

COUNTY *of* HIDALGO
Precinct No. 2



Hector "Tito" Palacios
County Commissioner

MEMO

TO: Commissioner's Court

FROM: Lupe Rodriguez *Lupe*
Right Of Way Agent

DATE: May 24, 2012

RE: South McColl Offsite Drain Project (Parcel 24-B)
Piccirillo, LTD
Edward Piccirillo
1703 East 30th
Mission, Texas 78574

Attached, please find an appraisal on the above mentioned parcel for the McColl Offsite Drain project. Also included is the letter of offer, and a Counter Offer letter provided by the property owner.

Please approve for closing.

Appraised Value: \$ 7,464.00

Counter offer: \$ 8,800.00

Difference: \$ 1,336.00

Approved: _____

[Signature] 5/29/12

Not Approved: _____

Administration Office
300 West Hall Acres, Suite G
Pharr, TX 78577
Tel: 956-787-1891 Fax: 956-787-4683

Precinct 2 Shop
301 E. State St.
Pharr, TX 78517

May 23, 2012

Lupe Rodriguez, Right of Way Agent
Hidalgo County Precinct 2 Right of Way Department
300 W. Hall Acres Road Suite G
Pharr, Texas 78577

Re: South McColl Offsite Drain Project (Parcel 24-B)
a .06 acre tract of land out of lot 2 Block 11 A.J. McColl S/D

Dear Mr. Rodriguez,

Piccirillo, LTD is will accept 8800.00 to sell the .06 acre in the above described parcel from Hidalgo County.

Sincerely,



Edward Piccirillo
Piccirillo. LTD

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. 2 Honorable Hidalgo County Commissioner Hector "Tito" Palacios and the Texas Department of Transportation, Southern Region. The part to be acquired is for the expansion of the existing road right-of-way of South McColl Road. The intended use of the report is to assist Lupe Rodriguez, 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 State of Texas. 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. Lupe Rodriguez shall be the project manager for this project under the direction of Honorable Hector "Tito" Palacios, County Commissioner of Precinct No. 2. Mr. Rodriguez has a local office located at 301 E. State Street, Pharr, Texas and can be contacted at (956) 283-8134.

Scope of the Assignment

By work order number 662245 dated August 16, 2011 on behalf of the Hidalgo County Right-of-Way Department and Hidalgo County Precinct No. 2, requested for Leonel Garza Jr. & Associates LLC to prepare an appraisal report of the part to be acquired as described by survey and metes and bounds created by R. Gutierrez Engineering Corporation located at 317 East Park Avenue, Pharr, Texas.

Leonel Garza III is the owner of Leonel Garza Jr. & Associates, LLC located at 1419 Dove Avenue Ste 1, McAllen, Texas. The office of Leonel Garza Jr. & Associates 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. Creating Leonel Garza Jr. & Associates LLC, Leonel Garza III specialized in right-of-way acquisition field for over 13 years. Various right-of-way projects have been performed in the following County's: Cameron County, Hidalgo County, Starr County, Zapata County, Webb County, Nueces County and Brooks County.

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 South McColl 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 property in order to determined the value of the proposed right-of-way to be acquired in the name of the Hidalgo County. 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 and easement 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 nonpossessory (incorporeal) interest in landed property conveying use, but not ownership, of a portion of that property." 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, 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 March 21, 2012. 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 eastern property boundary, north of Thomas 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 9.82 acre tract of land. The area for the subject property as a whole was not indicated as per survey provided by R. Gutierrez Engineering Corporation dated February 24, 2012, therefore the land area was gathered from the Hidalgo County Appraisal District. 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 5.00 acre to 18.00 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 land area to be acquired is 0.06 acres (2,614 square feet). The proposed acquisition has approximately 75.00" lineal feet of frontage along the northern side of a 75' HCDD No.1 Drainage Ditch easement located north of Thomas Road. The part to be acquired is encumbered by a portion of a 75' Hidalgo County Drainage Ditch Easement. The portion of land that is encumbered is 0.028 Acres (1,225 square feet), leaving a net acreage to be acquired of 0.032 acres (1,400 square feet). 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 commercial / light industrial use tract of land, which is based on the local market trends along South Jackson Road and neighboring thoroughfares. This highest and best use is further explained on page 3.1 of this report.

To Be Acquired	0.06 Acres
	2,614 Square Feet

Legal Description: Part To Be Acquired

Being a 0.06 of an acre of land out of Lot 2 and Lot 11, A.J. McColl Subdivision, Hidalgo County Texas, as per map recorded in Volume 21, Pages 598, Deed 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 Piccirillo LTD. This was found under tax account associated with the subject property.

OWNER OF RECORD	PICCIRILLO LTD
PROPERTY TAX IDENTIFICATION NO.	792563
IMPROVEMENT VALUE	\$0
LAND VALUE	\$332,500
ASSESSED VALUE	\$332,500
EXEMPTIONS	NONE INDICATED

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 with limited utilities available. This limited availability is due to restrictions set for by the International Boundary and Water Commission Floodway, and due to the relative location of nearby municipal utilities. As per conversation with a City of McAllen Public Utilities Associate the City of McAllen utilities end at Orangewood Drive, which is the northern project limit, Ruben Puente (956) 239-3314 of the City of Hidalgo, indicated the cities utilities end along the southern line of Dicker Road, the southern project limit. 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



Microsoft® MapPoint 2006 (13.00.15.2800)

AERIAL PHOTOGRAPH OF SUBJECT PROPERTY

Google Earth



AERIAL PHOTOGRAPH OF PART TO BE ACQUIRED

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 CORPORATION AND IS ESTIMATED BASED ON INFORMATION GATHERED DURING THE INSPECTION OF THE SUBJECT PROPERTY OR THE HIDALGO COUNTY APPRAISAL DISTRICT.

FIELD NOTES OF PART TO BE ACQUIRED (Page 1 of 3)



Professional Engineers & Land Surveyors

130 E. PARK AVENUE • PHARR, TEXAS 76377

(TEL.) 354-782-2557 • (FAX) 354-782-2558

Engineering Firm #460 • Surveying Firm #101630

ENG03.024B
February 22, 2012
Sheet 1 of 3

(EXHIBIT-A)
PARCEL 24-B
METES AND BOUNDS DESCRIPTION
OF
(PROPOSED SOUTH McCOLL
OFF-SITE DRAINAGE PROJECT)
A 0.06-ACRE TRACT OF LAND
OUT OF LOT 2, BLOCK 11,
A.J. McCOLL SUBDIVISION,
HIDALGO COUNTY, TEXAS,
AS PER MAP RECORDED IN
VOLUME 21, PAGE 598, D.R.H.C.

