

**Leonel Garza Jr. & Associates LLC**  
*Real Estate Appraisal Services*

March 13, 2013

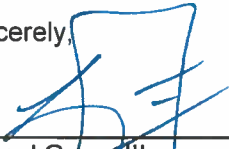
Hidalgo County Precinct No. 4  
C/o: Jesse Ozuna  
1051 North Doolittle Road  
Edinburg, Texas 78542

RE: LPJ Family Limited Partnership  
36080 North Highway 281  
Edinburg, Texas

Mr. Ozuna:

In accordance with your request, we are pleased to present our restrictive use report of the 2.50 acre tract of land located along the south side of FM 186 within the community of Linn, Texas. The purpose and use of the report is for internal use by the Hidalgo County Precinct No. 4 as per Jesse Ozuna. The subject is vacant as per the date of on-site inspection on March 12, 2013. The scope of the assignment is to value the subject property as of the date of inspection in order to determine the current market value of the subject property as fee simple. This cover letter alone does not constitute an appraisal and must be attached to the remaining pages of this report. A restricted use appraisal report, which details the scope of our analysis, assumptions & limiting conditions, and certification is attached herewith. This appraiser personally made an on-site visit of the subject property on March 12, 2013, in the presence of the owner of record. The following appraisal report does not include any personal property such as equipment and or signs and does not include any benefit for business interest as per scope of the assignment. From the facts provided by the client and those provided during the on-site inspection, the indicated market value of the vacant tract as of March 12, 2013 \$46,250.

Sincerely,



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Leonel Garza III  
State Certified General  
Real Estate Appraiser  
License No. TX-1328375-General

## Certification

**I certify that, to the best of my knowledge and belief:**

the statements of fact contained in this report are true and correct.

the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.

I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

my engagement in this assignment was not contingent upon developing or reporting predetermined results.

my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.

I have made a personal inspection of the property that is the subject of this report.

no one provided significant real property appraisal assistance to the person(s) signing the certification.

the reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

the use of this report is subject to the requirements of the Appraisal Institute relating to the review by its duly authorized representatives.

the Office of Leonel Garza Jr. & Associates LLC has not performed an appraisal on the subject property within the last (3) three years.



**Leonel Garza III**  
**State Certified General Real Estate Appraiser**  
**TX 1328375-General**

## Assumptions and Limiting Conditions

### **GENERAL ASSUMPTIONS**

This is a restricted use appraisal, which is intended to comply with the reporting requirements set forth under Standard Rule 1 and 2-2 (c) of the Uniform Standards of Professional Appraisal Practice. This report does not include a full discussion of data, reasoning, and analysis of which was utilized to develop an opinion of value. All supporting information and documentation, analysis is retained in the appraisers working file. The information set forth in this restricted use report was designed specifically for the intended user and specific needs of the client;

No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.

The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.

Responsible ownership and competent property management are assumed.

The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

All engineering is assumed to be correct. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.

It is assumed that there are no hidden or un-apparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.

It is assumed that the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in the appraisal report.

It is assumed that all required licenses; certificates of occupancy, consents, or other legislative or administrative authority from any local state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.

It is assumed that the use of the land and improvements is confined within the boundaries or property line of the property described and that there is no encroachment or trespass unless noted in the report.

Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by this appraiser. The appraiser does not have any knowledge of the existence of such material on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

**GENERAL LIMITING CONDITIONS**

Any allocation of the total value of the total valuation in this report between land and improvements applies only under the stated program of utilization.

The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.

Possession of this report, or a copy thereof, does not carry with it the right of publication.

The appraiser, by reason of this appraisal, is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.

Neither all or any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser.

**ENVIRONMENTAL STATEMENT**

This appraiser has made a visual on-site observation of the subject property on March 12, 2013, and no obvious adverse environmental concerns, pesticides or other potentially hazardous materials were present. However, this appraiser is not qualified to make a detailed study on environmental concerns of the subject property. If, for any reason an environmental concern exist which was not observable to this appraiser, then it is highly recommended that an inspection be made by a qualified environmental engineer. Based on this appraiser's observation and conversations with the subject owner, this appraisal shall be based on the assumption that no environmental concern exist and shall be valued as such. If an environmental concern is noted to this appraiser after the date of report, Leonel Garza Jr. & Associates LLC reserves the right to re-evaluate the market value of the subject property as mentioned in the scope of the assignment.

## Summary of Property Description and Conclusions

Type of Appraisal \_\_\_\_\_ Restricted Use Appraisal Report  
Type of Property \_\_\_\_\_ Vacant Land  
Property Rights Appraised \_\_\_\_\_ Fee Simple Estate  
Owner of Record \_\_\_\_\_ LPJ Family Limited Partnership  
Physical Location \_\_\_\_\_ FM 186 (S/S) Approximately 1/10 of a miles east of US Highway 281,  
Linn, Texas  
  
Existing Property Use \_\_\_\_\_ Vacant  
Legal Description \_\_\_\_\_ A 2.50 acres out of CSM # 1 (Amended Lot 2), Map Records in the  
Office of the County Clerk of Hidalgo County, Texas.  
  
