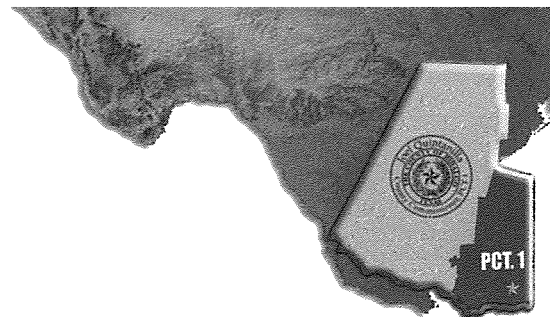


JOEL QUINTANILLA

County Commissioner

Hidalgo County PCT. 1



MEMO

TO: Commissioner's Court

FROM: Roy Gonzales *R.G.*
Right Of Way Agent

DATE: April 24, 2012

RE: Mile 17 North Road Project (Parcel # 4)
Barry and Linda Dickerson

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

Appraised Value:	\$4,200.00
Difference	<u>\$2,100.00</u>
Total:	\$6,300.00

Approved;

[Signature] 4/24/12

Not Approved: _____

April 11, 2012

Barry Dickerson and Linda Dickerson
107 Laurel Drive
Weslaco, Texas 78596

Hidalgo County Precinct No. 1
1902 Joe Stephens Ave
Weslaco, Texas 78596

Re: Mile 17 North Road
Parcel # 4

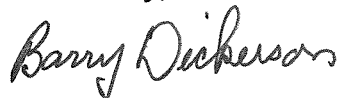
Dear Mr. Gonzales,

Pursuant to my earlier conversations with you, we would like to request a counter offer to your earlier proposal concerning the acquisition of the referenced tract. Specifically, I am proposing a price of \$6,300.00 for Parcel # 4. I believe these values are more in line with the recent sales in the immediate vicinity.

I am willing to sign a Warranty Deed upon my receipt of written acceptance of my counter offer, thereby avoiding the delay and expense of formal condemnation proceedings.

This offer will remain open for acceptance for a 30 day period from date hereof. Please contact me at your earliest convenience should you have any questions or comments regarding the above. With best regards, I remain.

Yours truly,

A handwritten signature in cursive script that reads "Barry Dickerson".

Barry Dickerson

REAL ESTATE APPRAISAL REPORT
TEXAS DEPARTMENT OF TRANSPORTATION

Address of Property: Located along the southern frontage of Mile 17 North Road east of FM 3071, Hidalgo County, Texas. District: NA
 Property Owner: Barry Dickerson and Linda Dickerson ROW CSJ: NA
 Address of Property Owner: 107 Laurel Drive, Weslaco, Texas 78596 Parcel: 4
 Occupant's Name: Vacant Federal Project No: N/A
 Highway: Mile 17 North Road County: Hidalgo

Whole: Partial: 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 \$4,200.00 as of January 5, 2012, based upon my independent appraisal and the exercise of my professional judgment; on January 5, 2012, (date)(s), I personally inspected in the field the property herein appraised; I afforded Barry Dickerson and Linda Dickerson, 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 January 12, 2012, 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.

The appraiser has considered access damages in accordance with Section 21.042(d) of the Texas Property Code, as amended by SB18 of the Texas 82nd Regular Legislative Session and finds as follows:

1. Is there a denial of direct access of the parcel? No (yes or no)
2. If so, is the denial of direct access material? N/A (yes, no, or not applicable)
3. The lack of any access denial or the material impairment of direct access on or off the remaining property affects the market value of the remaining property in the sum of \$0.00.

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.

Leonel Garza III
 Appraiser Signature
 State Certified General Real Estate Appraiser – TX 1328375 – General
 Certification Number
 February 10, 2012
 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 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.

Client & Intended User

The client for this report is identified as Hidalgo County Right-of-Way under the direction of Precinct No. 1 Honorable Hidalgo County Commissioner Joel Quintanilla. The part to be acquired is for the expansion of the existing road right-of-way of Mile 17 North Road. The intended use of the report is to assist Roy Gonzales, Right-of-Way Agent of Hidalgo County, 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. 11/2011. The intended user of the report is defined as Hidalgo County Right-of-Way Department, and may include governmental entities which may be participating in the project. Roy Gonzales shall be the project manager for this project under the direction of Honorable Joel Quintanilla, County Commissioner of Precinct No. 1. Mr. Gonzales has a local office located at 1902 Joe Stephens Avenue Weslaco, Texas and can be contacted at (956) 968-8733.

