

**A. Settlement Statement**

<b>B. Type of Loan</b>					
1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> FmHA	3. <input type="checkbox"/> Conv Unins	6. File Number	7. Loan Number	8. Mortgage Ins Case Number
4. <input type="checkbox"/> VA	5. <input type="checkbox"/> Conv Ins.	6. <input type="checkbox"/> Seller Finance	129807		

**C. Note:** This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

<b>D. Name &amp; Address of Borrower</b> City of Edinburg, Texas P.O. Box 1079 Edinburg, TX 78540-1079	<b>E. Name &amp; Address of Seller</b> County of Hidalgo 2802 S. Bus. Hwy 281 Edinburg, TX 78541	<b>F. Name &amp; Address of Lender</b>
---	---	--

<b>G. Property Location</b>  San Salvador Del Tule Grant, Tract 154C, 126.455 Ac, Hidalgo County (PLEASE SEE NOTES FOR LEGAL )  Edinburg, TX	<b>H. Settlement Agent Name</b> Valley Land Title Co. 612 W. Nolana Ste. #570 McAllen, TX 78504 Tax ID: 20-4064406  Place of Settlement Valley Land Title Co. 217 W. Cano Edinburg, TX 78539	<b>I. Settlement Date</b> 6/8/2012 Fund:
---	---	--

<b>J. Summary of Borrower's Transaction</b>		<b>K. Summary of Seller's Transaction</b>	
<b>100. Gross Amount Due from Borrower</b>		<b>400. Gross Amount Due to Seller</b>	
101. Contract Sales Price	\$942,305.00	401. Contract Sales Price	\$942,305.00
102. Personal Property		402. Personal Property	
103. Settlement Charges to borrower	\$5,822.54	403.	
104.		404.	
105.		405.	
<b>Adjustments for items paid by seller in advance</b>		<b>Adjustments for items paid by seller in advance</b>	
106. City property taxes		406. City property taxes	
107. County property taxes		407. County property taxes	
108. Annual assessments		408. Annual assessments	
109. School property taxes		409. School property taxes	
110. Water District Taxes		410. Water District Taxes	
111. HOA Dues		411. HOA Dues	
112.		412.	
113.		413.	
114.		414.	
115.		415.	
116.		416.	
<b>120. Gross Amount Due From Borrower</b>	<b>\$948,127.54</b>	<b>420. Gross Amount Due to Seller</b>	<b>\$942,305.00</b>
<b>200. Amounts Paid By Or in Behalf Of Borrower</b>		<b>500. Reductions in Amount Due to Seller</b>	
201. Deposit or earnest money	\$10,000.00	501. Excess Deposit	
202. Principal amount of new loan(s)		502. Settlement Charges to Seller (line 1400)	\$300.00
203. Existing loan(s) taken subject to		503. Existing Loan(s) Taken Subject to	
204. Loan Amount 2nd Lien		504. Payoff of first mortgage loan	
205.		505. Payoff of second mortgage loan	
206.		506.	
207.		507.	
208.		508.	
209.		509.	
<b>Adjustments for items unpaid by seller</b>		<b>Adjustments for items unpaid by seller</b>	
210. City property taxes		510. City property taxes	
211. County property taxes		511. County property taxes	
212. Annual assessments		512. Annual assessments	
213. School property taxes		513. School property taxes	
214. Water District Taxes		514. Water District Taxes	
215. HOA Dues 06/08/12 thru 09/01/12	\$1,043.54	515. HOA Dues 06/08/12 thru 09/01/12	\$1,043.54
216.		516.	
217.		517.	
218.		518.	
219.		519.	
<b>220. Total Paid By/For Borrower</b>	<b>\$11,043.54</b>	<b>520. Total Reduction Amount Due Seller</b>	<b>\$1,343.54</b>
<b>300. Cash At Settlement From/To Borrower</b>		<b>600. Cash At Settlement To/From Seller</b>	
301. Gross Amount due from borrower (line 120)	\$948,127.54	601. Gross Amount due to seller (line 420)	\$942,305.00
302. Less amounts paid by/for borrower (line 220)	\$11,043.54	602. Less reductions in amt. due seller (line 520)	\$1,343.54
<b>303. Cash From Borrower</b>	<b>\$937,084.00</b>	<b>603. Cash To Seller</b>	<b>\$940,961.46</b>

