

COUNTY *of* **HIDALGO**

JOSEPH PALACIOS

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COUNTY COMMISSIONER, PCT. No. 4

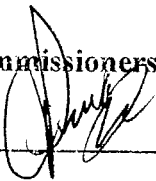
MEMO

To: Commissioners' Court
From: J. Benito Rodriguez
Precinct 4 Right of Way Agent
Date: February 6, 2012
Subject: San Carlos Drainage Improvements-Trenton Drain Project:
Parcel # 14—Ramon Martinez

Appraised Value	\$ 4,527.00
Settlement Demand	\$ 6,000.00 **
Difference	<u>\$ 1,473.00</u> ***

***See attached Supporting Documents

Commissioners' Court Executive Session February 07, 2012.



Approved

Not Approved

January 31, 2012

To whom it may concern ,

I, Ramon Martinez have received your offer in the amount of \$4,527.00 to purchase a piece of my property for your proposed drainage system. However, at this time, I would like to submit a counter offer of \$6,000.00 to the County of Hidalgo for consideration

The property has costal grass that is harvested and made into bales. Which is used to pay for my collage education? In selling a portion of my property, I will no longer have these revenues. Being the reason I consider this to be a fair settlement.

Respectfully,

Ramon Martinez



REAL ESTATE APPRAISAL REPORT
TEXAS DEPARTMENT OF TRANSPORTATION

Address of Property: Located along Trenton Road, 0.5 Miles East of Tower Road, Hidalgo County, Texas.

District: N/A

Property Owner: Construction & More, LLC

ROW CSJ: N/A

Address of Property Owner: 212 North 38th Street McAllen Texas 78504

Parcel: 14

Occupant's Name: N/A

Federal Project No: N/A

Whole:

Partial:

Acquisition

Highway: Trenton Drain

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 \$4,527.00 as of February 21, 2011, based upon my independent appraisal and the exercise of my professional judgment; on February 21, 2011, (date)(s), I personally inspected in the field the property herein appraised; I afforded Construction & More, LLC, 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 21, 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, Hidalgo County Precinct No. 4, 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 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

March 1, 2011

Date

To the best of my knowledge, the value does not include any items which are not compensable under the State law.

3-23-11
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 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 Precinct No. 4 under the direction of Honorable Hidalgo County Commissioner Joseph 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 use as a portion of a drainage improvement project with the project limits: Being an area of land located between Alberta Road and Trenton Road, from Alamo Road to east of Tower Road, in Hidalgo County, Texas.

The intended use of the report is to assist Mr. Benito Rodriguez, Right-of-Way Agent 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 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 Precinct No. 4, and may include other governmental entities which may be participating in the project. Benito Rodriguez, 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 Joseph Palacios, Jr. Mr. Rodriguez 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 dated January 31, 2011 on behalf of Hidalgo County Precinct No. 4, Benito Rodriguez, 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 Quintanilla, Headley and Associates, Inc Engineering located at 124 E. Stubbs Street, Edinburg, Texas. 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 License 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 Trenton Road and Alberta 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.

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. 4, 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

As per scope of the assignment 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." The subject property is encumbered with an active irrigation easement. As per scope of the assignment a value estimate for the easement is also to be determined. 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.

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 3, 2011. 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 as per scope. The property owner shall always reserve the right to contact the office of Leonel Garza Jr. & Associates LLC (956) 687-7295, after the date of inspection for an additional on-site inspection in their presence with appraiser, Leonel Garza III.

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 southern property line of the subject property, south of Trenton 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 9.85 Acres tract of land as indicated by survey. The area for the subject property as a whole is indicated as per survey provided by Quintanilla, Headley and Associates, Inc dated August 4, 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 3.9 acres to 10.555 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 0.323 acres (14,070 square feet). The part to be acquired is encumbered by an 0.120 acre H.C.I.D. No. 2 Irrigation easement and a 0.023 acre Texas Eastern Transmission Corporation gas line easement, leaving a net 0.180 acre (7,841 square feet) of land owned in fee simple. The proposed acquisition has approximately 330.08' lineal feet of frontage along the southern property line of the subject property, south of Trenton 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 Trento Road. This highest and best use is further explained on page 3.2 of this report.

