



HIDALGO COUNTY RIGHT OF WAY DEPARTMENT

Jose N. Peña
Director

MEMO

TO: Commissioner's Court

FROM: Roy Gonzales
Right Of Way Agent *RG/UG*

DATE: JUNE 28, 2011

RE: EL GATO ROAD PROJECT (Parcel # 2)
Stiers Family Management Trust c/o Lou Anne Bell and Darryl Stiers -
CO-TRST

Attached please find letter provide by property owner for above-mentioned project.

Appraised Value: \$3,848.00

Settlement Offer: \$5,130.00

Differences: \$1,282.00

Approved;

Not Approved: _____

June 22, 2011

RE: El Gato Road Project
Stiers Family Management Trust

To Whom It May Concern,
Mr. Roy Gonzales,

Thank you for your revision in land values. We still feel that the price should be the same from the East to the West of the property.

In 2007, the county bought several acres for the new drainage ditch on the North side of the property. They paid \$35,000.00 per acre East to West throughout the property.

The Stiers Family is willing to accept Parcel #1, subject to a small change on Parcel #2 and #3. If the county will raise the price of Parcel #2 and #3 to \$30,000.00 an acre as well, the family will be in agreement.

The big difference between the ditch transaction and the current one is that there is a very good hard corner on Parcel #1.

Thank you for your time concerning this matter. We look forward to completing this transaction.

Yours truly,

The Stiers Family Management Trust
Lou Anne Bell and Darryl Stiers co-trustees

A handwritten signature in cursive script, appearing to read "LBell", written in black ink.

REAL ESTATE APPRAISAL REPORT
TEXAS DEPARTMENT OF TRANSPORTATION

Address of Property: North line of El Gato Road east of FM 907, Hidalgo County, TX. **District:** NA
Property Owner: Stiers Family Management Trust **ROW CSJ:** NA
c/o Lou Anne Bell and Darryl Stiers CO-TRST
Address of Property Owner: 2314 Orange Street Mission **Parcel:** 2
TX 78574 **Federal Project No:** N/A
Occupant's Name: Vacant
Whole: **Partial:** **Acquisition** **Highway:** El Gato Road **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.

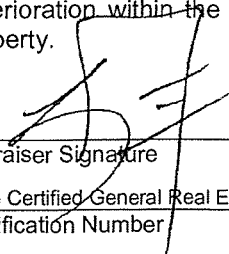
Market Value

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 \$3,848.00 as of January 10, 2011, based upon my independent appraisal and the exercise of my professional judgment; on January 10, 2011, (date)(s), I personally inspected in the field the property herein appraised; I afforded Lou Anne Bell and Darryl Stiers CO-TRST, 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 February 17, 2011, I have not revealed and will not reveal the findings and results of such appraisal to anyone other than the proper officials of the, City of Alamo, or officials of the Federal Highway Administration until authorized by city 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 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
June 8, 2011

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 that is a Sales Comparison Approach to the subject as if vacant and includes the estimated depreciated market value of real estate improvements and site improvements located within the part to be acquired. This is further explained within each section of the appraisal report.

Identification of Client & Intended User of Appraisal Report

The client for this report is identified as Hidalgo County Right of Way Department under the direction of Joe E. Pena, Director, Right of Way Department and the City of Alamo, Texas. Mr. Pena along with Roy Gonzalez, Right-of-Way Agent will be involved with the acquisition of said proposed right-of-way. The part to be acquired is for the expansion of the existing road right-of-way of El Gato Road with the project limits being from Alamo Road (FM 907) to Tower Road, within the extra territorial jurisdiction of the City of Alamo, Texas.

The intended use of the report is to assist the Hidalgo County Right-of-Way Department and others involved with the project, for future negotiations of acquiring a portion of said property as fee simple, in the name of the City of Alamo. This report is not intended for any other use unless specified by the client. The client has identified that the report shall be a summary appraisal report, which is to conform to the ROW-A-6 Form Rev. 7/2004. The intended user of the report is defined as Hidalgo County Right of Way Department and the County of Hidalgo, and may include other governmental entities which may be participating in the project. Roy Gonzales shall be the project manager for this project under the direction of Joe E. Pena. Mr. Gonzales has a local office located at 2401 N Moorefield Road, Mission, Texas and can be contacted at (956) 283-8134.

Scope of the Assignment

By work order 653485 dated February 28, 2011 on behalf of Hidalgo County Right of Way Department and the City of Alamo; Roy Gonzales 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. Leonel Garza III is the owner of Leonel Garza Jr. & Associates, LLC located at 1419 Dove Avenue Ste 1, McAllen, Texas. This office has been in operation for over 30 years of which Leonel Garza III, became owner of the family operation after the passing of Leonel Garza Jr. in 1998. Leonel Garza III has specialized in right-of-way acquisition field for over 10 years of which has performed projects in the following County's: Cameron County, Hidalgo County, Starr County, Zapata County, Webb County, Nueces County and Brooks County. Leonel Garza III, shall inspect each property personally along with staff member and General Certified Appraiser Luis C. Garza Lic. No. 1338051 who has worked under the direction of Leonel Garza III for over five (5) years. Luis C. Garza will aid in the preparation of the report, however, all analysis, determination of comparables and the determination of compensable items shall be performed by Leonel Garza III. The scope of the assignment is to appraise the area as fee simple in its present "as is condition" subject to governmental regulation, and in terms of a cash transaction. In addition, the scope is requiring the appraiser to make the extraordinary condition that the subject property is free from contamination of which could affect the overall market value of the subject property as a whole and the part to be acquired. Each property owner shall be sent a letter of intent to inspect the subject property and offer any additional inspections on-site and in the presence of the owner(s) and or owner(s) representative (as requested). In the event access is not granted to enter the subject area, the appraiser is to proceed off-site along existing road right-of-way as indicated by survey. The scope of the assignment requires that comparable market sales within the area 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. Listings along El Gato Road were also reviewed in order to determine the current market asking price for property 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 without project influence as indicated by scope. The inspection is limited by the permissibility of the subject owner as per date of report. In the event an on-site inspection was not permitted, the appraiser continued the inspection off-site along existing road right of way of El Gato Road.