Being a 0.06-acre tract of land out of Lot 2, Block 11, A. J. McColl Subdivision, Hidalgo County, Texas, as per map recorded in Volume 21, Page 598, Deed Records of Hidalgo County, Texas. Said Lot 2, Block 11, is vested to Brush County Investments III, L.P., a Texas Limited Partnership from FE-MA Enterprises Inc., a Texas Corporation, by virtue of a Special Warranty Deed with Vendor's Lien, dated July 20, 2006, and recorded in Document No. 1642498, Official Records of Hidalgo County, Texas. Said 0.06-acre tract of land being more particularly described by metes and bounds as follows:

Commencing at a cotton picker spindle found at the Southwest corner of Lot 2, Block 11, A.J. McColl Subdivision; **Thence** North 08 degrees 31 minutes 47 seconds East, with the West line of Lot 2, Block 11, A.J. McColl Subdivision, a distance of 20.00 feet pass a No. 4 rebar found (with a plastic cap stamped RGEC) at the existing North Right of Way line of Thomas Road, continuing for a total distance of 422.44 feet to a No. 4 rebar set (with a plastic cap stamped RGEC) for the Southwest corner of this tract of land and the **POINT OF BEGINNING**;

THENCE, continuing North 08 degrees 31 minutes 47 seconds East, with the West line of said Lot 2, Block 11, a distance of 35.00 feet to a No. 4 rebar found (with a plastic cap stamped RGEC) for the Northwest corner of this tract of land;

THENCE, South 81 degrees 20 minutes 13 seconds East, parallel to the South line of said Lot 2, Block 11, a distance 35.00 feet passed the East line of the Hidalgo County Irrigation District No. 2, Drainage Ditch Easement, continuing for a total distance of 75.00 feet to a No. 4 rebar set (with a plastic cap stamped RGEC) for the Northeast corner of this tract of land;

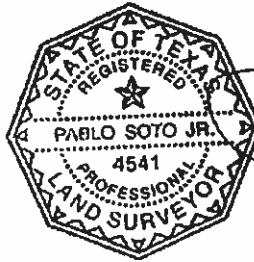
THENCE, South 08 degrees 31 minutes 47 seconds West, parallel to the West line of said Lot 2, Block 11, a distance of 35.00 feet to a No. 4 rebar set (with a plastic cap stamped RGEC) for the Southeast corner of this tract of land;

FIELD NOTES OF PART TO BE ACQUIRED (Page 2 of 3)

Sheet 2 of 3

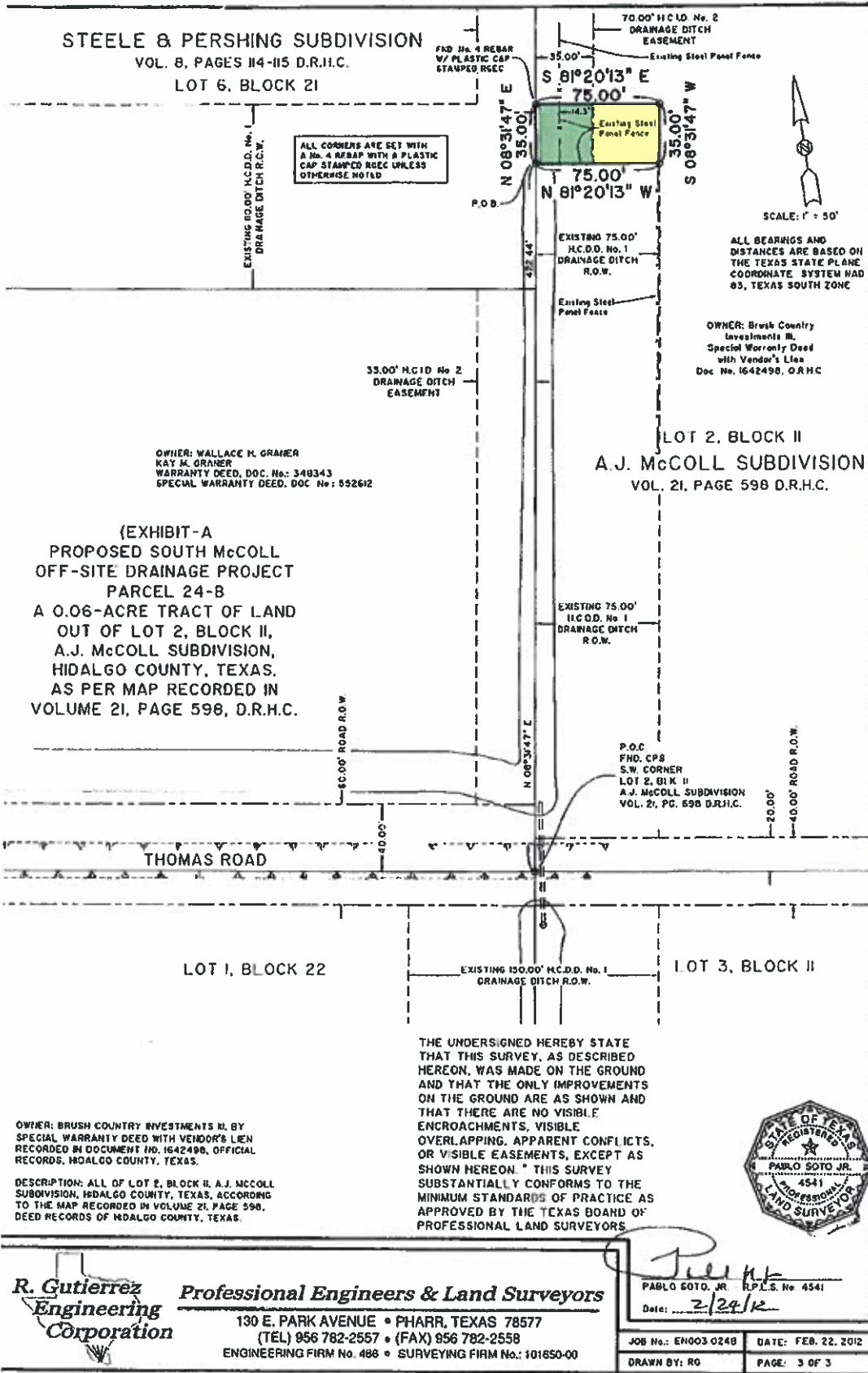
THENCE, North 81 degrees 20 minutes 13 seconds East, parallel to the South line of said Lot 2, Block 11, a distance of 75 .00 feet to the **POINT OF BEGINNING** and containing 0.06 of an acre of land, more or less.

