COUNTY of HIDALGO
Precinct No. 2

Hector "Tito" Palacios
County Commissioner

MEMO

TO: Commissioner's Court

FROM: Jaime Salinas,
Hidalgo County Right of Way Department

TE: February 5, 2013

RE: Minnesota Drainage Project (Parcel # 14)
J. Robert Velado and wife Constance Velado

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

Appraised Value:	$ 25,171.00
Settlement Request:	$ 27,030.00
Difference to Landowner	$ 1,859.00

Commissioners Court Executive Session February 4, 2013

Approved; _____ 1/29/13

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

January 23, 2013

Mr. Lupe Rodriguez and Mr. Jaime Salinas
Right of Way Agent Precinct #2
Hidalgo County ROW Department
300 West Hall Acres, Suite G
Pharr, Texas, 78577

RE: County of Hidalgo
Federal Project No: N/A
ROW GLO: 10-5066-000-5043
Parcel 14
And
County: Hidalgo
Federal Project No: N/A
ROW GLO: 10-5066-000-5043
Parcel: 17

Dear Mr. Salinas and Mr. Rodriguez,

It is a great pleasure meeting with you yesterday at your office. As per our agreement on the price for the two above mention parcels. This letter is a confirmation that we will accept $90,000.00 from the county for both parcels.

Again thank you and your department for the professionalism executed in this matter.

Sincerely

Constance B. Velado and J. Robert Velado
436 Toronto Ave. #25
McAllen, Texas 78503-3002
956 467 5013

REAL ESTATE APPRAISAL REPORT
TEXAS DEPARTMENT OF TRANSPORTATION

Address of Property: Located along the northern frontage of Minnesota Road, West of Cesar Chavez Road, San Juan, Texas	District: Pharr
Property Owner: J Robert Velado and Constance Velado	ROW CSJ: N/A
Address of Property Owner: 436 Toronto Avenue, Apt 25, McAllen, Texas 78503	Parcel: 14
Occupant's Name: Vacant	Federal Project No: N/A
Whole: ☐ Partial: ☒ Acquisition	Highway: Minnesota Drain Ditch County: Hidalgo

Purpose of the Appraisal

The purpose of this appraisal is to estimate the market value of the fee simple title to the real property to be acquired, encumbered by any easements not to be extinguished, less oil, gas and sulphur. If this acquisition is of less than the whole property, then any special benefits and/or damages to the remainder property must be included in accordance with the laws of Texas.

Market Value

Market value is defined as follows: "Market Value is the price which the property would bring when it is offered for sale by one who desires, but is not obliged to sell, and is bought by one who is under no necessity of buying it, taking into consideration all of the uses to which it is reasonably adaptable and for which it either is or in all reasonable probability will become available within the reasonable future."

Certificate of Appraiser

I hereby certify that, it is my opinion the total compensation for the acquisition of the herein described property is $25,171.00 as of February 2, 2012and September 15, 2012, based upon my independent appraisal and the exercise of my professional judgment; on February 2, 2012 and September 15, 2012, (date)(s), I personally inspected in the field the property herein appraised; I afforded J Robert Velado , the property owner or the representative (s) of the property owner, the opportunity to accompany me at the time of the inspection. The comparables relied upon in making said appraisal were as represented by the photographs contained in the appraisal report and were inspected on February 2, 2012 , I have not revealed and will not reveal the findings and results of such appraisal to anyone other than the proper officials of the, County of Hidalgo, Texas Department of Transportation, or officials of the Federal Highway Administration until authorized by State officials to do so, or until I am required to do so by due process of law or until I am released from this obligation by having publicly testified to such findings; and, my compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result or the occurrence of a subsequent event.

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

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

I certify to the best of my knowledge and belief that the statements of fact contained in this report are true and correct; the reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions and conclusions; I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved; and, my analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the appropriate State laws, regulations, and policies and procedures applicable to the appraisal of right of way for such purposes, and that to the best of my knowledge no portion of the value assigned to such property consists of items which are non-compensable under the established law of said State, and any decrease or increase in the fair market value of subject real property prior to the date of valuation caused by the public improvement other than that due to the physical deterioration within the reasonable control of the owner has been disregarded in estimating the compensation for the property.

Leonel Garza III
Appraiser Signature

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

November 27, 2012
Date

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

District Reviewing Appraiser Date

* A 6 *

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 an existing drain ditch centrally located between Owassa Road and Minnesota Road. The intended use of the report is to assist Jaime Salinas, Right-of-Way Agent of Hidalgo County, for future negotiations of acquiring a portion of said property as fee simple in the name of the County of Hidalgo, 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. Jaime Salinas shall be the project manager for this project under the direction of Honorable Hector "Tito" Palacios, County Commissioner of Precinct No. 2. Mr. Salinas has a local office located at 301 E. State Street, Pharr, Texas and can be contacted at (956) 283-8134. As per email received by Jaime Salinas on October 17, 2012 requested for this appraiser update said report in order to include the relocation of the San Juan Utility Easement.

Scope of the Assignment

By work order number 667977 dated December 20, 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. 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 Minnesota Road, Owassa 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 determine the value of the proposed right-of-way to be acquired in the name of the County of Hidalgo. This appraisal does not include any enhancement in value resulting from items of intangible personal property such as marketing and management skill, an assembled work force, working capital, trade names, franchises, patents, trademarks, contracts, leases (mineral and or ground lease), or operating agreements and project influence (if any exist). The area to be acquired may contain personal property items which are not compensable and or may be handled through negotiations. These items deemed compensable shall be included within the body of the report and itemized for clarity by the appraiser. Any improvements not located within the part to be acquired and outside of the permissibility of inspection as defined by the subject owner, shall be given a stated value based on the assessment established by the corresponding Appraisal District and or by off-site estimation by appraiser, as they are not affected by the acquisition.

Property Rights Appraised

The property rights being appraised in this report consist of the fee simple estate of the subject property. Fee Simple Estate is defined by the Dictionary of Real Estate Appraisal, Fourth Edition, copyright 2002, page 113, by the Appraisal Institute as being: "Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat." As per scope of the assignment, this is the manor of which the subject property shall be appraised for purposes of this report. If there are any questions or concerns as to this definition of fee simple estate, please feel free to contact Leonel Garza III at (956) 687-7295 or leonel3@garza-associates.com for further explanation.

