



ESTADO LIBRE ASOCIADO DE PUERTO RICO

**Municipio de Salinas**

OFICINA DE LA ASAMBLEA MUNICIPAL

P.O. BOX 1149

SALINAS, PUERTO RICO - 00751

**RESOLUCION NUM. 6**

**SERIE 2002-2003**

**RESOLUCION DE LA HONORABLE LEGISLATURA MUNICIPAL DE SALINAS, PUERTO RICO PARA AUTORIZAR AL ALCALDE, HON. ABRAHAM LÓPEZ MARTÍNEZ A ADQUIRIR MEDIANTE COMPRA UNA PROPIEDAD LOCALIZADA EN LA CALLE MIGUEL TEN ESQUINA MONSERRATE EN SALINAS, CONOCIDA COMO LA CASA CARDONA.**

**POR CUANTO:** El Municipio de Salinas tiene interés en adquirir la "Casa Cardona" para establecer el Museo de la Historia de Salinas.

**POR CUANTO:** Los dueños de la "Casa Cardona" tienen interés en venderle la propiedad al Municipio de Salinas

**POR CUANTO:** Aunque la Propiedad esta valorada en \$146,000, el precio de compra de la propiedad es ciento veinticinco mil dólares (\$125,000)


**POR CUANTO:** Los fondos para comprar esta propiedad provienen de una asignación económica de la Directoría de Urbanismo del Departamento de Transportación y Obras Públicas Estatal como parte de los proyectos de revitalización del Centro Urbano de Salinas.

**POR TANTO: RESUELVASE POR LA HONORABLE LEGISLATURA MUNICIPAL DE SALINAS, PUERTO RICO:**

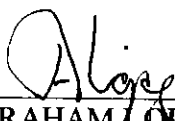
**SECCION 1RA:** Autorizar al Alcalde, Hon. Abraham López Martínez a adquirir mediante compra la propiedad conocida como la "Casa Cardona" que ubica en la Calle Miguel Ten esquina Monserrate en Salinas.

**SECCION 2DA:** Esta Resolución comenzara a regir inmediatamente después de ser aprobada por la Legislatura Municipal y firmada por el Honorable Alcalde.

  
ROBERTO L. MERCADO COLÓN  
PRES. LEGISLATURA MUNICIPAL

  
IRIS D. GONZÁLEZ MARTÍNEZ  
SEC. LEGISLATURA MUNICIPAL

Firmado por el Hon. Abraham López Martínez, Alcalde, a los 22 días del mes octubre de 2002.

  
ABRAHAM LÓPEZ MARTÍNEZ  
ALCALDE

RESOLUCIÓN NÚM. 6

SERIE 2002-2003

CERTIFICACIÓN

**YO, IRIS D. GONZÁLEZ MARTÍNEZ**, Secretaria de la Legislatura Municipal de Salinas, Puerto Rico, **CERTIFICO:** Que la que antecede es copia fiel y exacta de la Resolución Núm. 6, Serie 2002-2003, adoptada por la Legislatura Municipal en la continuación de la Sesión Ordinaria celebrada el día 17 de octubre de 2002.

Se certifica, además, que dicha Resolución fue aprobada con los votos afirmativos de los siguientes legisladores presentes en dicha sesión: Roberto L. Mercado, José R. Merced, Jacqueline Vázquez, Luz M. Espada, Evelyn Alvarado, María E. Espada, José M. Carrillo, Luis Díaz, José A. Rodríguez, Domingo Soliván, Víctor Alvarado y los votos en contra de Gilberto Reyes, Benjamín Zayas.

**EN TESTIMONIO DE LO CUAL**, libro la presente certificación bajo mi firma y sello oficial de este Municipio hoy día 22 de octubre de 2002.

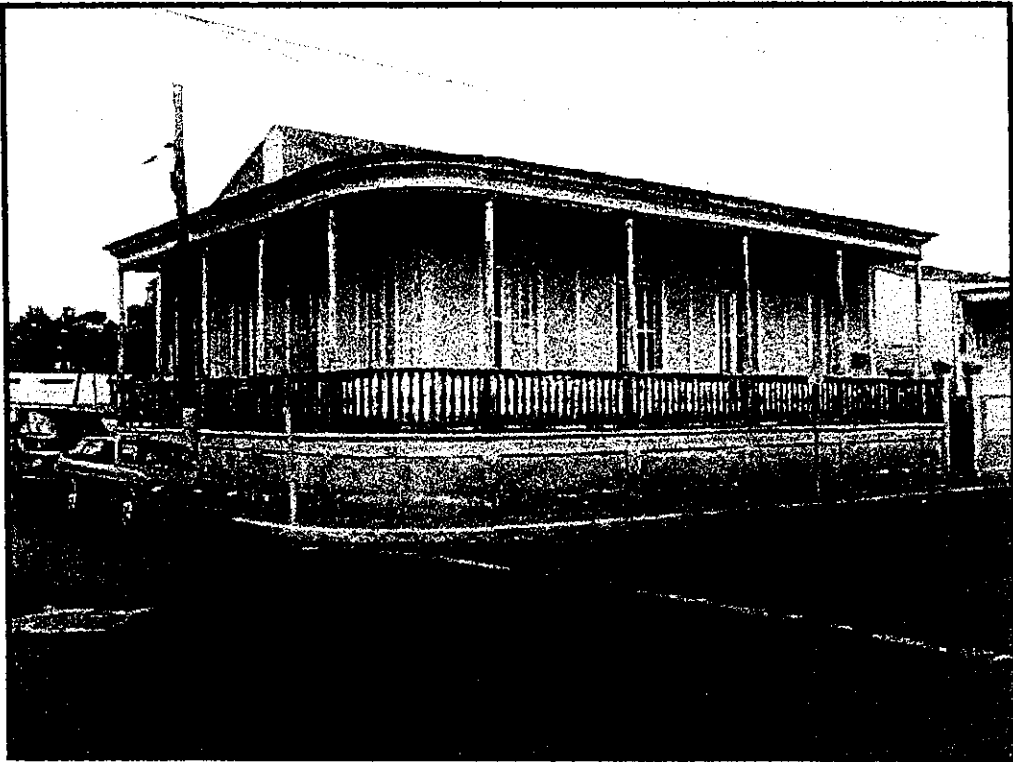
  
IRIS D. GONZÁLEZ MARTÍNEZ  
SEC. LEGISLATURA MUNICIPAL

Borrower/Client	Municipality of Salinas	File No.	
Property Address	Monserate Street corner Miguel Ten Street		
City	Salinas	County	123
		State	PR
		Zip Code	00751
Lender	Abraham Lopez Martinez		