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



Pablo Soto, Jr.
Pablo Soto, Jr. - R.P.L.S. No. 4541
Date: 2/24/12

SURVEY OF PART TO BE ACQUIRED (Page 3 of 3)



Green Highlighted Area = Easement Area / Yellow Highlighted Area = Part to Be Acquired

PHOTOGRAPHS OF SUBJECT PROPERTY
Include Each Major Improvements

Parcel No.: 24B

Date Taken: March 7, 2012

Point which taken: Photo 1: Thomas Road ROW
Point which taken: Photo 2: HCDD No.1 Easement

Local Address: Located at the northwestern corner of Jackson Road and Thomas Road, Hidalgo County, Texas.
Taken By: Leonel Garza III

Looking: Photo 1: Northern View
Looking: Photo 2: Northern View



Photo 1

Northern view of the subject property from Thomas Road.

Point which taken: Photo 3: HCDD No.1 Easement
Point which taken: Photo 4: Thomas Road ROW



Photo 2

Northern view of the part to be acquired from and existing HCDD No.1 Drainage Easement.

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



Photo 3

Additional northern view of the part to be acquired from and existing HCDD No.1 Drainage Easement.



Photo 4

Eastern view of Thomas Road.

DESCRIPTION OF PROPERTY:

The subject property, as a whole, is a 9.82 acre tract of land. The land area is a per prior survey of the subject property by R. Gutierrez Engineering Corp. and dated December 12, 2009, and provided for a previous appraisal of the subject property. The subject property is located along the northwestern corner of Jackson Road and Thomas Road. The subject property is currently utilized as an auto salvage yard. According to the survey provided by R. Gutierrez Engineering Corporation, dated February 24, 2012, the part to be acquired is approximately 0.06 acres (2,614 square feet). The part to be acquired is encumbered by a portion of a 75' Hidalgo County Drainage Ditch Easement. The portion of land that is encumbered is 0.028 Acres (1,225 square feet), leaving a net acreage to be acquired of 0.032 acres (1,400 square feet). 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 unit value for the proposed acquisition for the purchase of said tract in the name of the County of Hidalgo.

AREA OR NEIGHBORHOOD ANALYSIS:

The subject neighborhood along South Jackson Road is primarily utilized for single family residential, commercial retail, and light industrial uses. Several properties along South Jackson Road are in a state of development as new subdivisions are being created due to the increase in demand in the area. A portion of South Jackson Road passes through the International Boundary and Water Commission (IBWC) Floodway. The land area located within the IBWC Floodway is utilized for agricultural use as this land area is restricted and construction within the floodway is limited. The US IBWC retains the right of approval on all improvements which are to pass over, under or through the walls, levees, improved channel, or floodways. These limitations are indicated and discussed within the IBWC publication "Criteria for Construction Activities Within the Limits of The USIBWC Floodway" (Vol. IV, Chapter 315, Handbook H315, Dated July 27, 2000.) Source: http://www.ibwc.gov/Files/construction_criteria.pdf. The Office of Leonel Garza Jr. & Associates LLC has inspected the market area along South Jackson Road, South McColl Road and has found this type of development consistent with the overall market trends in the City of Pharr and neighboring City of McAllen and Hidalgo. Commercial development is primarily found just to the east on US Highway 281 (Cage Boulevard) and south along Old Military Highway, which is also indicative of the growing market.

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 Brush Country Investments III, LP (Grantor) to Piccirillo LTD (Grantee) on September 23, 2010 and recorded under Warranty Deed Document No. 2145614 for an undisclosed consideration. A copy of the appraisal card is located in the Addenda of this report.

Legal Description: (Whole Property)

A 9.82 acre tract of land being out of Lot Two (2), Block Eleven (11), A.J. McColl Subdivision, Hidalgo County, Texas, according to the map or plat thereof recorded in Volume 21, Page 598, Deed Records, Hidalgo County, Texas.

Legal Description: (Part to be Acquired)

Being a 0.06 acre of land out of Lot 2, Block 11, A.J. McColl Subdivision, Hidalgo County, Texas, as per map recorded in Volume 21, Pages 598, Deed Records of Hidalgo County, Texas.

Improvements:

During the on-site inspection of the subject property no building improvements were indicated within the part to be acquired. The subject is a commercial use tract and as such contains several structural and site improvements. The structural improvements are located outside of the part to be acquired and shall not be affected by the acquisition. However, a portion of the existing fence is located within the taking and shall be included in the total compensation of the part to be acquired. No damages are indicated for the remainder land area. Site improvements located within an area of 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. 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 commercial / light industrial use. This type of use is concurrent with the recent trends located along South McColl 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 State of Texas. When a property is evaluated, the highest and best use must always be considered. In the current case, the highest and best use of the whole is determined to be for commercial use based on several factors. Factors taken into consideration are defined by The Dictionary of Real Estate Appraisal, Fifth Edition, copyright 2010, page 135, by the Appraisal Institute as being: "The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that 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. Alternatively, the probable use of land or improved property - specific with respect to the user and timing of that use – that is adequately supported and results in the highest present value." 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 acquisition, while excluding project influence as required by the Texas Department of Transportation and is reported under the conditions set forth 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>Brush County Investments III, LP</u>	<u>Bill Burns Et Al</u>	<u>Keller Real Estate, Inc</u>	<u>Brush County Investments III</u>
Grantee	<u>Piccirillo LTD</u>	<u>Javier Cantu Barragan</u>	<u>Israel Rivas</u>	<u>Resendez and Maria Del Carmen Davila Mora</u>
Date	<u>September 23, 2010</u>	<u>April 25, 2011</u>	<u>August 26, 2011</u>	<u>February 14, 2012</u>
Sales Price	<u>\$ -</u>	<u>\$ 900,000</u>	<u>\$ 200,000</u>	<u>\$ 600,000</u>
Unit Price	<u>\$ - / Ac</u>	<u>\$ 50,000 / Acre</u>	<u>\$ 20,000 / Acre</u>	<u>\$ 56,764 / Ac</u>
Relative Location	<u>Average</u>	<u>Superior -15%</u>	<u>Inferior 50%</u>	<u>Similar 0%</u>
Conditions of Sale	<u>Cash To Seller</u>	<u>Similar 0%</u>	<u>Similar 0%</u>	<u>Similar 0%</u>
Lot Location	<u>Interior Tract</u>	<u>Interior Tract 0%</u>	<u>Interior Tract 0%</u>	<u>Corner -20%</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>
Financing	<u>Conventional</u>	<u>Similar 0%</u>	<u>Similar 0%</u>	<u>Similar 0%</u>
Available Utilities	<u>Elec/Phone (Water and Sewer at Dicker Road)</u>	<u>All Municipal Utilities Available -5%</u>	<u>Water / Elect / No Sewer 0%</u>	<u>(Water and Sewer at Dicker Road) 0%</u>
Frontage	<u>Jackson Road and Thomas Road</u>	<u>W. Anaya Road 0%</u>	<u>W. El Rancho Blanco Road 0%</u>	<u>NWC Jackson Road and Thomas Road 0%</u>
Size of Tract (Acre)	<u>9.820 Ac</u>	<u>18.00 Ac 0%</u>	<u>10.00 Ac 0%</u>	<u>10.57 Ac 0%</u>
Net Adjustments		<u>-20%</u>	<u>50%</u>	<u>-20%</u>
Indicated Unit Value		<u>\$ 40,000 / Ac</u>	<u>\$ 30,000 / Ac</u>	<u>\$ 45,411 / Ac</u>
Estimated Unit Value of Fee Simple Area				\$ 45,000 / Ac
Estimated Unit Value of Easement Area				\$ 22,500 / Ac
Estimated Value by Sales Comparison Approach <i>(Includes Part To Be Acquired Only)</i>		(0.032 Ac x \$45,000/Acre)		\$ 1,440
Estimated Value by Sales Comparison Approach <i>(Includes Part To Be Acquired Only)</i>		(0.028 Ac x \$22,500/Ac)		\$ 630
Combined Estimated Value				\$ 2,070

COMPARABLE DATA SUPPLEMENT

District: Pharr Parcel No.: 24B Highway: South McColl Road
 County: Hidalgo ROW CSJ: 0921-02-0288

Land Sale Improved Sale Rental Data



Grantor/Lessor: Bill Burns Et Al Grantee/Lessee: Javier Cantu Barragan
 Date: April 25, 2011 Recording Information: GF #047965 Key Map: N/A
 Address: W. Anaya Road, ¼ Mile West of S. Cage Boulevard, Pharr, Texas Zip Code: 78577
 Legal Description: The north ½ of 357, Kelly Pharr Subdivision, Hidalgo County, Texas, Save and Except 2.00 acres as per metes and bounds.
 Confirmed Price: \$900,000 Verified with: MLS #A146882
 Terms and Conditions of Sale: Cash To Seller
 Rental Data: N/A
 Land Size: 20.00 Acres (Gross) (18.00 Acres Net) Unit Price: \$50,000 per acre
 Type Street: Asphalt Paved Utilities: Water, Electricity & Phone
 Improvement(s) Description: None
 Improvement(s) Size: N/A (GBA): N/A (NRA): N/A Unit Price as Improved \$: N/A
 Condition and Functional Design: N/A
 Current Use: Agricultural Use Highest & Best Use: Commercial Use
 Date of Inspection: December 6, 2011 Zoning: Industrial Zone Flood Plain: N/A

Attach additional information as necessary.
 Property is located just north of the Pharr Industrial Park approximately ½ mile north of the Pharr International Bridge. All utilities available to the site. Original asking price was \$1,044,000 and was on the market for 158 days by Davis Real Estate.

Appraiser: Leonel Garza III May 5, 2012
 (Typed, not signed) Date

COMPARABLE DATA SUPPLEMENT

District: Pharr Parcel No.: 24B Highway: South McColl Road
County: Hidalgo ROW CSJ: 0921-02-0288

Land Sale

Improved Sale

Rental Data



Grantor/Lessor: Keller Real Estate Investments, Inc. Grantee/Lessee: Israel Rivas
Date: August 26, 2011 Recording Information: Document #2011-2236800 Key Map: N/A
Address: W. El Rancho Blanco Road ½ Mile West of Cage Boulevard, Pharr, Texas Zip Code: 78577
Legal Description: A 10.00 acre tract of land, more or less, being the east 10.00 acres of the west 20.00 acres of lot 248, Kelly Pharr Subdivision, Hidalgo County, Texas as per map or plat thereof recorded in Volume 3, Pages 133-134.
Confirmed Price: \$200,000 Verified with: MLS# A131358S
Terms and Conditions of Sale: Cash To Seller
Rental Data: N/A
Land Size: 10.00 Acres (Gross) Unit Price as Vacant: \$20,000
Type Street: Asphalt Utilities: Water, Electricity & Phone
Improvement(s) Description: N/A
Improvement(s) Size: N/A (GBA): N/A (NRA): N/A Unit Price as Improved \$: N/A
Condition and Functional Design: N/A
Current Use: Vacant Highest & Best Use: Residential Development / Mixed Use
Date of Inspection: December 6, 2011 Zoning: N/A Flood Plain: N/A

Attach additional information as necessary.

Property was purchased for residential development. Property had water available but not sewer at the time of sale.

Appraiser: Leonel Garza III
(Typed, not signed)

May 5, 2012
Date

COMPARABLE DATA SUPPLEMENT

District: Pharr Parcel No.: 24B Highway: South McColl Road
 County: Hidalgo ROW CSJ: 0921-02-0288

Land Sale

Improved Sale

Rental Data



Grantor/Lessor: Brush Country Investments III, L.P. Grantee/Lessee: Leonardo Varela Resendez and Maria Del Carmen Davila Mora

Date: February 14, 2012 Recording Information: Document # 2283702 Key Map: N/A

Address: Located along the North West Corner of Jackson Road and Thomas Road, McAllen, Texas. Zip Code: 78501

Legal Description: A 10.57 acre tract of land out of Lot 2, Block 11, A.J. McColl Subdivision, Hidalgo County, Texas.