Accessibility

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 January 3, 2011. A copy of the certified letter is located within the addenda of this report. The property owner shall always reserve the right to contact the office of Leonel Garza Jr. & Associates LLC (956) 687-7295 or leonel3@garza-associates.com, after the date of inspection for an additional on-site inspection in their presence with appraiser, Leonel Garza III.

Analysis of Subject As A Whole

A survey of the property owners entire tract was not performed as the part to be acquired incorporates a portion of land located along the northern property line north of the northern frontage of Minnesota 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

During the analysis of the subject property it was determined that the overall land area of 20.00 acres shall be utilized as the economic unit of the subject property for the analysis of the part to be acquired. This land area is indicative of the market trends within the immediate area and shall be utilized for the direct sales comparison approach to value in order to determine the current market value of the whole. Once the unit rate for the subject is established, a pro-rata part of the whole is applied the determination of the part to be acquired. The comparable sales used for the analysis of the subject property as whole and as the partial acquisition were indicated to have an economic unit range of 10.00 acres to 21.09 acres.

Part To Be Acquired

The proposed acquisition is comprised of fee land in which the net land area to be acquired is 1.271 acres (55,365 square feet), of which 0.350 acre is located within a private drainage ditch located along the northern property line of the subject property. The part to be acquired is encumbered by a 0.109 acre combined M.V.E.C Easement and City of San Juan Easement, leaving a net 1.162 acre (50,617 square feet) of land owned in fee simple. The proposed acquisition has approximately 660.00' lineal feet of frontage along the northern property line of the subject property. In addition to the portion to be acquired by the County of Hidalgo, an additional portion as seen in Inset A of the survey provided indicates a 0.014 acre tract of land located outside the County of Hidalgo part to be acquired of which shall be purchased for a utility easement for the City of San Juan this is for the relocation of said existing easement located within the part to be acquired and required to be relocated outside of the part to be acquired by the County. The proposed acquisition, which is the subject of this report, shall be evaluated as a whole as determined by the approaches to market value selected. The subject shall be valued based on the highest and best use for single family residential development. This use is based on the local market trends along Minnesota Road and Owassa Road. This highest and best use is further explained on page 3.1 of this report.

1.176

To Be Acquired	**1.285**	**Acres**
	55,966	**Square Feet**

Legal Description: Part To Be Acquired

Being a 1.271 of an acre of land out of the East half (1/2) of Lot 6, Block 47, Alamo Land Sugar Company Subdivision, Hidalgo County, Texas, as per map recorded in Volume 1, Pages 24-26, Map Records of Hidalgo County, Texas and additional 0.014 acre tract of land to be utilized for a proposed 20.00 City of San Juan Easement. (Legal for 0.014 acre tract not provided)

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

According to the information provided by the Hidalgo County Appraisal District located at located at 4405 S. Professional Dr., Edinburg, Texas and accessed via internet www.hidalgoad.org. The subject property was indicated to be under the ownership of J Robert Velado. This was found under the tax account A1800-00-047-0006-00.

OWNER OF RECORD	J ROBERT VELADO
PROPERTY TAX IDENTIFICATION NO.	112801
IMPROVEMENT VALUE	$0
LAND VALUE	$143,810
ASSESSED VALUE	$7,900
EXEMPTIONS	AG

General Site Assessment Statement

This appraiser has made an off-site inspection of the subject property, and no obvious adverse environmental concerns or potentially hazardous materials were observed. This appraiser is not qualified to make a detailed environmental study and highly recommends that an inspection be made by a qualified environmental engineer if any environmental concerns exist. Leonel Garza Jr. & Associates LLC has performed this appraisal report under the hypothetical condition and extraordinary assumption that the subject property has not experienced any adverse environmental concerns which may influence its marketability and or value. The extraordinary assumption is that neither adverse easements nor encroachments are located within the subject property which would affect the value of the whole. The subject property was observed to be generally level and typical of the surrounding market area. No severe low lying areas were observed, however, this appraiser is not an engineer and cannot certify to the topography or drainage of the subject property. Further research through the FEMA Mapping Service indicated the subject property is located within a flood prone area designated as Zone "AH" as indicated by FEMA Panel No. 4803340425C.

Utility Services Available

The subject property is located in a region, which contains, water, electricity, cable, and phone service, which is typical of the market area. As per the Utilities Department of San Juan, municipal water lines are located along Minnesota Road. These lines are located along Minnesota Road from Raul Longoria Road to Primavera Subdivision, which marks the current City of San Juan city limits. The land east of Primavera Subdivision is within the City of San Juan's Extra Territorial Jurisdiction (ETJ), however water is supplied by North Alamo Water Supply. 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. In addition to the relocation of utilities an additional 30' x 20 easement in the name of the City of San Juan is required.

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.

