



HIDALGO COUNTY PRECINCT 2



Eduardo "Eddie" Cantu
COUNTY COMMISSIONER

MEMO

TO: Commissioner's Court

FROM: Jaime Salinas,
Hidalgo County Right of Way Department

TE: June 8, 2017

RE: Hidalgo County Precinct No.2 Las Milpas Bridge Replacement Project (Parcel # 2
part 1 and 2
(RGV Morin Children LLC) Counter-offer approval request

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

Appraised Value: \$ 2,548.00

Settlement Request: \$ 3,995.00

Difference to Landowner \$ 1,447.00

Commissioners Court Executive Session June 13, 2017

Approved; _____

Not Approved; _____

From: RGV Morin Children LLC
c/o Dorothy Jean Malcom
7709 N. 1st Street
McAllen, Texas 78504

To: Hidalgo County Precinct 2
Mr. Jaime Salinas, ROW Agent
300 W. Hall acres, Suite G
Pharr, Texas 78577

May 30, 2017

Dear Mr. Salinas:

Thank you for your correspondence of May 25, 2017 regarding Parcel 1 (Part 1 & 2) and Parcel 2 (Part 1 & 2) of the Las Milpas Bridge Replacement Project.

After reviewing the appraisal report and the offer letter we have prepared this request for administrative settlement.

The appraisal prepared for the County identifies three comparable sales ranging in size from 4.39 acres to 40 acres. Our property was appraised as a 40 acre tract.

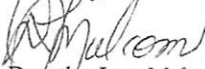
The market in this area is for smaller sized tracts. Almost everyone that calls is interested in 5 acre (or smaller) tracts. Comparable sales #2 and #3 are around 5 acres each and sold for \$34,169/acre and \$35,000/acre. Each of our parcels contains a part 1 and part 2 with the 2 parts divided by a drainage ditch. Our property is very similar to comparable sales #2 and #3 and could be sold in tracts like sales #2 and #3. Since the two parcels are divided into four separate tracts, it seems reasonable to value the property as 4 tracts similar in size to land sales #2 and #3. Our proposal for administrative settlement is based on the following amounts:

Parcel 1	Acres	\$/Acre	Amount
Part 1	0.0503	\$34,500	\$1,735
Part 2	0.0269	\$34,500	\$928
Total	0.0503	\$34,500	\$2,663

Parcel 2	Acres	\$/Acre	Amount
Part 1	0.0545	\$34,500	\$1,880
Part 2	0.0613	\$34,500	\$2,115
Total	0.1158	\$34,500	\$3,995

Thank you for your help, I look forward to hearing from you soon.

Sincerely,



Dorothy Jean Malcom
President, RGV Morin Children LLC
Cell 956 369-0371

REAL ESTATE APPRAISAL REPORT - TEXAS DEPARTMENT OF TRANSPORTATION

Address of Property: South side of Las Milpas Road, in-between Tower Road and Alamo Road, south of Alamo, Texas
 District: 21
 Property Owner: RGV Morin Children LLC c/o Dorothy Jean Malcon
 Parcel: 2 Part 1 & 2
 Address of Property Owner: 104 Xanthisma Avenue, McAllen, Texas 78504
 ROW CSJ: 0921-02-252
 Occupant's Name: Vacant Tract
 Federal Project No:
 Whole: Partial: Acquisition
 Highway: Las Milpas Road 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 \$2,548 as of May 24, 2017, based upon my independent appraisal and the exercise of my professional judgment;

That on May 24, 2017 (date)(s), I personally inspected in the field the property herein appraised; that I afforded RGV Morin Children LLC c/o Dorothy Jean Malcon, the property owner or the representative of the property owner, the opportunity to accompany me at the time of the inspection;

That the comparables relied upon in making said appraisal were as represented by the photographs contained in the appraisal report and were inspected on May 22, 2017 (date)(s);

That I have not revealed and will not reveal the findings and results of such appraisal to anyone other than the proper officials of the Texas Department of Transportation, and/or their representatives, 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;

That 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;

That 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;

That 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;

That 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 for which such property is to be acquired, or by the likelihood that the property would be acquired for such 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
General Real Estate Appraiser (TX 1328375 - General)
 Certification Number

May 24, 2017
 Date

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



Certification of Appraisal

I, Leonel Garza III, 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.

The employment and compensation of this appraiser in completing this appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

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 on-site and/or off-site visit of the property that is the subject of this report based on the permission granted at the time of inspection.

Thomas M. Davis, State Certified General Real Estate Appraiser, with Leonel Garza Jr. & Associates, LLC, provided significant professional assistance in the preparation of this report, not limited to a physical inspection, taking of photographs of the subject property and value analysis.

No one other than those mentioned within this certification provided significant real property appraisal assistance to the person(s) signing this 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 the Standards of Professional Appraisal Practice of the Appraisal Institute.

I certify that the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. I also acknowledge that Leonel Garza III is an Associate Member of the Appraisal Institute and is not an MAI Designated Appraiser. However, he is currently seeking designation.

The employment and compensation of this appraiser in completing this appraisal assignment was not based on a requested minimum valuation, i.e., a specific valuation. This report was not prepared under the standards required by financial institutions for purposes of applying for a loan.

This appraisal has been completed with the extraordinary assumption that any and all access denial issues are clearly stated within the scope of this assignment and have been included within the surveys and field notes provided by client. The Texas Department of Transportation can control access in the future by way of permit at the time of redevelopment or re-subdivision of the subject property and/or by way of the Access Management Policy enacted by the State of Texas. This assignment was completed in accordance with Section 21.042(d) of the Texas Property Code, as amended by SB 18 of the Texas 82nd Regular Legislative Session as follows:

(d) "In estimating injury or benefit under Subsection (c), the special commissioners shall consider an injury or benefit that is peculiar to the property owner and that relates to the property owner's ownership, use, or enjoyment of the particular parcel of real property, including a material impairment of direct access on or off the remaining property that affects the market value of the remaining property, but they may not consider an injury or benefit that the property owner experiences in common with the general community, including circuitry of travel and diversion of traffic. In this subsection, "direct access" means ingress and egress on or off a public road, street, or highway at a location where the remaining property adjoins that road, street, or highway."

I have performed no other appraisal services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within a three-year period immediately preceding acceptance of this assignment.



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

Assumptions and Limiting Conditions

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 for 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 lines 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 and 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 the 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.

Any allocation of the total value 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.

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.

No 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. Possession of this report, or a copy thereof, does not carry with it the right of publication.

Marketing Time: Begins with the date of value estimate and the exposure time indicated.

Exposure to the Open Market: Listing the property on the market for sale with a Realtor, member of the Multiple Listing Service, or a licensed Real Estate Broker, that will properly expose the property to the Market. This appraiser does not consider a sign placed by a bank on the property as proper marketing. If the property is presently listed for sale on the market, this appraiser must be notified prior to the completion of the appraisal.

Exposure Time: 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.

Jurisdictional Exception

Jurisdictional Exception is defined in the Uniform Standards of Professional Appraisal Practice (2014-2015 Edition) as an assignment condition established by applicable law or regulation which precludes an appraiser from complying with a part of USPAP. Project impact/influence is disregarded in the appraisal of the subject whole property. This is a departure from Standards Rule 1-4(f), which states that "when analyzing anticipated public or private improvements, located on or off the site, an appraiser must analyze the effect on value, if any, of such improvements to the extent they are reflected in market actions." (U-20, Lines 618-620). This report has been prepared in such a manner that any market influences projected by the proposed development shall not be taken into consideration.

Client for Appraisal

The client for this report is Hidalgo County Precinct No. 2, located at 300 West Hall Acres, Suite G, Pharr, Texas 78577. Jaime Salinas is the project manager and can be contacted at (956) 787-1891.

Intended Use and User

The appraisal report is intended for use solely by Hidalgo County Precinct No. 2, the City of Edinburg and others involved in the project. The purpose of this report is to provide a current market value of the part to be acquired so that Hidalgo County Precinct No. 2 can begin negotiations for the purchase of the subject property, in part or as a whole, as described by the survey provided. The report, in part or as a whole, is to be used solely for the acquisition of said property in the name of Hidalgo County Precinct No. 2. The acquisition of the subject property (whole or part) shall be utilized for the expansion and extension of Las Milpas Road. The project limits begin and end at the east and west side of the canal bridge on Las Milpas Road in-between Alamo Road and Tower Road. This report is not intended for any other use, unless specified by the client, Hidalgo County Precinct No. 2.

Scope of the Assignment

By contract and written authorization to proceed, Hidalgo County Precinct No. 2 requested that Garza & Associates prepare an appraisal report of the part to be acquired for the proposed right-of-way project. The subject property shall be valued in the fee simple estate in its present condition. The scope of the assignment makes the extraordinary assumption that the subject property is free from contamination and/or other environmental conditions, which would affect the overall market value. In addition, the subject property shall be valued with the Jurisdictional Exception that the subject property shall be valued without project influence. The owner-of-record shall be contacted by letter affording the right to be present on-site with the appraiser at the time of on-site visit. In the event that confirmation cannot be made with the owner-of-record, the appraiser is to proceed from an existing public road right-of-way. During the appraisal process, other sales in the area shall be analyzed for comparability and reliability in determining the market value of the subject property. Any site or building improvements located within the acquisition area shall be measured and photographed. These improvements shall be itemized for purposes of compensation and/or cost to cure (if any). The report shall establish the market value of the whole, part to be acquired, and the remainder before and after the acquisition. The appraiser shall also review the remainder before and after to determine if there is any diminution of market value. This report shall be prepared and conform with the Texas Department of Transportation ROW A-5 Form Rev. 08/2011.

