

A RESTRICTED APPRAISAL

AND

ANALYSIS OF VALUE OF

Approximately 1.0 Acre Parcel of Land

LOCATED:

FM 1017 West of US Highway 281
Linn, San Manuel, Hidalgo County, Texas

DATE OF APPRAISAL

March 31, 2014

DATE OF APPRAISAL REPORT

June 27, 2014

PREPARED FOR:

Guerra Brothers Partnership
P.O. Box 38
Linn, Texas 78563-0038

BY:

appraisal haus

Real Estate Valuation Services

George Jaime Salazar, II
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June 27, 2014

Guerra Brothers Partnership
P.O. Box 38
Linn, Texas 78563-0038

RE: A 1.0 acre tract lying in Tract 84, San Salvador Del Tule Grant, Hidalgo County, Texas

Dear Sirs,

In accordance with your request, we are pleased to present an appraisal report of the above referenced property.

We have personally inspected the property and have made a careful and detailed study of all factors pertinent to the opinion of value. The accompanying report contains the result of our investigation and analysis.

In our opinion, the "As Is" Market Value of the fee simple interest in the subject property described above as of March 31, 2014 is:

Twenty Thousand Dollars
\$20,000

We trust this report satisfies the conditions of your request. Please call on us if any item is not clear or if further explanation of any point in this report would be helpful.

This restricted appraisal report complies with the Uniform Standards of Professional Appraisal Practice, as promulgated by the Appraisal Standards Board of the Appraisal Foundation and comply with Standards of Professional Practice and Code of Ethics of the Appraisal Institute, as well as all reporting requirements of the client, Guerra Brothers Partnership. This appraisal report meets the requirements set forth under Standards Rule 2-2 (b) of the Uniform Standards of Professional Practice for a Restricted Appraisal Report.

This letter is intended to transmit the attached appraisal report which sets forth the identification of the property, the assumptions and limiting conditions, pertinent facts with reference to the area and the subject property, comparable data, the results of the investigations and analysis, and the reasoning to the conclusions of set forth.

Thank you for the confidence placed in us by virtue of this assignment and for the opportunity of providing our appraisal services to you.

Sincerely,

A handwritten signature in blue ink, appearing to read "GJS", with a stylized flourish.

George Jaime Salazar II
Certified Appraiser

George J. Salazar II, State Certified General Real Estate Appraiser

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EXECUTIVE SUMMARY

Type Property: Vacant Parcel of Land

Location: FM 1017 West of US Highway 281, Linn/San Manuel, Hidalgo County, Texas.

Legal Description: Being a 1.0 acre tract of land lying in and being part of Tract 84, San Salvador Del Tule Grant, Hidalgo County, Texas as per map recorded in Volume 10, Pages 58-60, Hidalgo County Map Records.

Interest Appraised: The interest of the appraised real property is that of a Fee Simple absolute interest. An absolute Fee Simple interest is without limitations to any particular class of heirs or restrictions, but subject to the limitations of police power, eminent domain, taxation and escheat. The Market Value fee estate of this report is additionally subject to:

- 1) Existing leases and rights of parties in possession.
- 2) Easements and reservations as may appear upon the recorded map and plat of the subdivision or otherwise of record.
- 3) Vertical interests to include prior reservations of oil, gas and/or other mineral interests.

Site: A 1.0 acre or 43,560 square feet. The property is rectangular in shape and has frontage along the north side of FM 1017. The property is accessible from FM 1017. Topography is generally level with drainage appearing adequate. The subject property is located in a rural area of Hidalgo County. Potable water, electricity and telephone service is available. Sanitary sewer is via septic system. All easements are considered typical and do not effect the property in a negative way.

Highest & Best Use: Being a 1.0 acre tract of land lying in and being part of Tract 84, San Salvador Del Tule Grant, Hidalgo County, Texas as per map recorded in Volume 10, Pages 58-60, Hidalgo County Map Records.

Environmental Hazards: None noted at the time of inspection.

Flood Zone: FEMA Flood Map Panel #480343-0125B "C" dated January 2, 1981

Zoning: The subject property is situated in a rural setting of northern Hidalgo County. The closest municipality which recognizes zoning is the City of Edinburg. Since the subject is outside the Edinburg City limits no municipal zoning is in place.

Improvement Discussion: None

Extraordinary Assumption: None

Hypothetical Condition: None

Marketing Status: The appraiser estimates a marketing time to be 12 months, with an exposure time of 12 months. This is considered typical marketing and exposure time therefore no discounting is deemed necessary.

Three Approaches to Value:

Cost Approach.....	Not Applicable
Sales Comparison Approach(land only).....	\$20,000
Per Unit Value.....	\$20,000 per acre
Income Approach.....	Not Applicable

Date of Inspection: March 31, 2014

Date of Appraisal Report: June 27, 2014

COMPETENCY PROVISION

The Competency Provision of the Uniform Standards of Professional Practice requires that the appraiser properly identify the appraisal problem to be addressed and have the knowledge and experience that will be required to complete the assignment competently. George Jaime Salazar II is State Certified General Real Estate Appraiser. He has been a professional in the real estate appraisal business since 2008. As such, he possesses the knowledge and experience to complete an appraisal of the type of property appraised in this report. Additionally, he has reviewed the subject area and has an understanding of the demographics, costs, sales, rentals, and data germane to the appraisal of real property in the Rio Grande Valley area. Reference may be made to the Qualifications of the Appraiser which is included in this report. References, in addition to those provided, are available upon request.

IDENTIFICATION OF THE PROPERTY

Location: FM 1017 West of US Highway 281, Linn/San Manuel, Hidalgo County, Texas.

Legal Description: Being a 1.0 acre tract of land lying in and being part of Tract 84, San Salvador Del Tule Grant, Hidalgo County, Texas as per map recorded in Volume 10, Pages 58-60, Hidalgo County Map Records.

History of the Property - The subject property is currently owned by Guerra Brothers Partnership and has been for an excess of three years.

Contract & Listing Information-The subject property has not been offered for sale as per the Greater McAllen Association of Realtors multiple listing service and current land owner.

Assessment & Tax Data- The subject site is identified by Account# D3200-00-084-0000-08 by the Hidalgo County Appraisal District. The Subject has an assessed market value of \$9,020 for the 2014 year. Taxing entities and rates are as presented in the appraisal district worksheet.