

MARTIN J. MOLLOY, ASA, CR., SCV  
REAL ESTATE APPRAISER & PLANNING CONSULTANT

105 Bryn Mawr Drive, S.E.  
Albuquerque, New Mexico 87106  
505-265-8818

May 29, 1985

Mr. William Ross  
Albuquerque, New Mexico

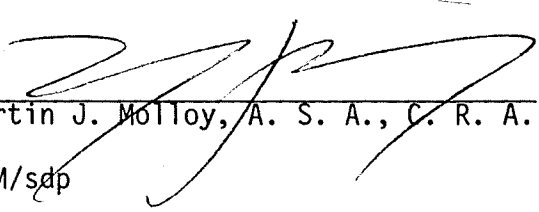
Re: 1829 Sigma Chi N.E., Albuquerque, New Mexico, further described as  
Lot 8, Block 2, Sigma Chi Addition, Bernalillo County, New Mexico  
Appraisal dated February 20, 1985

Dear Mr. Ross:

As per your request, I have reviewed the above-referenced appraisal, based upon the property being zoned R-1 which would permit multi-family use. It is felt that the value of the property would be higher under this zoning due to increased land value, and the lower level of the house could then be rented as living area to non-family members. There is felt to be a demand for such space due to the location of the subject site, which is basically on the campus of the University of New Mexico. Based upon an increase in the land value due to R-2 zoning being obtained and the increased economic utility of the lower level, it is felt that the current value of the property, as of May 29, 1985, would be approximately One Hundred Seventeen Thousand Five Hundred Dollars (\$117,500.00). It should be noted that this value is subject to all limiting conditions and assumptions as stated within the original appraisal referenced above.

Should you require any further information, please feel free to call upon me. Thank you.

Respectfully submitted,

  
Martin J. Molloy, A. S. A., C. R. A.

MJM/sdp



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February 20, 1985

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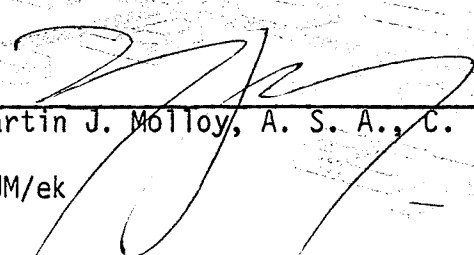
Dear Mr. Ross:

In accordance with your request I have made an investigation, study, and appraisal of the property located at 1829 Sigma Chi N. E., Albuquerque, New Mexico, further described as Lot 8, Block 2, Sigma Chi Addition, Bernalillo County, New Mexico.

The appraisal was made with the assumption that ownership was in fee simple and for the purpose of estimating market value. The results of this investigation along with a definition of market value are contained in the accompanying report.

As a result of the appraisal and analysis, it is my opinion that the market value of the above mentioned property, as of February 20, 1985, is One Hundred Five Thousand Dollars (\$105,000.00), subject to all conditions and assumptions as stated within the appraisal.

Respectfully submitted,

  
\_\_\_\_\_  
Martin J. Molloy, A. S. A., C. R. A.

MJM/ek



Identification of the Property Appraised

Requested by: Mr. William Ross

Location: 1829 Sigma Chi N. E., Albuquerque, New Mexico

Legal Description: Lot 8, Block 2, Sigma Chi Addition, Bernalillo County,  
New Mexico

Purpose of the Appraisal

The purpose of this appraisal is to estimate the market value of the subject property under typical financing as of February 20, 1985.

Market value is understood to be: "The highest price estimated in terms of money which the land would bring if exposed for sale in the open market with reasonable time in which to find a purchaser, buying with knowledge of all the uses and purposes for which it was adapted, and for which it was capable. Sacramento Southern R. R. Co. v. Heilbron, (1909), 156, Cal. 408-413, 104 P. 979."













Area Analysis

The subject area is located in the northeast quadrant of the City of Albuquerque approximately one mile from the downtown core. This section can be defined as follows: Interstate 25 to the west, Lomas Boulevard on the north, Girard to the east, and Central Avenue on the south. Major influences on the area include the University of New Mexico and facilities related to the university, University of New Mexico Hospital, and car dealerships. Other uses include a residential section primarily situated between Interstate 25 and University Boulevard. The future of the area appears good due to the proximity to the downtown core and the influence of the university.

