



New Mexico  
Taxation and Revenue Department

Susana Martinez  
Governor  
Demesia Padilla, CPA  
Cabinet Secretary

STATE OF NEW MEXICO  
**Taxation and Revenue Department**

An Equal Opportunity Employer

**Property Tax Division**

PO Box 25126

Santa Fe, NM 87504-5126

Phone: (505) 827-0870 FAX: (505) 827-1645

DIVISIONS

- Office of the Secretary  
(505) 827-0341
- Administrative Services  
(505) 827-0369
- Audit and Compliance  
(505) 827-0900
- Motor Vehicle  
(505) 827-2296
- Property Tax  
(505) 827-0870
- Revenue Processing  
(505) 827-0800
- Tax Fraud Investigations  
(505) 841-6544

May 19, 2011

Julie Brasil  
Real Estate Associate  
The University of New Mexico  
2811 Campus Blvd NE  
Albuquerque, NM 87131

RECEIVED

MAY 23 2011

UNIVERSITY OF NEW MEXICO  
REAL ESTATE OFFICE

**RE: TECHNICAL APPRAISAL REVIEW:** A market value estimate of the fee simple interest of a commercial building located at 1401 A University Boulevard NE, Albuquerque, New Mexico.

Dear Ms. Brasil:

Your request for a review of the above referenced report was assigned to Norman Aragon, Appraisal Specialist, with our Appraisal Bureau. Enclosed is a copy of his memorandum stating his findings and conclusions.

If you have any questions regarding this appraisal review please contact the Appraisal Bureau or me at (505) 827-0871.

Sincerely,

Cesario S. Quintana, Director  
Property Tax Division

CSQ/na



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**MEMORANDUM**

**DATE:** May 17, 2011

**TO:** Cesario S. Quintana, Director  
Property Tax Division

**FROM:** Norman Aragon, Appraiser  
Appraisal Bureau

**RE:** **TECHNICAL APPRAISAL REVIEW:** A market value estimate of the fee simple interest of a commercial building located at 1401 A University Boulevard NE, Albuquerque, New Mexico.

**CLIENT, INTENDED USERS AND INTENDED USE OF THE REVIEW:** At your request, I have reviewed the above captioned Appraisal in Summary Report format. This appraisal review is intended for use only by the University of New Mexico and the New Mexico State Board of Finance.

This report is intended only for use in confirming an appropriate and reasonable conclusion of the estimate of market value in fee simple interest of the subject property as represented by the appraisal performed by Joshua Cannon, MAI of Joshua Cannon & Associates, Inc. This report is not intended for any other use than stated, nor is this review report to be construed as an appraisal report separate from the report under review.

**PURPOSE OF REVIEW:** To comply with statute and supporting regulation as defined by Section 7-35-10 and 13-6-2.1 NMSA 1978; and to evaluate the appraisal report for compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the International Association of Assessing Officers (IAAO); and for compliance with 1.5.23 NMAC 2001.

**APPRAISAL SUMMARY:** The property under review is a commercial building located in Bernalillo County. The purpose of the appraisal is to estimate the "market value" of the subject property. The subject property is zoned C-3, Heavy Commercial.

The following items (#2-#13) are taken directly from the appraisal under review:

- 1) Review Effective Date: ..... May 12, 2011
- 2) Size of Subject Site: ..... 9,605 square feet
- 3) Improvements:..... 3,146 square feet
- 4) Highest & Best Use:..... As vacant, Office development. As improved, Office building.
- 5) Purpose of Report: ..... [t]o estimate market value of the fee simple interest in the subject property.
- 6) Extraordinary Assumption(s) ..... none
- 7) Hypothetical Condition: ..... none
- 8) Owner of Record:..... Trolls Breath Studios LLC
- 9) Estate Appraised: ..... Fee simple estate
- 10) Report Date: ..... April 11, 2011
- 11) Report Effective Date:..... April 5, 2011
- 12) Appraiser:..... Joshua Cannon, MAI
- 13) Final Value:..... \$350,000

**SCOPE OF REVIEW:** This technical review report is prepared in accordance with the guidelines as set forth in Standard 3 and related advisory opinions of the Uniform Standards of Professional Appraisal Practice.

