

ALLAN L. McMULLEN  
REAL ESTATE COUNSELOR AND APPRAISER  
ALBUQUERQUE, NEW MEXICO  
MEMBER AMERICAN SOCIETY OF REAL ESTATE COUNSELORS

6400 Uptown Blvd. NE 87110  
July 1, 1975

Mr. John Perovich  
Vice President for Finance  
University of New Mexico  
Albuquerque, NM

Re: Florence M. Schroeder Residence  
1816 Las Lomas Road NE  
Lot 7, Block A, UNM Campus  
Albuquerque, NM

Dear Mr. Perovich:

In accordance with your request, I have made an appraisal of the above property and submit herewith a summary of my conclusions.

PURPOSE

The purpose of this appraisal is to estimate the current market value or probable selling price of the property.

DESCRIPTION OF PROPERTY RIGHTS

This is an appraisal of the leasehold estate owned by Florence M. Schroeder, consisting of a land lease with a remaining term of approximately 61 years at an annual rental of \$1.00, and the residential improvements constructed thereon.

The leased fee estate owned by the University of New Mexico consists of the right to receive the annual rental of \$1.00 for the remaining term of the lease, plus the reversionary value of the land and improvements upon expiration of the lease.

The University retains certain other property rights. The lease provides that the lessee must obtain written consent of the University in the event of sale or assignment of the leasehold estate to a person other than a faculty member. The University retains the option of first refusal to purchase the leasehold estate in the event of sale to a person who is not a faculty member, but otherwise acceptable to the University, at the same price that could be obtained in a bona fide sale of the leasehold estate.

The lease also provides that the premises may be used for single family residential purposes only.

#### PROPERTY DESCRIPTION

The property, located at 1816 Las Lomas Road, NE, and legally described as Lot 7, Block A, University of New Mexico Campus Addition, is located on the south side of Las Lomas Road, NE two lots west of Yale Blvd. The lot measures 79.75 feet x 140.33 feet, contains 11,191 square feet, and there is a 15 foot alley in the rear.

The improvements consist of a single family residence 38 years old, in good condition and of sound construction. The house is built of frame-stucco with a flat, built-up roof, and has oak floors, plaster walls and steel casement windows. The heat is supplied by a central hot air furnace located in the basement. The appointments include a woodburning fireplace with bookshelf, evaporative cooler, ceramic tile wainscot in the baths and kitchen, and a metal sink cabinet with disposal unit and dishwasher.

The house contains 2189 square feet including a living room, dining room, kitchen, den, 3 bedrooms and 2 baths. There is an unfinished basement or furnace room containing 360 square feet. There is a concrete driveway and parking area, but no garage.

On the rear of the lot is a detached guest house containing 684 square feet,

of frame-stucco construction with a falt roof, plaster walls, asphalt tile on concrete floor, wall heaters and a fireplace. There is a living room, bedroom, bath and a compact, compartment kitchen unit.

The exterior site improvements include a concrete drive, two brick patios, a stucco-masonry rear yard wall, a front lawn with several sprinkler heads, and trees and shrubs.

#### HIGHEST AND BEST USE

Although the land is zoned R-3, permitting multiple family use, the standard provisions of the lease limit the use of the premises by the lessee to single family residential occupancy.

#### VALUATION APPROACH

The comparable sales approach was employed in estimating the value of the property. An investigation was made of the sale prices of the comparable, competing homes in the surrounding neighborhood. The comparable properties were inspected and compared to the subject house with regard to age, condition, quality of construction, size, number of rooms and baths, features of construction, floor plan size of garage, size of lot and location. This analysis of market data produced an indicated range in value for the subject property.

The following comparable properties were considered:

- 1315 Marquette Place NE, sold 3/74 for \$54,000.
- 441 Maple St. NE, sold 6/74 for \$45,000.
- 1801 Sigma Chi Road NE, sold 10/74 for \$36,000.
- 1305 Las Lomas Road NE, sold 5/75 for \$33,000.
- 1610 Las Lomas Road NE, sold 8/74 for \$34,000.
- 603 Dartmouth Dr. NE, sold 12/74 for \$35,500.
- 334 Wellesley Place NE, sold 4/75 for \$36,500.

CONCLUSION OF VALUE

As a practical matter, in view of the remaining long term of the lease and the nominal ground rent, the leasehold or lessee's interest should be marketable for approximately the same price as for the property in fee simple, assuming a faculty purchaser could be found or that the University would consent to a sale to an outside purchaser.

As a result of the foregoing study and analysis, it is concluded that the subject leasehold estate has a current market value ranging from \$39,000 to \$41,000, including land and improvements.

Sincerely yours,

A handwritten signature in cursive script that reads "Allan L. McMullen". The signature is written in dark ink and extends across the width of the page.

Allan L. McMullen

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