morley
For Roberta Jackson, et al, and Rio Fresh, Inc.

In a message dated 4/14/2010 9:58:04 A.M. Central Daylight Time, roberto.villarreal@co.hidalgo.tx.us writes:

Ms. Morley:
Per conversation I had with our department head Joe Pena. He indicated that due to a potential rail project in the future, the Drainage District is not willing at this point to consider a swap for this land. Although, if the project fails to materialize, then they would reconsider and give first option to you in regards to this land.

Please prepare a counter offer, so that we may proceed with the drainage improvements on this project.

Thank you.
Bobby Villarreal
Hidalgo County ROW Dept
283-8134

From: CMOR323@aol.com [mailto:CMOR323@aol.com]
Sent: Wednesday, April 07, 2010 2:52 PM
To: roberto.villarreal@co.hidalgo.tx.us
Subject: Southfork Drain Project

Hi Bobby-

We would prefer to swap Parcels 19, 20 and 25 of the Southfork Drain Project for the following described parcel that we believe belongs to Hidalgo County Drainage District No. 1.

Description: 1.91 acres, being a strip of land 100 feet wide over and across Lot 3, Block 7, Alamo Land

and Sugar Company Subdivision of a part of the Los Torritos Grant and being the same 1.91

acres conveyed to the S.B. & R.G.V. Ry. Co., by A.G. Brandt by deed dated March 30, 1925,

recorded in Volume 191, pages 415-16 of the deed records of said county.

If you cannot provide a clear title to the above property or the Drainage District does not want to swap, please let me know as soon as possible and we will prepare a monetary counter offer on Parcels 19, 20 and 25.

Christine Morley for
Rio Fresh, Inc. and
Roberta S. Jackson, et al

REAL ESTATE APPRAISAL REPORT
TEXAS DEPARTMENT OF TRANSPORTATION

Address of Property:	Located along the north line of Highland Road, east of San Juan Road, Hidalgo County Texas.	District:	Pharr
		ROW CSJ:	N/A
Property Owner:	Rio Fresh, Inc.	Parcel:	19
Address of Property Owner:	P.O. 1619 San Juan, Texas 78589-1619	Federal Project No:	N/A
Occupant's Name:	Vacant	Highway:	Southfork Drainage Project
Whole:	<input type="checkbox"/>	County:	Hidalgo
Partial:	<input checked="" type="checkbox"/>	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.

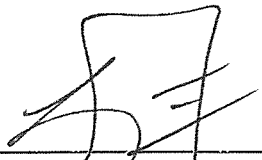
Market Value

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 \$8,680.00 as of September 24, 2009, based upon my independent appraisal and the exercise of my professional judgment; on September 24, 2009, (date)(s), I personally inspected in the field the property herein appraised; I afforded Rio Fresh, Inc, 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 September 15, 2009 and September 21, 2009 (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

 March 10, 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. 2 under the direction of Honorable Hidalgo County Commissioner Hector "Tito" Palacios. Commissioner Palacios and others which would be involved with the acquisition of said proposed right-of-way. The part to be acquired is for the expansion and improvement of an existing drainage canal with the project limits: Being an area of land located between "I" Road and Stewart Road, from north of Military Highway 281 to north of Anaya Road, in Hidalgo County, Texas.

The intended use of the report is to assist Bobby Villarreal, Hidalgo County Right of Way and 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 limited restricted appraisal report, which is to conform with the ROW-A-6 Form Rev. 7/2004. The intended user of the report is defined as Hidalgo County Precinct No. 2 and may include other governmental entities which may be participating in the project. Bobby Villarreal is the right-of-way agent of which has a local office located at 2401 N Moorefield Road, Mission, Texas. Bobby Villarreal, 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 Hector "Tito" Palacios. Mr. Villareal can be contacted at (956) 283-8134.

Scope of the Assignment

By work order dated August 26, 2009, on behalf of Hidalgo County Precinct No. 2, Bobby Villarreal, 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 R. Gutierrez Engineering Corporation located at 130 E. Park Avenue, Pharr, Texas. The scope of the assignment is to appraise the area as fee simple, to be acquired as indicated by the survey as of the date of on-site or off-site inspection as permitted by the owner of record. Market sales within the market area and comparable market areas are to be identified and analyzed for comparability and for their reliability in determining the estimated market value of the subject property. The comparables have been collected, confirmed and analyzed with respect to comparability to the subject property. These comparable sales were gathered through various sources which included the Greater McAllen Multiple Listing Service, 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 right-of-way.

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. 2, 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 frontage of Highland Road. 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 3.00 acre tract of land. Any existing road right-of-way or easements indicated by the survey provided shall be excluded as per scope of the assignment. The area for the subject property as a whole is indicated as per survey provided by R. Gutierrez Engineering Corporation dated May 22, 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 23.52 acres to 154.88 acres. These indicated economic unit values are used for the valuation of the proposed acquisition as the part to be acquired does constitute an economic unit. Therefore, the pro-rata part of the whole is applied as the market valuation of the whole.

Part To Be Acquired

The proposed acquisition is comprised of fee land in which the net land area to be acquired is 0.396 acres (17,250 square feet). The proposed acquisition has approximately 106.66 lineal feet of frontage along the north side of Highland Road. 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 Highland Road. This highest and best use is further explained on page 1.4 of this report.