To Be Acquired (Net)	0.180 Acres
	7,841 Square Feet

Legal Description: Part To Be Acquired

A 0.323 of an acre tract of land out of Lot 1, Block 54, Alamo Land and Sugar Company's Subdivision, Hidalgo County, Texas, according to the map or plat thereof recorded in Volume 1, Page 24-26, Map Records, Hidalgo County, Texas, and according to Warranty Deed with Vendor's Lien Recorded Under County Clerk's Document Number 1859287, Official Records, Hidalgo County, Texas.

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 Construction & More, LLC . This was found under the tax account 113255 of which the subject property is current assessed at \$12,136. The land portion of the assessment is indicated to be \$98,500 for 9.85 acres which equates to \$10,000 per acre. A portion of the subject property currently receives an agriculture use exemption due to its current use for row crop farming, as such the assessed agricultural use value is \$3,636 for 9.00 acres. The agricultural assessed unit rate is \$404.00 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.

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 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 taking. 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.

Utility Services Available

The subject property is located in a region, which contains, water, electricity, cable, and phone service, which is typical of the market area. The client, as per previous agreement with the public utility provider, informed the appraiser that all private utilities will be relocated, if affected by the part to be acquired and all necessary reconnections will be the responsibility of the utility provider. As such said relocation and reconnection cost shall not be included in the valuation of the part to be acquired.

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 acquisition shall be included for compensation, unless it was determined by the appraiser that these items shall be affected or damaged by the proposed acquisition. 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.