Gross Land Area \_\_\_\_\_ ±2.50 Acres  
Improvements \_\_\_\_\_ No contributory improvements indicated  
Highest & Best Use \_\_\_\_\_ Mixed Use development  
City Zoning Ordinance \_\_\_\_\_ Not Applicable in the Community of Linn, Texas.  
Flood Zone Designation \_\_\_\_\_ Zone C  
Utilities Available \_\_\_\_\_ Potable Water / Electricity / Phone  
Estimated Marketing  
& Exposure Time Period \_\_\_\_\_ Eighteen (18) Months to Twenty-Four (24) Months  
  
Appraisal District  
Assessed Value \_\_\_\_\_ \$1,096,818 – Note this assessed value includes a 20.51 acre tract of  
land with an improvement value of \$828,137.  
  
Date of On-Site Visit \_\_\_\_\_ March 12, 2013  
Date of Value Estimate \_\_\_\_\_ March 12, 2013

### **CONCLUSION & APPRAISED VALUE**

Based on the analysis and data collected during the course of this appraisal report, the subject property was valued at \$18,500 per acre for the 2.50 acre tract. This is based on a range in value is determined by the Sales Comparison Approach to market value "as vacant which is the most reliable approach to value. The final indicated market value of the subject property is indicated to be \$46,250.00

## **PURPOSE OF THE APPRAISAL**

This appraisal is prepared for the purpose of estimating the market value of the fee simple estate of the subject property, as defined in within this report, as of March 12, 2013. 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, or operating agreements. The subject shall be valued based the following definition of market value.

Market value is defined as the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the Buyer and Seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from Seller to Buyer under conditions whereby:

Buyer and Seller are typically motivated

Both parties are well informed or well advised, and each-acting in what they consider their own best interest.

A reasonable time is allowed for exposure in the open market.

Payment is made in terms of cash in U.S. Dollars or in terms of financial arrangements comparable thereto.

The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

*The Office of the Comptroller of the Currency. (2006). 12 CFR, Part 34, Subpart C-Appraisals, 34-42, Definitions (g). Retrieved March 12, 2007, from <http://www.occ.treas.gov/fr/ciparts/12CFR34.htm#§%2034.42%20Definitions>.*

## **CLIENT & INTENDED USE**

The client for this report is identified as Hidalgo County under the direction of Precinct No. 4. The intended use of the report is to assist Right of Way Agent Jesse Ozuna in determining the market value of the subject property for the possible purchase of said tract as per date of on-site inspection, March 12, 2013.

## **SCOPE OF ASSIGNMENT**

By Notice to Proceed under Contract #12-067-03-27 signed by Honorable Joseph Palacios, Commissioner Precinct No. 4 requested for Leonel Garza Jr. & Associates LLC to prepare a Restricted Use Appraisal Report of the fee simple estate of the subject property located along the south side of FM 1017 approximately 1/10 of a mile east of US Highway 281 within the Community of in Linn, Texas just east of US Highway 281. The client provided a survey of the subject property. No other information nor attachments were included. The subject neighborhood was also inspected as to observe any external obsolesce or economic factors, which may be pertinent to the subject property's valuation. Market sales within the market area and comparable market areas were identified and analyzed for comparability and for reliability in determining the estimated market value of the subject property. The appraisal report shall indicate the "as existing market value" of the subject property as per on-site visit on Tuesday, March 12, 2013.

## **PROPERTY RIGHTS APPRAISED**

This appraisal requires a review of the rights to title that may be legally owned. The property rights appraised in this report are based on the fee simple estate

## **PERSONAL PROPERTY**

No personal property was included nor indicated as per scope of the assignment.