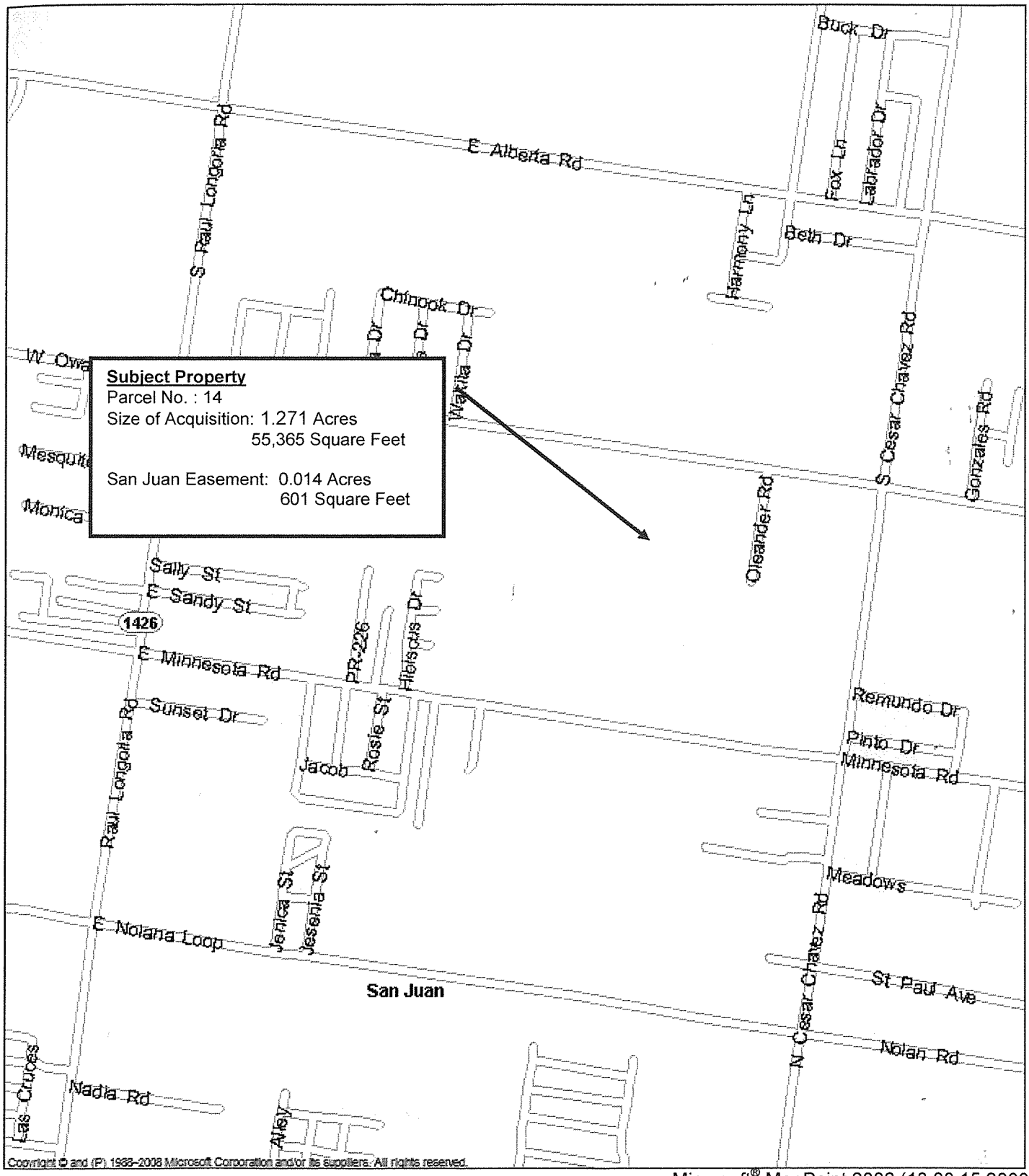
Current Listing Status

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)

County: Hidalgo

Eng09.001
September 26, 2011

Ditch: Minnesota Drainage Ditch

Sheet 1 of 3

Project Limits: From the FM 495 Drainage Ditch West Approximately 5025 feet between Lots 1-8, Block 47, Alamo Land and Sugar Company Subdivision

(EXHIBIT-A)
FIELD NOTES FOR PARCEL -14

Being a 1.271-acre tract of land out of the East Half (1/2) of Lot 6, Block 47, Alamo Land and Sugar Company Subdivision, Hidalgo County, Texas, as per map recorded in Volume 1, Pages 24-26, Map Records of Hidalgo County, Texas. Said East Half (1/2) of Lot 6, Block 47 is vested to J. Robert Velado and with Constance Velado from Ruth G. McGinley and husband Robert J. McGinley and Virginia G. Bray and husband Alfred H. Bray by virtue of a Warranty Deed with Vendor's Lien dated March 30, 1978, recorded in Volume 1570, Page 96, Deed Records of Hidalgo County, Texas. Said 1.271-acre tract of land being more particularly described by metes and bounds as follows;

Beginning at the Northeast corner of Lot 6, Block 47, Alamo Land and Sugar Company Subdivision for the Northeast corner of this tract of land and the **POINT OF BEGINNING**;

THENCE, South 08 degrees 35 minutes 00 seconds West, with the East line of said Lot 6, Block 47, a distance of 96.20 feet to a No. 4 rebar set (with a plastic cap stamped RGEC) for the Southeast corner of this tract of land;

THENCE, North 77 degrees 52 minutes 08 seconds West, with the Proposed South Right of Way line of the Minnesota Drainage Ditch, a distance of 100.19 feet to a No. 4 rebar set (with a plastic cap stamped RGEC) for an interior corner of this tract of land;

THENCE, North 81 degrees 25 minutes 00 seconds West, with the Proposed South Right of Way line of said Minnesota Drainage Ditch, a distance of 209.99 feet to a No. 4 rebar set (with a plastic cap stamped RGEC) for an exterior corner of this tract of land;

THENCE, North 74 degrees 17 minutes 00 seconds West, continuing with the Proposed South Right of Way line of said Minnesota Drainage Ditch, a distance of 120.80 feet to a No. 4 rebar set (with a plastic cap stamped RGEC) for an interior corner of this tract of land;

THENCE, North 81 degrees 25 minutes 25 minutes 00 seconds West, with the Proposed South Right of Way line of said Minnesota Drainage Ditch, a distance of 230.15 feet to a No. 4 rebar set (with a plastic cap stamped RGEC) for the Southwest of this tract of land;

THENCE, North 08 degrees 35 minutes 00 seconds East, parallel to the East line of said Lot 6, Block 47, a distance of 75.00 feet to the Northwest corner of this tract of land;

THENCE, South 81 degrees 25 minutes 00 seconds East, with the North line of said Lot 6, Block 47, a distance of 660.00 feet to the **POINT OF BEGINNING** and containing 1.271-acres of which 0.350 of an acre of land lies within the existing Drainage Ditch and 0.109 lies within a combined Drainage Ditch Easement, Magic Valley Electric Cooperative, Inc. Easement Right of Way and a City of San Juan Easement and leaving a **Net Taking of 0.812** of an acre of land, more or less.

