

# City of Las Cruces<sup>®</sup>

PEOPLE HELPING PEOPLE

## Council Action and Executive Summary

Item # 6Ordinance/Resolution# 10-228Council District: 3 & 5For Meeting of March 15, 2010

(Adoption Date)

**TITLE:** A RESOLUTION APPROVING HOME REHABILITATION PROGRAM APPLICANTS TO PURCHASE A NEIGHBORHOOD STABILIZATION PROGRAM (NSP) HOME LOCATED AT 1200 POPLAR AVENUE AND TO REIMBURSE AND REHABILITATE THE HOME WITH HOME REHABILITATION PROGRAM FUNDS. THE RESOLUTION FURTHER GRANTS THE NECESSARY EXCEPTIONS TO THE CITY'S HOME REHABILITATION PROGRAM HANDBOOK FOR THE QUALIFIED FAMILY OF MR. AND MRS. GILBERT DIAZ.

**PURPOSE(S) OF ACTION:** To provide the family of Mr. and Mrs. Gilbert Diaz, with an affordable, safe, decent and sanitary home, as well as to demolish an unsafe dwelling, and eliminate environmental hazards.

<b>Name of Drafter:</b> Maria Fahrenkrog <i>MF</i>		<b>Department:</b> Community Development <i>MF</i>		<b>Phone:</b> 528-3177	
<b>Department</b>	<b>Signature</b>	<b>Phone</b>	<b>Department</b>	<b>Signature</b>	<b>Phone</b>
Community Development	<i>MF</i>	528-3066	Budget	<i>[Signature]</i>	541-2300
			Assistant City Manager	<i>[Signature]</i>	541-2271
Legal	<i>[Signature]</i>	541-2128	City Manager	<i>[Signature]</i>	541-2076

**BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:** In March, 2008, the Home Rehabilitation Staff began processing the application for Home Rehabilitation for Mr. and Mrs. Gilbert Diaz whose residence is located at 5721 Melody Lane. The house is inhabited by the homeowners and two of their children. At that time, staff discovered several issues that made it impossible to assist the Diaz family. Please refer to Attachment "B" for information on these issues.

Home Rehabilitation Staff is requesting City Council approval to allow Mr. and Mrs. Diaz to purchase the house located at 1200 Poplar Avenue. This house was purchased with Neighborhood Stabilization Program (NSP) funds in January 2010 for \$103,000. Staff is requesting City Council approval to reimburse the NSP the \$103,000 using Home Rehabilitation Program funds.

(Continued on Page 2)

Staff also proposes to invest Home Rehabilitation funds on said house to construct an addition which will include a master bedroom and bathroom, closets, a pantry and exterior storage at an approximate cost of \$69,727. The total cost of the house will be approximately \$172,727.00. The after rehabilitation appraised value of the property at 1200 Poplar Avenue is \$126,800.

A condition proposed by Staff and accepted by Mr. and Mrs. Diaz is to allow the Home Rehabilitation Program to collapse and fill their existing cesspool and to demolish their unsafe home at 5721 E. Melody Lane, at a cost of \$6,447.00.

Because the present home rehabilitation guidelines don't allow funding in excess of \$57,000, which in this case is insufficient to be able to help the Diaz family, staff is requesting the City Council approval to grant all necessary exceptions to the Home Rehabilitation Program Handbook.

Mr. Diaz has an annual income of \$25,302. Along with his brother, Mr. Diaz owns a 1.78 acre of land. This property has an appraised value of \$66,000. Even if this asset doesn't produce any income, staff had to apply a rule that requires that an "imputed income" be calculated based on a passbook rate that is applied to the cash value of all assets above \$5,000. The calculation would be:  $\$33,000 \times .02 = \$660$ . Following the Program's regulations, staff added the \$660 to Mr. Diaz's annual income.  $\$25,302 + 660 = \$25,962$ , which will place him at 60.4% of the median income. Per Home Rehabilitation Program guidelines, a person or a family between 60.01% and 70% of the median income qualifies for a Grant for \$17,000 and a Loan for \$40,000 at 1% interest. However, if only Mr. Diaz's earned gross income of \$25,302 was taken into account, he and his family would be at 58.8% of the median income and his loan would be at 0% interest. Home Rehabilitation staff is requesting City Council approval to waive the interest rate on Mr. and Mrs. Diaz loan, which will mean a difference between paying \$334 a month (with no interest) and \$386.74 a month (at 1% interest) for 360 months (30 years).

Please refer to Exhibit "A" for all the necessary exceptions, project cost and loan structure.

By granting these exceptions and requests, the City will be able to provide the Diaz family with a no interest loan, a forgivable loan and a grant with necessary funding to cover the original cost of the house at 1200 Poplar Avenue, the proposed addition to the house and the demolition of the unsafe dwelling at 5721 Melody Lane, and the collapsing and fill of their existing cesspool.

By approving the proposed request and exceptions, the City Council is contributing positively to City's efforts and HUD's philosophy in assisting low income families in having decent housing as follows:

- Provide the Diaz family with an affordable, safe, decent and sanitary home;
- Eliminate an unsafe and unsanitary dwelling; and
- Contribute to a positive image within the neighborhood and promote pride and community values, reducing the potential for neighborhood blight.

(Continued on Page 3)

**SUPPORT INFORMATION:**

<b>Fund Name / Account Number</b>	<b>Amount of Expenditure</b>	<b>Budget Amount</b>
Community Development Fund/ Fund 2000 2000-20184200-722195-10208	\$179,874	\$179,874

1. Resolution
2. Exhibit "A" – Exceptions to the Home Rehabilitation Handbook, Project Cost and Loan Structure
3. Attachment "B" – Background Information
4. Attachment "C" – Appraisal
5. Attachment "D" – Pictures of the Home at 5721 Melody
6. Attachment "E" – Pictures of the Home at 1200 Poplar

**OPTIONS / ALTERNATIVES:**

1. Vote YES and approve the Resolution. Such action would approve a low income family to purchase a safe, decent and sanitary home at an affordable price; will provide for the demolition of an unsafe and unsanitary dwelling and cesspool, and will also contribute to a positive image within the neighborhood and promote pride and community values, reducing the potential for neighborhood blight.
2. Vote NO and deny the Resolution. Such action would not approve a low income family to purchase a safe, decent and sanitary home at an affordable price; nor will it provide for the demolition of an unsafe and unsanitary dwelling and cesspool and will not contribute to a positive image within the neighborhood, or promote pride and community values, and will not reduce the potential for neighborhood blight.
3. Modify the Resolution and vote YES to approve the modified Resolution
4. Table/Postpone the Resolution and direct staff accordingly.

**RESOLUTION NO. 10-228**

**A RESOLUTION APPROVING HOME REHABILITATION PROGRAM APPLICANTS TO PURCHASE A NEIGHBORHOOD STABILIZATION PROGRAM (NSP) HOME LOCATED AT 1200 POPLAR AVENUE AND TO REIMBURSE AND REHABILITATE THE HOME WITH HOME REHABILITATION PROGRAM FUNDS. THE RESOLUTION FURTHER GRANTS THE NECESSARY EXCEPTIONS TO THE CITY'S HOME REHABILITATION PROGRAM HANDBOOK FOR THE QUALIFIED FAMILY OF MR. AND MRS. GILBERT DIAZ.**

The City Council is informed that:

**WHEREAS**, in March, 2008, the Home Rehabilitation Staff processed an application for Home Rehabilitation for Mr. and Mrs. Gilbert Diaz whose house is located at 5721 Melody Lane; and

**WHEREAS**, Home Rehabilitation Staff was unable to assist Mr. and Mrs. Diaz at that time because of several issues described in Attachment "B" of this Resolution; and

**WHEREAS**, the Home Rehabilitation Staff is requesting City Council approval to allow Mr. and Mrs. Diaz to purchase a house located at 1200 Poplar Avenue; and

**WHEREAS**, such house was purchased with Neighborhood Stabilization Program (NSP) funds in January 2010 for the amount of \$103,000; and

**WHEREAS**, Home Rehabilitation Staff is requesting City Council approval to reimburse the NSP the cost of said house using Home Rehabilitation Program funds, as well as using Home Rehabilitation Program funds to construct an addition to the house consisting of a master bedroom and bathroom, closets, a pantry and exterior storage at an approximate cost of \$69,727.00; and

**WHEREAS**, the total cost of the house is \$172,727.00, and its appraised value after rehabilitation is \$126,800; and

**WHEREAS**, a condition proposed by Staff and accepted by Mr. and Mrs. Diaz is to allow the Home Rehabilitation Program to collapse and fill their existing cesspool and to demolish their existing unsafe home at 5721 Melody Lane. This activity will have a cost of \$6,447.00; and

**WHEREAS**, the Home Rehabilitation Program guidelines don't allow funding in excess of \$57,000, which in this case is insufficient to help the Diaz family. Staff is requesting the City Council Approval of additional funds in the amount of \$122,874; and

**WHEREAS**, the homeowners have an annual income of \$25,962, of which \$660 is the calculated value of an asset and that if counted as income it will increase the Diaz family median income to 60.4% making them eligible for a loan at 1% interest; and

**WHEREAS**, Staff is requesting an exception on the interest rate and allow the Diaz family to have a 0% interest loan to make their monthly payments affordable, as described in Exhibit "A" under Loan Structure; and

**WHEREAS**, in addition to the 0% loan, Staff is requesting City Council approval to provide the Diaz family with a forgivable loan and a grant to make the cost of the house affordable, as described in Exhibit "A" under Loan Structure; and

**WHEREAS**, the necessary exceptions to be able to assist the Diaz family with decent, safe and sanitary housing, as well as to eliminate unsafe and unsanitary conditions; and the structure of their loans and grant are described in Exhibit "A," attached hereto and made part of this Resolution.

**NOW, THEREFORE**, Be it resolved by the governing body of the City of Las Cruces:

**(I)**

**THAT** this is a Home Rehabilitation Program project that cannot be completed with the existing funding limits of the Home Rehabilitation Program, and that the City Council has the authority to approve funding in the amount of \$179,874.00 to be able to provide the Diaz family with a safe, decent, sanitary and affordable home, as well as to be able to demolish their existing unsafe structure and to collapse and fill the cesspool at the 5721 Melody Lane address.

(II)

THAT the Home Rehabilitation Project for Mr. and Mrs. Gilbert Diaz is hereby granted the additional necessary funding, approvals and exceptions set forth in Exhibit "A," attached hereto and made part of this Resolution.

(III)

THAT City staff is hereby authorized to do all deeds necessary in the accomplishment of the herein above.

DONE and APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

(SEAL)

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

Moved by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

VOTE:

Mayor Miyagishima: \_\_\_\_\_

Councillor Silva: \_\_\_\_\_

Councillor Connor: \_\_\_\_\_

Councillor Pedroza: \_\_\_\_\_

Councillor Small: \_\_\_\_\_

Councillor Sorg: \_\_\_\_\_

Councillor Thomas: \_\_\_\_\_

Approved as to Form:

  
\_\_\_\_\_  
City Attorney

**EXHIBIT "A"**

## EXCEPTIONS TO THE HOME REHABILITATION PROGRAM HANDBOOK, PROJECT COST AND LOAN STRUCTURE

Staff is requesting the City Council to authorize the following exceptions:

1. An exception to Chapter VI, Part C-2 – Loan to Value Ratio of the Home Rehabilitation Handbook, which reads: "The loan-to-value ratio for any property shall not be greater than 95% for a grant or a grant made in combination with a loan or deferred payment loan".
2. Approval to an exception made by Staff to Chapter VIII, Part B-4 – which reads: "There may be an exception made when Program Staff finds a residence needs Substantial Rehabilitation. When Program Staff finds that a structure is in a state of disrepair i.e., that the cost of rehabilitation is higher than the program allowances, or if the condition of the core of the structure is so dilapidated that the only practical action is to demolish and rebuild, then Program Staff will seek approval of a Substantial Rehabilitation Project. The decision to undergo a Substantial Rehabilitation is not an option to the homeowner, but will be made only by program Staff with approval of the Las Cruces City Council through Resolution".
3. An exception to Chapter VIII, Part C-1 – Terms of the Loan – which reads: "Interest Rates: for a qualified low-and moderate-income household (at 80% or below of area median income), and based solely on the legal homeowner(s) income and not that of any other non-owner, adult household members, the interest rate for the Program Loan will be determined as follows: Area Median Income (adjusted for Household Size) 60.1% to 70%." This exception will allow Mr. and Mrs. Diaz to get their loan at 0% interest.

### COST DEMOLITION OF THE OLD HOUSE INCLUDING THE COLLAPSE AND FILL OF THEIR EXISTING CESSPOOL, COST OF THE NEW HOME

1.	Demolition:	\$ 6,447
2.	Purchase of new home	\$103,000
3.	Addition to the new home	\$ 69,727
4.	Soft Cost (title insurance)	\$ 700
	Total:	\$179,874

### LOAN STRUCTURE

Mr. and Mrs. Diaz will reimburse the City of Las Cruces as follows:

1. \$120,240 in monthly installments of \$334.00 for 30 years at 0% interest.

Mr. and Mrs. Diaz will reimburse the City as follows: monthly payments of \$334.00 for 360 months with no interest for a total of \$120,240. Property

taxes and homeowners insurance will be escrowed to the Diaz's account. The City of Las Cruces will file a first mortgage on this property.

2. Mr. and Mrs. Diaz will also receive a forgivable loan for \$6,560, which is the difference between the after-rehab appraised value of the home and their payment.

Appraised value of home:	\$126,800 * (after rehab)
Diaz's payments:	<u>\$120,240</u>
Forgivable Loan:	\$ 6,560

The forgivable loan will be subject to an affordability period and will be due upon sale or transfer or is forgiven at the time of complete satisfaction of the 1<sup>st</sup>. mortgage at the end of the 30 years, whichever occurs first. However, any equity gained between year 1 and year 30 will be split between the homeowner and the City (per chart) if the home is sold between that period of time.

