



Control Number: 41606



Item Number: 1206

Addendum StartPage: 0

SOAH DOCKET NO. 473-13-5207  
PUC DOCKET NO. 41606

2013 NOV -8 PM 2:26  
PUBLIC UTILITY  
FILING OFFICE

JOINT APPLICATION OF § BEFORE THE STATE OFFICE  
ELECTRIC TRANSMISSION TEXAS, §  
LLC AND SHARYLAND UTILITIES, §  
L.P. TO AMEND THEIR §  
CERTIFICATES OF CONVENIENCE § OF  
AND NECESSITY FOR THE §  
PROPOSED NORTH EDINBURG TO §  
LOMA ALTA DOUBLE-CIRCUIT 345 § ADMINISTRATIVE HEARINGS  
KV TRANSMISSION LINE IN §  
HIDALGO AND CAMERON §  
COUNTIES, TEXAS §

**DIRECT TESTIMONY OF INTERVENORS G AND M REAL ESTATES CO.,  
DURANGO DEVELOPMENT, INC AND ANTHONY E. GRAY .**

Intervenors G & M Real Estate Co. ("G&M"), Durango Development, Inc. ("DURANGO"), and Anthony E. Gray ("Gray") files this Direct Testimony, which is attached. G&M, Durango and Gray stipulate that this Direct Testimony can be treated by all parties as if the answers were filed under oath.

Respectfully submitted,

BRAUN & GRESHAM, PLLC  
P.O. Box 1148 (Mailing)  
Dripping Springs, Texas 78620  
14101 Hwy. 290 W., Suite 1100B (Physical)  
Austin, Texas 78737  
512-894-5426 (telephone)  
512-894-3405 (fax)

By: 

Patrick L. Reznik

State Bar No. 16806780

Cassie Gresham

State Bar No. 24045980

**ATTORNEYS FOR G&M**

**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on November 8, 2013, in accordance with Public Utility Commission Procedural Rule 22.74.

  
Patrick L. Reznik

Cassie Gresham

## **TABLE OF CONTENTS**

I.	INTRODUCTION .....	4
II.	PURPOSE AND SCOPE OF TESTIMONY .....	9
III.	DESCRIPTION OF PROPERTY AND THE LINE'S IMPACT .....	10
IV.	CONCLUSION AND RECOMMENDATIONS .....	15
EXHIBITS		
	EXHIBIT A LAS ARBOLEDAS SUBDIVISION.....	18
	EXHIBIT B PIPELINE EASEMENTS .....	19
	EXHIBIT C JUAREZ TRACT .....	20
	EXHIBIT D LAS ARBOLEDAS, PHASE 1 .....	21
	EXHIBIT E LAS ARBOLEDAS, PHASE 1 CLOSE UP .....	22
	EXHIBIT F VALLE ALTO NORTH, PHASE 8 SCHEMATIC .....	23
	EXHIBIT G VALLE ALTO NORTH, PHASE 8 MAP .....	24
	EXHIBIT H VALLE ALTO NORTHEAST COMMERCIAL SCHEMATIC .....	25
	EXHIBIT I ALTO NORTHEAST COMMERCIAL MAP .....	26
	EXHIBIT J ALTO NORTHEAST COMMERCIAL MAP, DETAIL .....	27
	EXHIBIT K RANCHITOS DE WESLACO .....	28
	EXHIBIT L RANCHITOS DE WESLACO, DETAIL .....	29
	EXHIBIT M RANCHITOS DE PROGRESSO .....	30
	EXHIBIT N RANCHITOS COMMERCIAL.....	31
	EXHIBIT O RANCHITOS PHASE 1 .....	32
	EXHIBIT P CONTRACT WITH DOLLAR GENERAL .....	33
	EXHIBIT Q OFFICIAL ZONING MAP.....	44

1 **I. INTRODUCTION**

2  
3 QUESTION: PLEASE STATE YOUR NAME AND CURRENT ADDRESS FOR THE  
4 RECORD.

5  
6 ANSWER:

7 Anthony E. Gray, P.O. Box 219, Hidalgo, TX 78557

8  
9  
10 QUESTION: ARE YOU AN INTERVENOR IN SOAH DOCKET NO. 473-13-0846  
11 AND PUC DOCKET NO. 41606 AND ON WHOSE BEHALF ARE YOU  
12 TESTIFYING?

13  
14 ANSWER: Yes. I am testifying on behalf of Intervenor G&M, Durango and those  
15 Intervenor who have designated me as their representative, particularly the following:

16 The "Durango Group"

17 Virgilio E. Aniceto<sup>1</sup>  
18 Heriberto J. Arreola<sup>2</sup>  
19 Minerva Suarez Cardenas<sup>3</sup>  
20 Jose Abel Flores<sup>4</sup>  
21 Abraham Garcia<sup>5</sup>  
22 Jose Omar Gonzalez, Jr.<sup>6</sup>  
23 Felipe de Jesus Hernandez<sup>7</sup>

24  
25 The "G&M Group"

26  
27 Sara & Marco Galvan<sup>8</sup>  
28 Amie Lynn Garza<sup>9</sup>  
29 Francisco Juarez<sup>10</sup>  
30

---

<sup>1</sup> (Property Id. 721871, Ranchitos de Weslaco, Phase 2, Lot #37)

<sup>2</sup> (Property Id. 721865, Ranchitos de Weslaco, Phase 2, Lot #31)

<sup>3</sup> (Property Id. 20828059, 20828060, Ranchitos Commercial, Lots #2 and #3)

<sup>4</sup> (Property Id. 721867, Ranchitos de Weslaco, Phase 2, Lot #33)

<sup>5</sup> (Property Id. 721863, Ranchitos de Weslaco, Phase 2, Lot #29)

<sup>6</sup> (Property Id. 685301, Ranchitos de Progreso, Phase 1, Lot #3)

<sup>7</sup> (Property Id. 721868, Ranchitos de Weslaco, Phase 2, Lot #34)

<sup>8</sup> (Property Id. 704950, Las Arboledas, Phase 1, Lot #15)

<sup>9</sup> (Property Id. 705017, 705018, Las Arboledas, Phase 1, Lots #82 and #83 (house)). Garza filed separate Intervention for property with home.

<sup>10</sup> (Property Id. 290357, 290358, Acreage Tracts)

1 Miguel A. Martinez<sup>11</sup>  
2 Blas Ozornio<sup>12</sup>  
3 Enrique Rodriguez<sup>13</sup>  
4 Delfino Sandoval<sup>14</sup>  
5 Raquel Vasquez<sup>15</sup>  
6  
7

8 QUESTION: HAVE YOU EVER TESTIFIED IN A PUBLIC UTILITY  
9 COMMISSION OF TEXAS ("PUC" OR "COMMISSION") PROCEEDING?  
10

11 ANSWER: No, I have not.  
12  
13

14 QUESTION: BRIEFLY DESCRIBE YOUR OCCUPATION, EDUCATIONAL AND  
15 WORK HISTORIES.  
16

17 ANSWER: I am the owner, partner, and/or manager of several companies, all  
18 involved in residential and commercial land development, and the seller financing of  
19 residential lots. I have been employed by both G&M, and by Stonehaven Development,  
20 Inc. since 1994. I am also a part owner of Durango, along with various other companies.  
21 In all my ventures, whether solely owned or in partnership, I manage the day-to-day  
22 operations.  
23

24 I grew up in McAllen, Texas, graduating from McAllen Memorial High School in 1987.  
25 I attended the undergraduate Wharton School of Business at the University of  
26 Pennsylvania, graduating in 1991 with a Bachelor's of Science in Economics, with a  
27 concentration in Entrepreneurial Management. I have been self-employed since 1994,  
28 being involved in residential construction, land development, and the seller financing of

---

<sup>11</sup> (Property Id. 629024, 727498, Valle Alto North, Phase 7, #396 (house), Phase 8, Lot #442). Martinez filed separate Intervention for property with home.

<sup>12</sup> (Property Id. 727463, Valle Alto North, Phase , Phase 8, Lot #407)

<sup>13</sup> (Property Id. 705049, Las Arboledas, Phase 1, Lot #114)

<sup>14</sup> (Property Id. 705029, Las Arboledas, Phase 1, Lot #94). A house in currently under construction.

<sup>15</sup> (Property Id. 727468, Valle Alto North, Phase 8, Lot #412)

1 residential lots. In 1997 I left residential construction and have focused on land  
2 development and the seller financing of residential lots since.

3  
4 I have been President of a local group, the Texas Land and Mortgage Association  
5 (formerly known as the Texas Land Developers' Association) for the past two years, and  
6 will continue as President for another two-year term. We are a group of land developers  
7 who seller finance residential lots to the majority of our customers, and are primarily  
8 located in the Rio Grande Valley.

9  
10 I run the day-to-day operations of G&M, and I am an officer (Secretary). It was  
11 originally a joint venture between my father, Gerald Gray, and Daniel Moffatt. Later,  
12 Daniel Moffatt sold his interest to James Moffitt (no relation). My father passed away  
13 eleven years ago, and I now represent my mother's (Idalia Gray) interest in the company.

14  
15 G&M has been involved in the acquisition of raw land, the development of raw land into  
16 residential and commercial subdivisions, and the subsequent sales of commercial lots and  
17 single-family residential lots, since the mid-1970s. Historically, 20% of single-family  
18 residential lot sales have been to builders or other cash buyers, with 80% sold with seller  
19 financing. G&M retains the real estate notes and services them.

20  
21 I also run the day-to-day operations of Durango, and I am an officer (President). It is  
22 owned by 3 investors, each owning 1/3. I am also one of the investors. Durango has  
23 been involved in the acquisition of raw land, the development of raw land into residential  
24 and commercial subdivisions, and the subsequent sales of commercial lots and single-  
25 family residential lots. Historically, 10% of single-family residential lot sales have been  
26 to builders or other cash buyers, with 90% sold with seller financing. Durango  
27 outsources the note servicing.

1 QUESTION: BRIEFLY DESCRIBE YOUR POSITIONS WITH G&M AND  
2 DURANGO.

3  
4 ANSWER: I run the day-to-day operations of G&M, and am an officer (Secretary). It  
5 was originally a joint venture between my father, Gerald Gray, and Daniel Moffatt.  
6 Later, Daniel Moffatt sold his interest to James Moffitt (no relation). My father passed  
7 away eleven years ago, and I now represent my mother's (Idalia Gray) interest in the  
8 company.

9  
10 I also run the day-to-day operations of Durango, and am an officer (President). It is  
11 owned by 3 investors, each owning 1/3. I am also one of the investors. Durango has  
12 been involved in the acquisition of raw land, the development of raw land into residential  
13 and commercial subdivisions, and the subsequent sales of commercial lots and single-  
14 family residential lots.

15  
16  
17 QUESTION: WHERE IS YOUR PROPERTY LOCATED?

18  
19 ANSWER: All the properties are in Hidalgo County.

20  
21  
22 QUESTION: PLEASE GIVE A BRIEF HISTORY OF THE PROPERTIES AND  
23 THEIR USES?

24  
25 ANSWER: Durango purchased 470 acres, and has developed it into various residential  
26 and commercial subdivisions – Ranchitos de Progreso Phase 1, Ranchitos de Weslaco  
27 Phase 1, Ranchitos de Weslaco Phase 2, Ranchitos Commercial Phase 1, and Ranchitos  
28 Commercial Phase 2.

