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City of Las Cruces[®]
 PEOPLE HELPING PEOPLE

Council Action and Executive Summary

Item # 25 Ordinance/Resolution# 10-022 Council District: 5

For Meeting of July 6, 2009

(Adoption Date)

TITLE: A RESOLUTION APPROVING EITHER A SUBSTANTIAL HOME REHABILITATION OR RECONSTRUCTION FOR THE RESIDENCE LOCATED AT 5311 MIDWAY.

PURPOSE(S) OF ACTION: Approve one of the options set forth below to provide the owner of the home at 5311 Midway with a safe and sanitary home.

Name of Drafter: Maria <i>MF</i> Fahrenkrog		Department: Community Development		Phone: 528-3177	
Department	Signature	Phone	Department	Signature	Phone
Community Development	<i>DW</i>	528-3066	Budget	<i>Richard P. ...</i>	541-2107
			Assistant City Manager		541-2271
Legal	<i>Hy ...</i>	541-2128	City Manager	<i>[Signature]</i>	541-2076

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS: The Home Rehabilitation Staff processed the application for Home Rehabilitation for Mrs. Rosa Lopez, whose home is located at 5311 Midway. The homeowner's annual income is \$1,452. Because of Mrs. Lopez's low income, she qualifies for a Grant for \$12,000 and a Deferred Payment Loan (DPL) for \$40,000, per current Home Rehabilitation Handbook guidelines. The house is in an extensive state of disrepair and cannot be rehabilitated with the City's maximum funding limits of \$52,000. The dwelling is free of any encumbrance.

Because the present home rehabilitation guidelines don't allow funding in excess of \$52,000, which in this case is needed to improve the living conditions of this applicant, staff is requesting that the City Council utilize its authority to grant extra funding to be able to help Mrs. Lopez with one of the options set forth below:

1. A minimum investment of approximately \$90,275 to rehabilitate the house, including the removal of lead based paint. Once the rehabilitation is completed, the house will average an appraised value of \$107,000.
2. Demolition and reconstruction of the homeowner's dwelling at a minimum cost of approximately \$97,132. Once the reconstruction is completed, the house will average an appraised value of \$110,000.

On the above options, Mrs. Lopez will qualify for a grant for \$12,000 and a deferred payment loan (DPL) for the rest of the funding. The City will open an escrow account for Mrs. Lopez to pay for property taxes and insurance.

(Continued on Page 2)

By approving one of the proposed options, the City Council is contributing positively to City's efforts and HUD's philosophy in assisting low income families in preserving their homes as follows:

- Helping a low-income family keep their home.
- Restore their property, or convert their property to a safe and sanitary condition.
- Contribute to a positive image within the neighborhood and promote pride and community values, reducing the potential for neighborhood blight.

Staff is recommending option No. 2 for the following reasons:

- a. It is the homeowner's choice because it appraises higher, giving the homeowner and the City better equity on the home.
- b. It is a better investment to have a safe house built to existing codes.
- c. It will contribute to a positive image within the neighborhood.

SUPPORT INFORMATION:

Fund Name / Account Number	Amount of Expenditure	Budget Amount
CD Fund (CDBG Program)		
Option 1: 20184200-722196-105xx	\$90,275	\$90,275
--- or ---		
Option 2: 20184240-722196-105xx	\$97,132	\$97,132

1. Resolution
2. Exhibit "A" - Work Write Up and Staff Estimate for rehabilitation
3. Exhibit "B" - Work Write Up and Staff Estimate for reconstruction
4. Attachment "C" - Limited Appraisal for after rehabilitation and after reconstruction
5. Attachment "D" - Appraisals for after rehabilitation and after reconstruction
6. Attachment "E" - Pictures of the home

OPTIONS / ALTERNATIVES:

1. Vote YES and amend the resolution to choose one of the two options presented in the resolution. Such action would approve the substantial rehabilitation of a family dwelling in dire need of help and will 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 all the options presented in the resolution. Such action would not approve help needed for a family whose house is in dire need of repair, and will not contribute to a positive image within the neighborhood and promote pride and community values, and will not reduce the potential for neighborhood blight.
3. Modify the Resolution and/or support documents at the Council's discretion, then vote YES on the modified documents.
4. Table/Postpone the Resolution and provide direction to staff.

RESOLUTION NO. 10-022**A RESOLUTION APPROVING EITHER A SUBSTANTIAL HOME REHABILITATION OR RECONSTRUCTION FOR THE RESIDENCE LOCATED AT 5311 MIDWAY.**

The City Council is informed that:

WHEREAS, the Home Rehabilitation staff processed the application for Home Rehabilitation for Mrs. Rosa Lopez whose house is located at 5311 Midway; and

WHEREAS, this project cannot be completed with the current maximum funding amount allowed under the Home Rehabilitation Handbook guidelines, which is \$52,000, due to the extensive state of disrepair of the property; and

WHEREAS, the homeowner is a widow with an annual income of \$1,452; and

WHEREAS, under the Home Rehabilitation Handbook guidelines, because of the homeowner's low income, she qualifies for a grant for up to \$12,000 and a Deferred Payment Loan (DPL) for up to \$42,000; and

WHEREAS, the Home Rehabilitation staff has been working on options to improve the conditions of this property; and

WHEREAS, the options developed by staff are as follows: Option 1) a minimum investment of approximately \$90,275 to address multiple deficiencies, including the removal of lead based paint; or Option 2) demolition and reconstruction of the homeowner's dwelling at a minimum cost of approximately \$97,132; and

WHEREAS, the appraisal of the property after rehabilitation averages \$107,000 and the appraisal of the property after total reconstruction averages \$110,000.

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

(I)

THAT this is a Home Rehabilitation project that cannot be completed with the existing funding limits of the Home Rehabilitation Program, and the City

Council has options on how they wish to direct staff to address the problem to make Mrs. Lopez's dwelling safe, decent, sanitary and affordable.

(II)

THAT Option ___ as developed by staff for this project located at 5311 Midway, is hereby approved by the City Council.

(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 _____ 2009.

APPROVED:

(SEAL)

Mayor

ATTEST:

City Clerk

VOTE:

Mayor Miyagishima: _____
Councillor Silva: _____
Councillor Connor: _____
Councillor Archuleta: _____
Councillor Small: _____
Councillor Jones: _____
Councillor Thomas: _____

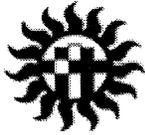
Moved by: _____

Seconded by: _____

APPROVED AS TO FORM:



City Attorney



City of Las Cruces

Owner: Rosa Lopez Date: 5/4/2009
 Address: 5311 Midway Application #: 1421
 Home Rehab. Coordinator: Ray Sartin
 Date of walk- thru: 5/7/2009 Ph. 382-5981

TO ALL CONTRACTORS:

All work shall be accomplished in a workmanlike manner and must conform to the general specifications of all applicable Building Codes, and Zoning Laws. All required permits in accordance with the Building Code and Municipal Code of the City of Las Cruces must be secured prior to the start of any demolition or construction on this project.

WARNING: Due to the potential presence of **LEAD BASED PAINT** in this project, the Home Rehabilitation staff shall provide a copy of the Lead Paint Inspection Report to the contractor awarded the bid. Contractors are required to use Lead Safe Work Practices and pass a clearance after the removal of the items listed on the report and before continuing demolition. The program pays for the first clearance, subsequent test required due to failure are the responsibility of the contractor.

WORKMANSHIP: All work shall be neatly done in a workmanlike manner and shall be uniform in appearance. All work and materials must conform to all applicable codes. Contractors shall verify work write-up at the job site and shall be responsible for any work that does not meet Home Rehab standards. The Contractor will provide all material unless otherwise specified. Changes in material and/or work requirements will not be accepted for payment unless given prior approval in writing by Rehab Coordinator, Homeowner, and Supervisors. No work is to be performed before receiving such approval.

At the time of Final Inspection all warranties and guarantees for any new appliances that have been installed shall be filled out and dated to include name, address, and dealer where appliances were purchased. All inspection permits shall be delivered and all building debris and trash must be removed from the job site before final inspection. The Contractor, Home Rehab. Coordinator and Homeowner shall be present at final inspection.

Rehabilitate Existing Building: Work Write-Up to

***Contractor to verify all information at job site. All measurements and / or estimations are for staff use only. Bidding contractors are responsible for taking their own measurements for the purpose of calculating their bids. Failure to do so will result in disqualification.**

Accepted by Home Owner: _____ Date: _____

GENERAL CONDITIONS

Scope of Work: Partial demolition and removal of existing dilapidated dwelling, preparation of site and the rehabilitation of the dwelling and carport on same site, in the same location. Remove all building components except the cinder block walls, footings, and slab.

Rehabilitation of Dwelling: Rehabilitate the dwelling in accordance with approved plans and work write-up. The dwelling is a single family residential unit, two bedroom, single bath, of approximately (980) nine hundred eighty square feet. A model plan is provided with this work write-up as the standard for construction.

However: The contractor is to provide a detailed set of plans, as required by the City for review. To include site plan, showing location on lot, exterior elevations, roof plan, glazing schedule, floor plan, electrical, plumbing, HVAC, etc. Construction of dwelling requires compliance to zoning set-backs. Home Rehab staff and the homeowner must approve plans.