Scope of the Assignment

By purchase order number 664629 dated October 4, 2011 on behalf of the Hidalgo County Right-of-Way Department and Hidalgo County Precinct No. 1, 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 Guzman & Muñoz Engineering dated August 8, 2011.

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. The 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 writing). 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 sales 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 Mile 17 North Road and the surrounding market area were also reviewed in order to determine the current market asking prices 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. The property owner shall always reserve the right for a re-inspection of the subject parcel at a later date if requested in writing.

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 whole property in order to determine the value of the proposed right-of-way to be acquired in the name of the County of Hidalgo. 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 which are not compensable and or may be handled through the Texas Department of Transportation Relocation Program. These items deemed compensable shall be included within the body of the report and itemized for clarity by the appraiser. 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." As per scope of the assignment, this is the manor of which the subject property shall be appraised for purposes of this report. If there are any questions or concerns as to this definition of fee simple estate, please feel free to contact Leonel Garza III at (956) 687-7295 or leonel3@garza-associates.com 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 October 7, 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 or leonel3@garza-associates.com, 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 frontage of Mile 17 North 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 20.00 acre tract of land as indicated by Warranty Deed with recorded under Document No. 2180602 in the deed records of Hidalgo County, Texas. The area for the part to be acquired is indicated as per survey provided by Guzman & Muñoz Engineering dated August 8, 2011. 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 5.0 acre to 33.84 acres. These indicated economic unit values are used for the valuation of the proposed acquisition as the part to be acquired does not constitute an economic unit. Therefore, the pro-rata part of the whole is applied as the market valuation of the part to be acquired.

Part To Be Acquired

The proposed acquisition is comprised of fee land in which the net land area to be acquired is 0.30 acres or 13,068 square feet. The proposed acquisition is located along the most northern property line of the subject whole property. It dimensions include 660 lineal feet along the southern frontage of Mile 17 North 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 residential development use tract of land, which is based on the local market trends along Mile 17 North Road. This highest and best use is further explained on page 3.1 of this report.

To Be Acquired	0.30 Acres
	13,068 Square Feet

Legal Description: Part To Be Acquired

Being a 0.30 of an acre parcel of land out of and part of the Llano Grande Grant – Juan Jose Ynojosa De Balli, Abstract Number I-723, situated in Hidalgo County, Texas, Being a portion of Farm Tract 557 of Block 126 of the West and Adams Subdivision as depicted by the instrument recorded in Volume 2, Pages 34-37 of the map records of Hidalgo County Texas and being a portion of a called 20 acre tract for Barry Dickerson and Linda Dickerson. As described by the instrument recorded under Document Number 2180602 of the official records of 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.

Property Tax Data

The property tax assessment was reviewed online and can be accessed via www.hidalgoad.org. According to the information provided by the Hidalgo County Appraisal District located at located at 4405 S. Professional Dr., Edinburg, Texas. The subject property was indicated to be under the ownership of Barry Dickerson and Linda Dickerson. This was found under the tax account 326162.

OWNER OF RECORD	BARRY DICKERSON AND LINDA DICKERSON
PROPERTY TAX IDENTIFICATION NO.	326162
IMPROVEMENT VALUE	\$0.00
LAND VALUE	\$85,275
AGRICULTURAL VALUE	\$7,599
ASSESSED VALUE	\$7,599
EXEMPTIONS	AG

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. 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 to be 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, potable water, electricity, cable, and phone service, which is typical of the market area. As per "Lucy" (956) 383-1618 an individual with the North Alamo Water Supply, NAWS supplies water from Mile 4 (FM 3071) along Mile 17 to PFC David Ybarra Middle School. Ms. "Lucy" further indicated no sewer lines are located in the area. As per Juan Olivarez (956) 272-5983 of the City of Edcouch, the city has water lines located along the southern side of the Mile 17 Road to PFC David Ybarra Middle School. Mr. Olivarez also indicated the City of Edcouch has sewer lines along Nixon Street. Nixon Street is located 625 lineal feet south of Mile 17 Road along the western side of FM 1015. 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.