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**JC CONSTRUCTION SERVICES AND ASSOCIATES**  
Engineers, Land Surveyors and Real Estate Appraisers



**APPRAISAL OF REAL PROPERTY**

**LOCATED AT:**

Monserate Street corner Miguel Ten Street  
See Deed  
Salinas, PR 00751

**FOR:**

Abraham Lopez Martinez  
Mayor  
Municipality of Salinas

**AS OF:**

September 1, 2002

**BY:**

Ing. Russell Rodriguez Nazario

JC Constructions Services and Associates  
#62 Baldorioty Street  
Salinas, Puerto Rico 00785

**FROM:**

JC Construction Services and Associates  
 # 62 Baldorioty Street  
 Salinas, Puerto Rico, 00751

Telephone Number: 787-824-6681

Fax Number: 787-824-6681

**INVOICE****INVOICE NUMBER****DATE**

September 10, 2002

**REFERENCE**

Internal Order #:

Lender Case #:

Client File #:

Main File # on form:

Other File # on form:

Federal Tax ID:

Employer ID:

**TO:**

Abraham Lopez Martinez  
 Mayor  
 Municipality of Salinas

Telephone Number:

Fax Number:

Alternate Number:

E-Mail:

**DESCRIPTION**

Lender: Abraham Lopez Martinez

Client: Abraham Lopez Martinez

Purchaser/Borrower: Municipality of Salinas

Property Address: Monserrate Street corner Miguel Ten Street

City: Salinas

County:

State: PR

Zip: 00751

Legal Description: See Deed

**FEES****AMOUNT**

Full Appraisal

1,200.00

**SUBTOTAL**

1,200.00

**PAYMENTS****AMOUNT**

Check #:

Date:

Description:

Check #:

Date:

Description:

Check #:

Date:

Description:

**SUBTOTAL****TOTAL DUE**

\$

1,200.00

JC Construction Services  
#62 Baldorioty Street  
Salinas, Puerto Rico

September 10, 2002

Abraham Lopez Martinez  
Salinas, Puerto Rico

Re: Property: Monserrate Street corner Miguel Ten Street  
Salinas, PR 00751  
Borrower: Municipality of Salinas  
File No.:

In accordance with your request, we have appraised the above referenced property. The report of that appraisal is attached.

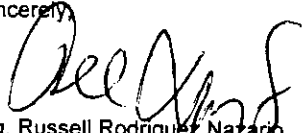
The purpose of this appraisal is to estimate the market value of the property described in this appraisal report, as improved, in unencumbered fee simple title of ownership.

This report is based on a physical analysis of the site and improvements, a locational analysis of the neighborhood and city, and an economic analysis of the market for properties such as the subject. The appraisal was developed and the report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice.

The value conclusions reported are as of the effective date stated in the body of the report and contingent upon the certification and limiting conditions attached.

It has been a pleasure to assist you. Please do not hesitate to contact me or any of my staff if we can be of additional service to you.

Sincerely,

  
Ing. Russell Rodriguez Nazario  
Professional Appraiser  
Lic. 842

SUMMARY OF SALIENT FEATURES

SUBJECT INFORMATION	Subject Address	Monserate Street corner Miguel Ten Street
	Legal Description	See Deed
	City	Salinas
	County	123
	State	PR
	Zip Code	00751
	Census Tract	9530
	Map Reference	371/395
SALES PRICE	Sale Price	\$ N/A
	Date of Sale	N/A
CLIENT	Borrower / Client	Municipality of Salinas
	Lender	Abraham Lopez Martinez
DESCRIPTION OF IMPROVEMENTS	Size (Square Feet)	3,007
	Price per Square Foot	\$
	Location	Road front
	Age	60;Effective:30
	Condition	Average
	Total Rooms	13
	Bedrooms	6
	Baths	1
APPRAISER	Appraiser	Ing. Russell Rodriguez Nazario
	Date of Appraised Value	September 1, 2002
VALUE	Final Estimate of Value	\$ 146,000

## UNIFORM RESIDENTIAL APPRAISAL REPORT

File No.

