

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. 4 Honorable Hidalgo County Commissioner Joseph Palacios and the Texas Department of Transportation, Southern Region. The part to be acquired is for the use as a portion of a drainage improvement project. The intended use of the report is to assist Benito Rodriguez, Right-of-Way Agent of Hidalgo County, for future negotiations of acquiring a portion of said property as fee simple in the name of the County of Hidalgo. This report is not intended for any other use, unless specified by the client. The clients have identified that the report shall be a summary appraisal report, which is to conform to the ROW-A-6 Form Rev. 11/2011. The intended user of the report is defined as Hidalgo County Right-of-Way Department, and may include governmental entities which may be participating in the project. Joe Pena shall be the project manager for this project under the direction of Honorable Hector Joseph Palacios, County Commissioner of Precinct No. 4. Mr. Pena has a local office located at 1051 Doolittle Road Edinburg, Texas and can be contacted at (956) 383-3112.

Scope of the Assignment

By work order number 628724 dated January 11, 2010 on behalf of the Hidalgo County Precinct No. 4, Joe Pena, 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 Quintanilla, Headley and Associates, Inc Engineering located at 124 East Stubbs Street, Edinburg, Texas dated September 11, 2009 and revised on November 4, 2011. The scope of the assignment is to appraise the area as fee simple in its present "as is condition" subject to governmental regulation, and in terms of a cash transaction. In addition, the scope is requiring the appraiser to make the extraordinary condition that the subject property is free from contamination of which could affect the overall market value of the subject property as a whole and the part to be acquired. The property owner shall be sent a letter of intent to inspect the subject property and offer any additional inspections on-site and in the presence of the owner(s) and or owner(s) representative (as requested in writing). In the event access is not granted to enter the subject area, the appraiser is to proceed off-site along existing road right-of-way as indicated by survey. The scope of the assignment requires that comparable market sales within the area be identified and analyzed for comparability and for their reliability in determining the estimated market value of the subject property. The sales have been collected, confirmed and analyzed with respect to comparability to the subject property. These comparable sales were gathered through various sources which included the Greater McAllen Multiple Listing Service, local Realtors & Brokers, Real Estate Appraisers, and conversations with various owners along the project. Listings along El Rancho Road, South Tower Road and South Alamo 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.