# Aerial Map



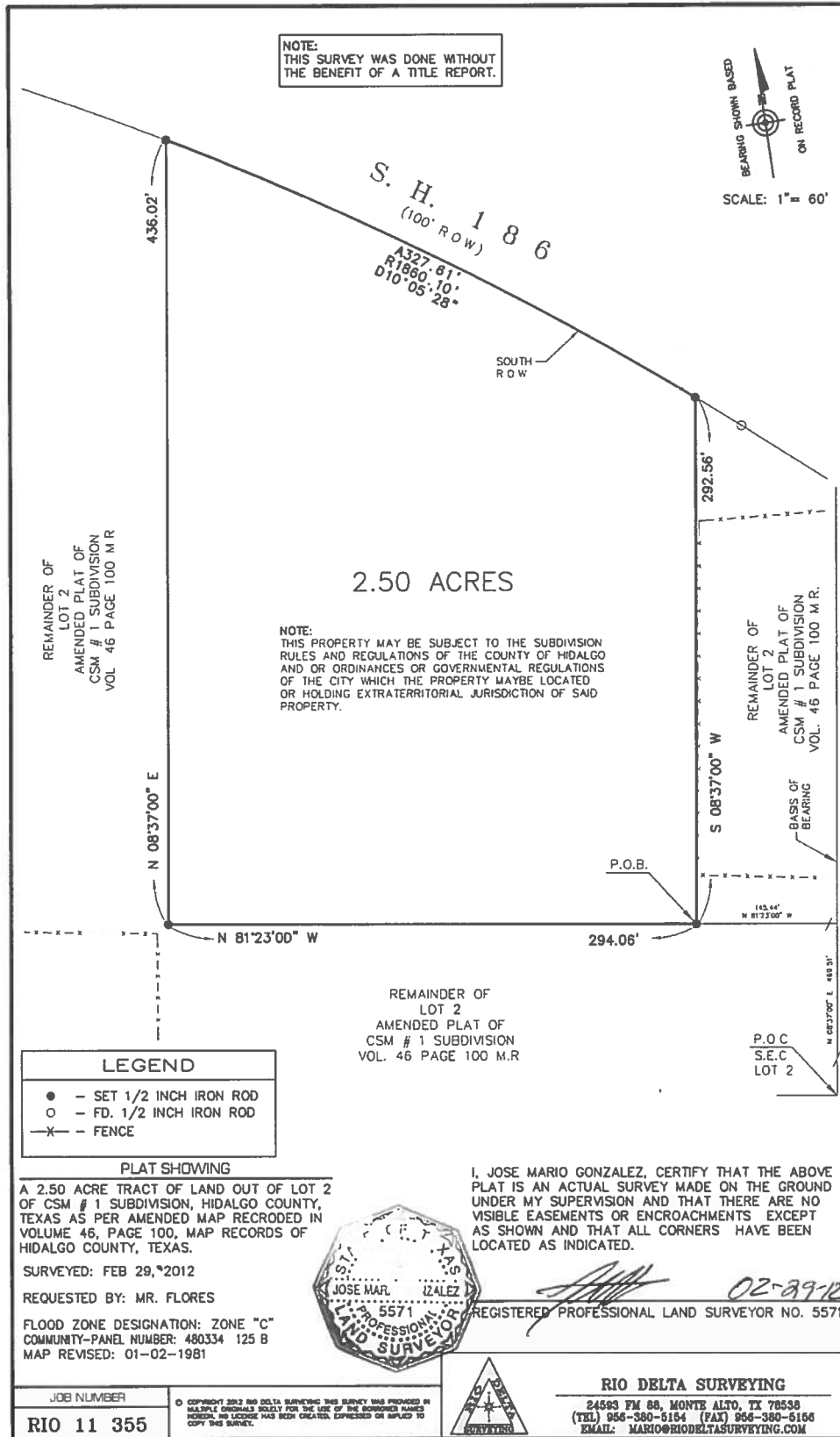
# Market Area Map



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# Survey of Part To Be Acquired



**SITE DESCRIPTION**

The subject property is a 2.50 acre tract of land located along the south side of State Highway 186 approximately 0.10 miles east of US Highway 281 within the Community of Linn, Texas. The subject property at the time of on-site inspection is a vacant tract of land of which is currently part of a larger 20.51 acre tract of land as indicated by property tax identification no. C9545-01-000-0002-00 of the Hidalgo County Appraisal District. The part to be acquired by the County of Hidalgo is a tract of land located adjacent to the existing County Collection Site. The parent tract is located with a master planned subdivision of which is currently under the ownership of LPJ Family Limited Partnership, currently doing business as Chorizo de San Manuel. This parent tract contains the light industrial building utilized for the production and distribution of food products under the Chorizo de San Manuel brand and other subsidiaries. This development is an indication of the overall highest and best use of the subject tract which since municipal zoning is not applicable shall be for a mixed commercial type of development. The tract has approximately 327.61' lineal feet of frontage along SH 186 and is an irregular tract of land of which the western depth is 436.02' and an eastern depth of 292.56'. Due to the rural location of the subject property and the proximity to several developments including but not limited to Chorizo de San Manuel Processing Plant, Brewster Elementary School and Los Venados Subdivision the subject property can have a variety of highest and best uses of which are not limited to single family residential to light commercial to light industrial is physically possible on-site.

**LEGAL DESCRIPTION**

A 2.50 acre tract of land out of the CSM No. 1 (Amended Lot 2), Map Records in the Office of the County Clerk of Hidalgo County, Texas as per amended map recorded in Volume 46, Page 100, Map records of Hidalgo County, Texas.

Gross Land Size \_\_\_\_\_ 2.50 Acres  
108,900 Square Feet

Frontage \_\_\_\_\_ 327.61' lineal feet

Topography \_\_\_\_\_ Appears Level - Typical of Market Area

Perimeter Fencing \_\_\_\_\_ None Indicated On-Site

Easements / Encroachments \_\_\_\_\_ No adverse easements nor improvements indicated as per survey dated February 29,2012

**OFF-SITE IMPROVEMENTS / DRAINAGE & ROADWAY IMPROVEMENTS**

The subject property is located in a region of northern Hidalgo County of which contains potable water, phone and electrical service. The subject area has limited rural drainage. No curb and gutter is evident along SH 186.

**SALES HISTORY**

This appraiser has examined the history of the subject property and has found the following: According to the Hidalgo County Appraisal District, the subject property has been in the name of LPJ Family Limited Partnership. According to Warranty Deed with Vendors Lien the subject was transferred from Vicky I. et al Flores (Grantor) to LPJ Family Limited Partnership (Grantee) on December 28, 2012. Prior to this transaction the property was transferred from Affidavit of Heirship from Luis Flores Jr. and Vicky Flores on April 24, 2005.

**MUNICIPAL ZONING**

The subject property is located in a rural area of northern Hidalgo County of which is outside the jurisdiction of the closest municipality of which recognizes or contains a zoning ordinance, City of Edinburg. Since the subject lies outside the city limits of Edinburg, no municipal zoning ordinance is identified for the subject property.

**PROPERTY TAX ASSESSMENT**

During the analysis of the subject property, the real property tax information was gathered from the Hidalgo County Appraisal District. The following information was verified as per the date of this report thru the districts web site [www.hidalgoad.org](http://www.hidalgoad.org), which is updated regularly. In addition to the assessed valuation, the history is also researched to indicate if any past due taxes are outstanding. The subject property is part of a larger tract assessed by the Hidalgo County Appraisal District of which includes a processing plant of which indicates an assessed value of \$1,096,818. See following pages for the results of the property tax assessment worksheets of the subject property.