## Property Description

Property Address	Monserrate Street corner Miguel Ten Street		City	Salinas	State	PR	Zip Code	00751				
Legal Description	See Deed		County	123								
Assessor's Parcel No.	N/A		Tax Year		R.E. Taxes \$	Special Assessments \$						
Borrower	Municipality of Salinas		Current Owner	Delia Cardona		Occupant:	<input checked="" type="checkbox"/> Owner	<input type="checkbox"/> Tenant <input type="checkbox"/> Vacant				
Property rights appraised	<input checked="" type="checkbox"/> Fee Simple	<input type="checkbox"/> Leasehold	Project Type	<input type="checkbox"/> PUD	<input type="checkbox"/> Condominium (HUD/VA only)		HOA \$	/Mo.				
Neighborhood or Project Name			Map Reference	371/395		Census Tract 9530						
Sale Price \$	N/A		Date of Sale	N/A		Description and \$ amount of loan charges/concessions to be paid by seller						
Lender/Client	Abraham Lopez Martinez		Address									
Appraiser	Ing. Russell Rodriguez Nazario		Address	D-70 Monserrate Dev, Salinas, PR 00751								
Location	<input checked="" type="checkbox"/> Urban	<input type="checkbox"/> Suburban <input type="checkbox"/> Rural	Predominant occupancy	Single family housing		Present land use %		Land use change				
Built up	<input checked="" type="checkbox"/> Over 75%	<input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	<input checked="" type="checkbox"/> Owner 70	PRICE (\$000)	AGE (yrs)	One family	50	<input checked="" type="checkbox"/> Not likely <input type="checkbox"/> Likely				
Growth rate	<input type="checkbox"/> Rapid	<input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	<input checked="" type="checkbox"/> Tenant 25	70	Low 15	2-4 family		<input type="checkbox"/> In process				
Property values	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Vacant (0-5%)	200	High 60	Multi-family		To:				
Demand/supply	<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In balance <input type="checkbox"/> Over supply		Predominant		Commercial	50					
Marketing time	<input type="checkbox"/> Under 3 mos.	<input checked="" type="checkbox"/> 3-6 mos. <input type="checkbox"/> Over 6 mos.	<input type="checkbox"/> Vac. (over 5%)	125	40							
<b>Note: Race and the racial composition of the neighborhood are not appraisal factors.</b>												
Neighborhood boundaries and characteristics: See attached addenda.												
Factors that affect the marketability of the properties in the neighborhood (proximity to employment and amenities, employment stability, appeal to market, etc.):												
The subject property is located right in front of the town recreational park (plaza de recreo) with frontage towards the Miguel ten and Monserrate streets. Its is located a walking distance form the Town City Hall, Churches, professional offices, stores and schools. The neighborhood is very close to the PR #1 and PR #3 and its ten (10) minutes away from PR #52. Light commercial activities are still held at the center of the town even though most of it has moved to the different shopping centers at the town of Salinas.												
Market conditions in the subject neighborhood (including support for the above conclusions related to the trend of property values, demand/supply, and marketing time -- such as data on competitive properties for sale in the neighborhood, description of the prevalence of sales and financing concessions, etc.):												
Demand for properties in this neighborhood is stable. No sales or financing concessions were found. Properties value in the Salinas downtown area should increase as the State Government is promoting the improvement of the center of the towns in Puerto Rico, which may result in and stronger commercial activity with more people establishing their residents in this area.												
<b>Project Information for PUDs</b> (If applicable) - Is the developer/builder in control of the Home Owners' Association (HOA)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No												
Approximate total number of units in the subject project			N/A		Approximate total number of units for sale in the subject project							
Describe common elements and recreational facilities:												
Dimensions	Not Available in Deed		Topography	Level								
Site area	490.40 sm		Size	Typical								
Specific zoning classification and description	C-1		Shape	Rectangular								
Zoning compliance	<input checked="" type="checkbox"/> Legal	<input type="checkbox"/> Legal nonconforming (Grandfathered use)	Drainage	Adequate								
Highest & best use as improved:	<input type="checkbox"/> Present use	<input checked="" type="checkbox"/> Other use (explain)	View	Local street								
Utilities	Public	Other	Landscaping	Average								
Electricity	<input checked="" type="checkbox"/>		Driveway Surface	Concrete								
Gas	<input type="checkbox"/>		Apparent easements	None								
Water	<input checked="" type="checkbox"/>		FEMA Special Flood Hazard Area	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No								
Sanitary sewer	<input checked="" type="checkbox"/>		FEMA Zone	AE		Map Date	6/99					
Storm sewer	<input checked="" type="checkbox"/>		FEMA Map No.	720000-0292 D								
Comments (apparent adverse easements, encroachments, special assessments, slide areas, illegal or legal nonconforming zoning use, etc.):												
See attached addenda.												
GENERAL DESCRIPTION		EXTERIOR DESCRIPTION		FOUNDATION		BASEMENT		INSULATION				
No. of Units	One	Foundation	Concrete	Slab	Concrete	Area Sq. Ft.	N/A	Roof	<input type="checkbox"/>			
No. of Stories	1	Exterior Walls	Wood plank	Crawl Space	No	% Finished		Ceiling	<input type="checkbox"/>			
Type (Det./Att.)	Attached	Roof Surface	Wood	Basement	No	Ceiling		Walls	<input type="checkbox"/>			
Design (Style)	Colonial	Gutters & Dwnspts.	None	Sump Pump	No	Walls		Floor	<input type="checkbox"/>			
Existing/Proposed	Existing	Window Type	Wood	Dampness	None	Floor		None	<input checked="" type="checkbox"/>			
Age (Yrs.)	Over 60	Storm/Screens	No/Yes	Settlement	None	Outside Entry		Unknown	<input type="checkbox"/>			
Effective Age (Yrs.)	30	Manufactured House	No	Infestation	None							
ROOMS	Foyer	Living	Dining	Kitchen	Den	Family Rm.	Rec. Rm.	Bedrooms	# Baths	Laundry	Other	Area Sq. Ft.
Basement												N/A
Level 1		1	1	1				6	1	2	Porch	3,007
Level 2												
Finished area above grade contains: 13 Rooms; 6 Bedroom(s); 1 Bath(s); 3,007 Square Feet of Gross Living Area												
INTERIOR		HEATING		KITCHEN EQUIP.		ATTIC		AMENITIES		CAR STORAGE:		
Floors	Wood/Ave	Type	N/A	Refrigerator	<input type="checkbox"/>	None	<input type="checkbox"/>	Fireplace(s) #	<input type="checkbox"/>	None	<input checked="" type="checkbox"/> Open Space	
Walls	Wood/Ave	Fuel		Range/Oven	<input type="checkbox"/>	Stairs	<input type="checkbox"/>	Patio	Paved	<input checked="" type="checkbox"/>	Garage	# of cars
Trim/Finish	None	Condition		Disposal	<input type="checkbox"/>	Drop Stair	<input type="checkbox"/>	Deck		<input type="checkbox"/>	Attached	
Bath Floor	Ceramic Tiles/Ave	COOLING	N/A	Dishwasher	<input type="checkbox"/>	Scuttle	<input type="checkbox"/>	Porch	Front/Side	<input checked="" type="checkbox"/>	Detached	
Bath Wainscot	Wood/Ave	Central		Fan/Hood	<input type="checkbox"/>	Floor	<input checked="" type="checkbox"/>	Fence		<input checked="" type="checkbox"/>	Built-In	
Doors	Wood/Avg	Other		Microwave	<input type="checkbox"/>	Heated	<input type="checkbox"/>	Pool		<input type="checkbox"/>	Carport	
		Condition		Washer/Dryer	<input type="checkbox"/>	Finished	<input type="checkbox"/>			<input type="checkbox"/>	Driveway	
Additional features (special energy efficient items, etc.): The subject is a colonial type structure built of wood/zinc, approximately on 1940. It has a front/side porch, 500 sf paved area, large dinning and living rooms, two (2) laundries and large kitchen and bathroom.												
Condition of the improvements, depreciation (physical, functional, and external), repairs needed, quality of construction, remodeling/additions, etc.: The improvements are in average conditions and the accrued depreciation responds solely to that attributed to the age. The accrued physical depreciation is estimated at 50% using the age/life method (30/60).												
Adverse environmental conditions (such as, but not limited to, hazardous wastes, toxic substances, etc.) present in the improvements, on the site, or in the immediate vicinity of the subject property.: See Environmental Addendum.												



## Valuation Section

## UNIFORM RESIDENTIAL APPRAISAL REPORT

File No.