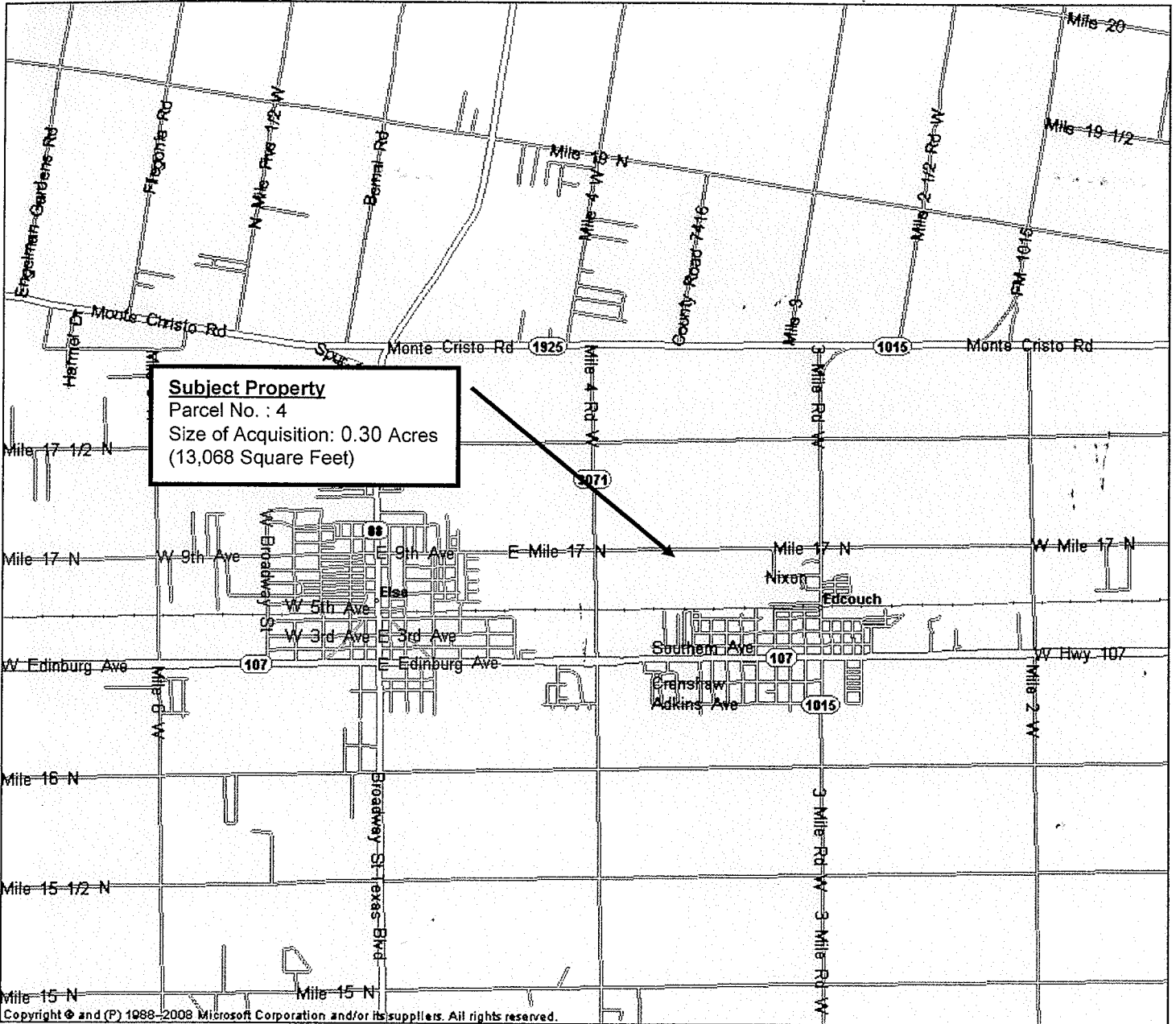
Current Listing Status

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) month 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.

LOCATION MAP OF SUBJECT PROPERTY



FIELD NOTES OF PART TO BE ACQUIRED (Page 1 of 2)



GUZMAN & MUÑOZ
ENGINEERING AND SURVEYING, INC.