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 in the name of the City of Alamo, 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 and easement valuation of the subject property. Fee Simple Estate is defined by the Dictionary of Real Estate Appraisal, Fifth Edition, copyright 2010, page 78, 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." In addition to the valuation of fee simple, the scope of the assignment is to evaluate the subject as an "Easement". According to the Dictionary of Real Estate Appraisal "An easement is the conveyance of certain property rights, but not ownership, to a parcel of real estate." By definition, the ownership of real estate is endowed with a bundle of rights. If there are any questions or concerns as to this definition of fee simple estate or easement, please feel free to contact Leonel Garza III at (956) 687-7295 for further explanation

Accessibility To Subject Property

As per scope of the assignment, the subject property shall be inspected in order to verify any and all improvements affected by the part to be acquired. In the event the remainder after the acquisition is affected by the proposed acquisition the remainder shall be inspected in order to determine damages (diminution) to market value if any exist. The property owner of record shall be sent a letter of intent to inspect and offer the opportunity for an on-site inspection in the presence of the appraiser, Leonel Garza III. The owner of record, as per the Hidalgo County Appraisal District was sent a letter of intent to inspect the subject property on the week of February 9, 2011. A copy of the certified letter is located within the addenda of this report. The owner of record, as per the Hidalgo County Appraisal District was sent a letter of intent to inspect the subject property on the week of February 9, 2011. A copy of the certified letter is located within the addenda of this report. On or about February 9, 2010, Lou Anne Bell and Darryl Stiers returned the certified letter sent and indicated that Leonel Garza Jr. & Associates LLC had permission to inspect the subject property without their presence required.

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 El Gato 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 10.00 acre tract of land as indicated by survey. The area for the subject property as a whole is indicated as per survey provided by R. Gutierrez Engineering Corporation dated November 5, 2010. 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 2.00 acres to 21.63 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 proposed acquisition.

Part To Be Acquired

The proposed acquisition is comprised of fee land in which the land area to be acquired is 0.379 acre (16,509 square feet) out of a 10.00 acre tract of land. The part to be acquired includes 0.152 acres of existing road right of way and is encumbered by a 0.114 acre Total E&P USA, Inc. pipeline easement, leaving a net 0.114 acres (6,273 square feet) of land owned in fee simple. The proposed acquisition has approximately 330' lineal feet of frontage along the north side of El Gato 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 development tract of land, which is based on the local market trends along El Gato Road. This highest and best use is further explained on page 3.2 of this report.

To Be Acquired (Net)	0.114 Acres
	6,273 Square Feet

Legal Description: Part To Be Acquired

Being 0.379 gross acre tract of land out of the west one-half (1/2) of the east one-half (1/2) of Lot 5, Block 28, Alamo Land and Sugar Company's Subdivision, Hidalgo County, Texas. Volume 1, Pages 24-26, M.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 part to be acquired. The highest and best use of the subject property before and after the proposed partial acquisition is analyzed to determine whether or not the use of the subject property will be altered as a result of the proposed part to be acquired. As for the remainder, it was determined that the highest and best use before and after the acquisition shall remain and not be damaged or changed as a result of the proposed acquisition.