COST APPROACH	ESTIMATED SITE VALUE	490.40 sm @ \$150	= \$	73,560	Comments on Cost Approach (such as, source of cost estimate, site value, square foot calculation and for HUD, VA and FmHA, the estimated remaining economic life of the property): Cost information was derived from local contractors from the files of our engineering, development and building subsidiary. Site value was determined based on sales of vacant lots in this and or similar areas or by the application of the residual technique to property sales in the general area of the subject. The accrued depreciation was calculated by the age/life method.	
	ESTIMATED REPRODUCTION COST-NEW-OF IMPROVEMENTS:					
	Dwelling	3,007 Sq. Ft. @ \$ 40.00	= \$	120,280		
		Sq. Ft. @ \$	=			
	Balcony	387 sf @ \$20/sf	=	7,740		
	Garage/Carport	Sq. Ft. @ \$	=			
	Total Estimated Cost New		= \$	128,020		
	Less	Physical Functional External				
	Depreciation	64,010	= \$	64,010		
	Depreciated Value of Improvements		= \$	64,010		
"As-is" Value of Site Improvements	Fences, Paved area	= \$	3,500			
INDICATED VALUE BY COST APPROACH				= \$	141,070	

ITEM	SUBJECT	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
Address	Monserate Street corner Migu Salinas	Lot 2 Barbosa Street Coamo, Puerto Rico		#21 Tetuan Street Guayama, Puerto Rico 00785		#26 Barbosa Street Guayama, Puerto Rico	
Proximity to Subject		Adjacent Town		Adjacent Town		Similar Neighborhood	
Sales Price	\$ N/A	\$ 130,000		\$ 88,000		\$ 190,000	
Price/Gross Living Area	\$ 4	\$ 57.55 4		\$ 40.59 4		\$ 51.46 4	
Data and/or Verification Source	Inspection	Comparable Sales data System Luis Abreu & Associates		Comparable Sales data System Luis Abreu & Associates		Comparable Sales data System Luis Abreu & Associates	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION +(-)\$ Adjust.		DESCRIPTION +(-)\$ Adjust.		DESCRIPTION +(-)\$ Adjust.	
Sales or Financing Concessions		None known		None known		None known	
Date of Sale/Time		03/2002		0111/2001		12/2001	
Location	Road front	Similar		Similar		Similar	
Leasehold/Fee Simple	Fee Simple	Fee simple		Fee simple		Fee simple	
Site	490.40 sm	462sm/Inferior +4,200		220 sm/Inferior +40,500		616 sm/Superior -18,900	
View	Local street	Similar		Similar		Similar	
Design and Appeal	Colonial	Similar		Similar		Similar	
Quality of Construction	Average	RC/Superior -20,000		Similar		WF/Similar	
Age	60; Effective:30	32/Similar		20/Superior -10,000		Similar	
Condition	Average	Similar		Similar		Similar	
Above Grade Room Count	Total Bdrms Baths 13 6 1	Total Bdrms Baths		Total Bdrms Baths 12 6 3		Total Bdrms Baths 9 5 3	
Gross Living Area	3,007 Sq. Ft.	2,259 Sq. Ft. +29,920		2,168 Sq. Ft. +33,560		3,692 Sq. Ft. -27,400	
Basement & Finished Rooms Below Grade	N/A	N/A		N/A		N/A	
Functional Utility	Adequate	Similar		Similar		Similar	
Heating/Cooling	Not included	Similar		Similar		Similar	
Energy Efficient Items	Not included	Similar		Similar		Similar	
Garage/Carport	Open Space	Two Car/Superior -5,000		One car/Superior -2,500		Similar	
Porch, Patio, Deck, Fireplace(s), etc.	388 sf porch	None/Inferior +7,740		Similar		Similar	
Fence, Pool, etc.	Perimeter	Similar		Similar		Similar	
Net Adj. (total)		+ - \$ 16,860		+ - \$ 61,560		+ - \$ 46,300	
Adjusted Sales Price of Comparable		\$ 146,860		\$ 149,560		\$ 143,700	

Comments on Sales Comparison (including the subject property's compatibility to the neighborhood, etc.): See attached addenda.

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Date, Price and Data Source, for prior sales within year of appraisal	None	None	None	None

Analysis of any current agreement of sale, option, or listing of subject property and analysis of any prior sales of subject and comparables within one year of the date of appraisal: The subject has a listing price of \$125,000 and has been offered to the Municipality of Salinas by the current owner.

INDICATED VALUE BY SALES COMPARISON APPROACH \$ 146,860

INDICATED VALUE BY INCOME APPROACH (if Applicable) Estimated Market Rent \$ N/A /Mo. x Gross Rent Multiplier N/A = \$ N/A

This appraisal is made ☒ "as is" ☐ subject to the repairs, alterations, inspections or conditions listed below ☐ subject to completion per plans & specifications.

Conditions of Appraisal: This appraisal report will be used by the Municipality of Salinas to determine its affordability and to establish the necessary local or estate government resources to acquire the property.

Final Reconciliation: The estimate of market value by the Cost Approach is \$141,070 and by the Direct Sales Comparison Approach is \$146,860. Being the Direct Sales Comparison Approach the best indicative of market value, this is estimated at \$146,860 rounded to \$146,000. This result is closely supported by the Cost Approach.

The purpose of this appraisal is to estimate the market value of the real property that is the subject of this report, based on the above conditions and the certification, contingent and limiting conditions, and market value definition that are stated in the attached Freddie Mac Form 439/FNMA form 1004B (Revised 6/99).

I (WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE REAL PROPERTY THAT IS THE SUBJECT OF THIS REPORT, AS OF September 1, 2002 (WHICH IS THE DATE OF INSPECTION AND THE EFFECTIVE DATE OF THIS REPORT) TO BE \$ 146,000

APPRaiser: Ing. Russell Rodriguez Mazarion SUPERVISORY APPRAISER (ONLY IF REQUIRED):  
 Signature: [Signature] Signature: \_\_\_\_\_  
 Name: Ing. Russell Rodriguez Mazarion Name: \_\_\_\_\_  
 Date Report Signed: 10 SEP 02 Date Report Signed: \_\_\_\_\_  
 State Certification # \_\_\_\_\_ State Certification # 138  
 Or State License # 842 Or State License # \_\_\_\_\_  
 State PR State PR

**Supplemental Addendum**

File #...

Borrower/Client	Municipality of Salinas			
Property Address	Monserrate Street corner Miguel Ten Street			
City	Salinas	County	123	State PR Zip Code 00751
Lender	Abraham Lopez Martinez			

• **URAR: Neighborhood Boundaries and Characteristics**

The neighborhood is bounded to the North by Julio Llera Street, to the South by PR #3Street, to the East by Palmer Street and to the West by the Nigua River. This a traditional downtown area where high, middle and low cost housing are mixed with commercial properties.