This technical review comprised of a desk review of the data contained in the appraisal report. A field review of the subject and the comparable sales was conducted on May 12, 2011. This review was based on the data contained in the above-mentioned report. The comparable sales were verified by the Bernalillo County Clerk's office. Photos of the subject property are on pages 5 and 6 of this report. Photos of the comparables are contained in the reviewer's work file.

The content of the report was objectively evaluated for its technical applications and mathematical calculations were verified. The data was analyzed to determine its relevancy to the concluded value estimate and the reviewer developed an opinion as to the adequacy and appropriateness of the appraisal under review. No assumptions, extraordinary assumptions, hypothetical conditions, or limiting conditions for the review were employed outside of those mentioned in the appraisal report.

## **REVIEW SUMMARY OF A FEE SIMPLE APPRAISAL**

- 1) Standard 3-3(a) requires the reviewer to develop an opinion as to whether the analyses are appropriate within the context of the requirements applicable to that work and develop an opinion as to whether the opinions and conclusions are credible within the context of the requirements applicable to that work; and develop the reasons for any disagreement.
  - a) Highest and Best Use - The conclusion of Highest and Best Use is credible given the fact that the purpose of the appraisal is to estimate market value of the fee simple interest of the subject. The site is recessed and provides limited visibility. The location, physical characteristics, zoning and access indicate the highest and best use of the subject as improved, is for office use.
  - b) Site Valuation – The 9,605 square foot subject property is located on University Boulevard in an office and commercial market area near UNM and downtown. Market value of the subject land is estimated by comparing vacant land sales. The appraiser analyzed six vacant land sales of similar utility. The unit of comparison is price per square foot. The use of this method is appropriate and its use is credible.
  - c) Approaches to Value - The three traditional approaches to value were considered. Market value is estimated by analyzing comparable sales of similar properties found in the surrounding commercial market. The Cost Approaches was developed to support the Market Value of the subject property. The appraiser did not apply the Income Approach because the subject property is designed for occupancy by a single entity and the most probable buyer is an owner-occupant. The data presented was an appropriate comparison to the subject property and considered similar.
  - d) Reconciliation (Analysis and Conclusion) – the reconciliation was straight forward; the analysis consisted of comparable properties based on an adjusted price per square foot basis. The analysis and conclusion is determined to be credible.
  - e) Final Market Value Conclusion – the final market value conclusion determined by the mathematical reconciliation of the Sales Comparison approach and is considered to be credible.
- 2) Standard 3-3(b) requires the reviewer to develop an opinion as to whether the report is appropriate and not misleading within the context of the requirements applicable to that work; and develop the reasons for any disagreement.

The report under review was found to be credible. The content of the report was consistent throughout. Photographs and location maps of the subject property and the comparable sales were provided in the main body of the appraisal, supporting documentation was provided in the addenda. The appraised value shown in the report is an estimate of the improved value of the subject based on the comparable sales in the Sale Comparison Approach. The report was consistent, and adequate descriptions of the comparable sales were included. The appropriate valuation techniques and analyses were utilized; it is concluded that the report as written is appropriate and not misleading.

## CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of facts and data contained in this review are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of the work under review and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of the work under review or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of predetermined assignment results or assignment results that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal review.
- My analyses, opinions, and conclusions were developed and this review report was prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
- I have made a personal inspection of the subject of the work under review on Thursday, May 12, 2011 and found no material discrepancies with the narrative description contained within the appraisal report.
- No one provided significant appraisal, appraisal review, or appraisal consulting assistance to the person signing this certification.



Norman Aragon, Appraisal Specialist  
Appraisal Bureau, Property Tax Division  
NM License: 03043-R

Date: May 12, 2011



View of Subject Property



Back and side view of Subject



Interior of Subject



View of Subject frontage, Subject is recessed