<b>AFFORDABILITY AND EQUITY SHARING</b>	
<b>Year of Sale</b>	<b>City/Owner Split in Equity Gain (%)</b>
Year 0-2	85/15
Year 3-4	75/25
Year 5-6	65/35
Year 7-8	55/45
Year 8-9	50/50
Year 10-11	45/55
Year 12-13	40/60
Year 14-15	35/65
Year 16-17	30/70
Year 18-19	25/75
Year 20-21	20/80
Year 22-23	15/85
Year 25-25	10/90
Year 26-27	5/95
Year 28-30	0/100

3. The balance of \$5,3074.00 will be given to the Diaz family as a grant.

**ATTACHMENT "B"**

**BACKGROUND INFORMATION ON HOME REHABILITATION APPLICATION NO. 1376 - GILBERT AND SYLVIA DIAZ, WHOSE HOME IS LOCATED AT 5721 MELODY LANE.**

**GILBERT AND SYLVIA DIAZ AND BERNIE AND CECILIA DIAZ:**

1. In late 2007 and early 2008, the Home Rehabilitation Staff worked with the applications for Home Rehabilitation for Mr. and Mrs. Gilbert Diaz and for Mr. and Mrs. Bernie Diaz. The applications were processed simultaneously because the two families own the land jointly. The property size is approximately 2.78 acres. One acre, where the homes are, was owned by Gilbert and Sylvia Diaz and by Bernie and Cecilia Diaz. In 2004, a Warranty Deed was filed showing that Gilbert and Sylvia warranted their interest in the 1 acre to Bernie and Cecilia and at the same time this land was mortgaged to Mr. T. Johnson for \$27,000. This meant that Gilbert and Sylvia Diaz are not the owners of record of the land where their home is located.
2. In order to participate in the Home Rehabilitation Program, the applicants have to be the owners of record of their home, however; steps taken by staff to restore ownership to Gilbert and Sylvia Diaz were unsuccessful. The other 1.78 acres are owned in common by the brothers Gilbert Diaz and Bernie Diaz.
3. Mr. Bernie Diaz has placed illegally on the property two additional mobile homes to house his adult children and their families. This means that presently there are 4 dwellings on 2.78 acres, which is in violation of the City's Zoning Code. Moreover, the dwellings currently use unpermitted illegal sewage disposal systems.

**GILBERT AND SYLVIA DIAZ:**

These are the specific issues with the house located at 5721 Melody Lane, where the Gilbert Diaz family lives:

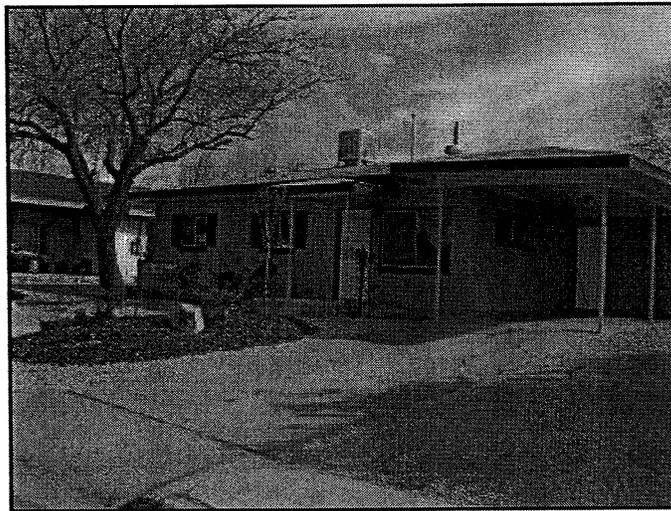
1. The kitchen sink, shower, lavatory and washing machine are discharged on the ground surface (grey water) creating unhealthy and unsanitary conditions and breeding grounds for insect infestation. The toilet (black water) discharges into the cesspool. Presently black water can be seen on the surface due to a malfunction within cesspool.
2. The electrical system is dangerous because it was never permitted or intended for this use, as the original power was supplying a mobile home with an addition. The mobile home is no longer there. The electrical system is patched into the power service at the pole with

wires running in conduit across the ground. When the mobile home was removed, the owner started expanding the addition that was left behind. As they built on they just connected to whatever wiring was available, without permits or licensed electricians. In the interior, much of the wiring is exposed and incomplete with open junction boxes, bare wires, and extension cords in most rooms.

3. The heat, cooking, and hot water in the dwelling is provided using multiple, patio type, propane tanks scattered around the building. The venting for these devices is installed in a dangerous manner or non-existent. There is no insulation in portions of the building so the already dangerous heaters are in nearly continuous use on cold days.
4. The construction of the dwelling itself has been undertaken without permits or inspections and although standing, is questionable. It consists of a mixture of adobe and frame construction with one entire roof built over another.

**ATTACHMENT "C"**

**167**  
**APPRAISAL OF REAL PROPERTY**



**LOCATED AT**

1200 Poplar Avenue  
Las Cruces, NM 88001  
Lot 5, Block F, Washington Heights Subdivision

**FOR**

City of Las Cruces  
P.O. Box 20000  
Las Cruces, NM 88004

**PROSPECTIVE OPINION OF VALUE**

**AS OF**

February 9, 2010

**TABLE OF CONTENTS**

URAR .....	1
General Text Addendum .....	7
Subject Photos .....	8
Subject Photos Interior .....	9
Comparable Photos 1-3 .....	10
Building Sketch (Page - 1) .....	11
Proposed Addition .....	12
Survey .....	13
Location Map .....	14
Tax Assessor's Map .....	15
Invoice .....	16

Uniform Residential Appraisal Report

RFP-08-09-575
File # R-20118

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.
Property Address 1200 Poplar Avenue City Las Cruces State NM Zip Code 88001
Borrower Not Applicable Owner of Public Record See attached addenda. County Dona Ana
Legal Description Lot 5, Block F, Washington Heights Subdivision
Assessor's Parcel # 02-05476 Tax Year 2009 R.E. Taxes \$ 451.15
Neighborhood Name Downtown Las Cruces/Loma Heights Map Reference 0214007134514224 Census Tract 402.2
Occupant [ ] Owner [ ] Tenant [X] Vacant Special Assessments \$ None [ ] PUD HOA \$ N/A [ ] per year [ ] per month
Property Rights Appraised [X] Fee Simple [ ] Leasehold [ ] Other (describe)
Assignment Type [ ] Purchase Transaction [ ] Refinance Transaction [X] Other (describe) Portfolio Analysis for Neighborhood Stabilization Program (NSP)
Lender/Client City of Las Cruces Address P.O. Box 20000, Las Cruces, NM 88004
Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? [X] Yes [ ] No
Report data source(s) used, offering price(s), and date(s). See attached addenda.
I [ ] did [ ] did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.
Contract Price \$ Date of Contract Is the property seller the owner of public record? [ ] Yes [ ] No Data Source(s)
Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? [ ] Yes [X] No
If Yes, report the total dollar amount and describe the items to be paid.
Note: Race and the racial composition of the neighborhood are not appraisal factors.
Neighborhood Characteristics One-Unit Housing Trends One-Unit Housing Present Land Use %
Location [X] Urban [ ] Suburban [ ] Rural Property Values [ ] Increasing [X] Stable [ ] Declining PRICE AGE One-Unit 70 %
Built-Up [ ] Over 75% [X] 25-75% [ ] Under 25% Demand/Supply [ ] Shortage [X] In Balance [ ] Over Supply \$ (000) (yrs) 2-4 Unit 10 %
Growth [ ] Rapid [X] Stable [ ] Slow Marketing Time [ ] Under 3 mths [ ] 3-6 mths [X] Over 6 mths 50 Low New Multi-Family 10 %
Neighborhood Boundaries See Comments. 241 High 100 Commercial 10 %
110 Pred. 40 Other %
Neighborhood Description See Comments.
Market Conditions (including support for the above conclusions) See Comments.
Dimensions 65.15 x 100 Area 6,515 Sq.Ft. Shape Rectangular View Typical
Specific Zoning Classification R-1a Zoning Description Single-Family, Medium Density, City of Las Cruces
Zoning Compliance [X] Legal [ ] Legal Nonconforming (Grandfathered Use) [ ] No Zoning [ ] Illegal (describe)
Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? [X] Yes [ ] No If No, describe
Utilities Public Other (describe) Public Other (describe) Off-site Improvements - Type Public Private
Electricity [X] [ ] Water [X] [ ] Street Asphalt [X] [ ]
Gas [X] [ ] Sanitary Sewer [X] [ ] Alley None [ ] [ ]
FEMA Special Flood Hazard Area [ ] Yes [X] No FEMA Flood Zone "X" FEMA Map # 35013C0518F FEMA Map Date 09/06/1995
Are the utilities and off-site improvements typical for the market area? [X] Yes [ ] No If No, describe
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? [ ] Yes [X] No If Yes, describe
Based on a Survey dated July 20, 2009 prepared by Donohue Land Surveys, which has been attached to the report, no adverse easements or encroachments were noted.
General Description Foundation Exterior Description materials/condition Interior materials/condition
Units [X] One [ ] One with Accessory Unit [X] Concrete Slab [ ] Crawl Space Foundation Walls Concrete Slab/Good Floors Tile/Carpt/New
# of Stories One [ ] Full Basement [ ] Partial Basement Exterior Walls Painted Block/Good Walls Texture SR/New
Type [X] Det. [ ] Att. [ ] S-Det./End Unit Basement Area None sq.ft. Roof Surface Shingle/New Trim/Finish Painted Wood/New
[X] Existing [ ] Proposed [ ] Under Const Basement Finish N/A % Gutters & Downspouts None Bath Floor Tile/New
Design (Style) Ranch [ ] Outside Entry/Exit [ ] Sump Pump Window Type Single Pane/Good Bath Wainscot Tile/New
Year Built 1958 Evidence of [N] Infestation Storm Sash/Insulated None Car Storage [ ] None
Effective Age (Yrs) 2 Years [N] Dampness [N] Settlement Screens None [X] Driveway # of Cars 1
Attic [X] None Heating [X] FWA [ ] HWBB [ ] Radiant Amenities [ ] Woodstove(s) # Driveway Surface Concrete.
[ ] Drop Stair [ ] Stairs [ ] Fuel Gas [ ] Fireplace(s) # [X] Fence Chain Link [ ] Garage # of Cars
[ ] Floor [ ] Scuttle Cooling [E] Central Air Conditioning [ ] Patio/Deck [X] Porch [X] Carport # of Cars 1 Car
[ ] Finished [ ] Heated [ ] Individual [ ] Other [ ] Pool [ ] Other [X] Att. [ ] Det. [ ] Built-in
Appliances [ ] Refrigerator [X] Range/Oven [ ] Dishwasher [ ] Disposal [ ] Microwave [ ] Washer/Dryer [ ] Other (describe)
Finished area above grade contains: 6 Rooms 4 Bedrooms 2 Bath(s) 1,442 Square Feet of Gross Living Area Above Grade
Additional features (special energy efficient items, etc.). See attached addenda.
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). See attached addenda.
Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? [ ] Yes [X] No If Yes, describe
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? [X] Yes [ ] No If No, describe

# Uniform Residential Appraisal Report

RFP-08-09-575  
File # R-20118

There are 11 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 109,900 to \$ 149,900					
There are 13 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 98,000 to \$ 155,500					
FEATURE	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3	
Address	1200 Poplar Avenue Las Cruces, NM 88001	1802 Louise Circle Las Cruces, NM 88001	2016 Anita Drive Las Cruces, NM 88001	1330 Pine Street Las Cruces, NM 88001	
Proximity to Subject		0.40 miles NE	0.64 miles NE	0.09 miles S	
Sale Price	\$	\$ 115,000	\$ 123,000	\$ 122,000	
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 83.64 sq.ft.	\$ 85.89 sq.ft.	\$ 81.33 sq.ft.	
Data Source(s)		MLS# 806612 - Realtor	MLS# 808053 - Realtor	MLS# 806297 - Realtor	
Verification Source(s)		218 Days on Market	120 Days on Market	204 Days on Market	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment
Sales or Financing Concessions		N/A		N/A	
Date of Sale/Time		10/22/2009		10/13/2009	
Location	Urban	Urban		Urban	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple	
Site	6,515 Sq.Ft.	13,176 SF	-2,500	8,625 SF	6,000 SF
View	Typical	Typical		Typical	
Design (Style)	Ranch	Ranch		Ranch	
Quality of Construction	Average	Average		Good	-6,150
Actual Age	52 Yr/2 Eff.	42 Yrs/7 Eff.	+9,583	46 Yrs/8 Eff.	+12,300
Condition	Good	Good		Good	
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths	Total Bdrms. Baths
Room Count	6 4 2	5 3 1.5		5 3 1.75	5 4 1.75
Gross Living Area	1,442 sq.ft.	1,375 sq.ft.	+2,680	1,432 sq.ft.	No Adj. 1,500 sq.ft.
Basement & Finished Rooms Below Grade	None	None		None	None
Functional Utility	Average	Average		Average	Average
Heating/Cooling	GFA/Evap.	GFA/Evap.		GFA/Evap.	GFA/Evap.
Energy Efficient Items	Fans	Typical		Typical	Typical
Garage/Carport	1 Car-Carport	None	+1,500	1 - Car Garage	-2,500
Porch/Patio/Deck	Porch	Porch		Porch	Porch
Fireplace	None	None		None	None
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 11,263		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 3,650	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 5,280
Adjusted Sale Price of Comparables		Net Adj. 9.8 % Gross Adj. 14.1 % \$ 126,263		Net Adj. 3.0 % Gross Adj. 17.0 % \$ 126,650	Net Adj. 4.3 % Gross Adj. 8.1 % \$ 127,280
<input checked="" type="checkbox"/> I did <input type="checkbox"/> did not research the sale or transfer history of the subject property and comparable sales. If not, explain					
My research <input checked="" type="checkbox"/> did <input type="checkbox"/> did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal. Data Source(s) Dona Ana County Public Records, Property Owner, Las Cruces MLS My research <input checked="" type="checkbox"/> did <input type="checkbox"/> did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale. Data Source(s) Las Cruces MLS, Dona Ana County Public Records Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).					
ITEM	SUBJECT	COMPARABLE SALE #1	COMPARABLE SALE #2	COMPARABLE SALE #3	
Date of Prior Sale/Transfer	January 28, 2010	None in the past year	None in the past year	None in the past year	
Price of Prior Sale/Transfer	\$103,000	Unknown	Unknown	Unknown	
Data Source(s)	Client	Dona Ana County PR/MLS	Dona Ana County PR/MLS	Dona Ana County P.R./MLS	
Effective Date of Data Source(s)	February 2010	February 2010	February 2010	February 2010	
Analysis of prior sale or transfer history of the subject property and comparable sales The subject home was purchased by City of Las Cruces from Robert Macias on January 28, 2010 for \$103,000. The home was purchased by the Robert Macias in July 2009 for \$47,900 after being listed at \$53,500 for 49 days, and was completely renovated subsequent to the July 2009 purchase. The comparable sales had no prior sales in the past one-year period.					
Summary of Sales Comparison Approach See attached addenda.					
Indicated Value by Sales Comparison Approach \$ 126,800					
Indicated Value by: Sales Comparison Approach \$ 126,800 Cost Approach (if developed) \$ 129,797 Income Approach (if developed) \$					
The Sales Comparison Approach was given the greatest weight in our final reconciliation, supported by the Cost Approach.					
The Income Approach was not used due to the owner-occupied nature of the area.					
This appraisal is made <input type="checkbox"/> "as is", <input checked="" type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair:					
Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 126,800, as of February 9, 2010, which is the date of inspection and the effective date of this appraisal.					