**Hidalgo CAD**

**Property Search Results > 685474 LPJ FAMILY LIMITED PARTNERSHIP for Year 2013**

**Property**

**Account**

Property ID: 685474      Legal Description: CSM #1 (AMENDED Lot 2)  
 Geographic ID: C9545-01-000-0002-00      Agent Code:  
 Type: Real  
 Property Use Code:  
 Property Use Description:

**Location**

Address: 36080 N HWY 281      Mapsco:  
 TX  
 Neighborhood CSM #1      Map ID: 13C VOL 46 PG 100 (A)  
 Neighborhood CD C954501

**Owner**

Name: LPJ FAMILY LIMITED PARTNERSHIP      Owner ID: 996779  
 Mailing Address: 36080 N HWY 281      % Ownership: 100.0000000000%  
 EDINBURG, TX 78542

Exemptions:

**Values**

(+) Improvement Homesite Value:	+	\$0	
(+) Improvement Non-Homesite Value:	+	\$828,137	
(+) Land Homesite Value:	+	\$0	
(+) Land Non-Homesite Value:	+	\$42,444	Ag / Timber Use Value
(+) Agricultural Market Valuation:	+	\$226,237	\$7,202
(+) Timber Market Valuation:	+	\$0	\$0
<hr/>			
(=) Market Value:	=	\$1,096,818	
(-) Ag or Timber Use Value Reduction:	-	\$219,035	
<hr/>			
(=) Appraised Value:	=	\$877,783	
(-) HS Cap:	-	\$0	
<hr/>			
(=) Assessed Value:	=	\$877,783	

**Taxing Jurisdiction**

Owner: LPJ FAMILY LIMITED PARTNERSHIP  
 % Ownership: 100.0000000000%  
 Total Value: \$1,096,818

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax
CAD	APPRAISAL DISTRICT	0.000000	\$877,783	\$877,783	\$0.00
DR2	DRAINAGE DISTRICT #2	0.000000	\$877,783	\$877,783	\$0.00
FD3	EMS DIST #03	0.030000	\$877,783	\$877,783	\$263.33
GHD	HIDALGO COUNTY	0.590000	\$877,783	\$877,783	\$5,178.92
JCC	SOUTH TEXAS COLLEGE	0.150700	\$877,783	\$877,783	\$1,322.82
R01	ROAD DIST 01	0.000000	\$877,783	\$877,783	\$0.00
SEB	EDINBURG ISD	1.239800	\$877,783	\$877,783	\$10,882.75
SST	SOUTH TEXAS SCHOOL	0.049200	\$877,783	\$877,783	\$431.87

Total Tax Rate:	2.059700		
		Taxes w/Current Exemptions:	\$18,079.69
		Taxes w/o Exemptions:	\$18,079.70

**Improvement / Building**

Improvement #1: **COMMERCIAL** State Code: **E1** Living Area: **14684.0 sqft** Value: **\$828,137**

Type	Description	Class CD	Exterior Wall	Year Built	SQFT
OFF	OFFICE	102	STU	2005	4944.0
CAN	CANOPY	102		2005	44.0
WHS	WAREHOUSE	102		2005	9740.0
STG	STORAGE	102		2005	2805.0
DLR	LOADING RAMP	102		2005	552.0
CLF	CHAIN LINK FENCE	*		2005	2708.0
ASP	ASPHALT	102		2005	56087.0
CON	CONCRETE	102		2005	37233.0
FRZ	FREEZER	102		2005	2205.0
CAN	CANOPY	*		2011	1750.0
CAN	CANOPY	*		2011	230.0

**Land**

#	Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
1	H	1WETFARM	17.2700	752281.20	0.00	0.00	\$226,237	\$7,202
2	AC	ACREAGE	3.2400	141134.40	0.00	0.00	\$42,444	\$0

**Roll Value History**

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2013	\$828,137	\$268,681	7,202	877,783	\$0	\$877,783
2012	\$833,177	\$268,681	7,202	882,823	\$0	\$882,823
2011	\$841,498	\$268,681	6,925	890,867	\$0	\$890,867
2010	\$807,361	\$268,681	6,977	856,782	\$0	\$856,782
2009	\$809,966	\$268,681	7,236	859,646	\$0	\$859,646
2008	\$904,354	\$205,100	7,236	943,990	\$0	\$943,990
2007	\$906,960	\$205,100	6,891	946,251	\$0	\$946,251
2006	\$892,145	\$205,100	6,908	931,453	\$0	\$931,453
2005	\$0	\$205,100	0	205,100	\$0	\$205,100

**Deed History - (Last 3 Deed Transactions)**

#	Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Deed Numbe
1	12/28/2012 12:00:00 AM	SWD	SPEC. W/D	FLORES VICKY I E'	LPJ FAMILY LIMITE			236987
2	1/30/2007 12:00:00 AM	TRD	TRUSTEES DEED	FLORES VICKY I E'				
3	4/24/2005 12:00:00 AM	AOH	AFFIDAVIT OF HEIRSHIP	FLORES LUIS JR & FLORES VICKY I E'				145417