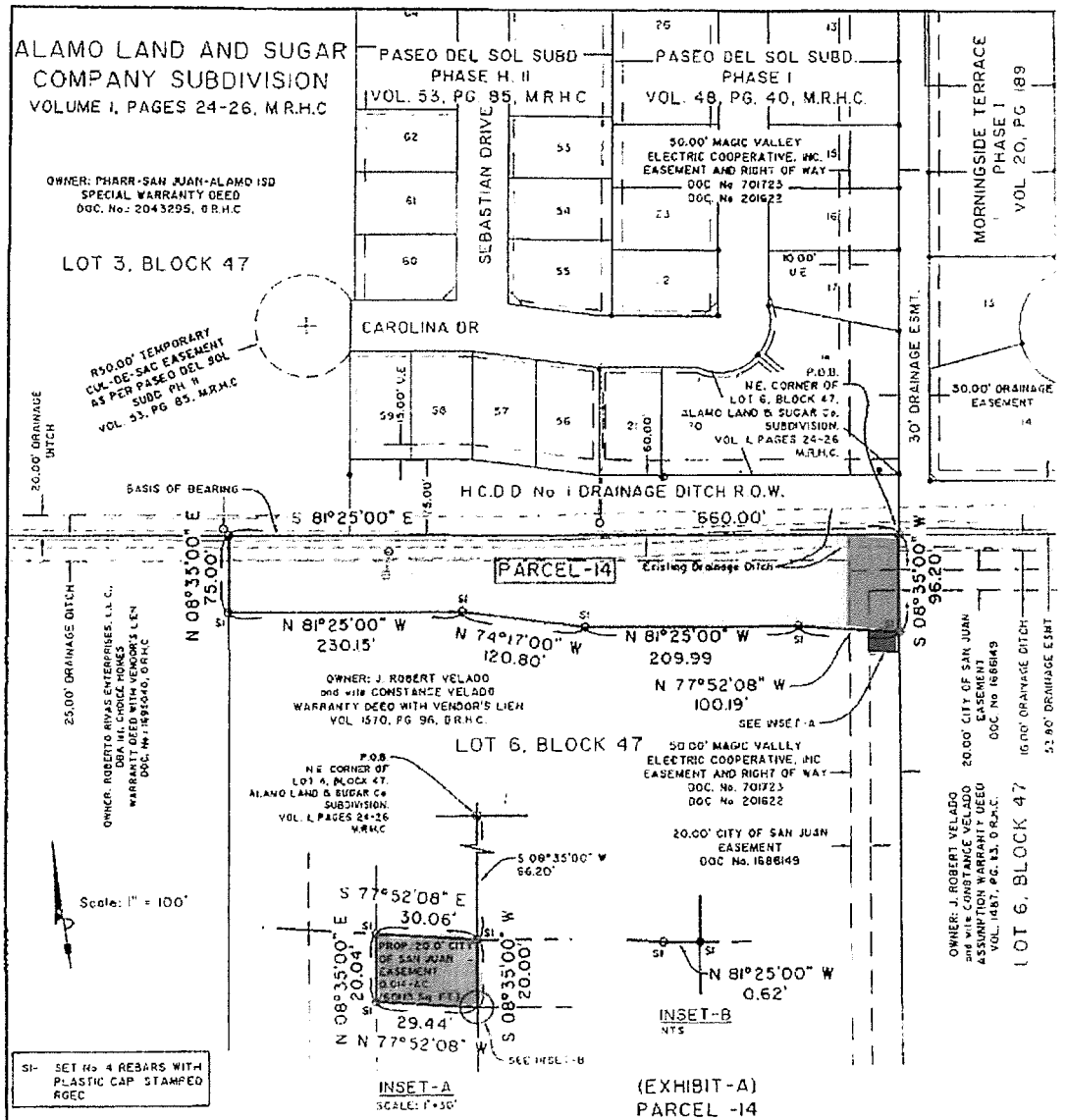
I, Pablo Soto, Jr., a Registered Professional Land Surveyor in the State of Texas, do hereby state that the above metes and bounds are true and are the result of an actual survey performed on the ground under my direction.

STATE OF TEXAS
REGISTERED
PABLO SOTO JR.
4541
PROFESSIONAL
LAND SURVEYOR

Pablo Soto, Jr. – R.P.L.S. No. 4541
Date: 9/28/14

UPDATED FIELD NOTES DEPICTING EASEMENT NOT PROVIDED TO THIS APPRAISER

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



(EXHIBIT-A)
PARCEL -14
SURVEY PLAT
OF A 1.271-ACRE TRACT OF LAND
OUT OF THE EAST HALF (1/2) OF
LOT 6, BLOCK 47,
ALAMO LAND AND SUGAR COMPANY
SUBDIVISION,
HIDALGO COUNTY, TEXAS
AS PER MAP RECORDED IN
VOLUMUE I, PAGES 24-26, M.R.H.C.

OWNER: J. ROBERT VELADO AND WIFE, CONSTANCE VELADO BY VIRTUE OF A WARRANTY DEED WITH VENDOR'S LIEN DATED MARCH 30, 1978, RECORED IN VOLUME 1570 PAGE 96, DEED RECORDS OF HIDALGO COUNTY, TEXAS

DESCRIPTION: THE EAST HALF (1/2) OF LOT 6, BLOCK 47, ALAMO LAND AND SUGAR COMPANY SUBDIVISION, HIDALGO COUNTY, TEXAS, AS PER MAP RECORDED IN VOLUME I, PAGES 24-26, MAP RECORDS OF HIDALGO COUNTY, TEXAS.

TOTAL ACREAGE: 20.00-AC.
TO BE ACQUIRED: 1.271-AC.
EXISTING DRAINAGE DITCH: 0.350-AC
COMBINED EXISTING DRAINAGE DITCH, M.V.E.C. ESMT AND CITY OF SAN JUAN ESMT.: 0.109-AC
PROPOSED NET TAKING: 0.812-AC
REMAINDER: 18.729-AC

DOCUMENT No: _____

The undersigned hereby state that this survey, as described hereon, was made on the ground and that the only improvements on the ground are as shown and that there are no visible encroachments, visible overlapping, apparent conflicts, or visible easements, except as shown hereon. This Survey substantially conforms to the Minimum Standards of Practice as approved by the Texas Board of Professional Land Surveyors.