Zoning

The subject property is zoned R-1 which permits single family residential use. For further information, refer to the City of Albuquerque Comprehensive Zoning Ordinance.



Highest and Best Use

The term Highest and Best Use as used in this report is defined as follows: "The most profitable use of a given property is the use to which the property is adapted, and for which it is likely to be in demand in the reasonable future, and the use that will yield the greatest return, either in terms of money or amenities."

The subject property is improved with a single family residence in accordance with current zoning. It is felt that the highest and best use would be a continuation of the current use due to demand for the location. An alternate use, providing the appropriate zoning could be obtained, would be to convert the residence into office/educational use since it is on the campus of the University of New Mexico.

Site Description

The subject property is located on the north side of Sigma Chi N. E. between University Boulevard and Yale. The site has approximately 75 front feet with a depth of 100 feet. It should be noted that no survey was provided at the time of the appraisal and lot size is only an estimate; any deviation could alter the final value of the property. The site was found to slope downward to the rear, allowing for a lower level walk-out.





LEGAL DESCRIPTION	
1 1/2	2
3 1/2	4
5 1/2	8
7 1/2	12
9 1/2	16
11 1/2	20
13 1/2	24
15 1/2	28
17 1/2	32
19 1/2	36
21 1/2	40
23 1/2	44
25 1/2	48
27 1/2	52
29 1/2	56
31 1/2	60
33 1/2	64
35 1/2	68
37 1/2	72
39 1/2	76
41 1/2	80
43 1/2	84
45 1/2	88
47 1/2	92
49 1/2	96
51 1/2	100

UNIVERSITY BLVD  
SHOPPING CENTER BLVD

DATE AND TIME OF TYPING  
JANUARY 1959

J-15-Z





Site Valuation

There is a lack of vacant comparable land sales which have occurred within the immediate subject area recently. A land residual method has been used in determining the site value as well as using new, competing, developing areas. Therefore, using this approach, a value of \$30,000.00 is indicated for the subject site.

Description of Improvements

The subject property is improved with a single family, detached, pitched tile roof, stucco exterior residence in average condition. The first level contains three bedrooms, a living room, kitchen, and one bath with approximately 1,596 square feet of living area. The garage has been converted to a recreation type room containing approximately 304 square feet; however, it is inferior to the main section of the house and is accessible only by way of an outside entrance. There is a lower level which contains three rooms and a three-quarter bath with a total area of approximately 723 square feet, and this is a walk-out type basement area of only fair interior quality. Interior features of the house include a gas heating system, evaporative air conditioning, mechanical room, fireplace, fan, and a dishwasher. Exterior improvements consist of a porch, patio, fencing, and landscaping.



Cost Approach

The replacement cost figures used are from Marshall Swift Valuation Service, a nationally recognized building cost estimation service. These figures were checked against actual cost in the Albuquerque area.

Residence 1,596 square feet x \$38.75/sq. ft.	\$ 61,845.00
Depreciation	<u>9,277.00</u>
Depreciated Value	\$ 52,568.00
Depreciated Value of Lower Level	10,845.00
Other Depreciated Improvements	12,250.00
Land Value	<u>30,000.00</u>
Total Indicated Value	\$105,663.00
Rounded	\$105,700.00

Market Approach

On the following page are comparable properties which have sold recently. They have been adjusted to the subject property.



MARKET COMPARISON CHART

SUBJECT	SALE #1 1800 Sigma Chi N. E.		SALE #2 1308 Sigma Chi N. E.		SALE #3 419 Maple N. E.	
	ITEM	SUBJECT	ADJUST	ADJUST	ADJUST	ADJUST
Building Area	1,596	1,620	- 600	1,853	- 6,575	1,385 +/-
Condition	average	average		average		good
Plumbing	1 bath	1 3/4 baths	- 800	2 3/4 baths	- 1,600	1 3/4 baths
Construction	BS	BS		BS		BS/adobe
Basement	723 square feet w 3/4 bath		+10,845	---	+10,845	1,385 +/-
Roof	pitched	flat	+ 3,500	pitched/inferior	+ 2,500	flat
Floor	C/B	C/B		C/B		C/B/W
Heating	CFA	CFA		HW Rad./2 units	- 2,000	GFF
Porch	front	front		front		front
Garage	converted	converted		1 garage/1 carport	- 3,800	1 car garage
Fireplace	one	one		two	- 1,500	one
Landscaping	average	average		superior	- 2,000	superior
Cabinetry	average	average		average		superior
Fencing	rear	rear		rear		rear
Walk-Drive	concrete	concrete		concrete		concrete
Lot	inside	equal		equal		equal
Range & Oven	---	---		---		---
Dishwasher	built in	built in		---	+ 350	---
Air Conditioner	equipped	equal		equal		equal
Patio	rear	rear		rear		rear
	room	---	+ 5,320	quest house	- 1,500	---
Date & Terms		3-84 CTL	+ 2,250	8-84 CTL	+ 1,600	10-84 Ref.
Total Adjustment			\$ +20,515		\$ - 3,680	
Selling Price			\$ 82,000		\$ 107,000	
Indicated Value			\$ 102,515		\$ 103,320	