## Uniform Residential Appraisal Report

RFP-08-09-575  
File # R-20118

This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit, including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

**SCOPE OF WORK:** The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

**INTENDED USE:** The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

**INTENDED USER:** The intended user of this appraisal report is the lender/client.

**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 or she considers his or her 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 judgment.

**STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS:** The appraiser's certification in this report is subject to the following assumptions and limiting 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, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader 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 this appraisal report whether any portion of 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, or as otherwise required by law.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, 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 research involved in performing the appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. 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, this appraisal report must not be considered as an environmental assessment of the property.
6. 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 the completion, repairs, or alterations of the subject property will be performed in a professional manner.

## Uniform Residential Appraisal Report

RFP-08-09-575  
File # R-20118**APPRAISER'S CERTIFICATION:** The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the interior and exterior areas of the subject property. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of 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 at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of 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 opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, 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 or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in 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 this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

## Uniform Residential Appraisal Report

RFP-08-09-575  
File # R-20118

21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

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

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies 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 at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

## APPRAISER

Signature   
Name Palmira Warren  
Company Name Mundy Appraisal Services  
Company Address 456 N. Alameda, Las Cruces, NM 88005

Telephone Number 575.527.9260  
Email Address mundyappraisal@zianet.com  
Date of Signature and Report \_\_\_\_\_  
Effective Date of Appraisal February 9, 2010  
State Certification # \_\_\_\_\_  
or State License # NM-02620-A  
or Other (describe) \_\_\_\_\_ State # \_\_\_\_\_  
State New Mexico  
Expiration Date of Certification or License April 30, 2010

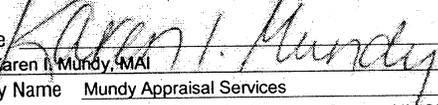
## ADDRESS OF PROPERTY APPRAISED

1200 Poplar Avenue  
Las Cruces, NM 88001  
APPRAISED VALUE OF SUBJECT PROPERTY \$ 126,800

## LENDER/CLIENT

Name Ray Sartin  
Company Name City of Las Cruces  
Company Address P.O. Box 20000, Las Cruces, NM 88004  
Email Address rsartin@las-cruces.org

## SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature   
Name Karen I. Mundy, MAI  
Company Name Mundy Appraisal Services  
Company Address 456 N. Alameda Blvd., Las Cruces, NM 88005

Telephone Number 575.527.9260  
Email Address mundyappraisal@zianet.com  
Date of Signature \_\_\_\_\_  
State Certification # NM-001219-G  
or State License # \_\_\_\_\_  
State New Mexico  
Expiration Date of Certification or License April 30, 2011

## SUBJECT PROPERTY

- Did not inspect subject property  
 Did inspect exterior of subject property from street  
Date of Inspection \_\_\_\_\_  
 Did inspect interior and exterior of subject property  
Date of Inspection 2/09/2010

## COMPARABLE SALES

- Did not inspect exterior of comparable sales from street  
 Did inspect exterior of comparable sales from street  
Date of Inspection \_\_\_\_\_

## Supplemental Addendum

File No. R-20118

Borrower/Client	Not Applicable			
Property Address	1200 Poplar Avenue			
City	Las Cruces	County	Dona Ana	State NM Zip Code 88001
Lender	City of Las Cruces			

**Owner of Record:**

Per Lance Swarengin, the Realtor for the City of Las Cruces, the subject home was purchased for \$103,000 by the City of Las Cruces in conjunction with the Neighborhood Stabilization Program (NSP) on January 28, 2010. The Dona Ana County Assessor's office shows the owner of record as Robert Macias.

**URAR : Subject - Data Source(s), Offering Price(s), Date(s)**

As mentioned above, the subject was sold to the City of Las Cruces in conjunction with the Neighborhood Stabilization Program (NSP) on January 28, 2010 for \$103,000. Prior to being purchased by the City, home was listed at \$105,900 from August 20, 2009 to November 16, 2009 as per MLS data after being completely renovated. The property was purchased by the Robert Macias, the former owner, in July 2009 for \$47,900 after being listed at \$53,500 for 49 days, and was completely renovated subsequent to the July 2009 purchase.

**Subject Market Area:**

The subject neighborhood is bounded on the north and west by Main Street, on the south by Amador Avenue and on the east by I-25, and is referred to locally as the Downtown area of Las Cruces and Loma Heights. Employment areas, schools and shopping are in close proximity. All utilities are available to the subject neighborhood, as is public transportation. A new Federal Courthouse is currently under construction at Church and Griggs and is scheduled for completion in 2010. Also a new City Hall is under construction on the east side of North Main Street just south of Picacho Avenue.

The majority of development in this area of the City is over 25 years in age and the neighborhood is under going regentrification as older homes are being renovated, such as the subject property.

**Market Conditions:**

Supply and demand are in balance based on the average marketing time of the comparable sales of 181 days, or roughly 6.0 months. Financing is typically in the form of VA, FHA and conventional, with some owner financing available. Sales and financing concessions are minimal. Based on information obtained from the Las Cruces Multiple Listing Service for Zone 221, which includes the subject, 13 homes sold in the past year, ranging in price from \$98,000 to \$155,500 with a median sales price of \$123,000. For the same time frame one year ago, 23 homes sold ranging in price from \$77,600 to \$132,150 with a median sales price of \$119,000.

**Additional Features:**

The subject property reflects a block home in good condition that has been completely renovated in the past year. The subject property provides ceiling fans throughout and the kitchen has a new gas range, new laminite countertops and new tile flooring. The living area and bathroom also have new tile flooring and the bedrooms provide new carpet floors. The bathroom was also completely redone. All of the interior doors are new masonite doors and the interior walls have been repainted. Lastly, the front and back yard was professionally landscaped and the exterior of the home was painted with a new shingle roof installed.

The proposed addition will provide a master bedroom and bath. The existing home contains 937 square feet, and will increase to 1,442 square feet upon completion of the proposed 505 square foot addition.

**Condition of the Property:**

The subject home is in good condition with no deferred maintenance evident from inspection. As mentioned above, the entire home was recently renovated and the estimated effective age is 2 years, versus its actual age of 52 years. The only deficient item noted by the appraisers' was the lack of dead-bolt locks on the exterior doors.

**Sales Comparison Approach:**

The comparable sales were the most similar to the subject property in the delineated market area and provide a reliable value estimate. Based on a comparison of the sales no adjustment was deemed necessary for market conditions. Sale 1 required downward adjustment to compensate for its larger site size, which was based on a paired sales analysis with Sales 2 and 3. The main adjustments applied to the sales are for differences in effective age and square footage of the improvements.

The adjustment applied to the sales for differences in effective age was calculated by multiplying the difference between the effective age of the subject and the comparable sale by the annual percentage of depreciation assuming a 60-year economic life. The annual rate of straight-line depreciation is estimated to be 1/60th. This rate was then multiplied by the sales price, and indicated as an upward adjustments for all three sales, which have older estimated effective ages than the subject.

The adjustment for differences in square footage was estimated to be \$40.00 per square foot, or approximately 50% of the average sales price per square foot of the comparable sales. Downward adjustments were required for Sales 1 and 3 due to their larger square footage. Sale 2 required no adjustment for square footage since it is similar in size to the subject. Lastly, adjustments were required to compensate for differences in amenities such as car storage facilities, with superior amenities requiring downward adjustment and inferior amenities requiring upward adjustment. In the final reconciliation, all three sales were given equal weight.

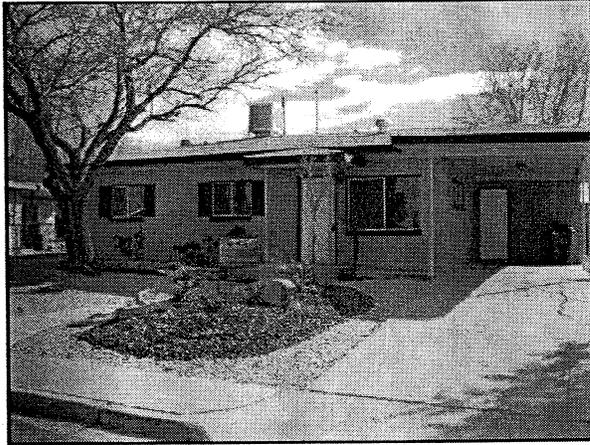
**Conditions of the Appraisal:**

This is a Summary Appraisal Report. The purpose of the report is to estimate the prospective market value of the subject home as of the date of inspection on February 9, 2010. A prospective valuation is required to reflect the value of the home with the proposed 505 square foot addition. The function of the report is to assist with portfolio analysis for a home rehabilitation project in conjunction with the Neighborhood Stabilization Program (NSP). The intended user of this appraisal report is the City of Las Cruces, its successors and/or assigns.

The as-is value of the home was estimated to be \$104,500 as of December 14, 2009.

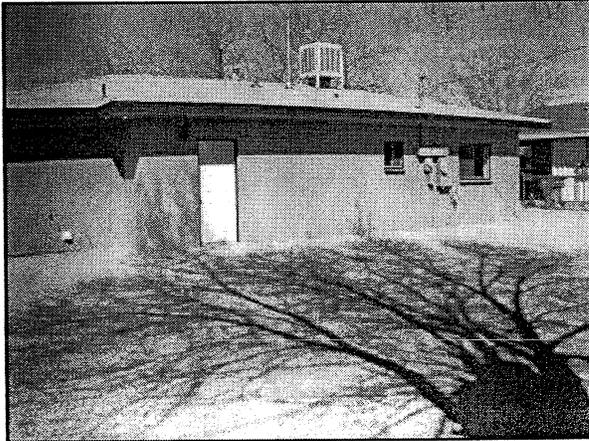
## Subject Photo Page

Borrower/Client	Not Applicable		
Property Address	1200 Poplar Avenue		
City	Las Cruces	County	Dona Ana
		State	NM
		Zip Code	88001
Lender	City of Las Cruces		

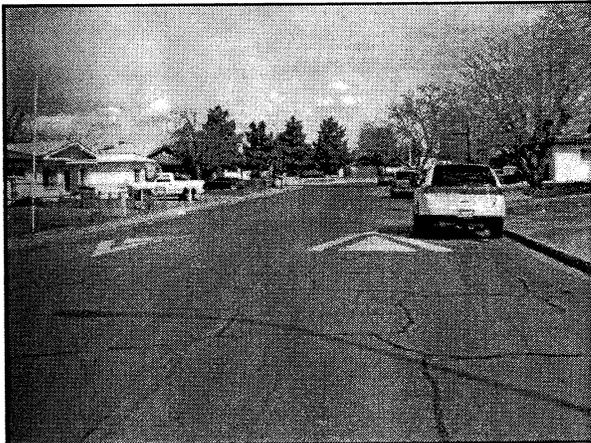


### Subject Front

1200 Poplar Avenue  
 Sales Price  
 Gross Living Area 1,442  
 Total Rooms 6  
 Total Bedrooms 4  
 Total Bathrooms 2  
 Location Urban  
 View Typical  
 Site 6,515 Sq.Ft.  
 Quality Average  
 Age 52 Yr/2 Eff.