2020 East Expressway 83
Mercedes, Texas 78570

PHONE: (956) 565-4637
FAX: (956) 565-4636

EXHIBIT "A"

PARCEL 4

LEGAL DESCRIPTION

BEING 0.30 OF AN ACRE PARCEL OF LAND OUT OF AND PART OF THE LLANO GRANDE GRANT – JUAN JOSE YNOJOSA DE BALLI, ABSTRACT NUMBER I-723, SITUATED IN HIDALGO COUNTY, TEXAS, BEING A PORTION OF FARM TRACT FIVE-HUNDRED AND FIFTY SEVEN (557) OF BLOCK ONE-HUNDRED AND TWENTY SIX (126) OF THE WEST AND ADAMS SUBDIVISION AS DEPICTED BY THE INSTRUMENT RECORDED IN VOLUME 2, PAGES 34-37 OF THE MAP RECORDS OF HIDALGO COUNTY TEXAS AND BEING A PORTION OF A CALLED TWENTY (20) ACRE TRACT (REFERRED TO AS TRACT 1) FOR BARRY AND LINDA DICKERSON AS DESCRIBED BY THE INSTRUMENT RECORDED UNDER DOCUMENT NUMBER 2180602 OF THE OFFICIAL RECORDS OF HIDALGO COUNTY, TEXAS; THE AFOREMENTIONED 0.30 OF AN ACRE BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING, at a concrete nail found for the northeasterly corner of a called 0.80 of an acre tract of land for Joel & Hilda Reyes as described by the instrument recorded under Document Number 416306 of the Official Records of Hidalgo County, Texas, for the northwesterly corner of the aforementioned Dickerson tract, and in the called centerline of Mile 17 North Road (called 40 foot wide);

THENCE, South 01 degrees 15 minutes 18 seconds East, along the easterly line of the aforementioned Reyes tract and along the westerly line of the aforementioned Dickerson tract, a distance of 20.00 feet to a 1/2 inch iron rod set in the southerly right-of-way line of the aforementioned Mile 17 North Road for the **POINT OF BEGINNING** of the herein described parcel;

THENCE, North 88 degrees 44 minutes 42 seconds East, along the southerly right-of-way line of the aforementioned Mile 17 North Road and crossing the aforementioned Dickerson tract, a distance of 660.00 feet to 1/2 inch iron rod set in the westerly line of a called 10 acre tract for Herbert and Edna Vela as described by the instrument recorded in Volume 1919, Page 594 of the Deed Records of Hidalgo County, Texas;

THENCE, South 01 degrees 15 minutes 18 seconds East, along the westerly line of the aforementioned Vela tract and along the easterly line of the aforementioned Dickerson tract, a distance of 20.00 feet to a 1/2 inch iron rod set;

Parcel 4 Page 1 of 2

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

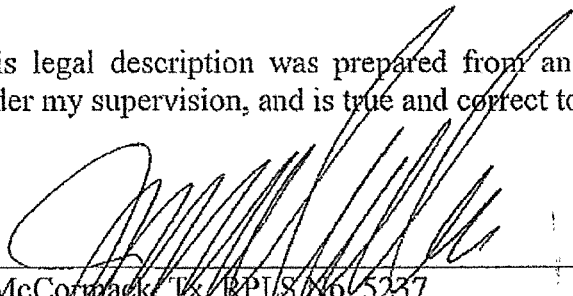
THENCE, South 88 degrees 44 minutes 42 seconds West, crossing the aforementioned Dickerson tract, a distance of 660.00 feet to a 1/2 inch iron rod set in the easterly line of Reyes tract and in the westerly line of the said Dickerson tract;

THENCE, North 01 degrees 15 minutes 18 seconds West, along the easterly line of the aforementioned Reyes tract and along the westerly line of the aforementioned Dickerson tract, a distance of 20.00 feet to the **POINT OF BEGINNING** of the herein described parcel and containing a calculated area of 0.30 of an acre of land, more or less.

THE BEARING BASIS OF THIS LEGAL DESCRIPTION IS TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH TEXAS ZONE, GPS DERIVED AND REFERENCED TO THE WESTERN DATA SYSTEM'S VIRTUAL NETWORK.

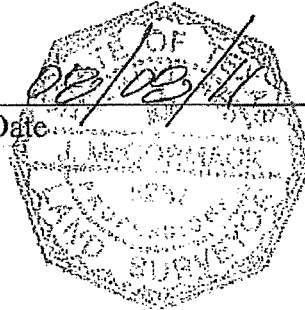
THIS LEGAL DESCRIPTION IS TO BE USED IN CONJUNCTION WITH THE ACCOMPANYING SURVEY SKETCH BY SEPARATE INSTRUMENT, ONLY.

This legal description was prepared from an actual on the ground survey, performed under my supervision, and is true and correct to the best of my knowledge.