Confirmed Price: \$ 600,000 Verified with: Settlement Statement and Deed

Terms and Conditions of Sale: Cash To Seller

Rental Data: N/A

Land Size: Acres 10.57 (Gross) / 460,429 Square Foot Unit Price as Vacant: \$ 56,764 per acre

Type Street: Jackson Road – Asphalt Paved Utilities: Water, Electricity & Phone

Improvement(s) Description: N/A

Improvement(s) Size: N/A (GBA): N/A (NRA): N/A Unit Price as Improved: \$ N/A

Condition and Functional Design: N/A

Current Use: Vacant Highest & Best Use: Commercial / Light Industrial

Date of Inspection: May 1, 2012 Zoning: N/A Flood Plain: N/A

Attach additional information as necessary.

At the time of sale the subject property was a vacant tract of land at the Northwest corner of Thomas Road and S. Jackson Road.

Appraiser: Leonel Garza III May 5, 2012
 (Typed, not signed) Date

Explanation of Adjustments with Reconciliation:

During the analysis of the acquisition area, the value for the subject property as a whole or economic unit was determined. This determination of market value is utilized for the valuation of the proposed acquisition which is a pro-rata part of the whole. The local market and extended market was searched for comparable sales of which contained similar frontage along South Jackson Road and other similar and intersecting thoroughfares. Each of the sales utilized are located within the market area and are the most comparable located in the market place of which all information pertinent to the transaction could be verified. Several sales were located within this parameter of which had occurred within the past three years. Three sales were selected which were the most comparable to the subject property and required the least number of adjustments. The following three comparable sales were reviewed for location, available utilities, financing, site utility, topography and other factors of which the real estate market shall recognized for the purchase of said tracts.

Sale No. 1 is located along the north side of W. Anaya Road, 1/10 mile west of S. Cage Boulevard. The subject property was marketed for commercial and industrial use. Due to the superior location of the sale downward -15% adjustment was required. The sale is an interior tract of land as such a 5% adjustment is indicated to inferior corner influence. Due to the subjects lack of sanitary sewer services, a downward -10% adjustment was indicated. No further adjustments were indicated due the similarities between the subject and comparable sale. Based on these adjustments, the subject property is indicated to have a unit value is \$40,000 per acre.

Sale No. 2 is located along the north side of W. El Rancho Blanco Road, 1/2 mile west of S. Cage Boulevard. The subject property was marketed for residential development purposes. Due to the inferior location of the sale, an upward +50% adjustment was required. In addition, the sale is an interior tract of land as such a 5% adjustment is indicated to inferior corner influence. A size adjustment of -15% was indicated due to the sale being a smaller tract of land compared to the subject. No further adjustments were indicated due the similarities between the subject and comparable sale. Based on these adjustments, the subject property is indicated to have a unit value is \$30,000 per acre..

Sale No. 3 is located adjacent to the subject property as the northwest corner of Thomas Road and South Jackson Road. No adjustments were required other than for the difference in size and for corner location. No further adjustments were indicated due the similarities between the subject and comparable sale. Based on these adjustments, the subject property is indicated to have a unit value is \$45,411 per acre.

After reviewing the comparable sales selected, an unadjusted unit range of market value of \$20,000 per acre to \$56,764 per acre was indicated. After adjustments were made in paired sales analysis of the comparable to the subject property, an adjusted range of market value of \$40,000 per acre to \$45,411 per acre was determined. Based on the existing developments and surrounding land use within the immediate market area, a unit value near the upper end of the adjusted range was selected; \$45,000 per acre.

As for the portion of the part to be acquired of which is encumbered by the Hidalgo County Irrigation District No. 2 Easement, a 50% discount of the fee simple unit rate is applied for this area only. The purpose of such discount is that the fee simple owner of record does not contain the full bundle of right to said portion of the subject property as the irrigation district has the right to construct, repair any drain or irrigation lines located within this designated easement area. This area reserved for such use will not be able to be built upon with structures without the explicit permissibility of the district. However, upon the permissibility of the irrigation district, the fee simple owner may cross, farm, and utilize the surface of said tract of land. Since the fee simple owner does not contain full control of the land area a discount of 50% is applied. Therefore, the unit rate of the 0.028 acres located with the H.C.I.D. No. 2 Irrigation Easement is calculated at 50% of the \$45,000 /acre value determined for the fee simple area. This value shall be included for total compensation for the part to be acquired.

Calculation For Part To Be Acquired

0.032 Acre x \$45,000 / Acre = \$1,440
0.028 Acres x \$22,500 / Acre = \$ 630

Combined Total = \$2,070.00

ESTIMATED VALUE OF ACQUISITION

Land:	0.032 Acres	@	\$ 45,000	Per Acre	\$	1,440
	0.028 Acres	@	\$ 22,500	Per Acre	\$	630

Improvements:

24 Lineal Feet of 8' Metal Panel Fencing with Steel Post (24 Lineal Feet @ \$24.75 Per Lineal Foot) @ 50% Depreciation	\$ 297
16' Metal Panel Gate @ 50% Depreciation	\$ 425
70 Lineal Feet of 6' Metal Panel Fencing Located Within Existing HCID No.2 ROW.	\$ 866
Concrete Pad (128 square feet) @ \$6.50/sf	\$ 832
	\$ -
	\$ -
Total Improvements	\$ 2,420

TOTAL ESTIMATED VALUE	\$ 4,490
Cost To Cure Damages	\$ 2,974
Estimated Total Compensation	\$ 7,464

Explanation of Cost to Cure:

The part to be acquired contained several site improvements, which were valued based on their existing depreciated contributory value to the subject property. However, replacement of the existing improvement in order to retain the same utility, shall require a cost to cure valuation in order to compensate the subject owner for the actual cost of the items which have been depreciated within the taking. Located within the proposed acquisition was 94' lineal feet of 8' metal panel fencing, 70' lineal feet is located within existing HCID No.1 Easement. However, the owner indicated that he did make the expense to install the fence and requires the fence to be replaced for security purposes to protect his inventory. After the take, an additional 21' lineal feet of fencing will be need to be replaced the fencing located within the easement area and close off the perimeter fencing. The cost to cure shall be included to compensate the owner for the difference of the existing market value of the site improvements and the cost new for the proposed frontage as described below:

Cost To Cure Item	Units	Price Per Unit	Cost New	Compensated Depreciated Value	Cost to Cure Value
8' Metal Panel Fencing	115	\$ 24.75	\$ 2,846	\$ 297	\$ 2,549
16' Metal Panel Gate	1	\$ 850.00	\$ 850	\$ 425	\$ 425
		\$ -	\$ -		\$ -
		\$ -	\$ -		\$ -