Property Rights

The property rights being appraised in this report consist of the fee simple estate of the subject property. Fee simple is defined as:

"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."

Market Value

The following is the basis for which the determination of market value is established for the subject property. In addition, these factors are used for the selection of comparables in the Direct Sales Analysis.

"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."

City of Austin v. Cannizzo, 267 S.W. 2d 808 (Tex 1954)

Exposure & Marketing 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, there is a twelve (12) to eighteen (18) month exposure time and marketing time period for the subject property. This was estimated based on current and past listings located within the market area, which were reviewed during the sales search for comparables similar to the subject property. However, it is noted that the subject properties may not have active utilities available to the site, which may extend the overall exposure and marketing time period.

Personal Property

Pursuant to the 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. Any and all personal property and/or realty located within the existing road right-of-way shall be deemed non-compensable. In the event the selected items are determined to be compensable, they shall be included within the cost approach section of this report.

Extraordinary Assumptions & Hypothetical Conditions

- 1. The subject property is owned in fee simple and shall be appraised as such. Any fractional interest involved in the subject property shall not be analyzed as dictated by the scope of the assignment for purposes of determining market value.*
- 2. It is assumed that the subject property owner can obtain a building permit upon completion or extension of utilities within the subdivision.*
- 3. The subject property as a larger unit consists of approximately 135.0 acres; however, a smaller economic unit of 40.0 acres was utilized for the subject property.*

Accessibility To Site

The owner-of-record was sent a certified letter asking for permission to enter the subject property to measure and photograph the subject property. The property owner shall always reserve the right to contact the office of Leonel Garza Jr. & Associates LLC, at (956) 687-7295 or leonel3@garza-associates.com, after the date of inspection for an additional on-site inspection in his/her presence with appraiser, Leonel Garza III.



Leonel Garza Jr. & Associates LLC
Real Estate Appraisal Services

December 5, 2016

County: Hidalgo
Highway: Las Milpas Road
From:
Parcel 1 & 2

RGV Morin Children LLC
c/o Dorothy Jean Malcon
104 Xanthisma Avenue
McAllen, Texas 78504

To Whom It May Concern:

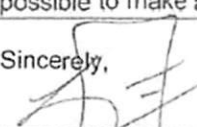
Garza & Associates LLC has been contracted by Hidalgo County Precinct No. 2, to appraise your property along Las Milpas Road. The purpose of this appraisal is to determine the market value of the part to be acquired required for the road expansion project. This road project has been developed by the Texas Department of Transportation and Hidalgo County Precinct No. 2.

I would like to extend the opportunity to meet with our appraisers on-site in order to explain the project and the purpose of the appraisal report. You may contact Garza & Associates at (956) 687-7295 for an office appointment to meet with me to discuss the project at our local office at 1419 Dove Avenue, McAllen, Texas. In the event access is not granted we will continue our inspection off-site along public right of way as per scope of the assignment.

We will be researching the market area for any and all real estate sales, and would appreciate any leads or information that would aid in the determination market value. If this letter does not pertain to you and or you have sold the property, please notify our office as soon as possible so that the proper owner can be notified of this project. If you have any questions you may contact us at (956) 687-7295 or email at leonel3@garza-associates.com.

With this letter I request permission to perform an on-site visit to measure and photograph the area to be acquired. This will include any site and or building improvements affected by the part to be acquired. If you have any objections or are willing to grant permission, please call the office of Leonel Garza Jr. and Associates LLC at (956) 687-7295 as soon as possible to make arrangements.

Sincerely,



Leonel Garza III
State Certified General Real Estate Appraiser
TX1328375-General

Cc: *Hidalgo County Precinct No. 2*
C/o: Jaime Salinas
300 West Hall Acres, Suite G
Pharr, Texas 78577
Office (956) 787-1891

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

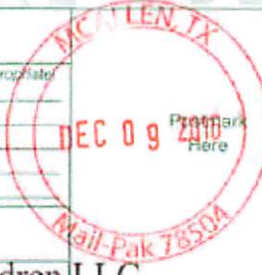
OFFICIAL USE

Certified Mail Fee

\$

Extra Services & Fees (check box, add fee as appropriate)

- Return Receipt (hardcopy) \$
- Return Receipt (electronic) \$
- Certified Mail Restricted Delivery \$
- Adult Signature Required \$
- Adult Signature Restricted Delivery \$



Postage

\$

Total Postage and Fees

\$

Sent To

RGV Morin Children LLC
 c/o Dorothy Jean Malcon

Street and Apt. No. (or PO Box No.)

104 Xanthisma Avenue

City, State, ZIP+4®

McAllen, Texas 78504

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

7015 1520 0002 5945 3753

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to
 RGV Morin Children LLC
 c/o Dorothy Jean Malcon
 104 Xanthisma Avenue
 McAllen, Texas 78504

Parcel No. 1 & 2
 Las Milpas Road Project



9590 9403 0941 5223 1169 08

2. Article Number (Transfer from service label)

7015 1520 0002 5945 3753

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X M Schweiden

Agent

Addressee

B. Received by (Printed Name)

M. J. Schweiden

C. Date of Delivery

12/13/16

D. Is delivery address different from item 1? Yes
 If YES, enter alternate address below: No



3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Mail Restricted Delivery

- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Return Receipt for Merchandise
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

AERIAL MAP WHOLE TRACT



www.googleearth.com

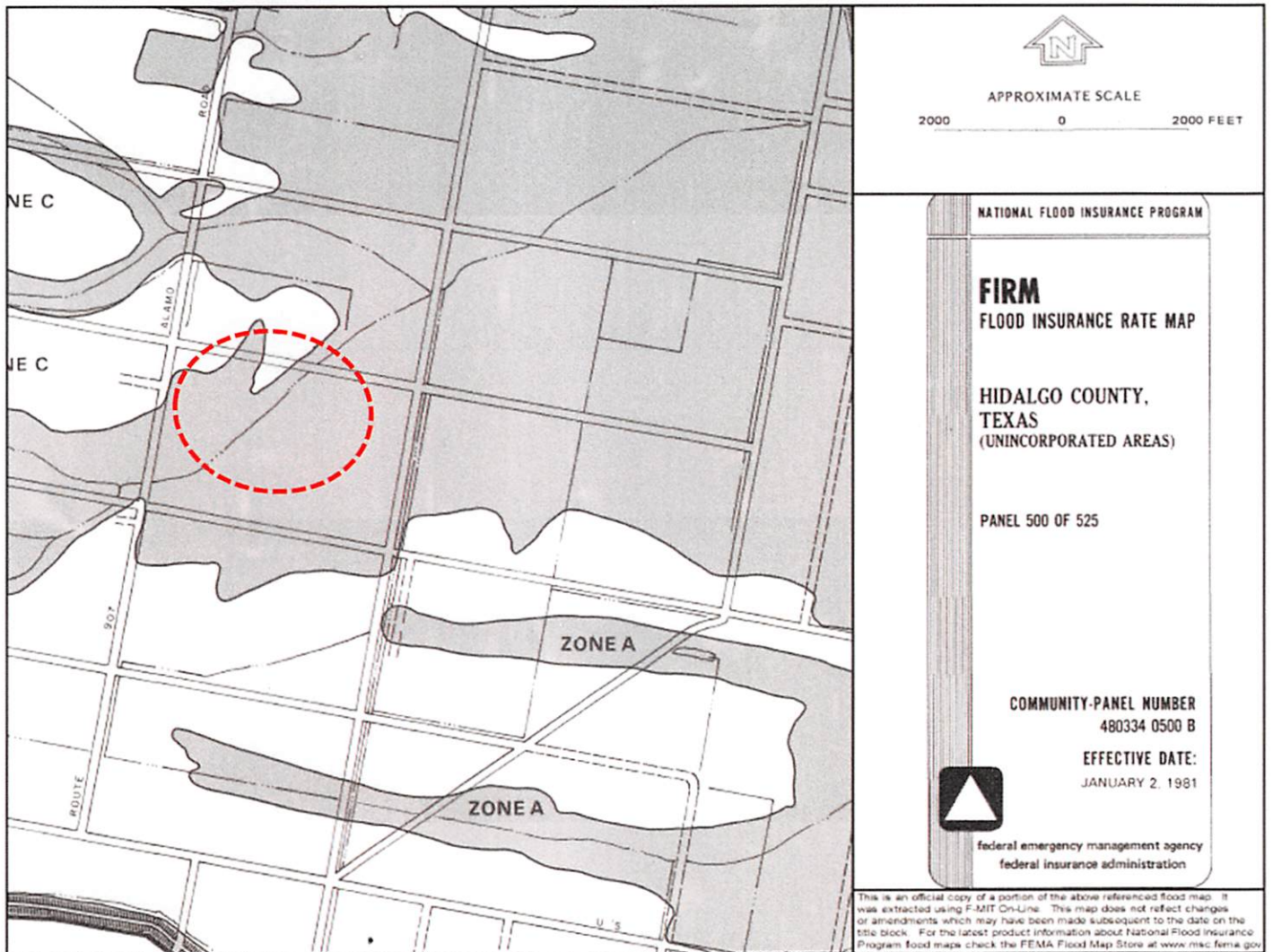
Available Utilities

According to the City of Alamo, the subject property is located outside of the city limits of Alamo, and has access to water provided by Military Highway Water Supply. Sanitary sewer service is not provided by Military Highway Water Supply; therefore, the subject property does not have access to sanitary sewer service.