29  
30 The lots and homes from the Durango Group that are affected by the proposed  
31 transmission line routes, and their respective subdivisions, are shown on the following  
32 exhibits:

33  
34 Ranchitos de Weslaco, Phase 2 – Exhibits "K" and "L"



1 Ranchitos de Progreso, Phase 1, and Ranchitos Commercial, Phases 1 and 2 –  
2 Exhibits “M”, “N”, and “O”  
3

4  
5 For G&M and the G&M Group, there are several properties.  
6

7 There are several contiguous acreage tracts, totaling approximately 124 acres, labeled  
8 “Las Arboledas Undeveloped”, shown in Exhibit “A”. These tracts are part of an original  
9 230-acre tract purchased by G&M from Lindsey Rodriguez on October 30, 2002.  
10 Lindsey Rodriguez financed part of the tract, and G&M still has a debt to Lindsey  
11 Rodriguez in the amount of \$306,000. The G&M owned tracts have Property ID  
12 #290349, #290359, and #290350, as indicated in Exhibit “A”  
13

14 First, G&M developed the 30 acres from this tract into single-family residential lots, Las  
15 Arboledas Subdivision Phase 1, with the intent to develop most of the remaining land  
16 into single-family residential lots as well. G&M has invested in the extension of city  
17 water, sewer, and drainage to develop this first phase as well as accommodate future  
18 development. The subdivision plat, with the lots and homes affected by the proposed  
19 power line route outlined in black, is shown in Exhibit “D”.  
20

21 Exhibit “E” also shows the lots affected that are in Las Arboledas Subdivision, Phase 1.  
22 The lot owners in this subdivision that have filed interventions and appointed me as their  
23 representative are indicated in both Exhibits “D” and “E” by a bold dot on their  
24 respective lots. They are Property ID #704950, 705017, 705029, and 705049.  
25

26 Second, G&M sold a 20.0 acre tract (“Valley View Tract”) immediately north of Las  
27 Arboledas, Phase 1, to the Valley View I.S.D. Their plans were to build a school on site.  
28

29 Third, G&M has also sold a 30-acre tract (“Juarez Tract”) immediately north of the  
30 Valley View Tract, to Francisco Juarez (intervenor who designated me as his  
31 representative). G&M provided seller financing, thus retaining an underlying note on the  
32 30 acre tract. Exhibit “C” indicates the Juarez Tract in greater detail. This tract is  
33 indicated as Property ID #290357 and #290358.

1  
2 Fourth, G&M sold an 25+ acre tract, immediately north the Juarez Tract, to Fernando  
3 Velasquez.

4  
5 Exhibit "B" also shows an overview of the original 230 acre tract, including Las  
6 Arboledas, Phase One (1); the 20.0 acre Valley View Tract, the 30-acre Juarez  
7 Tract, the Velasquez Tract, and the remaining acreage owned by G&M.

8  
9 All single-family residential lots and homes in Valle Alto North, Phase Eight, are  
10 affected by the proposed power line route, as well as some in Valle Alto North, Phase  
11 Seven. They are indicated in Exhibits "F" and "G". G&M also currently owns lot 404  
12 (Property ID #727460), indicated in both Exhibits "F" and "G" by an X. The lot owners  
13 in this subdivision that have filed interventions and appointed me as their representative  
14 are indicated in both Exhibits "F" and "G" by a bold dot on their respective lots. They  
15 are Property ID #727463, 727468, 727498, and 629024.

16  
17 Exhibits "H" and "I" indicate the portions of Valle Alto Northeast Subdivision, Phases  
18 Two and Three, that are affected by the proposed power line route. The commercial  
19 frontage ("Commercial Jackson Frontage") along Jackson Road, indicated and  
20 highlighted in both exhibits, are owned by G&M. One parcel has been sold to a drive-  
21 through convenience store, another to a pizza restaurant, and one is currently under  
22 contract with Dollar General. We also have our main office located on this commercial  
23 tract. We have preliminary approval for the first of three phases of a commercial  
24 development. This property has been zoned commercial since 2003. The commercial  
25 development plat is shown in Exhibit "J".

26  
27  
28 QUESTION: ARE YOU FAMILIAR WITH THIS AREA OF SOUTH TEXAS?

29  
30 ANSWER: Yes.

31  
32  
33  
34 **II. PURPOSE AND SCOPE OF TESTIMONY**

1  
2 QUESTION: WHAT IS THE PURPOSE AND SCOPE OF YOUR TESTIMONY?

3  
4 ANSWER: The purpose of my testimony is to (a) describe the properties, (b) describe  
5 the expected impact of the proposed transmission line on the properties and (c) voice my  
6 opposition against any route that uses Links 114, 115, 117, 119, 122, 193c and 196b.

7  
8  
9  
10 **III. DESCRIPTION OF PROPERTY AND THE LINE'S IMPACT**  
11

12  
13 QUESTION: ARE THERE ANY HABITABLE STRUCTURES ON THE  
14 PROPERTY?

15  
16 ANSWER: Yes, there are several habitable structures along Links 115, 122, 193c and  
17 196b.

18  
19  
20 QUESTION: PLEASE DESCRIBE YOUR PROPERTY'S CURRENT USES.

21  
22 ANSWER: The properties primary uses are for commercial and residential  
23 development.

24  
25 The property owned by G&M is for commercial sale, or for future development for  
26 residential subdivisions or commercial development. These properties include the Las  
27 Arboledas Undeveloped Acreage... See the following exhibits respective to their tracts  
28 or subdivisions:

29  
30 Las Arboledas Undeveloped – Exhibits “A” and “B”

31 Commercial Jackson Frontage – Exhibits “H”, “I”, and “J”  
32

33 The Durango Group and the G&M Group own lots in the residential developments  
34 generally known as the following subdivisions: acreage in the Juarez Tract; Las  
35 Arboledas Phase One; Valle Alto North Phase Eight; Ranchitos de Weslaco Phase Two;

1 Ranchitos de Progreso Phase One; Ranchitos Commercial Phase One. They intend to  
2 either construct their primary residence on the lot, or in the case of Ranchitos  
3 Commercial Phase One, develop a commercial enterprise on the property. See the  
4 following exhibits respective to their tracts or subdivisions:

5  
6 Acreage in Juarez Tract – Exhibit “C”

7 Las Arboledas Phase One – Exhibits “D” and “E”

8 Valle Alto North Phase Eight – Exhibits “F” and “G”

9  
10 Ranchitos de Weslaco Phase Two – Exhibits “K” and “L”

11 Ranchitos de Progreso Phase One – Exhibits “M” and “O”

12 Ranchitos Commercial Phase One – Exhibits “M” and “N”

13  
14  
15 QUESTION: ARE THERE ANY WATER WELL SITES ON THE PROPERTY? IF  
16 SO, DESCRIBE THE GENERAL LOCATION.

17  
18  
19 ANSWER: No.

20  
21  
22 QUESTION: ARE THERE ANY GAS WELLS ON THE PROPERTY? IF SO,  
23 DESCRIBE THE GENERAL LOCATION.

24  
25  
26 ANSWER: No.

27  
28  
29 QUESTION: ARE THERE ANY PIPELINE EASEMENTS ON THE PROPERTY? IF  
30 SO, DESCRIBE THE GENERAL LOCATION.

31  
32 ANSWER: Yes. On the G&M acreage tracts, there are three (3) pipeline easements,  
33 with all active. Please see Exhibit “B”.

1  
2 QUESTION: PLEASE DESCRIBE ANY PLANNED FUTURE USES OF YOUR  
3 PROPERTY IF THOSE USES ARE DIFFERENT FROM THE CURRENT USES  
4 PREVIOUSLY DESCRIBED.

5  
6 ANSWER: In addition to the residential development by G&M and Durango, we have  
7 124 acres known as Las Arboledas Undeveloped which is in the development stages. See  
8 Exhibits "A" and "B". We had previously developed the first phase in 2005, as part of an  
9 original master plan to develop the entire 230 acres into mostly single-family residential  
10 lots. With the subsequent economic slowdown, we put off development. In the past two  
11 years, we've sold large acreage tracts, described earlier, to Francisco Juarez and  
12 Fernando Velasquez for investment purposes. We plan to begin a second residential  
13 phase within the coming two years.

14  
15 We also have 12.51 acres in a commercial development known as Valle Alto Northeast  
16 Commercial. See Exhibits "H", "I", and "J". We have obtained preliminary approval  
17 from the Planning and Zoning Commission, and the City Commission, of the City of  
18 Hidalgo, for the first of three phases of Valle Alto Northeast Commercial. Valle Alto  
19 Northeast Commercial includes a corner commercial lot that is under contract with the  
20 Dollar General Store. See Exhibit "P".

21  
22 See also the Official Zoning Map at Exhibit "Q".

23  
24  
25 QUESTION: HOW DO THE CURRENT AND PLANNED FUTURE USES OF THIS  
26 PROPERTY CONTRIBUTE TO THE COMMUNITY VALUES OF SOUTH TEXAS?

27  
28 ANSWER: Both the commercial and residential developments help meet the needs of a  
29 growing, young population. The residential developments consist of lots targeting the  
30 first-time homebuyer, providing affordable lots and thus affordable homes, near highly  
31 rated schools and convenient commutes to work and shopping.

1 QUESTION: DO ANY EXISTING TRANSMISSION OR DISTRIBUTION LINES  
2 CROSS YOUR PROPERTY? IF SO, PLEASE DESCRIBE HOW AND WHERE  
3 THEY CROSS THE PROPERTY.

4  
5 ANSWER: Yes, there is an existing 69 kV transmission line along Link 196b and an  
6 existing 138kV transmission line along the southern end of the Valle Alto Northeast  
7 Commercial. See Exhibits "I" and "M", respectively.

8  
9  
10 QUESTION: ARE THERE CURRENT PLANS FOR OTHER UTILITY FEATURES  
11 ON YOUR PROPERTY? IF SO, PLEASE DESCRIBE HOW AND WHERE THEY  
12 CROSS THE PROPERTY.

13  
14 ANSWER: Not that I am aware of, besides the future installation of utilities to  
15 facilitate our commercial and residential development plans.

16  
17  
18 QUESTION: WOULD THE LINKS THAT MIGHT IMPACT YOUR PROPERTY  
19 RUN ALONG ANY BOUNDARY LINES OF YOUR PROPERTY?

20  
21 ANSWER: It appears Link 193c runs along the northern edge of the residential  
22 properties in the Durango Group. See Exhibit "K". Link 196b takes portions of the  
23 residential and commercial lots along the existing 69kV transmission line. See Exhibit  
24 "M". Link 115 appear to be along the northern and eastern portions of the residential  
25 properties. See Exhibits "E" and "G". Link 117 appears to take the western edge of the  
26 commercial property. See Exhibit "A". Links 114, 119 and 122 dramatically bisect the  
27 commercial properties. See Exhibits "A", "C", "I".

28  
29  
30 QUESTION: HOW WOULD A 345 KV ELECTRIC TRANSMISSION LINE IMPACT  
31 YOUR PROPERTY AND ITS OPERATIONS?

32  
33 ANSWER: Link 122 would completely take and 100% devalue the commercial property.  
34 Links 114, 115, 117 and 119 would take valuable commercial property and devalue the  
35 overall property. Link 115 Link 193c and 196b would devalue the residential properties.  
36 Link 196b would take and devalue the commercial properties.

1  
2  
3 QUESTION: WOULD YOU HAVE TO REGULARLY DRIVE UNDER THE  
4 TRANSMISSION LINE IF INSTALLED ON YOUR PROPERTY.

5  
6 ANSWER: Yes.  
7  
8

9 QUESTION: DESCRIBE THE AESTHETIC IMPACT TO YOUR PROPERTY IF  
10 ETT/SHARYLAND INSTALLS A 345KV TRANSMISSION LINE ON YOUR  
11 PROPERTY.

12  
13 ANSWER: A 345kV transmission line will negatively impact the aesthetic appeal of the  
14 commercial and residential properties.  
15  
16

17 QUESTION: DESCRIBE ANY HISTORICAL, ARCHEOLOGICAL OR CULTURAL  
18 SIGNIFICANCE OF LAND THAT MIGHT BE CROSSED THE TRANSMISSION  
19 LINE.

20  
21 ANSWER: None that I am aware of.  
22  
23

24 QUESTION: DESCRIBE THE ENVIRONMENTAL IMPACT, SPECIFIC TO THIS  
25 AREA, THAT WOULD BE CAUSED BY THIS TRANSMISSION LINE.

26  
27 ANSWER: None that I am aware of.  
28  
29

30 QUESTION: IF THE TRANSMISSION LINE IS BUILT ON YOUR PROPERTY, DO  
31 YOU HAVE ANY CONCERNS ABOUT ETT/SHARYLAND HAVING ACCESS TO  
32 YOUR PROPERTY?