Total Cost to Cure	\$ 2,974
---------------------------	-----------------

Source of Cost Schedule: Marshall Valuation Service created by Marshall & Swift, Section 66, Page 5

ADDENDUM

1. Certification of Appraisal
2. Assumption & Limiting Conditions
3. Qualification of Appraiser
4. Letter of Inspection Sent To Owner of Record Via Certified Mail
5. Certified Letter Tracking Information
6. Hidalgo County Appraisal District Card
7. Warranty Deed

Certification of Appraisal

I, Leonel Garza III, certify that, to the best of my knowledge and belief:

- 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, impartial, and unbiased professional analyses, opinions, and conclusions.
- The employment and compensation of this appraiser in completing this appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice (2010-2011 Edition)*.
- I have made a personal on-site and or off-site visit of the property that is the subject of this report based on the permissibility granted at the time of inspection.
- Luis C. Garza and Thomas M. Davis, State Certified General Real Estate Appraisers with Leonel Garza Jr. & Associates LLC both provided significant professional assistance in the preparation of this report not limited to a physical inspection, taking of photographs of the subject property and value analysis.
- No one other than those mentioned within this certification provided significant real property appraisal assistance to the person(s) signing this certification.
- The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute;
- I certify that the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. I also acknowledge that Leonel Garza III is an associate member of the Appraisal Institute and is not an MAI Designated Appraiser, however is currently seeking designation. Leonel Garza III is designated as a Master Real Estate Appraiser through the National Association of Master Appraisers.
- The employment and compensation of this appraiser in completing this appraisal assignment was not based on a requested minimum valuation, a specific valuation. This report was not prepared under the standards required by financial institutions for purposes of applying for a loan
- This appraisal has been completed with the extraordinary assumption, that any and all access denial issues are clearly stated within the scope of this assignment and have been included within the surveys and field notes provided by client. The Texas Department of Transportation can control access in the future by way of permit at the time of redevelopment or re-subdivision of the subject property and or by way of the Access Management Policy enacted by the State of Texas. This assignment was engaged in accordance with Section 21.042(d) of the Texas Property Code, as amended by SB 18 of the Texas 82nd Regular Legislative Session as follows:
 - "(d) In estimating injury or benefit under Subsection ©, the special commissioners shall consider an injury or benefit that is peculiar to the property owner and that relates to the property owner's ownership, use, or enjoyment of the particular parcel of real property including a material impairment of direct access on or off the remaining property that affects the market value of the remaining property, but they may not consider an injury or benefit that the property owners experiences in common with the general community, *including circuitry of travel and diversion of traffic*. In this subsection, 'direct access' to the remainder after the state's means ingress and egress on or off a public road, street, or highway at a location where the remaining property adjoins that road, street or highway"



Leonel Garza III
General Certified Real Estate Appraiser
License No. TX 1328375 – General
May 10, 2012

ASSUMPTIONS AND LIMITING CONDITIONS

This report has been prepared with the following general assumptions:

1. No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
3. Responsible ownership and competent property management are assumed.
4. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.
5. All engineering is assumed to be correct. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
6. It is assumed that there are no hidden or un-apparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
7. It is assumed that the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in the appraisal report.
8. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
9. It is assumed that the use of the land and improvements is confined within the boundaries or property line of the property described and that there is no encroachment or trespass unless noted in the report.
11. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by this appraiser. The appraiser does not have any knowledge of the existence of such material on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

General Limiting Conditions:

1. Any allocation of the total value of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
2. Possession of this report, or a copy thereof, does not carry with it the right of publication.
3. The appraiser, by reason of this appraisal, is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.
4. Neither all or any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser.
5. If the property rights appraised are the "Leased Fee Estate", then the Final Indicated Market Value Estimate is based on the continued performance under the lease terms.
6. The original and one copy of this report have been signed in blue ink. Any other copy, which is not signed in blue may have been altered, and this appraiser is not responsible for its contents or value indicated.

Assumptions and Interpretations Made by Appraiser of the Marketing Period

1. Indicated Marketing Time: Begins with the date of value estimate and the exposure time indicated.
2. Exposure to the Open Market: Listing the property on the market for sale with a Realtor, member of Multiple Listing Service, or a licensed Real Estate Broker, that will properly expose the property to the Market. This appraiser does not consider a sign placed by a bank on the property as proper marketing. If the property is presently listed for sale on the market, this appraiser must be notified prior to the completion of the appraisal.
3. Exposure Time: 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.

QUALIFICATIONS OF APPRAISER

The office of Leonel Garza Jr. & Associates LLC is owned and operated by Leonel Garza III. A company founded by Leonel Garza Jr. who was a commercial real estate appraiser for more than 25 years upon his passing in 1998. Leonel Garza III continued the family business to this day, concentrating on general commercial properties and right-of-way acquisition projects for more than 13 years. The office of Leonel Garza Jr. & Associates LLC contains three (3) General Certified Appraisers in total and several supporting staff members all located at 1419 Dove Avenue, Suite #1, McAllen, Texas. The following is a synopsis of the qualifications of Leonel Garza III and the public service organizations involved in with the County of Hidalgo and the City of McAllen.

Education

Graduate, 1995, Texas A&M University, College Station, Texas (Bachelor of Science in Biomedical Science)
Graduate, 1991 McAllen Memorial High School, McAllen, Texas

Licenses

State Certified General Real Estate Appraiser

Number TX - 1328375-General
Licensed Since December 31, 1998
Expires: December 31, 2012 (Active)

State Certified Property Tax Consultant

Number TX - 00003181
Licensed Since May 20, 2002
Expires: June 16, 2012 (Active)

Public Service Organizations

Associate Member of the Appraisal Institute

Currently taking courses toward the designation of MAI through the Appraisal Institute.

National Association of Master Appraisers

Designated as a Master Senior Appraiser in 2006 by the National Association of Master Appraisers. This designation is obtained thru educational requirements and experience.

Associate Member of the International Right of Way Association (IRWA) (Member # 7899430)

Vice Chairman of the City of McAllen Planning and Zoning Board

This board is charged with submitting reports, plans, and recommendations to the City Commission for the orderly growth, development, and welfare of the City. They review and make recommendations on zoning change requests, conditional use permits for longer than one year, and variances to Subdivision Ordinance requirements for development.