INDICATED VALUE BY THE MARKET APPROACH: \$105,000.00



Correlation of Values

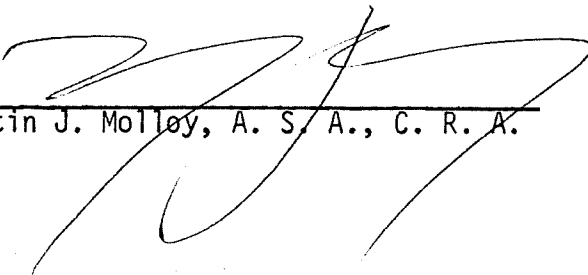
The two approaches indicate the following values:

Cost	---	\$105,700.00
Market	---	\$105,000.00

After analyzing these two approaches, the Market Approach is the better indicator of value for residential property since this best reflects the values of the area. The Cost Approach sets the upper limit of value for the property.

Final Estimate of Value

Therefore, it is my opinion that the market value of the subject property, as of February 20, 1985, is One Hundred Five Thousand Dollars (\$105,000.00), subject to all conditions and assumptions as stated within the appraisal.

  
\_\_\_\_\_  
Martin J. Molloy, A. S. A., C. R. A.

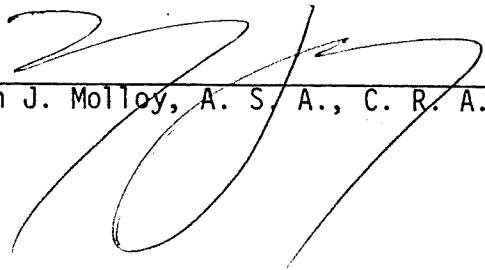




Certification

I hereby certify that I, and/or a representative of mine, have personally inspected the property appraised and all properties which were used as comparisons for the subject property; that to the best of my knowledge and belief the statements and opinions contained herein are correct; that I have no present nor contemplated future interest in the property appraised; that no pertinent information has knowingly been withheld; and that the amount of compensation to be received for making this appraisal or the employment to make the appraisal was not contingent upon the amount of the value estimate or on reporting a predetermined value.

I further certify that this appraisal was made in accordance with the Standards of Professional Practice of the American Society of Appraisers, the National Association of Independent Fee Appraisers, and the National Association of Review Appraisers.

  
Martin J. Molloy, A. S. A., C. R. A.



QUALIFICATIONS

Education: C. W. Post College Brookville, New York  
B. S. Finance  
B. A. Economics

University of New Mexico Graduate School  
Urban Economics

Dryfus School of Business New York

University of Denver Denver, Colorado  
Appraisal of Business Mergers and Acquisitions

National Association of Independent Fee Appraisers  
Income Property Appraisal Course  
Six Function Course  
Mobile Home Appraisal Course

Marshall Swift  
Residential Cost Appraisal Seminar  
Commercial Cost Appraisal Seminar

Society of Real Estate Appraisers  
Course 101 and R-2  
Narrative Report Writing Seminar  
Income Properties Seminar

International Right of Way Association  
Income Approach to Right of Way Valuation

New Mexico Land Title Association  
Abstract and Title Insurance Course

Experience: Independent Fee Appraiser 1970 - Present

Portfolio Analyst 1966 - 1970

Lecturer at University of New Mexico

Expert Witness: District Court of the State of New Mexico  
Federal Court  
University of New Mexico Law School  
Expert Witness Program



Professional  
Affiliations:

American Society of Appraisers, Senior Member  
(Past President of New Mexico Chapter)  
International Institute of Valuers, Senior Member  
National Association of Review Appraisers Member  
International Right of Way Association Member  
Society of Government Appraisers Member