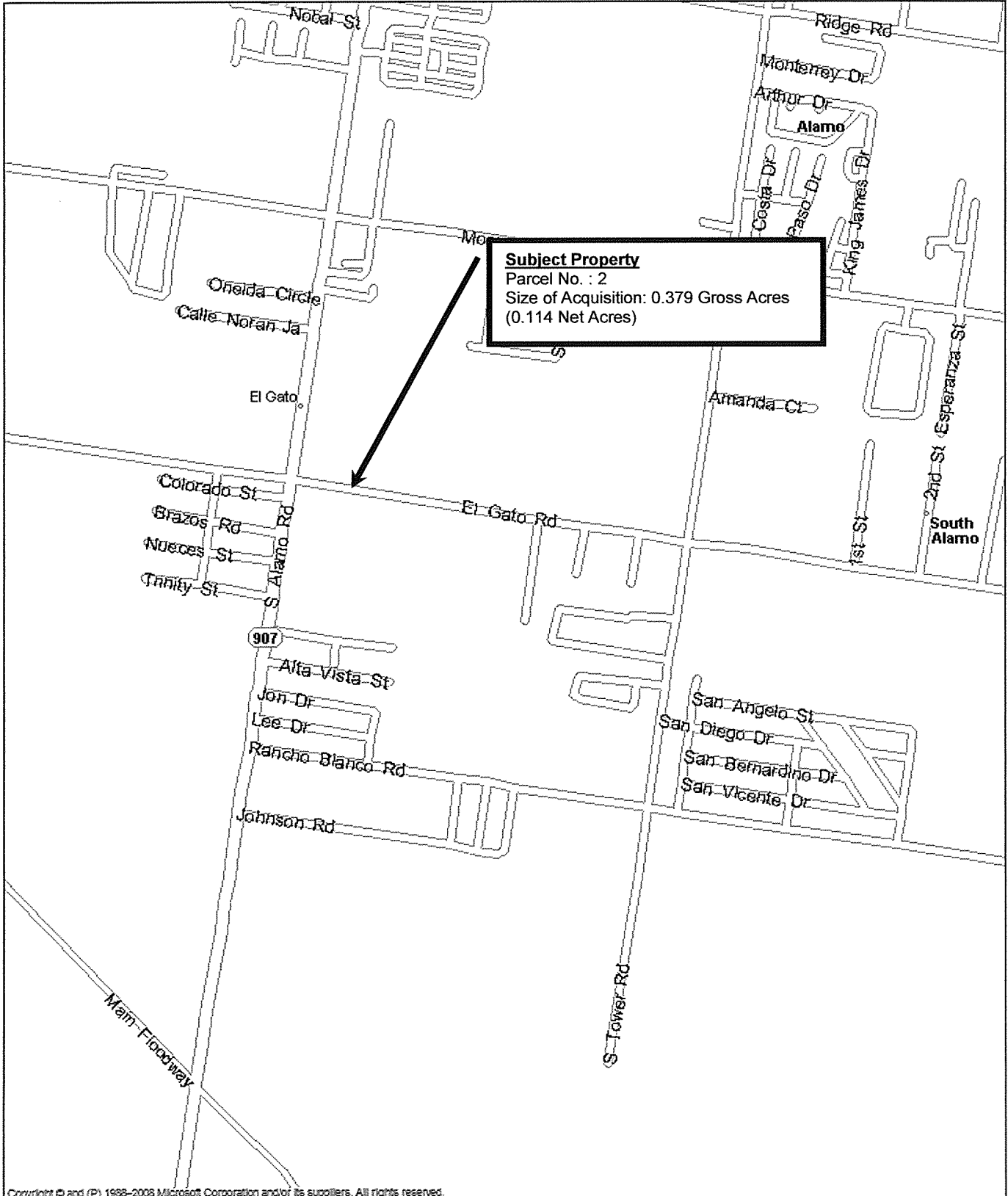
Property Tax Information

The Hidalgo County Appraisal District is located at 4405 S. Professional Dr., Edinburg, Texas 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 of Bell Lou Anne Stiers and Cindy S Nordmeyer CO-TRST. This was found under the tax account 111578 of which the subject property is current assessed at \$7,700 per acre. The subject property currently receives an agriculture use exemption due to its current use, with a rate of \$404 per acre. The property taxes for the subject appear to be current; however, further research with the Hidalgo tax office shall be required to confirm any outstanding tax liabilities attributable to the subject property. ***As per Lou Anne Bell on February 28, 2011, indicated by a letter sent to our office, that Cindy Nordmeyer is no longer associated with the tract.***

General Site Assessment Statement

This appraiser has made an on-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 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. A survey of the remainder of the subject property was not provided or necessary due to the acquisition being a partial acquisition. 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.

LOCATION MAP OF SUBJECT PROPERTY



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Microsoft® MapPoint 2009 (16.00.19.1500)

AERIAL PHOTOGRAPH OF SUBJECT PROPERTY

Google Earth



Subject Property
Parcel No. : 2
Size of Acquisition: 0.379 Gross Acres
(0.114 Net Acres)

© 2010 INEGI

© 2010 Europa Technologies

Image City of McAllen

© 2010 Google

Google

Imagery Date: Oct 15, 2007

26°09'23.69" N 98°07'16.38" W

Eye alt 5253 ft

AERIAL PHOTOGRAPH OF SUBJECT PROPERTY

Google Earth (Closer View of Subject Property)



NOTE: THE PART TO BE ACQUIRED IS ESTIMATED AND DEPICTED BY THE YELLOW DASHED LINE. COMPLETE SURVEY OF SUBJECT AS A WHOLE WAS NOT PROVIDED BY R. GUTIERREZ ENGINEERING CORP. 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

HIGHWAY: El Gato Road

PROJECT LIMITS: From Alamo Road (F.M. 907) to Tower Road

Eng09.022A
September 30, 2010
Parcel 2
Page 1 of 3

FIELD NOTES FOR PARCEL – 2

Being a 0.379-acre tract of land out of the West one-half (1/2) of the East one-half (1/2) of Lot 5, Block 28, Alamo Land and Sugar Company's Subdivision, Hidalgo County, Texas, as per map recorded in Volume 1, Pages 24~26, Map Records of Hidalgo County, Texas. Said West one-half (1/2) of the East one-half (1/2) tract is vested to Lou Anne Stiers Bell and Cindy Stiers Nordmeyer, Co-Trustees under Trust Agreement from Marie Cramer, by virtue of a Deed of Gift, dated May 9, 1989, recorded in Volume 2759, Page 766, Official Records of Hidalgo County, Texas, and from Lou Anne Bell, Cindy Nordmeyer, Richard Stiers, Karen Stiers and Darryl Stiers, by virtue of a Warranty Deed, dated November 22, 1999, recorded in Document No. 881649, Official Records of Hidalgo County, Texas. Said 0.379-acre tract of land being more particularly described by metes and bounds as follows;

Commencing at a Cotton Picker Spindle set at the Southeast corner of Lot 5, **THENCE**, North 81 degrees 25 minutes 00 seconds West, with the South line of Lot 5, a distance of 330.00 feet to a Cotton Picker Spindle set at the Southeast corner of the West one-half (1/2) of the East one-half (1/2) of Lot 5, for the Southeast corner and the **POINT OF BEGINNING** of this tract of land;

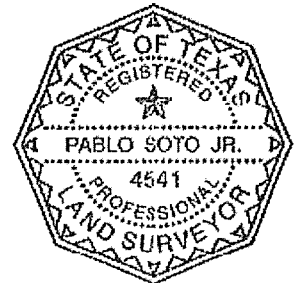
1. **THENCE**, continuing North 81 degrees 25 minutes 00 seconds West, with the South line of said Lot 5, a distance of 330.00 feet to a No. 4 rebar set at the Southwest corner of said West one-half (1/2) of the East one-half (1/2) of said Lot 5, for the Southwest corner of this tract of land;
2. **THENCE**, North 08 degrees 35 minutes 00 seconds East, with the West line of said West one-half (1/2) of the East one-half (1/2) of said Lot 5, at a distance of a 20.00 feet pass the Existing North Right of Way line of El Gato Road, and at a total distance of 50.00 feet to a No. 4 rebar set at the Proposed North Right of Way line of said El Gato Road, for the Northwest corner of this tract of land;
3. **THENCE**, South 81 degrees 25 minutes 00 seconds East, with the Proposed North Right of Way line of said El Gato Road, a distance of 330.00 feet to a No. 4 rebar set at the East line of said West one-half (1/2) of the East one-half (1/2) of Lot 5, for the Northeast corner of this tract of land;

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

Eng09.022A
September 30, 2010
Parcel 2
Page 2 of 3

4. **THENCE**, South 08 degrees 35 minutes 00 seconds West, with the East line of said West one-half (1/2) of the East one-half (1/2) of Lot 5, at a distance of 30.00 feet pass the Existing North Right of Way line of said El Gato Road, and at a total distance of 50.00 feet to the **POINT OF BEGINNING**, containing 0.379 acres of land, of which 0.152-acres lies in the Existing Right of Way of El Gato Road, 0.114-acres lies in the Existing Total E&P USA, Inc. pipeline Easement, leaving a **Proposed Net Taking** of 0.114-acres of land, more or less.