• **URAR: Site Comments**

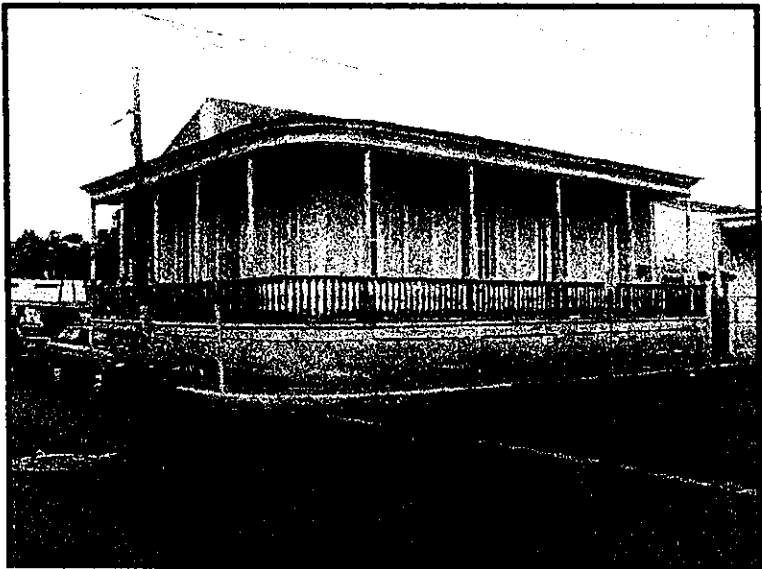
The subject is located in a a Zone AE with base flood elevations determined as per FIRM Map 720000-302 D dated June 2, 1999. Although the property has been used as a residential property for all its life, the zoning classification is C-1, which permits light commercial activity as retail stores, professional offices, restaurants and others. Therefore the subject property Highest and Best Use is as a commercial property.

• **URAR: Sales Comparison Comments**

The subject property is considered a special property due to the Gross Living Area and location. Residential properties with this GLA (3,007 sf) located in the main road of a down town area are not commonly traded in the real estate market. A detailed inspection of the registered sales in the Guayama Registry office do not showed any reliable sale of properties similar to the subject in Salinas. Therefore, the comparable sales used in this appraisal report are from the adjacent towns of Coamo and Guayama, which area similar to the subject in terms of location. All the comparable sales are recent sales. They were adjusted for Lot Size, GLA, Quality of Construction, Age, Carport and Porch capacity where applicable. The comparable sales adjusted values are: \$146,860 for comparable sale #1, \$149,560 for comparable sale #2 and \$143,700 for comparable sale #3. Comparable sale #1 adjusted value is considered the best indicative of the subject property market value because the town of Coamo is more similar to Salinas than the town of Guayama in terms of the commercial activity and property values. Therefore, the market value as per the Direct Sales Comparison Approach is estimated at \$146,860.

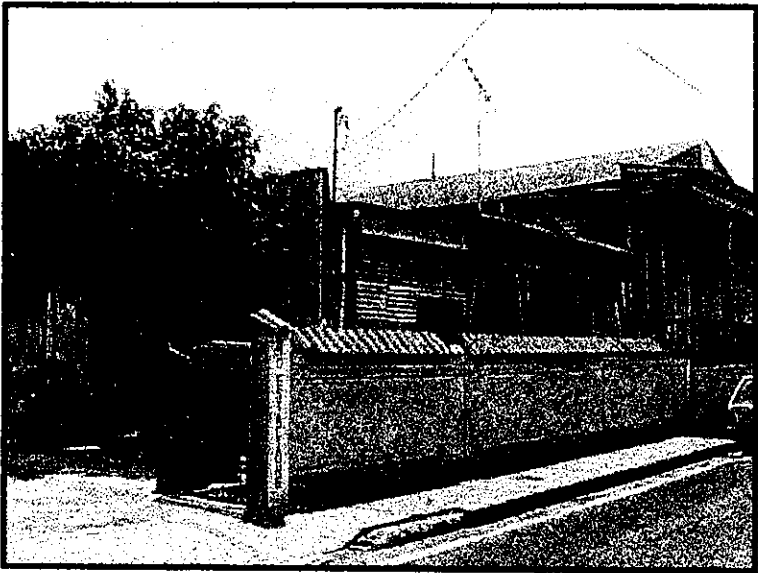
Subject Photo Page

Borrower/Cient Municipality of Salinas			
Property Address Monserrate Street corner Miguel Ten Street			
City Salinas	County 123	State PR	Zip Code 00751
Lender Abraham Lopez Martinez			



Subject Front

Monserrate Street corner Miguel Ten Street	
Sales Price	N/A
Gross Living Area	3,007
Total Rooms	13
Total Bedrooms	6
Total Bathrooms	1
Location	Road front
View	Local street
Site	490.40 sm
Quality	Average
Age	60;Effective:30



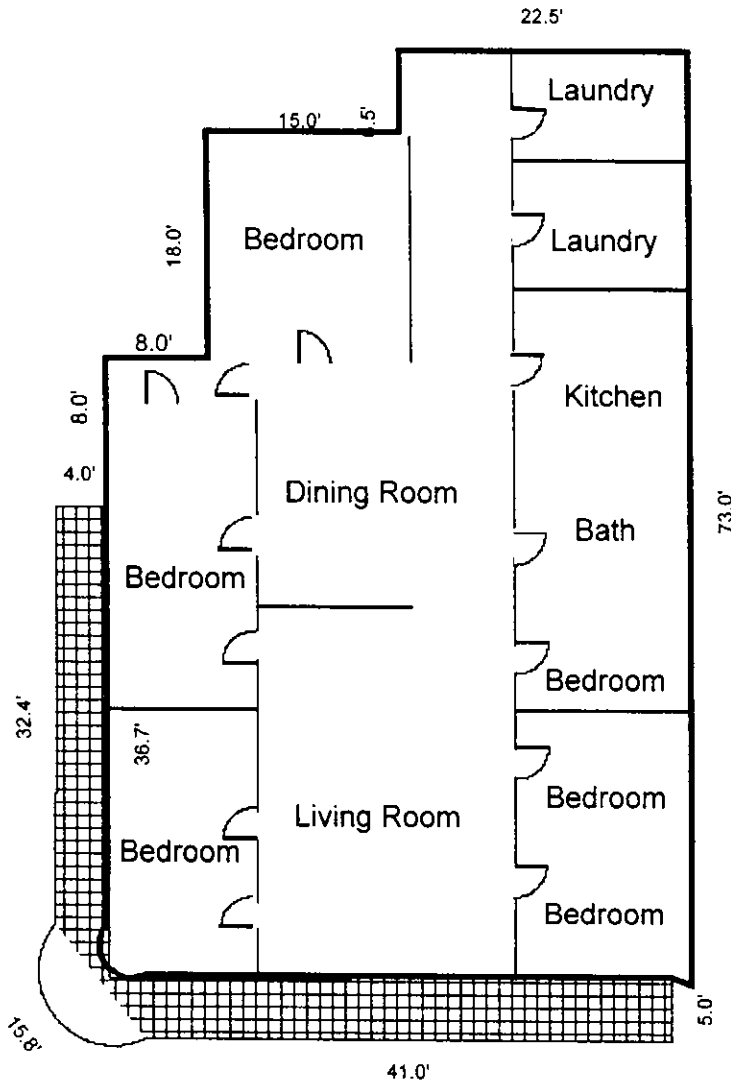
Subject Rear



Subject Side

Building Sketch

Borrower/Client Municipality of Salinas			
Property Address Monserrate Street corner Miguel Ten Street			
City Salinas	County 123	State PR	Zip Code 00751
Lender Abraham Lopez Martinez			