Site Preparation

Demolition Prep: Remove and dispose of materials listed in Lead Paint Test Report as having LBP, using Lead Safe Working Practices, by certified personnel. **Clearance approval is required before proceeding.**

Total: \$500

Demolition & Removal: Remove all building components, to include the roofs, interior and exterior walls, other than the cinder block, ceilings, mobile home in its entirety, windows, floor finishing's, etc., including the carport of existing building. Disconnect all existing utilities which include; electrical wiring, electrical and gas meters, plumbing pipes and fixtures, above ground. Remove all pipes, wiring, and all debris from underground within the footing/structure location. Dispose of all in approved manner and location.

Total: \$8,500

Site Grading: Prepare site for the reconstruction of the dwelling. Grade and level the pad site as needed. Provide and install compacted fill, as needed for the pad site and to ensure drainage of surface water away from the structure, to approved location.

Total: \$1,800

Termite/Pest Treatment: Pad site is to be chemically treated for termites before the concrete foundation is poured. All framing studs and bottom plates will be chemically treated for termites before covered by construction. Include one (1) general pest control service at frame, before covering.

Total: \$940

Concrete:

Foundation: In areas where new flooring is required, construct a replacement concrete floor slab, on grade, with turn down footings that will meet or exceed all applicable codes, and minimum standards with 2,500 psi concrete. The entire slab is to be constructed on one plane, matching the original. Include a recessed area under the laundry equipment location for drainage and a 36"X60" recessed area in the bathroom for the shower.

Apron & Pads: Construct a 36" wide concrete apron around the dwelling only. The apron is to be 4" thick sloped to 3 ½" away from the dwelling with 2,500 psi concrete. Save the rock walkway leading to the front door, if possible. If not then construct, (1) one 4'x4' concrete pad at the front entrance and connect to the apron and existing walkway. Construct, (1) one 4'x4' concrete pad at the back entrance and connect to the apron and existing walkway. Concrete pads are to be 4" thick sloped to 3 ½" with 2,500 psi concrete. Replace any concrete walkway damaged during construction or demolition.

Carport & Driveway: Construct a 3,000 psi concrete carport pad and driveway to the street. Carport and driveway to be 4" thick and sloped away from the house.

Total: \$3,550

Shell Construction

Exterior Walls: Complete construction as shown on the plans, using 8" hollow masonry block construction for exterior walls built to match the existing. Make adjustments to existing walls in both height and alignment, as needed to ensure matching the new walls with the existing walls for a seamless transition. Provide a continuous 8" masonry bond beam on the entire perimeter of the building. Extend the chimney to meet the code height requirements above the roof. Using existing construction methods.

Interior wall: Construction is to be wood construction and include; 2"x4" base plates, and wall studs. Stud spacing is to meet minimum code requirements. Install all bracing, blocking, backing, and sheathing to meet or exceed all applicable code minimums. All lumber will be #2 grade or better unless otherwise specified.

Roofing: Build a pitched roof, of 3" in 12" pitch over entire structure and carport. Install 4"x6" post supports for carport, and porch. New roof structure to be 2" x 4" trusses. Install 7/16" plywood or 7/16" OSB wafer board decking with clips. Extend new roof 48" over the front entry and complete as specified for roof. Trim or add to all eaves for a sixteen-inch (16") overhang and install 6" x 3/8" fascia, and 16" x 3/8", soffit. Install soffit vents at eight-foot (8') intervals and install metal corners on fascia an "H" molding at joints. Box in all soffit, do not nail on trusses, and use 2" x 2" backing for soffit. Porch and carport ceilings are to be covered with 3/8" Masonite® or pre-approved equal. All soffit and fascia will be wood grain Masonite® or pre-approved equal material. No wafer board fascia or soffit will be accepted. Install all necessary metal edgings, flashing, ventilation, roof jacks, fire blocking, etc., as required for a new roof. Install two (2) standard size aluminum louver attic vents over a ¼" mesh, one at each gable end.

Install two layers of felt paper, as required in the IRC R905.2.2 and R905.2.7, and new asphalt composition Owens Corning® or approved equal, 20 year warranty, 3 tab shingles. The owner is to choose the color of shingles.

TOTAL: \$12,000

Insulation

Wall Insulation: 1) After removing the roof and top plate, fill all hollow masonry blocks with Vermiculite, Perlite, or other listed, loose fill, insulating material. 2) Install Extrude Polystyrene Ridged Foam Insulation on the outside of all exterior walls. R-5 minimum insulation value per one inch thickness required and the material must be listed for the intended use. Installation methods must meet the manufactures installation requirements and code minimums. Thicker panels may be necessary to ensure and even finish of the out side walls where the existing stuccoed walls meet the new walls. Install R-13 insulation in the duct chase located on the exterior wall.

Ceiling Insulation: Install R-30 rating fiberglass batt or blown in, insulation in attic area. Ensure complete coverage and yield by using depth markers on joist, as required by code. Insulation installed without depth markers will, not be accepted. Seal all to ensure an airtight air barrier. Ensure one (1) inch clearance above insulation at soffit vent locations by installing baffles.

Note: A site inspection of the insulation by Home Rehabilitation Staff is required prior to installation of sheetrock. A certificate of insulation, or inspection by the Building Inspector, will also be required.

TOTAL: \$4,000

Exterior Doors

Install two (2) MASONITE®, RELIABUILT® or approved equal, new exit doors at front and side, or back entrances. Doors are to be pre-hung, raised six-panel, 1-3/4" thick both sides 24 gauge galvanized steel with polyurethane foam insulation and magnetic weather stripping or comparable. Back door will be "Ranch Style" with window. Install wood jamb that is caulked and primed. Doors are to be hung plumb, true and square with equal margins, and fit tightly against stop, and have no play in strike plate/lock assembly, single cylinder dead bolt, with peephole and door bumpers. Provide and install two (2) ADA approved door lever sets, one for each exterior door, keyed to match.

TOTAL: \$1,500

Stucco

Stucco: Prepare entire exterior walls for application of stucco. Provide complete stucco coverage of the structure, including gable ends, by applying an approved elastomeric stucco system. Install stucco to meet all applicable codes, and the manufactures installation requirements. Color coat with elastomeric synthetic stucco or approved substitute. Apply Weldcrete® or similar primer to stucco where required allowing bonding of finish to existing painted stucco walls to be re-stuccoed. Match texture between new and old to provide a seamless transition between the new and the existing finish. Owner to select color of stucco.

Finish interior of new block walls to match existing. Match texture between new and old to provide a seamless transition between the new and the existing finish.

TOTAL: \$4,500

Electrical

Wiring & Fixtures: Provide a complete new electrical system. System must meet all applicable code requirements. Include the installation of switches, receptacles, and light fixtures. Include the installation of two (2) 240 volt receptacle outlets, one for the laundry and one for the range. Owner is to select light fixtures within a \$350, 00 allowance, and "Energy Efficiency Requirements" the NM Electrical Code. Contact the utility company for the meter installation.

Detectors: Install interconnected 120 volt smoke detectors as required by code and install one (1) carbon monoxide detector.

Range Hood: Install a 30" GE®, or approved equal range exhaust hood to match kitchen appliances. The range hood is to include a working light and a variable speed, quiet fan. Provide and install one (1) **ENERGY STAR** rated bathroom exhaust fan. Provide Energy Star rating documentation of for fan.

Other: Install a door bell at the front entrance. Install one television cable and one (1) telephone jack outlet. Bedrooms, dining area, and living room are to be pre-wired with approved boxes for ceiling fans. New receptacle and switch outlets shall be installed to meet the accessibility reach requirements per ANSI, A117-1.

Temp Power: Provide temporary power as necessary for construction.

All effected work must comply with applicable codes, and inspection approvals by the Electrical Inspector.

TOTAL: \$5,000

Plumbing

Water Distribution: Install a one inch water supply from the water meter to the dwelling. Install, rough-in, and top-out the interior water distribution system of the dwelling unit. Connect water lines above the slab to all plumbing fixtures, and appliances. Provide and install two (2) hose bibs, one near the front of the dwelling, and one at the location of the A/C. Install copper water supply, with valve, to the A/C. Provide water supply for and connect to the ice maker. Insulate water lines in outside exterior walls above slab.

Drain, Waste, and Vent Systems: Install DWV grade PVC sewer piping and connect to the existing Building Sewer near the exterior of the building. Install a complete drain, waste, and vent system of schedule 40 PVC for all plumbing fixtures, including cleanouts, and deep seal traps, to the laundry recess and water heater closet. Connect waste pipes to all plumbing fixtures.