To Be Acquired (Net)	0.3960 Acres
	17,250 S.F.

Legal Description of the Part To Be Acquired

A 1.155 acre tract of land, of which 0.759 acres lies in existing HCID No. 2 Drain Ditch easement leaving a net acquisition of 0.396 acres, all out of Lot 62, San Juan Plantation Subdivision, Hidalgo County, Texas, Volume 3, Page 52, M.R.H.C. and as indicated by metes and bounds. (See Page 1.8)

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 acquisition. The highest and best use of the subject property before and after the proposed acquisition is analyzed to determine whether or not the use of the subject property will be altered as a result of the proposed acquisition. As for the remainder, it was determined that the highest and best use before and after the acquisition shall remain and not be damaged or changed as a result of the proposed acquisition.

Property Tax Information

This appraiser has examined the property tax information indicated by the Hidalgo County Appraisal District (HCAD) as of the date of appraisal and has found that the subject property is under the ownership of Rio Fresh, Inc. The part to be acquired was identified as the subject whole property which contained tax identification no. S1050-00-020-0062-10. The subject property, which is a residential use tract of land, is assessed at \$67,080. The subject property receives an agriculture use exemption due to its current use for row crop farming. Its assessed agricultural use value is indicated to be assessed at \$1,257. 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 by R. Gutierrez Engineering Corporation. 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 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.

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 Alamo, San Juan and Hidalgo markets. 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 future residential development. This type of use is concurrent with the recent trends located along Highland Road within Hidalgo County and nearby municipalities to the project including the City of Pharr and City of San Juan. 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.

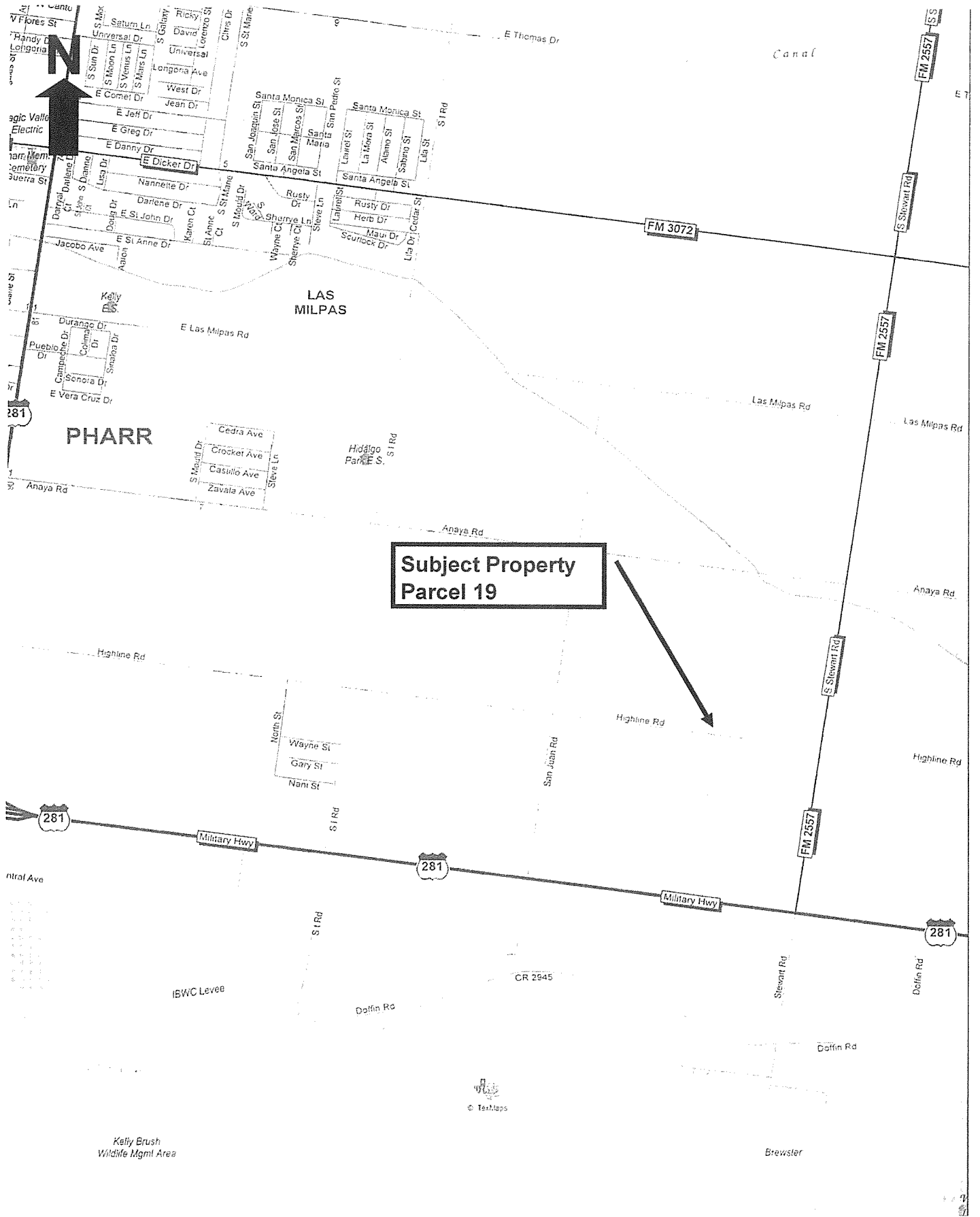
When a property is evaluated, the highest and best use must always be considered. In the current case, the highest and best use of the whole is determined to be for future residential development based on several factors. Factors taken into consideration are defined by The Dictionary of Real Estate Appraisal, 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 taking, excluding project influence as required by Standards Rule 1-4(f) under the Jurisdictional Exception provision as defined by the Uniform Standards of Professional Appraisal Practice (USPAP). The highest and best use is analyzed for each of these scenarios as each parcel shall be evaluated before and after the proposed 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 properties based on the continuing trend along Highland Road and the existing ordinance which govern the subject property as existing of which should continue its use before and after the proposed right-of-way acquisition. Therefore, the highest and best use for future residential development "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 Highland Road to allow for future residential use development before and after the proposed acquisition. Based on the size and shape of the subject property as a whole and the remainder before and after the acquisition, the property shall maintain a 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 Highland Road include agricultural, grazing, residential, and small retail developments. Based on the stable growth along Highland Road and nearby San Juan 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 residential use. This conclusion is correlated to the subject property as a whole and selected economic unit.