**L. Settlement Charges**

<b>700. Total Sales/Broker's Commission based on price</b>			<b>\$942,305.00</b>	<b>@ % = \$0.00</b>	Paid From Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
Division of Commission (line 700) as follows:						
701.	to					
702.	to					
703.	Commission Paid at Settlement				<b>\$0.00</b>	<b>\$0.00</b>
704.	The following persons, firms or	to				
705.	corporations received a portion	to				
706.	of the real estate commission amount	to				
707.	shown above:	to				
<b>800. Items Payable in Connection with Loan</b>						
801.	Loan Origination Fee	%	to			
802.	Loan Discount	%	to			
803.	Appraisal Fee		to			
804.	Credit Report		to			
805.	Lender's Inspection Fee		to			
806.	Mortgage Insurance Application		to			
807.	Assumption Fee		to			
<b>900. Items Required by Lender To Be Paid in Advance</b>						
901.	Interest from	6/8/2012	to	7/1/2012 @ \$0/day		
902.	Mortgage Insurance Premium for	months	to			
903.	Hazard Insurance Premium for	years	to			
<b>1000. Reserves Deposited With Lender</b>						
1001.	Hazard insurance	months @		per month		
1002.	Mortgage insurance	months @		per month		
1003.	City property taxes	months @		per month		
1004.	County property taxes	months @		per month		
1005.	Annual assessments	months @		per month		
1006.	School property taxes	months @		per month		
1007.	Water District taxes	months @		per month		
1008.	HOA Dues	months @	<b>\$370.09</b>	per month		
1011.	Aggregate Adjustment					
<b>1100. Title Charges</b>						
1101.	Settlement or closing fee		to			
1102.	Abstract or title search		to			
1103.	Title examination		to			
1104.	Title insurance binder		to			
1105.	Document preparation		to	L. G. "Jerry" Canales		<b>\$300.00</b>
1106.	Notary fees		to			
1107.	Attorney's fees		to			
	(includes above items numbers:		)			
1108.	Title insurance		to	Valley Land Title Co.	<b>\$5,341.00</b>	
	(includes above items numbers:		)			
1109.	Lender's coverage			\$0.00/\$0.00		
1110.	Owner's coverage			\$942,305.00/\$5,341.00		
1111.	Escrow fee		to	Valley Land Title Co.	<b>\$400.00</b>	
1112.	State of Texas policy guaranty fee.		to	Valley Land Title Co.-Guaranty Fee Escrow Account	<b>\$2.00</b>	
1113.	Tax Service Fee		to	Hidalgo County Property Tax Service	<b>\$59.54</b>	
<b>1200. Government Recording and Transfer Charges</b>						
1201.	Recording Fees	Deed \$20.00 ; Mortgage ; Rel		to Valley Land Title Co.	<b>\$20.00</b>	
1202.	City/county tax/stamps	Deed ; Mortgage		to		
1203.	State tax/stamps	Deed ; Mortgage		to		
1204.			to			
<b>1300. Additional Settlement Charges</b>						
1301.	Survey		to			
1302.	Pest Inspection		to			
<b>1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)</b>					<b>\$5,822.54</b>	<b>\$300.00</b>

**SOLICITATION**

You are required by law to provide VALLEY LAND TITLE CO. with your correct taxpayer identification number. If you do not provide VALLEY LAND TITLE CO. with your correct taxpayer identification number, you may be subject to civil or criminal penalties imposed by law.

**SUBSTITUTE FORM 1099 SELLER STATEMENT**

The information contained in blocks E, G, H and I and on line 401 (or, if line 401 is asterisked, on lines 403 and 404) is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction will be imposed on you if this item is required to be reported and the IRS determines that it has not been reported.

**SELLER INSTRUCTIONS**

If this real estate was your principal residence, file Form 2119, Sale or Exchange of Principal Residence, for any gain, with your income tax return; for other transactions, complete the applicable parts of Form 4797, Form 6252 and/or Schedule D (Form 1040).

Seller understands the closing or Escrow Agent has assembled this information representing the transaction from the best information available from other sources and cannot guaranty the accuracy thereof. Any real estate agent or lender involved may be furnished a copy of this Statement. Seller understands that tax and insurance prorations and reserves were based on figures for the preceding year or supplied by others, or estimates for current year, and in the event of any change for current year, all necessary adjustments must be made between Purchaser and Seller direct. The undersigned hereby authorizes VALLEY LAND TITLE CO. to make expenditures and disbursements as shown above and approves same for payment. The undersigned also acknowledges receipt of Loan funds, if applicable, in the amount shown above and receipt of a copy of this Statement.

\*Note: Interest on existing liens is figured to the date indicated. If not paid by then, additional interest will have to be collected and your statement will be adjusted to have sufficient funds to secure release from the lien holder.

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a completed copy of pages 1, 2 and 3 of this HUD-1 Settlement Statement.

City of Edinburg, Texas

County of Hidalgo

By: \_\_\_\_\_

By: Ramon Garcia, County Judge for County of Hidalgo

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**SETTLEMENT AGENT CERTIFICATION**

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused the funds to be disbursed in accordance with this statement.

\_\_\_\_\_  
Settlement Agent

\_\_\_\_\_  
Date

**Warning:** It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.

Charge to VLTC  
GF: 129,807

**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

Date: **June 8, 2012**

Grantor: **COUNTY OF HIDALGO**

Grantor's Mailing Address (including county): **2802 S. Bus. Hwy. 281  
Edinburg, Hidalgo County, Texas 78541**

Grantee: **CITY OF EDINBURG, TEXAS**

Grantee's Mailing Address (including county): **P.O. Box 1079  
Edinburg, Hidalgo County, Texas 78540**

Consideration: **Ten and NO/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged**

Property (including any improvements):

**Being a 126.455 acre (5,508,389 S.F.) Tract "C" of land out of that certain 301.06 acre tract of land conveyed to The County of Hidalgo, recorded in Document No. 2060139 of the Official Records of Hidalgo County, Texas, also being out of Tract 154, SAN SALVADOR DEL TULE GRANT, Hidalgo County, Texas, according to the map or plat thereof recorded in Volume 10, Pages 58 -60, Map Records, Hidalgo County, Texas, reference to which is here made for all purposes and said 126.455 acres (5,508,389 S.F.), being more particularly described by metes and bounds as follows.**

**BEGINNING at a 1/2-inch iron rod w/cap stamped RPLS # 4856 found at the common corner of the herein described tract and that certain 39.84 acre tract of land also known as Tract C1, and on the south boundary line of that certain 238.65 acre tract of land, recorded in Document No. 1971952 of the Official Records of Hidalgo County, Texas, for the northeast corner of the herein described tract, from which the northeast corner of Tract 154-B, bears South 80 degrees, 14 minutes, 34 seconds East, a distance of 446.46 feet to a 1/2-inch iron w/cap stamped RPLS # 4856 found at the common corner of the aforementioned 301.06 acre tract and that certain 300 acre tract of land, recorded in Volume 1419, Page 379 of the Deed Records of Hidalgo County, Texas;**

**THENCE, South 08 degrees, 46 minutes, 31 seconds West, along the common boundary line of said 39.84 acre Tract "C1", and said 126.455 acre Tract "C", a distance of 864.27 feet to a 5/8 inch iron rod set with cap stamped "DLS BNDRY MKR", for an interior corner of this tract;**