Sketch by Apex JV Windows™

Comments:

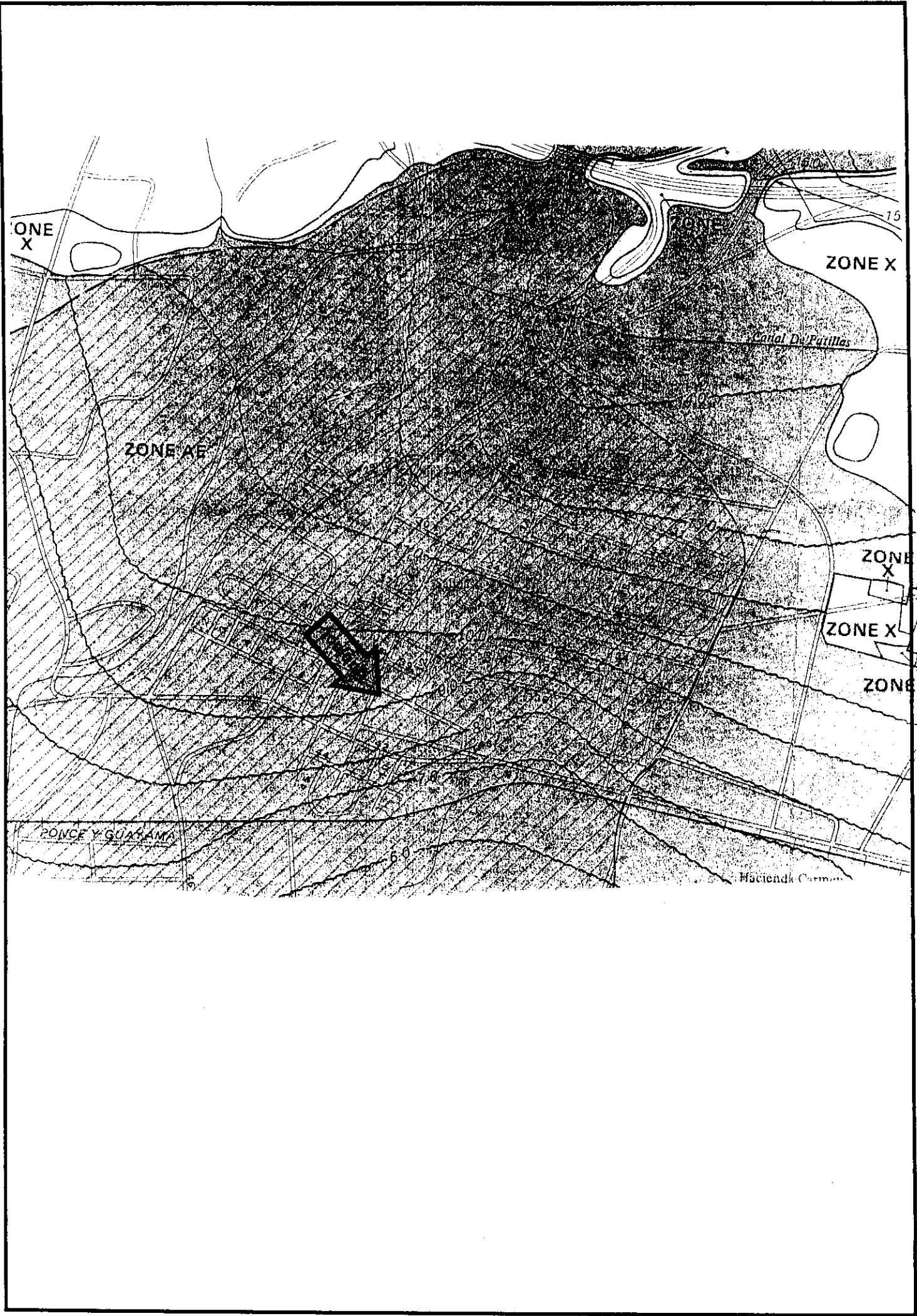
AREA CALCULATIONS SUMMARY			
Area	Name of Area	Size	Totals
GLA1	First Floor	3007.08	3007.08
P/P	Balcony	387.99	387.99
TOTAL LIVABLE (rounded)			3007

LIVING AREA BREAKDOWN			
Breakdown			Subtotals
First Floor			
0.5 x	4.0 x	3.0	6.00
	3.0 x	44.0	132.00
	37.5 x	66.0	2475.00
	5.0 x	48.0	240.00
	6.5 x	22.5	146.25
0.5 x	0.5 x	1.5	0.37
Curve	6.9 @	154.6°	7.46
7 Areas Total (rounded)			3007