J. McCormack, Tx. EPLS No. 5237
Guzman & Munoz
Engineering and Surveying, Inc.

Date

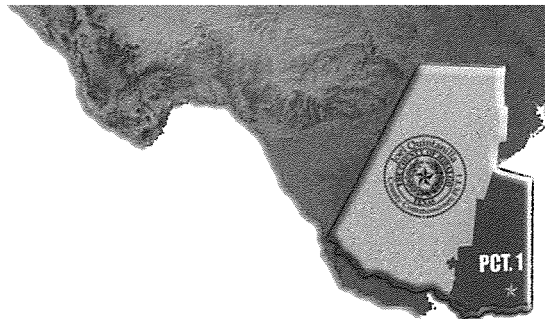


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JOEL QUINTANILLA

County Commissioner

Hidalgo County PCT. 1



MEMO

TO: Commissioner's Court

FROM: Roy Gonzales *R. D.*
Right Of Way Agent

DATE: April 24, 2012

RE: Mile 17 North Road Project (Parcel # 24)
Barry and Linda Dickerson

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

Appraised Value:	\$12,740.00
Difference	<u>\$6,370.00</u>
Total:	\$19,110.00

Approved;

[Signature] 4/24/12

Not Approved: _____

April 11, 2012

BARLIN, LTD., a Limited Partnership
107 Laurel Drive
Weslaco, Texas 78596

Hidalgo County Precinct No. 1
1902 Joe Stephens Ave
Weslaco, Texas 78596

Re: Mile 17 North Road
Parcel # 24

Dear Mr. Gonzales,

Pursuant to my earlier conversations with you, we would like to request a counter offer to your earlier proposal concerning the acquisition of the referenced tract. Specifically, I am proposing a price of \$19,110.00 for Parcel # 24. I believe these values are more in line with the recent sales in the immediate vicinity.

I am willing to sign a Warranty Deed upon my receipt of written acceptance of my counter offer, thereby avoiding the delay and expense of formal condemnation proceedings.

This offer will remain open for acceptance for a 30 day period from date hereof. Please contact me at your earliest convenience should you have any questions or comments regarding the above. With best regards, I remain.

Yours truly,

A handwritten signature in cursive script that reads "Barry Dickerson".

Barry Dickerson

REAL ESTATE APPRAISAL REPORT
TEXAS DEPARTMENT OF TRANSPORTATION

Address of Property: Located along the northern frontage of Mile 17 North Road east of FM 3071, Hidalgo County, Texas. District: NA
 Property Owner: Barlin, LTD ROW CSJ: NA
 Address of Property Owner: 107 Laurel Drive Weslaco, Texas 78596 Parcel: 24
 Occupant's Name: Vacant Federal Project No: N/A
 Highway: Mile 17 North Road County: Hidalgo

Whole: Partial: 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 \$12,740.00 as of January 5, 2012, based upon my independent appraisal and the exercise of my professional judgment; on January 5, 2012, (date)(s), I personally inspected in the field the property herein appraised; I afforded Barry and Linda Dickerson aka Barlin, LTD, 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 January 12, 2012, 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.

The appraiser has considered access damages in accordance with Section 21.042(d) of the Texas Property Code, as amended by SB18 of the Texas 82nd Regular Legislative Session and finds as follows:

1. Is there a denial of direct access of the parcel? No (yes or no)
2. If so, is the denial of direct access material? N/A (yes, no, or not applicable)
3. The lack of any access denial or the material impairment of direct access on or off the remaining property affects the market value of the remaining property in the sum of \$0.00.

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.

Leonel Garza III
Appraiser Signature

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

February 10, 2012
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 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.

Client & Intended User

The client for this report is identified as Hidalgo County Right-of-Way under the direction of Precinct No. 1 Honorable Hidalgo County Commissioner Joel Quintanilla. The part to be acquired is for the expansion of the existing road right-of-way of Mile 17 North Road. The intended use of the report is to assist Roy Gonzales, Right-of-Way Agent of Hidalgo County, 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. 11/2011. The intended user of the report is defined as Hidalgo County Right-of-Way Department, and may include governmental entities which may be participating in the project. Roy Gonzales shall be the project manager for this project under the direction of Honorable Joel Quintanilla, County Commissioner of Precinct No. 1. Mr. Gonzales has a local office located at 1902 Joe Stephens Avenue Weslaco, Texas and can be contacted at (956) 968-8733.