LOCATION MAP OF SUBJECT PROPERTY



© TexMaps

Kelly Brush
Wildlife Mgmt Area

Brewster

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 R. GUTIERREZ ENGINEERING CORPORATION, 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 2)
EXHIBIT "A"

COUNTY: HIDALGO

DRAIN DITCH: Southfork Drainage Lateral

PROJECT LIMITS: From "I" Road to Anaya Road

Eng07.032L
May 18, 2009
Parcel 19
Page 1 of 3

FIELD NOTES FOR PARCEL – 19

Being a 1.155-acre tract of land out of Lot 62, San Juan Plantation Subdivision, Hidalgo County, Texas, as recorded in Volume 3, Page 52, Map Records, Hidalgo County, Texas. Said Lot 62 is vested to Rio Fresh, Inc., a Texas Corporation from Roberta S. Jackson; Christine S. Morley; Frederick W. Schuster; and Jeanette S. Brown, by virtue of a General Warranty Deed, dated September 11, 2007, recorded in Document No. 1817666, Official Records, Hidalgo County, Texas. Said 1.155-acre tract of land being more particularly described by metes and bounds as follows;

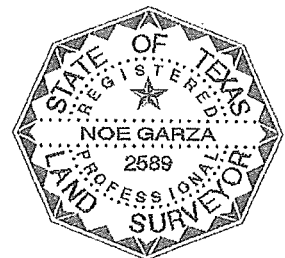
Commencing at a No. 4 rebar set at the Southeast corner of Lot 66, **THENCE**, North 81 degrees 23 minutes 59 seconds West, along the South line of Lot 66, a distance of 189.51 feet a No. 4 rebar set on the Proposed Right of Way line of Southfork Drainage Lateral, for the Southeast corner and **POINT OF BEGINNING** of the tract herein described;


1. **THENCE**, North 81 degrees 23 minutes 59 seconds West, along the South line of Lot 62, a distance of 106.66 feet to a No. 4 rebar set, for the Southwest corner of the tract herein described;
2. **THENCE**, North 08 degrees 18 minutes 12 seconds West, a distance of 216.74 feet to a (unable to set point), for an exterior corner of the tract herein described;
3. **THENCE**, North 39 degrees 09 minutes 23 seconds East, continuing a distance of 237.61 feet to a (unable to set point), for an exterior corner of the tract herein described;
4. **THENCE**, South 84 degrees 31 minutes 31 seconds East, continuing a distance of 238.62 feet to a (unable to set point), for the Northeast corner of the tract herein described;
5. **THENCE**, South 08 degrees 34 minutes 59 seconds West, along said Proposed Right of Way line, a distance of 66.45 feet to a No. 4 rebar set at the point of beginning of a curve to the right, for an exterior corner of the tract herein described;
6. **THENCE**, in a Northwesterly direction, continuing along said Proposed Right of Way line, with said curve to the right, thru an arc angle of 26 degrees 53 minutes 49 seconds, a radius of 160.00 feet, a tangent of 38.26 feet, a chord length of 74.42 feet, a chord bearing of South 83 degrees 03 minutes 36 seconds West, and an arc length of 75.11 feet to a No. 4 rebar set, for an exterior corner of the tract herein described;

FIELD NOTES OF PART TO BE ACQUIRED (Page 2 of 2)