I, Pablo Soto, Jr., a Registered Professional Land Surveyor in the State of Texas, do hereby certify the above metes and bounds are true and is the result of an actual survey performed on the ground under my direction.

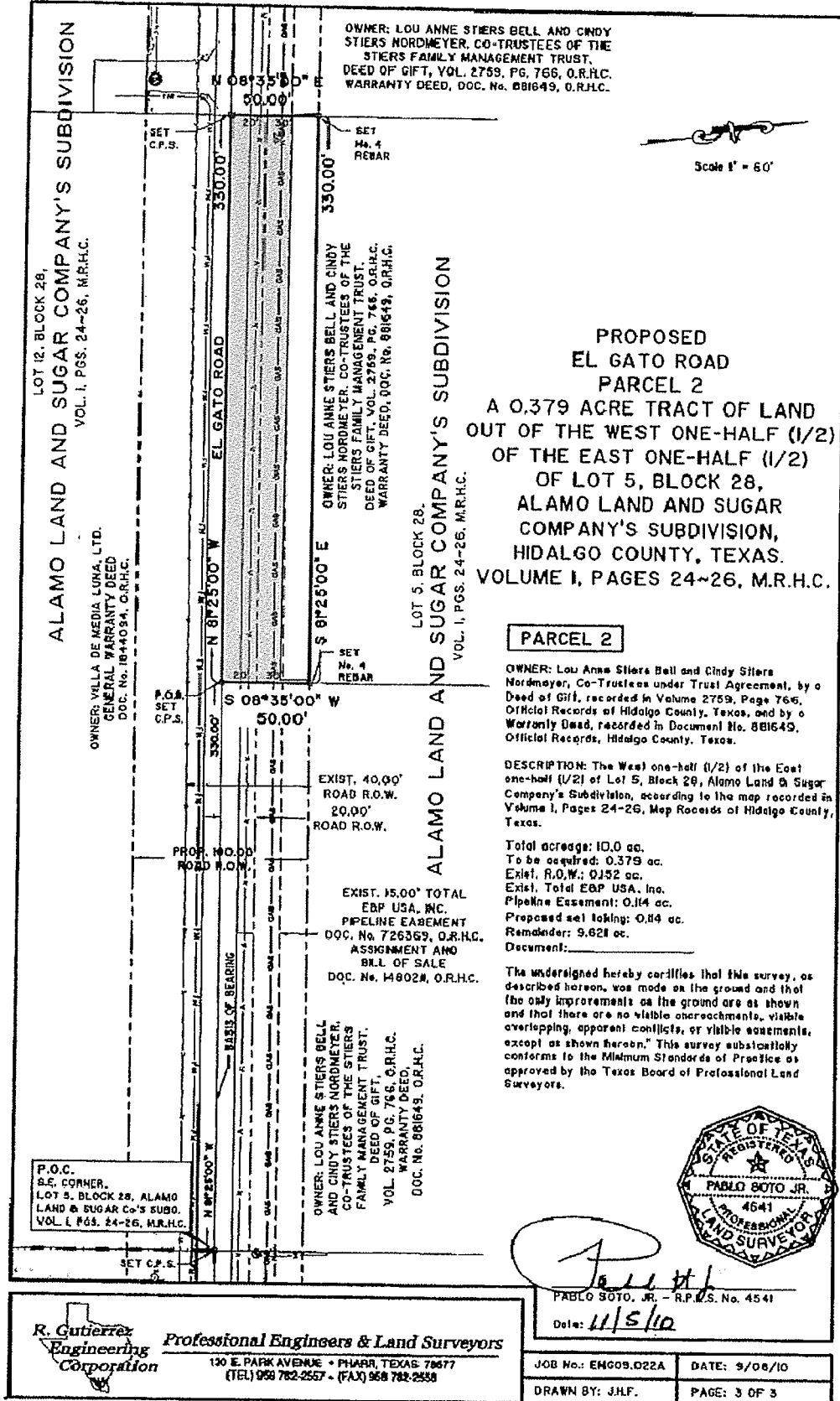


A handwritten signature in black ink, appearing to read "Pablo Soto Jr.", written over a horizontal line.

PABLO SOTO JR. R.P.L.S. No. 4541

Date: 11/5/10

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



**PROPOSED
EL GATO ROAD
PARCEL 2**
 A 0.379 ACRE TRACT OF LAND
 OUT OF THE WEST ONE-HALF (1/2)
 OF THE EAST ONE-HALF (1/2)
 OF LOT 5, BLOCK 28,
 ALAMO LAND AND SUGAR
 COMPANY'S SUBDIVISION,
 HIDALGO COUNTY, TEXAS.
 VOLUME I, PAGES 24~26, M.R.H.C.

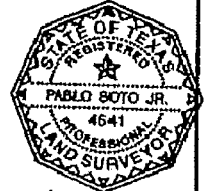
PARCEL 2

OWNER: Lou Anne Stiers Bell and Cindy Stiers Nordmeyer, Co-Trustees under Trust Agreement, by a Deed of Gift, recorded in Volume 2759, Page 766, Official Records of Hidalgo County, Texas, and by a Warranty Deed, recorded in Document No. 881649, Official Records, Hidalgo County, Texas.

DESCRIPTION: The West one-half (1/2) of the East one-half (1/2) of Lot 5, Block 28, Alamo Land & Sugar Company's Subdivision, according to the map recorded in Volume I, Pages 24-26, Map Records of Hidalgo County, Texas.

Total acreage: 10.0 ac.
 To be acquired: 0.379 ac.
 Exist. R.O.W.: 0.152 ac.
 Exist. Total EBP USA, Inc. Pipeline Easement: 0.114 ac.
 Proposed set taking: 0.84 ac.
 Remainder: 9.621 ac.
 Document: _____

The undersigned hereby certifies that this survey, as described herein, 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 herein. This survey substantially conforms to the Minimum Standards of Practice as approved by the Texas Board of Professional Land Surveyors.