Appraisal Projects:

New York State Department of Mental Hygiene  
United States Health, Education and Welfare  
New York State Highway Department

Clients:

Federal Housing Administration  
Safeway  
Albuquerque U. S. Employees Federal Credit Union  
American Petrofina Company of Texas  
Plaza National Bank  
Urban Development Agency of Albuquerque  
Avco Financial Services  
American Bank of Commerce  
Sandia Laboratories Federal Credit Union  
Transamerica Credit Corporation  
Fidelity National Bank  
New Mexico Federal Savings and Loan  
First Interstate Bank  
Albuquerque Bell Federal Credit Union  
Albuquerque Metropolitan Arroyo Flood Control Authority  
Middle Rio Grande Conservancy District  
Bernalillo County  
Malco Company  
Bank of America  
City Federal Savings and Loan  
Household Finance Corporation  
Albuquerque Federal Savings and Loan  
Security Federal Savings and Loan  
Mountain States Financial Corporation  
First City National Bank  
First National Bank  
State Savings Association, Lubbock, Texas  
Key Savings and Loan Association, Denver, Colorado  
Blazer Financial Services  
Aetna Finance



ASSUMPTIONS AND LIMITING CONDITIONS

This Appraisal Report, the Letter of Transmittal and the above Certification of Value are made expressly subject to the following assumptions and limited conditions, and any special limiting conditions contained in the Report which are incorporated herein by reference.

1. The legal description furnished is assumed to be correct. I assume no responsibility for matters legal in character nor do I render any opinion as to the Title, which is assumed to be correct. All existing liens and encumbrances, if any, have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management.
2. The sketch in this report is included to assist the reader in visualizing the property. I have made no survey of the property and assume no responsibility in connection with such matters.
3. I believe to be reliable the information which was furnished by others, but I assume no responsibility for its accuracy.
4. Possession of this report, or a copy thereof, does not carry with it the right of publication, nor may it be used for any purpose by any but the applicant without the previous written consent of the appraiser or the applicant and then only with proper qualifications.
5. I am not required to give testimony or to appear in any court or tribunal by reason of this appraisal, with reference to the property in question, unless arrangements have been previously made therefor.
6. The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization.
7. The land, and particularly the soil, of the area under appraisement appears firm and solid. Subsidence in the area is unknown or uncommon, but this appraiser does not warrant against this condition or occurrence.
8. Subsurface rights (minerals and oil) were not considered in making this appraisal.
9. This appraiser very carefully inspected the buildings involved in this appraisal report, the damage, if any, by termites, dry rot, wet rot, or other infestations were reported as a matter of information by your appraiser, as I do not guarantee the amount of or the degree of damage, if any.





10. All furnishings and equipment, except those specifically indicated and typically considered as a part of real estate have been disregarded by this appraiser. Only the real estate has been considered.
11. The comparable sales data relied upon in this appraisal is believed to be from reliable sources; however, it was not possible to inspect the comparables completely, and it was necessary to rely on information furnished by others as to said data. Therefore, the value conclusions are subject to the correctness and verification of said data.
12. The appraiser has inspected, as far as possible, by observation, the land and the improvements thereon; however, it was not possible to personally observe conditions beneath the soil or hidden structural components within the improvements. Therefore, no representations are made herein as to these matters and unless specifically considered in the report, the value estimate is subject to any such conditions that cause a loss in value. Condition of heating, cooling, ventilating, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. Data provided concerning wells, septic tanks, etc. is assumed to be correct and should be verified by persons using the appraisal.
13. Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales or other media, without the written consent and approval of the author, particularly as to valuation conclusions, the identity of the appraiser or firm with which he is connected, or any reference to any appraisal society or appraisal designation in which the appraiser is connected.
14. The appraisal may not be reproduced without the written consent of the appraiser, and then, with permission, must be copied in its entirety. All appraised values should be confirmed with the appraiser. Both the verification request and verification of value shall be in writing.
15. All square footages in the appraisal are only approximations and are not guaranteed to be correct. Any party basing the value of the subject property on the square footage shall rely upon their own measurements and not the square footage indicated in the appraisal since it is only an estimate. Any party using the appraisal in any type of transaction should verify the square footage. If a difference is noted, the appraiser should be notified to correct the difference which may have an affect on the value. Should there be any deviation from this procedure, the appraiser cannot be held responsible.