**Tax Due**

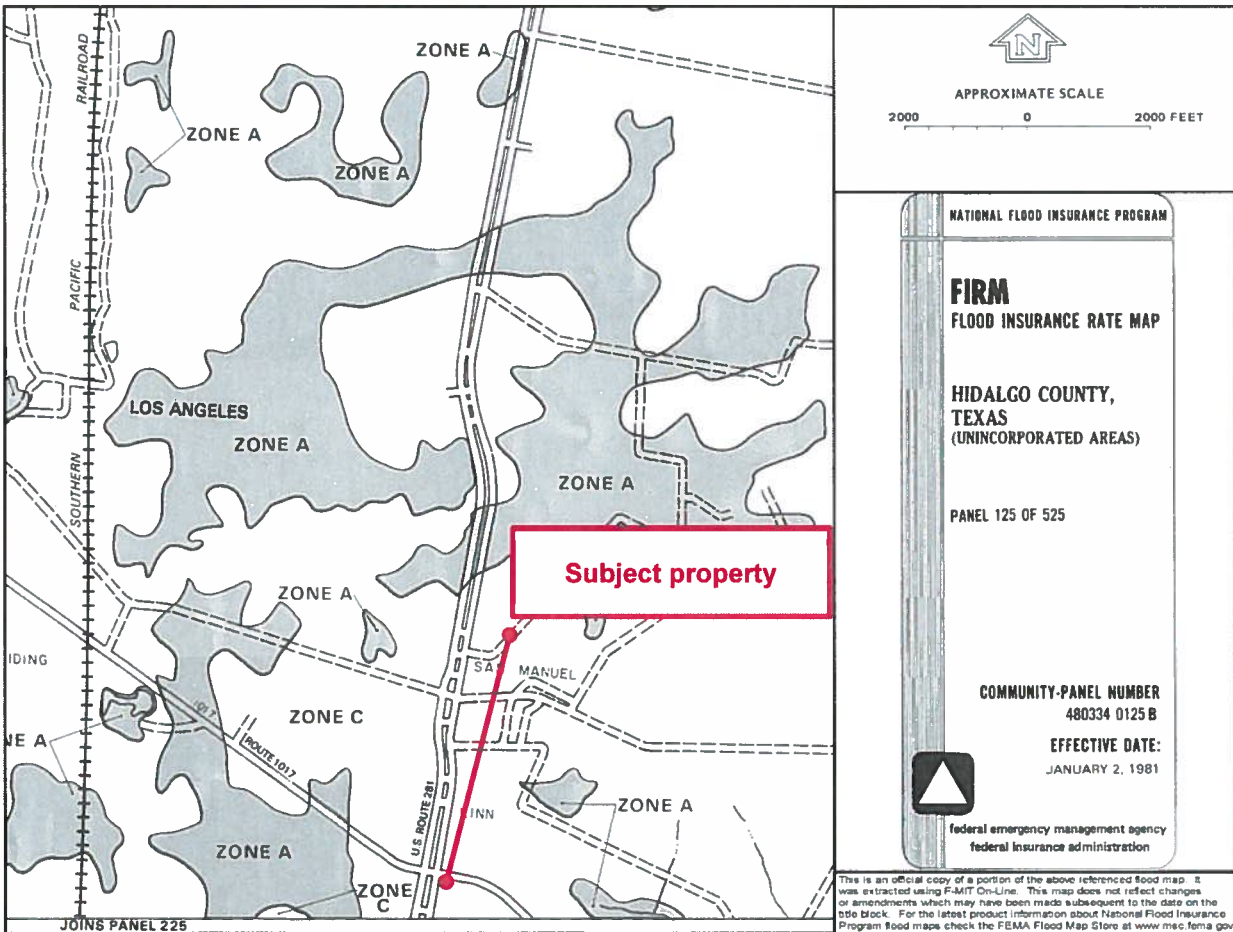
**FLOOD ZONE MAP**

Federal Emergency Management Agency map indicated the subject property to lie within the following flood zone designation:

**Zoning Designation\* \_\_\_\_\_ Zone C**

During the physical inspection of the subject property, there were no indications of low-lying areas indicating possible flooding situations. However, the subject property is located within the Lower Rio Grande Valley, which is susceptible to hurricanes deriving from the Gulf of Mexico, which can create an adverse amount of rainfall within a small period of time resulting in flash flooding. In reviewing the flood map designated for the market area, it was indicated that the subject property is not located within a flood prone area.

*\*See addendum page for further explanation of the various flood zone designations.*



## **HIGHEST AND BEST USE ANALYSIS**

The highest and best use of the site both "as vacant" and "as if improved" are analyzed in order to determine if the existing improvements conform to the highest and best utilization of the land. Four tests have been applied in order to determine highest and best use. The tests include: (1) physically possible use, (2) legally permissible use, (3) financially feasible use and (4) maximally productive use. The highest and best use is further defined as follows:

*"Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements." Definitions are from The Dictionary of Real Estate Appraisal. 3<sup>rd</sup> Edition Chicago: Appraisal Institute, 1993*

The highest and best use analysis for the subject property is based on the site "As Vacant". Based on the on-site inspection of the subject property on March 12, 2013, no structural improvements or site improvements were indicated on-site of which had any contributory value to the subject property.

### Legally Permissible

The subject property is located within the County of Hidalgo and outside the city limits of the City of Edinburg. Since the subject is not subject to municipal zoning a variety of uses and or developments are legally permissible on-site as per date of appraisal.