Scope of the Assignment

By purchase order number 664629 dated October 4, 2011 on behalf of the Hidalgo County Right-of-Way Department and Hidalgo County Precinct No. 1, 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 Guzman & Muñoz Engineering dated August 8, 2011.

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. The 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 writing). 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 sales 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 Mile 17 North Road and the surrounding market area were also reviewed in order to determine the current market asking prices 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. The property owner shall always reserve the right for a re-inspection of the subject parcel at a later date if requested in writing.

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 whole property in order to determine the value of the proposed right-of-way to be acquired in the name of the County of Hidalgo. 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 which are not compensable and or may be handled through the Texas Department of Transportation Relocation Program. These items deemed compensable shall be included within the body of the report and itemized for clarity by the appraiser. 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." As per scope of the assignment, this is the manner of which the subject property shall be appraised for purposes of this report. If there are any questions or concerns as to this definition of fee simple estate, please feel free to contact Leonel Garza III at (956) 687-7295 or leonel3@garza-associates.com 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 October 7, 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 or leonel3@garza-associates.com, 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 northern frontage of Mile 17 North 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 40.00 acre tract of land as indicated by Warranty Deed with recorded under Document No. 2232300 in the deed records of Hidalgo County, Texas. The area for the part to be acquired is indicated as per survey provided by Guzman & Muñoz Engineering dated August 8, 2011. 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 5.0 acre to 33.84 acres. These indicated economic unit values are used for the valuation of the proposed acquisition as the part to be acquired does not constitute an economic unit. Therefore, the pro-rata part of the whole is applied as the market valuation of the part to be acquired.

Part To Be Acquired

The proposed acquisition is comprised of fee land in which the net land area to be acquired is 0.91 acres or 39,640 square feet. The proposed acquisition is located along the most southern property line of the subject whole property, and has 1,320' lineal feet along the northern frontage of Mile 17 North 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 for residential development use, which is based on the local market trends along Mile 17 North Road. This highest and best use is further explained on page 3.1 of this report.

To Be Acquired	0.91 Acres
	39,640 Square Feet

Legal Description: Part To Be Acquired

Being a 0.91 of an acre parcel of land out of and part of the Llano Grande Grant – Juan Jose Ynojosa De Balli, Abstract Number I-723, situated in Hidalgo County, Texas, Being a portion of Farm Tract 613 of Block 125 of the West and Adams Subdivision as depicted by the instrument recorded in Volume 2, Pages 34-37 of the map records of Hidalgo County Texas and being a portion of a called 10 acre tract for Barlin, LTD. As described by the instrument recorded under Document Number 2232300 of the official records of 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.

Property Tax Data

The property tax assessment was reviewed online and can be accessed via www.hidalgoad.org. According to the information provided by the Hidalgo County Appraisal District located at located at 4405 S. Professional Dr., Edinburg, Texas. The subject property was indicated to be under the ownership of Barry Dickerson and Linda Dickerson. This was found under the tax account 326344.

OWNER OF RECORD	BARRY DICKERSON AND LINDA DICKERSON
PROPERTY TAX IDENTIFICATION NO.	326344
IMPROVEMENT VALUE	\$0.00
LAND VALUE	\$168,435
AGRICULTURAL VALUE	\$15,009
ASSESSED VALUE	\$15,009
EXEMPTIONS	AG

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. 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 to be 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, potable water, electricity, cable, and phone service, which is typical of the market area. As per "Lucy" (956) 383-1618 an individual with the North Alamo Water Supply, NAWWS supplies water from Mile 4 (FM 3071) along Mile 17 to PFC David Ybarra Middle School. Ms. "Lucy" further indicated no sewer lines are located in the area. As per Juan Olivarez (956) 272-5983 of the City of Edcouch, the city has water lines located along the southern side of the Mile 17 Road to PFC David Ybarra Middle School. Mr. Olivarez also indicated the City of Edcouch has sewer lines along Nixon Street. Nixon Street is located 625 lineal feet south of Mile 17 Road along the western side of FM 1015. 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 item 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.