### Subject Rear

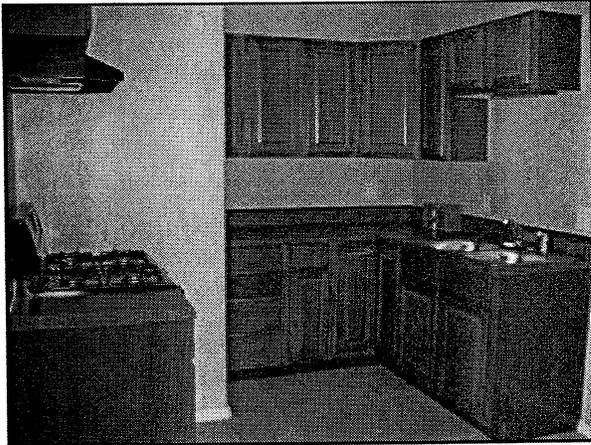


### Subject Street

### Subject Interior Photo Page

176

Borrower/Client	Not Applicable		
Property Address	1200 Poplar Avenue		
City	Las Cruces	County	Dona Ana
Lender	City of Las Cruces	State	NM
		Zip Code	88001

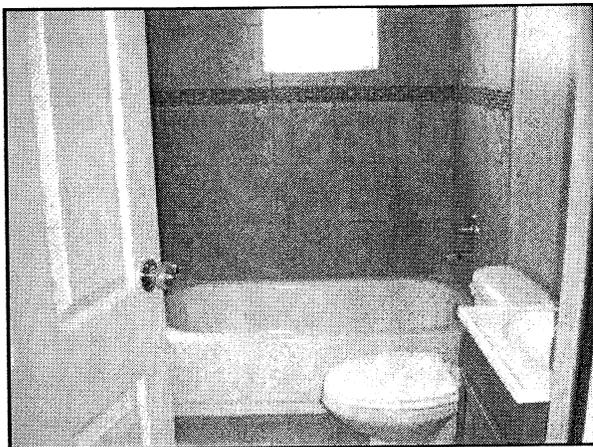


#### Subject Kitchen

1200 Poplar Avenue  
Sales Price  
Gross Living Area 1,442  
Total Rooms 6  
Total Bedrooms 4  
Total Bathrooms 2  
Location Urban  
View Typical  
Site 6,515 Sq.Ft.  
Quality Average  
Age 52 Yr/2 Eff.



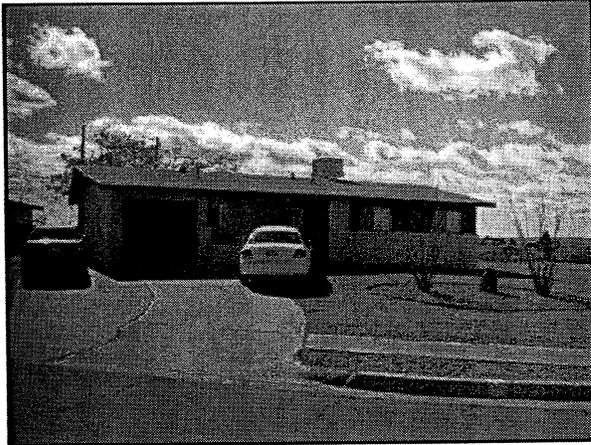
#### Subject Living Room



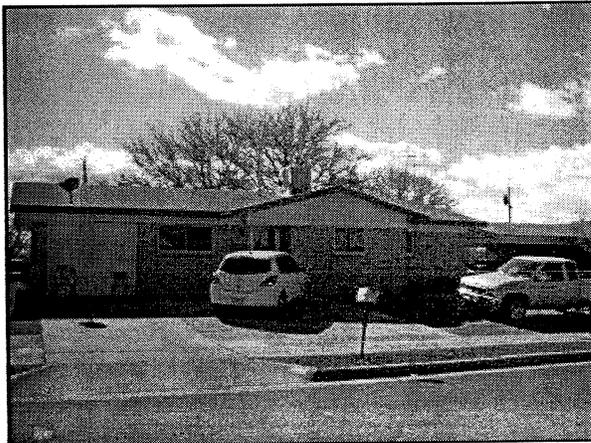
#### Subject Bath

## Comparable Photo Page

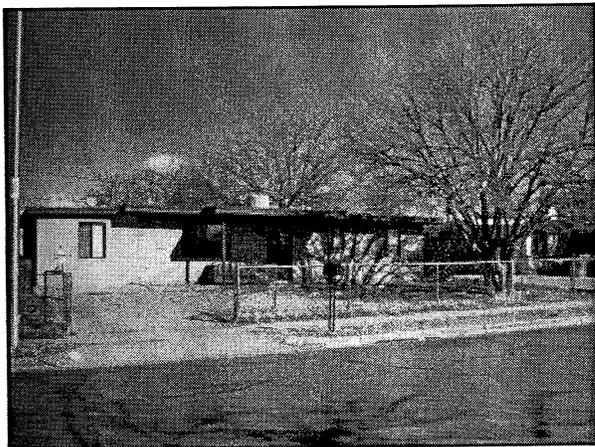
Borrower/Client	Not Applicable		
Property Address	1200 Poplar Avenue		
City	Las Cruces	County	Dona Ana
		State	NM
		Zip Code	88001
Lender	City of Las Cruces		

**Comparable 1**

1802 Louise Circle  
 Prox. to Subject 0.40 miles NE  
 Sales Price 115,000  
 Gross Living Area 1,375  
 Total Rooms 5  
 Total Bedrooms 3  
 Total Bathrooms 1.5  
 Location Urban  
 View Typical  
 Site 13,176 SF  
 Quality Average  
 Age 42 Yrs/7 Eff.

**Comparable 2**

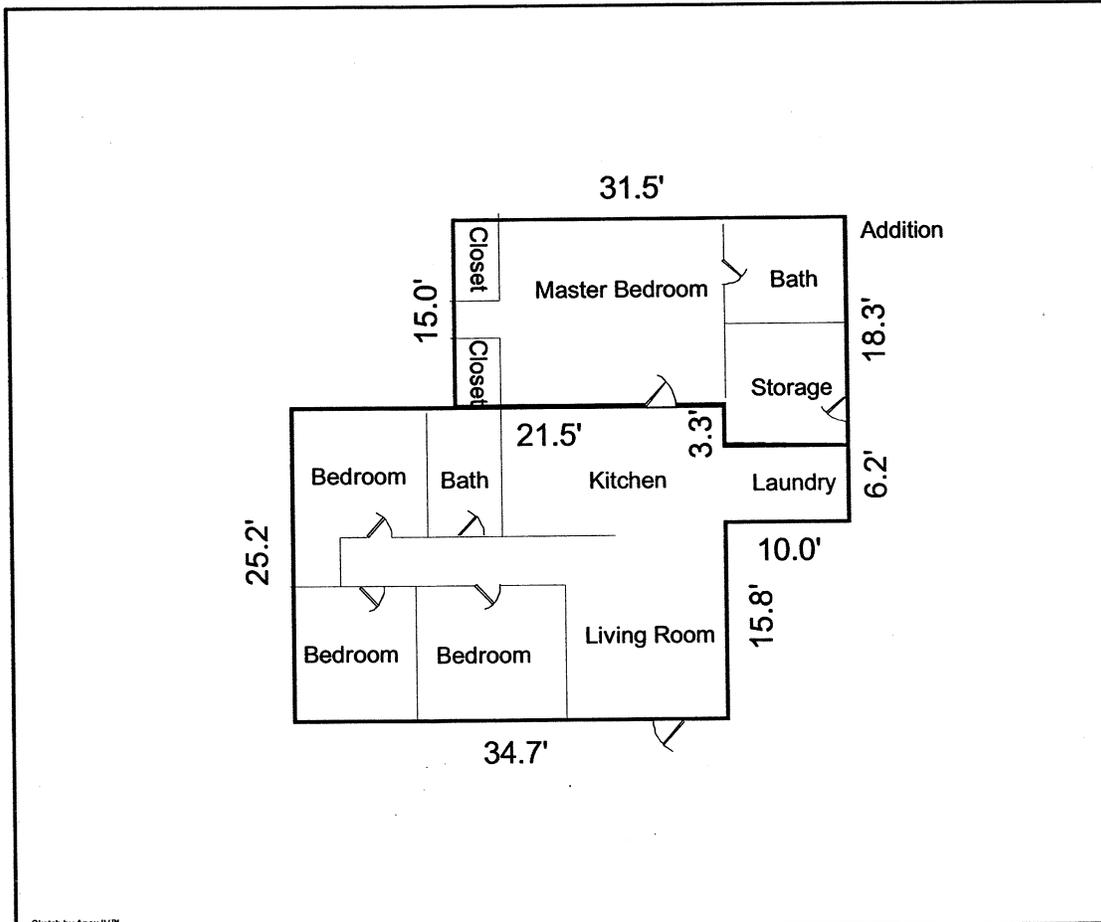
2016 Anita Drive  
 Prox. to Subject 0.64 miles NE  
 Sales Price 123,000  
 Gross Living Area 1,432  
 Total Rooms 5  
 Total Bedrooms 3  
 Total Bathrooms 1.75  
 Location Urban  
 View Typical  
 Site 8,625 SF  
 Quality Good  
 Age 46 Yrs/8 Eff.

**Comparable 3**

1330 Pine Street  
 Prox. to Subject 0.09 miles S  
 Sales Price 122,000  
 Gross Living Area 1,500  
 Total Rooms 5  
 Total Bedrooms 4  
 Total Bathrooms 1.75  
 Location Urban  
 View Typical  
 Site 6,000 SF  
 Quality Average  
 Age 30 Yrs/ 5 Eff.

### Building Sketch

Borrower/Client	Not Applicable		
Property Address	1200 Poplar Avenue		
City	Las Cruces	County	Dona Ana
		State	NM
		Zip Code	88001
Lender	City of Las Cruces		



Sketch by Apex IV™

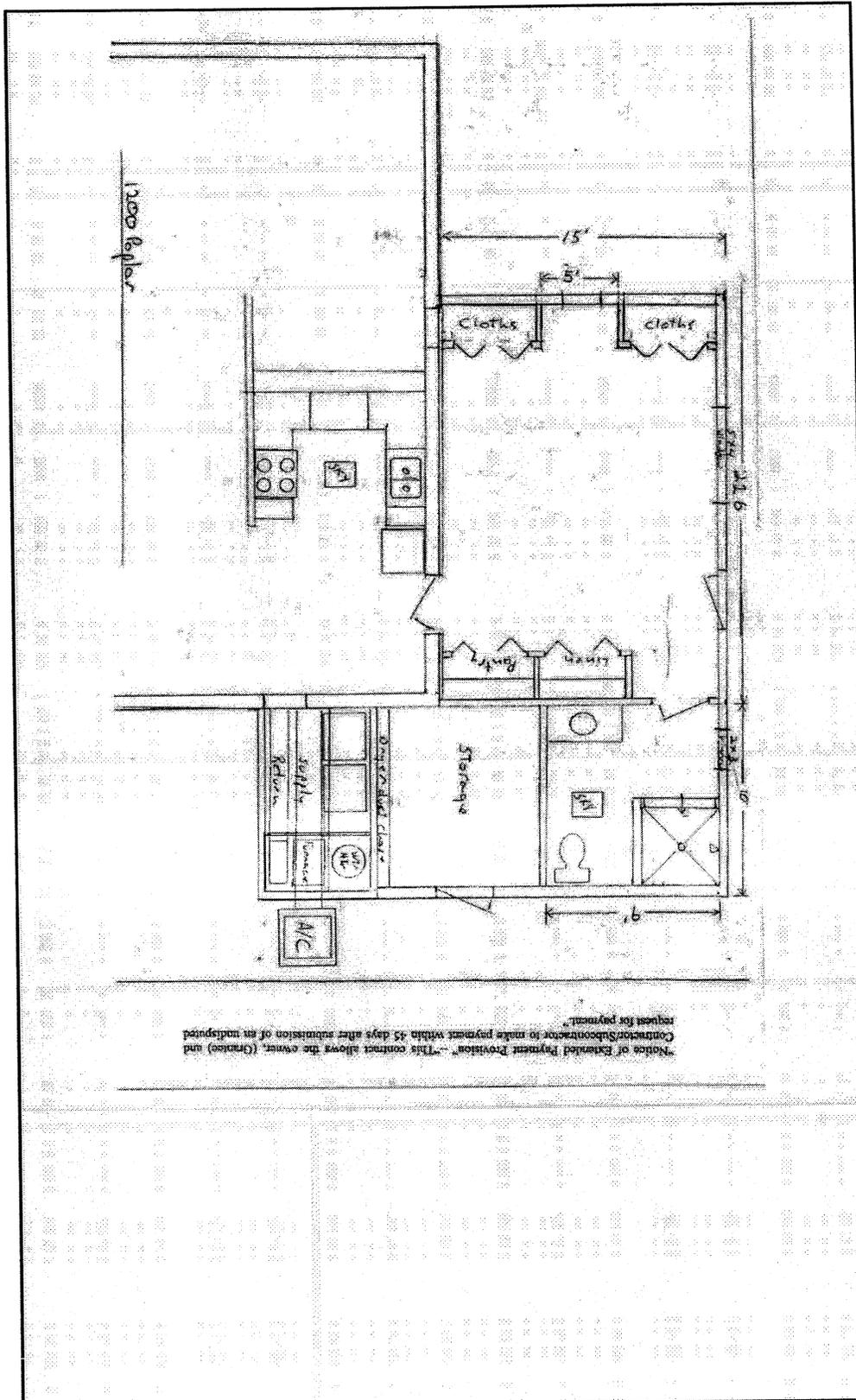
Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Size	Net Totals
GLA1	First Floor	937.00	
	Addition	505.42	1442.42
<b>TOTAL LIVABLE (rounded)</b>			<b>1442</b>

LIVING AREA BREAKDOWN			
		Breakdown	Subtotals
<b>First Floor</b>			
	6.2 x 10.0		61.67
	25.3 x 34.7		875.33
<b>Addition</b>			
0.5 x	0.1 x 10.0		0.42
	10.0 x 18.3		182.50
	15.0 x 21.5		322.50
<b>5 Calculations Total (rounded)</b>			<b>1442</b>