Municipal Zoning

The property is located outside the city limits of Alamo, Texas, and Hidalgo County does not enforce any zoning ordinances; therefore, the subject property is not subject to zoning.

Flood Zone Designation



The subject property is located in Flood Zones A & C. Zone C is not designated as a Special Flood Hazard area, but Zone A is a Special Flood Hazard area. A flood hazard areas located on the Flood Insurance Rate Map is identified as a Special Flood Hazard Area (SFHA). SFHAs are defined as areas that will be inundated by any flood event having a 1-percent chance of being equaled or exceeded in any given year. The 1-percent annual chance flood is also referred to as the base flood or 100-year flood. SFHAs are labeled as Zone A, Zone AO, Zone AH, Zones A1-A30, Zone AE, Zone A99, Zone AR, Zone AR/AE, Zone AR/AO, Zone AR/A1-A30, Zone AR/A, Zone V, Zone VE, and Zones V1-V30. Moderate flood hazard areas, labeled Zone B or Zone X (shaded) are also shown on the FIRM, and are the areas between the limits of the base flood and the 0.2-percent-annual-chance (or 500-year) flood. The areas of minimal flood hazard, which are the areas outside the SFHA and higher than the elevation of the 0.2-percent-annual-chance flood, are labeled Zone C or Zone X (unshaded).

PHOTOGRAPHS OF SUBJECT PROPERTY

Parcel No. Parcel 2

Local Address: Northwest corner of Las Milpas Road and Tower Road, south of Alamo, Texas

Date Taken: May 24, 2017

Taken By: Leonel Garza Jr., & Associates

Point which taken: Photo 1: Las Milpas Road
Photo 2: Las Milpas Road

Looking: Photo 1: Eastern View
Photo 2: Eastern View



Photo 1
Eastern view of the proposed acquisition of Parcel 1, Part 1



Photo 2
Eastern view of the proposed acquisition of Parcel 1, Part 1

Point which taken: Photo 3: Las Milpas Road
Photo 4: Las Milpas Road

Looking: Photo 3: Southeastern View
Photo 4: Western View



Photo 3
Southeastern view of the proposed acquisition of Parcel 1, Part 2



Photo 4
Western view of the subject property of Parcel 1, Part 2

Whole Property

The subject property is vacant 40.0-acre agricultural tract of land located on the south side of Las Milpas Road in-between Tower Road and Alamo Road, south of Alamo, Texas. The subject property is legally described as Lot 1, Block 13 of Alamo Land and Sugar Company Subdivision. The subject property has approximately 1,985.0' lineal feet of frontage along the south side of Las Milpas Road. The subject property is not subject to municipal zoning and has access to potable water but not to sanitary sewer. Currently, the subject property is being utilized for agricultural row-crop farming.



Highest & Best Use

The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improvement property – specific with respect to the user and timing of the use – that is adequately supported and results in the highest present value.

“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.”

The Dictionary of Real Estate Appraisal. 5TH Edition Chicago: Appraisal Institute, 2010

Legally Permissible

The subject property is located south of Alamo, Texas, within the jurisdiction of Hidalgo County. Therefore, the subject property is not subject to any zoning ordinance, and any use would be considered legally permissible.

Physically Possible

The subject property is an interior, rectangular-shaped, 40.0-acre tract, which is located on the south side of Las Milpas Road in-between Tower Road and Alamo Road. Las Milpas Road is a caliche unpaved road. The subject property has access to water provided by Military Highway Water Supply; however, sanitary sewer service is not available. The subject property has sufficient size, adequate shape, access, and access to utilities, to be developed for residential or light industrial use.

Financially Feasible

Based on the surrounding uses and access to the subject property, an agricultural use is determined to be the most financially feasible use. This is based on Las Milpas Road being an unpaved roadway that cannot support heavy truck traffic or commercial traffic levels.

Maximally Productive

The subject property is currently being utilized for agricultural purposes, as of the date of appraisal. The overall site would be at its maximally productive state for continued agricultural purposes. This is based on Las Milpas Road being an unpaved roadway that cannot support heavy truck traffic or commercial traffic levels.

The overall highest and best use is confirmed to be for continued agricultural use. No other economic use is appropriate for the site.

Property Tax Assessment

The Hidalgo County Appraisal District is currently reviewing and re-assessing property values for Year 2017. As such, the assessed value may be subject to change for the 2017 tax year. Property tax protest typically begins on or about May 31st annually. The Hidalgo County Appraisal District provides general information about the District and the property tax system in Texas, as well as general information regarding properties assessed for taxes. This data source does not replace the use of a title search, but will inform the appraiser of the current owner-of-record. The Appraisal District will annually appraise properties according to the Texas Property Tax Code and the Uniform Standards of Professional Appraisal Practices (USPAP). Research concerning the derivation of the following assessed value was not conducted during the course of this appraisal and is used for data collection purposes only. The following information can be found at www.hidalgoad.org and/or the District office located at 4405 S. Professional Drive, Edinburg, Texas.

Property

Account

Property ID:	111313	Legal Description:	ALAMO LAND & SUGAR CO BLK 13, LT 1 & W1/2 LOT 2 55.81AC NET
Geographic ID:	A1800-00-013-0001-00	Agent Code:	ID:1004426
Type:	Real		
Property Use Code:			
Property Use Description:			

Location

Address:	LAS MILPAS TX	Mapsc0:	
Neighborhood:		Map ID:	
Neighborhood CD:			

Owner

Name:	RGV MORIN CHILDREN LLC	Owner ID:	953191
Mailing Address:	C/O DOROTHY JEAN MALCON 104 XANTHISMA AVE MCALLEN, TX 78504-2325	% Ownership:	100.0000000000%

Exemptions:

Values

(+) Improvement Homesite Value:	+	\$0	
(+) Improvement Non-Homesite Value:	+	\$0	
(+) Land Homesite Value:	+	\$0	
(+) Land Non-Homesite Value:	+	\$0	Ag / Timber Use Value
(+) Agricultural Market Valuation:	+	\$418,575	\$23,552
(+) Timber Market Valuation:	+	\$0	\$0
<hr/>			
(=) Market Value:	=	\$418,575	
(-) Ag or Timber Use Value Reduction:	-	\$395,023	
<hr/>			
(=) Appraised Value:	=	\$23,552	
(-) HS Cap:	-	\$0	
<hr/>			
(=) Assessed Value:	=	\$23,552	

Taxing Jurisdiction

Owner: RGV MORIN CHILDREN LLC
 % Ownership: 100.0000000000%
 Total Value: \$418,575

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax
CAD	APPRAISAL DISTRICT	0.000000	\$23,552	\$23,552	\$0.00
DR1	DRAINAGE DISTRICT #1	0.095100	\$23,552	\$23,552	\$22.40
FD4	EMS DIST #04	0.027200	\$23,552	\$23,552	\$6.41
GHD	HIDALGO COUNTY	0.590000	\$23,552	\$23,552	\$138.96
HCTR2	COUNTY - TRANSPORTATION REINVESTMENT ZONE #2	0.000000	\$23,552	\$23,552	\$0.00
JCC	SOUTH TEXAS COLLEGE	0.185000	\$23,552	\$23,552	\$43.57
R14	ROAD DIST 14	0.000000	\$23,552	\$23,552	\$0.00

SHD	HIDALGO ISD	1.490000	\$23,552	\$23,552	\$350.92
SST	SOUTH TEXAS SCHOOL	0.049200	\$23,552	\$23,552	\$11.59
Total Tax Rate:		2.436500			
				Taxes w/Current Exemptions:	\$573.85
				Taxes w/o Exemptions:	\$573.84

Improvement / Building

No improvements exist for this property.

Land

#	Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
1	H	1WETFARM	55.8100	2431083.60	0.00	0.00	\$418,575	\$23,552

Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2017	\$0	\$418,575	23,552	23,552	\$0	\$23,552
2016	\$0	\$418,575	24,947	24,947	\$0	\$24,947
2015	\$0	\$159,059	25,952	25,952	\$0	\$25,952
2014	\$0	\$159,059	24,947	24,947	\$0	\$24,947

Deed History - (Last 3 Deed Transactions)

#	Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Deed Number
1	1/27/2011	SWD	SPEC. W/D	MORIN JUDITH A ET AL	RGV MORIN CHILDREN LLC			2174104
2	1/27/2011	SWD	SPEC. W/D	MORIN JULIANN TRST	MORIN JUDITH A ET AL			2174101
3	6/25/1996	CONV	CONVERSION	MORIN JULIANN D	MORIN JULIANN TRST			533182

www.hidalgoad.org

PROPERTY VALUATION SUMMARY

Whole: Part to be Acquired: Remainder After:

HIGHEST AND BEST USE ANALYSIS:

The highest and best use of the subject property is for agricultural use. This classification shall be utilized for the determination of value for the whole property.

VALUATION APPROACHES

Cost Approach \$ Not Applicable
 Sales Comparison Approach..... \$ 880,000
 Income Approach..... \$ Not Applicable

RECONCILIATION OF APPROACHES TO VALUE

Since the subject property is a vacant tract with no contributory improvements, the Sales Comparison Approach "as vacant" is the only reliable method to value the whole property.

Contributory Value of Improvements	
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
Total Contributory Value of Improvements	\$ -

Land Value	40.00 Acres @ \$ 22,000 / Acre	\$ 880,000
Total Land Value		<u>\$ 880,000</u>
Reconciled Final Value		\$ 880,000

Each approach developed follows this page and is sequenced as shown below.