STATE OF TEXAS REGISTERED PABLO SOTO JR. 4541 PROFESSIONAL LAND SURVEYOR

SF No.: 125084

PABLO SOTO, JR. - R.P.L.S. No. 4541
Date: 9-28-11 Revised: 10/12

R. Gutierrez Engineering Corporation
Professional Engineers & Land Surveyors
130 E. PARK AVENUE • PHARR, TEXAS 78577
(TEL) 956.782-2557 • (FAX) 956 782-2558
ENGINEERING FIRM No. 486 • SURVEYING FIRM No. 10:650-00

JOB No. ENG09-001	DATE: SEPT 26, 20
DRAWN BY: RG	PAGE: 3 OF 3

Green Highlighted Area = MVEC and City of San Juan Easement
Yellow Highlighted Area = Proposed Right of Way / Red Highlight = City of San Juan Easement

Form ROW-A-6

COUNTY of HIDALGO
Precinct No. 2

Hector "Tito" Palacios
County Commissioner

MEMO

TO: Commissioner's Court

FROM: Jaime Salinas,
Hidalgo County Right of Way Department

TE: February 5, 2013

RE: Minnesota Drainage Project (Parcel # 17)
J. Robert Velado and wife Constance Velado

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

Appraised Value:	$ 61,111.00
Settlement Request:	$ 62,970.00
Difference to Landowner	$ 1,859.00

Commissioners Court Executive Session February 4, 2013

Approved; _____ 1/07/13

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

REAL ESTATE APPRAISAL REPORT
TEXAS DEPARTMENT OF TRANSPORTATION

Address of Property: Located along the Northern frontage of Minnesota Road, west of Cesar Chavez Road, Hidalgo County, Texas.	District: Pharr
Property Owner: J Robert Velado	ROW CSJ: N/A
Address of Property Owner: 436 Toronto Avenue, Apt 25, McAllen, Texas 78503	Parcel: 17
Occupant's Name: vacant	Federal Project No: N/A
Whole: ☐ Partial: ☒ Acquisition	Highway: Minnesota Drain Ditch County: Hidalgo

Purpose of the Appraisal

The purpose of this appraisal is to estimate the market value of the fee simple title to the real property to be acquired, encumbered by any easements not to be extinguished, less oil, gas and sulphur. If this acquisition is of less than the whole property, then any special benefits and/or damages to the remainder property must be included in accordance with the laws of Texas.

Market Value

Market value is defined as follows: "Market Value is the price which the property would bring when it is offered for sale by one who desires, but is not obliged to sell, and is bought by one who is under no necessity of buying it, taking into consideration all of the uses to which it is reasonably adaptable and for which it either is or in all reasonable probability will become available within the reasonable future."

Certificate of Appraiser

I hereby certify that, it is my opinion the total compensation for the acquisition of the herein described property is $61,111.00 as of February 2, 2012 and September 15, 2012, based upon my independent appraisal and the exercise of my professional judgment; on February 2, 2012 and September 15, 2012, (date)(s), I personally inspected in the field the property herein appraised; I afforded J Roberto Velado , the property owner or the representative (s) of the property owner, the opportunity to accompany me at the time of the inspection. The comparables relied upon in making said appraisal were as represented by the photographs contained in the appraisal report and were inspected on February 2, 2012 , I have not revealed and will not reveal the findings and results of such appraisal to anyone other than the proper officials of the, County of Hidalgo, Texas Department of Transportation, or officials of the Federal Highway Administration until authorized by State officials to do so, or until I am required to do so by due process of law or until I am released from this obligation by having publicly testified to such findings; and, my compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result or the occurrence of a subsequent event.

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

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

I certify to the best of my knowledge and belief that the statements of fact contained in this report are true and correct; the reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions and conclusions; I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved; and, my analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the appropriate State laws, regulations, and policies and procedures applicable to the appraisal of right of way for such purposes, and that to the best of my knowledge no portion of the value assigned to such property consists of items which are non-compensable under the established law of said State, and any decrease or increase in the fair market value of subject real property prior to the date of valuation caused by the public improvement other than that due to the physical deterioration within the reasonable control of the owner has been disregarded in estimating the compensation for the property.

Leonel Garza III
Appraiser Signature

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

November 27, 2012
Date

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

District Reviewing Appraiser Date

* A 6 *

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 an existing drain ditch centrally located between Owassa Road and Minnesota Road. The intended use of the report is to assist Jaime Salinas, Right-of-Way Agent of Hidalgo County, for future negotiations of acquiring a portion of said property as fee simple in the name of the County of Hidalgo, 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. Jaime Salinas shall be the project manager for this project under the direction of Honorable Hector "Tito" Palacios, County Commissioner of Precinct No. 2. Mr. Salinas has a local office located at 301 E. State Street, Pharr, Texas and can be contacted at (956) 283-8134. As per email received by Jaime Salinas on October 17, 2012 requested for this appraiser update said report in order to include the relocation of the San Juan Utility Easement.

Scope of the Assignment

By work order number 667977 dated December 20, 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. 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 Minnesota Road, Owassa 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 determine the value of the proposed right-of-way to be acquired in the name of the County of Hidalgo. This appraisal does not include any enhancement in value resulting from items of intangible personal property such as marketing and management skill, an assembled work force, working capital, trade names, franchises, patents, trademarks, contracts, leases (mineral and or ground lease), or operating agreements and project influence (if any exist). The area to be acquired may contain personal property items which are not compensable and or may be handled through negotiations. These items deemed compensable shall be included within the body of the report and itemized for clarity by the appraiser. Any improvements not located within the part to be acquired and outside of the permissibility of inspection as defined by the subject owner, shall be given a stated value based on the assessment established by the corresponding Appraisal District and or by off-site estimation by appraiser, as they are not affected by the acquisition.