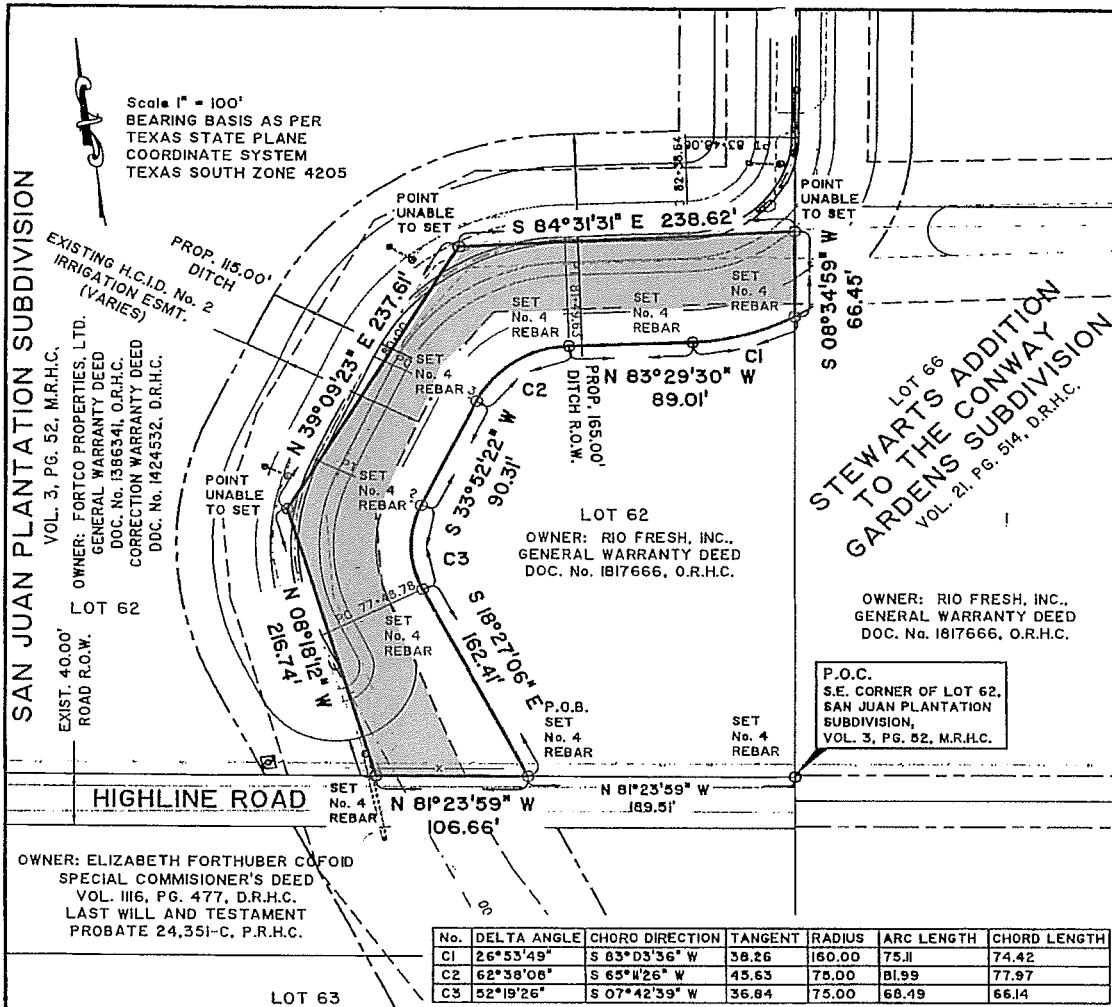
Eng07.032L
May 18, 2009
Parcel 19
Page 2 of 3

7. **THENCE**, North 83 degrees 29 minutes 30 seconds West, continuing along said Proposed Right of Way, a distance of 89.01 feet to a No. 4 rebar set at the point of beginning of a curve to the left, for an interior corner of the tract herein described;
8. **THENCE**, in a Southwesterly direction, continuing along said Proposed Right of Way line, with said curve to the left, thru an arc angle of 62 degrees 38 minutes 08 seconds, a radius of 75.00 feet, a tangent of 45.63 feet, a chord length of 77.97 feet, a chord bearing of South 65 degrees 11 minutes 26 seconds West, and an arc length of 81.99 feet to a No. 4 rebar set, for an interior corner of the tract herein described;
9. **THENCE**, South 33 degrees 52 minutes 22 seconds West, continuing along said Proposed Right of Way line, a distance of 90.31 feet to a No. 4 rebar set at the point of beginning of a curve to the right, for an exterior corner of the tract herein described;
10. **THENCE**, in a Southwesterly direction, continuing along said Proposed Right of Way line, with said curve to the right, thru an arc angle of 52 degrees 19 minutes 26 seconds, a radius of 75.00 feet, a tangent of 36.84 feet, a chord length of 66.14 feet, a chord bearing of South 07 degrees 42 minutes 39 seconds West, and an arc length of 68.49 feet to a No. 4 rebar set, for an interior corner of the tract herein described;
11. **THENCE**, South 18 degrees 27 minutes 06 seconds East, continuing said Proposed Right of Way line, a distance of 162.41 feet to the **POINT OF BEGINNING** and containing 1.155-acres, of which 0.759-acres lies in the Existing Hidalgo County Irrigation District No. 2 Drain Ditch Easement, leaving a **Proposed Net Taking** of 0.396-acres of land, more or less.




NOE GARZA – R.P.L.S. No. 2589
DATE: 22 May 09

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



SUBJECT TO:
 - CENTRAL POWER AND LIGHT COMPANY
 Dated June 6, 1952, Recorded in Volume 749, Page 149, Deed Records, Hidalgo County, Texas.

PARCEL 19

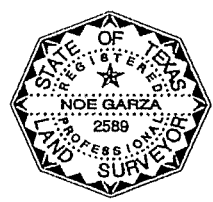
OWNER: Fortco Properties, Ltd., by a General Warranty Deed, recorded in Document 1386341, Official Records, Hidalgo County, Texas, and by a Correction General Warranty Deed, recorded in Document No. 1424532, Official Records, Hidalgo County, Texas.