**THENCE, South 27 degrees, 16 minutes, 03 seconds West, along the common boundary line of said 39.84 acre Tract "C1", and said 126.455 acre Tract "C", a distance of 297.86 feet to a 5/8 inch iron rod set with cap stamped "DLS BNDRY MKR", for an interior corner of this tract;**

**THENCE, South 53 degrees, 38 minutes, 28 seconds West, along the common boundary line of said 39.84 acre Tract "C1", and said 126.455 acre Tract "C", a distance of 2044.55 feet to a 5/8 inch iron rod set with cap stamped "DLS BNDRY MKR", for an interior corner of this tract;**

**THENCE, North 81 degrees, 19 minutes, 38 seconds West, along the common boundary line of said 39.84 acre Tract "C1", and said 126.455 acre Tract "C", a distance of 345.87 feet to a 5/8 inch iron rod set with cap stamped "DLS BNDRY MKR", for an interior corner of this tract;**

**THENCE, North 36 degrees, 17 minutes, 44 seconds West along the common boundary line of said 39.84 acre Tract "C1", and said 126.455 acre Tract "C", a distance of 1,138.00 feet to a 1/2-inch iron rod w/cap stamped RPLS # 4856 found on the west boundary line of aforementioned 301.06 acre tract and on the east boundary line of the aforementioned 238.65 acre tract, and at the most westerly northwest corner of said 39.84 acre tract "Tract C1", for the most westerly southwesterly corner of this tract;**

**THENCE, North 09 degrees, 14 minutes, 21 seconds East, along the common boundary line of said 301.06 acre tract and said 238.65 acre tract, at a distance of 350.35 feet pass a found 1/2-inch iron rod stamped # 4856, at a distance of 1,751.40 feet pass a found 1/2-inch iron rod stamped RPLS # 4856 and continuing for a total distance of 1838.65 feet to a 1/2-iron rod stamped RPLS # 4856 found, for the northwest corner of said 301.06 acre tract and an interior**

corner of said 238.65 acre tract, for the northwest corner of this tract;

THENCE, South 80 degrees, 14 minutes, 34 seconds East, along the common boundary line of said 301.06 acre tract, and said 238.65 acre tract, a distance of 2673.87 feet the POINT OF BEGINNING of the herein described tract of land.

Bearings are Grid North, based on the Texas State Plane Coordinate System, South Zone (4205), NAD 83

Reservations from Conveyance: NONE

Exceptions to Conveyance and Warranty: To the Extent they validly exist:

- Roadways shown on the map of the San Salvador Del Tule Grant, recorded in Volume 10, Pages 58-60, Map Records of Hidalgo County, Texas.
- Right of way easement in favor of Western Natural Gas Company as shown by instrument dated March 28, 1956, recorded in Volume 858, Page 243, Deed Records of Hidalgo County, Texas.
- Surface Damage and Drill site Agreement by and between Ruben R. Cardenas, individually and as Attorney in Fact for Sylvia Cardenas and Texas Independent Exploration, Inc. as shown by instrument dated June 4, 1992, recorded in Volume 3355, Page 525, Official Records of Hidalgo County, Texas.
- Terms, stipulations and conditions contained in Oil, Gas and Mineral Lease executed by T. L. Smith, Jr. to Gulf States Oil Company, dated November 15, 1943, recorded in Volume 50, Page 98, Oil and Gas Records of Hidalgo County, Texas.
- Mineral and/or royalty reservation contained in deed dated October 5, 1951, recorded in Volume 730, Page 461, Deed Records of Hidalgo County, Texas.
- Subject to the subdivision regulations of the County of Hidalgo and/or Ordinances or governmental regulation of the City in which the property may be located or holding extra-territorial jurisdiction of said property.
- Any portion of the property described herein within the limits or boundaries of any public or private roadway and/or highway.
- Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the land.
- Standby fees, taxes and assessments by any taxing authority for the year 2012, and subsequent years and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership.
- Failure of the Property to have rights of ingress and egress to and from a public roadway.
- Unrecorded Lease Agreement between County of Hidalgo, Texas, as Lessor and Matias Pena, Jr., as Lessee, identified as Farm Lease C-11-244-09-27.

Grantor, for the Consideration and subject to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty, grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever. Grantor binds Grantor and Grantor's heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through, or under Grantor but not otherwise, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

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

**COUNTY OF HIDALGO**

By: \_\_\_\_\_  
**RAMON GARCIA, COUNTY JUDGE FOR  
COUNTY OF HIDALGO**

STATE OF TEXAS

COUNTY OF HIDALGO

This instrument was acknowledged before me on \_\_\_\_\_, 2012 by **RAMON GARCIA,**  
**COUNTY JUDGE OF COUNTY OF HIDALGO.**

\_\_\_\_\_  
NOTARY PUBLIC - STATE OF TEXAS

**AFTER RECORDING RETURN TO :**  
**CITY OF EDINBURG, TEXAS**  
**P.O. Box 1079**  
**Edinburg, Texas 78540**

**PREPARED IN THE LAW OFFICE OF:**  
**L.G. 'JERRY' CANALES**  
**217 W. Cano**  
**Edinburg, Texas 78539**  
**File No.: 129807**

**ASSIGNMENT AND ASSUMPTION OF  
LEASE**

KNOW ALL MEN THAT, **COUNTY OF HIDALGO** ("Assignor") for the sum of **ONE and NO/100 (\$1.00) DOLLAR** and other good and valuable consideration received from **CITY OF EDINBURG, TEXAS** ("Assignee"), does hereby **ASSIGN, TRANSFER, and DELIVER** unto Assignee, all of its right, title and interest in and to that certain lease by and between **COUNTY OF HIDALGO**, as the Lessor and **MATIAS PENA, JR. d/b/a PENA FARMS**, as the Lessee, copy of which is attached hereto as Exhibits "A" and made a part hereof for all purposes (hereafter the "Lease"), said Lease covers and affects the following described real property; to-wit:

Being a 126.455 acre (5,508,389 S.F.) Tract "C" of land out of that certain 301.06 acre tract of land conveyed to The County of Hidalgo, recorded in Document No. 2060139 of the Official Records of Hidalgo County, Texas, also being out of Tract 154, SAN SALVADOR DEL TULE GRANT, Hidalgo County, Texas, according to the map or plat thereof recorded in Volume 10, Pages 58 -60, Map Records, Hidalgo County, Texas, reference to which is here made for all purposes and said 126.455 acres (5,508,389 S.F.), being more particularly described by metes and bounds as follows.