33  
34 ANSWER: Yes, I have the general concerns of landowners who are required to give  
35 third parties access to their property. I hope that ETT/Sharyland will respect our  
36 properties and residents.  
37  
38

1 QUESTION: IF THE TRANSMISSION LINE IS BUILT ON YOUR PROPERTY, DO  
2 YOU HAVE ANY OTHER CONCERNS?

3  
4 ANSWER: I am seriously concerned about devaluation to the properties as a result of  
5 this proposed line. The general economy in the area has been steadily improving since  
6 the 2008 financial crisis. We have weathered the storm, and are now poised to finally  
7 move forward with our development plans for land we have carried for many years. Now  
8 we are quite concerned about how the transmission lines would stymie our plans and  
9 cause us severe economic hardship.

10  
11 Some are also generally concerned about the health and safety issues associated  
12 with the proposed transmission lines.

13  
14  
15 QUESTION: WHY HAVE YOU JOINED THE "RHODES ALLIANCE" TO  
16 COLLECTIVELY OPPOSE THE ROUTING OF THE ETT/SHARYLAND LINE  
17 WEST OF THE NORTH EDINBURG SUBSTATION?

18  
19 ANSWER: We have a commitment to our land and the lands of this region of South  
20 Texas. Many of our neighbors and those who have joined the Rhodes Alliance are  
21 committed to the South Texas community and preserving the land. We oppose the  
22 construction of ETT/Sharyland's transmission line routes west of and South through our  
23 community because the line would devastate our land and undermine our shared  
24 environmental, aesthetic, economic and community values.

25  
26  
27 QUESTION: IS THERE ANYTHING ELSE YOU WOULD LIKE THE  
28 ADMINISTRATIVE LAW JUDGE AND THE PUBLIC UTILITY COMMISSION TO  
29 CONSIDER IN THIS PROCEEDING?

30  
31 ANSWER: Not at this time.

32  
33  
34 **IV. CONCLUSION AND RECOMMENDATIONS**  
35



1 QUESTION: HOW WOULD YOU SUMMARIZE YOUR POSITION IN THIS  
2 PROCEEDING REGARDING ETT/SHARYLAND'S RECOMMENDED ROUTE 32  
3 AND THE PROPOSED ALTERNATIVE ROUTES?  
4

5 ANSWER: There is no route on our properties that would not destroy its overall value  
6 benefit to the community. We oppose any route going west from the North Edinburg  
7 Substation, including Route 32. We support the "Rhodes Alliance Route" or "Alternative  
8 Route 3S" going east from the North Edinburg Substation. This route is comprised of the  
9 following links:

10  
11 (Hidalgo Links) 134, 135, 137a, 137b, 138, 141, 147, 152, 155, 162, 165 169, 193a,  
12 193b, 361, 351b, 193c, 194, 201, 207, 208, 209, 212, 214.

13  
14 (Cameron Links) 219, 226, 233, 235, 256, 258, 265, 286, 285, 272, 269, 268, 267, 273,  
15 308, 321, 322, 327, 328, 335, 340, 341.  
16  
17

18 QUESTION: Do you have a position regarding specific routing alternatives proposed by  
19 the Joint Applicants?  
20

21 ANSWER: The Administrative Law Judge (ALJ) in this case correctly ruled in Order  
22 No. 6 that there is not sufficient evidence to support the Joint Applicants' contention that  
23 all routes must pass through their unilaterally designated "routing circle." All of the  
24 routes initially proposed in the Application passed through the routing circle and should  
25 be rejected, including the Route 32, which the Joint Applicants identified as the route  
26 they favored. Instead, one of the Supplemental Routes filed by the Joint Applicants in  
27 the Supplement to the Application filed on October 28, 2013, or a similar route using  
28 noticed links in a forward progressing manner should be approved. I specifically support  
29 a "Modified Supplemental Alternative Route 3S," which I believe best complies with the  
30 routing considerations described below. I understand the requested modification of a  
31 "Supplemental Alternative Route 3S" is to remove Link 137a, include Links 136b and  
32 355 and slightly modify Links, 135, 136b and 355. I have no objections to the

1 modifications suggested by the Hidalgo County Regional Mobility Authority for Link  
2 169.

3  
4  
5 QUESTION: IF LINK 119, LINK 196b OR LINK 193c ARE SELECTED FOR USE  
6 IN THIS LINE, WHAT PROPOSED MODIFICATIONS WOULD YOU LIKE TO SEE  
7 TO MINIMIZE THE IMPACT OF THOSE LINKS?

8  
9 ANSWER: If Link 119 is selected, we propose to the line to run along the northern  
10 and eastern boundary lines of Francisco Juarez' property (Property Id: 290357 and  
11 290358) rather than bisect the property. See Exhibit "C".

12  
13 If Link 196b is selected we propose the new 345kV line utilize the existing 69kV line  
14 easement and the 69kV line be located on the same structures of the new 345kV line. See  
15 Exhibit "M".

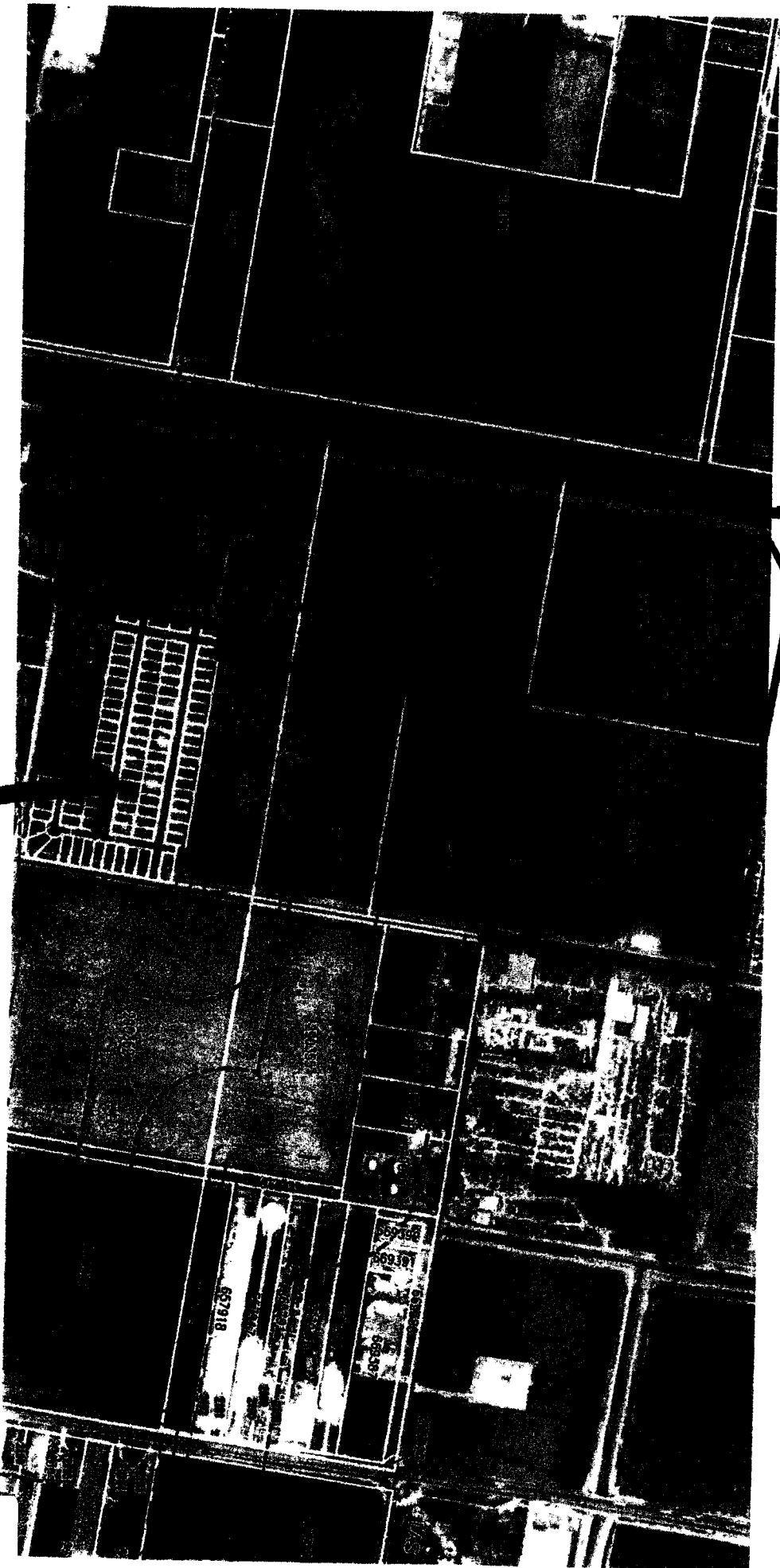
16  
17 If Link 193c is selected we propose having the southern edge of the utility easement abut  
18 the northern boundary lines of the properties along the IBWC drainage ditch and levee  
19 north of the lots. Because the 345kV transmission line must use either Link 193c or Link  
20 196b (and we find the lack of choices unacceptable), the "Rhodes Alliance Route" or  
21 "Alternative Route 3S" using Link 193c if the least disruptive and damaging choice  
22 among the limited choices given. See Exhibit "K".

23  
24  
25 QUESTION 22: DOES THIS CONCLUDE YOUR TESTIMONY?

26  
27 ANSWER: Yes.

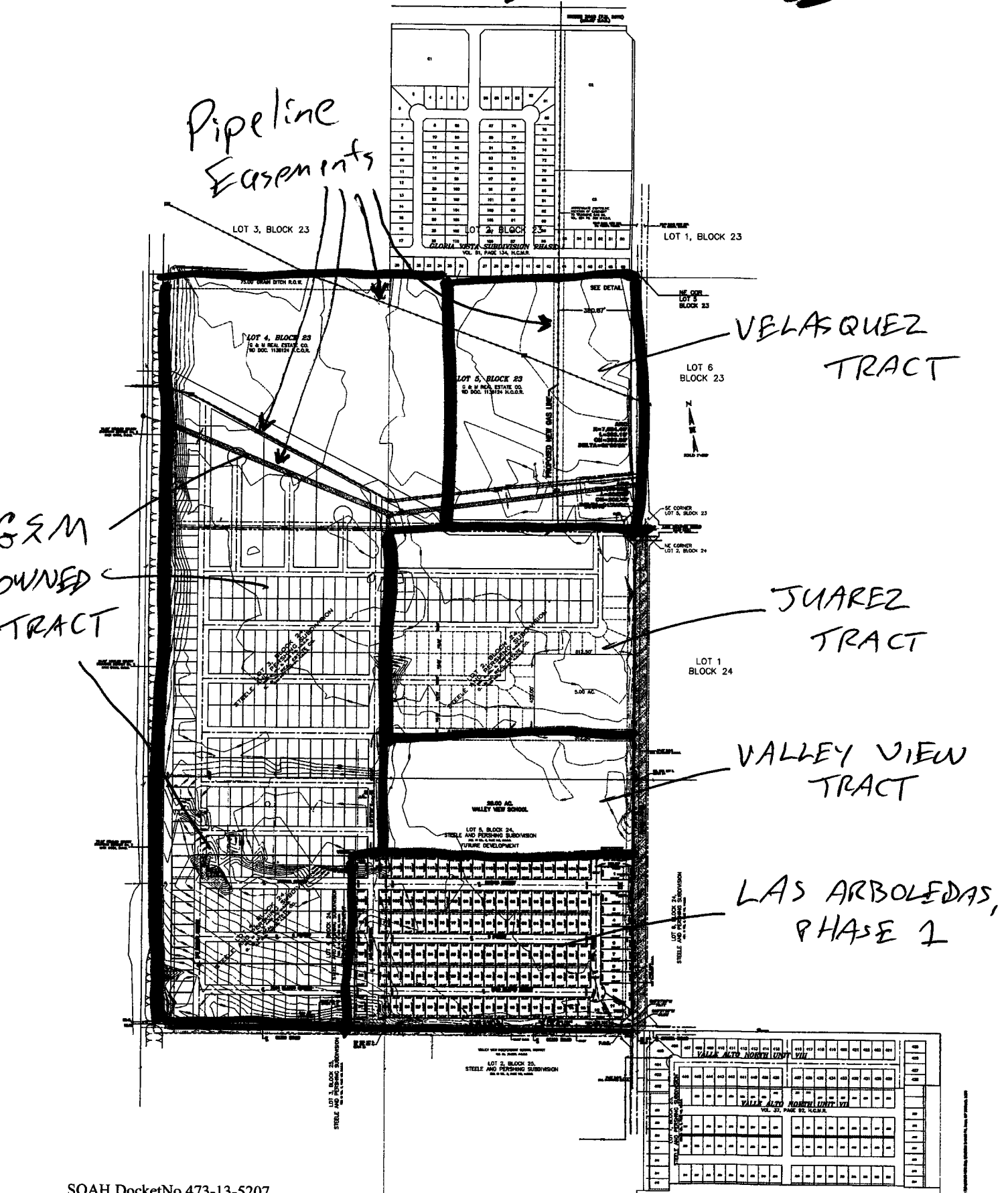
# EXHIBIT "A"