Property Rights Appraised

The property rights being appraised in this report consist of the fee simple estate of the subject property. Fee Simple Estate is defined by the Dictionary of Real Estate Appraisal, Fourth Edition, copyright 2002, page 113, by the Appraisal Institute as being: "Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat." ." 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 conveyance of certain property rights, but not ownership, to a parcel of real estate." By definition, the ownership of real estate is endowed with a bundle of rights. If there are any questions or concerns as to this definition of fee simple estate or easement, please feel free to contact Leonel Garza III at (956) 687-7295 or leonel3@garza-associates.com for further explanation.

Accessibility

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 January 3, 2011. A copy of the certified letter is located within the addenda of this report. The property owner shall always reserve the right to contact the office of Leonel Garza Jr. & Associates LLC (956) 687-7295 or leonel3@garza-associates.com, after the date of inspection for an additional on-site inspection in their presence with appraiser, Leonel Garza III.

Analysis of Subject As A Whole

A survey of the property owners entire tract was not performed as the part to be acquired incorporates a portion of land located along the northern frontage of Minnesota 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

During the analysis of the subject property it was determined that the overall land area of 20.0 acres shall be utilized as the economic unit of the subject property for the analysis of the part to be acquired. This land area is indicative of the market trends within the immediate area and shall be utilized for the direct sales comparison approach to value in order to determine the current market value of the whole. Once the unit rate for the subject is established, a pro-rata part of the whole is applied the determination of the part to be acquired. The comparable sales used for the analysis of the subject property as whole and as the partial acquisition were indicated to have an economic unit range of 10.55 acres to 21.09 acres.

To Be Acquired

The proposed acquisition is comprised of fee land in which the net land area to be acquired is 3.186 acres (138,782 square feet), of which 0.899 acre is located within a private drainage ditch located along the southern property line of the subject property. In addition the part to be acquired includes a 0.081 City of San Juan Easement, which will be excluded from the part to be acquired as per scope of the assignment. The net area to be acquired is 3.105 acres. The proposed acquisition has approximately 1,290.00' lineal feet of frontage along the northern property line of the subject property. In addition to the portion to be acquired by the County of Hidalgo, an additional portion as seen in Inset A of the survey provided indicates a 0.081 acre tract of land located outside the County of Hidalgo part to be acquired of which shall be purchased for a utility easement for the City of San Juan this is for the relocation of said existing easement located within the part to be acquired and required to be relocated outside of the part to be acquired by the County. The proposed acquisition, which is the subject of this report, shall be evaluated as a whole as determined by the approaches to market value selected. The subject shall be valued based on the highest and best use for single family residential development. This use is based on the local market trends along Minnesota Road and Owassa Road. This highest and best use is further explained on page 3.1 of this report.

To Be Acquired	**3.186**	**Acres**
	138,782	**Square Feet**

Legal Description: Part To Be Acquired

Being a 3.186 of an acre of land out of the North half (1/2) of Lot 5, Block 47, Alamo Land Sugar Company Subdivision, Hidalgo County, Texas, as per map recorded in Volume 1, Pages 24-26, Map Records of Hidalgo County, Texas and additional 0.081 acre tract of land to be utilized for a proposed 20.00 City of San Juan Easement. (Legal for 0.081 acre tract not provided)

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

According to the information provided by the Hidalgo County Appraisal District located at located at 4405 S. Professional Dr., Edinburg, Texas and accessed via internet www.hidalgoad.org. The subject property was indicated to be under the ownership of J Robert Velado. This was found under the tax account A1800-00-047-0005-00.

OWNER OF RECORD	J ROBERT VELADO
PROPERTY TAX IDENTIFICATION NO.	112797
IMPROVEMENT VALUE	$3,083
LAND VALUE	$429,300
ASSESSED VALUE	$36,458
EXEMPTIONS	HS, AG

,eral Site Assessment Statement

, nis 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. Further research through the FEMA Mapping Service indicated the subject property is located within a flood prone area designated as Zone "AH" as indicated by FEMA Panel No. 4803340425C.

Utility Services Available

The subject property is located in a region, which contains, water, electricity, cable, and phone service, which is typical of the market area. As per the Utilities Department of San Juan, municipal water lines are located along Minnesota Road. These lines are located along Minnesota Road from Raul Longoria Road to Primavera Subdivision, which marks the current City of San Juan city limits. The land east of Primavera Subdivision is within the City of San Juan's Extra Territorial Jurisdiction (ETJ), however water is supplied by North Alamo Water Supply. 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. In addition to the relocation of utilities an additional 30' x 20 easement in the name of the City of San Juan is required.

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.