DESCRIPTION: A tract of land containing 3.0-acres out of Lot 62, San Juan Plantation Subdivision, recorded in Vol. 3, Pg. 52, Mop Records, Hidalgo County.

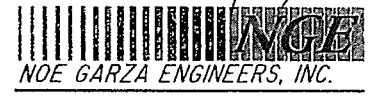
Total acreage: 3.00 ac.
 To be acquired: 1.155 ac.
 Exist. H.C.I.D. No. 2
 Drain Ditch Easement: 0.759 ac.
 Proposed Net taking: 0.396 ac.
 Remainder: 1.845 ac.
 Document:

EXHIBIT "A"
PROPOSED SOUTHFORK DRAINAGE LATERAL
PARCEL 19
A 1.155 ACRE TRACT OF LAND
OUT OF LOT 62,
SAN JUAN PLANTATION
SUBDIVISION,
HIDALGO COUNTY, TEXAS.
VOLUME 3, PAGE 52, M.R.H.C.

The undersigned hereby certifies that this survey, as described hereon, was made on the ground and that the only improvements on the ground are as shown and that there are no visible encroachments, visible overlapping, apparent conflicts, or visible easements, except as shown hereon. This survey substantially conforms to the Minimum Standards of Practice as approved by the Texas Board of Professional Land Surveyors.



Noe Garza
 NOE GARZA - R.P.L.S. No. 2589
 Date: 22 May 09



116 W. NOLANA PHARR, TEXAS 78677 (956) 783-1207

R. Gutierrez Engineering Corporation
 Professional Engineers & Land Surveyors
 130 E. PARK AVENUE • PHARR, TEXAS 78677
 (TEL) 956 782-2557 • (FAX) 956 782-2558

JOB No.: ENG07.032L	DATE: 5/12/09
DRAWN BY: J.H.F./NML	PAGE: 3 OF 3

REAL ESTATE APPRAISAL REPORT
 TEXAS DEPARTMENT OF TRANSPORTATION

Address of Property:	Located off the north line of Highland Road west of Stewart Road, Hidalgo County, Texas.	District	Pharr
		ROW CSJ:	N/A
Property Owner:	Rio Fresh, Inc	Parcel:	20
Address of Property Owner:	P.O. Box 1619	Federal Project No:	N/A

Occupant's Name:	Vacant	Highway:	Southfork Drainage	County:	Hidalgo
Whole:	<input type="checkbox"/>	Partial:	<input checked="" type="checkbox"/>	Acquisition	Project

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.

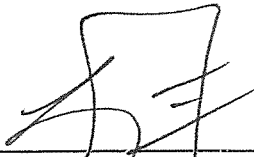
Market Value

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 \$37.00 as of September 24, 2009, based upon my independent appraisal and the exercise of my professional judgment; on September 24, 2009, (date)(s), I personally inspected in the field the property herein appraised; I afforded Rio Fresh, Inc, 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 September 15, 2009 and September 21, 2009 (date)(s), I have not revealed and will not reveal the findings and results of such appraisal to anyone other than the proper officials of the, County of Hidalgo, Texas Department of Transportation, or officials of the Federal Highway Administration until authorized by State officials to do so, or until I am required to do so by due process of law or until I am released from this obligation by having publicly testified to such findings; and, my compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result or the occurrence of a subsequent event.

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



Appraiser Signature - Leonel Garza III
 State Certified General Real Estate Appraiser - TX 1328375-General
 Certification Number
 March 10, 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. 2 under the direction of Honorable Hidalgo County Commissioner Hector "Tito" Palacios. Commissioner Palacios and others which would be involved with the acquisition of said proposed right-of-way. The part to be acquired is for the expansion and improvement of an existing drainage canal with the project limits: Being an area of land located between "I" Road and Stewart Road, from north of Military Highway 281 to north of Anaya Road, in Hidalgo County, Texas.

The intended use of the report is to assist Bobby Villarreal, Hidalgo County Right of Way and 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 limited restricted appraisal report, which is to conform with the ROW-A-6 Form Rev. 7/2004. The intended user of the report is defined as Hidalgo County Precinct No. 2 and may include other governmental entities which may be participating in the project. Bobby Villarreal is the right-of-way agent of which has a local office located at 2401 N Moorefield Road, Mission, Texas. Bobby Villarreal, 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 Hector "Tito" Palacios. Mr. Villareal can be contacted at (956) 283-8134.

Scope of the Assignment

By work order dated August 26, 2009, on behalf of Hidalgo County Precinct No. 2, Bobby Villarreal, 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 R. Gutierrez Engineering Corporation located at 130 E. Park Avenue, Pharr, Texas. The scope of the assignment is to appraise the area as fee simple, to be acquired as indicated by the survey as of the date of on-site or off-site inspection as permitted by the owner of record. Market sales within the market area and comparable market areas are to be identified and analyzed for comparability and for their reliability in determining the estimated market value of the subject property. The comparables have been collected, confirmed and analyzed with respect to comparability to the subject property. These comparable sales were gathered through various sources which included the Greater McAllen Multiple Listing Service, 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 right-of-way.