LAS ARBOLEDAS UNDEVELOPED

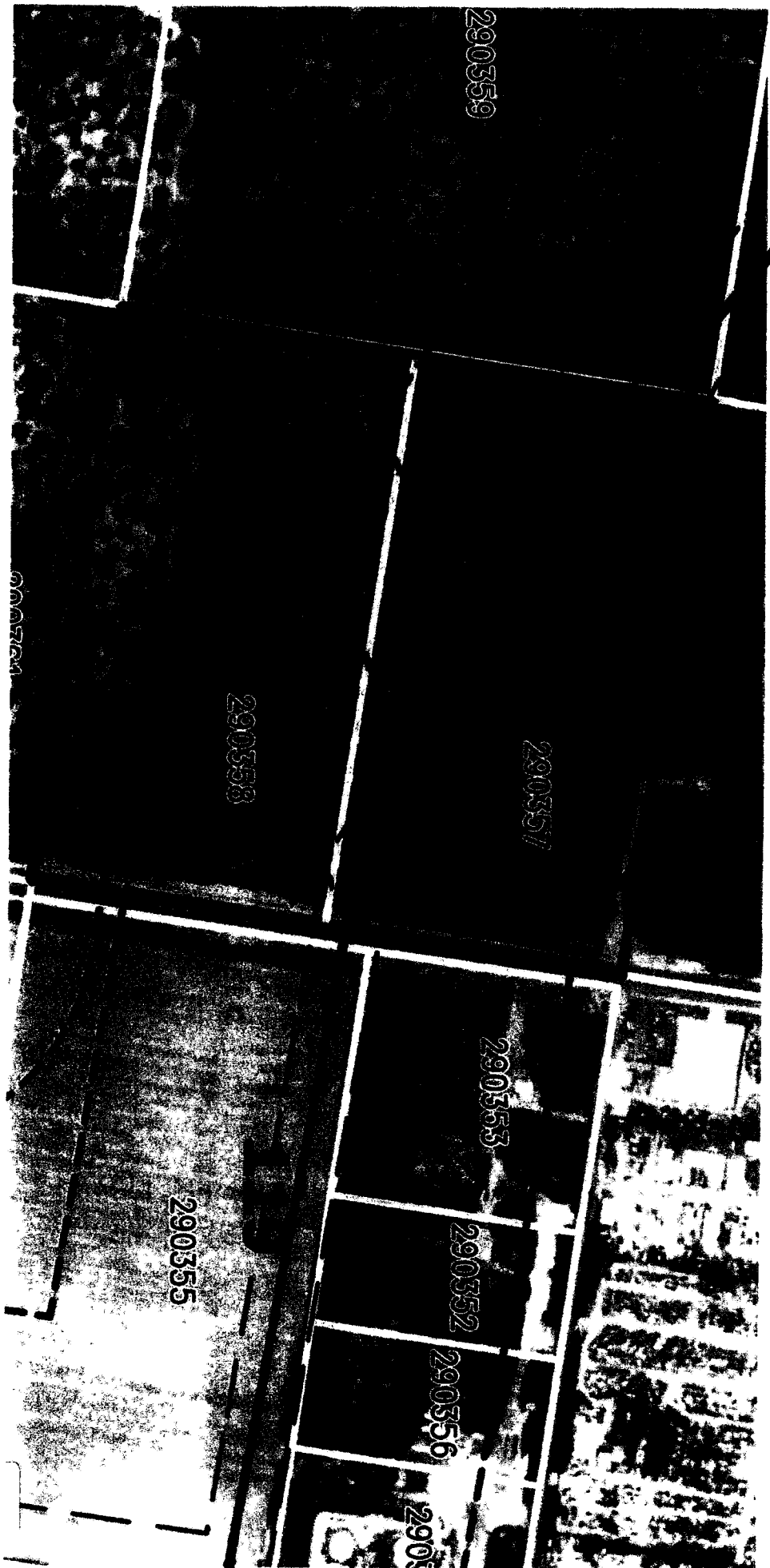


LAS ARBOLEDAS SUBDIVISION  
PHASE ONE

# EXHIBIT "B"



# EXHIBIT "C" SUA REZ TRACT ACREAGE TRACTS

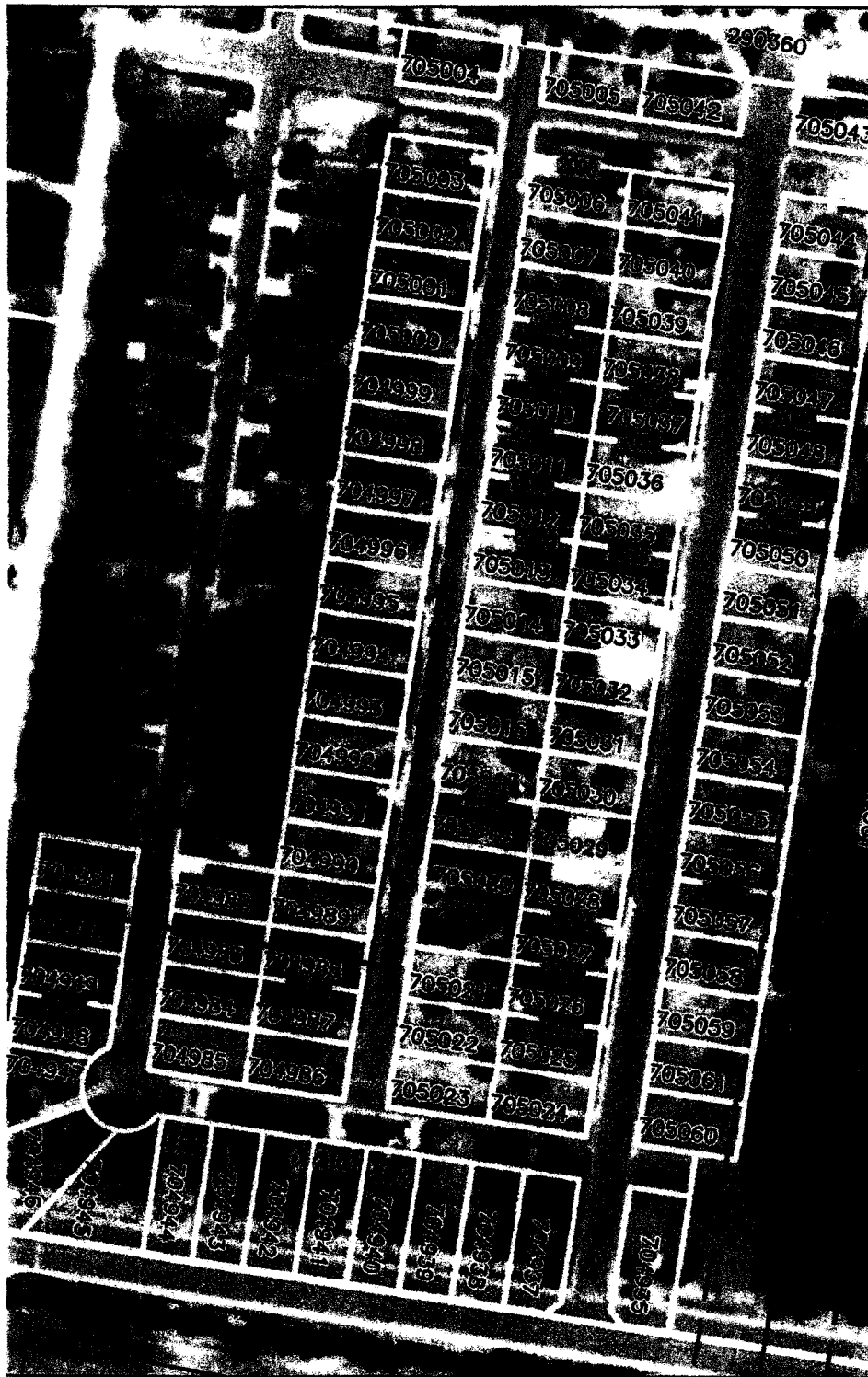


STEEL AND PERSHING SUBDIVISION  
REL. IN VOL. 8, PAGE 115, H.C.M.D.  
FUTURE DEVELOPMENT.