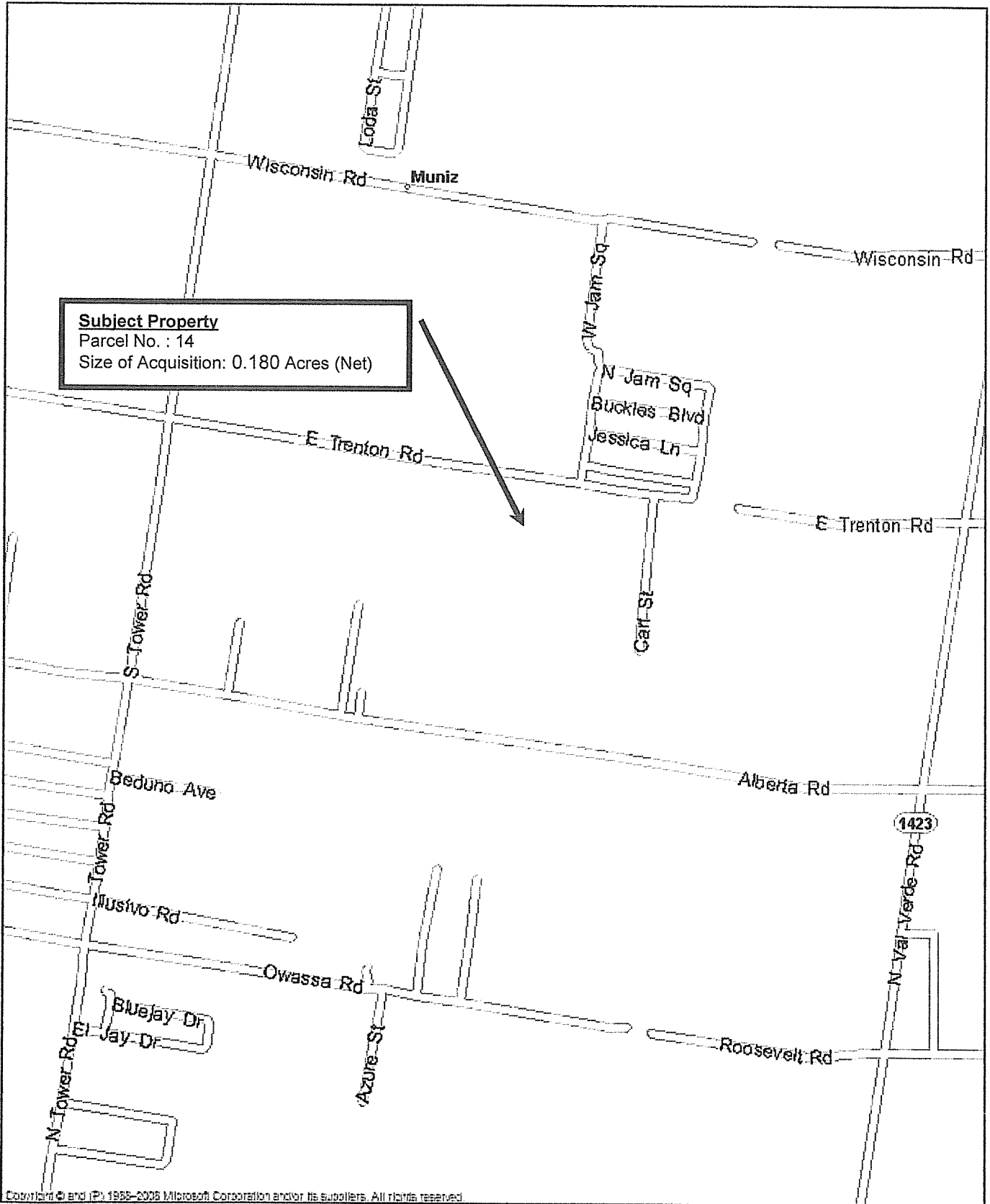
Exposure Time

Exposure time is defined as the "length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal." Based on research performed within the market area, an indicated twelve (12) to twenty-four month (24) exposure time is indicated for the subject property. This was estimated based on current and past listings located within the market area which were reviewed during our sales search for comparables similar to the subject property.

Estimated Marketing Time Period

The indicated marketing period is based on the marketing periods of the comparable sales used in the Sales Comparison Approach and the surrounding sales found. Based on the research performed, a twelve (12) to twenty-four month (24) marketing time period appears to be adequate. This time period was selected after a review of multiple land sales within the Hidalgo County markets along Trenton Road and neighboring thoroughfares. 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 Hidalgo County.

LOCATION MAP OF SUBJECT PROPERTY



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Microsoft® MapPoint 2006 (13.00.15.2800)

AERIAL PHOTOGRAPH OF SUBJECT PROPERTY

Google Earth



Subject Property
Parcel No. : 14
Size of Acquisition: 0.180 Acres (Net)

Image City of McAllen
© 2011 Google
© 2011 INEGI
Texas Orthoimagery Program

Imagery Date: 12/31/2008 26°14'42.65" N 98°06'26.92" W elev 92 ft Eye alt 15811 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 QUINTANILLA, HEADLEY, AND ASSOCIATES, INC. 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)

METES AND BOUNDS

HIDALGO COUNTY PRECINCT No. 4
SAN CARLOS DRAINAGE IMPROVEMENTS
TREMION DRAIN
PARCEL: No. 14 FEE SIMPLE

A 0.323 OF AN ACRE TRACT OF LAND OUT OF LOT 1, BLOCK 54, ALAMO LAND AND SUGAR COMPANY'S SUBDIVISION, HIDALGO COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAN THEREOF RECORDED IN VOLUME , PAGES 24-25, MAP RECORDS, HIDALGO COUNTY, TEXAS, AND ACCORDING TO WARRANTY DEED WITH VENDOR'S LIEN RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 1552237, OFFICIAL RECORDS, HIDALGO COUNTY, TEXAS, REFERENCE TO WHICH IS HERE MADE FOR ALL PURPOSES AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS.