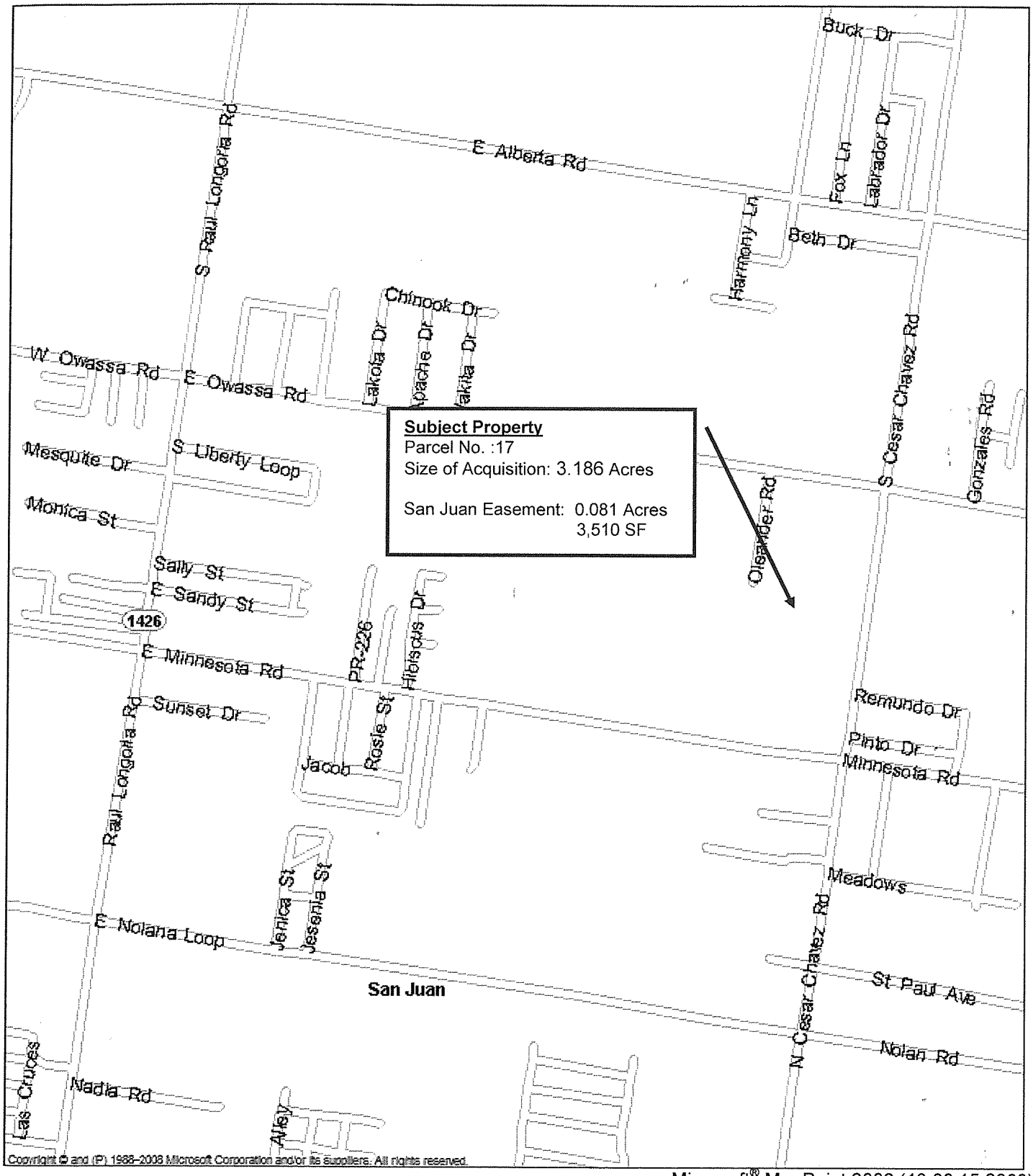
Current Listing Status

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)

County: Hidalgo

Eng09.001
September 28, 2011

Ditch: Minnesota Drainage Ditch

Sheet 1 of 3

Project Limits: From the FM 495 Drainage Ditch West Approximately 5025 feet between Lots 1-8, Block 47, Alamo Land and Sugar Company Subdivision

(EXHIBIT-A)
FIELD NOTES FOR PARCEL -17

3.186-acres out of the North One-Half (1/2) of Lot 5, Block 47, Alamo Land and Sugar Company Subdivision, Hidalgo County, Texas, as per map recorded in Volume 1, Pages 24-26, Map Records of Hidalgo County, Texas. Said North One-Half (1/2) is vested to J. Robert Velado and wife, Constance B. Velado from Ignacio Perez, Jr., by virtue of an Assumption Warranty Deed, dated June 3, 1976, recorded in Volume 1487, Page 113, Deed Records of Hidalgo County, Texas. Said 3.186-acres being more particularly described by metes and bounds as follows;

Beginning at the Northwest corner of Lot 5, Block 47, Alamo Land and Sugar Company Subdivision for the Northwest corner of this tract of land and the **POINT OF BEGINNING**;

THENCE, South 81 degrees 25 minutes 00 seconds East, with the North line of said Lot 5, Block 47, a distance of 1290.00 feet to a No. 4 rebar set (with a plastic cap stamped RGEC) at the West Right of Way line of Cesar Chavez Road for the Northeast corner of this tract of land;

THENCE, South 08 degrees 35 minutes 00 seconds West, with the West Right of Way line of said Cesar Chavez Road, a distance of 120.00 feet to a No. 4 rebar set (with a plastic cap stamped RGEC) for the Southeast corner of this tract of land;

THENCE, North 81 degrees 25 minutes 00 seconds West, with the Proposed South Right of Way line of the Minnesota Drainage Ditch, a distance of 499.27 feet to a No. 4 rebar set (with a plastic cap stamped RGEC) for an exterior corner of this tract of land;

THENCE, North 76 degrees 55 minutes 46 seconds West, with the Proposed South Right of Way line of said Minnesota Drainage Ditch, a distance of 291.43 feet to a No. 4 rebar set (with a plastic cap stamped RGEC) for an interior corner of this tract on land;

THENCE, North 81 degrees 25 minutes 00 seconds West, continuing with the Proposed South Right of Way line of said Minnesota Drainage Ditch, a distance of 500.20 feet to a No. 4 rebar set (with a plastic cap stamped RGEC) at the West line of said Lot 5, Block 47 for the Southwest corner of this tract of land;

THENCE, North 08 degrees 35 minutes 00 seconds East, with the West line of said Lot 5, Block 47, a distance of 96.20 feet to **POINT OF BEGINNING** and containing 3.186-acres of which 0.899 of an acre of land lies within the existing Drainage Ditch and 0.081 lies within a City of San Juan Easement and leaving a **Net Taking of 0.2.206**-acres of land, more or less.