Land Value,
pg 3.1

Cost Approach,
pg 3.7

Sales Comparison Approach,
pg 3.8

Income Approach,
pg 3.9

COMPARABLE DATA SUPPLEMENT

District: 21 Parcel No.: 2 Highway: Las Milpas Road
 County: Hidalgo ROW CSJ: 0921-02-252

Land Sale

Improved Sale

Rental Data



Grantor/Lessor: German Zuniga, Jr. & Diana Zuniga Grantee/Lessee: Marcos Perez Almaguer & Norma Perez
 Date: February 11, 2015 Recording Information: Deed No. 2587254 Key Map: Lon: W-98.160526
 Lat: N26.111961
 Address: 5402 E. Las Milpas Road, Pharr, TX Zip Code: 78577
 Legal Description: A 5.00 acre tract of land, more or less, being the South 660.00 feet of the West 330.00 feet of the East 370.00 feet of Lot 54, STEWARTS ADDITION TO THE CONWAY GARDENS, Hidalgo County, Texas according to map thereof recorded in Volume 0, Page 43. Map Records of Hidalgo County, Texas.
 Confirmed Price: \$175,000 Verified with: MLS No. A179679S
 Terms and Conditions of Sale: Cash To Seller
 Rental Data: N/A
 Land Size: 5.000 Acres/ 217,800 Sq. Ft. Unit Price as Vacant: \$35,000 / Acre
 Type Street: Asphalt Paved Utilities: Water / No Sewer
 Improvement(s) Description: N/A
 Improvement(s) Size: N/A (GBA): N/A (NRA): N/A Unit Price as Improved \$: N/A
 Condition and Functional Design: N/A
 Current Use: Highest & Best Use: Res. / Light Industrial
 Date of Inspection: May 22, 2017 Zoning: N/A Flood Plain:

Attach additional information as necessary.

Appraiser: Leonel Garza III

May 24, 2017
Date

COMPARABLE DATA SUPPLEMENT

District: 21 Parcel No.: 2 Highway: Las Milpas Road
 County: Hidalgo ROW CSJ: 0921-02-252

Land Sale

Improved Sale

Rental Data



Grantor/Lessor: German Zuniga, a single man Grantee/Lessee: German Xavier Gonzalez, a single man
 Date: January 05, 2015 Recording Information: Deed No. 2579131 Key Map: Lon: W-98.162258
 Lat: N26.111935
 Address: 5406 E Las Milpas Road, Hidalgo, TX Zip Code: 78577
 Legal Description: A 4.39 acre tract of land being the South 660.00 feet of the West 950.00 feet of Lot 54, Stewart's Addition to Conway Gardens Subdivision as recorded in volume 0, page 43, map records, Hidalgo County, Texas, also being a portion of that certain described in Correction Gift Deed recorded in Instrument #891127, Official Records, Hidalgo County Texas.
 Confirmed Price: \$150,000 Verified with: MLS No. A179676S
 Terms and Conditions of Sale: Cash To Seller
 Rental Data: N/A
 Land Size: 4.390 Acres/ 191,228 Sq. Ft. Unit Price as Vacant: \$34,169 / Acre
 Type Street: Asphalt Paved Utilities: Water / No Sewer
 Improvement(s) Description: N/A Unit Price as Improved \$: N/A
 Improvement(s) Size: N/A (GBA): N/A (NRA): N/A
 Condition and Functional Design: N/A
 Current Use: Vacant Highest & Best Use: Res. / Light Industrial
 Date of Inspection: May 22, 2017 Zoning: N/A Flood Plain:

Attach additional information as necessary.

Appraiser: Leonel Garza III

May 24, 2017
Date

Explanation of Adjustments with Reconciliation:

The sales comparison approach utilizes three (3) sales with similar highest and best uses as the subject property. Each of these sales was gathered through various sources, including but not limited to, the Greater McAllen Multiple Listing Service, local Realtors & Brokers, Real Estate Appraisers, and conversations with various property owners in the surrounding market area. Each sale was confirmed with at least two sources, which include the Hidalgo County Deed Records and the Hidalgo County Appraisal District. The sites associated with these were visited to determine the true comparability toward the subject property. They were reviewed for items recognized by the market that affect market value, including but not limited to, conditions of the sale, market conditions, relative location, physical characteristics, and available utilities. These and other factors that are recognized for arms-length transactions are examined and may require adjustments for any differences found in comparison to the subject property. After adjustments were made to each sale, an adjusted unit range of value of \$21,000 per acre to \$22,269 per acre was determined. Based on the surrounding market and the limited utilities, a unit rate near the mid-range of the adjusted range was selected, i.e., \$22,000 per acre.

LOCATION MAP OF SALES



COST APPROACH

Whole:

Part to be Acquired:

Remainder After:

ESTIMATED REPLACEMENT / REPRODUCTION COST					
IMPROVEMENT	Number of Units	\$ Per Unit	Cost New	Depreciation	Value
		\$ -	\$ -	0%	\$ -
		\$ -	\$ -	0%	\$ -
Contributory Value of the Buildings					\$ -
Accessory Improvements					
		\$ -	\$ -	0%	\$ -
		\$ -	\$ -	0%	\$ -
Contributory Value of the Accessory Improvements					\$ -
Site Improvements					
		\$ -	\$ -	0%	\$ -
		\$ -	\$ -	0%	\$ -
		\$ -	\$ -	0%	\$ -
		\$ -	\$ -	0%	\$ -
		\$ -	\$ -	0%	\$ -
		\$ -	\$ -	0%	\$ -
Contributory Value of the Site Improvements					\$ -
Contributory Value of All Improvements					\$ -
	Net Land Area		Price / Unit		
Land Value (Fee)	40.00	SF	@	\$ 22,000 / SF	\$ 880,000
Estimated Value By Cost Approach					\$ 880,000

Furnish sources of cost data and support for depreciation factors (physical, functional, and economic. Use a separate page, numbered accordingly, as necessary):

SALES COMPARISON APPROACH

Whole: Part to be Acquired: Remainder After:
 Land: Improved:

VALUATION GRID

REPRESENTATIVE COMPARABLE SALES

Subject	Comp. Sale No. 1		Comp. Sale No. 2		Comp. Sale No. 3	
Grantor						
Grantee						
Date of Sale						
Unit Price	/sf	\$ - /sf	/sf	\$ - /sf	/sf	\$ - /sf
Relative Location		0%		0%		0%
Lot Location		0%		0%		0%
Financing		0%		0%		0%
Conditions of Sale		0%		0%		0%
Market Conditions		0%		0%		0%
Physical Characteristics		0%		0%		0%
Available Utilities		0%		0%		0%
Street Access		0%		0%		0%
Size of Improvement	square feet	- square feet	0%	- square feet	0%	- square feet
Net Adjustments		0%		0%		0%
Indicated Unit Value	\$ - /sf		\$ - /sf		\$ - /sf	
Estimated Unit Value of Fee Simple Area					\$ - /sf	

Estimated Value by Sales Comparison Approach _____ N/A

INCOME APPROACH

Whole:

Part to be Acquired:

Remainder After:

Potential Gross Income	.....			\$	-
Vacancy	%			\$	-
Effective Gross Income	.....			\$	-
Expenses				\$	-
Fixed: Taxes.....		\$	-	\$	-
Insurance.....		\$	-	\$	-
Variable: Management.....		\$	-	\$	-
Other		\$	-	\$	-
		\$	-	\$	-
		\$	-	\$	-
Total Expenses	.....			\$	-
Net Operating Income	.....			\$	-
Income Capitalized @		%	.....	\$	-
Plus: Value of Excess Land (If Any)			.....	\$	-
			\$	-
Estimated Value By Income Approach	.....				Not Applicable

PROPERTY VALUATION SUMMARY

Whole: Part to be Acquired: Remainder After:

HIGHEST AND BEST USE ANALYSIS:

The highest and best use of the subject property is for agricultural use. This shall be utilized for the determination of value for the part to be acquired.

VALUATION APPROACHES

Cost Approach \$ Not Applicable
 Sales Comparison Approach..... \$ 2,548
 Income Approach..... \$ Not Applicable

RECONCILIATION OF APPROACHES TO VALUE

Since the subject property is a vacant tract with no contributory improvements, the Sales Comparison Approach "as vacant" is the only reliable method to value the pro-rata part of the whole.