BEGINNING AT A 1/2" IRON ROD 24" IN LENGTH WITH PLASTIC CAP STAMPED RPLS 4856 SET ON THE SOUTH LINE OF LOT 1 FOR THE SOUTHEAST CORNER OF THE ANASTACIO SANCHES TRACT (THE WEST HALF OF THE EAST HALF OF LOT 1, BLOCK 54, ALAMO LAND AND SUGAR COMPANY'S SUBDIVISION, ACCORDING TO WARRANTY DEED WITH VENDOR'S LIEN RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 1317326, OFFICIAL RECORDS, HIDALGO COUNTY, TEXAS) AND THE SOUTHWEST CORNER OF THIS TRACT, SAID ROD BEARS S 81°28'09" E, 993.31 FEET FROM THE SOUTHWEST CORNER OF LOT 1.

THENCE; N 30°31'51" E, ALONG THE EAST LINE OF THE ANASTACIO SANCHES TRACT, A DISTANCE OF 65.00 FEET TO A 1/2" IRON ROD 24" IN LENGTH WITH PLASTIC CAP STAMPED RPLS 4856 SET FOR THE NORTHWEST CORNER OF THIS TRACT.

THENCE; S 81°28'09" E, A DISTANCE OF 84.53 FEET TO A 1/2" IRON ROD 24" IN LENGTH WITH PLASTIC CAP STAMPED RPLS 4856 SET FOR AN EXTERIOR CORNER OF THIS TRACT.

THENCE; S 06°30'21" W, A DISTANCE OF 30.02 FEET TO A 1/2" IRON ROD 24" IN LENGTH WITH PLASTIC CAP STAMPED RPLS 4856 SET FOR AN INTERIOR CORNER OF THIS TRACT.

THENCE; S 81°28'09" E, A DISTANCE OF 244.66 FEET TO A 1/2" IRON ROD 24" IN LENGTH WITH PLASTIC CAP STAMPED RPLS 4856 SET ON THE EAST LINE OF LOT 1 FOR THE NORTHEAST CORNER OF THIS TRACT.

THENCE; S 08°31'51" W, ALONG THE EAST LINE OF LOT 1, A DISTANCE OF 35.00 FEET TO A 1/2" IRON ROD 24" IN LENGTH WITH PLASTIC CAP STAMPED RPLS 4856 SET FOR THE SOUTHEAST CORNER OF LOT 1 AND THE SOUTHEAST CORNER OF THIS TRACT.


THENCE; N 81°28'09" W, ALONG THE SOUTH LINE OF LOT 1, A DISTANCE OF 330.08 FEET TO THE POINT OF BEGINNING AND CONTAINING 0.323 OF AN ACRE OF LAND MORE OR LESS.

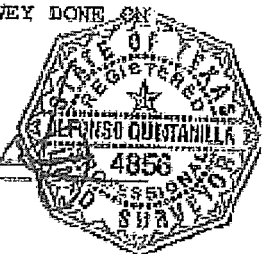
BEARINGS ARE IN ACCORDANCE WITH ALAMO SEWERS UNIT No. 2, RECORDED IN VOLUME 30, PAGE 153, MAP RECORDS, HIDALGO COUNTY, TEXAS.

THE PROPERTY DESCRIBED IN THIS METES AND BOUNDS MAY BE SUBJECT TO THE SUBDIVISION REGULATIONS OF THE COUNTY OF HIDALGO AND/OR ORDINANCES OR GOVERNMENTAL REGULATIONS OF THE CITY IN WHICH THE PROPERTY MAY BE LOCATED OR HOLDING EXTRA TERRITORIAL JURISDICTION.