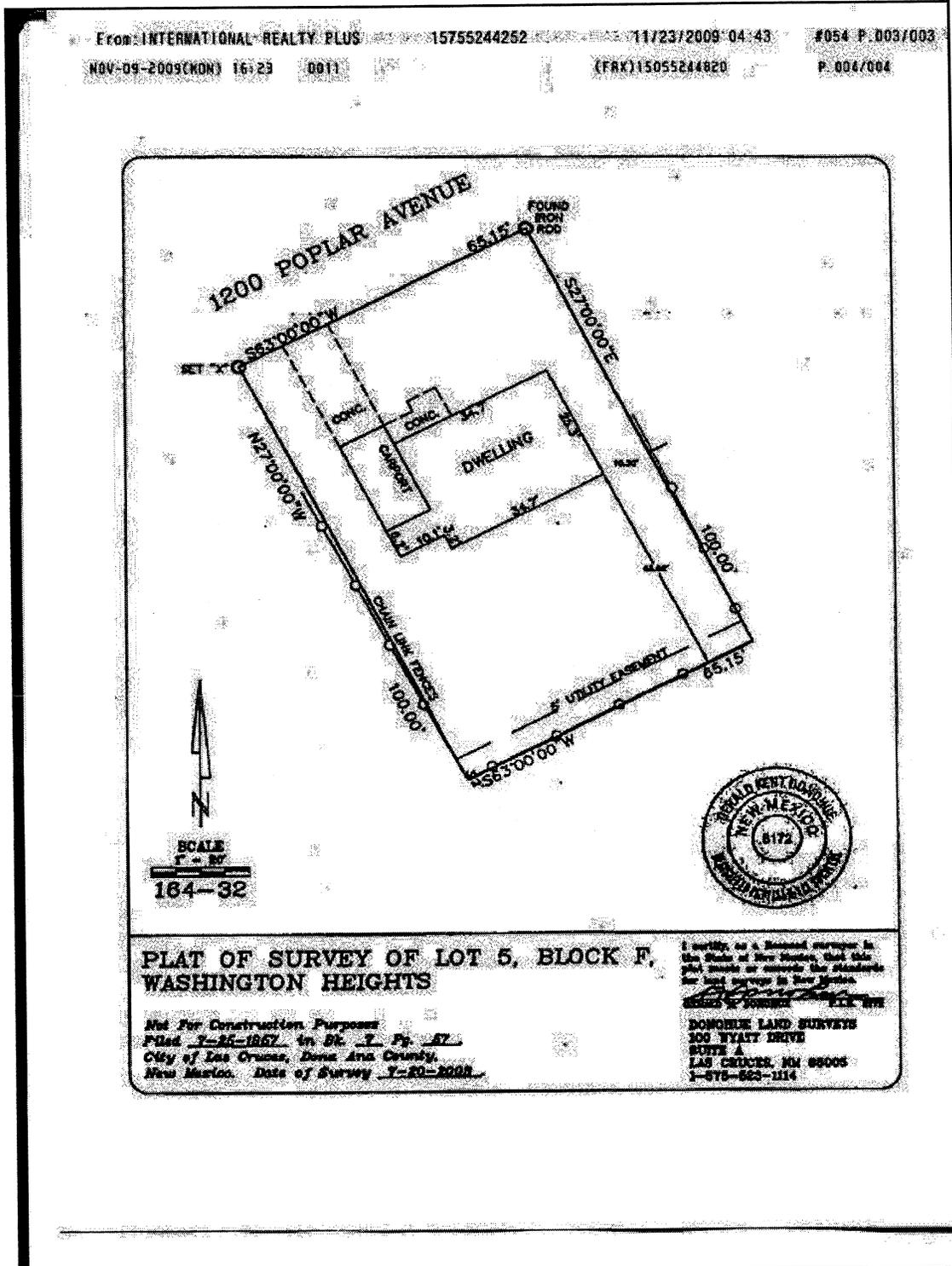
### Proposed Addition

Borrower/Client	Not Applicable						
Property Address	1200 Poplar Avenue						
City	Las Cruces	County	Dona Ana	State	NM	Zip Code	88001
Lender	City of Las Cruces						



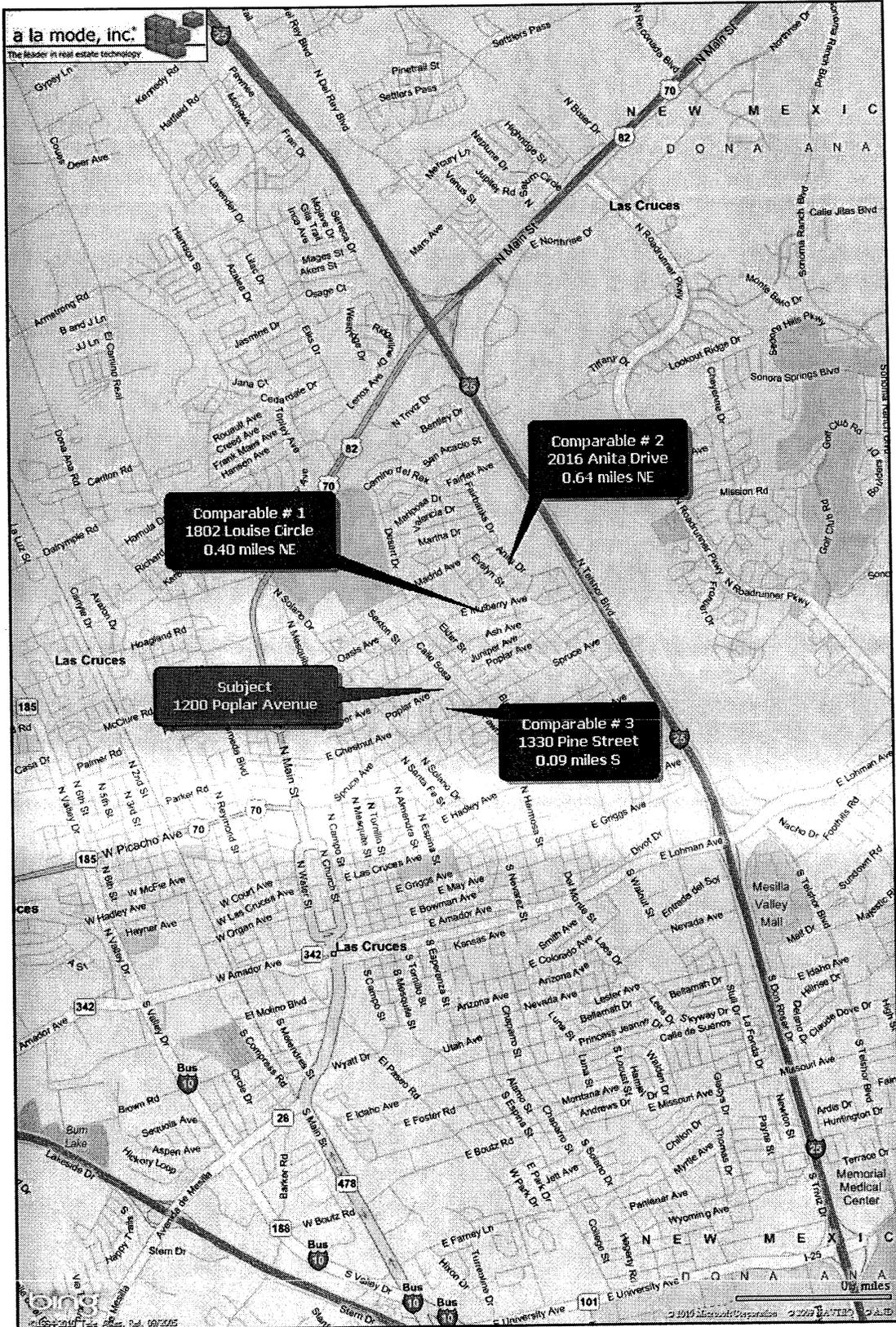
# Survey 180

Borrower/Client	Not Applicable		
Property Address	1200 Poplar Avenue		
City	Las Cruces	County	Dona Ana
State	NM	Zip Code	88001
Lender	City of Las Cruces		



# Location Map

Borrower/Client	Not Applicable		
Property Address	1200 Poplar Avenue		
City	Las Cruces	County	Dona Ana
Lender	City of Las Cruces	State	NM
		Zip Code	88001



**Comparable # 1**  
1802 Louise Circle  
0.40 miles NE

**Comparable # 2**  
2016 Anita Drive  
0.64 miles NE

**Subject**  
1200 Poplar Avenue

**Comparable # 3**  
1330 Pine Street  
0.09 miles S

### Tax Assessor's Map

Borrower/Client	Not Applicable						
Property Address	1200 Poplar Avenue						
City	Las Cruces	County	Dona Ana	State	NM	Zip Code	88001
Lender	City of Las Cruces						



183

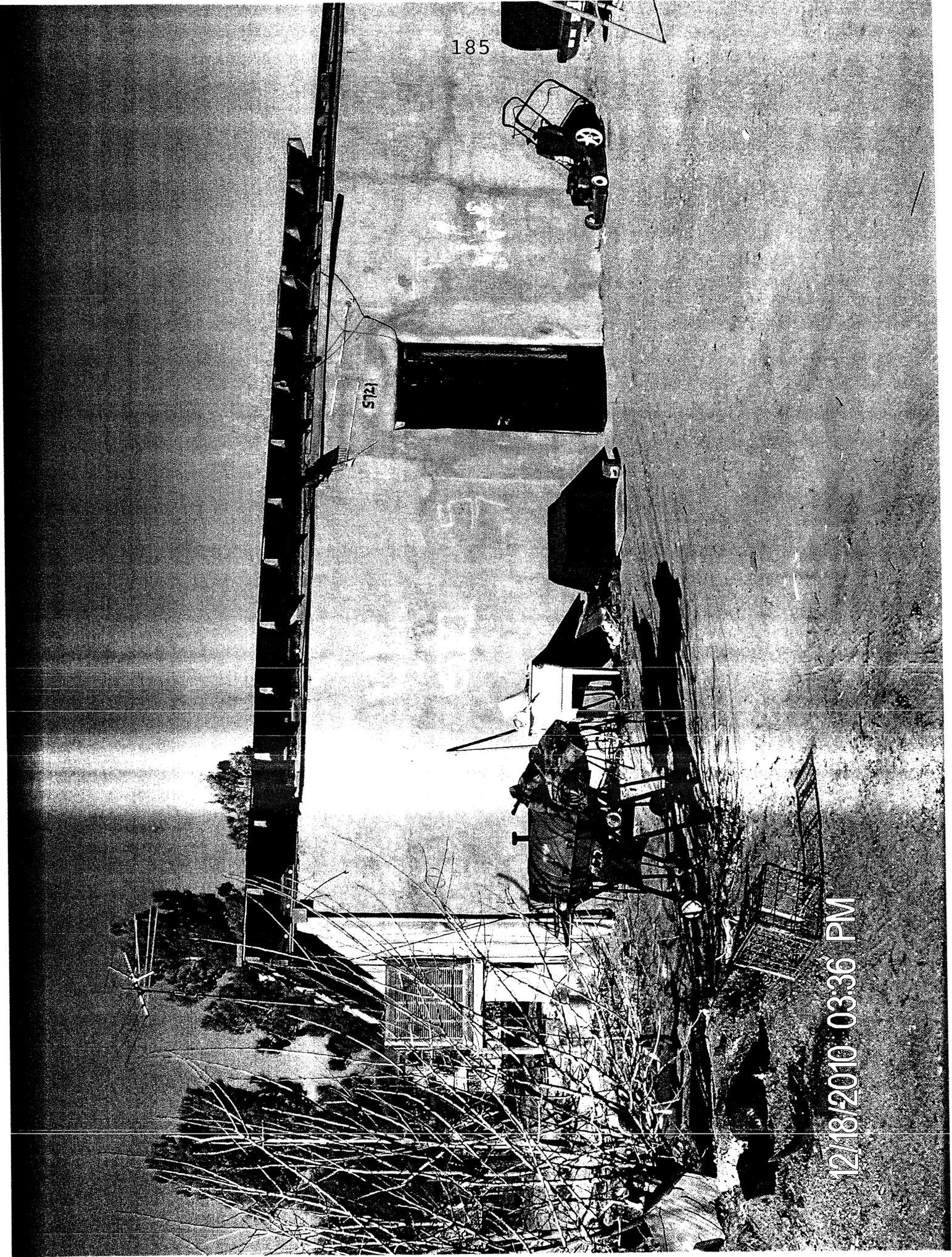
FROM:		<b>INVOICE</b>	
Karen I. Mundy, MAI Mundy Appraisal Services 456 N. Alameda Blvd. Las Cruces, NM 88005		INVOICE NUMBER R-20118	
Telephone Number: 575.527.9260 Fax Number: 575.527.9287		DATE February 15, 2010	
TO:		REFERENCE	
Mr. Jerry Nachison City of Las Cruces P.O. Box 20000 Las Cruces, NM 88004		Internal Order #: Lender Case #: Client File #: Main File # on form: R-20118 Other File # on form: RFP-08-09-575 Federal Tax ID: Employer ID:	
Telephone Number: 575.528.3027 Fax Number: 575.528.3101 Alternate Number: E-Mail: rsartin@las-cruces.org			
DESCRIPTION			
Lender: City of Las Cruces		Client: City of Las Cruces	
Purchaser/Borrower: Not Applicable			
Property Address: 1200 Poplar Avenue			
City: Las Cruces			
County: Dona Ana		State: NM	Zip: 88001
Legal Description: Lot 5, Block F, Washington Heights Subdivision			
FEES			AMOUNT
Summary Appraisal Report			350.00
Gross Receipts Tax @ 7.4375%			26.03
<b>SUBTOTAL</b>			<b>376.03</b>
PAYMENTS			AMOUNT
Check #:	Date:	Description:	
Check #:	Date:	Description:	
Check #:	Date:	Description:	
<b>SUBTOTAL</b>			
<b>TOTAL DUE</b>			<b>\$ 376.03</b>