Former Chairman of the City of McAllen Zoning Board of Adjustments and Appeals

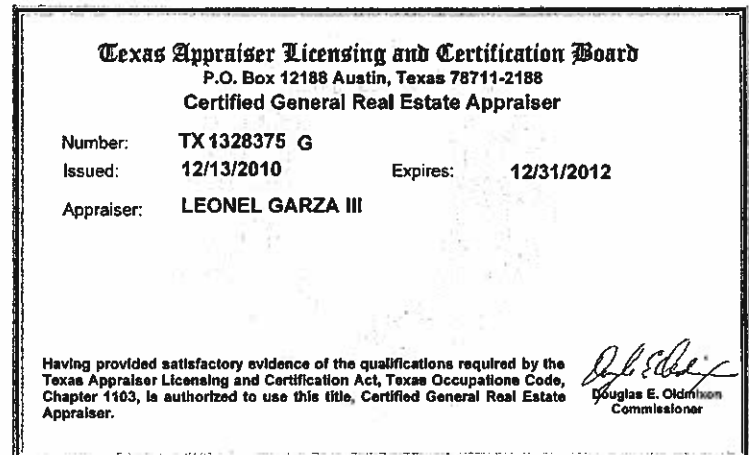
This city board has the duty to hear and decide appeals where it is alleged there is error in any requirement, or determination made administratively in the enforcement of the Zoning Ordinance. The Board hears appeals that grant variances to setback requirements and special exceptions to reconstruction of nonconforming buildings.

Chairman of the Hidalgo County Subdivision Advisory Board

This county board on subdivision reviews primary goal is to ensure that proper standards, set by Texas Water Development Board and the Texas Subdivision Model Rules and or opinions from the Texas State Attorney Generals Office, are conducted in the development of proposed subdivision within the County of Hidalgo and or Extraterritorial Jurisdiction of municipalities throughout the County of Hidalgo. The boards secondary function is to review applications for variances against the Flood Plain Administrators decisions of the base flood elevations throughout the County of Hidalgo.

Chairman of the Hidalgo County Building Line of Adjustments

This county board reviews applications of variances to general set-back regulations set forth by the County of Hidalgo. This review includes the review of existing and or proposed encroachments into set-backs, easements, road right-of-way set-back, subdivision plat requirements and or requirements set forth by adjoining municipalities of which the subject is within the extraterritorial jurisdiction.



Former Vice Chairman of the City of McAllen Traffic Board (Current Member)

Makes recommendations to the City Commission in order to reduce and eliminate traffic congestion and flow throughout the City . (Elected Vice Chairman 01/26/10)

Former Executive Board Member of the Lower Rio Grande Valley Boy Scouts Council

The goal of the council is to maintain membership and the continued progress of the boy scouts within the Lower Rio Grande Valley. The council shall maintain progress reports of financial status of the council and plan for events world wide which local children may participate as a representative of the council. These events include the World Jamboree and the National Jamboree.

Former Vice Chairman of the City of McAllen Ambulance Advisory Committee

Evaluates and reports to the City Commission on the operation of the emergency ambulance service rendered by company or companies rendering such service.

Former Member of the City of McAllen Building Board of Adjustments and Appeals

The BBOA reviews the decision of City Staff for the demolition of properties deemed unsafe through the City for a variety of reasons. The board review all facts and concerns and make the decision to secure or proceed with demolition based upon the safety of the neighboring property owners and occupants. The greatest concern for the commission is the safety of the surrounding neighborhood occupants.

Former Member of the Pharr Municipal Park Charter Committee

Appointed in 1998-1999, our goal was to establish a 103 acre master planned recreational park to the City of Pharr during our membership with the City of Pharr Leadership Class X.

Member of The McAllen Palm City Lions Club

Direct the fund raising for the annual Thanksgiving Drive on behalf of Lion Leonel Garza Jr. who founded the drive more than 20 years ago. In 2005 & 2006, the club raised funds to feed 60 family's throughout the City of McAllen.

Work Experience

Employee of Leonel Garza Jr. & Associates since 1990

State Certified General Real Estate Appraiser since December 31, 1998

Owner of G-3 Acquisitions which primary focus is custom commercial and multifamily residential construction and management.

Commercial and residential property manager throughout the City of McAllen & Pharr, Texas.

Licensed Property Tax Consultant Since 2000.

Appraiser Trainee from 1995 thru 1998 under the sponsorship of Leonel Garza Jr. who was a State Certified General Real Estate Appraiser & Board Member of the Texas State Appraisal Review Board from October 23, 1995 Through September 15, 1998. Appointed by Governor George W. Bush for two (2) terms.

State of Texas
Historically Underutilized Business
Certification and Compliance Program



The Texas Comptroller of Public Accounts (CPA),
hereby certifies that

LEONEL GARZA, JR. & ASSOCIATES, LLC

has successfully met the established requirements of the
State of Texas Historically Underutilized Business (HUB) Program
to be recognized as a HUB.

This certificate, printed 14-AUG-2010, supersedes any registration and certificate previously issued by the HUB Program. If there are any changes regarding the information (i.e., business structure, ownership, day-to-day management, operational control, addresses, phone and fax numbers or authorized signatures) provided in the submission of the business' application for registration/certification as a HUB, you must immediately (within 30 days of such changes) notify the HUB Program in writing. The CPA reserves the right to conduct a compliance review at any time to confirm HUB eligibility. HUB certification may be suspended or revoked upon findings of ineligibility.

A handwritten signature in cursive script that reads "Paul A. Gibson".

Certificate/VID Number: 1742948770900
File/Vendor Number: 14984
Approval Date: 09-AUG-2010
Expiration Date: 09-AUG-2014

Paul A. Gibson
Statewide HUB Program Manager
Texas Comptroller of Public Accounts
Texas Procurement and Support Services Division

Note: In order for State agencies and institutions of higher education (universities) to be credited for utilizing this business as a HUB, they must award payment under the Certificate/VID Number identified above. Agencies and universities are encouraged to validate HUB certification prior to issuing a notice of award by accessing the Internet (<http://www.window.state.tx.us/procurement/cmb1/hubonly.html>) or by contacting the HUB Program at (888) 863-5881 or (512) 463-5872.