Laundry: Provide and install one (1) washer box with faucets, connect drain and faucets. Provide and install drain for recessed concrete area with a deep seal trap. **Water heater:** Install a 40 gallon, energy saver (80% minimum efficiency), gas water heater, full way supply valve, T&P valve with drain, and pan with drain. Pipe drains to an open hub drain in the platform floor. **Toilet:** Install one (1) Eljer®, American Standard®, or approved equal, 17"-19" tall, white, elongated toilet. **Lavatory:** Install one (1), self-rimming, Kohler®, Eljer®, American standard®, or approved equal white oval china lavatory. Include installing a new Delta® or approved equal, chrome, single handle faucet, escutcheons, chrome pop-up drain, P-trap, and water supply valves. **Shower:** Construct a 60"X 36", shower, with ceramic tile floor, and full ceramic tile enclosure, including soap dish. The threshold is to be no more than 2" high. Tile pattern and color is to be selected by owner. Complete with a Delta®, single handle faucet, with hand spray. **Kitchen sink:**

Install a new, stainless steel, Eljer®, American Standard, or approved equal, deep, double bowl, kitchen sink. Minimum 18 gauge and 8" deep. Install a new Delta® or approved equal, deck mounted, chrome faucet. Include water connections, sprayer, basket strainers, p-trap, and shut offs.

Note: All faucets through out the building must be the same brand; single lever handle, and include a lifetime finish warranty.

Gas Distribution: Install complete new natural gas piping system from the meter to the dwelling. Install a new gas piping system throughout interior of the dwelling, Provide outlets for the range, furnace, wtr/htr, and dryer. Connect to all gas appliances. Install a valve and cap for any unused outlets. All piping is to be sized by the contractor to meet code minimums.

All new piping, fixtures, appliances, and faucets must meet the minimum applicable code requirements. No work may be concealed without the inspection approval of the Mechanical Inspector.

TOTAL: \$7,300

HVAC

Air Conditioner: Install new evaporative air conditioner on a stand, and concrete pad, on the ground outside the rear of the dwelling. A/C is to be Champion®, Arvin®, or pre-approved equal, 5,000 cfm, with two-speed motor and new **thermostatic** switch.

Heating: Install a new forced air, natural gas furnace and heating system. Furnace to be a 50,000 BTU, Coleman®, Reem®, or approved equal with a minimum 80% efficiency rating complete with new **digital, programmable** thermostat.

Duct System: Install a complete new metal duct distribution system in attic sized by contractor; flexible duct branch runs allowed up to 5ft maximum. Ensure duct extends to all occupied rooms, install new adjustable air supply registers, and return air duct to hallway, or living room, with register. Connect duct of the furnace and A/C with vibration free connectors and dampers for season change.

Exhaust: Install duct for new exhaust fan in the bathroom, and kitchen range exhaust. Install a 4" round dryer vent with back draft damper. Connect ducts to equipment.

General for new work: Provide any hardware, or materials required to complete as a new installation, meeting all minimum code requirements. The equipment and systems installations are to meet or exceed the manufactures installation requirements and the IRC. Provide one seasonal start up of the new furnace and one for the new A/C, one at the final of the Rehab project, for the current season, and at the next seasonal change when requested by the owner.

All new piping, fixtures, appliances, and faucets must meet the minimum applicable code requirements. No work may be concealed without the inspection approval of the Mechanical Inspector.

TOTAL: \$5,600

Windows

Install Jeld Wen®, Better Built®, or approved equal double pane, Low – E, vinyl, Energy Star ® rated, windows with screens. Bathroom window pane to be of obscure glass. All windows to be hung plumb true and square. Bedroom windows must be installed to meet emergency egress requirements. Install according to schedule below:

LOCATION	QUANTITY	WINDOW SIZE
Living Room	2	Same as existing
Bedroom 1	2	(1)-4050 & (1) as existing
Bedroom 2	2	(1)-4050 & (1) as existing
Kitchen (over sink)	1	3030
Dining Area	1	3050
Bathroom Area	1	2020
TOTAL:	9	

TOTAL: \$2,500

Drywall

Interior Frame Walls & Ceilings: Install ½" sheetrock at all interior framed walls, and ceilings, including the closets. All new sheetrock is to be taped, bedded, and feathered, to conceal all joints and fasteners, finished with a brocade, or knockdown texture, and prepared for paint.

Tub/Shower Area: Install ½" cement board, including the ceiling of the shower enclosure. Notify the Home Rehab Coordinator to inspect the cement board installation before covering with tile.

TOTAL: \$3,000

Interior Doors

Doors: Install two (2) bedroom doors, one (1) bathroom door, and one (1) pantry door. Doors will be 1 3/8", pre-hung, Masonite®, raised six-panel, hollow core doors. Include all hardware, trim, and privacy locks with lever handles, to bedrooms and bathroom door.

Closet Doors: Install two (2) closet doors, one (1) in each bedroom, one (1) door to laundry closet, and one (1) on water heater/furnace closet, sized to access the equipment. Doors will be 1 3/8" thick, hollow core, raised six-panel, bi-fold Masonite® doors or pre-approved equal. The door to the laundry room is to be a 60", bi-fold, louvered door. Include all hardware and handles on doors.

All units are to be hung plum, true, and square with equal margins. Include all hardware, trim, and lever handles on doors. All molding and trim around door is to be installed and prepared for paint to Home Rehab standards.

TOTAL: \$2,700

Flooring

Carpet: All new carpet will be 26 ounce with ½" #5 density polyurethane padding meeting FHA specifications. Carpet will be selected by owner from maximum allowance of \$16.00 per square yard installed. Carpet is to be stretched to eliminate puckers, scallops, and ripples and installed to manufacturer's specifications. All doors are to operate properly after installation of flooring.

Vinyl: All new tile will be no-wax cushioned vinyl tile (VTC) meeting FHA specifications for residential use. Vinyl tile will be selected by owner from maximum allowance of \$16.00 per square yard installed.

Floor Prep: Preparation should include cleaning and treatment of floors. Sweep floors clean and remove spots of paint, grease, dirt, and other foreign matter. Fill holes, cracks, joints, and indentations in the floors. Floor preparation must be approved by the floor covering provider prior to installation.

Location: Install vinyl in kitchen/ dining area, bathroom, and laundry with a 4'X4' area at entry. Install carpet throughout the remainder of the house.

TOTAL: \$2,700

Carpentry

Trim: Install C-100 base board in all rooms, closets, and around doors. All joints are to be cut to fit and be tight. Fasten trim work with the appropriate nails, fasteners, or adhesives. All nails are to be countersunk and filled. No new materials that are split or otherwise defective will be accepted. Finish and trim will be closely evaluated.

Furnace Closet/ Duct Chase: Construct a new furnace and water heater closet at hallway. Include return air opening and platform. Tape and texture sheetrock and leave ready for painting. Sheet rock interior of area under platform (Return Plenum) and seal all joints.

Closets: Construct one pantry in the kitchen. Pantry will have a minimum four (4) 12" or 16" shelves in place. Construct one (1) closet in the hallway for the washer and dryer. The laundry closet will have a minimum two (2) 12" or 16" shelves in place above the equipment. Construct two (2) clothes closets, one (1) clothes closet in each bedroom. All clothes closets must have appropriate shelving, hanger rods, and supports. All closets will have 12" or 16"x 3/4" smooth bull nose shelving and minimum 1"x4" backing. Hanger rods will be 1" ridged steel conduit or wood material, with rod brackets at ends, and center supports on all shelving over 4' in length.

TOTAL: \$2,800

Painting

Interior: Prepare and paint the entire interior of the house. The kitchen, bathrooms, and utility room are to receive a minimum of two (2) coats of semi-gloss latex enamel, to cover, more if required for a neat appearance. Living room, bedrooms, hallways, and closets are to receive two (2) coats of satin latex to cover. The whole of the interior is to receive one color. The color is to be selected by the owner.

Exterior: Paint all exterior wood, and metal surfaces with one (1) coat primer and two (2) coats exterior latex enamel as required for a neat appearance. Exterior paint will include fascia, soffit, doors, doorframes, posts of porches, carport, trim, metal edge, drip edge, etc.

Other: Install address numbers on facia, and at the street. The numbering requirements are to meet the minimum required by the City of Las Cruces Building Code, ARTICLE I. Section 30-1.

TOTAL: \$3,700

Cabinets/Countertops and Accessories:

Kitchen Cabinets: Install approximately eighteen (18) linear feet of wall and base cabinets at kitchen. Cabinets will have doors stiles of solid wood and veneered plywood panels. Frames will be solid wood stiles, 1/4" veneered plywood sides, and metal or plastic corner bracing. Drawers shall be made of wood and cabinets will have a factory finish and all appropriate hardware. All units are to be hung plum, true, and square with no margins between joints. Install upper cabinets sixteen inches (16") above counter top. All knobs, hinges, and shelves will operate properly and have no visible defects.

Lavatory Cabinets: Install one (1) 36" minimum, vanity, base cabinet with countertop.

Countertops: Install countertops for the kitchen base cabinet and lavatory. New counter tops will be of plastic laminate material with rolled edge and four-inch back splash. New counter tops will be screwed to base and have cutouts for sinks when applicable. Owner will select color.

Accessories: **1)** Install a wall mounted chrome toilet paper dispenser and two (2), two foot, chrome towel racks in the bathroom. Location provided by homeowner. Provide and install one (1) 24"X 36" glass mirrored medicine cabinet over the vanity. **2)** Install 1 1/2" stainless steel grab bars at the following locations. Shower: One (1) 42", horizontally on the back wall of the shower and one (1) 24", horizontally below the shower controls. Toilet: One (1) 42", horizontally on the side wall and one 24" horizontally on the back wall above the toilet. Backing must be installed in frame walls for all grab bars.