Contributory Value of Improvements	
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
Total Contributory Value of Improvements	\$ -

Land Value	0.1158 Acres @ \$ 22,000 / Acre	\$ 2,548
Total Land Value		\$ 2,548
Reconciled Final Value		\$ 2,548

EXHIBIT "A"

County: Hidalgo
Highway: Las Milpas Road
CSJ: 0921-02-252

Parcel 2
Property Description

BEING a 0.1158 of an acre (5,045 square feet) parcel of land situated in the Benigno Leal Survey, Abstract No. 18, Hidalgo County, Texas, and being a portion of Lot 1, Block 13 of Alamo Land and Sugar Company Subdivision, as recorded in Volume 1, Page 24, Map Records of Hidalgo County, Texas, and being a portion of Tract 5 as described in deed to RGV Morin Children LLC, recorded in Document Number 2011-2174104, Deed Records Hidalgo County, Texas (D.R.H.C.T.), said 0.1158 of an acre being more particularly described by metes and bounds in two (2) parts as follows:

Part One – 0.0545 of an acre (2,373 square feet)

COMMENCING at a PK nail found at the common corner of Lot 1, Block 12, Lot 2, Block 12, Lot 15, Block 16 and Lot 16, Block 16 of said Alamo Land and Sugar Company Subdivision, said point being in the approximate center of Las Milpas Road;

THENCE, South 81 degrees 25 minutes 55 seconds East along the common north line of Block 12 and the south line of Block 16 of said Alamo Land and Sugar Company Subdivision and continuing along the common north line of Block 13 and the south line of Block 17 of said Alamo Land and Sugar Company Subdivision, a distance of 4,678.41 feet to a point for corner;

THENCE, South 08 degrees 16 minutes 25 seconds West departing the common north line of Block 13 and the south line of Block 17 of the Alamo Land and Sugar Company Subdivision, a distance of 20.00 feet to a 5/8 inch iron rod set with a yellow plastic cap stamped "Huitt-Zollars" on the existing south right-of-way line of Las Milpas, and being the POINT OF BEGINNING at Station 16+30.00, 14.49 feet right and having a surface coordinate of N=16,564,046.41' and E=1,105,642.10';

- 1) THENCE, South 81 degrees 25 minutes 55 seconds East along the existing south right-of-way line of Las Milpas Road, a distance of 103.95 feet to a 5/8 inch iron rod set with a yellow plastic cap stamped "Huitt-Zollars" on the westerly line of a 200.0 foot wide easement to Hidalgo County Drainage District No. 1, South Lateral Drain Parcel 4, Tract 5, as recorded in Volume 1977, Page 7781, D.R.H.C.T.;
- 2) THENCE, South 47 degrees 05 minutes 46 seconds West departing the existing south right-of-way line of Las Milpas Road along the westerly line of said 200.0 foot wide Hidalgo County Drainage District No. 1 easement and the proposed south right-of-way

line of Las Milpas Road, a distance of 32.05 feet to a 5/8 inch iron rod set with a yellow plastic cap stamped "Huitt-Zollars" at an angle point;

- 3) THENCE, North 81 degrees 43 minutes 35 seconds West departing the westerly line of said 200.0 foot wide Hidalgo County Drainage District No. 1 easement along the proposed south right-of-way line of Las Milpas Road, a distance of 83.86 feet to a 5/8 inch iron rod set with a yellow plastic cap stamped "Huitt-Zollars" at an angle point;
- 4) THENCE, North 08 degrees 16 minutes 25 seconds East continuing along the proposed south right-of-way line of Las Milpas Road, a distance of 25.51 feet to the POINT OF BEGINNING and containing 0.0545 acres (2,373 square feet) of land, more or less.

Part Two – 0.0613 of an acre (2,672 square feet)

COMMENCING at a PK nail found at the common corner of Lot 1, Block 12, Lot 2, Block 12, Lot 15, Block 16 and Lot 16, Block 16 of said Alamo Land and Sugar Company Subdivision, said point being in the approximate center of Las Milpas Road;

THENCE, South 81 degrees 25 minutes 55 seconds East along the common north line of Block 12 and the south line of Block 16 of the Alamo Land and Sugar Company Subdivision and continuing along the common north line of Block 13 and the south line of Block 17 of the Alamo Land and Sugar Company Subdivision, a distance of 5,098.41 feet to a point for corner;

THENCE, South 08 degrees 16 minutes 25 seconds West departing the common north line of Block 13 and the south line of Block 17 of the Alamo Land and Sugar Company Subdivision, a distance of 20.00 feet to a 5/8 inch iron rod set with a yellow plastic cap stamped "Huitt-Zollars" on the existing south right-of-way line of Las Milpas Road and being on the proposed south right-of-way line of Las Milpas Road, and being the POINT OF BEGINNING at Station 20+50.00, 16.65 feet right and having a surface coordinate of N=16,563,983.84' and E=-1,106,057.42';

- 1) THENCE, South 08 degrees 16 minutes 25 seconds West departing the existing south right-of-way line of Las Milpas Road along the proposed south right-of-way line of Las Milpas Road, a distance of 23.35 feet to a 5/8 inch iron rod set with a yellow plastic cap stamped "Huitt-Zollars";
- 2) THENCE, North 81 degrees 43 minutes 35 seconds West continuing along the proposed south right-of-way line of Las Milpas Road, a distance of 114.94 feet to a 5/8 inch iron rod set with a yellow plastic cap stamped "Huitt-Zollars" on the easterly line of a 200.0 foot wide easement to Hidalgo County Drainage District No. 1, South Lateral Drain Parcel 4, Tract 5, as recorded in Volume 1977, Page 7781, D.R.H.C.T.;
- 3) THENCE, North 17 degrees 12 minutes 35 seconds East, continuing along the proposed south right-of-way line of Las Milpas Road and easterly line of said 200.0 foot wide

Hidalgo County Drainage District No. 1 easement, a distance of 24.21 feet to a 5/8 inch iron rod set with a yellow plastic cap stamped "Huitt-Zollars" on the existing south right-of-way line of Las Milpas Road;

- 4) THENCE, South 81 degrees 25 minutes 55 seconds East departing the proposed south right-of-way line of Las Milpas Road and easterly line of said 200.0 foot wide Hidalgo County Drainage District No. 1 easement along the existing south right-of-way line of Las Milpas Road, a distance of 111.18 feet to the POINT OF BEGINNING and containing 0.0613 acres (2,672 square feet) of land, more or less.

Parcel One – Part One – 0.0545 acres (2,373 sq. ft.)

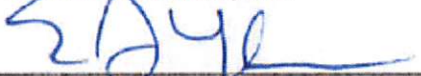
Parcel One – Part Two – 0.0613 acres (2,672 sq. ft.)

Parcel One Total – 0.1158 acres (5,045 sq. ft.)

The Basis of Bearings and coordinate values for this survey is the Texas State Plane Coordinate System, South Zone (4205) based on the Texas Department of Transportation's RTK GPS network. Coordinate values shown are State Plane adjusted to surface using a factor of 0.99998460854.

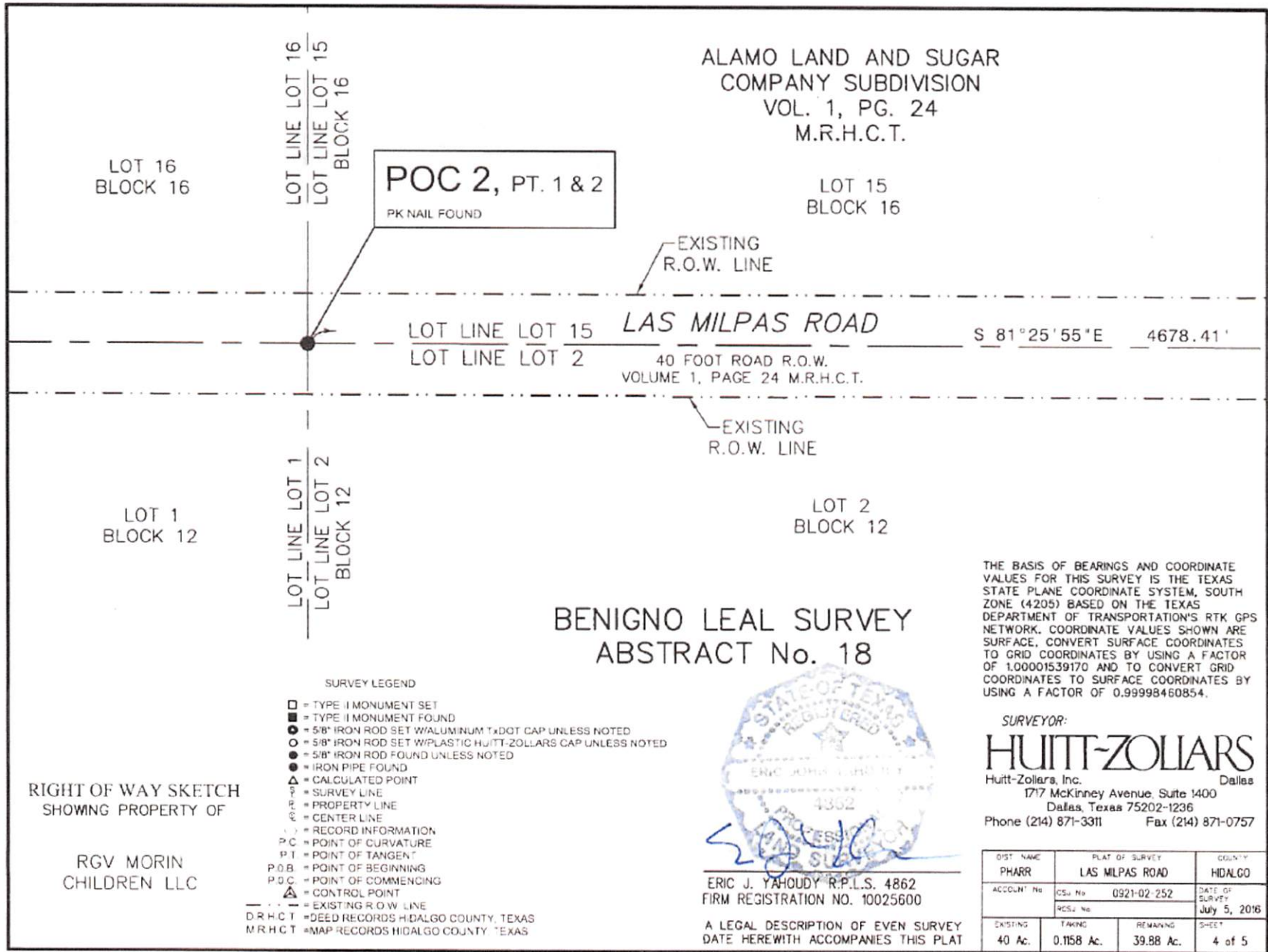
A survey exhibit map of even date herewith accompanies this description.