**BEGINNING** at a 1/2-inch iron rod w/cap stamped RPLS # 4856 found at the common corner of the herein described tract and that certain 39.84 acre tract of land also known as Tract C1, and on the south boundary line of that certain 238.65 acre tract of land, recorded in Document No. 1971952 of the Official Records of Hidalgo County, Texas, for the northeast corner of the herein described tract, from which the northeast corner of Tract 154-B, bears South 80 degrees, 14 minutes, 34 seconds East, a distance of 446.46 feet to a 1/2-inch iron w/cap stamped RPLS # 4856 found at the common corner of the aforementioned 301.06 acre tract and that certain 300 acre tract of land, recorded in Volume 1419, Page 379 of the Deed Records of Hidalgo County, Texas;

**THENCE**, South 08 degrees, 46 minutes, 31 seconds West, along the common boundary line of said 39.84 acre Tract "C1", and said 126.455 acre Tract "C", a distance of 864.27 feet to a 5/8 inch iron rod set with cap stamped "DLS BNDRY MKR", for an interior corner of this tract;

**THENCE**, South 27 degrees, 16 minutes, 03 seconds West, along the common boundary line of said 39.84 acre Tract "C1", and said 126.455 acre Tract "C", a distance of 297.86 feet to a 5/8 inch iron rod set with cap stamped "DLS BNDRY MKR", for an interior corner of this tract;

**THENCE**, South 53 degrees, 38 minutes, 28 seconds West, along the common boundary line of said 39.84 acre Tract "C1", and said 126.455 acre Tract "C", a distance of 2044.55 feet to a 5/8 inch iron rod set with cap stamped "DLS BNDRY MKR", for an interior corner of this tract;

**THENCE**, North 81 degrees, 19 minutes, 38 seconds West, along the common boundary line of said 39.84 acre Tract "C1", and said 126.455 acre Tract "C", a distance of 345.87 feet to a 5/8 inch iron rod set with cap stamped "DLS BNDRY MKR", for an interior corner of this tract;

**THENCE**, North 36 degrees, 17 minutes, 44 seconds West along the common boundary line of said 39.84 acre Tract "C1", and said 126.455 acre Tract "C", a distance of 1,138.00 feet to a 1/2-inch iron rod w/cap stamped RPLS # 4856 found on the west boundary line of aforementioned 301.06 acre tract and on the east boundary line of the aforementioned 238.65 acre tract, and at the most westerly northwest corner of said 39.84 acre tract "Tract C1", for the most westerly southwesterly corner of this tract;

**THENCE**, North 09 degrees, 14 minutes, 21 seconds East, along the common boundary line of said 301.06 acre tract and said 238.65 acre tract, at a distance of 350.35 feet pass a found 1/2-inch iron rod stamped # 4856, at a distance of 1,751.40 feet pass a found 1/2-inch iron rod stamped RPLS # 4856 and continuing for a total distance of 1838.65 feet to a 1/2-iron rod stamped RPLS # 4856 found, for the northwest corner of said 301.06 acre tract and an interior corner of said 238.65 acre tract, for the northwest corner of this tract;

**THENCE**, South 80 degrees, 14 minutes, 34 seconds East, along the common boundary line of said 301.06 acre tract, and said 238.65 acre tract, a distance of 2673.87 feet the **POINT OF BEGINNING** of the herein described tract of land.

Bearings are Grid North, based on the Texas State Plane Coordinate System, South Zone (4205), NAD 83

TO HAVE AND TO HOLD all of Assignor's right, title and interest in and to the aforesaid Lease, in so far as the Lease covers the above described real property, unto Assignee, its successors and assigns forever.

AND Assignee does hereby acknowledge receipt of said Lease and as it applies to the hereinabove described real property, does hereby assume full responsibility from and after the date hereof with respect thereto and Assignee agrees to hold Assignor harmless with respect thereto insofar as any event or occurrence which shall take place on or after the date hereof. Assignor agrees to hold Assignee harmless with respect thereto insofar as any event or occurrence which took place prior to the date hereof;

IN WITNESS WHEREOF, Assignor and Assignee have duly executed this assignment and assumption agreement this 8<sup>th</sup> day of June, 2012 .

**ASSIGNOR:**

**COUNTY OF HIDALGO**

By: \_\_\_\_\_  
**RAMON GARCIA, COUNTY JUDGE FOR  
COUNTY OF HIDALGO**

**ASSIGNEE:**

**CITY OF EDINBURG, TEXAS**

BY: \_\_\_\_\_  
NAME: \_\_\_\_\_  
TITLE: \_\_\_\_\_

STATE OF TEXAS

COUNTY OF HIDALGO

This instrument was acknowledged before me on \_\_\_\_\_, 2012 by **RAMON GARCIA, COUNTY JUDGE OF COUNTY OF HIDALGO.**

\_\_\_\_\_  
NOTARY PUBLIC - STATE OF TEXAS

STATE OF TEXAS

COUNTY OF HIDALGO

This instrument was acknowledged before me on \_\_\_\_\_, 2012 by \_\_\_\_\_ of **CITY OF EDINBURG, TEXAS.**