PABLO SOTO, JR. - R.P.L.S. No. 4541
 Date: 11/5/10

JOB No.: EM009.022A	DATE: 9/08/10
DRAWN BY: J.H.F.	PAGE: 3 OF 3

R. Gutierrez
 Engineering Corporation
 Professional Engineers & Land Surveyors
 130 E. PARK AVENUE • PHARR, TEXAS 77677
 (TEL) 958 782-2557 • (FAX) 958 782-2558

Yellow Highlighted Area = Net Area To Be Acquired / Green Highlight Area = Existing ROW & Easements

PHOTOGRAPHS OF SUBJECT PROPERTY
Include Each Major Improvement

Parcel No.: 2

Local Address: North line of El Gato Road East of FM 907

Date Taken: January 10, 2011

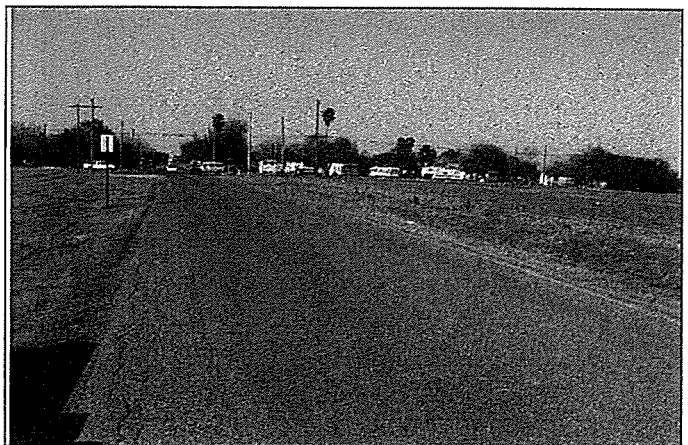
Taken By: :Leonel Garza III

Point which taken: Photo 1: El Gato Rd. ROW
Photo 2: El Gato Rd. ROW

Looking: Photo 1: North
Photo 2: West



Northern view of subject whole property from El Gato Road



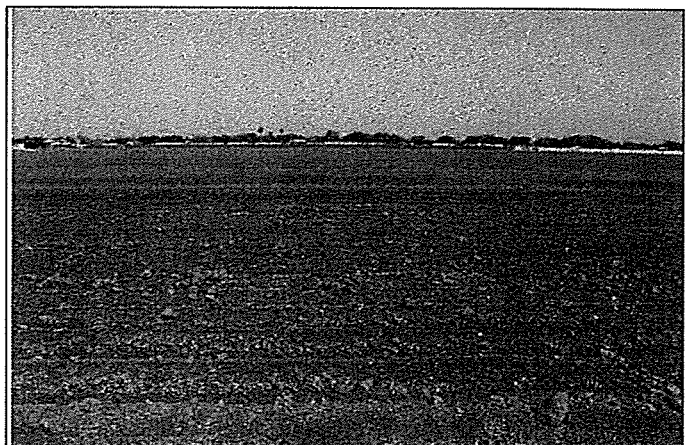
Western view of El Gato Rd. Subject property is located along the right of the photo.

Point which taken: Photo 3: El Gato Rd. ROW
Photo 4: El Gato Rd. ROW

Looking: Photo 3: East
Photo 4: North



Eastern view of El Gato Road. Subject property is to the left of the photo.



Northern view of subject property.

DESCRIPTION OF PROPERTY:

The subject property, as a whole, is a 10.0 acre vacant tract of land located along the north side of El Gato Road. The subject property contains 330.00' lineal feet of frontage along the northern frontage of El Gato Road. According to the survey provided by R. Gutierrez Engineering Corporation, dated November 5, 2010, the part to be acquired is approximately 0.114 net acres (6,273 square feet) located along the most southern property boundary. This land area currently in fee simple shall be calculated at 100% of the unit value derived from the sales comparison approach as vacant that shall exclude any existing road right of way and public easements to arrive at the net area to be acquired as per scope of the assignment. This is performed in order to determine the unit value for the proposed acquisition for the purchase of said tract in the name of the City of Alamo.

AREA OR NEIGHBORHOOD ANALYSIS:

The subject neighborhood is defined as being that area border to the north by US Business 83, to the south by US Highway 281 (Military Road), to the east by South Tower Road and to the west by FM 2557 (Stewart Road). The subject neighborhood is comprised of a mixture of single-family residential development predominantly located along South Tower, Stewart and El Gato Road. Small commercial development is predominantly located along US Business 83 and FM 907. With the introduction of municipal services within the area of the subject property, it is believed that a steady growth of both residential and commercial development will occur. Several properties along South Tower Road are in a state of development as indicated by the City of Alamo Planning and Zoning Department. Leonel Garza Jr. & Associates LLC has inspected the market area along El Gato Road and has found that the market is in a state of positive development.

SITE ANALYSIS

Five Year Sales History:

During the course of the appraisal, research was performed through the Hidalgo County Appraisal District to verify the current ownership of the subject property along with title information provided by the client. The property was transferred from Lou Anne Bell, Cindy Nordmeyer, Richard Stiers, Karen Stiers, and Darryl Stiers to Lou Anne Bell and Cindy Nordmeyer, Co-Trustees of The Stiers Family Management Trust under Trust Dated October 18, 1999 on November 22, 1999 and recorded under Document Number 881649 for an undisclosed consideration. A copy of the appraisal card is located in the Addenda of this report. Further research shall be required as it has been indicated that Cindy Nordmeyer is no longer a co-trustee of the subject property as of the Fall of 2010. This was indicated by Lou Anne Bell as per returned questionnaire.

Legal Description: (Whole Property)

The West one-half (1/2) of the East one-half (1/2) of Lot 5, Block 28, Alamo Land and Sugar Company's Subdivision, according to the map recorded in Volume 1, Pages 24-26, Map Records of Hidalgo County, Texas.