I, ALFONSO QUINTANILLA, A REGISTERED PROFESSIONAL LAND SURVEYOR IN THE STATE OF TEXAS, DO HEREBY CERTIFY THE ABOVE METES AND BOUNDS TO BE TRUE AND CORRECT, AND TO BE THE REPRESENTATION AND RESULT OF AN ACTUAL SURVEY DONE ON THE GROUND UNDER MY DIRECTION.

DATE PREPARED: August 3, 2010


ALFONSO QUINTANILLA
REGISTERED PROFESSIONAL
LAND SURVEYOR No. 4856



PHOTOGRAPHS OF SUBJECT PROPERTY

Parcel No.: 14

Local Address: Located along Trenton Road, 0.5 Miles East of Tower Road, Hidalgo County, Texas.
Taken By: :Leonel Garza III

Date Taken: February 21, 2011

Point which taken: Photo 1: Trenton Road ROW
Photo 2: Trenton Road ROW

Looking: Photo 1: Southern View
Photo 2: Eastern View



Southern view of the subject property.



Eastern view of Trenton Road.

Point which taken: Photo 3: HCID#2 ROW
Photo 4: HCID#2 ROW

Looking: Photo 3: Northern View
Photo 4: Eastern View



Photo 3

Northern view of the subject property; taken from existing HCID #2 right of way.



Photo 4

Eastern view of the part to be acquired; taken from existing HCID #2 right of way.

DESCRIPTION OF PROPERTY:

The subject property, as a whole, is a 9.85 acre tract of land located along the southern frontage of Trenton Road. Upon off-site inspection it was noted that the subject is improved with a small residential improvement and supporting site improvements which are located along the subjects most northern property boundary. Said improvements are located away from the proposed acquisition and are not negatively affected. As such they are not included in the assesement for compensation of the part to be aquired. According to the survey provided by Quintanilla, Headley and Associates, Inc, dated August 4, 2010 the part to be acquired is approximately 1.80 acres net (5,227 square feet) located along the most southern property boundary of the subject whole property. In order to determine the pro-rate part of the whole, the market value of the whole property must be evaluated in order to determine the market unit value of the part to be acquired. This land area currently in fee simple shall be calculated at 100% of the unit value derived from the sales comparison approach as vacant. This is performed in order to determine the total compensation for the proposed acquisition of said tract in the name of the County of Hidalgo, Texas.

AREA OR NEIGHBORHOOD ANALYSIS:

The subject neighborhood along Trenton Road, is a mixture of single family homes, single family residential developments and agricultural uses. Leonel Garza Jr. & Associates LLC has inspected the market area along Alberta Road and has found that the market contains stable growth. Limited subdivision development has been found in recent years in the area due to the current economic situation with the Lower Rio Grande Valley.

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. On March 11, 1997, the subject property was transferred from Juan Garcia, et al to Jose A. Noyola and wife, Francisca Noyola as recorded under Document # 663697. Jose A. Noyola and wife, Francisca Noyola later transferred the subject property to Construction & More, LLC. on February 13, 2008, under Document # 1859287. On July 29, 2010 the property was transferred from Construction & More, LLC to Ramon Martinez as recorded under Document # 2124814 for an undisclosed consideration. A copy of the appraisal card is located in the Addenda of this report.

Legal Description: (Whole Property)

A 10.00 gross acre tract of land, more or less, known as the East ½ of the East ½ of Lot 1, Block 54, Alamo Land and Sugar Company's Subdivision, Hidalgo County, Texas, according to the map or plat thereof recorded in Volume 1, Page 24-26, Map Records, Hidalgo County, Texas.

Legal Description: (Part to be Acquired)

A 0.323 of an acre tract of land out of Lot 1, Block 54, Alamo Land and Sugar Company's Subdivision, Hidalgo County, Texas, according to the map or plat thereof recorded in Volume 1, Page 24-26, Map Records, Hidalgo County, Texas, and according to Warranty Deed with Vendor's Lien Recorded Under County Clerk's Document Number 1859287, Official Records, Hidalgo County, Texas.