\_\_\_\_\_  
NOTARY PUBLIC - STATE OF TEXAS

PREPARED IN THE LAW OFFICE OF:  
**L.G. "JERRY" CANALES**  
217 W. Cano Street  
Edinburg, Texas 78539

## Notice of Lease Assignment

**TO: Matias Pena, Jr. d/b/a Pena Farms**  
13303 N. Hwy. 281  
Edinburg, Texas 78541

**Concerning:** Lease September 27, 2011 by and Between County of Hidalgo, as the Landlord and Matias Pena, Jr. d/b/a Pena Farms, as the Tenant covering:  
Being a 126.455 acre (5,508,389 S.F.) Tract "C" of land out of that certain 301.06 acre tract of land conveyed to The County of Hidalgo, recorded in Document No. 2060139 of the Official Records of Hidalgo County, Texas, also being out of Tract 154, SAN SALVADOR DEL TULE GRANT, Hidalgo County, Texas, according to the map or plat thereof recorded in Volume 10, Pages 58 -60, Map Records, Hidalgo County, Texas, reference to which is here made for all purposes and said 126.455 acres (5,508,389 S.F.), being more particularly described in Exhibit "A", which is attached hereto and incorporated herein for any and all purposes.

Dear Mr. Pena:

THIS NOTICE IS TO INFORM YOU THAT YOUR LANDLORD, THE OWNER OF THE PROPERTY, HAS SOLD THE PROPERTY AND ASSIGNED YOUR LEASE TO THE PURCHASER, **CITY OF EDINBURG, TEXAS**. YOUR SECURITY DEPOSIT, IF ANY, HAS ALSO BEEN ASSIGNED TO THE PURCHASER.

ALL RENTAL PAYMENTS, NOTICES AND INQUIRES OF THE LANDLORD SHALL BE SENT TO THE FOLLOWING ADDRESS:

**CITY OF EDINBURG, TEXAS**  
c/o \_\_\_\_\_  
**P.O. Box 1079**  
**Edinburg, Texas 78540**

**COUNTY OF HIDALGO**

By: \_\_\_\_\_  
**RAMON GARCIA, COUNTY JUDGE FOR**  
**COUNTY OF HIDALGO**

# INDEMNITY AND AFFIDAVIT AS TO DEBTS AND LIENS

(Seller Or Owner-Borrower)

GF# 129,807

SUBJECT PROPERTY: Being a 126.455 acre (5,508,389 S.F.) Tract "C" of land out of that certain 301.06 acre tract of land conveyed to The County of Hidalgo, recorded in Document No. 2060139 of the Official Records of Hidalgo County, Texas, also being out of Tract 154, SAN SALVADOR DEL TULE GRANT, Hidalgo County, Texas, according to the map or plat thereof recorded in Volume 10, Pages 58 -60, Map Records, Hidalgo County, Texas, reference to which is here made for all purposes and said 126.455 acres (5,508,389 S.F.), being more particularly described by metes and bounds as follows.

**BEGINNING** at a 1/2-inch iron rod w/cap stamped RPLS # 4856 found at the common corner of the herein described tract and that certain 39.84 acre tract of land also known as Tract C1, and on the south boundary line of that certain 238.65 acre tract of land, recorded in Document No. 1971952 of the Official Records of Hidalgo County, Texas, for the northeast corner of the herein described tract, from which the northeast corner of Tract 154-B, bears South 80 degrees, 14 minutes, 34 seconds East, a distance of 446.46 feet to a 1/2-inch iron w/cap stamped RPLS # 4856 found at the common corner of the aforementioned 301.06 acre tract and that certain 300 acre tract of land, recorded in Volume 1419, Page 379 of the Deed Records of Hidalgo County, Texas;

**THENCE**, South 08 degrees, 46 minutes, 31 seconds West, along the common boundary line of said 39.84 acre Tract "C1", and said 126.455 acre Tract "C", a distance of 864.27 feet to a 5/8 inch iron rod set with cap stamped "DLS BNDRY MKR", for an interior corner of this tract;

**THENCE**, South 27 degrees, 16 minutes, 03 seconds West, along the common boundary line of said 39.84 acre Tract "C1", and said 126.455 acre Tract "C", a distance of 297.86 feet to a 5/8 inch iron rod set with cap stamped "DLS BNDRY MKR", for an interior corner of this tract;

**THENCE**, South 53 degrees, 38 minutes, 28 seconds West, along the common boundary line of said 39.84 acre Tract "C1", and said 126.455 acre Tract "C", a distance of 2044.55 feet to a 5/8 inch iron rod set with cap stamped "DLS BNDRY MKR", for an interior corner of this tract;

**THENCE**, North 81 degrees, 19 minutes, 38 seconds West, along the common boundary line of said 39.84 acre Tract "C1", and said 126.455 acre Tract "C", a distance of 345.87 feet to a 5/8 inch iron rod set with cap stamped "DLS BNDRY MKR", for an interior corner of this tract;

**THENCE**, North 36 degrees, 17 minutes, 44 seconds West along the common boundary line of said 39.84 acre Tract "C1", and said 126.455 acre Tract "C", a distance of 1,138.00 feet to a 1/2-inch iron rod w/cap stamped RPLS # 4856 found on the west boundary line of aforementioned 301.06 acre tract and on the east boundary line of the aforementioned 238.65 acre tract, and at the most westerly northwest corner of said 39.84 acre tract "Tract C1", for the most westerly southwesterly corner of this tract;

**THENCE**, North 09 degrees, 14 minutes, 21 seconds East, along the common boundary line of said 301.06 acre tract and said 238.65 acre tract, at a distance of 350.35 feet pass a found 1/2-inch iron rod stamped # 4856, at a distance of 1,751.40 feet pass a found 1/2-inch iron rod stamped RPLS # 4856 and continuing for a total distance of 1838.65 feet to a 1/2-iron rod stamped RPLS # 4856 found, for the northwest corner of said 301.06 acre tract and an interior corner of said 238.65 acre tract, for the northwest corner of this tract;

**THENCE**, South 80 degrees, 14 minutes, 34 seconds East, along the common boundary line of said 301.06 acre tract, and said 238.65 acre tract, a distance of 2673.87 feet the **POINT OF BEGINNING** of the herein described tract of land.