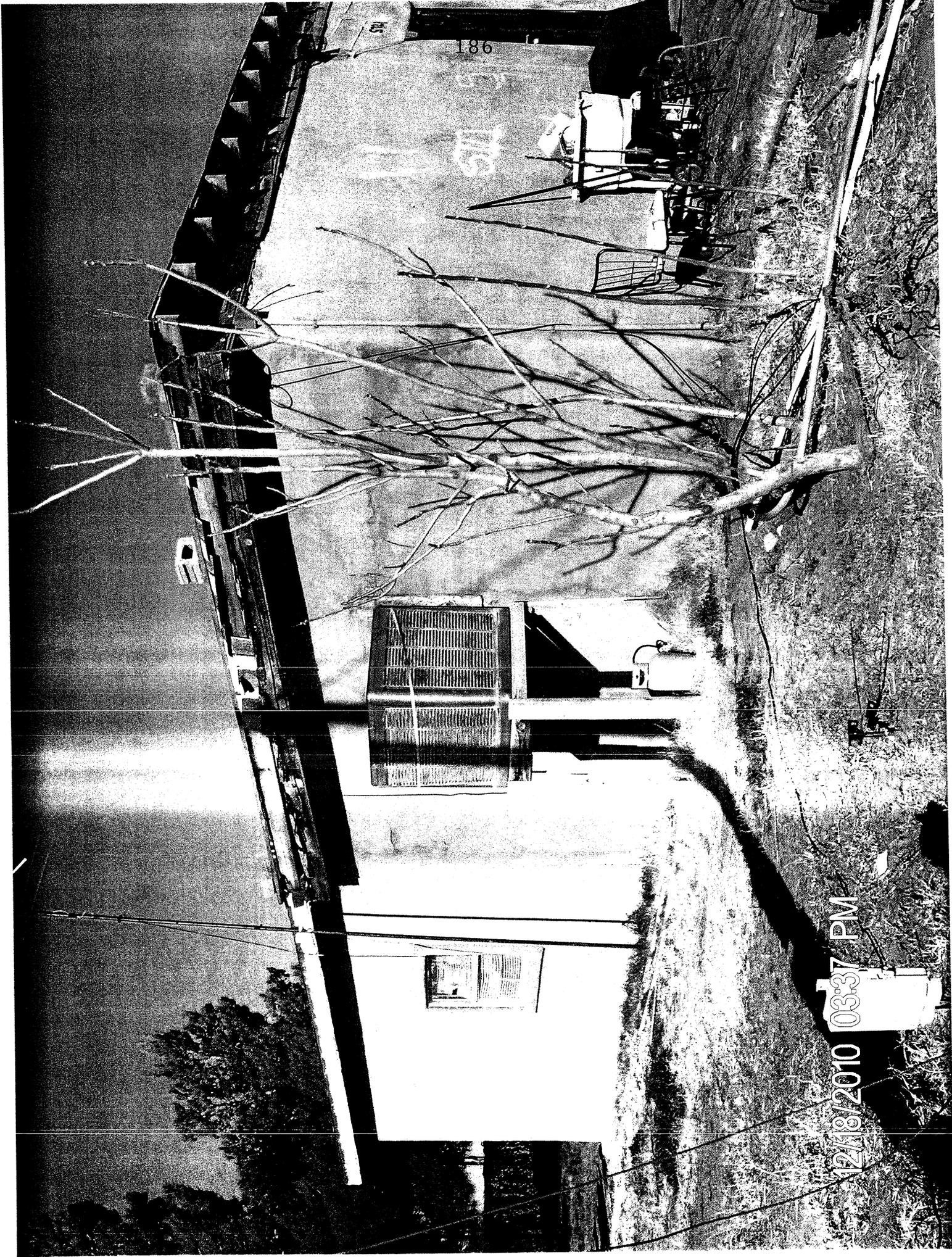
**ATTACHMENT "D"**

185

5721

12/18/2010 03:36 PM

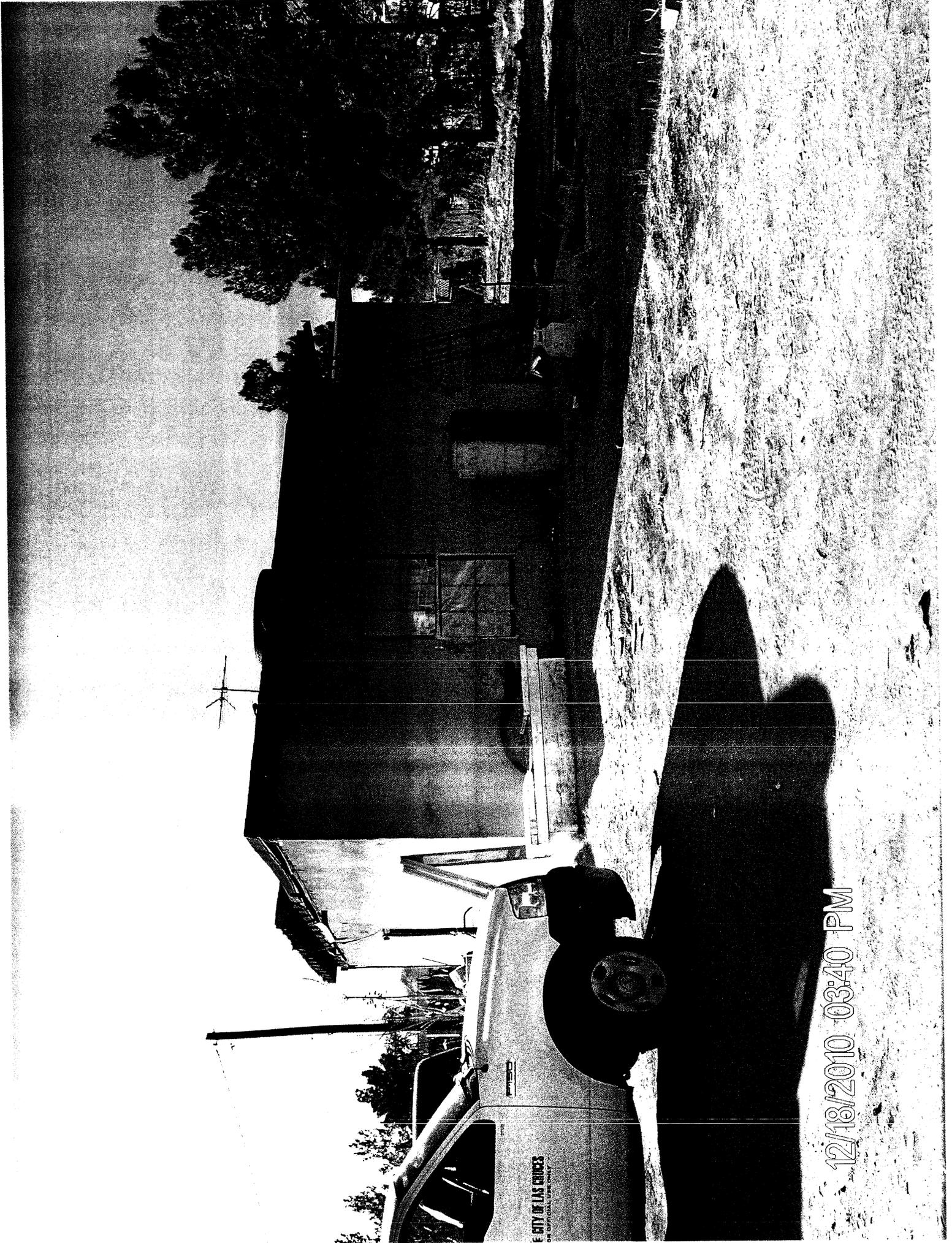




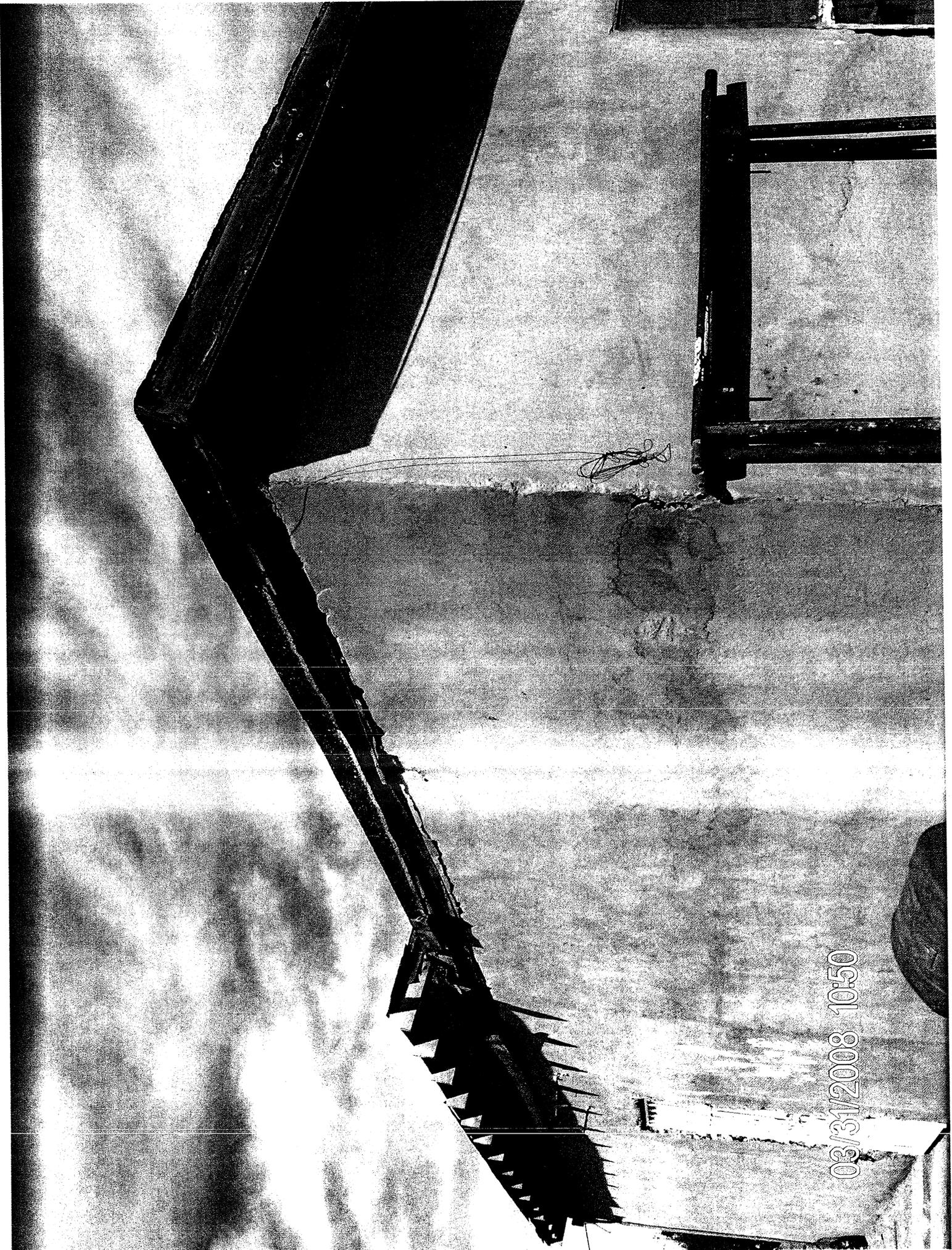
12/18/2010 03:37 PM



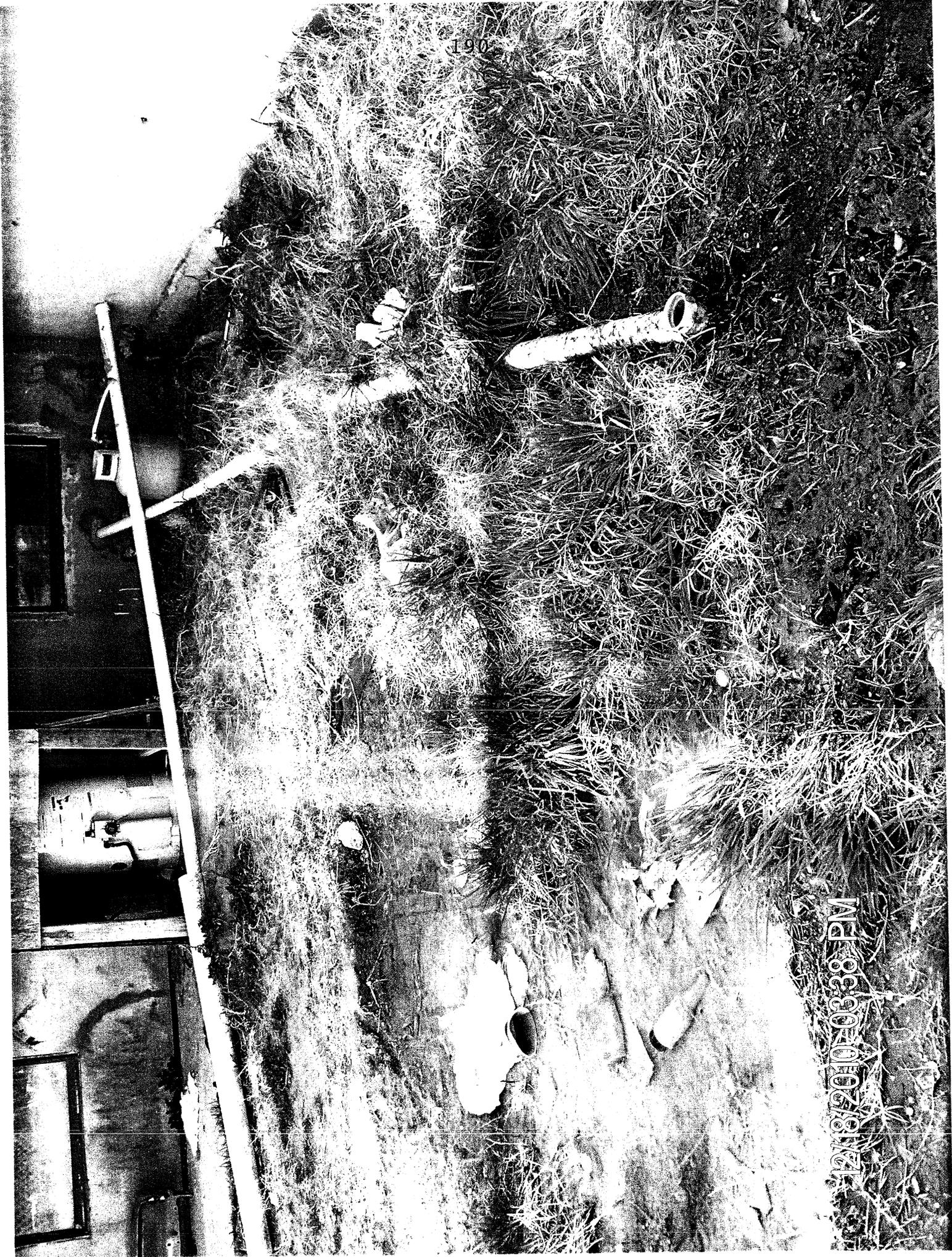
12/18/2010 03:38 PM



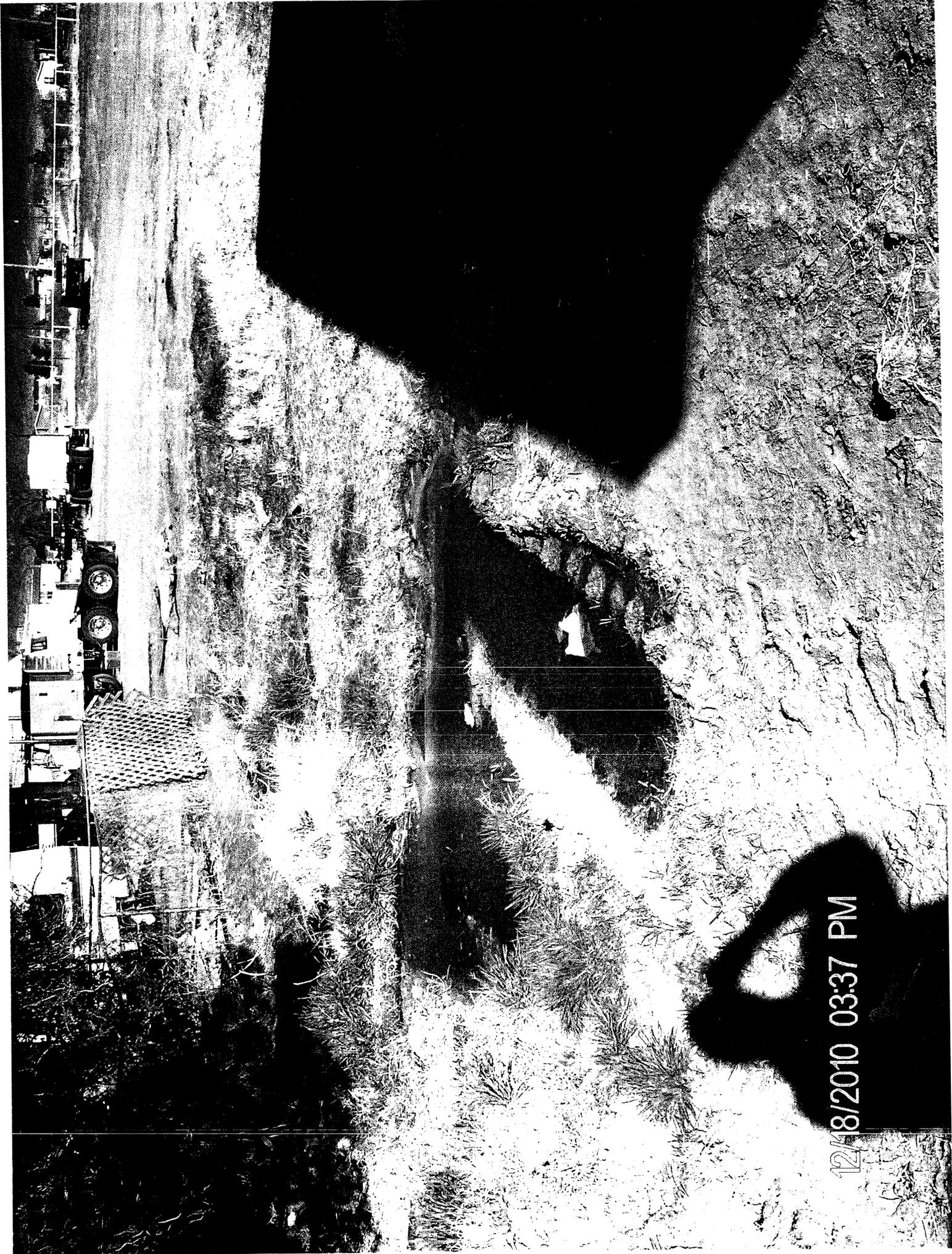