Allowance for Cabinets: \$3,500

TOTAL: \$5,000

Appliances

Kitchen Range: Contractor will supply and install a 30" self-cleaning gas or electric range. Natural gas range must have electronic ignition; no standing pilot range will be accepted. The home owner is to select the range within a \$500.00 allowance. Contractor will install all necessary gas piping, gas flex, shut-off valve, electrical connections, etc

Refrigerator: Contractor will provide and install an 18.1 cubic ft. or larger frost-free Energy Star® rated refrigerator. The home owner is to select the refrigerator within a \$650.00 allowance. Contractor will install all necessary water piping, shut-off valve, etc., as to complete installation.

Other: Any appliance must be approved by Home Rehabilitation Coordinator and Home Owner.

TOTAL: \$1,500

Clean up

Clean exterior and interior of all windowpanes and frames. Clean all plumbing fixtures. Vacuum all carpeting, clean all vinyl, and leave all porches and walks in a broom clean condition. Remove all paint spills, drywall mud, plaster, etc., from all surfaces. Due to the presence of lead based paint, clean for and pass a clearance test.

• Include Performance Bond of 3% in Total

DEMOLITION PREP	\$	500
DEMOLITION & REMOVAL	\$	8,500
SITE GRADING	\$	1,800
TERMITE TREATMENT	\$	940
CONCRETE	\$	3,550
FRAMING	\$	12,000
INSULATION	\$	4,000
EXTERIOR DOORS	\$	1,500
STUCCO	\$	4,500
ELECTRICAL	\$	5,000
PLUMBING	\$	7,300
HVAC	\$	5,600
WINDOWS	\$	2,500
DRYWALL	\$	3,000
INTERIOR DOORS	\$	2,700
FLOORING	\$	2,700
CARPENTRY	\$	2,800
PAINTING	\$	3,700
CABINETS & COUNTERTOPS	\$	5,000
APPLIANCES	\$	1,500

Sub Total: \$ 79,090.00

Tax: \$ 5,832.89

Total: \$ 84,922.89

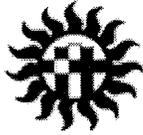
Construction Company

Contractor

Telephone Number

Signature

Date



City of Las Cruces

Owner: Rosa Lopez Date: 5/4/2009
 Address: 5311 Midway Application #: 1421
 Home Rehab. Coordinator: Ray Sartin
 Date of walk- thru: 5/7/2009 Ph. 382-5981

TO ALL CONTRACTORS:

All work shall be accomplished in a workmanlike manner and must conform to the general specifications of all applicable Building Codes, and Zoning Laws. All required permits in accordance with the Building Code and Municipal Code of the City of Las Cruces must be secured prior to the start of any demolition or construction on this project.

WARNING: Due to the potential presence of **LEAD BASED PAINT** in this project, the Home Rehabilitation staff shall provide a copy of the Lead Paint Inspection Report to the contractor awarded the bid. Contractors are required to use Lead Safe Work Practices and pass a clearance after the removal of the items listed on the report and before continuing demolition. The program pays for the first clearance, subsequent test required due to failure are the responsibility of the contractor.

WORKMANSHIP: All work shall be neatly done in a workmanlike manner and shall be uniform in appearance. All work and materials must conform to applicable building codes. Contractors shall verify work write-up at the job site and shall be responsible for any work that does not meet Home Rehabilitation Standards. The Contractor will provide all material unless otherwise specified. Changes in material and/or work requirements will not be accepted for payment unless given prior approval in writing by Rehab Coordinator, Homeowner, and Supervisors. No work is to be performed before receiving such approval.

At the time of Final Inspection all warranties and guarantees for any new appliances that have been installed shall be filled out and dated to include name, address, and dealer where appliances were purchased. All inspection permits shall be delivered and all building debris and trash must be removed from the job site before final inspection. The Contractor, Home Rehab. Coordinator and Homeowner shall be present at final inspection.

Reconstruction: Work Write-up

***Contractor to verify all information at job site. All measurements and / or estimations are for staff use only. Bidding contractors are responsible for taking their own measurements for the purpose of calculating their bids. Failure to do so will result in disqualification.**

Accepted by Home Owner: _____ Date: _____

GENERAL CONDITIONS

SCOPE OF WORK: Demolition and removal of existing dilapidated dwelling, preparation of site and the reconstruction of a dwelling and carport on same property.

RECONSTRUCTION OF DWELLING: Reconstruct a dwelling in accordance with approved plans and work write-up. The dwelling is a single family residential unit, two bedroom, single bath, of approximately (1,000) one thousand square feet. A model plan is provided with this work write-up as the standard for construction.

However: The contractor is to provide a detailed set of plans, as required by the City for review. To include site plan, showing location on lot, exterior elevations, roof plan, glazing schedule, floor plan, electrical, plumbing, HVAC, etc. Construction of dwelling requires compliance to zoning set-backs. Home Rehab staff and the homeowner must approve plans.

Site Preparation

Demolition Prep: Remove and dispose of materials listed in Lead Paint Test Report as having LBP, using Lead Safe Working Practices, by certified personnel. **Clearance approval is required before proceeding.**

Total: \$500

Demolition & Removal: Remove all building components, slab, and foundation of existing building. Disconnect all existing utilities which include; electrical wiring, electrical and gas meters, plumbing pipes and fixtures. Remove all gas pipes, and all debris from underground within the footing/structure location. Dispose of all in approved manner and location.

Total: \$7,500

Site Grading: Prepare site for the reconstruction of the dwelling. Grade and level the lot, as required. Provide and install compacted fill, as needed to ensure drainage of surface water away from the structure, to approved location.

Total: \$1,765

Termite/Pest Control Treatment: Pad site is to be chemically treated for termites before the concrete foundation is poured. All framing studs and bottom plates will be chemically treated for termites before covered by construction. Include one (1) General pest control service at frame before covering.

Total: \$940

Concrete:

Foundation: Construct a replacement concrete floor slab, on grade, with turn down footings that will meet or exceed all applicable codes, and minimum standards. Include a recessed area under the laundry equipment location for drainage and a 36'X60" recessed area in the bathroom for a recessed/roll in shower.

Apron & Pads: Construct a 36" wide concrete apron around the dwelling only. The apron is to be 4" thick sloped to 3 ½" away from the dwelling with 2,500 psi concrete. Construct, two (2) 4'x4' concrete pads, one at the front entrance and one at the rear entrance connect to the apron and existing walkway. Replace any concrete damaged during construction or demolition.

Carport & Driveway: Construct a 3,000 psi concrete carport pad and driveway to the street. Carport and driveway to be 4" thick and sloped toward the street.

Total: \$5,550

Framing

Walls: Use wood frame construction on walls. Interior wall construction is to include; 2"x4" base plates, and wall studs. Exterior wall construction is to include; 2"x6" base plates, and wall studs. Install all bracing, blocking, backing, and sheathing to meet or exceed all applicable code minimums. All lumber will be #2 grade or better unless otherwise specified.

Roofing: Build a pitched roof, of 3" in 12" pitch over entire structure and carport. Extend new roof overhang to 48" on entry to front door and back door, with supporting columns and complete as specified above. Install 4"x6" post supports for carport, and porchs. New roof structure to be 2" x 4" trusses. Install 7/16" plywood or 7/16" OSB wafer board decking with clips. Extend new roof 48" over all entries and complete as specified for roof. Trim or add to all eaves for a sixteen-inch (16") overhang and install 6" x 3/8" fascia, and 16" x 3/8", soffit. Install soffit vents at eight-foot (8') intervals and install metal corners on fascia and "H" molding at joints. Box in all soffit, do not nail on trusses, and use 2" x 2" backing for soffit. Porch ceilings to be covered with 3/8" Masonite® or pre-approved equal. All soffit, fascia, carport, and porch ceilings, will be wood grain Masonite® or pre-approved equal material. No wafer board fascia or soffit will be accepted. Install all necessary metal edgings, flashing, roof jacks, fire blocking, ventilation, etc., as required for a new roof. Install three (3) standard size, aluminum, louver attic vents over a ¼" mesh, one on each gable end.

Install two layers of felt paper, as required in the IRC R905.2.2 and R905.2.7, and new asphalt composition Owens Corning® or approved equal, 20 year warranty, 3 tab shingles. The owner is to choose the color of shingles.

TOTAL: \$15,000

Insulation

Wall Insulation: Install R-19 rated insulation at all exterior walls. Seal all to ensure an airtight air barrier.

Ceiling Insulation: Install R-30 rating fiberglass batt or blown in, insulation in attic area. Ensure complete coverage and yield by using depth markers on joist, as required by code. Insulation installed without depth markers will, not be accepted. Seal all to ensure an airtight air barrier. Ensure one (1) inch clearance above insulation at soffit vent locations by installing baffles.

Note: A site inspection of the insulation by Home Rehabilitation Staff is required prior to installation of sheetrock. A certificate of insulation, or inspection by the Building Inspector, will also be required.