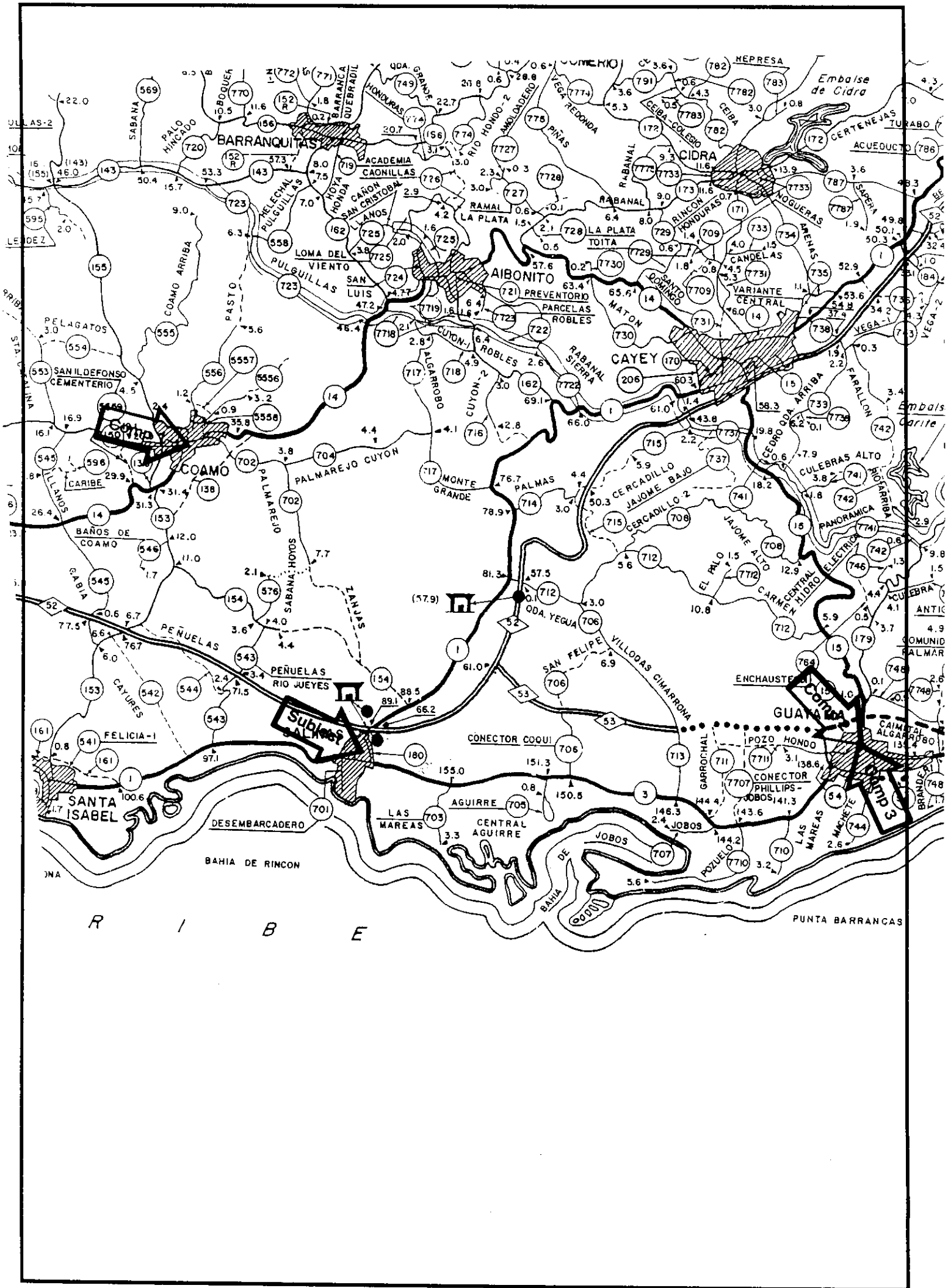
Flood Map

Borrower/Client Municipality of Salinas			
Property Address Monserrate Street corner Miguel Ten Street			
City Salinas	County 123	State PR	Zip Code 00751
Lender Abraham Lopez Martinez			



# Comparable Sales Map

Borrower/Client	Municipality of Salinas						
Property Address	Monserate Street corner Miguel Ten Street						
City	Salinas	County	123	State	PR	Zip Code	00751
Lender	Abraham Lopez Martinez						



ENVIRONMENTAL ADDENDUM  
APPARENT\* HAZARDOUS SUBSTANCES AND/OR DETRIMENTAL ENVIRONMENTAL CONDITIONS

Borrower/Client	Municipality of Salinas		
Address	Monserate Street corner Miguel Ten Street		
City	Salinas	County	123
		State	PR
		Zip code	00751
Lender	Abraham Lopez Martinez		

\*Apparent is defined as that which is visible, obvious, evident or manifest to the appraiser.

This universal Environmental Addendum is for use with any real estate appraisal. Only the statements which have been checked by the appraiser apply to the property being appraised.

This addendum reports the results of the appraiser's routine inspection of and inquiries about the subject property and its surrounding area. It also states what assumptions were made about the existence (or nonexistence) of any hazardous substances and/or detrimental environmental conditions. **The appraiser is not an expert environmental inspector** and therefore might be unaware of existing hazardous substances and/or detrimental environmental conditions which may have a negative effect on the safety and value of the property. It is possible that tests and inspections made by a qualified environmental inspector would reveal the existence of hazardous materials and/or detrimental environmental conditions on or around the property that would negatively affect its safety and value.

DRINKING WATER

- ☐ Drinking Water is supplied to the subject from a municipal water supply which is considered safe. However the only way to be absolutely certain that the water meets published standards is to have it tested at all discharge points.
- ☐ Drinking Water is supplied by a well or other non-municipal source. It is recommended that tests be made to be certain that the property is supplied with adequate pure water.
- ☐ Lead can get into drinking water from its source, the pipes, at all discharge points, plumbing fixtures and/or appliances. The only way to be certain that water does not contain an unacceptable lead level is to have it tested at all discharge points.
- ☒ The value estimated in this appraisal is based on the assumption that there is an adequate supply of safe, lead-free Drinking Water.

Comments \_\_\_\_\_

SANITARY WASTE DISPOSAL

- ☐ Sanitary Waste is removed from the property by a municipal sewer system.
- ☐ Sanitary Waste is disposed of by a septic system or other sanitary on site waste disposal system. The only way to determine that the disposal system is adequate and in good working condition is to have it inspected by a qualified inspector.
- ☒ The value estimated in this appraisal is based on the assumption that the Sanitary Waste is disposed of by a municipal sewer or an adequate properly permitted alternate treatment system in good condition.

Comments \_\_\_\_\_

SOIL CONTAMINANTS

- ☐ There are no apparent signs of Soil Contaminants on or near the subject property (except as reported in Comments below). It is possible that research, inspection and testing by a qualified environmental inspector would reveal existing and/or potential hazardous substances and/or detrimental environmental conditions on or around the property that would negatively affect its safety and value.
- ☒ The value estimated in this appraisal is based on the assumption that the subject property is free of Soil Contaminants.

Comments \_\_\_\_\_

ASBESTOS

- ☐ All or part of the improvements were constructed before 1979 when Asbestos was a common building material. The only way to be certain that the property is free of friable and non-friable Asbestos is to have it inspected and tested by a qualified asbestos inspector.
- ☐ The improvements were constructed after 1979. No apparent friable Asbestos was observed (except as reported in Comments below).
- ☒ The value estimated in this appraisal is based on the assumption that there is no uncontained friable Asbestos or other hazardous Asbestos material on the property.