12/18/2010 03:40 PM



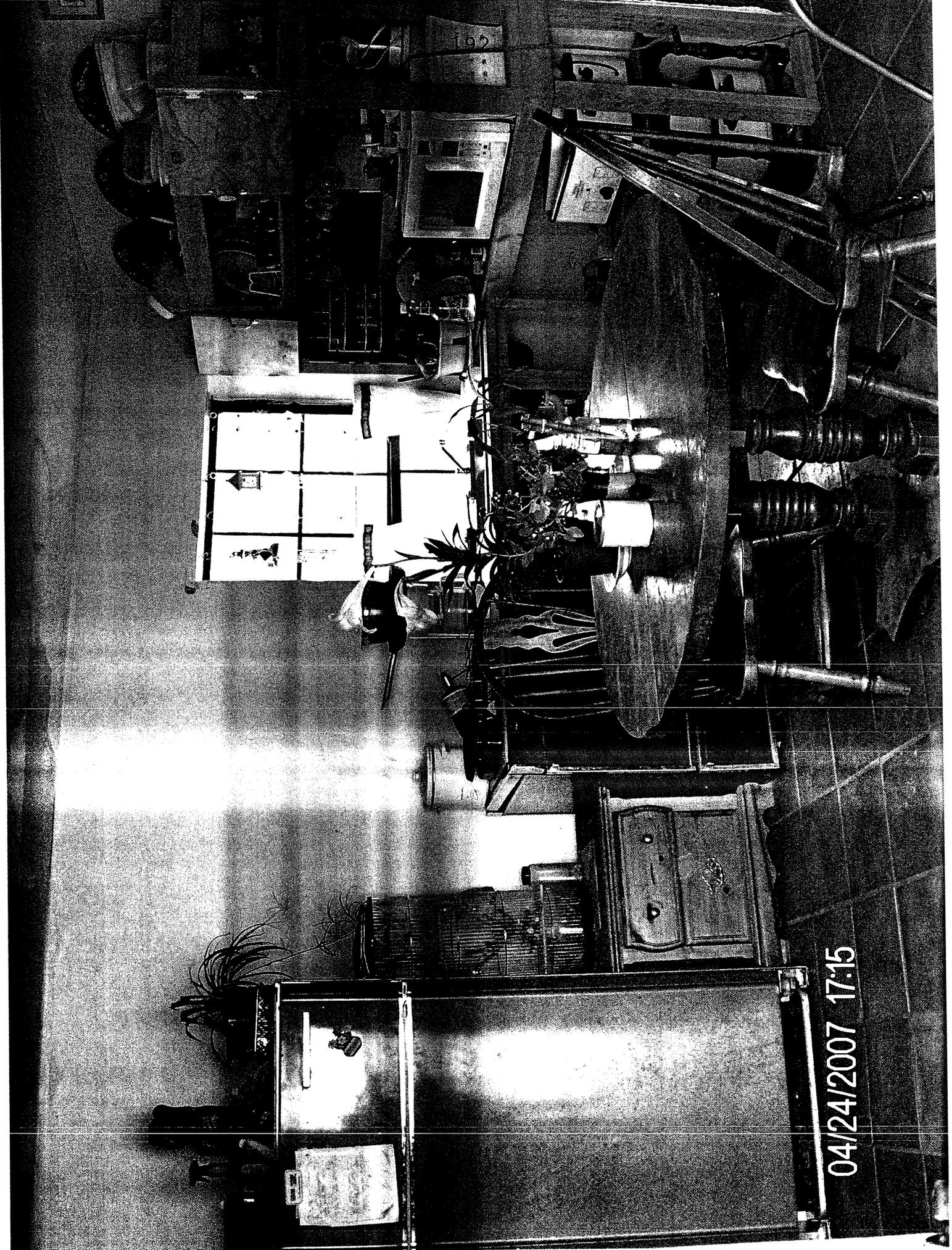
03/31/2008 10:50



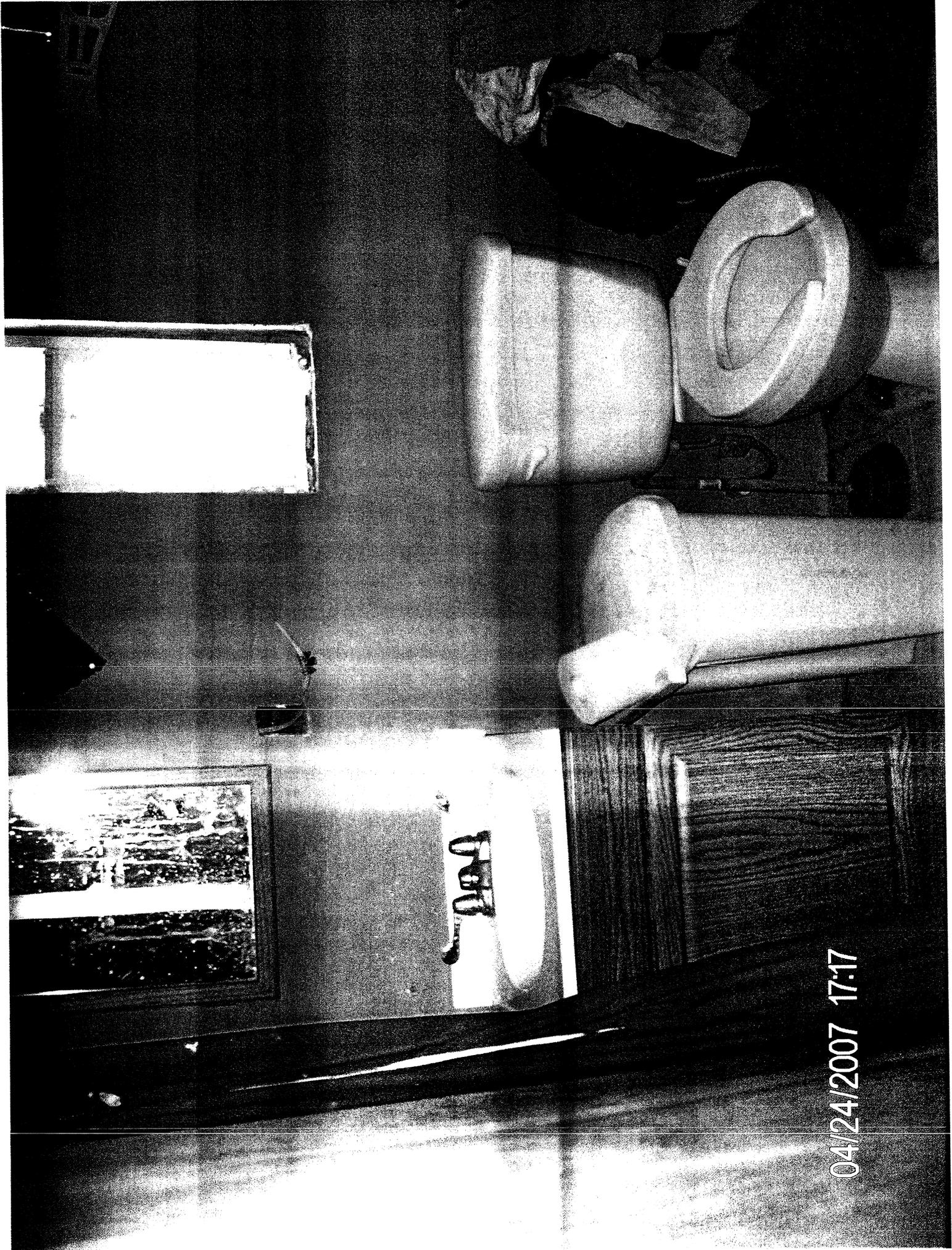
12/18/2010 03:38 PM



12/18/2010 03:37 PM



04/24/2007 17:15



04/24/2007 17:17



04/24/2007 17:15

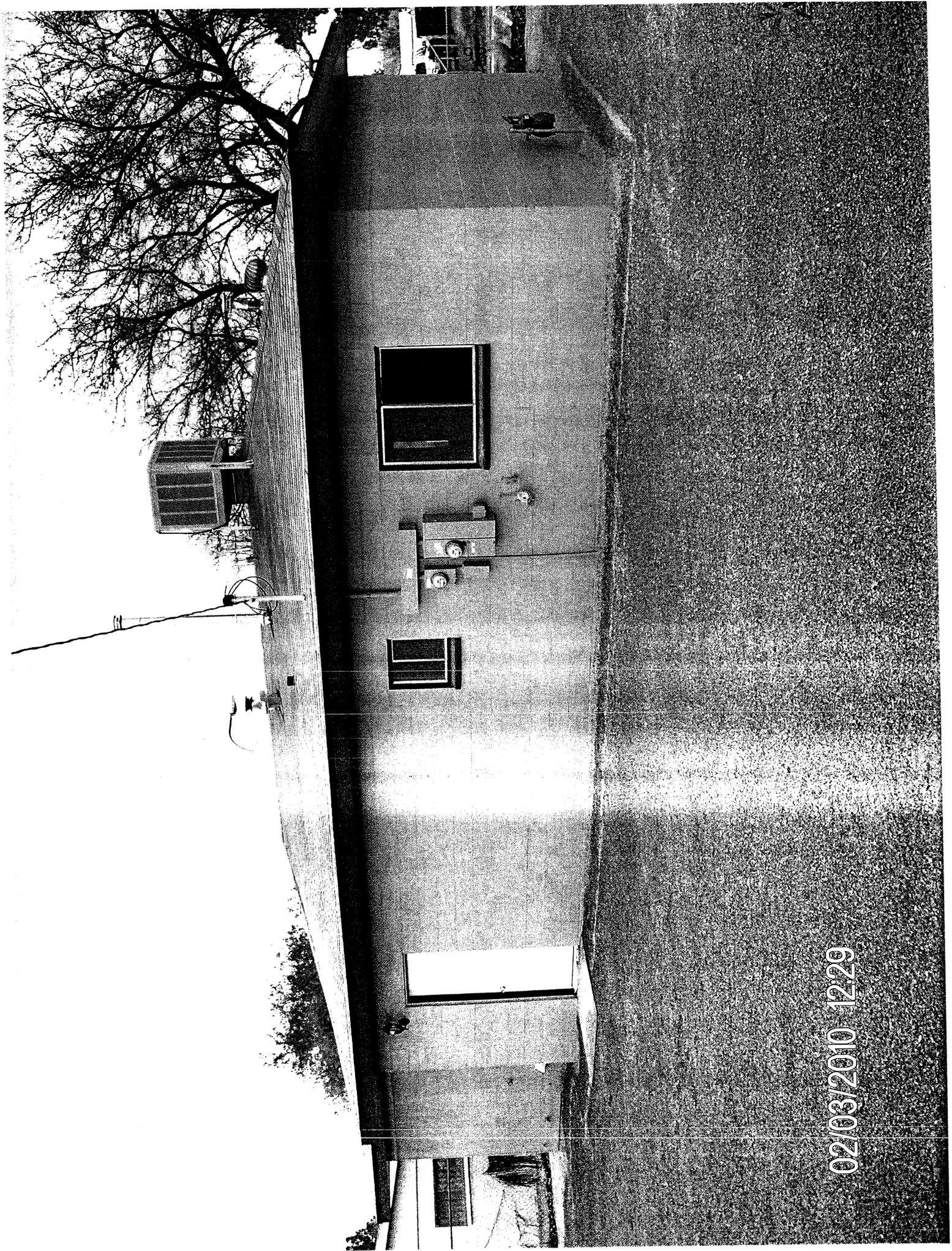