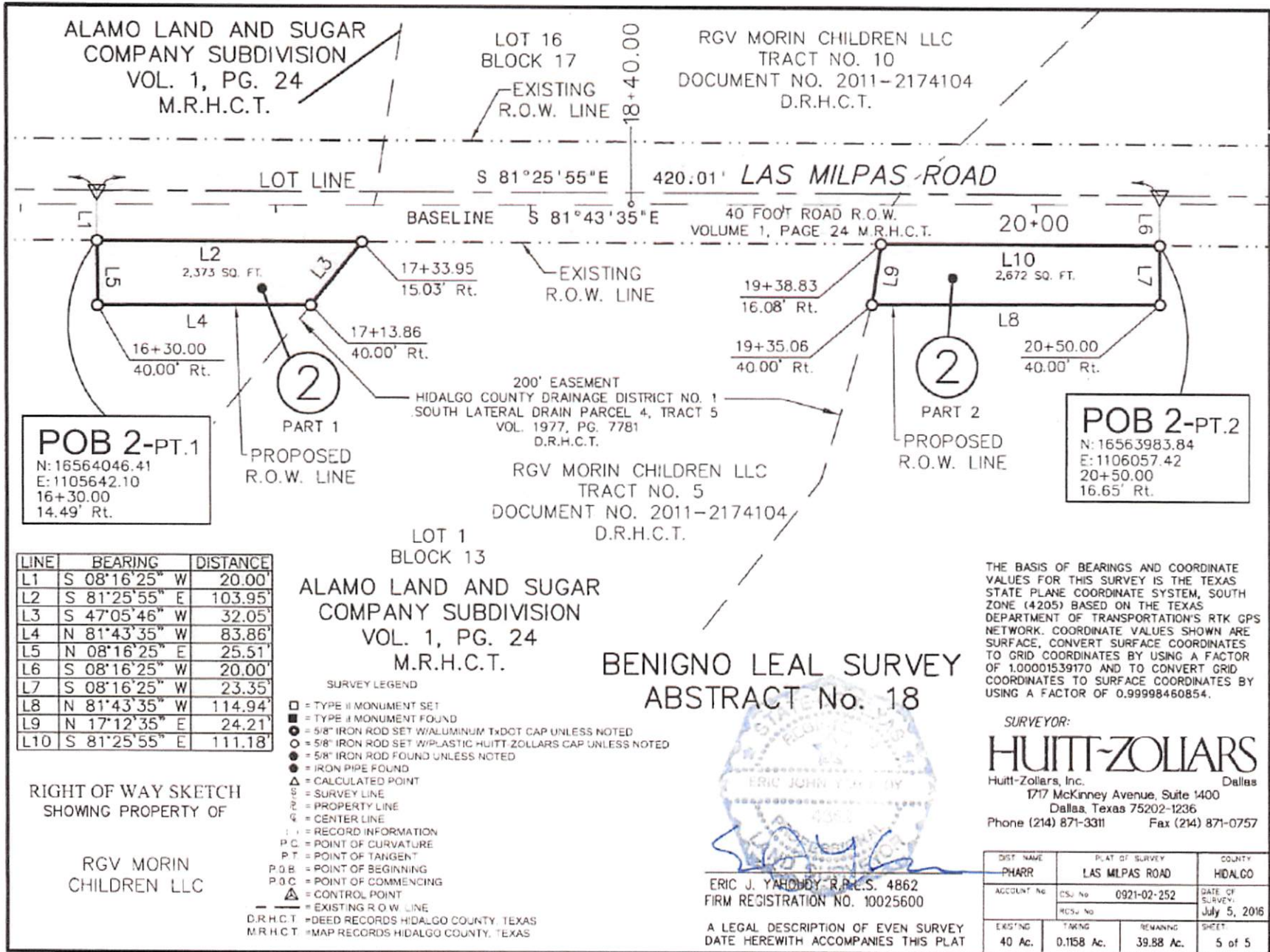
For: Huitt-Zollars, Inc



Eric J. Yahoudy
Registered Professional Land Surveyor
Texas Registration No. 4862
Huitt-Zollars, Inc.
Firm Registration No. 10025600
1717 McKinney Avenue
Suite 1400
Dallas, Texas 75202-1236
Ph. (214) 871-3311
Date: July 5, 2016







THE BASIS OF BEARINGS AND COORDINATE VALUES FOR THIS SURVEY IS THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH ZONE (4205) BASED ON THE TEXAS DEPARTMENT OF TRANSPORTATION'S RTK GPS NETWORK. COORDINATE VALUES SHOWN ARE SURFACE, CONVERT SURFACE COORDINATES TO GRID COORDINATES BY USING A FACTOR OF 1.00001539170 AND TO CONVERT GRID COORDINATES TO SURFACE COORDINATES BY USING A FACTOR OF 0.99998460854.

SURVEYOR:
HUITT-ZOLLARS
Huitt-Zollars, Inc. Dallas
1717 McKinney Avenue, Suite 1400
Dallas, Texas 75202-1236
Phone (214) 871-3311 Fax (214) 871-0757

DIST NAME	PLAT OF SURVEY	COUNTY	
PHARR	LAS MILPAS ROAD	HIDALGO	
ACCOUNT No	0921-02-252	DATE OF SURVEY	
	RC34 No	July 5, 2016	
EXISTING	TAKING	REMAINING	SHEET
40 Ac.	0.1158 Ac.	39.88 Ac.	5 of 5

Part To Be Acquired

In order to determine the unit market value of the subject property as a whole, the Sales Comparison Approach "as vacant" is utilized to determine the subject land value. Once this is completed, the appraiser shall utilize the unit rate (value per square foot or per acre) for the determination of the pro-rata valuation. This determination of market value is based on the fee simple estate for the property with the current highest and best use. During the analysis of the unit rate, the appraiser has been instructed by jurisdictional exception to disregard any decreases or increases in the market value that are directly caused by the public improvement or its likelihood, prior to the date of valuation. This is applied to the determination of the value as a whole, part to be acquired and the remainder before acquisition. In the remainder after scenario, the determination of market value must consider the effect of the proposed acquisition on the remainder after, in order to determine if any damages (diminution in value) were incurred, as required by State Law.

The determination of market value of the part to be acquired is based on the comparability to other land sales within the market area, by utilizing the Sales Comparison Approach "as vacant". Upon the valuation of the part to be acquired, a valuation of the remainder before and after the acquisition shall be analyzed to determine the diminution in market value (if any). The following pages shall determine the market value of each segment, in order to determine the total compensation for the part to be acquired.

PART TO BE ACQUIRED

Highest and Best Use:

The highest and best use of the subject property is for agricultural use.

Contributory Value of Improvements			
		\$	-
		\$	-
		\$	-
		\$	-
		\$	-
		\$	-
Total Contributory Value of Improvements		\$	-
Land	0.1158 Acres @ \$ 22,000 / Square Foot	\$	2,548
Total Land		\$	2,548
TOTAL AS A UNIT		\$	2,548

REMAINDER BEFORE THE ACQUISITION

Contributory Value of Improvements			
		\$	-
		\$	-
		\$	-
		\$	-
		\$	-
		\$	-
Total Contributory Value of Improvements		\$	-
Land	39.8842 Acres @ \$ 22,000 / Square Foot	\$	877,452
Total Land		\$	877,452
TOTAL AS A UNIT		\$	877,452

PROPERTY VALUATION SUMMARY

Whole: Part to be Acquired: Remainder After:

HIGHEST AND BEST USE ANALYSIS:

The subject property is analyzed to determine if the acquisition area affects the highest and best use of the subject property in the remainder after. Based on the land area remaining, the highest and best use shall remain for an agricultural use, with no diminution to the market value of the remainder after the acquisition.

Valuation Approaches

Cost Approach \$ Not Applicable
 Sales Comparison Approach..... \$ 877,452
 Income Approach..... \$ Not Applicable

Reconciliation of Approach to Value:

Since the subject property is a vacant tract with no contributory improvements, the Sales Comparison Approach "as vacant" is the only reliable method to value the pro-rata part of the whole.

Contributory Value of Improvements	
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
Total Contributory Value of Improvements	\$ -

Land Value	39.8842 Acres	@ \$ 22,000 / Acre	\$ 877,452
Total Land Value			<u>\$ 877,452</u>
Reconciled Final Value			\$ 877,452

Remainder After Acquisition

The remainder after shall be left with a section of land that shall have sufficient size and shape for continued agricultural use. Based on the land area remaining, the highest and best use shall remain for an agricultural use, with no diminution to the market value of the remainder after the acquisition.