Legal Description: (Part to be Acquired)

0.379 acre tract of land out of the west one-half (1/2) of the east one-half (1/2) of Lot 5, Block 28, Alamo Land and Sugar Company's Subdivision, Hidalgo County, Texas. Volume 1, Pages 24-26, M.R.H.C.

Improvements:

During the on-site of the subject property, no building improvements were indicated within the part to be acquired. Any site improvements located within the proposed acquisition shall be itemized on page 5.0 of this report for purposes of determining compensation. These site improvements within the acquisition are valued based on their depreciated cost value. In the event site improvements must be re-established within the remainder, a cost to cure shall apply and be added to the total compensation calculated. In addition, any utilities located within the part to be acquired of which are affected by the acquisition, shall be relocated as an item of construction and shall not be included within the compensation of the subject property.

Highest and Best Use Analysis:

The subject's highest and best use as vacant is indicated for residential development. This type of use is concurrent with the recent trends located along El Gato Road within Alamo, Texas. 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 City of Alamo. 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 continued agricultural use 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.

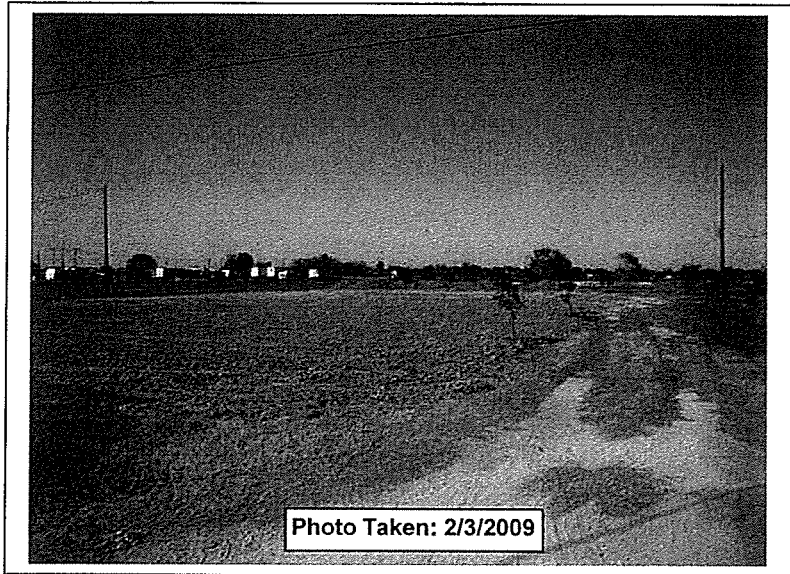
VALUATION OF PART TO BE ACQUIRED

LAND VALUATION
 Representative Comparable Sales

	Subject	Comp. No. 1	Comp. No. 2	Comp. No. 3
Grantor	Lou Anne Bell, Cindy Nordmeyer, Richard Stiers, Karen Stiers, and Darryl Stiers	Imelda Rodriguez	Geoval Properties	Palm Gardens, Inc.
Grantee	Lou Anne Bell and Cindy Nordmeyer, Co-Trustees of the Stiers Family Management Trust Under Trust Dated October 18, 1999	Jose H. Mejia	Universal Truckers, Inc.	Pharr San Juan Alamo Independent School District
Date	November 22, 1999	October 23, 2008	July 14, 2009	January 27, 2010
Sales Price	\$ -	\$ 55,000	\$ 275,000	\$ 367,710
Unit Price	\$ - / Acre	\$ 27,500 / Acre	\$ 18,900 / Acre	\$ 17,000 / Acre
Conditions of Sale	Cash To Seller	Similar 0%	Similar 0%	Similar 0%
Market Conditions	Average	Similar 0%	Similar 0%	Similar 0%
Physical Characteristics	Rectangular	Similar 0%	Similar 0%	Similar 0%
Relative Location	Average	Similar 0%	Similar 0%	Similar 0%
Lot Location	Interior Tract	Similar 0%	Similar 0%	Similar 0%
Financing	Conventional	Similar 0%	Similar 0%	Similar 0%
Available Utilities	All Municipal	Similar 0%	Similar 0%	Similar 0%
Street Access / Frontage	El Gato Road	El Gato Road, East of Tower Road 0%	Alamo Road Just North of El Gato Road 0%	El Gato Road East of Alamo Road 0%
Size of Tract (Acre)	10.00 Ac	2.00 Ac -10%	14.55 Ac 5%	21.63 Ac 10%
Net Adjustments		-10%	5%	10%
Indicated Unit Value		\$ 24,750 / Acre	\$ 19,845 / Acre	\$ 18,700 / Acre
Estimated Unit Value of Fee Simple Area				\$ 22,500 / Acre
Estimated Unit Value of Easement Area				(\$22,500 / Acre x 50% of Fee Simple Value) \$ 11,250 / Acre
Estimated Value by Sales Comparison Approach				(0.114 Acres x \$22,500 / Ac) \$ 2,565
				<i>(Includes Part To Be Acquired Only)- Fee Land</i>
Estimated Value by Sales Comparison Approach				(0.114 Acres x \$11,250 / Ac) \$ 1,283
				<i>(Easement Portion of Part To Be Acquired Only @ 50% of Fee Simple Value)</i>
Combined Market Value				\$ 3,848

COMPARABLE DATA SUPPLEMENT

District: _____ Parcel No.: 2 Highway: El Gato County: Hidalgo ROW CSJ: _____
 Road
 Land Sale Improved Sale Rental Data



Grantor/Lessor: Imelda Rodriguez		Grantee/Lessee: Jose H. Mejia	
Date: October 23, 2008	Recording Information: Doc# 1940699	Key Map: TexMap Page 310 E 4	
Address: North side of El Gato Road, east of South Tower Road, Alamo Texas.		Zip Code: 78516	
Legal Description: All of Lot 9, El Gato Estates No. 2, an addition to the City of Alamo, Hidalgo County, Texas.			
Confirmed Price: \$55,000		Verified with: MLS# A113650s	
Terms and Conditions of Sale: Cash to Seller			
Rental Data: N/A			
Land Size: 2.00 Acres		Unit Price as Vacant: \$27,500 per acre	
Type Street: Asphalt		Utilities: Water, Sewer, Gas, Electric	
Improvement(s) Description:			
Improvement(s) Size: N/A (GBA) N/A(NRA)		Unit Price as Improved: \$ N/A	
Condition and Functional Design:			
Current Use: Vacant at time of sale		Highest & Best Use: Residential Use	
Date of Inspection: February 17, 2011		Zoning: N/A	Flood Plain: Zone "B"

Attach additional information as necessary.