TOTAL: \$2,642

Exterior Doors

Install two (2) MASONITE®, RELIABUILT® or approved equal exit doors at front and side, or back entrances. Doors are to be 1-3/4" thick both sides 24 gauge galvanized steel with polyurethane foam insulation and magnetic weather stripping or comparable. Include the installation of three (3) hinges, and aluminum threshold with factory installed vinyl sweep with aluminum sill or aluminum sill with bubble. Install wood jamb that is caulked and primed. Doors are to be pre-hung, hung plumb, true and square with equal margins, and fit tightly against stop, and have no play in strike plate/lock assembly, single cylinder dead bolt, with peephole and door bumpers. Back door will be "Ranch Style" with window. Provide and install two (2) ADA approved door lever sets, one for each exterior door, keyed to match.

TOTAL: \$1,475

Stucco

Stucco: Prepare entire exterior walls for application of stucco. For new installation a minimum of 2 ply felt Jumbo Tex® or approved equal must be applied throughout exterior walls with a minimum overlap of six inches (6") between layers and a minimum overlap of sixteen inches (16") on joints. Install self-furring 17-gauge stucco mesh on walls with appropriate nails or staples. Corner bead must be applied on all corners and plaster stop on all openings and where there is a material change, to stop and retard cracks. Apply scratch/brown, and color coats of plaster and stucco. Scratch and brown coats shall be cured a minimum of forty-eight (48) hours between applications and seven (7) days between the brown and color coats. Color coat with elastomeric synthetic stucco or approved substitute. Stucco gable ends. Install stucco to meet all applicable codes, and the manufactures installation requirements. Owner to select color of stucco.

TOTAL: \$3,780

Electrical

Wiring & Fixtures: Provide a complete new electrical system. System must meet all applicable code requirements. Include the installation of switches, receptacles, and light fixtures. Include the installation of two (2) 240 volt receptacle outlets, one for the laundry and one for the range. Owner is to select light fixtures within a \$350 allowance, and "Energy Efficiency Requirements" the NM Electrical Code. Contact the utility company for the meter installation.

Detectors: Install interconnected 120 volt smoke detectors as required by code and install one (1) carbon monoxide detector.

Exhaust: Install a 30" GE®, or approved equal range exhaust hood to match kitchen appliances. The range hood is to include a working light and a variable speed, quiet fan. Provide and install one (1) **ENERGY STAR** rated bathroom exhaust fan. Provide Energy Star rating documentation of for fan.

Other: Install a door bell at the front entrance. Install one television cable and one (1) telephone jack outlet. Bedrooms, dining area, and living room are to be pre-wired with approved boxes for ceiling fans. New receptacle and switch outlets shall be installed to meet the accessibility reach requirements per ANSI, A117-1.

Temp Power: Provide temporary power as necessary for construction.

All effected work must comply with applicable codes, and inspection approvals by the Electrical Inspector.

TOTAL: \$4,850

Plumbing

Water Distribution: Install a one inch water supply from the water meter to the dwelling. Install, rough-in, and top-out the interior water distribution system of the dwelling unit. Connect water lines above the slab to all plumbing fixtures, and appliances. Provide and install two (2) hose bibs, one near the front of the dwelling, and one at the location of the A/C. Install copper water supply, with valve, to the A/C. Provide water supply for and connect to the ice maker. Insulate water lines in outside exterior walls above slab.

Drain, Waste, and Vent Systems: Install DWV grade PVC sewer piping and connect to the existing Building Sewer near the exterior of the building. Install a complete drain, waste, and vent system of schedule 40 PVC for all plumbing fixtures, including cleanouts, and deep seal traps, to the laundry recess and water heater closet. Connect waste pipes to all plumbing fixtures.

Laundry: Provide and install one (1) washer box with faucets, connect drain and faucets. Provide and install drain for recessed concrete area with a deep seal trap.

Fixtures: Water heater: Install a 40 gallon, energy saver (minimum 80% efficiency), gas water heater, full way supply valve, T&P valve with drain, and pan with drain. Pipe drains to an open hub drain in the platform floor. **Toilet:** Install one (1) Eljer®, American Standard®, or approved equal, 17"-19" tall, white, elongated toilet. **Lavatory:** Install one (1), self-rimming, Kohler®, Eljer®, American standard®, or approved equal white oval china lavatory. Include installing a new Delta® or approved equal, chrome, single handle faucet, escutcheons, chrome pop-up drain, P-trap, and water supply valves. **Shower:** Construct a 36"X (see drawing on plan), roll-in accessible shower, with ceramic tile floor, and full ceramic tile enclosure, including soap dish. The

threshold is to be a ½" high, beveled, roll over. Tile pattern and color is to be selected by owner.
Kitchen sink: Install a new, stainless steel, Eljer®, American Standard, or approved equal, deep, double bowl, kitchen sink. Minimum 18 gauge and 8" deep. Install a new Delta® or approved equal, deck mounted, chrome faucet. Include water connections, sprayer, basket strainers, p-trap, and shut offs.

Note: All faucets through out the building must be the same brand; single lever handle, and include a lifetime finish warranty.

Gas Distribution: Install complete new natural gas piping system from the meter to the dwelling. Install a new gas piping system throughout interior of the dwelling, Provide outlets for the range, furnace, wtr/htr, and dryer. Connect to all gas appliances. Install a valve and cap for any unused outlets. All piping is to be sized by the contractor to meet code minimums.

All new piping, fixtures, appliances, and faucets must meet the minimum applicable code requirements. No work may be concealed without the inspection approval of the Mechanical Inspector.

TOTAL: \$7,270

HVAC

Air Conditioner: Install new evaporative air conditioner on a stand, and concrete pad, on the ground outside the rear of the dwelling. A/C is to be Champion®, Arvin®, or pre-approved equal, 5,000 cfm, with two-speed motor and new **thermostatic** switch.

Heating: Install a new forced air, natural gas furnace and heating system. Furnace to be a 50,000 BTU, Coleman®, Reem®, or approved equal with a minimum 80% efficiency rating complete with new **digital, programmable** thermostat.

Duct System: Install a complete new metal duct distribution system in attic sized by contractor; flexible duct branch runs allowed up to 5ft maximum. Ensure duct extends to all occupied rooms, install new adjustable air supply registers, and return air duct to hallway, or living room, with register. Connect duct of the furnace and A/C with vibration free connectors and dampers for season change.

Exhaust: Install duct for new exhaust fan in the bathroom, and kitchen range exhaust. Install a 4" round dryer vent with back draft damper. Connect ducts to equipment.

General for new work: Provide any hardware, or materials required to complete as a new installation, meeting all minimum code requirements. The equipment and systems installations are to meet or exceed the manufactures installation requirements and the IRC. Provide one seasonal start up of the new furnace and one for the new A/C, one at the final of the Rehab project, for the current season, and at the next seasonal change when requested by the owner.

All new piping, fixtures, appliances, and faucets must meet the minimum applicable code requirements. No work may be concealed without the inspection approval of the Mechanical Inspector.

TOTAL: \$6,575

Windows

Install Jeld Wen®, American Craftsman®, Better Built®, or approved equal double pane, Low – E, aluminum or vinyl, Energy Star® rated, sliding windows with screens. Bathroom window pane to be of obscure glass. All windows to be hung plumb true and square. Bedroom windows must be installed to meet emergency egress requirements. Install according to schedule below:

LOCATION	QUANTITY	WINDOW SIZE
Living Room	2	4050
Bedrooms	2	4050
Bathroom	1	2020
Kitchen	1	3030
Dining Area	1	4050
TOTAL:	7	

Install two (2) skylights, one in the hall and one (1) in the bathroom.

TOTAL: \$2,490

Drywall

Interior Walls & Ceilings: Install ½" sheetrock at all interior walls, and ceilings, including the closets. All new sheetrock is to be taped, bedded, and feathered, to conceal all joints and fasteners, finished with a brocade, or knockdown texture, and prepared for paint.

Shower Area: Install ½" cement board, including the ceiling of the shower enclosure. Notify the Home Rehab Coordinator to inspect the cement board installation before covering with tile.

TOTAL: \$4,840

Interior Doors

Doors: Install two (2) bedroom doors, one (1) bathroom door and one (1) pantry door. Doors will be 1 3/8", pre-hung, Masonite®, raised six panel, hollow core doors. Include all hardware and privacy locks, with lever handles, to bedrooms and bathroom door. Install

Closet Doors: Install two (2) 1 3/8", pre-hung, Masonite®, raised six panel, hollow core door in hall closets. Install two (2) closet doors, one (1) in each bedroom, one (1) at linen closet in bathroom, one (1) on water heater/furnace closet, and one (1) door on the laundry closet. Doors will be 1 3/8" thick, hollow core, raised six panel, bi-fold Masonite® doors or pre-approved equal. The door to the laundry room is to be a 60", bi-fold, louvered door. Include all hardware and handles on doors.

All units are to be hung plum, true, and square with equal margins. Include all hardware, trim, and lever handles on doors. All molding and trim around door is to be installed and prepared for paint to Home Rehab standards.