Comments \_\_\_\_\_

PCBS (POLYCHLORINATED BIPHENYLS)

- ☐ There were no apparent leaking fluorescent light ballasts, capacitors or transformers anywhere on or nearby the property (except as reported in Comments below).
- ☐ There was no apparent visible or documented evidence known to the appraiser of soil or groundwater contamination from PCBs anywhere on the property (except as reported in Comments below).
- ☒ The value estimated in this appraisal is based on the assumption that there are no uncontained PCBs on or nearby the property.

Comments \_\_\_\_\_

RADON

- ☐ The appraiser is not aware of any Radon tests made on the subject property within the past 12 months (except as reported in Comments below).
- ☐ The appraiser is not aware of any indication that the local water supplies have been found to have elevated levels of Radon or Radium.
- ☐ The appraiser is not aware of any nearby properties (except as reported in Comments below) that were or currently are used for uranium, thorium or radium extraction or phosphate processing.
- ☒ The value estimated in this appraisal is based on the assumption that the Radon level is at or below EPA recommended levels.

Comments \_\_\_\_\_



**USTs (UNDERGROUND STORAGE TANKS)**

- There is no apparent visible or documented evidence known to the appraiser of any USTs on the property nor any known historical use of the property that would likely have had USTs.
- There are no apparent petroleum storage and/or delivery facilities (including gasoline stations or chemical manufacturing plants) located on adjacent properties (except as reported in Comments below).
- There are apparent signs of USTs existing now or in the past on the subject property. It is recommended that an inspection by a qualified UST inspector be obtained to determine the location of any USTs together with their condition and proper registration if they are active; and if they are inactive, to determine whether they were deactivated in accordance with sound industry practices.
- ☒ The value estimated in this appraisal is based on the assumption that any functioning USTs are not leaking and are properly registered and that any abandoned USTs are free from contamination and were properly drained, filled and sealed.

Comments \_\_\_\_\_

**NEARBY HAZARDOUS WASTE SITES**

- There are no apparent Hazardous Waste Sites on the subject property or nearby the subject property (except as reported in Comments below). Hazardous Waste Site search by a trained environmental engineer may determine that there is one or more Hazardous Waste Sites on or in the area of the subject property.
- ☒ The value estimated in this appraisal is based on the assumption that there are no Hazardous Waste Sites on or nearby the subject property that negatively affect the value or safety of the property.

Comments \_\_\_\_\_

**UREA FORMALDEHYDE (UFFI) INSULATION**

- All or part of the improvements were constructed before 1982 when UREA foam insulation was a common building material. The only way to be certain that the property is free of UREA formaldehyde is to have it inspected by a qualified UREA formaldehyde inspector.
- The improvements were constructed after 1982. No apparent UREA formaldehyde materials were observed (except as reported in Comments below).
- ☒ The value estimated in this appraisal is based on the assumption that there is no significant UFFI insulation or other UREA formaldehyde material on the property.

Comments \_\_\_\_\_

**LEAD PAINT**

- All or part of the improvements were constructed before 1980 when Lead Paint was a common building material. There is no apparent visible or known documented evidence of peeling or flaking Lead Paint on the floors, walls or ceilings (except as reported in Comments below). The only way to be certain that the property is free of surface or subsurface Lead Paint is to have it inspected by a qualified inspector.
- The improvements were constructed after 1980. No apparent Lead Paint was observed (except as reported in Comments below).
- ☒ The value estimated in this appraisal is based on the assumption that there is no flaking or peeling Lead Paint on the property.

Comments \_\_\_\_\_

**AIR POLLUTION**

- There are no apparent signs of Air Pollution at the time of the inspection nor were any reported (except as reported in Comments below). The only way to be certain that the air is free of pollution is to have it tested.
- ☒ The value estimated in this appraisal is based on the assumption that the property is free of Air Pollution.

Comments \_\_\_\_\_

**WETLANDS/FLOOD PLAINS**

- ☒ The site does not contain any apparent Wetlands/Flood Plains (except as reported in Comments below). The only way to be certain that the site is free of Wetlands/Flood Plains is to have it inspected by a qualified environmental professional.
- The value estimated in this appraisal is based on the assumption that there are no Wetlands/Flood Plains on the property (except as reported in Comments below).

Comments Fema map 720000 0292 D; Zone:AE with base flood elevations determined.

**MISCELLANEOUS ENVIRONMENTAL HAZARDS**

- There are no other apparent miscellaneous hazardous substances and/or detrimental environmental conditions on or in the area of the site except as indicated below:
- Excess Noise \_\_\_\_\_
- Radiation + Electromagnetic Radiation \_\_\_\_\_
- Light Pollution \_\_\_\_\_
- Waste Heat \_\_\_\_\_
- Acid Mine Drainage \_\_\_\_\_
- Agricultural Pollution \_\_\_\_\_
- Geological Hazards \_\_\_\_\_
- Nearby Hazardous Property \_\_\_\_\_
- Infectious Medical Wastes \_\_\_\_\_
- Pesticides \_\_\_\_\_
- Others (Chemical Storage + Storage Drums, Pipelines, etc.) \_\_\_\_\_
- ☒ The value estimated in this appraisal is based on the assumption that there are no Miscellaneous environmental Hazards (except those reported above) that would negatively affect the value of the property.

When any of the environmental assumptions made in this addendum are not correct, the estimated value in this appraisal may not be valid.

**DEFINITION OF MARKET VALUE:** The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions\* granted by anyone associated with the sale.

\* Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgement.

## STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

**CONTINGENT AND LIMITING CONDITIONS:** The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
9. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.
10. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

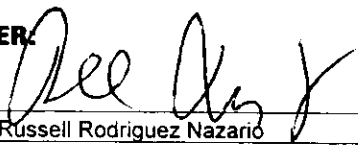
**APPRAISER'S CERTIFICATION:** The Appraiser certifies and agrees that:

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.
4. I have no present or prospective interest in the property that is the subject to this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.
5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
7. I performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have personally inspected the interior and exterior areas of the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

**SUPERVISORY APPRAISER'S CERTIFICATION:** If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

**ADDRESS OF PROPERTY APPRAISED:** Monserate Street corner Miguel Ten Street, Salinas, PR 00751

**APPRAISER:**

Signature:   
 Name: Ing. Russell Rodriguez Nazario  
 Date Signed: 10 SEP02  
 State Certification #: 842  
 or State License #: 842  
 State: PR  
 Expiration Date of Certification or License: 12/31/2004

**SUPERVISORY APPRAISER (only if required):**

Signature: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Date Signed: \_\_\_\_\_  
 State Certification #: 138  
 or State License #: \_\_\_\_\_  
 State: \_\_\_\_\_  
 Expiration Date of Certification or License: \_\_\_\_\_

☒ Did ☐ Did Not Inspect Property