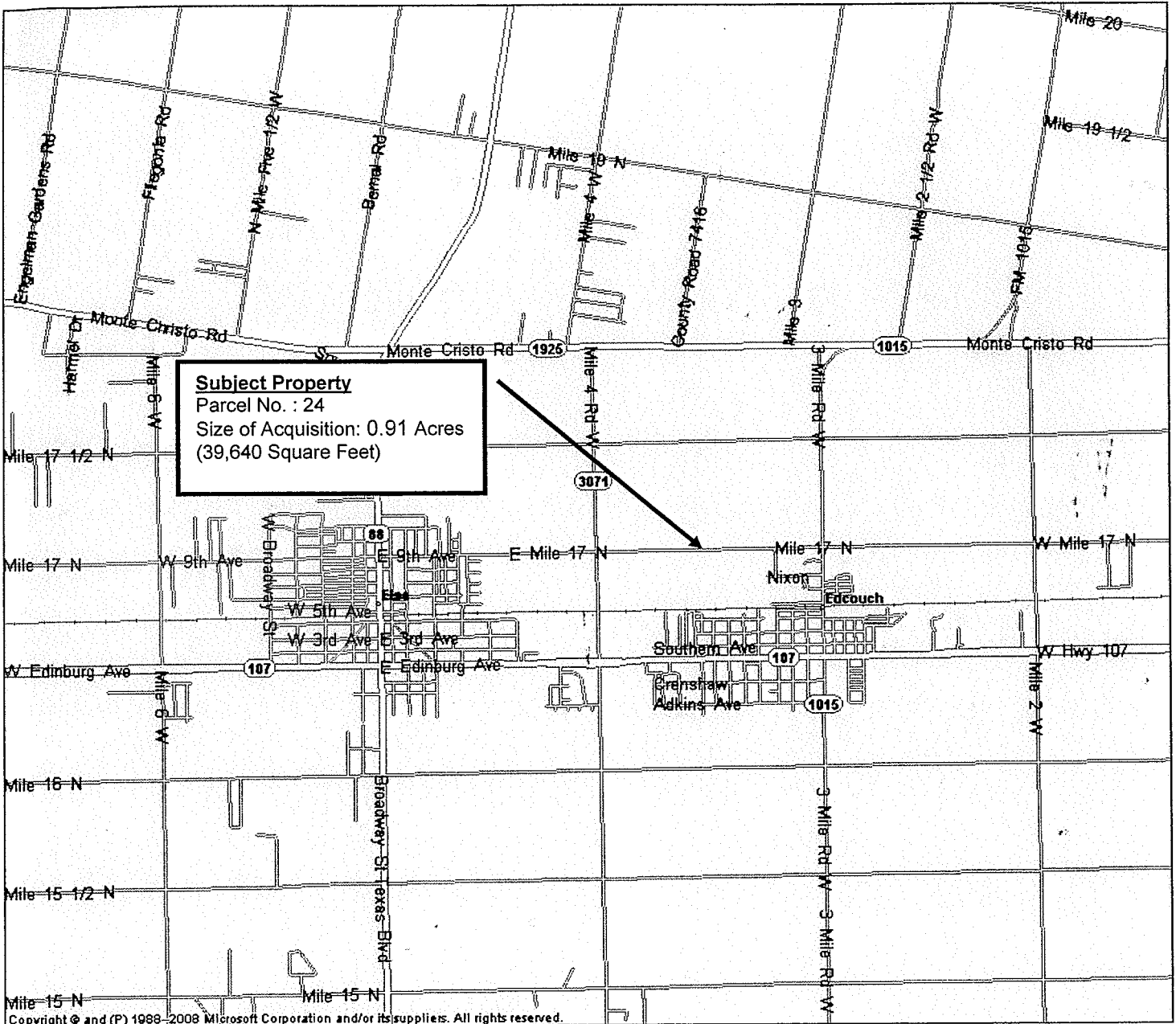
Current Listing Status

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) month 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.

LOCATION MAP OF SUBJECT PROPERTY



FIELD NOTES OF PART TO BE ACQUIRED (Page 1 of 2)



GUZMAN & MUÑOZ
ENGINEERING AND SURVEYING, INC.