TOTAL: \$2,675

Flooring

Carpet: All new carpet will be 26 ounce with ½" #5 density polyurethane padding meeting FHA specifications. Carpet will be selected by owner from maximum allowance of \$16.00 per square yard installed. Carpet is to be stretched to eliminate puckers, scallops, and ripples and installed to manufacturer's specifications. All doors are to operate properly after installation of flooring.

Vinyl: All new tile will be no-wax cushioned vinyl tile (VTC) meeting FHA specifications for residential use. Vinyl tile will be selected by owner from maximum allowance of \$16.00 per square yard installed. Carpet and vinyl tile is to be stretched to eliminate puckers, scallops, and ripples and installed to manufacturer's specifications.

Floor Prep: Preparation should include cleaning and treatment of floors. Sweep floors clean and remove spots of paint, grease, dirt, and other foreign matter. Fill holes, cracks, joints, and indentations in the floors. Floor preparation must be approved by the floor covering provider prior to installation.

Location: Install tile in kitchen/ dining area, bathroom, and laundry with a 4'X4' area at entry. Install carpet throughout the remainder of the house.

TOTAL: \$2,725

Carpentry

Trim: Install C-100 base board in all rooms, closets, and doors. All joints are to be cut to fit and be tight. Fasten trim work with the appropriate nails, fasteners, or adhesives. All nails are to be countersunk and filled. No new materials that are split or otherwise defective will be accepted. Material used should be mill finished and sanded.

Furnace Closet: Construct a new furnace and water heater closet at hallway. Construct to code. Include return air opening and platform. Tape and texture sheetrock and leave ready for painting. Sheet rock interior of area under platform (Return Plenum) and seal all joints.

Closets: Construct three (3) linen closets, two opening into the hall, and one in the bathroom. Construct one pantry in the kitchen. Linen closets and pantry will have a minimum four (4) 12" or 16" shelves in place. Construct one (1) closet in the bathroom for the washer and dryer. Construct one (1) clothes closet in each bedroom. All clothes closets must have appropriate shelving, hanger rods, and supports. All closets will have 12"x 3/4" smooth bull nose shelving and minimum 1"x4" backing. Hanger rods will be 1" ridged steel conduit or wood material, with rod brackets at ends, and center supports on all shelving over 4' in length.

TOTAL: \$2,862

Painting

Interior: Prepare and paint the entire interior of the house to include all rooms, ceilings, walls, shelves, the inside of the exterior doors, all closets, the furnace closet, all baseboard and trim. The kitchen, bathrooms, and utility room are to receive a minimum of two (2) coats of semi-gloss latex enamel, to cover, more if required for a neat appearance. Living room, bedrooms, hallways, and closets are to receive two (2) coats of satin latex to cover. The whole of the interior is to receive one color. The color is to be selected by the owner.

Exterior: Paint all exterior wood, and metal surfaces with one (1) coat primer and two (2) coats exterior latex enamel as required for a neat appearance. Exterior paint will include fascia, soffit, doors, doorframes, posts of porches, carport, trim, metal edge, drip edge, etc.

Other: Install address numbers on fascia, and at the street. The numbering requirements are to meet the minimum required by the City of Las Cruces Building Code, ARTICLE I. Section 30-1.

TOTAL: \$3,700

Cabinets and Countertop

Kitchen Cabinets: Install approximately eighteen (18) linear feet of wall and base cabinets in the kitchen. Cabinets will have doors stiles of solid wood and veneered plywood panels. Frames will be solid wood stiles, 1/4" veneered plywood sides, and metal or plastic corner bracing. Drawers shall be made of wood and cabinets will have a factory finish and all appropriate hardware. All units are to be hung plum, true, and square with no margins between joints. All knobs, hinges, and shelves will operate properly and have no visible defects.

Lavatory Cabinets: Install one (1) 24" minimum, vanity, base cabinet with countertop. Install wall mounted chrome toilet paper dispenser and two chrome towel racks. Provide and install one (1) 24"X 24"X 4" glass mirrored medicine cabinet over the vanity cabinets.

Countertops: Install a countertop at the kitchen base cabinet and lavatory. New counter tops will be of plastic laminate material with rolled edge and four-inch back splash. New counter tops will be screwed to base and have cutouts for sinks when applicable. Owner will select color and style.

Accessories: **1)** Install a wall mounted chrome toilet paper dispenser and two (2), two foot, chrome towel racks in the bathroom. Location provided by homeowner. Provide and install one (1) 24"X 36" glass mirrored medicine cabinet over the vanity. **2)** Install 1 1/2" stainless steel grab bars at the following locations. Shower: One (1) 42", horizontally on the back wall of the shower and one (1) 24", horizontally below the shower controls. Toilet: One (1) 42", horizontally on the side wall and one 24" horizontally on the back wall above the toilet. Backing must be installed in frame walls for all grab bars.

Allowance for Cabinets: \$3,500

TOTAL: \$5,000

Appliances

Kitchen Range: Contractor will supply and install a 30" self-cleaning gas or electric range. Natural gas range must have electronic ignition; no standing pilot will be accepted. The home owner is to select the range within a \$500.00 allowance.

Refrigerator: Contractor will provide and install an 18.1 cubic ft. or larger frost-free Energy Star® rated refrigerator. The home owner is to select the refrigerator within a \$650.00 allowance. Contractor will install all necessary water piping, shut-off valve, etc., as to complete installation.

Other: Any appliance must be approved by Home Rehabilitation Coordinator and Home Owner.

TOTAL: \$1,500

Clean up

Clean exterior and interior of all windowpanes and frames. Clean all plumbing fixtures. Vacuum all carpeting, clean all vinyl, and leave all porches and walks in a broom clean condition. Remove all paint spills, drywall mud, plaster, etc., from all surfaces. Due to the presence of lead based paint, clean for and pass a clearance test.

The homeowner will remove and retain the door to the master bedroom and the vanity.

• Include Performance Bond of 3% in Total

DEMOLITION PREP	\$	500
DEMOLITION & REMOVAL	\$	7,500
SITE GRADING	\$	1,765
TERMITE TREATMENT	\$	940
CONCRETE	\$	5,550
FRAMING	\$	15,000
INSULATION	\$	2,642
EXTERIOR DOORS	\$	1,475
STUCCO	\$	3,780
ELECTRICAL	\$	4,850
PLUMBING	\$	7,270
HVAC	\$	6,575
WINDOWS	\$	2,490
DRYWALL	\$	4,840
INTERIOR DOORS	\$	2,675
FLOORING	\$	2,725
CARPENTRY	\$	2,862
PAINTING	\$	3,700
CABINETS & COUNTERTOPS	\$	5,000
APPLIANCES	\$	1,500

Sub Total:	\$	83,639.00
Tax:	\$	6,168.38
Total:	\$	89,807.38

Construction Company

Contractor

Telephone Number

Signature

Date



June 2, 2009

Maria Fahrenkrog
Home Rehabilitation Coordinator
City of Las Cruces
575 S. Alameda
Las Cruces, NM 88005

RE: Limited appraisal for 5311 Midway Avenue.

Dear Ms. Fahrenkrog:

As per your request I have prepared a Limited Restricted Report, for the purpose of estimating the market value of the above mentioned property.

Market Value is defined as 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 and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale 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 acting in what they consider their 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 with the sale.

This definition is from the 2006 USPAP book page 211.

The property to be appraised is a single family use building located at 5311 Midway Ave. in Las Cruces, New Mexico. Legally described as Part of Lot 37, Mesa Development Subdivision, Plat #1.

4641 Whispering Pines Ct.
Las Cruces, NM 88005
505 526-1592

As noted this is not a full report but rather a limited report as requested by the client. Rather than using all three approaches to value only the Market approach to value based on land value sales and per square foot values of comparable sales were used.

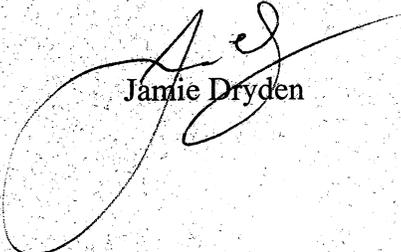
As of the date of this report the subjects highest and best use being estimated to be a single family use building, having fee simple interest.

The value is based on the subject being rehabilitated and reconstructed, on .140 acre or 6,098 square feet of land, with a approximately 994 square foot building of the rehabilitated home, and a 1050 square foot building of the reconstructed home. The current owner of record is Rosa M. Lopez. The parcel identification number is 02-19202, with the 2009 assessed taxes being \$220.45.

The effective date and the date of the appraisal are the same, as of the signed date of the appraisal.

The estimated value for the subject being rehabilitated is **\$105,000**. The estimated value for the subject being reconstructed is **\$112,000**. The opinion and conclusion of value can only be understood with the data and information that are in my files which are available upon request if necessary, and are only available to tin intended client. If I may be of any further assistance in this matter please do not hesitate to call.

Sincerely yours,



Jamie Dryden

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

The statements of fact contained in this report are true and correct.

The reported analyzed, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.

I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

My engagement in this assignment was not contingent upon developing or reporting predetermined results.

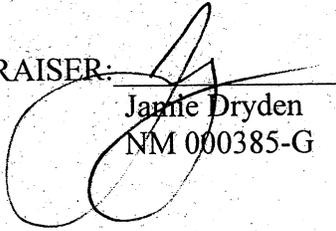
My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

My analyzed, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

I have made a personal inspection of the property that is the subject of this report.