The subject is located along the north side of El Gato Road, east of Tower Road in a area currently being developed into 2.00 acre home-site which is indicative of the trends along El Gato Road.

Appraiser: Leonel Garza III	June 8, 2011
(Typed, not signed)	Date

COMPARABLE DATA SUPPLEMENT

District: _____ Parcel No.: 2 Highway: El Gato County: Hidalgo ROW CSJ: _____
 Road
 Land Sale Improved Sale Rental Data



Grantor/Lessor: Geoval Properties, LTD		Grantee/Lessee: Universal Truckers, Inc.	
Date: July 14, 2009		Recording Information: Doc # 2018784	
Address: Located along the eastern side of Alamo Road, just north of El Gato Road, Alamo Texas.		Key Map: TexMap Page 309 E 5	
Legal Description: The South 15.0 acres of Lot 4, Block 28, Alamo Land and Sugar Company Subdivision, Hidalgo County, Texas, According to the map or plat thereof recorded in Volume 1, Page 24, Map Records of Hidalgo County, Texas. (14.55 acres net)		Zip Code: 78516	
Confirmed Price: \$275,000		Verified with: MLS# A106683s	
Terms and Conditions of Sale: Cash to Seller			
Rental Data: N/A			
Land Size: 14.55 Acres		Unit Price as Vacant: \$18,900 per acre	
Type Street: Asphalt		Utilities: Water, Sewer, Gas, Electric	
Improvement(s) Description: None			
Improvement(s) Size: N/A (GBA) N/A(NRA)		Unit Price as Improved: \$ N/A	
Condition and Functional Design:			
Current Use: Vacant (time of sale)		Highest & Best Use: Single Family Residential Development	
Date of Inspection: February 17, 2011		Zoning: Commercial	Flood Plain: Zone "B"

Attach additional information as necessary.

Appraiser: Leonel Garza III	June 8, 2011
(Typed, not signed)	Date



COMPARABLE DATA SUPPLEMENT

District: Parcel No.: 2 Highway: El Gato County: Hidalgo ROW CSJ:
Road
Land Sale Improved Sale Rental Data



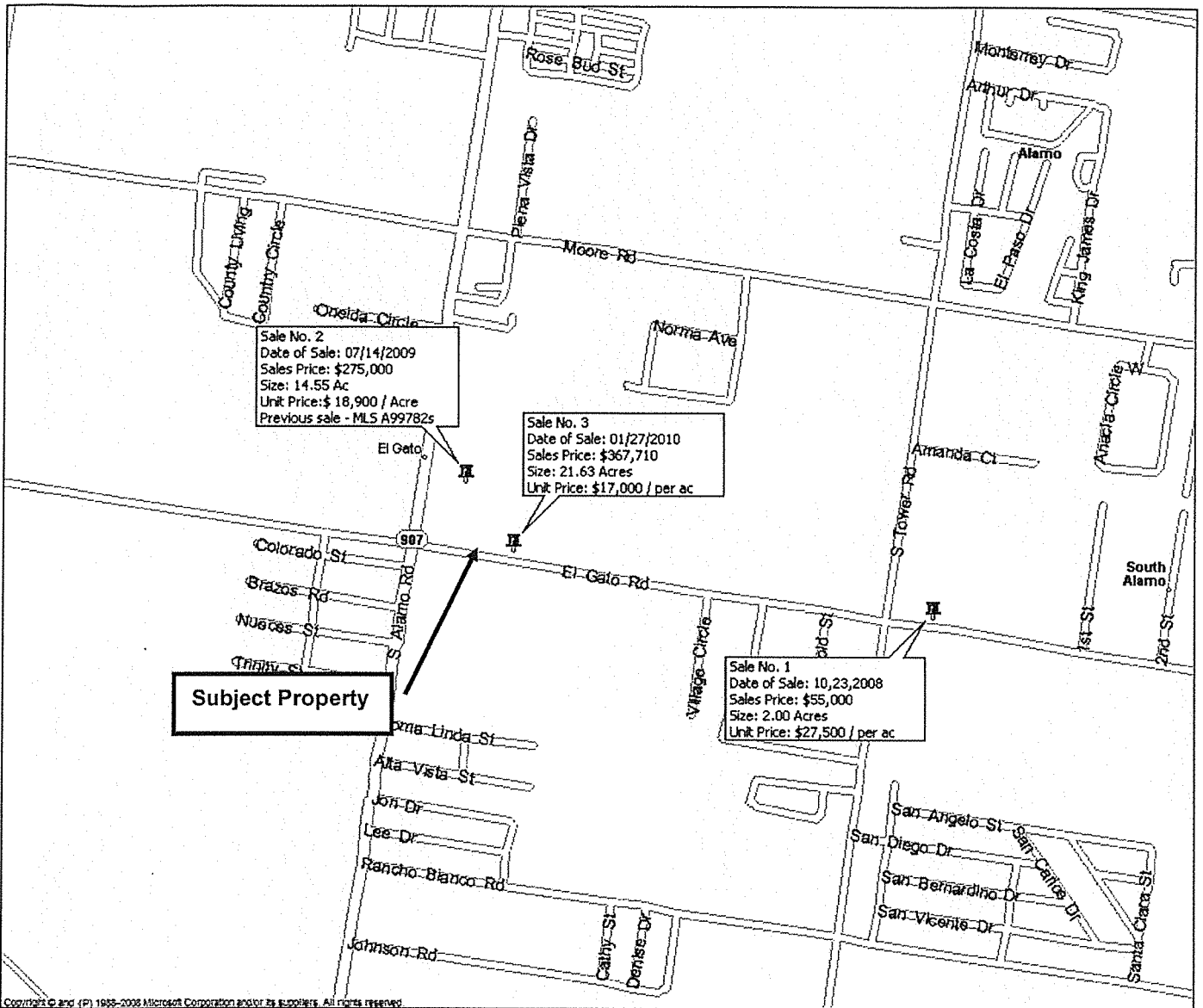
Grantor/Lessor: Palm Garden, Inc.		Grantee/Lessee: Pharr San Juan Alamo Independent School District	
Date: 1/27/2010	Recording Information: Document # 2072274		Key Map: TexMap Pag e309 E 3
Address: Located along the northern frontage of El Gato Road, East of Alamo Road, Hidalgo County, Texas			Zip Code: 78516
Legal Description: a 21.63 acre tract of land, out of Lot 8, Block 29, Alamo Land and Sugar Company's Subdivision, Hidalgo County, Texas, as per map recorded in Volume 1, Pages 24-26, Map Records of Hidalgo County, Texas.			
Confirmed Price: \$367,710		Verified with: MLS# A132168 And Listing Agent	
Terms and Conditions of Sale: Cash to Seller			
Rental Data: N/A			
Land Size: 21.63 acres		Unit Price as Vacant: \$17,000 per acre	
Type Street: Asphalt		Utilities: Electric/ Phone	
Improvement(s) Description: Chain Link Perimeter Fencing / Cyclone and Sable Palm Tree Farm			
Improvement(s) Size: N/A (GBA) N/A(NRA)		Unit Price as Improved: \$ N/A	
Condition and Functional Design:			
Current Use: Vacant (time of sale)		Highest & Best Use: Single Family Residential Development	
Date of Inspection:		Zoning: Residential	Flood Plain: Zone "B"