### Physically Possible

The subject consists of 2.50 acres and is irregular in shape and contains approximately 327.61' lineal feet of frontage along SH 186. With the direct access to a public road way and the overall depth of the subject property, a variety of uses from single family residential to light commercial to light industrial is physically possible on-site.

### Financially Feasible

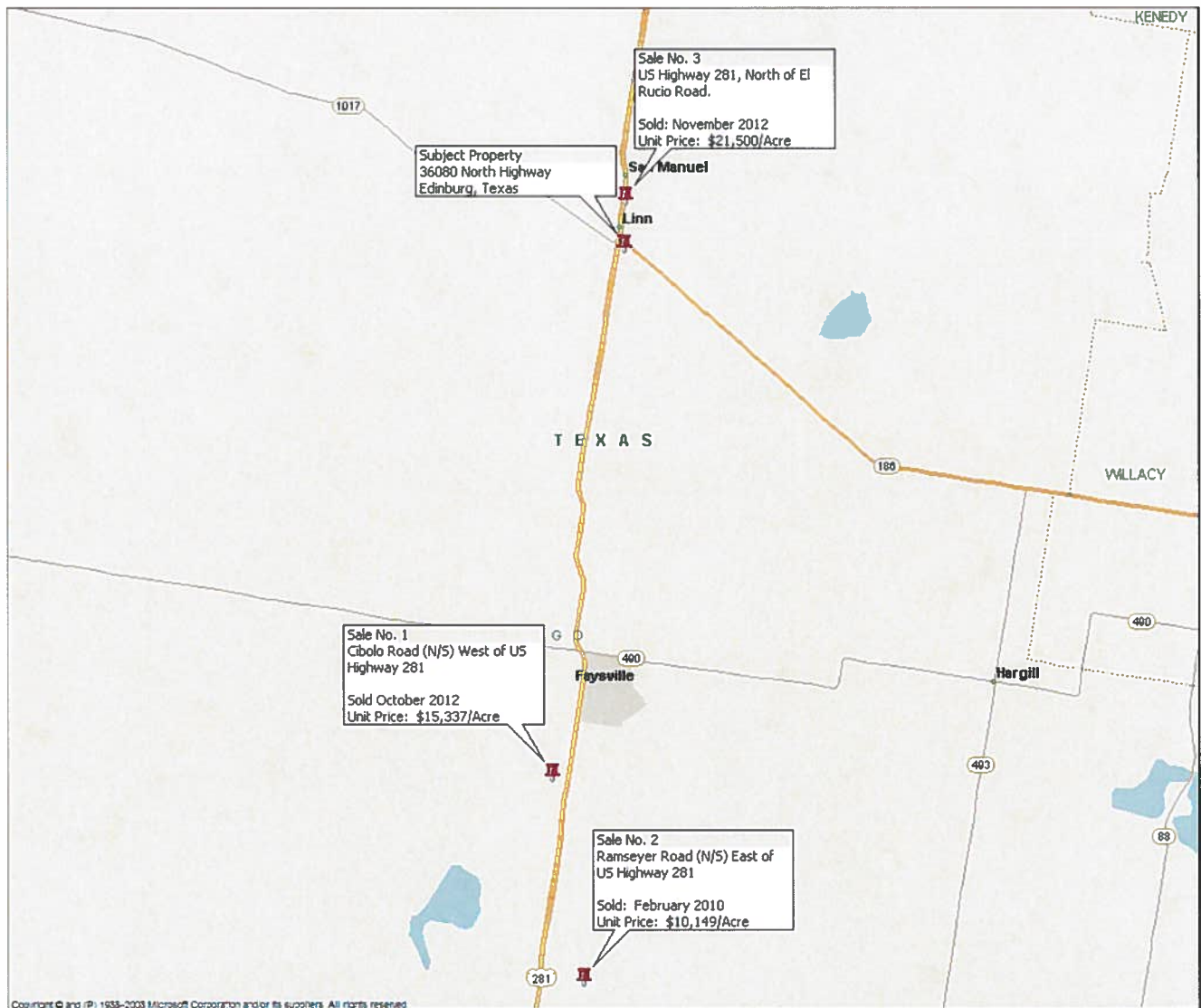
The financially feasible use of the subject site examines the possible uses of the site remaining after elimination of any uses which are not physically or legally permissible. Given the rural location along SH-186, and the limited traffic in the area, and the limited growth in the area, single family residential use and or light industrial use does not seem to be a financially feasible use as per date of appraisal. Due to the location and surrounding land uses, the financially feasible use of the property is for expansion of the existing processing plant and or the government use of the tract to the east of the subject property.

### Maximally Productive

The subject property is currently not developed nor being utilized for any economic use as per date of appraisal. Based on the lack of zoning of the subject property and the surrounding use of property, the subject is not in its maximally productive state as vacant. However, based on the rural location, development on-site would be limited to either expansion of the existing processing plant and or expansion of the governmental type uses as located to the east of the subject property.

## Comparable Land Sales

The following land sales were derived from a multitude of sources of which include the a local multiple listing service, appraisal district public information, deed records and other appraisers and Realtors in the Lower Rio Grande Valley. These sales are verified with at least two sources and are deemed reliable as of the date of this report. Other sales may have been identified in the area, however, if all information cannot be verified as per date of the report they may only be mentioned but not heavily weighted in the overall analysis of the subject property. Due to the level of sales occurring in recent years, comparable listings may be added to the list of comparable sales in order for the reader to understand what other properties are current asking for their properties in the immediate market area. These listing are for demonstrative purposes only and are not utilized in the direct weighted analysis of the subject property.