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. 2, 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 frontage of Highline Road. 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 7.015 acre tract of land. Any existing road right-of-way indicated along Highline Road shall be excluded as per scope of the assignment. The area for the subject property as a whole is indicated as per survey provided by R. Gutierrez Engineering Corporation dated May 22, 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 23.52 acres to 154.88 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 net land area to be acquired is 0.002 acres (87 square feet). The proposed acquisition has approximately 73.08 lineal feet of frontage along the northern side of the subject property. The part to be acquired is an irregular-shaped tract of land which has limited use and site utility due to its location and size as proposed and does not constitute a readily marketable economic unit. Therefore, the part to be acquired, which is the subject of this report, shall be evaluated as a pro-rata part of the whole as determined by the approaches to market value selected. Based on the pro-rata part of the whole, the subject shall be valued based on the highest and best use as a residential use tract of land, which is based on the local market trends along "I" Road. This highest and best use is further explained on page 1.4 of this report.

To Be Acquired (Net)	0.0020 Acres
	87 S.F.

Legal Description of the Part To Be Acquired

A 0.090 acre tract of land out of Lot 66, Stewart's Addition to Conway Gardens, Hidalgo County, Texas, Volume 21, Page 514, D.R.H.C.

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 acquisition. The highest and best use of the subject property before and after the proposed acquisition is analyzed to determine whether or not the use of the subject property will be altered as a result of the proposed acquisition. As for the remainder, it was determined that the highest and best use before and after the acquisition shall remain and not be damaged or changed as a result of the proposed acquisition.

Property Tax Information

This appraiser has examined the property tax information indicated by the Hidalgo County Appraisal District (HCAD) as of the date of appraisal and has found that the subject property is under the ownership of Rio Fresh, Inc. The part to be acquired was identified as the subject whole property which contained tax identification no. S6250-00-000-0066-01 & S6250-00-000-0066-03. The subject property, which is a agricultural use tract of land, is assessed at \$122,027. 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 by R. Gutierrez Engineering Corporation. 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 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.

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 Alamo, San Juan and Hidalgo markets. 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 future residential development. This type of use is concurrent with the recent trends located along Highland Road within Hidalgo County and nearby municipalities to the project including the City of Pharr and City of San Juan. 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.

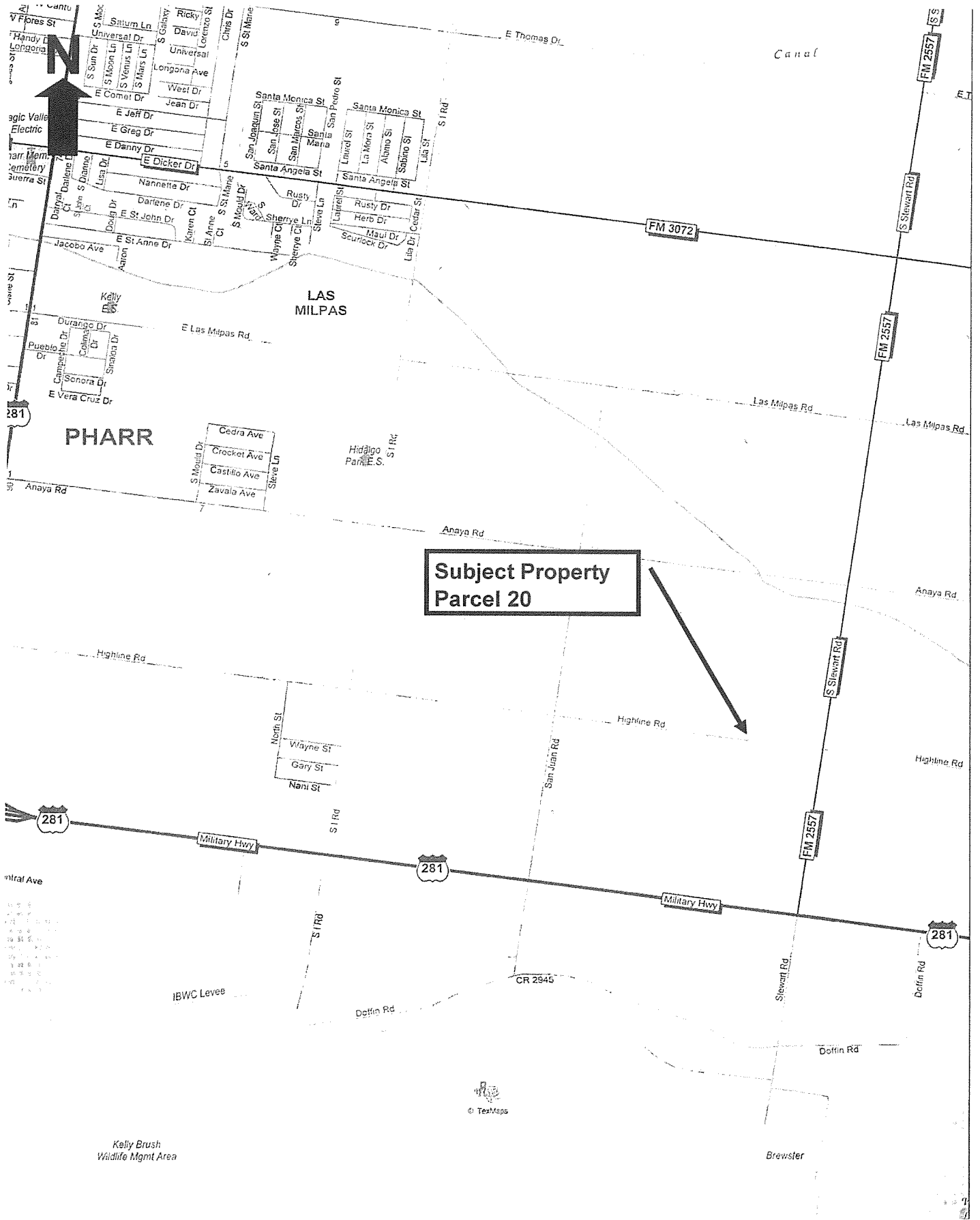
When a property is evaluated, the highest and best use must always be considered. In the current case, the highest and best use of the whole is determined to be for future residential development based on several factors. Factors taken into consideration are defined by The Dictionary of Real Estate Appraisal, 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 taking, excluding project influence as required by Standards Rule 1-4(f) under the Jurisdictional Exception provision as defined by the Uniform Standards of Professional Appraisal Practice (USPAP). The highest and best use is analyzed for each of these scenarios as each parcel shall be evaluated before and after the proposed 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 properties based on the continuing trend along Highland Road and the existing ordinance which govern the subject property as existing of which should continue its use before and after the proposed right-of-way acquisition. Therefore, the highest and best use for future residential development "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 Highland Road to allow for future residential use development before and after the proposed acquisition. Based on the size and shape of the subject property as a whole and the remainder before and after the acquisition, the property shall maintain a 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 Highland Road include agricultural, grazing, residential, and small retail developments. Based on the stable growth along Highland Road and nearby San Juan 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 residential use. This conclusion is correlated to the subject property as a whole and selected economic unit.