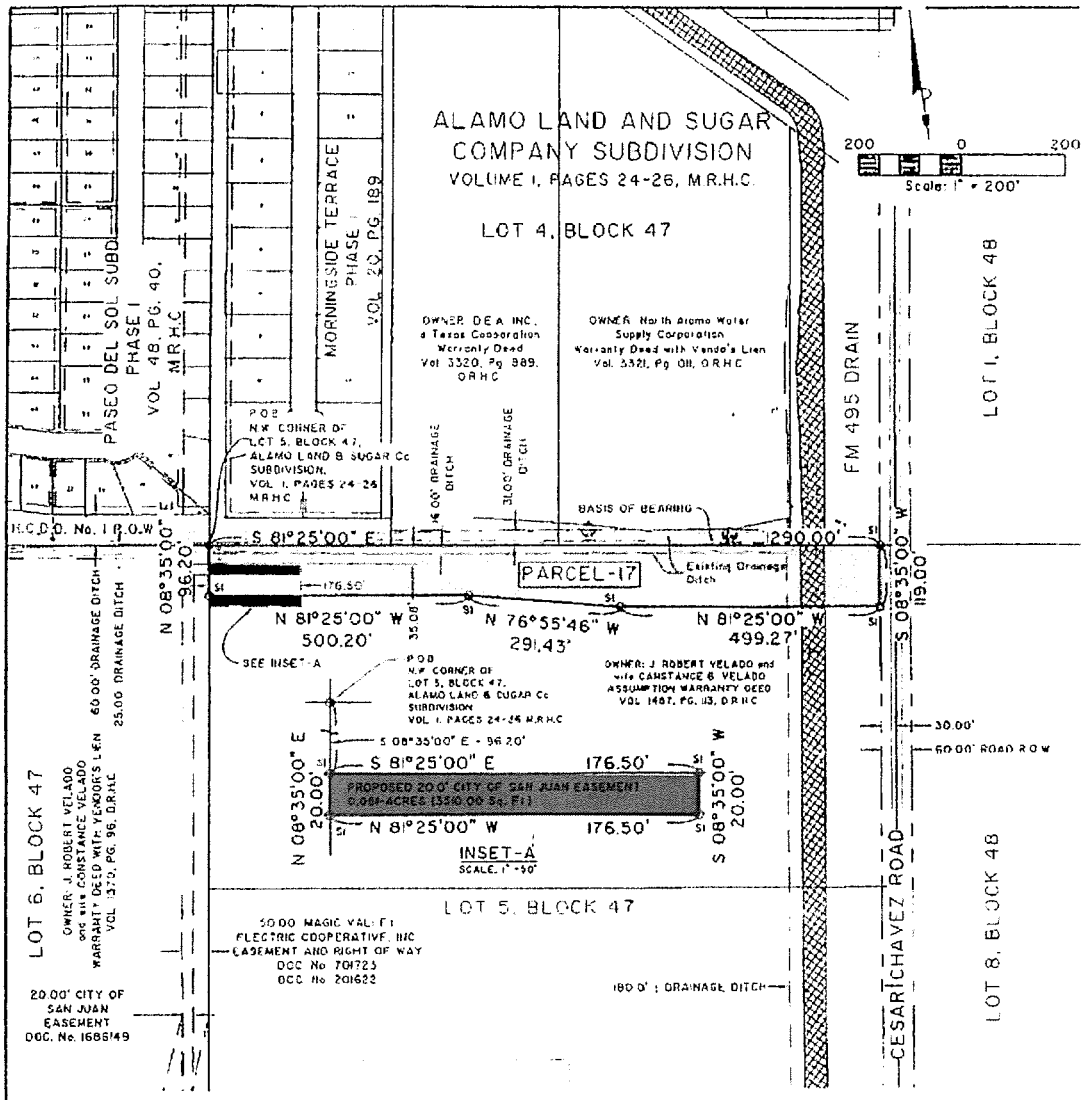
I, Pablo Soto, Jr., a Registered Professional Land Surveyor in the State of Texas, do hereby state that the above metes and bounds are true and are the result of an actual survey performed on the ground under my direction.

STATE OF TEXAS
REGISTERED
PABLO SOTO JR.
4541
PROFESSIONAL
LAND SURVEYOR

Pablo Soto, Jr. – R.P.L.S. No. 4541
Date: 9/28/11

UPDATED FIELD NOTES DEPICTING EASEMENT NOT PROVIDED TO THIS APPRAISER

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



SI- SET No 4 REBARS WITH PLASTIC CAP STAMPED RGEC

(EXHIBIT-A)
PARCEL -17
SURVEY PLAT
OF 3.186-ACRES OUT OF THE
NORTH ONE-HALF (1/2) OF
LOT 5, BLOCK 47,
ALAMO LAND AND SUGAR COMPANY
SUBDIVISION,
HIDALGO COUNTY, TEXAS
AS PER MAP RECORDED IN
VOLUMUE I, PAGES 24-26, M.R.H.C.

OWNER: J. ROBERT VELADO AND WIFE CONSTANCE B VELADO BY VIRTUE OF AN ASSUMPTION WARRANTY DEED, DATED JUNE 3, 1976, RECORDED IN VOLUME 1487, PAGE 113, DEED RECORDS OF HIDALGO COUNTY TEXAS

DESCRIPTION: THE NORTH ONE-HALF (1/2) OF LOT 5, BLOCK 47, ALAMO LAND AND SUGAR COMPANY SUBDIVISION, HIDALGO COUNTY, TEXAS, AS PER MAP RECORDED IN VOLUME I, PAGES 24-26, MAP RECORDS OF HIDALGO COUNTY, TEXAS.

TOTAL ACREAGE: 20.00-AC.
TO BE ACQUIRED: 3.186-AC.
EXISTING DRAINAGE DITCH: 0.899-AC
EXISTING CITY OF SAN JUAN ESMT.: 0.081
PROPOSED NET TAKING: 2.206-AC
REMAINDER: 16.814-AC

DOCUMENT No: _____

The undersigned hereby state that this survey, as described hereon, was made on the ground and that the only improvements on the ground are as shown and that there are no visible encroachments, visible overlapping, apparent conflicts, or visible easements, except as shown hereon. This Survey substantially conforms to the Minimum Standards of Practice as approved by the Texas Board of Professional Land Surveyors

STATE OF TEXAS REGISTERED PABLO SOTO JR. 4541 PROFESSIONAL LAND SURVEYOR

PABLO SOTO, JR. R.P.L.S. No. 4541
Date: 9/28/11 Revised: 10/12/11

GF No. 125049

R. Gutierrez Engineering Corporation
Professional Engineers & Land Surveyors
130 E. PARK AVENUE • PHARR, TEXAS 78577
(TEL) 956 782-2557 • (FAX) 956 782-2558
ENGINEERING FIRM No. 466 • SURVEYING FIRM No. 101850-00

JOB No.: ENG09.001	DATE: SEPT 28, 20
DRAWN BY: RG	PAGE: 3 OF 3

Yellow Highlighted Area = Proposed Right of Way / Existing San Juan Easement = Green Highlight
Proposed Relocation of San Juan Easement = Red Highlight