CERTIFIED LETTER OF INSPECTION SENT TO PROPERTY OWNER OF RECORD

Leonel Garza Jr. & Associates LLC
Real Estate Appraisal Services

1419 Dove, Suite 1 - McAllen, Texas 78504
(956) 687-7295 (24 hour answering service) Fax (956) 687-9236
Email: leonel3@garza-associates.com

March 21, 2012

Project: South McColl Off-Site Drain Project

Parcel No. 24B
Piccirillo LTD
1703 East 30th street
Mission, Texas 78574

To Whom It May Concern:

Leonel Garza Jr. & Associates LLC has been contracted by Hidalgo County Precinct No. 2 to appraise various properties along South McColl Road. These properties shall be appraised as fee simple and shall be for the proposed acquisition to acquire right-of-way for the expansion and renovation of McColl Road. The project limits for the expansion is between Dicker Road North to Orangewood Drive. Attached is a survey of the property to be acquired. This office is requesting verbal or written permission to inspect the subject property at the earliest date possible. We would like to extend to you the opportunity to meet with our office in order to further explain the project and the purpose of the appraisal report.

The Hidalgo County Precinct No. 2 shall be negotiating the purchase of this portion of your property believed to be in the name of Piccirillo LTD. If you or your representative wish to meet with us to discuss the purpose of the appraisal and join me for an on-site inspection of your land, I can be reached at (956) 687-7295 or leonel3@garza-associates.com. I will be researching the market area for any and all real estate sales, and would appreciate any leads or information in which you may have. If this letter does not pertain to you and or you have sold said property, please notify our office as soon as possible so that the proper ownership identification can be performed. If you have any further questions please call the office of Leonel Garza Jr. & Associates LLC at (956) 687-7295.

With this letter I request permission to perform an on-site inspection and photograph your property. If you have any objections to our inspection of your property please call the office of Leonel Garza Jr. and Associates LLC at (956) 687-7295 as soon as possible. Thank you.

Sincerely,



Leonel Garza III
State Certified General
Real Estate Appraiser
TX1328375-General

Cc: Hidalgo County Precinct No. 2
Lupe Rodriguez
Co-Right of Way Agent
301 East State
Pharr, Texas 78577
(956) 787-1891

Leonel Garza Jr. & Associates LLC

CERTIFIED LETTER TRACKING INFORMATION

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS, FOLD AT DOTTED LINE
CERTIFIED MAIL™



7011 0470 0003 0645 0592
 7011 0470 0003 0645 0592

U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage \$	Postmark Here
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees \$	
Sent To <i>Piccirillo Ltd</i> Street, Apt. No., or PO Box No. <i>1703 East 30th St.</i> City, State, ZIP+4 <i>Mission TX 78574</i>	
PS Form 3811, August 2006 See Reverse for Instructions	

P. 24B - SHC011

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee
1. Article Addressed to: <i>Parcel 24B</i> <i>Piccirillo Ltd.</i> <i>1703 East 30th Street</i> <i>Mission, TX 78574-1997</i>	B. Received by (Printed Name) C. Date of Delivery D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No
2. Article Number (Transfer from service label)	3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.
PS Form 3811, February 2004	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes Domestic Return Receipt 102695-02-M-1640

7011 0470 0003 0645 0592

HIDALGO COUNTY APPRAISAL DISTRICT CARD (2 of 2)

Deed History - (Last 3 Deed Transactions)

#	Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Deed Number
1	10/12/2010 12:00:00 AM	SVD	SPEC WD/VEN LIEN	BRUSH COUNTRY	PICCIRILLO LTD			2145614

Tax Due

Property Tax Information as of 03/21/2012

Amount Due if Paid on:  ↓

Year	Taxing Jurisdiction	Taxable Value	Base Tax	Base Taxes Paid	Base Tax Due	Discount / Penalty & Interest	Attorney Fees	Amount Due
------	---------------------	---------------	----------	-----------------	--------------	-------------------------------	---------------	------------

WARRANTY DEED (Page 1 of 5)

Doc-2145614

Charge to: VLTC
GF# 121689

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SPECIAL WARRANTY DEED WITH VENDOR'S LIEN

Date: SEPTEMBER 23, 2010

Grantor: BRUSH COUNTRY INVESTMENTS III, L.P., a Texas Limited Partnership

Grantor's Mailing Address:

907 S. CAGE
PHARR, TEXAS 78577
HIDALGO COUNTY

Grantee: PICCIRILLO, LTD., a Texas Limited Partnership

Grantee's Mailing Address:

1703 E. 30th STREET
MISSION, TEXAS 78574
HIDALGO COUNTY

Consideration: Cash and a note of even date executed by Grantee and payable to the order of FIRST NATIONAL BANK in the principal amount of TWO HUNDRED EIGHTY THOUSAND AND NO/100THS DOLLARS (\$280,000.00). The note is secured by a first and superior vendor's lien and superior title retained in this deed in favor of FIRST NATIONAL BANK and by a first-lien deed of trust of even date from Grantee to MICHAEL V. McCARTHY, Trustee.

Property (including any improvements):

A 9.82 acre tract of land out of Lot 2, Block 11, A.J. MCCOLL SUBDIVISION, Hidalgo County, Texas, according to the map or plat thereof recorded in Volume 21, Page 598, Deed Records of Hidalgo County, Texas, and according to Special Warranty Deed with Vendor's Lien recorded under Count Clerk's Document Number 1642498, 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 cotton picker spindle found in the centerline of Thomas Road for the Southwest corner of Lot 2 and the Southwest corner of this tract;

THENCE, North 08 degrees 52 minutes 33 seconds East (Map Record: North 08 degrees 51 minutes East), along the West line of Lot 2, A distance of 20.00 feet to a 1/2" iron rod with cap stamped RPLS 4856 found on the North right of way line of Thomas Road for the Southwest corner of the County of Hidalgo Tract (A 0.686 of an acre tract out of Lot 2, Block 11, A. J. McColl Subdivision, according to the right of way Deed recorded under County Clerk's Document Number 2132200, Official Records, Hidalgo County, Texas) and an exterior corner of this tract;

THENCE; South 81 degrees 09 minutes East (Deed Record: South 81 degrees 27 minutes 10 seconds East), along the North right of way line of Thomas Road and the South line of the County of Hidalgo Tract, a distance of 75.00 Feet to a 1/2" iron rod 24" in length with plastic cap stamped RPLS 4856 set for the Southeast corner of said tract and an interior corner of this tract;

SPECIAL WARRANTY DEED WITH VENDOR'S LIEN

1