Bearings are Grid North, based on the Texas State Plane Coordinate System, South Zone (4205), NAD 83

STATE OF TEXAS

COUNTY OF HIDALGO

Before me, the undersigned authority, on this day personally appeared the undersigned, (Owner-Borrower) personally known to me to be the person(s) whose names(s) is/are subscribed hereto and upon oath deposes and says that the marital status of affiant(s) has/have not changed since the date of acquisition of said property and represents to the purchaser and/or lender in this transaction that there are:

1. No unpaid debts for taxes, plumbing fixtures, water heaters, floor furnaces, air conditioners, radio or television antennae, carpeting, rugs, lawn sprinkling systems, venetian blinds, window shades, draperies, electric appliances, fences, street paving, or any personal property or fixtures that are located on the subject property described above, and that no such items have been purchased on time payment contracts and there are no security interests on such property secured by financing statements, security agreement or otherwise except the following:

Creditor

Approximate Amount

2. No loans or liens (including federal or state liens and judgment liens) of any kind on such property except the following:

Creditor	Approximate Amount
----------	--------------------

3. All labor and material used in the construction of improvements on the above described property have been paid for and there are no unpaid labor or material claims against the improvements or the property upon which same are situated, and I hereby declare that all sums of money due for the erection of improvements have been fully paid and satisfied, except the following:

**INDEMNITY: I/WE AGREE TO PAY ON DEMAND TO THE PURCHASERS AND/OR LENDER IN THIS TRANSACTION, THEIR SUCCESSORS AND ASSIGNS, ALL AMOUNTS SECURED BY ANY AND ALL LIENS NOT SHOWN ABOVE, TOGETHER WITH ALL COSTS, LOSS AND ATTORNEY'S FEES THAT SAID PARTIES MAY INCUR IN CONNECTION WITH SUCH UNMENTIONED LIENS, PROVIDED SAID LIENS EITHER CURRENTLY APPLY TO SUCH PROPERTY, OR A PART HEREOF, OR ARE SUBSEQUENTLY ESTABLISHED AGAINST SAID PROPERTY AND ARE CREATED BY ME/US, KNOWN TO ME/US, OR HAVE AN INCEPTION DATE PRIOR TO THE CLOSING OF THIS TRANSACTION.**

I/we realize that the purchaser and/or lender and the title company in this transaction are relying on the representations contained herein in purchasing same or lending money thereon and would not purchase same or lend money therein unless said representations were made.

SELLER OR OWNER-BORROWER  
COUNTY OF HIDALGO

By: \_\_\_\_\_  
RAMON GARCIA, COUNTY JUDGE FOR  
COUNTY OF HIDALGO

SWORN AND SUBSCRIBED TO BEFORE ME RAMON GARCIA, COUNTY JUDGE OF COUNTY OF HIDALGO on \_\_\_\_\_, 2012.

\_\_\_\_\_  
NOTARY PUBLIC - STATE OF TEXAS

**L. G. 'JERRY' CANALES**

**ATTORNEY AT LAW**

**217 W. Cano, Edinburg, Texas 78539**

**(956) 383-2708**

**ATTORNEY REPRESENTATION AND FEE LETTER**

The legal documents needed for this closing have been prepared by the law office of L.G. 'JERRY' CANALES. The legal fees for preparation of the documents are based on the customary fees charged for document preparation in similar transactions. Mr. Canales has undertaken to prepare documents only, and has not in any way undertaken to assist or advise the seller or buyer about this transaction or the documents executed in connection with it.

All documents were prepared by Mr. Canales based on information provided to him by third parties (e.g. the earnest money contract, title commitment and loan closing instructions), and he has not made any independent effort to verify this information.

Mr. Canales may have prepared the legal documents for both seller and buyer and may also have given legal advice to Valley Land Title Company concerning this transaction. Under the strict rules which lawyers must follow to avoid conflicts of interest, he has determined that he would be able to prepare the documents in such a case.

We agree to pay the fees charged by Mr. Canales for document preparation as shown on the closing statement and acknowledge that we have been given the opportunity to have our own attorney review the documentation.

**SELLER:**

**BUYER:**

**COUNTY OF HIDALGO**

**CITY OF EDINBURG, TEXAS**

**By:** \_\_\_\_\_  
**RAMON GARCIA, COUNTY JUDGE FOR**  
**COUNTY OF HIDALGO**

**BY:** \_\_\_\_\_  
**NAME:** \_\_\_\_\_  
**TITLE:** \_\_\_\_\_

Date: June 8, 2012  
GF# 129,807

NONFOREIGN AFFIDAVIT--INDIVIDUAL  
(Pursuant to 26 U.S.C. Sec. 1445  
& Treas. Reg. Sec 1.1445-2(b) (2) (iii))

Date: **June 8, 2012**

Transferor: **COUNTY OF HIDALGO**

Transferor's Home Address (including county): **2802 S. Bus. Hwy. 281  
Edinburg, Hidalgo County, Texas 78541**

Transferor's U.S. Taxpayer Identification Number:

Transferee: **CITY OF EDINBURG, TEXAS**

Property: Being a 126.455 acre (5,508,389 S.F.) Tract "C" of land out of that certain 301.06 acre tract of land conveyed to The County of Hidalgo, recorded in Document No. 2060139 of the Official Records of Hidalgo County, Texas, also being out of Tract 154, SAN SALVADOR DEL TULE GRANT, Hidalgo County, Texas, according to the map or plat thereof recorded in Volume 10, Pages 58 -60, Map Records, Hidalgo County, Texas, reference to which is here made for all purposes and said 126.455 acres (5,508,389 S.F.), being more particularly described by metes and bounds as follows.

