



TEXAS HEALTH AND HUMAN SERVICES COMMISSION

THOMAS M. SUEHS
EXECUTIVE COMMISSIONER

February 7, 2012

Mr. Eduardo Olivarez
Chief Administrative Officer
Hidalgo County Health and Human Services
1304 S. 25th Ave.
Edinburg, Tx. 78542

RE: Transfer of Property

Dear Mr. Olivarez:

This letter is in reference to the transfer by deed to Hidalgo County Health and Human Services ("Grantee") of the approximately 6.31 acres and improvements recently constructed by the Texas Facilities Commission. Attached is a proposed deed to be executed by the Department of State Health Services as Grantor to complete the transfer of ownership into your organization. Please have the deed reviewed and reply with any issues or amendments to my attention and I will engage our counsel to assist.

We also want to bring to your attention the following:

1. Grantor under the Deed will not be providing a survey or title policy related to this transfer.
2. Grantor will not be providing any insurance for the property or any improvements.
3. Grantee might incur an ad valorem tax burden as a result of conveyance from State of Texas ownership.

In anticipation of this conveyance, understand that the execution of the deed and related delivery to your organization most likely will not coincide with a possible possession of the property. Understanding that the transfer is not to occur until completion of the construction of the improvements for the provision of outpatient health care services, please have an officer of Grantee provide the following in writing:

1. Completion of the construction of the improvements has been reached.
2. The improvements, including but not limited to mechanical, electrical and plumbing systems are satisfactory to Grantee and suitable for its use.

3. A date whereby Grantee agrees to take possession of the property and will assume all risks. We understand that this date may or may not correspond with the date of delivery of the transfer deed.

We wish you the very best with this property assisting the counties of south Texas. If there are any questions, certainly contact me at 512 206-4507. My email is chris.palmer@hhsc.state.tx.us if you want to email this letter.

Sincerely,

Chris Palmer CCIM, CPM