SALES COMPARISON APPROACH

Whole: Part to be Acquired: Remainder After:
 Land: Improved:

VALUATION GRID

REPRESENTATIVE COMPARABLE SALES

	Subject	Comp. No. 1	Comp. No. 2	Comp. No. 3
Grantor	Judith A. Morin	Agustin Garcia, joined herein proforma by my wife, Carolina Garcia	German Zuniga, Jr. & Diana Zuniga	German Zuniga
Grantee	RGV Morin Children LLC c/o Dorothy Jean Malcon	Comanche Asset Management LLC	Marcos Perez Almaguer & Norma Perez	German Xavier Gonzalez
Date	January 27, 2011	December 1, 2014	February 11, 2015	January 5, 2015
Sales Price	\$ -	\$ 1,000,000	\$ 175,000	\$ 150,000
Unit Price	\$ -	\$ 26,199 / SF	\$ 35,000 / SF	\$ 34,169 / SF
Conditions of Sale	Cash To Seller	Similar 0%	Similar 0%	Similar 0%
Market Conditions	Average	Similar 0%	Similar 0%	Similar 0%
Relative Location	Average	Superior -25%	Superior -25%	Superior -25%
Corner Influence	Corner	Corner 0%	Corner 0%	Interior 5%
Physical Characteristics	Average	Similar 0%	Similar 0%	Similar 0%
Topography	Level	Similar 0%	Similar 0%	Similar 0%
Available Utilities	Water / No Sewer	Similar 0%	Similar 0%	Similar 0%
Frontage	Las Milpas	Dicker Rd & Stewart Rd (limited frontage due to canal) 10%	Las Milpas Road 0%	Las Milpas Road 0%
Size of Tract	39.8842 SF	38.17 0%	5.00 -15%	4.39 -15%
	Net Adjustment	\$ (3,930) -15%	\$ (14,000) -40%	\$ (11,959) -35%
	Indicated Unit Value	\$ 22,269 / SF	\$ 21,000 / SF	\$ 22,210 / SF
Estimated Unit Value of Fee Simple Area				\$ 22,000 / SF

Estimated Value by Sales Comparison Approach _____ **\$ 877,452**

Diminution of Market Value _____ **0%**

Market Value Remainder After _____ **\$ 877,452**

Explanation of Adjustments with Reconciliation

The sales comparison approach utilizes three (3) sales with similar highest and best uses as the subject property. Each of these sales was gathered through various sources, including but not limited to, the Greater McAllen Multiple Listing Service, local Realtors & Brokers, Real Estate Appraisers, and conversations with various property owners in the surrounding market area. Each sale was confirmed with at least two sources, which include the Hidalgo County Deed Records and the Hidalgo Count Appraisal District. The sites associated with these were visited to determine the true comparability toward the subject property. They were reviewed for items recognized by the market that affect market value, including but not limited to, conditions of the sale, market conditions, relative location, physical characteristics, and available utilities. These and other factors that are recognized for arms-length transactions are examined and may require adjustments for any differences found in comparison to the subject property. After adjustments were made to each sale, an adjusted unit range of value of \$21,000 per acre to \$22,269 per acre was determined. Based on the surrounding market and the limited utilities, a unit rate near the mid-range of the adjusted range was selected, i.e., \$22,000 per acre.

COST APPROACH

Whole:

Part to be Acquired:

Remainder After:

ESTIMATED REPLACEMENT / REPRODUCTION COST					
IMPROVEMENT	Number of Units	\$ Per Unit	Cost New	Depreciation	Value
		\$ -	\$ -	0%	\$ -
		\$ -	\$ -	0%	\$ -
Contributory Value of the Buildings					\$ -
Accessory Improvements					
		\$ -	\$ -	0%	\$ -
		\$ -	\$ -	0%	\$ -
Contributory Value of the Accessory Improvements					\$ -
Site Improvements					
		\$ -	\$ -	0%	\$ -
		\$ -	\$ -	0%	\$ -
		\$ -	\$ -	0%	\$ -
		\$ -	\$ -	0%	\$ -
		\$ -	\$ -	0%	\$ -
		\$ -	\$ -	0%	\$ -
Contributory Value of the Site Improvements					\$ -
Contributory Value of All Improvements					\$ -
	Net Land Area		Price / Unit		
Land Value (Fee)	39.8842	SF @	\$ 22,000 / SF		\$ 877,452
Estimated Value By Cost Approach					\$ 877,452

The cost approach to value was not appropriate, as the site is vacant land and has no site or building improvements.

SALES COMPARISON APPROACH

Whole: Part to be Acquired: Remainder After:
 Land: Improved:

VALUATION GRID

REPRESENTATIVE COMPARABLE SALES

Subject	Comp. Sale No. 1		Comp. Sale No. 2		Comp. Sale No. 3	
Grantor						
Grantee						
Date of Sale						
Unit Price	\$ - / SF	\$ - / SF	\$ - / SF	\$ - / SF	\$ - / SF	\$ - / SF
Relative Location	Average	0%	0%	0%	0%	0%
Lot Location	Corner	0%	0%	0%	0%	0%
Financing	Conventional	0%	0%	0%	0%	0%
Conditions of Sale	Cash to Seller	0%	0%	0%	0%	0%
Market Conditions	Average	0%	0%	0%	0%	0%
Physical Characteristics	Average	0%	0%	0%	0%	0%
Available Utilities	All Utilities	0%	0%	0%	0%	0%
Street Access	Public	0%	0%	0%	0%	0%
Size of Improvement	SF	SF	0%	SF	0%	SF
Net Adjustments		0%	0%	0%	0%	0%
Indicated Unit Value	\$ - / SF	\$ - / SF	\$ - / SF	\$ - / SF	\$ - / SF	\$ - / SF
Estimated Unit Value of Fee Simple Area					\$ - / SF	\$ - / SF

Estimated Value by Sales Comparison Approach _____ Not Applicable

The Sales Comparison Approach (As Improved) is not an applicable approach to value, as the subject property is vacant land.

INCOME APPROACH

Whole:

Part to be Acquired:

Remainder After:

Potential Gross Income	.....			\$	-
Vacancy	%			\$	-
Effective Gross Income	.....			\$	-
Expenses				\$	-
Fixed: Taxes.....		\$	-	\$	-
Insurance.....		\$	-	\$	-
Variable: Management.....		\$	-	\$	-
Other		\$	-	\$	-
		\$	-	\$	-
		\$	-	\$	-
Total Expenses	.....			\$	-
Net Operating Income	.....			\$	-
Income Capitalized @		%	.....	\$	-
Plus: Value of Excess Land (If Any)			.....	\$	-
			\$	-
Estimated Value By Income Approach			.....		Not Applicable

The Income Approach (As Improved) to value is not an applicable approach, as the subject property is vacant land.

Explanation of Cost To Cure

No improvements are located within the remainder after; therefore, there is no cost to cure.

COMPENSATION SUMMARY

WHOLE PROPERTY

The market value of the whole property is \$ 880,000

PART TO BE ACQUIRED

Considered as severed land, the fee simple title to the part being
acquired for highway purposes (less oil, gas and sulphur and subject
to any existing easements, if any, which are not to be extinguished) \$ 2,548

REMAINING PROPERTY

The value of the remainder immediately before the taking is..... \$ 877,452

Considering the uses to which the part taken is to be subjected to
the market value of the remainder immediately acquisition is \$ 877,452

NET DAMAGES OR ENHANCEMENTS (if any) \$ -

ACCESS

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 \$ -

COST TO CURE \$ -

TOTAL COMPENSATION \$ 2,548

Leonel Garza III
President of Leonel Garza Jr. & Associates LLC

Company Bio

Leonel Garza Jr. & Associates, LLC provides a variety of real estate consulting services with primary focus on real estate appraisals and appraisal litigation support. The company specializes in General Commercial Real Estate, Estate Valuations, and Right-of- Way Easement Acquisition and Defense. In addition to the appraisal services, the company provides Real Property Tax Consulting Services. The purpose of this division is to support property tax owners in the verification of property tax assessment as promulgated by the Texas Property Tax Code.

Property Tax Division

The property tax division of the firm conducts reviews of property tax assessments by various county appraisal districts to consult clients on their current tax liabilities. Reviews include attending informal and formal hearings on behalf of clients at local appraisal districts. With accounts throughout South Texas including the County of Cameron, Brooks, Hidalgo, Starr, Willacy, Webb and Nueces County. Clients include dealerships, movie theaters, concrete batch plants, convenience stores, national franchises, retail box centers, retail strip centers, warehouses, subdivisions, and many other commercial type properties and specialty type properties.


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. Leonel Garza III has undergone extensive training in this field of work. He specializes 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, transmission line easements, drainage or irrigation easements, damage assessment, cost to cure, relocation assistant research, budget analysis, condemnation hearing and trial support. Clients include the Texas Department of Transportation (TxDOT), Texas Attorney General Office Real Estate Division, Hidalgo County Drainage District No. 2, Hidalgo County Regional Mobility Authority (HCRMA), American Electric & Power (AEP), Electric Transmission of Texas, Hidalgo County Precinct No. 2, Hidalgo County Precinct No. 3, Hidalgo County Precinct No. 4 and United Irrigation District.

Texas A&M University, College Station, Texas
Bachelor of Science Degree, 1995
Biomedical Science Major

Texas Appraiser Licensing and Certification Board
Certified General Real Estate Appraiser
TX 1328375 G

Texas Department of Licensing and Regulation
State Certified Property Tax Consultant
TX 00003181

Texas Appraiser Licensing and Certification Board P.O. Box 12188 Austin, Texas 78711-2188 Certified General Real Estate Appraiser			
Number:	TX 1328375 G	Expires:	12/31/2018
Issued:	12/30/2016		
Appraiser:	LEONEL GARZA III		
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

Community Service & Professional Organizations

Appraisal Institute Associate Member

The Appraisal Institute is a global professional association of real estate appraisers, with nearly 20,000 professionals in almost 60 countries throughout the world. Its mission is to advance professionalism and ethics, global standards, methodologies, and practices through the professional development of property economics worldwide. (www.appraisalinstitute.org).