**BEGINNING** at a 1/2-inch iron rod w/cap stamped RPLS # 4856 found at the common corner of the herein described tract and that certain 39.84 acre tract of land also known as Tract C1, and on the south boundary line of that certain 238.65 acre tract of land, recorded in Document No. 1971952 of the Official Records of Hidalgo County, Texas, for the northeast corner of the herein described tract, from which the northeast corner of Tract 154-B, bears South 80 degrees, 14 minutes, 34 seconds East, a distance of 446.46 feet to a 1/2-inch iron w/cap stamped RPLS # 4856 found at the common corner of the aforementioned 301.06 acre tract and that certain 300 acre tract of land, recorded in Volume 1419, Page 379 of the Deed Records of Hidalgo County, Texas;

**THENCE**, South 08 degrees, 46 minutes, 31 seconds West, along the common boundary line of said 39.84 acre Tract "C1", and said 126.455 acre Tract "C", a distance of 864.27 feet to a 5/8 inch iron rod set with cap stamped "DLS BNDRY MKR", for an interior corner of this tract;

**THENCE**, South 27 degrees, 16 minutes, 03 seconds West, along the common boundary line of said 39.84 acre Tract "C1", and said 126.455 acre Tract "C", a distance of 297.86 feet to a 5/8 inch iron rod set with cap stamped "DLS BNDRY MKR", for an interior corner of this tract;

**THENCE**, South 53 degrees, 38 minutes, 28 seconds West, along the common boundary line of said 39.84 acre Tract "C1", and said 126.455 acre Tract "C", a distance of 2044.55 feet to a 5/8 inch iron rod set with cap stamped "DLS BNDRY MKR", for an interior corner of this tract;

**THENCE**, North 81 degrees, 19 minutes, 38 seconds West, along the common boundary line of said 39.84 acre Tract "C1", and said 126.455 acre Tract "C", a distance of 345.87 feet to a 5/8 inch iron rod set with cap stamped "DLS BNDRY MKR", for an interior corner of this tract;

**THENCE**, North 36 degrees, 17 minutes, 44 seconds West along the common boundary line of said 39.84 acre Tract "C1", and said 126.455 acre Tract "C", a distance of 1,138.00 feet to a 1/2-inch iron rod w/cap stamped RPLS # 4856 found on the west boundary line of aforementioned 301.06 acre tract and on the east boundary line of the aforementioned 238.65 acre tract, and at the most westerly northwest corner of said 39.84 acre tract "Tract C1", for the most westerly southwesterly corner of this tract;

**THENCE**, North 09 degrees, 14 minutes, 21 seconds East, along the common boundary line of said 301.06 acre tract and said 238.65 acre tract, at a distance of 350.35 feet pass a found 1/2-inch iron rod stamped # 4856, at a distance of 1,751.40 feet pass a found 1/2-inch iron rod stamped RPLS # 4856 and continuing for a total distance of 1838.65 feet to a 1/2-iron rod stamped RPLS # 4856 found, for the northwest corner of said 301.06 acre tract and an interior corner of said 238.65 acre tract, for the northwest corner of this tract;

**THENCE**, South 80 degrees, 14 minutes, 34 seconds East, along the common boundary line of said 301.06 acre tract, and said 238.65 acre tract, a distance of 2673.87 feet the **POINT OF BEGINNING** of the herein described tract of land.

**Bearings are Grid North, based on the Texas State Plane Coordinate System, South Zone (4205), NAD 83**

Section 1445 of the Internal Revenue Code provides that a transferee (buyer) of a U.S. real property interest must withhold tax if the transferor (seller) is a foreign person. To inform Transferee that withholding of tax is not required upon my disposition of a U.S. real property interest, I swear on oath that the contents of this affidavit are true.

I am not a nonresident alien for purposes of U.S. income taxation.

I understand that this certification may be disclosed to the Internal Revenue Service by Transferee and that any false statement I have made here could be punished by fine, imprisonment, or both.

Under penalties of perjury I declare that I have examined this affidavit and to the best of my knowledge and belief it is true, correct, and complete.

**COUNTY OF HIDALGO**

By: \_\_\_\_\_  
**RAMON GARCIA, COUNTY JUDGE FOR  
COUNTY OF HIDALGO**

(Acknowledgment)

STATE OF TEXAS

COUNTY OF HIDALGO

This instrument was acknowledged before me on \_\_\_\_\_, 2012 by **RAMON GARCIA,  
COUNTY JUDGE OF COUNTY OF HIDALGO.**

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF TEXAS

**AFFILIATED BUSINESS ARRANGEMENT DISCLOSURE STATEMENT**

**DATE:** June 8, 2012  
**TO: SELLER:** COUNTY OF HIDALGO  
**BUYER:** CITY OF EDINBURG, TEXAS

**FROM:** VALLEY LAND TITLE CO.

**PROPERTY:** Being a 126.455 acre (5,508,389 S.F.) Tract "C" of land out of that certain 301.06 acre tract of land conveyed to The County of Hidalgo, recorded in Document No. 2060139 of the Official Records of Hidalgo County, Texas, also being out of Tract 154, SAN SALVADOR DEL TULE GRANT, Hidalgo County, Texas, according to the map or plat thereof recorded in Volume 10, Pages 58 -60, Map Records, Hidalgo County, Texas, reference to which is here made for all purposes and said 126.455 acres (5,508,389 S.F.), being more particularly described by metes and bounds as follows.