# EXHIBIT "E"

## LAS ARBOLEDAS



115

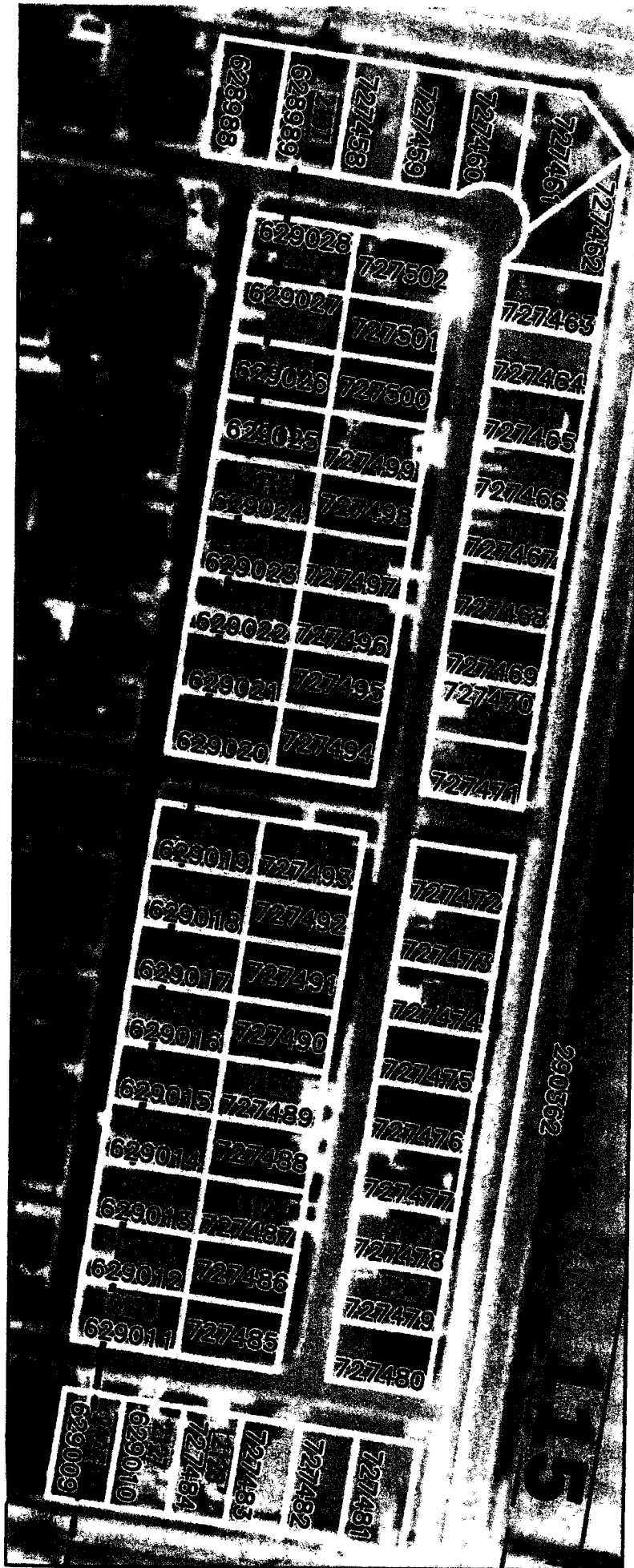


**VALLE ALTO NORTH PH. 8**



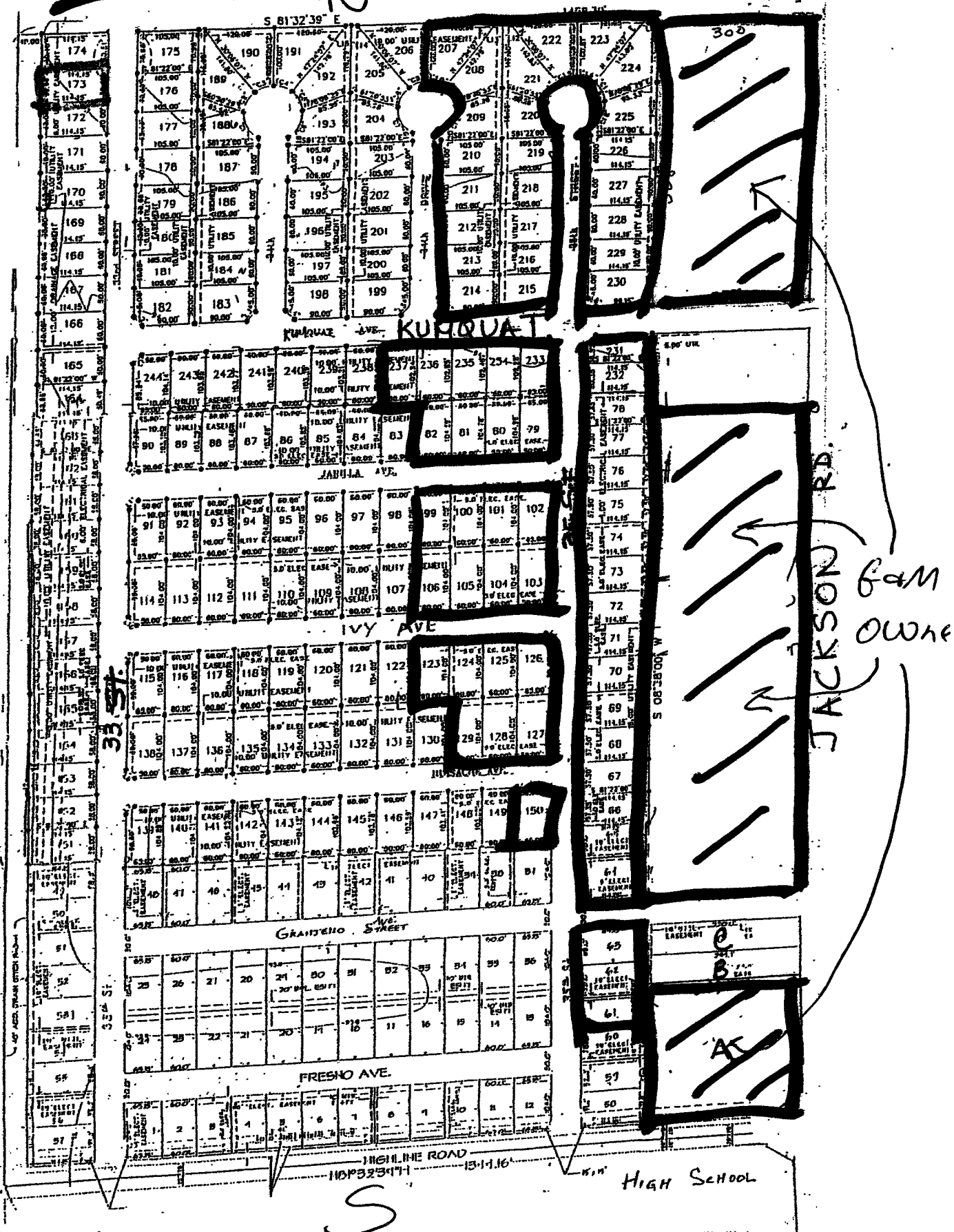
# EXHIBIT "G"

VALLE ALTO NORTH, PH. 7 & 8



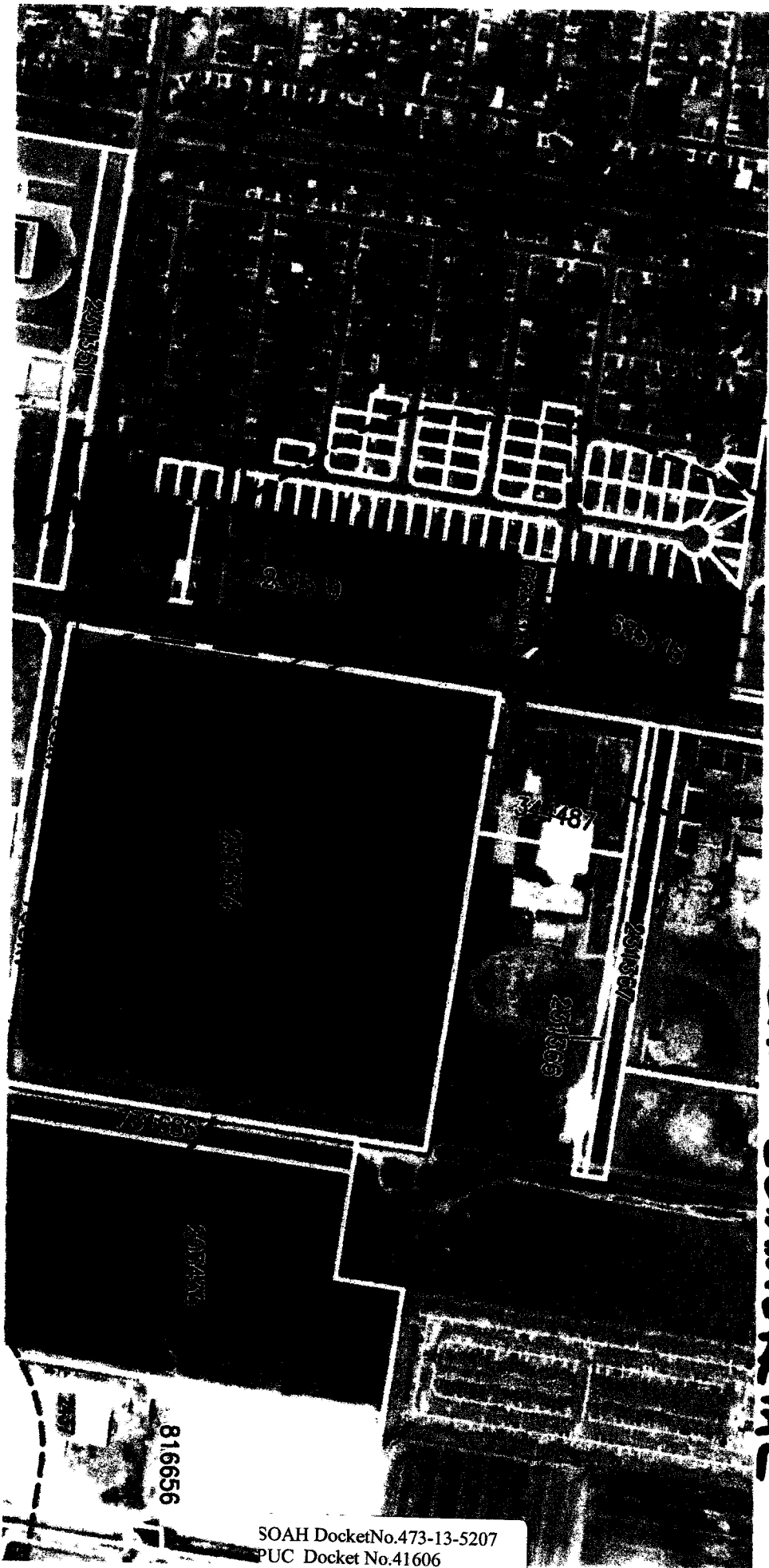
INSET "226"

# EXHIBIT "H"

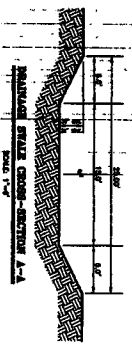
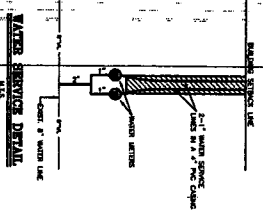
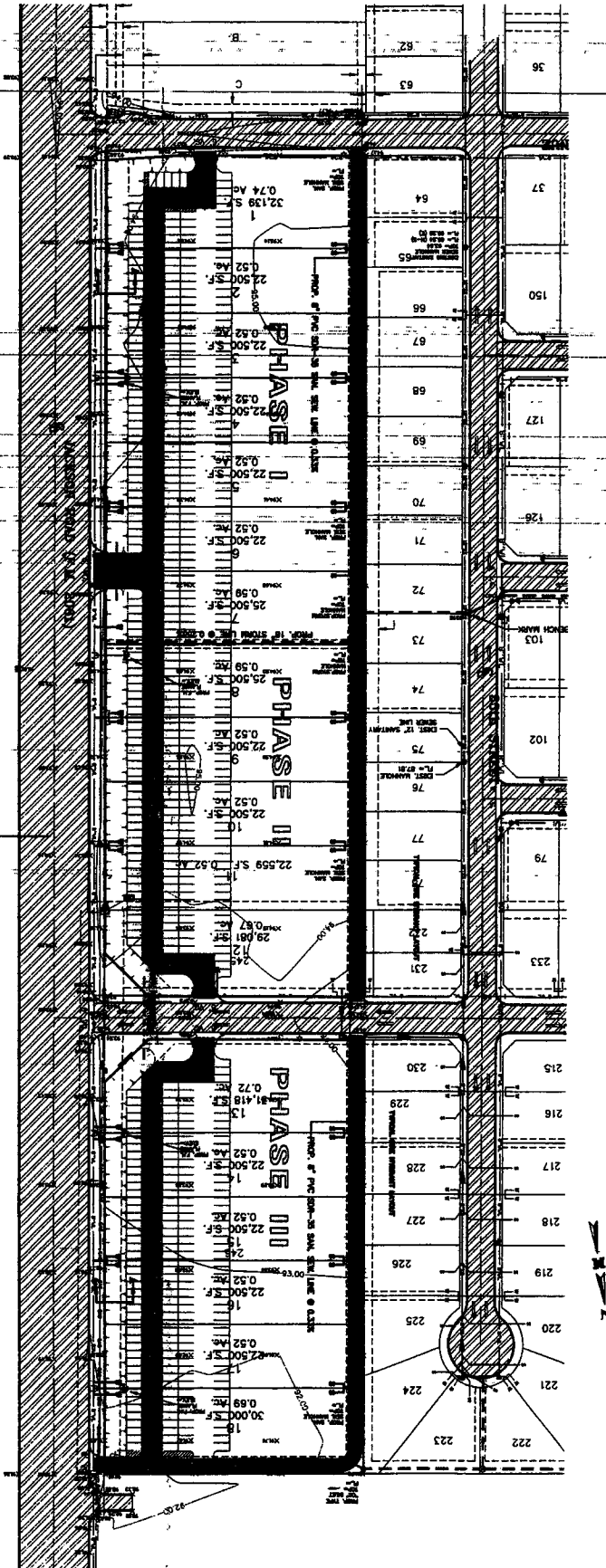