**ATTACHMENT "E"**



02/03/2010 12:30

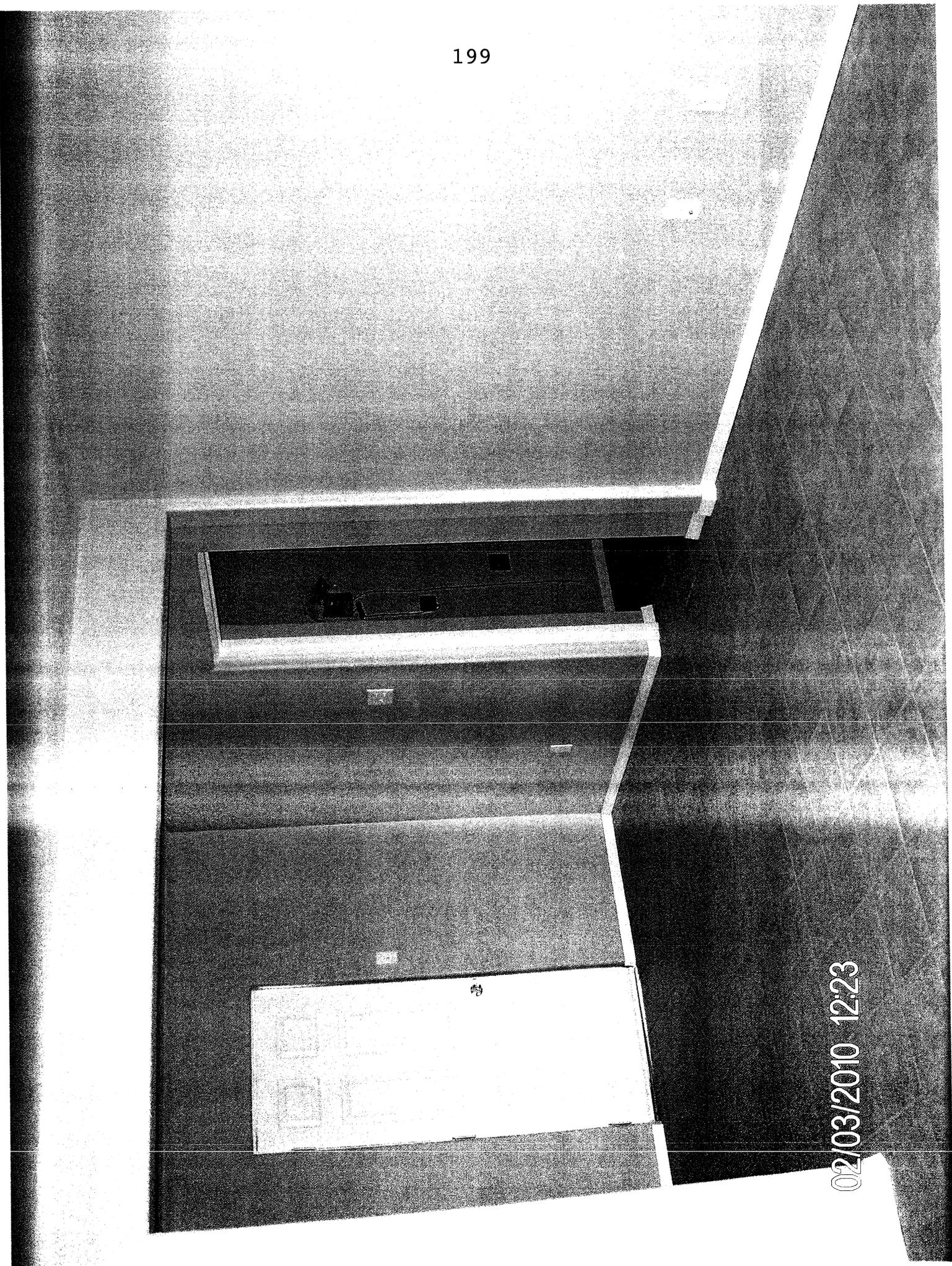


02/03/2010 12:30



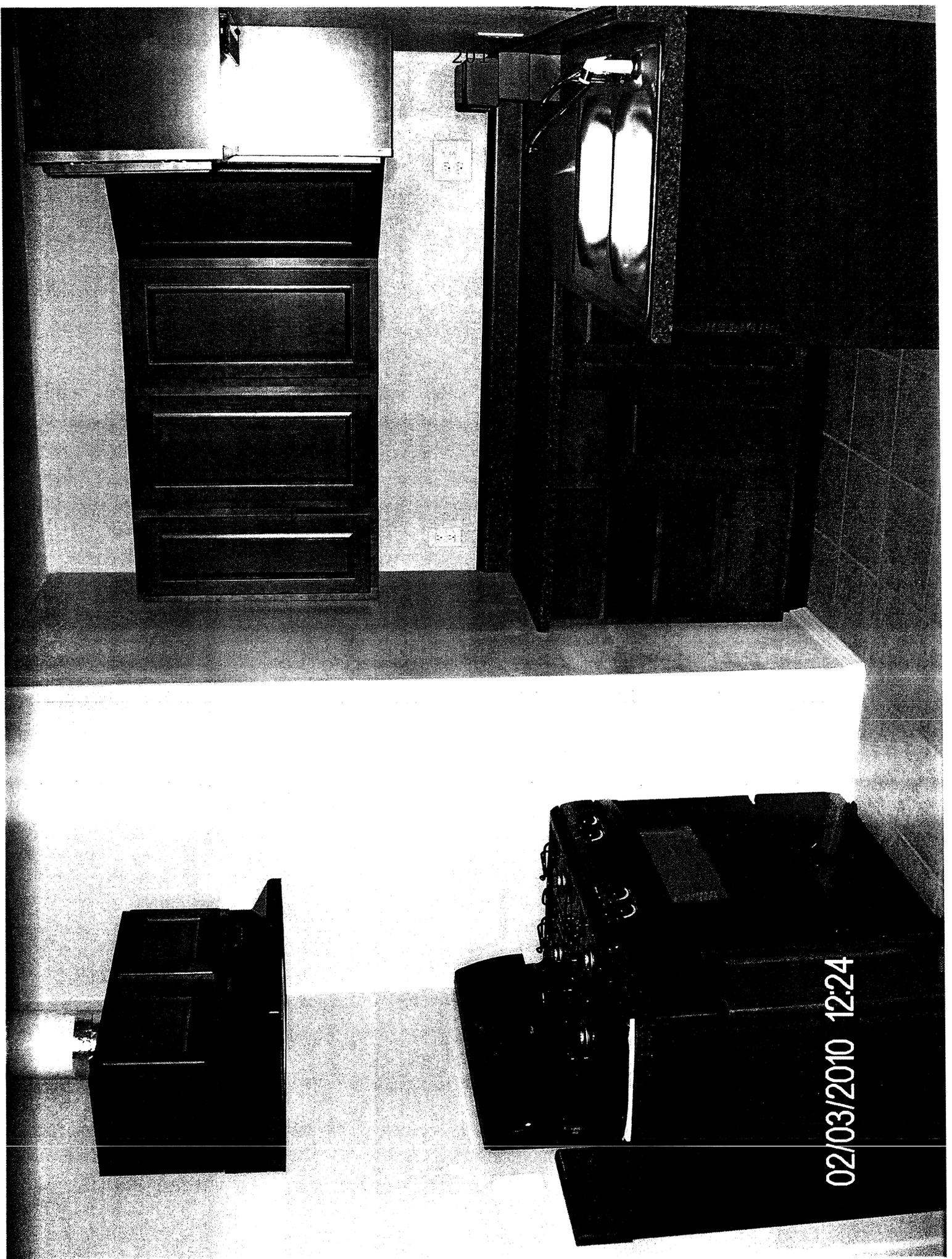
02/03/2010 12:29

02/03/2010 12:23

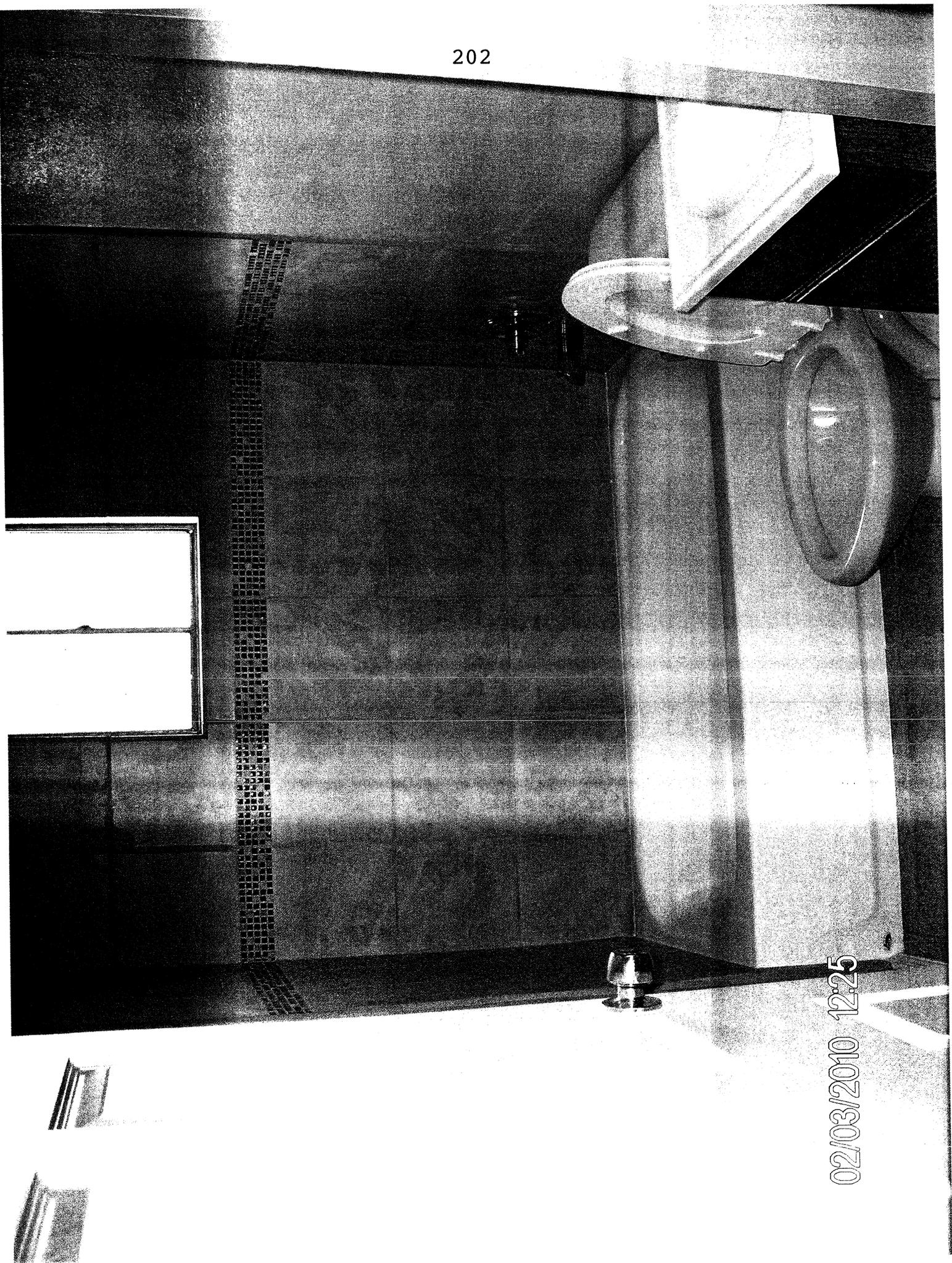


200

02/03/2010 12:26



02/03/2010 12:24



02/03/2010 12:25



02/03/2010 12:28