LOCATION MAP OF SUBJECT PROPERTY



**Subject Property
Parcel 20**

© TexMaps

Kelly Brush
Wildlife Mgmt Area

Brewster

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 R. GUTIERREZ ENGINEERING CORPORATION. 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)

EXHIBIT "A"

COUNTY: HIDALGO

DRAIN DITCH: Southfork Drainage Lateral

PROJECT LIMITS: From "I" Road to Anaya Road

Eng07.032L

May 18, 2009

Parcel 20

Page 1 of 2

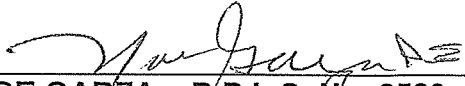
FIELD NOTES FOR PARCEL – 20

Being a 0.090-acre tract of land out of Lot 66, Stewart's Addition to Conway Gardens, Hidalgo County, Texas, as recorded in Volume 21, Page 514, Deed Records, Hidalgo County, Texas. Said the South 463 feet of the West 660 feet of Lot 66 is vested to Rio Fresh, Inc., a Texas Corporation from Roberta S. Jackson; Christine S. Morley; Frederick W. Schuster; and Jeanette S. Brown, by virtue of a General Warranty Deed, dated September 11, 2007, recorded in Document No. 1817666, Official Records, Hidalgo County, Texas. Said 0.090-acre tract of land being more particularly described by metes and bounds as follows;

Commencing at a (unable to set point) the Northwest corner of said Lot 66, **THENCE**, South 08 degrees 34 minutes 59 seconds West, along the West line of Lot 66, a distance of 857.00 feet, for the Northwest corner and **POINT OF BEGINNING** of the tract herein described;