# EXHIBIT "I"

VALLE ALTO NORTHEAST COMMERCIAL



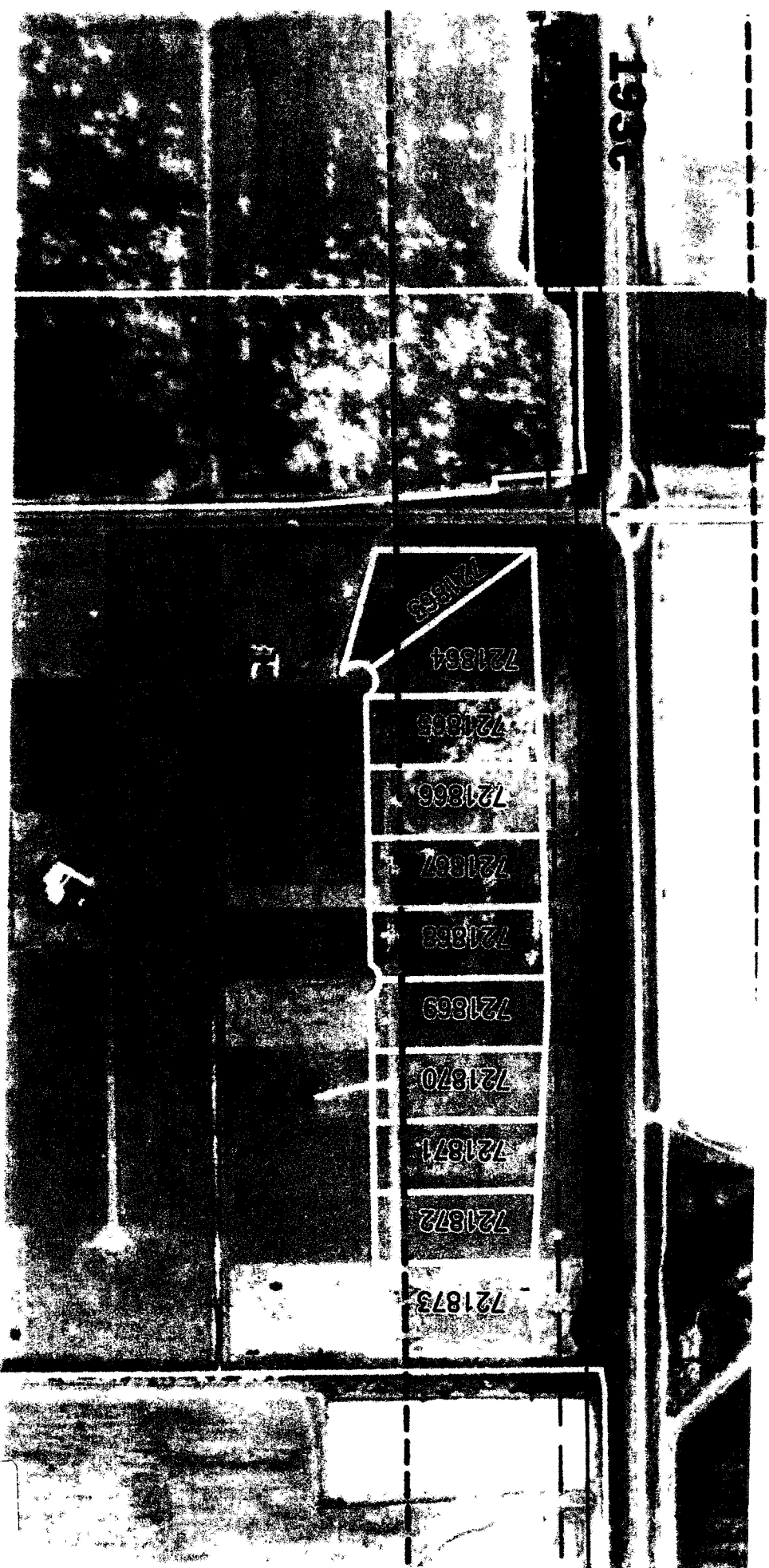
# EXHIBIT "D"



SOAH Docket No. 473-13-5207  
PUC Docket No. 41606  
Page 27

# EXHIBIT "K"

## RANCHITOS DE WESLACO, PH 2





# EXHIBIT "M"

## RANCHITOS DE PROGRESO, P.H.1



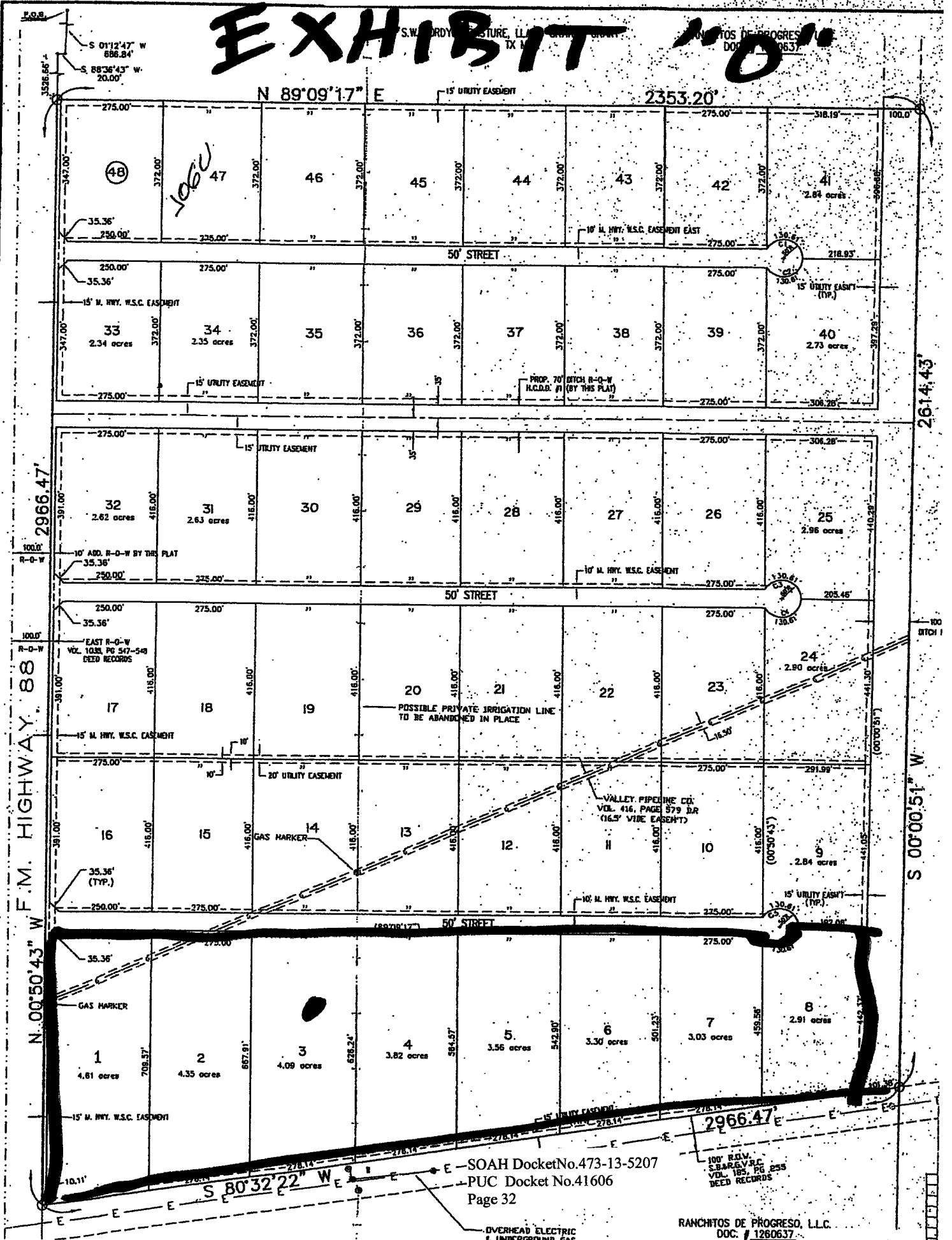
PH.2

RANCHITOS COMERCIAL

RANCHITOS COMMERCIAL



# EXHIBIT 'D'



—SOAH Docket No. 473-13-5207  
 —PUC Docket No. 41606  
 Page 32

RANCHITOS DE PROGRESO, L.L.C.  
 DOC. # 1260637

# EXHIBIT "P"

## PURCHASE AND SALE CONTRACT

THIS PURCHASE AND SALE CONTRACT OF REAL PROPERTY (the "Agreement") made and entered into this \_\_\_\_ day of August 2013 by and between **G & M REAL ESTATE** and/or ASSIGNS, (hereinafter "Seller") and **THE OVERLAND GROUP, LLC.** and/or ASSIGNS, (hereinafter "Buyer").

### WITNESSETH:

**WHEREAS**, Seller is the owner of a certain tract of real property measuring approx. 257' of frontage by 300' feet of depth at the NWC of S Jackson and W Highline Dr for a total 1.76± acres, City of Pharr, Hidalgo County, Texas, which tract of land is more particularly shown on Exhibit "A" attached hereto and made a part hereof (the "Property"); The Property shall mean net usable acres and shall not include real property burdened by permanent rights-of-way for public roads, drainage or utilities; and

**WHEREAS**, Buyer desires to purchase the Property upon the terms, provisions and conditions hereinafter set forth, together with all right, title and interest, if any, of Seller in and to any land lying in the bed of any street, road, alley or way, whether opened to, in front of or adjacent to the Property, and together with all appurtenances, improvements, easements and/or hereditaments thereunto belonging; and

**NOW THEREFORE**, for and in consideration of the mutual covenants and agreements contained herein, Buyer and Seller hereby covenant and agree as follows:

1. **PURCHASE PRICE.** The total purchase price for the Property shall be TWO HUNDRED EIGHTY THOUSAND AND NO/100 DOLLARS (\$280,000.00). The Purchase Price, less credit for monies heretofore paid to Seller by Buyer for the Inspection Period, shall be paid to Seller at closing as hereinafter defined (the "Closing").
2. **EARNEST MONEY.** Buyer shall deposit ONE THOUSAND AND NO/100 (\$1,000.00) into a non-interest bearing escrow account held by Sierra Title within five (5) days after execution of the contract.
3. **SURVEY.** Buyer will secure at Buyer's expense a boundary survey of the Property, prepared by an engineer or land surveyor registered in the state of Texas, selected by Buyer. This boundary survey shows all easements, rights of way, encroachments and matters of record, together with a certification as to the number of acres.
4. **TITLE EVIDENCE.** Within thirty (30) days after execution of this Contract for Purchase and Sale, Seller shall deliver to Buyer a commitment (the "Commitment") for an owner's policy of title insurance Sierra Title of Hidalgo County, Inc., 3401 N. 10<sup>th</sup>, McAllen, TX 78501, Phone: 956-687-6294, Attn: Matt Wilson, certified to a current date, and at Closing, the title policy referred to in the commitment (the "Title Policy") in the amount of the Purchase Price. The premium, therefore, shall be paid by Seller.

Buyer's Initials

SA

Seller's Initials

AW

## PURCHASE AND SALE CONTRACT

If the commitment or survey shows any defects or encumbrances or any covenant, restriction, easement or right-of-way of record or any private road or utility line or facility which in Buyer's reasonable judgment will materially interfere with Buyer's proposed development of the Property, then Buyer shall notify Seller of its objections to any such matter within thirty (30) days after receipt of the commitment. Seller shall have a reasonable time to cure the title defects to which Buyer has objected. If Seller fails to cure the title defects, Buyer shall have the option of either (1) accept title subject to the objections raised by Buyer and such accepted objections become Permitted Exceptions ("Permitted Exceptions") without any adjustment in the Purchase Price, or (2) rescind this Agreement, whereupon the earnest monies less \$100 to Seller as independent consideration for the right to terminate shall be immediately returned to Buyer by Escrow Agent, or (3) work with Seller to satisfy unacceptable matters and postpone the closing date for the same time period as it takes to satisfy these matters.