National Association of Master Appraisers

Designated as a Master Senior Appraiser by the National Association of Master Appraisers. This designation is obtained through educational requirements and experience. (www.naappraisers.org)

International Right of Way Association (IRWA) Associate Member 7899430

The International Right of Way Association is a professional member organization comprised of global infrastructure real estate practitioners. IRWA has served professionals who acquire, manage and transfer the land rights needed for building and maintaining energy and transportation infrastructure. Recognized for their high ethical standards, commitment to integrity and professional excellence, IRWA's nearly 10,000 members hail from over 15 countries around the world. They are united by their profession and their commitment to pursuing training and professional development through courses, chapter meetings, seminars and the annual education conference. (www.IRWA.com)

Hidalgo County Subdivision Advisory Board Chairman of the Board

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 to the board since May 1999.

Hidalgo County Building Line of Adjustments Chairman of the Board

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. Appointed to the board since January 2005.

McAllen Planning and Zoning Board Former Member & Chairman

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. Member of board from February 8, 2010 to January 28, 2016.

McAllen Traffic Commission Board Former Member & Vice Chairman

Makes recommendations to the City Commission to reduce and eliminate traffic congestion and flow throughout the City. Member of board from April 14, 2008 to June 24, 2014.

McAllen Zoning Board of Adjustments and Appeals

Former Member & Chairman

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. Member of board from February 2002 to February 2008.

McAllen Ambulance Advisory Committee

Former Member & Vice Chairman

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

McAllen Building Board of Adjustments and Appeals

Former Member

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. Board member from January 28, 2002 to December 31, 2003

WARRANTY DEED

2174104

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SPECIAL WARRANTY DEED

Effective Date: January 1, 2011

Grantors: JUDITH A. MORIN, JAMES M. MORIN, JR., MARY J. SCHNEIDER, MICHAEL J. MORIN, ANTHONY W. MORIN, DOROTHY JEAN MALCOM, and MARTHA LOUISE ROWAND

Grantors' Mailing Address:

JUDITH A. MORIN 121 E. Quamasia, Apt. 106 McAllen, TX 78504 Hidalgo County, TX	MICHAEL J. MORIN 114 Sunrise Ln. Mission, TX 78572 Hidalgo County, TX	MARTHA LOUISE ROWAND 221 Raincloud Wimberley, TX 78676 Hays County, TX
JAMES M. MORIN, JR. P.O. Drawer J Port Isabel, TX 78578 Cameron County, TX	ANTHONY W. MORIN 3801 N. 7 th Court McAllen, TX 78501 Hidalgo County, TX	
MARY J. SCHNEIDER 104 W. Xanthisma McAllen, TX 78504 Hidalgo County, TX	DOROTHY JEAN MALCOM 7709 N. 1 st St. McAllen, TX 78504 Hidalgo County, TX	

Grantee: RGV Morin Children LLC

Grantee's Mailing Address: c/o Dorothy Jean Malcom
7709 N. 1st Street
McAllen, Texas 78504
Hidalgo County

Consideration:

Equal membership interests in RGV Morin Children LLC. The Property is conveyed to Grantee for the purpose of contributing to the capital of RGV Morin Children LLC.

Property (including any improvements):

SURFACE ONLY IN AND TO THE FOLLOWING DESCRIBED TRACTS:

Tract No. 1:

Lot Three (3), Block Twelve (12), ALAMO LAND AND SUGAR COMPANY SUBDIVISION, Hidalgo County, Texas.

Tract No. 2:

Lot Four (4), Block Twelve (12), ALAMO LAND AND SUGAR COMPANY SUBDIVISION, Hidalgo County, Texas.

Tract No. 3:

Lot Five (5), Block Twelve (12), ALAMO LAND AND SUGAR COMPANY SUBDIVISION, Hidalgo County, Texas.

Tract No. 4:

Lot Six (6), Block Twelve (12), ALAMO LAND AND SUGAR COMPANY SUBDIVISION, Hidalgo County, Texas.

Tract No. 5:

Tract One (1), Block Thirteen (13), ALAMO LAND AND SUGAR COMPANY SUBDIVISION, Hidalgo County, Texas.

Tract No. 6:

The West one-half (W. ½) of Lot Two (2), Block Thirteen (13), ALAMO LAND AND SUGAR COMPANY SUBDIVISION, Hidalgo County, Texas.

Tract No. 7:

Lot Thirteen (13), Block Sixteen (16), ALAMO LAND AND SUGAR COMPANY SUBDIVISION, Hidalgo County, Texas.

Tract No. 8:

South one-half (S. ½) of Lot Fourteen (14), Block Sixteen (16), ALAMO LAND AND SUGAR COMPANY SUBDIVISION, Hidalgo County, Texas.

Tract No. 9:

South one-half (S. ½) of Lot Fifteen (15), Block Seventeen (17), ALAMO LAND AND SUGAR COMPANY SUBDIVISION, Hidalgo County, Texas.

Tract No. 10:

Lot Sixteen (16), Block Seventeen (17), ALAMO LAND AND SUGAR COMPANY SUBDIVISION, Hidalgo County, Texas.

Reservations from and Exceptions to Conveyance and Warranty:

1. Prior mineral reservations of record;
2. Oil, gas and mineral leases of record, if any;
3. Building conditions and restrictions of record;
4. Rules, regulations, rights of way and easements in favor of any utility company or water improvement district of record;
5. All easements of record and visible easements;
6. Existing liens of record;

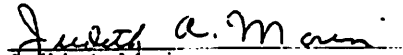
7. Taxes for the year 2011 and subsequent assessments for prior years due to change in land use or ownership.
8. For Grantors and Grantors' heirs, successors, and assigns forever, a reservation of all oil, gas, and other minerals in and under and that may be produced from the Property. If the mineral estate is subject to existing production or an existing lease, this reservation includes the production, the lease, and all benefits from it.

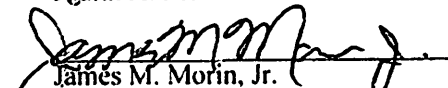
THE CONVEYANCE OF THE PROPERTY AS PROVIDED FOR HEREIN IS MADE ON AN "AS IS, WHERE IS" CONDITION AND BASIS "WITH ALL FAULTS."


Grantors, for the consideration and subject to the reservations from and exceptions to conveyance and warranty, grant, sell and convey to Grantee the Property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and to hold it to Grantee. Grantee's heirs, executors, administrators, successors or assigns forever. Grantors bind Grantors and Grantors' successors and assigns to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, executors, administrators, successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the reservations from and exceptions to conveyance and warranty, limited however to those claims by, through or under Grantors, but not otherwise.

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

NO TITLE EXAMINATION WAS REQUESTED IN CONNECTION WITH THE PREPARATION OF THIS DOCUMENT NOR WAS ANY MADE. THE PREPARER EXPRESSES NO OPINION ON TITLE TO THIS PROPERTY.


Judith A. Morin

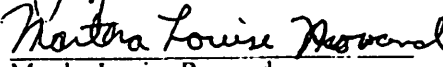

James M. Morin, Jr.


Mary J. Schneider


Michael J. Morin


Anthony W. Morin


Dorothy Jean Malcom


Martha Louise Rowand

STATE OF TEXAS)
COUNTY OF HIDALGO)

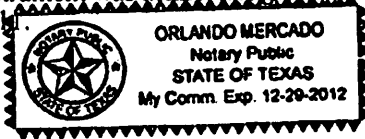
This instrument was acknowledged before me by Judith A. Morin on this 13 day of JANUARY, 2011.



[Signature]
Notary Public, State of Texas

STATE OF TEXAS)
~~HIDALGO~~)
COUNTY OF ~~CAMERON~~)
DM

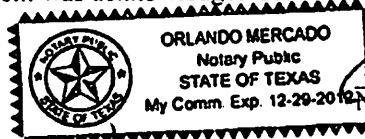
This instrument was acknowledged before me by James M. Morin, Jr. on this 13 day of JANUARY, 2011.



[Signature]
Notary Public, State of Texas

STATE OF TEXAS)
COUNTY OF HIDALGO)

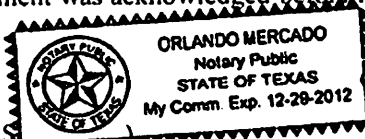
This instrument was acknowledged before me by Mary I. Schneider on this 13 day of JANUARY, 2011.



[Signature]
Notary Public, State of Texas

STATE OF TEXAS)
COUNTY OF HIDALGO)

This instrument was acknowledged before me by Michael J. Morin on this 13 day of JANUARY, 2011.



[Signature]
Notary Public, State of Texas

STATE OF TEXAS)
COUNTY OF HIDALGO)

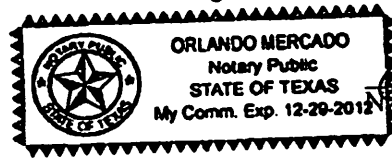
This instrument was acknowledged before me by Anthony W. Morin on this 13 day of JANUARY, 2011.



[Signature]
Notary Public, State of Texas

STATE OF TEXAS)
)
COUNTY OF HIDALGO)

This instrument was acknowledged before me by Dorothy Jean Malcom on this 13 day of JANUARY, 2011.

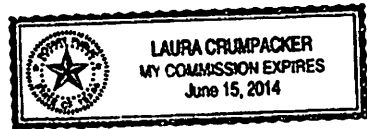


[Handwritten Signature]

Notary Public, State of Texas

STATE OF TEXAS)
)
COUNTY OF HAYS)

This instrument was acknowledged before me by Martha Louise Rowand on this 19 day of Jan, 2011.



[Handwritten Signature]

Notary Public, State of Texas

After Recording Return To:

Judy Lee Wong
Atlas & Hall, L.L.P.
P. O. Box 3725
McAllen, TX 78502-3725

Prepared in the Law Office of:

Judy Lee Wong
Atlas & Hall, L.L.P.
P. O. Box 3725
McAllen, TX 78502-3725