2020 East Expressway 83
Mercedes, Texas 78570

PHONE: (956) 565-4637
FAX: (956) 565-4636

EXHIBIT "A"

PARCEL 24

LEGAL DESCRIPTION

BEING 0.91 OF AN ACRE PARCEL OF LAND OUT OF AND PART OF THE LLANO GRANDE GRANT – JUAN JOSE YNOJOSA DE BALLI, ABSTRACT NUMBER I-723, SITUATED IN HIDALGO COUNTY, TEXAS, BEING A PORTION OF FARM TRACT SIX-HUNDRED AND THIRTEEN (613) OF BLOCK ONE-HUNDRED AND TWENTY-FIVE (125) OF THE WEST AND ADAMS SUBDIVISION AS DEPICTED BY THE INSTRUMENT RECORDED IN VOLUME 2, PAGES 34-37 OF THE MAP RECORDS OF HIDALGO COUNTY TEXAS AND BEING A PORTION OF A CALLED 40 ACRE TRACT FOR BARRY AND LINDA DICKERSON AS DESCRIBED BY THE INSTRUMENT RECORDED UNDER DOCUMENT NUMBER 2180602 OF THE OFFICIAL RECORDS OF HIDALGO COUNTY, TEXAS; THE AFOREMENTIONED 0.91 OF AN ACRE BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING, at a cotton spindle found for the southwesterly corner of the aforementioned Dickerson tract, and the southeasterly corner of a called 20 acre tract of land for Neal Gordon Galloway as described by the instrument recorded under Document Number 389669 of the Official Records of Hidalgo County, Texas, and in the called centerline of Mile 17 North Road (called 40 foot wide);

THENCE, North 01 degrees 15 minutes 18 seconds West, along the easterly line of the aforementioned Galloway tract and along the westerly line of the aforementioned Dickerson tract, a distance of 20.00 feet to a 1/2 inch iron rod set in the northerly right-of-way line of the aforementioned Mile 17 North Road, and for the **POINT OF BEGINNING** of the herein described parcel, from which a concrete monument found bears South 85 degrees 01 minutes 05 seconds East at a distance of 14.30 feet;

THENCE, North 01 degrees 15 minutes 18 seconds West, along the easterly line of the aforementioned Galloway tract and along the westerly line of the aforementioned Dickerson tract, a distance of 30.00 feet to a 1/2 inch iron rod set

THENCE, North 88 degrees 44 minutes 42 seconds East, crossing the aforementioned Dickerson tract, a distance of 1320.00 feet to a 1/2 inch iron rod set in the westerly line of a called 32.65 acre tract of land for Bell Brother as described by the instrument recorded in Volume 1934, Page 90 of the Deed Records and in the easterly line of the said Dickerson tract;

Parcel 24 Page 1 of 2

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

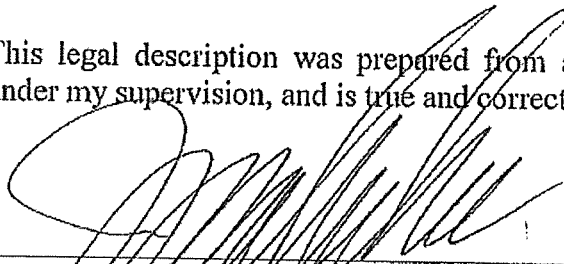
THENCE, South 01 degrees 15 minutes 18 seconds East, along the easterly line of the aforementioned Dickerson tract and along the westerly line of the aforementioned Bell Brothers tract, a distance of 30.00 feet to a 1/2 inch iron rod set in the northerly right-of-way line of the aforementioned Mile 17 North Road;

THENCE, South 88 degrees 44 minutes 42 seconds West, crossing the aforementioned Dickerson tract, a distance of 1320.00 feet to the **POINT OF BEGINNING** of the herein described parcel and containing a calculated area of 0.91 of an acre of land, more or less.

THE BEARING BASIS OF THIS LEGAL DESCRIPTION IS TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH TEXAS ZONE, GPS DERIVED AND REFERENCED TO THE WESTERN DATA SYSTEM'S VIRTUAL NETWORK.

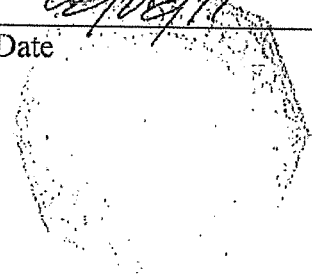
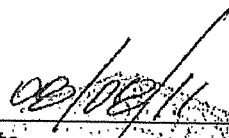
THIS LEGAL DESCRIPTION IS TO BE USED IN CONJUNCTION WITH THE ACCOMPANYING SURVEY SKETCH BY SEPARATE INSTRUMENT, ONLY.

This legal description was prepared from an actual on the ground survey, performed under my supervision, and is true and correct to the best of my knowledge.



J. McCormack, Tx. RPLS No. 5237
Guzman & Munoz
Engineering and Surveying, Inc.

Date



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