5. CONVEYANCE AND PERMITTED EXCEPTIONS. Upon payment by Buyer of all amounts due at Closing for the Property and Buyer's performance of all other obligations to be performed by Buyer at Closing, Seller shall convey title to the Property to Buyer by general warranty deed subject to any permitted exceptions
6. INSPECTION PERIOD. For a period of ninety (90) days, Buyer shall have the privilege of going upon the Property as needed to confirm zoning, confirm availability of all utilities (including sewer), to inspect, examine, survey, make soil and subsoil tests, percolation tests, arrange financing for the proposed development and to otherwise do what Buyer reasonably deems necessary to determine, to Buyer's sole satisfaction, whether the Property is suitable for Buyer's intended development and use. If Buyer determines, in its sole discretion, that the Property is unsuitable for its proposed development and gives notice of this to Seller prior to the expiration of the Inspection Period, then this Agreement shall terminate and all earnest monies less \$100 to Seller as independent consideration for the right to terminate shall be immediately returned to the Buyer. If Buyer terminates this contract before the end of the initial Inspection Period, Buyer shall be entitled to the immediate return of the Earnest Money without the need of Seller's release. Notwithstanding the foregoing, Buyer may extend the Inspection Period for one (1) additional period of sixty (60) days upon payment of \$5,000 to the Escrow Agent at the time such extension is requested, which deposits shall be non-refundable (subject only to Seller's ability to convey clear title), and shall be applied to the Purchase Price.
7. DEVELOPMENT OF TRACT AND CONDITIONS PRECEDENT. Buyer's obligation to close is subject to the satisfaction, as of the Closing Date, of each of the conditions described below (any of which may be waived in whole or in part in writing by Buyer at or prior to the Closing Date). Unless specifically stated as Seller's obligation, the satisfaction of all these conditions shall be at Buyer's sole expense. Buyer shall diligently and in good faith pursue the satisfaction of these conditions and Seller shall promptly cooperate whenever required by Buyer. In the event the conditions below have not been satisfied to the Buyer's satisfaction, the Buyer shall have the right to terminate this

Buyer's Initials

SA

Seller's Initials

JS

## PURCHASE AND SALE CONTRACT

Agreement by so notifying Seller in writing. In such event, the Escrow Agent shall return the earnest money to Buyer.

- A. Subdivision. In the event a subdivision plat is required pursuant to applicable law in connection with the conveyance of the Property to Buyer and/or the development of the Property, Buyer shall use diligent efforts to cause the Property to be properly subdivided in compliance with applicable law prior to Closing. Without limitation, Seller shall sign subdivision plats and other normal and customary documentation as may be required to comply with applicable laws relating to the subdivision of the Entire Tract. Any land covered by the subdivision plat but not included in the Property shall be subjected to the following restrictive covenant at Closing: Seller agrees not to lease, rent, occupy, or allow to be leased, rented or occupied, any part of the remaining subdivided property for the purpose of conducting business as or for use as a Family Dollar Store, Bill's Dollar Store, Fred's, Dollar Tree, Ninety-Nine Cents Only, Deals, Big Lots, Fiesta Groceries, La Fiesta Supermarkets, H-E-B or H-E-Butts, Walgreens, CVS, Rite Aid and any Wal-Mart store brand, including without limitation Wal-Mart Supercenter, Wal-Mart Express and Wal-Mart Neighborhood Market. Buyer shall pay for subdivision costs.
- B. Mutual Cooperation. Buyer and Seller agree to cooperate with one another in all reasonable respects in connection with any approvals, zoning changes or variances, or similar actions or consents which may be necessary or appropriate in connection with use of the Property and to otherwise cooperate in all reasonable respects in connection with the development of the Property. As of the Closing Date the Property shall be properly zoned for commercial real estate with all necessary zoning variances, if any are required, approved for Buyer's intended development.
- C. No Moratoriums. There shall be no development or building moratorium in effect with regard to the Property. In the event any such moratorium shall exist, then Buyer shall have the option of either (1) closing the transaction in accordance with the terms of this Agreement, (2) delaying closing until after the moratorium is lifted, or (3) terminating this Agreement by notice to the Seller, in which event the earnest monies shall be returned to Buyer.
- D. Ingress and Egress. There shall be suitable ingress and egress to the Property, including all necessary turning movements and curb cuts for Buyer's proposed development.

In the event a cross access agreement is required between Buyer and Seller for ingress and egress to Seller's remaining land, then the following restrictions shall be placed on the remaining land owned by the Seller. Seller agrees not to lease, rent, occupy, or allow to be leased, rented or occupied, any part of the remaining Tract for the purpose of conducting business as or for use as a Family Dollar Store, Bill's Dollar Store, Fred's, Dollar Tree, Ninety-Nine Cents Only, Deals, Big Lots, Fiesta Groceries, La Fiesta Supermarkets, H-E-B., Walgreens, CVS, Rite Aid and any Wal-Mart store brand, including without limitation Wal-Mart Supercenter, Wal-Mart Express and Wal-Mart Neighborhood Market. Seller also agrees not to lease, rent, occupy, or allow to be leased, rented or occupied, any part of its Tract to be used or operated for any of the following:

Buyer's Initials

SA

Seller's Initials

AM

## PURCHASE AND SALE CONTRACT

(a) for any unlawful purpose or in any way which would constitute a legal nuisance to an adjoining owner or occupant; (b) as a discotheque, dance hall or night club; (c) as a massage parlor; (d) funeral parlor; (e) bingo parlor; (f) car wash; (g) any use which emits a strong, unusual, offensive or obnoxious odor, fumes, dust or vapors, or any sound which can be heard outside of any buildings on the A Tract and B Tract, except that any usual paging system be allowed; (h) any assembling, manufacturing, distilling, refining, smelting, agricultural, or mining operation; (i) any "second hand" store or liquidation outlet; (j) any mobile home park, trailer court, labor camp, junk yard, recycling facility or stock yard; (k) any dumping, disposing, incineration or reduction of garbage (exclusive of garbage compactors located near the rear of any building); (l) any dry cleaners performing on-site cleaning services; (m) any automobile, truck, trailer or recreational vehicles sales, leasing, storage, display or body shop repair operation; (n) any living quarters, sleeping apartments or lodging rooms; (o) any veterinary hospital or animal raising facilities (except this provision shall not prohibit pet shops and shall not prohibit the provision of veterinary services in connection with pet shops or pet supplies business); (p) any establishment selling or exhibiting paraphernalia for use with illicit drugs, and establishment selling or exhibiting materials or devices which are adjudicated to be pornographic by a court of competent jurisdiction, and any adult bookstore, adult video store or adult movie theater; (q) any bar or tavern; provided, however, a bar within a restaurant shall be permitted; (r) any pool or billiard hall, gun range or shooting gallery, or amusement or video arcade; and (s) any use which creates fire, explosives or other hazards.

- E. Sanitary Sewer and Water Facilities. Buyer shall have (1) determined that sanitary sewer and water facilities adequate to serve the Property are available and (2) secured all required governmental approvals for the installations and use of such sanitary sewer and water facilities.
- F. Governmental Approvals. Buyer shall have received all necessary governmental approvals from the appropriate authorities for Buyer's proposed development, including without limitation, building permits, site plan approval including parking, and storm water retention. In addition, Buyer shall have received approval of its proposed tenant of the site plan as satisfying all tenants' conditions pursuant to tenant's lease agreement with Buyer. If Buyer's have requests pending before any government body for a permit, license or other approval required to begin the construction Buyer anticipates on the Property, Buyer may, by delivering written notice prior to expiration of this Agreement, extend the closing for thirty (30) days past such time as all applicable government bodies rule on the issuance of any requested permits, not to exceed one hundred twenty (120) days in addition to all other extensions provided for herein.
- G. Capping of Wells. In the event any uncapped oil or water wells on the Property are required to be capped as part of Buyer's intended development of the Property, Buyer may cap such well upon three (3) calendar days prior written notice by facsimile transmission or electronic mail and Seller shall reimburse Buyer for the reasonable costs of capping said wells on or before Closing. For purposes of this Section 7 (H), notice to Seller's agent shall constitute sufficient notice to Seller.

Buyer's Initials

SA

Seller's Initials

AM

## PURCHASE AND SALE CONTRACT

- H. Taxes. Upon three (3) calendar days prior written notice to Seller by facsimile transmission or electronic mail, Buyer shall have the right to pay all real estate taxes, charges and assessments due and payable and affecting the Property when such payment is required as part of Buyer's intended development of the Property. Buyer shall notify Seller of any payments made by Buyer and Seller shall reimburse Buyer for the amounts paid on or before Closing. For purposes of this Section 7 (I), notice to Seller's agent shall constitute sufficient notice to Seller.
8. PRO-RATIONS. All federal, state, county and municipal ad valorem real property taxes and assessments with respect to the Property shall be prorated at closing. If the amount of such taxes and assessments is not known as of closing, then the pro-ration of such taxes and assessments shall be made upon the basis of the most recent ascertainable statements, and such pro-rations shall be adjusted when such taxes and assessments are available.
9. REPRESENTATIONS AND WARRANTIES OF SELLER. Seller represents and warrants to, and covenants with, Buyer as follows:
- A. Seller has good and indefeasible fee simple title to the Property subject to matters of record and affecting the Property and at Closing will have and will convey to Buyer by warranty deed good and indefeasible fee simple title to the Property, free and clear of all liens, defects, encumbrances, conditions, exceptions, restrictions or other matters affecting title;
  - B. Seller has not received any written notice of any current or pending litigation, tax appeals or environmental investigations against Seller or the Property and, to the best of Seller's knowledge, there is no pending litigation, tax appeals or environmental investigations against Seller or the Property;
  - C. Seller has not entered into any contracts, subcontracts or agreements affecting the Property which will be binding upon Buyer after the Closing;
  - D. Seller has not received any written notice from (or delivered any notice to) any governmental authority regarding any violation of any law applicable to the Property and, to the best of Seller's knowledge, there are no such violations;
  - E. There are no occupancy rights, leases or tenancies affecting the Property;
  - F. No person or entity has any option, right of first refusal or other right to purchase the Property or any part thereof or interest therein;
  - G. There are no pending or, to the best of Seller's knowledge, threatened condemnation proceedings affecting the Property and Seller has not received any written notice that there is any pending or threatened condemnation of all or any part of the Property;

Buyer's Initials

SA

Seller's Initials

DM

## PURCHASE AND SALE CONTRACT

- H. To the best of Seller's knowledge, no hazardous substances have been generated, stored, released, or disposed of on or about the Property in violation of any law, rule or regulation applicable to a Property which regulates or controls matters relating to the environment or public health or safety (collectively, "Environmental Laws"). Seller has not received any written notice from (nor delivered any notice to) any federal, state, county, municipal or other governmental department, agency or authority concerning any petroleum product or other hazardous substance discharge or seepage relating to the Property. For purposes of this Agreement, "hazardous substances" shall mean any substance or material that is defined or deemed to be hazardous or toxic pursuant to any Environmental Laws; and
- I. Seller has no knowledge of any hazardous or Solid waste placed on the property that would require remediation or disposal.

Should Seller receive notice or actual knowledge of any inaccurate information regarding any of the matters set forth in this Section 9 after the date of this Agreement and prior to Closing, Seller will immediately notify Buyer of the same in writing. If Seller is unwilling or unable to correct such inaccuracy on or before Closing of the applicable Property, Buyer may cancel this Agreement and any Earnest Money shall be returned to Buyer. The representations and warranties of Seller shall survive each Closing for a period of one (1) year.

10. CLOSING. In the event Buyer exercises its rights to purchase the Property, the consummation of the purchase and sale, delivery of the deed of conveyance and payment of the Purchase Price (the "Closing") shall take place at a legal office on a date and time mutually agreed to by the parties hereto, but in no event later than thirty (30) days after the end of the Inspection Period. Notwithstanding the foregoing, Buyer may extend the closing date for one (1) additional periods of thirty (30) days each upon payment of \$10,000 to the Escrow Agent at the time each such extension is requested, which deposits shall be non-refundable (subject only to Seller's ability to convey clear title), and shall be applied towards the Purchase Price at closing. Possession of the Property is to be given to Buyer upon delivery of the deed.

Seller will pay the costs of Seller's counsel, preparation of the deed and any bill of sale, a title insurance policy in an amount equal to the Purchase Price, transfer taxes for the conveyance, and one half of the escrow or closing fees.

Buyer will pay the cost of Buyer's counsel, the cost of the survey, all loan costs required by Buyer's lender, including title policy cost in excess of owner's policy provided by Seller, one half of any escrow or closing fee, and recording fees for the deed and mortgage, and any applicable mortgage tax.

Buyer's Initials

SA

Seller's Initials

KM

## PURCHASE AND SALE CONTRACT

11. **NOTICE.** All notices will be in writing and served by postage prepaid certified mail, by next day delivery (such as Federal Express), by facsimile transmission, or by electronic mail to the addresses shown below, until notification of a change of such addresses. All such notices shall be deemed delivered on the date initiated.