No one provided significant real property appraisal assistance to the person signing this certification.

DATE SIGNED: June 2, 2009

APPRAISER: 
Jamie Dryden
NM 000385-G

Ray Sartin
City of Las Cruces
575 S Alameda Boulevard, Rms 151& 1
Las Cruces, NM 88005

File Number: 20090402

Dear Sir or Madam,

In accordance with your request, I have appraised the real property at:

5311 Midway Avenue
Las Cruces, NM 88012

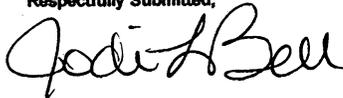
The purpose of this appraisal is to develop an opinion of the market value of the subject property, as improved. The property rights appraised are the fee simple interest in the site and improvements.

In my opinion, the market value of the property as of May 1, 2009 is:

\$109,000
One Hundred Nine Thousand Dollars

The attached report contains the description, analysis and supportive data for the conclusions, final opinion of value, descriptive photographs, limiting conditions and appropriate certifications.

Respectfully Submitted,



Jodi Bell

APPRAISAL OF

Part of Lot 37, Mesa Development Subd Plat 1

LOCATED AT:

5311 Midway Avenue
Las Cruces, NM 88012

FOR:

City of Las Cruces
575 S Alameda Boulevard, Rms 151& 1
Las Cruces, NM 88005

BORROWER:

Rosa M Lopez

AS OF:

May 1, 2009

BY:

Jodi Bell

Uniform Residential Appraisal Report

Rehabilitation File No. 20090402

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 5311 Midway Avenue City Las Cruces State NM Zip Code 88012
Borrower Rosa M Lopez Owner of Public Record Rosa M Lopez County Dona Ana
Legal Description Part of Lot 37, Mesa Development Subd Plat 1
Assessor's Parcel # 02-19202 Tax Year 2008 R.E. Taxes \$ 220.45
Neighborhood Name Peachtree (E Mesa) Map Reference 4011129151362 Census Tract 35013/13.02
Occupant [X] Owner [] Tenant [] 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) Market Value
Lender/Client City of Las Cruces Address 575 S Alameda Boulevard, Rms 151& 1, Las Cruces, NM 88005
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? [] Yes [X] No
Report data source(s) used, offering price(s), and date(s). Multiple Listing Service & Home Owner

Contract
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.
N/A
Contract Price \$ Date of Contract Is the property seller the owner of public record? [X] Yes [] No Data Source(s) County Records
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. \$ N/A

Table with columns: Location, Built-Up, Growth, Neighborhood Boundaries, Neighborhood Description, Market Conditions. Includes data for Urban/Suburban/Rural, Property Values, and various market indicators.

Dimensions Pending Survey Area 0.139 Acres/Avg Per CH Shape Rectangular View Residential Neighborhood
Specific Zoning Classification REM Zoning Description Single Family Residential Estate Mobile
Zoning Compliance [X] Legal [] Legal Nonconforming (Grandfathered Use) [] No Zoning [] Illegal (describe)
Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? [X] Yes [] No If No, describe. See Attached

Addendum - SCOPE OF WORK COMMENTS
Utilities Public Other (describe) Public Other (describe) Off-site Improvements--Type Public Private
Electricity [X] [] [] Water [X] [] Street Paved Asphalt [X] []
Gas [X] [] [] Sanitary Sewer [X] [] Alley None [] []
FEMA Special Flood Hazard Area [] Yes [X] No FEMA Flood Zone X FEMA Map # 35013C0525 E FEMA Map Date 09/27/1991
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.

GENERAL DESCRIPTION
Units [X] One [] One with Accessory Unit [X] Concrete Slab [] Crawl Space Foundation Walls Concrete/New Floors Cpt,LM/New
of Stories One Full Basement [] Partial Basement Exterior Walls Stucco,Frame/New Walls SR,Text/New
Type [X] Det. [] Att. [] S-Det/End Unit Basement Area 0.0000 sq. ft. Roof Surface Composition/New Trim/Finish Wd,Paint/New
[X] Existing [] Proposed [] Under Const. Basement Finish N/A Gutters & Downspouts Overhang/New Bath Floor LM/New
Design (Style) Ranch Outside Entry/Exit [] Sump Pump Window Type DH,Met,DbIpn/New Bath Weinscot CT/New
Year Built 1974 Evidence of [] Infestation Storm Sash/Insulated Yes/New Car Storage [] None
Effective Age (Yrs) New Dampness [] Settlement Screens Yes/New [X] Driveway # of Cars 1
Attic [] None Heating [X] FWA [] HWBB [] Radiant Amenities [] WoodStove(s) # Driveway Surface Dirt
Drop Stair [] Stairs [] Other Fuel Gas [] Fireplace(s) # [X] Fence ConcBlk [] Garage # of Cars
Floor [X] Scuttle Cooling [X] Central Air Conditioning [X] Patio/Deck Conc [X] Porch Concrete [X] Carport # of Cars 1
Finished [] Heated [] Individual [] Other Pool None [] Other None [X] Att. [] Det. [] Built-in

IMPROVEMENTS
Appliances Refrigerator [X] Range/Oven Dishwasher [] Disposal [] Microwave [] Washer/Dryer [X] Other (describe) Fan/Hood
Finished area above grade contains: 4 Rooms 2 Bedrooms 1.0 Bath(s) 994** Square Feet of Gross Living Area Above Grade
Additional features (special energy efficient items, etc.) See Attached Addendum
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). The subject has no deferred maintenance. Physical depreciation is normal for the subject's age. No functional depreciation nor external inadequacies are noted or considered applicable.

Addendum - CONDITIONS OF THE APPRAISAL
This appraisal is performed under the hypothetical condition that the proposed repairs and/or renovations have been made. See Attached
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.

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There are 0 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$		to \$					
There are 0 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$		to \$					
FEATURE	SUBJECT	COMPARABLE SALE NO. 1	COMPARABLE SALE NO. 2	COMPARABLE SALE NO. 3			
5311 Midway Avenue Address Las Cruces		5909 Holman Road Las Cruces, NM 88012	5012 Troybrook Road Las Cruces, NM 88012	9565 Longhorn Drive Las Cruces, NM 88012			
Proximity to Subject		1.79 miles ENE	0.66 miles NNW	4.46 miles ENE			
Sale Price	\$	\$ 110,000	\$ 115,000	\$ 119,000			
Sale Price/Gross Liv. Area	\$ 0.00 sq. ft.	\$ 91.67 sq. ft.	\$ 107.18 sq. ft.	\$ 91.54 sq. ft.			
Data Source(s)	Inspect: 05/01/2009	MLS #804477 Inspect 521-1000	MLS #804732 Inspect 521-7977	MLS #802754 Inspect 521-7977			
Verification Source(s)	County Records	DOM - 52	DOM - 135	DOM - 118			
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	(-) \$ Adjustment	DESCRIPTION	(-) \$ Adjustment	DESCRIPTION	(-) \$ Adjustment
Sale or Financing Concessions		FHA	0	FHA	0	Conventional	0
Date of Sale/Time		None	0	None	0	None	0
Location		10/30/2008	0	02/03/2009	0	03/12/2009	0
Leasehold/Fee Simple		Mesa Development/Avg	0	Rincon Mesa/EQ	0	Cattland Estates/EQ	0
Site		Fee Simple	0	Fee Simple	0	Fee Simple	0
View		0.139 Acres/Avg	-3,000	0.130 Acres/Avg	0	0.830 Acres/Avg	-6,000
Design (Style)		Average	0	Average	0	Average	0
Quality of Construction		Ranch	0	Ranch	0	Southwest	0
Actual Age		Stu,Fr/Avg	0	Stu,Fr/Avg	0	Stu,Fr/Avg	0
Condition		1974, A-35, New	+10,000	2008, New	0	1982, A-27, E-5	+4,200
Above Grade		New	0	New	0	Good	0
Room Count		Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths	
Gross Living Area		4 2 1.0		4 2 2.0	-5,000	5 3 2.0	-5,000
Basement & Finished Rooms Below Grade		30 994 sq. ft.	-6,200	1,073 sq. ft.	-2,400	1,300 sq. ft.	-9,200
Functional Utility		None	0	None	0	None	0
Heating/Cooling		N/A	0	N/A	0	N/A	0
Energy Efficient Items		Average	0	Equal	0	Equal	0
Garage/Carport		GFA/Evap	0	GFA/Refrig	-2,000	GFA/Evap	0
Porch/Patio/Deck		Standard Package	0	Standard Package	0	Standard Package	0
Fireplace(s), etc.		1 Carport	-3,000	2 Car Garage	-7,000	None	+1,000
Fence, Pool, etc.		Porch	0	Cvd Porch	0	Cvd Porch	0
Kitchen Equipment		None	0	None	0	None	0
Net Adjustment (Total)		Fence, Lndscp	0	Fen, LS-FrontOnly	+1,000	Fence, Lndscp	0
Adjusted Sale Price of Comparables		Kitchen Equipment	0	Kitchen Equipment	0	Kitchen Equipment	0
		Net Adj. -2.0%		Net Adj. -13.4%		Net Adj. -12.6%	
		Gross Adj. 20.2%	\$ 107,800	Gross Adj. 15.1%	\$ 99,600	Gross Adj. 21.3%	\$ 104,000

I did did not research the sale or transfer history of the subject property and comparable sales. If not, explain

My research did 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) **County Records & Multiple Listing Service**

My research did 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) **County Records & Multiple Listing Service**

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 NO. 1	COMPARABLE SALE NO. 2	COMPARABLE SALE NO. 3
Date of Prior Sale/Transfer	Unknown	11/2005	06/2008	07/2008
Price of Prior Sale/Transfer	Unknown	Unknown	Unknown; Site Only	\$75,180
Data Source(s)	Cty Receipt #0900906	Cty Receipt #0540345	Cty Receipt #0816327	MLS #801731
Effective Date of Data Source(s)	01/23/2009	11/07/2008	02/10/2009	07/14/2008

Analysis of prior sale or transfer history of the subject property and comparable sales According to Dona Ana County Clerk's Office a deed was filed with County Reception #0900906, however no information is provided regarding the deed. Prior to this deed, a Certificate of Death, (County Reception #0816122), for Ernest Lopez was filed. Records show that Ernest Lopez and Rosa Manuela Lozoya purchased the subject property in May of 1997, (County Reception #9710049).