**BEGINNING** at a 1/2-inch iron rod w/cap stamped RPLS # 4856 found at the common corner of the herein described tract and that certain 39.84 acre tract of land also known as Tract C1, and on the south boundary line of that certain 238.65 acre tract of land, recorded in Document No. 1971952 of the Official Records of Hidalgo County, Texas, for the northeast corner of the herein described tract, from which the northeast corner of Tract 154-B, bears South 80 degrees, 14 minutes, 34 seconds East, a distance of 446.46 feet to a 1/2-inch iron w/cap stamped RPLS # 4856 found at the common corner of the aforementioned 301.06 acre tract and that certain 300 acre tract of land, recorded in Volume 1419, Page 379 of the Deed Records of Hidalgo County, Texas;

**THENCE**, South 08 degrees, 46 minutes, 31 seconds West, along the common boundary line of said 39.84 acre Tract "C1", and said 126.455 acre Tract "C", a distance of 864.27 feet to a 5/8 inch iron rod set with cap stamped "DLS BNDRY MKR", for an interior corner of this tract;

**THENCE**, South 27 degrees, 16 minutes, 03 seconds West, along the common boundary line of said 39.84 acre Tract "C1", and said 126.455 acre Tract "C", a distance of 297.86 feet to a 5/8 inch iron rod set with cap stamped "DLS BNDRY MKR", for an interior corner of this tract;

**THENCE**, South 53 degrees, 38 minutes, 28 seconds West, along the common boundary line of said 39.84 acre Tract "C1", and said 126.455 acre Tract "C", a distance of 2044.55 feet to a 5/8 inch iron rod set with cap stamped "DLS BNDRY MKR", for an interior corner of this tract;

**THENCE**, North 81 degrees, 19 minutes, 38 seconds West, along the common boundary line of said 39.84 acre Tract "C1", and said 126.455 acre Tract "C", a distance of 345.87 feet to a 5/8 inch iron rod set with cap stamped "DLS BNDRY MKR", for an interior corner of this tract;

**THENCE**, North 36 degrees, 17 minutes, 44 seconds West along the common boundary line of said 39.84 acre Tract "C1", and said 126.455 acre Tract "C", a distance of 1,138.00 feet to a 1/2-inch iron rod w/cap stamped RPLS # 4856 found on the west boundary line of aforementioned 301.06 acre tract and on the east boundary line of the aforementioned 238.65 acre tract, and at the most westerly northwest corner of said 39.84 acre tract "Tract C1", for the most westerly southwesterly corner of this tract;

**THENCE**, North 09 degrees, 14 minutes, 21 seconds East, along the common boundary line of said 301.06 acre tract and said 238.65 acre tract, at a distance of 350.35 feet pass a found 1/2-inch iron rod stamped # 4856, at a distance of 1,751.40 feet pass a found 1/2-inch iron rod stamped RPLS # 4856 and continuing for a total distance of 1838.65 feet to a 1/2-inch iron rod stamped RPLS # 4856 found, for the northwest corner of said 301.06 acre tract and an interior corner of said 238.65 acre tract, for the northwest corner of this tract;

**THENCE**, South 80 degrees, 14 minutes, 34 seconds East, along the common boundary line of said 301.06 acre tract, and said 238.65 acre tract, a distance of 2673.87 feet the POINT OF BEGINNING of the herein described tract of land.

**Bearings are Grid North, based on the Texas State Plane Coordinate System, South Zone (4205), NAD 83**

This is to give you notice that VALLEY LAND TITLE CO. has a business relationship with HIDALGO COUNTY PROPERTY TAX SERVICE. The shareholders of VALLEY LAND TITLE CO. composes a majority of the shareholders of HIDALGO COUNTY PROPERTY TAX SERVICE. Because of this relationship, this referral may provide VALLEY LAND TITLE CO. a financial or other benefit. HIDALGO COUNTY PROPERTY TAX SERVICE is contracted to obtain tax information and guarantee taxes to VALLEY LAND TITLE CO. on all real estate related closings.

HIDALGO COUNTY PROPERTY TAX SERVICE will charge \$55.00 for the first tax account and \$20.00 for each additional tax account from the various taxing authorities, plus tax. **THERE MAY BE OTHER SETTLEMENT SERVICE PROVIDERS AVAILABLE WITH SIMILAR SERVICES OR YOU MAY SECURE TAX CERTIFICATES FROM THE VARIOUS TAXING AUTHORITIES ON YOUR OWN AND DELIVER THEM TO VALLEY LAND TITLE CO. THE NORMAL FEE PAID TO EACH TAXING AUTHORITY IS \$10.00 FOR EACH TAX ACCOUNT AND THERE ARE USUALLY 2 TO 4 TAXING AUTHORITIES TAXING YOUR PROPERTY. YOU ARE FREE TO SHOP AROUND TO DETERMINE THAT YOU ARE RECEIVING THE BEST SERVICES AND THE BEST RATE FOR THESE SERVICES.**

**I/WE HAVE READ THIS DISCLOSURE FORM, AND UNDERSTAND THAT VALLEY LAND TITLE CO. IS REFERRING ME/US TO HIDALGO COUNTY PROPERTY TAX SERVICE AND MAY RECEIVE A FINANCIAL OR OTHER BENEFIT AS THE RESULT OF THIS REFERRAL.**

I  prefer to use HIDALGO COUNTY PROPERTY TAX SERVICE  PREFER TO OBTAIN TAX CERTIFICATES ON MY OWN AND AGREE TO DELIVER THE SAME TO VALLEY LAND TITLE CO. PRIOR TO CLOSING.

**SELLER:**

**BORROWER:**

**COUNTY OF HIDALGO**

**CITY OF EDINBURG, TEXAS**

**By:** \_\_\_\_\_  
**RAMON GARCIA, COUNTY JUDGE FOR**  
**COUNTY OF HIDALGO**

**BY:** \_\_\_\_\_  
**NAME:** \_\_\_\_\_  
**TITLE:** \_\_\_\_\_