*Land Sale No. 1*



Type of Property: Vacant Land  
Date of Sale: October 25, 2010  
Confirmation: MLS A139687S  
Physical Location: Cibolo Road, Approximately 0.37 Miles West of US Highway 281, Hidalgo County, Texas  
  
Sales Price: \$ 75,000  
Unit Sales Price: \$ 15,337 / Acre  
Size of Tract: 4.89 Acres  
Grantor: Carlos Barreiro  
Grantee: Mario Alberto Arevalo  
Terms & Conditions: Cash To Seller  
Legal Description: A 4.89 Acre tract of land out of Block 23 of the Baker Subdivision of the Cucharia Tract, Hidalgo County, Texas.  
Recording Information: Document No. 2149796, Hidalgo County Deed Records, Hidalgo County, Texas

*Land Sale No. 2*



Type of Property: Vacant Land  
Date of Sale: February 9, 2010  
Confirmation: MLS A125907s  
Physical Location: Ramseyer Drive (N/S), 0.64 Miles East of US Highway 281, Hidalgo County, Texas.  
Sales Price: \$68,000  
Unit Sales Price: \$10,149 / Acre  
Size of Tract: 6.70 Acres  
Grantor: Curtis Brown  
Grantee: Rosendo A. Ramirez  
Terms & Conditions: Cash To Seller  
Legal Description: A 7.08 acre tract of land more or less, out of Lot 8, Block 36, Santa Cruz Gardens Unit No. 2, Hidalgo County, Texas.  
Recording Information: Document No. 2010-2075151, Hidalgo County Deed Records, Hidalgo County, Texas.

*Land Sale No. 3*



Type of Property: Vacant Land  
Date of Sale: October 12, 2012  
Confirmation: MLSA158803  
Physical Location: US Highway 281 (E/S) Approximately 0.25 Mile North of El Rucio Road, Linn/San Manuel, Texas.  
  
Sales Price: \$ 21,500  
Unit Sales Price: \$20,476 / Acre  
Size of Tract: 1.05 Acres  
Grantor: Brian Garcia & Amanda Garcia  
Grantee: Albertico & Dra. Melendez  
Terms & Conditions: Cash To Seller  
Legal Description: A 1.05 acre tract of land being out of a portion of Tract 76, San Salvador Del Tule Grant as recorded in Volume 331, Page 359, Deed Records, Hidalgo County, Texas.  
  
Recording Information: Document No. 2012-2358877, Hidalgo County Deed Records, Hidalgo County, TX

### Comparable Land Sales Analysis

	SALES PRICE	SIZE OF TRACT (SF)	SIZE OF TRACT (AC)	UNIT PRICE	DATE OF SALE
SALE No. 1	\$ 75,000	213,008	4.89	\$ 15,337 / Acre	October 25, 2010
SALE No. 2	\$ 68,000	291,852	6.70	\$ 10,149 / Acre	February 9, 2010
SALE No. 3	\$ 21,500	45,738	1.05	\$ 20,476 / Acre	October 12, 2012

SUBJECT	SALE No. 1			SALE No. 2		SALE No. 3	
SALE PRICE	\$ 75,000			\$ 68,000		\$ 21,500	
UNIT PRICE	\$ 15,337 / Acre			\$ 10,149 / Acre		\$ 20,476 / Acre	
FINANCING TERMS	Conventional	Cash	0%	Cash	0%	Cash	0%
CONDITIONS OF SALE	Arm's Length	Arm's Length	0%	Arm's Length	0%	Arm's Length	0%
TIME / MARKETING COND.	Average	Similar	0%	Similar	0%	Similar	0%
LOCATION	SH 186, East of US Highway 281	Cibolo Road, West of US-281	30%	Ramseyer Road East of US-281	40%	US Highway 281, North of El Rucio Road	0%
STREET ACCESS	Average	Similar	0%	Similar	0%	Similar	0%
SITE UTILITY (Corner/Interior)	Interior Tract	Similar	0%	Similar	0%	Similar	0%
UTILITIES:	Water / Electric / Phone	Similar	0%	Similar	0%	Similar	0%
SIZE ADJUSTMENT (SF)	2.50 Acres	4.89 Acres	-5%	6.70 Acres	0%	1.05 Acres	-10%
TOTALS		\$ 3,834.25	25%	\$ 4,059.60	40%	\$ (2,047.60)	-10%
ADJUSTED UNIT RATE		\$ 19,171 / Acre		\$ 14,209 / Acre		\$ 18,428 / Acre	
MEAN UNIT RATE		\$ 17,269 / Acre					
SELECTED UNIT RATE		\$ 18,500 / Acre					
APPRAISED MARKET VALUE		\$ 46,250					

The subject is located in a rural area of northern Hidalgo County of which limited sales have occurred within the past five years. Based on the limited sales in the area, three comparable sales were located of which had similar size, use, and proximity to US Highway 281 within the region of the County. Based on the analysis of each of the comparables and applying the applicable adjustments to each sale in direct comparison to the subject property a range in value of \$14,209 per acre to \$19,171 per acre is indicated. Due to the location and proximity and visibility to the intersection of US Highway 281 and State Highway 186 a unit rate at the upper end of the adjusted range was indicated for the subject property, \$18,500 / Acre. Therefore, the overall market value of the subject property is indicated to be \$46,250 for the 2.50 acres indicated to be the subject of this report.