Improvements:

During the off-site inspection of the subject property no building improvements were indicated within the part to be acquired. The subject remainder contains a small residential improvement with supporting site improvements. Said improvements are not negatively affect by the part to be acquired and as per scope of the assignment are not included in this report. No damages are indicated for the remainder. 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 & Best Use Analysis:

The subject's highest and best use as if vacant and as improved is indicated for single family residential development use. This type of use is concurrent with the recent trends located within the market area of the subject property and along Trenton Road within Hidalgo County, 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 County of Hidalgo. 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 residential 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	<u>Construction & More, LLC</u>	<u>Ignacio Ruiz and Spouse, Herminia Ruiz</u>	<u>Alamo Heights, LTD</u>	<u>Alamo Heights, LTD</u>
Grantee	<u>Ramon Martinez</u>	<u>Juan F. Aguilar and Spouce, Diana M. Estrada</u>	<u>Laura Lilia Lubin</u>	<u>Propilusion Investments, LLC</u>
Date	<u>July 29, 2010</u>	<u>May 17, 2010</u>	<u>September 7, 2010</u>	<u>June 14, 2010</u>
Sales Price	<u>N/A</u>	<u>\$ 100,000</u>	<u>\$ 150,000</u>	<u>\$ 150,000</u>
Unit Price	<u>/ Ac</u>	<u>\$ 25,641 / Ac</u>	<u>\$ 14,211 / Ac</u>	<u>\$ 15,000 / Ac</u>
Conditions of Sale	<u>Cash To Seller</u>	<u>Similar 0%</u>	<u>Similar 0%</u>	<u>Similar 0%</u>
Market Conditions	<u>Average</u>	<u>Similar 0%</u>	<u>Similar 0%</u>	<u>Similar 0%</u>
Physical Characteristics	<u>Typical of Market</u>	<u>Similar 0%</u>	<u>Similar 0%</u>	<u>Similar 0%</u>
Relative Location	<u>Average</u>	<u>Superior -10%</u>	<u>Similar 0%</u>	<u>Similar 0%</u>
Lot Location	<u>Interior</u>	<u>Similar 0%</u>	<u>Similar 0%</u>	<u>Similar 0%</u>
Financing	<u>Conventional</u>	<u>Similar 0%</u>	<u>Similar 0%</u>	<u>Similar 0%</u>
Available Utilities	<u>Phone</u>	<u>Similar 0%</u>	<u>Similar 0%</u>	<u>Similar 0%</u>
Street Access / Frontage	<u>Alberta Road</u>	<u>Wisconsin Road, East of Cesar Chavez Road. 0%</u>	<u>Owassa Road, West of Cesar Chavez Road. 0%</u>	<u>Minnesota Road, West of Cesar Chavez Road. 0%</u>
Size of Tract (Acre)	<u>9.85 Ac</u>	<u>3.90 Ac -15%</u>	<u>10.555 Ac 0%</u>	<u>10.00 Ac 0%</u>
Net Adjustments		<u>Δ -25%</u>	<u>Δ 0%</u>	<u>Δ 0%</u>
Indicated Unit Value		<u>\$ 19,231 / Ac</u>	<u>\$ 14,211 / Ac</u>	<u>\$ 15,000 / Ac</u>
Estimated Unit Value of Fee Simple Area				\$ 18,000 / Acre
Estimated Unit Value of Easement Area		(\$18,000 / Acre x 50% of Fee Simple Value)		\$ 9,000 / Acre
Estimated Value by Sales Comparison Approach		(0.18 Acres x \$18,000/Acre)		\$ 3,240
<i>(Includes Part To Be Acquired Only)- Fee Land</i>				
Estimated Value by Sales Comparison Approach		(0.143 Acres x \$9,000/Acre)		\$ 1,287
<i>(Easement Portion of Part To Be Acquired Only @ 50% of Fee Simple Value)</i>				
Combined Maket Value				\$ 4,527