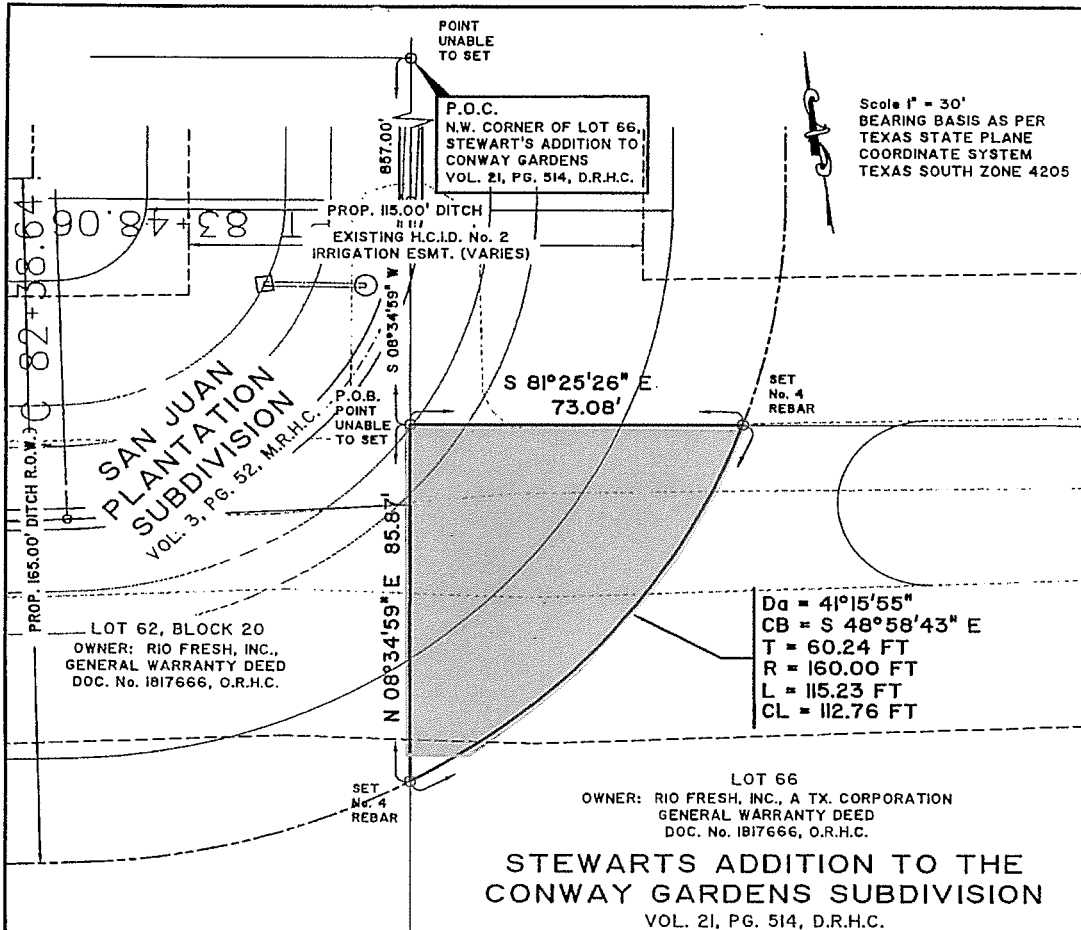
1. **THENCE**, South 81 degrees 25 minutes 26 seconds East, a distance of 73.08 feet to a No. 4 rebar set on the Proposed Right of Way line of Southfork Drainage Lateral, for the Northeast corner of the tract herein described; said point being on a curve to the right;
2. **THENCE**, in a Southeasterly direction, continuing along said Proposed Right of Way line, with said curve to the right, thru an arc angle of 41 degrees 15 minutes 55 seconds, a radius of 160.00 feet, a tangent of 60.24 feet, a chord length of 112.76 feet, a chord bearing of South 48 degrees 58 minutes 43 seconds East, and an arc length of 115.23 feet to a No. 4 rebar set, for the South corner of the tract herein described;
3. **THENCE**, North 08 degrees 34 minutes 59 seconds East, along the West line of Lot 66, a distance of 85.87 feet to the **POINT OF BEGINNING** and containing 0.090-acres, of which 0.088-acres lies in the Existing Hidalgo County Irrigation District No. 2 Drain Ditch Easement, leaving a **Proposed Net Taking** of 0.002-acres of land, more or less.





NOE GARZA – R.P.L.S. No. 2589
DATE: 22 MAY 09

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



Scale 1" = 30'
 BEARING BASIS AS PER
 TEXAS STATE PLANE
 COORDINATE SYSTEM
 TEXAS SOUTH ZONE 4205

Da = 41°15'55"
 CB = S 48°58'43" E
 T = 60.24 FT
 R = 160.00 FT
 L = 115.23 FT
 CL = 112.76 FT

LOT 66
 OWNER: RIO FRESH, INC., A TX. CORPORATION
 GENERAL WARRANTY DEED
 DOC. No. 1817666, O.R.H.C.
**STEWARTS ADDITION TO THE
 CONWAY GARDENS SUBDIVISION**
 VOL. 21, PG. 514, D.R.H.C.

SUBJECT TO:
 - CENTRAL POWER AND LIGHT
 COMPANY
 Dated June 6, 1952, Recorded in
 Volume 749, Page 149, Deed
 Records, Hidalgo County, Texas.

PARCEL 20

OWNER: Rio Fresh, Inc., a Texas
 Corporation, General Warranty Deed
 recorded in Document 1817666,
 Official Records, Hidalgo County,
 Texas.

DESCRIPTION: The South 463 feet
 of the West 660 of Lot 66,
 Stewart's addition to Conway
 Gardens, Hidalgo County Texas,
 recorded in Vol. 21, Pg. 514, Deed
 Records, Hidalgo County, Texas.

Total acreage: 7.015 ac.
 To be acquired: 0.090 ac.
 Exist. H.C.I.D. No. 2
 Drain Ditch Easement: 0.088 ac.
 Proposed Net taking: 0.002 ac.
 Remainder: 6.925 ac.
 Document: _____

EXHIBIT "A"
**PROPOSED SOUTHFORK
 DRAINAGE LATERAL
 PARCEL 20**
**A 0.090 ACRE TRACT OF LAND
 OUT OF LOT 66,
 STEWART'S ADDITION TO
 CONWAY GARDENS,
 HIDALGO COUNTY, TEXAS.
 VOLUME 21, PAGE 514, D.R.H.C.**

The undersigned hereby certifies
 that this survey, as described
 hereon, was made on the ground and
 that the only improvements on the
 ground are as shown and that there
 are no visible encroachments, visible
 overlapping, apparent conflicts, or
 visible easements, except as shown
 hereon. This survey substantially
 conforms to the Minimum Standards
 of Practice as approved by the
 Texas Board of Professional Land
 Surveyors.



Noe Garza
 NOE GARZA - R.P.L.S. No. 2589
 Date: *22 May 09*



918 W. NOLANA PHARR, TEXAS 78577 (956) 783-1207

R. Gutierrez
 Engineering Corporation
Professional Engineers & Land Surveyors
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Green Highlighted Area = Existing ROW / Yellow Highlighted Area = Part To Be Acquired