## Qualifications of Appraiser

### **Leonel Garza III**

#### **State Certified General Real Estate Appraiser**

1419 Dove Avenue, McAllen, Texas 78504  
Phone: (956) 687-7295 Fax: (956) 687-9236  
Email: leonel3@garza-associates.com

### **Company**

Leonel Garza III has been a real estate appraiser since 1998 of which he carries the General Certification License (TX-1328373-G). Mr. Garza was originally trained by Leonel Garza Jr. from 1995 to 1998. Upon his passing, Leonel Garza III established Leonel Garza Jr. & Associates LLC. This company handles a variety of real estate consulting services. The primary business of this firm is to provide real estate appraisal services and appraisal litigation support services with a focus on General Commercial Real Estate, Estate Valuations, Right-of-Way/Easement Acquisition & Defense.

A second division of the company is to provide Real Property Tax Consultation. The purpose of this division is to aid the client in the verification of proper assessment of property tax promulgated by the Texas Property Tax Code.

### **Work Experience**

#### **Banking Institution**

International Bank of Commerce, Inter National Bank, Lone Star National Bank, BBVA (Former Texas State Bank, Rio Bank, South Texas Community Bank, Frost Bank and others the Rio Grande Valley and throughout Texas.

#### **Local, State & Federal Government Institutions**

Texas Department of Transportation (TxDOT), Texas Attorney General's Office, Federal Aviation Division, US Marshal Service, and Texas Parks & Wildlife.

*Local Government Agencies (Include but not limited to the Cities of McAllen, Edinburg, Pharr, San Juan, Alamo, Mercedes, Brownsville, Edcouch, Rio Grande City, Roma, Laredo, Eagle Pass, Falfurrias, Mission, Hidalgo, Donna and Weslaco)*

Various Cities throughout Hidalgo, Cameron, Starr, Brooks and Webb County. Other agency's include various right-of-way divisions throughout the Rio Grande Valley and several northern areas including the City of Laredo, City of Falfurrias and several road projects in the City of Corpus Christi, Texas.

#### **Right-of-Way Division**

The Right-of-Way Division of the firm conducts Real Estate Appraisals for various local and government agencies throughout South Texas. These reports conform to the Texas Department of Transportation A-5 & A-6 Formats of which also utilized for LPA's (Local Participating Agencies). Leonel Garza III has undergone extensive training in this field of work over the past 13 years of which specialize in acquisitions concerning diminution of market value and or property bi-sections. ROW experience extends to various types of acquisitions including, but not limited to, expansion of existing roadways, development of new roadways, utility easements, drainage or irrigation easements, damage assessment, cost to cure, relocation assistant research, budget analysis, condemnation hearing and trial support. This division has produced well over 1,000 reports over the years with the single largest project being approximately 150 parcel project covering two counties. Counties of which ROW work has been performed include, Brooks, Cameron, Hays, Hidalgo, Nueces, Starr, Webb and Willacy County

## **Education**

Graduate, 1995, Texas A&M University, College Station, Texas (Bachelor of Science in Biomedical Science)

Graduate, 1991 McAllen Memorial High School, McAllen, Texas

## **Licenses**

### **State Certified General Real Estate Appraiser**

Number TX - 1328375-General  
Licensed Since December 31, 1998  
Expires: December 31, 2014 (Active)

### **State Certified Property Tax Consultant**

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

## **Public Service Organizations**

### **Associate Member of the Appraisal Institute**

Taking courses toward the designation of MAI through the Appraisal Institute.

### **National Association of Master Appraisers**

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

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

### **Chairman of the City of McAllen Planning and Zoning Board (Active Member)**

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

### **Chairman of the Hidalgo County Subdivision Advisory Board (Active Member)**

This county board on subdivision reviews primary goal is to ensure that proper standards, set by Texas Water Development Board and the Texas Subdivision Model Rules and or opinions from the Texas State Attorney General's Office, are conducted in the development of proposed subdivision within the County of Hidalgo and or Extraterritorial Jurisdiction of municipalities throughout the County of Hidalgo. The board's secondary function is to review applications for variances against the Flood Plain Administrators decisions of the base flood elevations throughout the County of Hidalgo. (Appointed in 1998 – Present)

### **Chairman of the Hidalgo County Building Line of Adjustments (Active Member)**

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

### **Member of The McAllen Traffic Commission Board (Active Member)**

Makes recommendations to the City Commission in order to reduce and eliminate traffic congestion and flow throughout the City.

<b>Texas Appraiser Licensing and Certification Board</b> P.O. Box 12188 Austin, Texas 78711-2188 <b>Certified General Real Estate Appraiser</b>			
Number:	<b>TX 1328375 G</b>	Expires:	<b>12/31/2014</b>
Issued:	<b>01/03/2013</b>		
Appraiser:	<b>LEONEL GARZA III</b>		
Having provided satisfactory evidence of the qualifications required by the Texas Appraiser Licensing and Certification Act, Texas Occupations Code, Chapter 1103, is authorized to use this title, Certified General Real Estate Appraiser.			 Douglas E. Oldmixon Commissioner

**Member of The McAllen Palm City Lions Club (Active Member)**

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

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

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

**Former Vice Chairman of the City of McAllen Ambulance Advisory Committee**

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

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

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

**Former Member of the Pharr Municipal Park Charter Committee**

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