For Buyer:  
The Overland Group  
194 Narrows Drive, Suite 1  
Birmingham, AL 35242  
Phone: 205-995-2990  
Fax: 205-995-2989  
Email: [sid@theoverlandgroup.com](mailto:sid@theoverlandgroup.com)

With a Copy To:  
The Overland Group  
1598 Imperial Center, Ste. 2001  
P.O. Box 885  
West Plains, MO 65775

For Seller:  
G & M Real Estate  
1307 E Hackberry Ave  
McAllen, TX 78501-5702  
Phone: 1-956-686-8374  
Email: \_\_\_\_\_

With a Copy To:  
King Law Firm  
John King  
3409 N 10<sup>th</sup> ST  
McAllen, TX 78501  
Fax: 1-956-687-5514  
Email: [jking@kingrgvlaw.com](mailto:jking@kingrgvlaw.com)

12. **BROKER.** Each party represents and warrants to the other that Plaza Realty is the only Broker in connection with the sale of the Property. Seller agrees to pay Plaza Realty as the Broker in this transaction, in cash, at closing, a commission in the amount of three percent (3%) of the total Purchase Price. Buyer and Seller each warrant and represent to the other that no real estate broker or agent other than Broker aforementioned have been used or consulted in connection with the negotiation or execution of this Agreement and each covenants and agrees that it will defend, indemnify and save the other harmless from and against any actions, real estate commissions, fees, costs and /or expenses (including reasonable attorney's fees) resulting or arising from acts of the indemnifying party and resulting in commission, fees, costs and/or expenses being actually found due to any real estate broker or agent by a court of competent jurisdiction in connection with the purchase and sale, if at all, of the Property.

Buyer's Initials

SA

Seller's Initials

KM



## PURCHASE AND SALE CONTRACT

13. AGENCY DISCLOSURE.

THE BUYERS ARE LICENSED REAL ESTATE BROKERS IN THE STATES OF MISSOURI AND ALABAMA.

The listing company is: n/a

The selling company is: Plaza Realty, Roy Rivera, 1-956-688-6700, [plaza.realty@sbcglobal.net](mailto:plaza.realty@sbcglobal.net)

The selling company is (two may be checked):

- ☐ An agent of the seller. ☐ An agent of the buyer.  
☐ An agent of both the seller and buyer and is acting as a limited consensual dual agent.  
☒ Assisting the ☒ buyer ☐ seller (check one or both) as a transaction broker.

14. DISCLAIMER. Seller and Buyer acknowledge that they have not relied upon advice or representations of Broker (or Broker's associated salespersons) relative to the legal or tax consequences of this contract and the sale, purchase or ownership of the Property. Seller and Buyer acknowledge that if such matters are of concern to them in the decision to sell or purchase the Property, they have sought and obtained independent advice relative thereto.
15. DEFAULT. In the event Seller breaches its covenant to convey the Property to Buyer or otherwise fails to perform its obligations under this Agreement which are to be performed by Seller at or prior to Closing in accordance with its terms. Buyer shall be entitled to one of the following as Buyer's sole remedy: (a) terminate this Agreement and receive a prompt and complete return of the Earnest and any other monies heretofore paid by Buyer to Seller or for Buyers out-of-pocket expense: OR (b) obtain specific performance of this Agreement. If Buyer fails to perform as required under this Agreement, then Seller shall receive the earnest monies as liquidated damages, it being agreed between Buyer and Seller that such sum shall be liquidated damages for a default of Buyer hereunder because of the difficulty, inconvenience, and the uncertainty of ascertaining actual damages for such default.
16. NON-NEGOTIATION. Seller hereby covenants and agrees that it shall not during the Inspection Period or any extension thereof, nor prior to closing, lease the Property or convey, demise, or otherwise encumber the Property except as specifically provided in this Agreement.
17. FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT (FIRPTA). In the Closing of this transaction, Seller and Buyer shall comply with the FIRPTA and the regulations promulgated thereunder by the IRS.

Buyer's Initials

SA

Seller's Initials

AM

8

## PURCHASE AND SALE CONTRACT

18. EXPIRATION. If this Agreement is not executed by Seller and Buyer on or before 5:00 P.M., CST/CDT time August 9<sup>th</sup>, 2013, this Agreement shall be null and void and shall have no force and effect and neither Seller nor Buyer shall have any further obligations hereunder. The effective date of this Agreement shall be the date upon which the later of Seller or Buyer executes this Agreement.
19. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Signatures may be faxed or e-mailed.
20. TIME. Time is of the essence in the performance of this contract.
21. LAWS. This contract is performable in Hidalgo County, Texas. All provisions hereof will be construed in accordance with the laws of the State of Texas.

Buyer's Initials

SA

Seller's Initials

SM

## PURCHASE AND SALE CONTRACT

22. **ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement between Buyer and Seller regarding the Property, and supersedes all prior discussion, negotiations and agreements between Buyer and Seller, whether oral or written. Buyer, Seller, nor Broker nor any sales agent shall be bound by any understanding, agreement, promise, or representation concerning the Property, expressed or implied, not specified herein. If any clause or provision of this Agreement, or the application thereof to any entity or circumstance, is or becomes illegal, invalid or unenforceable to any extent because of present or future laws or rules or regulation of any governmental body or entity, the intention of the parties hereto is that the remaining parts of this Agreement shall not be affected thereby and that the same shall otherwise remain enforceable to the fullest extent permitted by law.

**Seller(s)**

**G & M REAL ESTATE**

By: 

As Its: **PRESIDENT**

Date: **8/6/13**

**Buyer:**

**THE OVERLAND GROUP, LLC**

By:  Sid Aultman

As Its: Member

Date: 8/5/2013

Buyer's Initials SA

Seller's Initials 

# PURCHASE AND SALE CONTRACT

## EXHIBIT "A"

Legal Description: VALLE ALTO NORTHEAST #1 LOT A



Buyer's Initials

SA











Seller's Initials

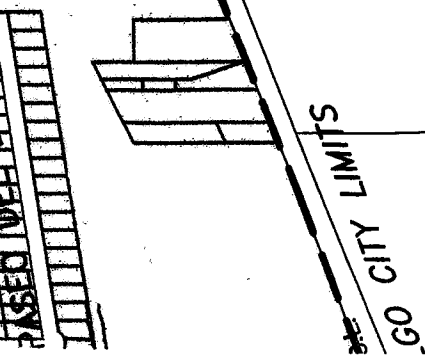
*[Handwritten signature]*

# OFFICIAL ZONING MAP

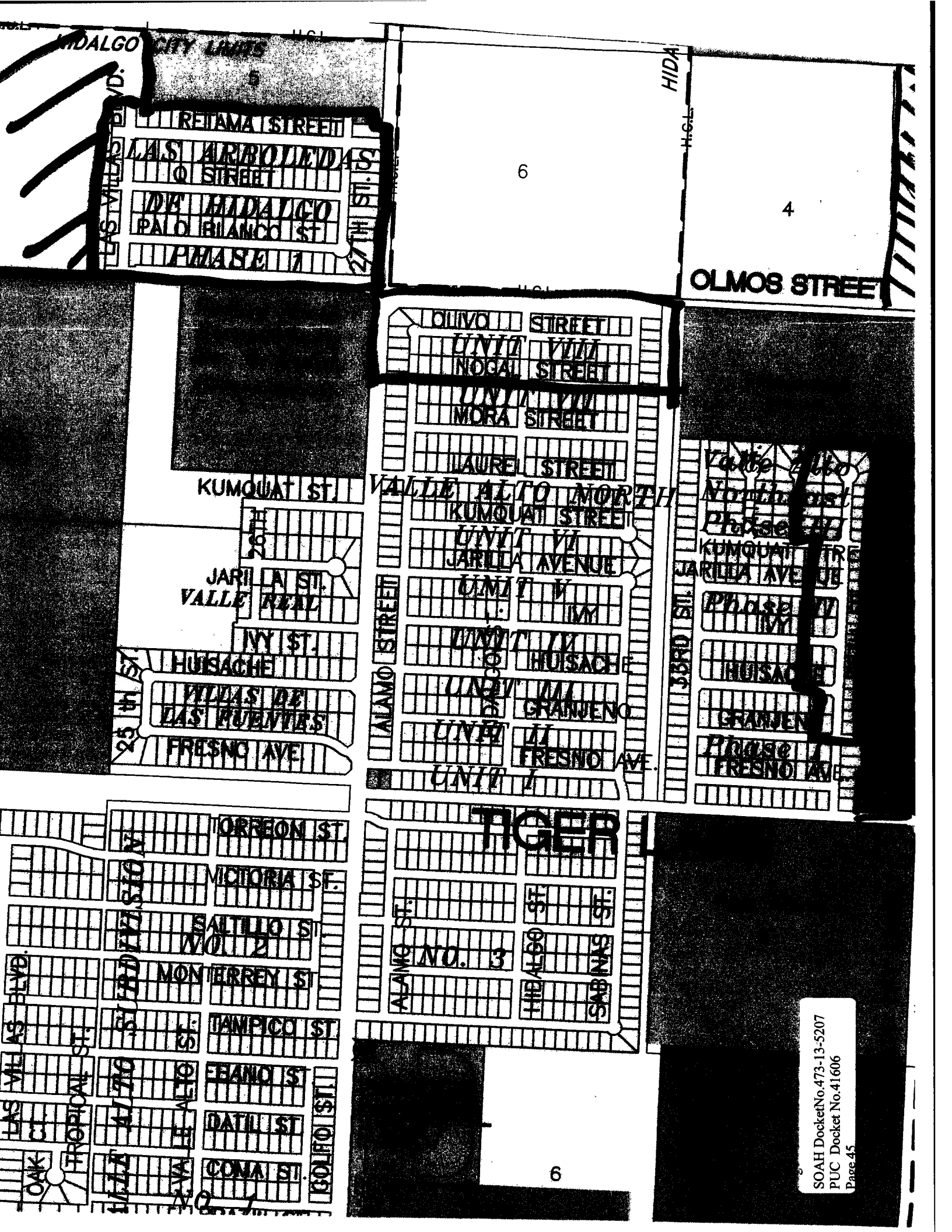
## EXHIBIT "Q"

### LEGEND

-  A-1 AGRICULTURAL & OPEN SPACE
-  C-1 CENTRAL BUSINESS DISTRICT
-  C-2 NEIGHBORHOOD CONVENIENCE DISTRICT
-  I-1 LIGHT INDUSTRIAL
-  I-2 INDUSTRIAL DISTRICT
-  R-1 LOW DENSITY RESIDENTIAL DISTRICT
-  R-2 HIGH DENSITY RESIDENTIAL DISTRICT
-  P PUBLIC
-  FP- FLOOD PLAIN DISTRICT
-  H HISTORIC DISTRICT



BALDOMERO



HIDALGO CITY LIMITS  
RETAMA STREET  
LAS ARBOLEDAS  
DE HIDALGO  
PALO BLANCO ST  
PHASE 1

6  
HIDALGO

4  
OLMOS STREET

KUMQUAT ST.  
JARRILLA ST.  
VALLE REAL  
IVY ST.  
HUISACHE  
VILLAS DE LAS FUENTES  
FRESNO AVE

OLIVE STREET  
UNIT VIII  
NOGAL STREET  
UNIT VII  
MORA STREET  
LAUREL STREET  
VALLE ALTO NORTH  
KUMQUAT STREET  
UNIT VI  
JARRILLA AVENUE  
UNIT V  
HUISACHE  
UNIT IV  
GRANJENO  
UNIT III  
FRESNO AVE  
UNIT II

Valle Alto  
North East  
Phase IV  
KUMQUAT ST  
JARRILLA AVENUE  
Phase IV  
HUISACHE  
GRANJENO  
Phase I  
FRESNO AVE

TORREON ST  
VICTORIA ST  
SALTILLO ST  
MONTERREY ST  
TAMPICO ST  
FEANO ST  
DATIL ST  
COMA ST  
GOLFO ST

TIGER  
ALAMO ST  
NO. 3  
HIDALGO ST  
SABINAS ST

6