Attach additional information as necessary.

On February 11, 2010 this appraiser spoke with the listing agent of the subject property, who indicated the property was sold for land value only as the crop of trees were to valued.

Appraiser: Leonel Garza III	June 8, 2011
(Typed, not signed)	Date

COMPARABLE SALES MAP



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WARRANTY DEED (Page 6 of 6)

Reservations From and Exceptions to Conveyance and Warranty:

Escheats, rights of reversion and reversionary rights, whether of record or not; all presently recorded instruments, other than liens and encumbrances, that affect the property; taxes for the current year, the payment of which Grantor assumes

Grantor, for the purpose and receipt of which is acknowledged, and subject to the reservations from and exceptions to conveyance and warranty, grants, sells and conveys to Grantee the property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold to Grantee, Grantee's heirs, executor, administrators, successors or assigns forever. Grantor binds Grantor and Grantor's heirs, executor, administrators and successors to warrant and defend all and singular the property to Grantee and Grantee's heirs, executor, administrators, successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the reservations from and exceptions to conveyance and warranty.

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

NO TITLE EXAMINATION WAS REQUIRED WITH THE PREPARATION OF THIS INSTRUMENT.

LOUJANNE BERT

GRADY NORMAN RYMER

RICHARD STIERS

KAREN STIERS

DARRYL STIERS

Filed for Record in:
Hidalgo County
by Juan D. Balinas III
County Clerk

On: Jun 16, 2000 at 03:47P

As a
Recording

Document Number: 881649
Total Fees: 19.00

Receipt Number - 288040
By:
Norma Garcia

RETURNED QUESTIONNAIRE

Leonel Garza Jr. & Associates LLC
Appraisal Services Questionnaire - El Gato Road Project

February 9, 2011

The following information is required in order to expedite the completion of appraisal reports requested by the Hidalgo County Right-of-Way Department. If there are any questions or concerns, you can contact Leonel Garza III of Leonel Garza Jr. & Associates LLC at (956) 687-7295 or by email at leonel3@garza-associates.com.

1. Parcel No. 1, 2, & 3 EL Gato Road Project
2. Owner(s) of Record: Stiers Family Management Trust
3. Who Is Authorized To Make Decisions For This Property? LOU Anne Bell and Darryl Stiers - co trustees
4. Contact Numbers: 956-585-5556 LA Bell 956-630-1015 Bobby Bell
956-761-4342 D. Stiers
5. Mailing Address: 2314 Orange Ave
Mission, Tx. 78574
6. Date of Purchase: ? been in family for 4 generations
trust - deed of gift, recorded Vol 2759, pg 766
7. Original Purchase Price of Property: unknown
8. Number of Acres (SF) Purchased: _____
9. Do You Have A Current Survey of The Subject Property?
 Yes No
10. Do You Have An Opinion of Value of Your Property?
 Yes No
Explain currently on the market \$35,500 acre
with Barbara Moffat at Remax (based on area sales including
11. Have There Been Any Recent Changes In Ownership In The Past Five Years? \$50,000 acre
 Yes No* purchase by Shell.
note: Explain Cindy Nordmeyer is no longer a co-trustee.
* please change your paperwork as per documents Fall 2010.
12. Are There Any Leases and or Pending Subdivisions?
(building leases, farming leases, re-platting, proposed subdivision ect.)
 Yes No
Explain Cenizo rents & farms the property

Leonel Garza Jr. & Associates LLC

Leonel Garza Jr. & Associates LLC
Appraisal Services Questionnaire – El Gato Road Project

13. Any Underground Site Improvements Along The Frontage Of The Subject Property?

Yes No

Explain gaslines ? (none by owners)

14. Comments, Concerns or Special Request: _____

We'd like to retain mineral rights
Also - Cenizo farms/crops are to be respected.

15. Does the Office of Leonel Garza Jr. & Associates LLC have permission to enter your property to photograph and measure any land and improvements which may be affected by the proposed acquisition?

Yes No

Would you like to be with the Appraiser for an on-site inspection of the subject property?

Yes No

If NO, do you acknowledge that the Appraiser has afforded you or representative the opportunity to inspect the subject property, but decline?

Yes No

Note: Leonel Garza Jr. & Associates LLC shall be available during normal working hours to answer any questions or concerns you may have in the future. Please be sure to detach the business card attached which contains the contact information of Leonel Garza Jr. & Associates LLC. *(not attached)*

X *Darryl Stiers*
Lou Anne Bell
Authorized Signature
Darryl Stiers
Lou Anne Bell
Print Name

2-12-11
Date