Summary of Sales Comparison Approach. The comparables chosen are believed to be the best representative sales available, being the most similar in appeal, age and quality of location. Building adjustments are made at \$30.00 per square foot. Land adjustments are based on market value differences only. Effective age adjustments are calculated using the comparables' sales price minus its site value. The adjusted value in the Sales Comparison Approach demonstrate a range of \$8,200 or 8.2% of the lowest valued comparable. Comparable 1 is believed to be the most representative comparable and is given the most weight in determining the estimate of value based on the Sales Comparison Approach.

Indicated Value by Sales Comparison Approach \$ 104,000

Indicated Value by: Sales Comparison Approach \$ 104,000 Cost Approach (if developed) \$ 116,200 Income Approach (if developed) \$ N/A

The Final Estimate of Value is derived by giving the most weight to the Sales Comparison Approach. The Cost Approach is also considered in the Final Estimate of Value. The subject property is not income producing; therefore, the Income Approach is not utilized.

This appraisal is made "as is," subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: **See Attached Addendum**

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 \$ 109,000 as of **May 1 2009**, which is the date of inspection and the effective date of this appraisal.

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All adjustments in the Sales Comparison Approach are rounded to the nearest one hundred dollars.

DISTANCE: It is noted that Comparable Sales 1 and 3 located more than one mile from the subject, but they are considered the best available within the subject's marketing area. Due to the lack of recently settled comparable sales within the subject's neighborhood, comparable sales from the nearest competing neighborhoods have been selected. The comparables are similar in that they have good access to all community and municipal services and major sources of employment.

DATE OF SALE: Comparable 1 exceeds the six month date of sale guideline. Although there has been an increase in inventories and marketing times, this appraiser, through extensive research, has not found data to support that there has been a decline in property values. Therefore, the Comparables are representative of the subject and are appropriate.

SITE AREA: The sites for all of the Comparables are primary residential sites. Any difference between the subject and comparable's site area is treated as excess or lack thereof and an adjustment for "contributory value only" is warranted.

AGE AND CONDITION ADJUSTMENTS: A factor of one percent per year was used to adjust the comparables for age difference of the long-lived items of the improvements.

TOTAL ROOM AND BEDROOM COUNT COMMENTS: The room count, number of bedrooms and gross living area are dependent variables, the necessary adjustments for rooms and bedrooms are reflected in the gross living area. There is no functional obsolescence associated with the subject property. The subject's room count and bedroom count does not affect value or marketability.

GROSS LIVING AREA: No adjustments are made for differences in gross living area that are less than fifty square feet of the subject.

GROSS LIVING AREA AND FNMA GUIDELINES: The gross living area of Comparables 1 and 3 are 20.7% and 30.8% greater than the gross living area of the subject improvement, respectively. All line adjustments, net and gross adjustments meet FNMA guidelines. Due to the lack of comparable sales within the subject's neighborhood, it is necessary to use these comparables. Therefore, the Comparables are appropriate and representative of the subject.

GROSS LIVING AREA ADJUSTMENTS: These adjustments are based on data derived from previous paired set analysis of similar homes in the subject's neighborhood.

It is noted that the net adjustments to all the comparables are negative. At this time there are no comparable sales as small as, or smaller than the subject property, therefore, it is this appraiser's opinion that the comparables utilized are the most representative of the subject property, based on location, gross living area, age, condition, quality and utility.

ADDITIONAL COMMENTS

COST APPROACH TO VALUE (REQUIRED BY Fannie Mae)

Provide adequate information for the lender/client to replicate the below cost figures and calculations.

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) **See Attached Addendum**

COST APPROACH

ESTIMATED	REPRODUCTION OR	<input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE..... = \$	30,000
Source of cost data	Marshall and Swift Residential Cost Handbook		Dwelling 994	Sq. Ft. @ \$ 82.11..... = \$ 81,617
Quality rating from cost service	Avg	Effective date of cost data	03/2009	Bermt. 0
Comments on Cost Approach (gross living area calculations, depreciation, etc.)	Cvd Porch			2,000
See Attached Addendum	Garage/Carport 255		Sq. Ft. @ \$ 10.30..... = \$	2,627
	Total Estimate of Cost-New			86,244
	Less	0 Physical	Functional	External
	Depreciation	\$0		= \$(0)
	Depreciated Cost of Improvements..... = \$			86,244
	"As-is" Value of Site Improvements..... = \$			
Estimated Remaining Economic Life (HUD and VA only)	55 Years	INDICATED VALUE BY COST APPROACH..... = \$		116,200

INCOME APPROACH TO VALUE (REQUIRED BY Fannie Mae)

Estimated Monthly Market Rent \$ N/A X Gross Rent Multiplier N/A = \$ N/A Indicated Value by Income Approach

Summary of Income Approach (including support for market rent and GRM) N/A

INCOME

PROJECT INFORMATION FOR VAUE (FANNIE MAE)

Is the developer/builder in control of the Homeowners' Association (HOA)? Yes No Unit type(s) Detached Attached

Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.

Legal name of project N/A

Total number of phases N/A Total number of units N/A Total number of units sold N/A

Total number of units rented N/A Total number of units for sale N/A Data source(s) N/A

Was the project created by the conversion of an existing building(s) into a PUD? Yes No If Yes, date of conversion. N/A

Does the project contain any multi-dwelling units? Yes No Data source(s) N/A

Are the units, common elements, and recreation facilities complete? Yes No If No, describe the status of completion. N/A

Are the common elements leased to or by the Homeowners' Association? Yes No If Yes, describe the rental terms and options. N/A

Describe common elements and recreational facilities. N/A

PUD INFORMATION

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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 this 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.

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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.

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Uniform Residential Appraisal Report

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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 Jodi Bell
 Name Jodi Bell
 Company Name Tillman Appraisals, LLC
 Company Address PO Box 103
Las Cruces, NM 88004
 Telephone Number (575) 382-2066
 Email Address jodibell@zianet.com
 Date of Signature and Report May 9 2009
 Effective Date of Appraisal May 1 2009
 State Certification # 02634R
 or State License # _____
 or Other (describe) _____ State # _____
 State NM
 Expiration Date of Certification or License 04/30/2010

ADDRESS OF PROPERTY APPRAISED

5311 Midway Avenue
Las Cruces, NM 88012

APPRAISED VALUE OF SUBJECT PROPERTY \$ 109,000

LENDER/CLIENT

Name Ray Sartin
 Company Name City of Las Cruces
 Company Address 576 S Alameda Boulevard, Rms 151& 1
Las Cruces, NM 88005
 Email Address _____

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
 Name _____
 Company Name _____
 Company Address _____
 Telephone Number _____
 Email Address _____
 Date of Signature _____
 State Certification # _____
 or State License # _____
 State _____
 Expiration Date of Certification or License _____

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 _____

COMPARABLE SALES

Did not inspect exterior of comparable sales from street
 Did inspect exterior of comparable sales from street
 Date of Inspection _____

ADDENDUM

Borrower: Rosa M Lopez	434	File No.: 20090402
Property Address: 5311 Midway Avenue		Case No.: Rehabilitation
City: Las Cruces	State: NM	Zip: 88012
Lender: City of Las Cruces		

MARKET VALUE DEFINITION: The definition of market value used for this appraisal assignment is provided by FNMA on Page 4 of the Uniform Residential Appraisal Report.

INTENDED USER: The Intended User of this appraisal report is the Lender/Client. The Intended Use is to evaluate the property that is the subject of this appraisal for a mortgage finance transaction, subject to the stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form and the Definition of Market Value. No additional Intended Users are identified by the appraiser.

SCOPE OF WORK COMMENTS

HIGHEST AND BEST USE

The zoning for the subject property is REM; Single Family Residential Estate Mobile. The single-family residential estate mobile district is intended as a low density residential district of single family site-built/manufactured housing or mobile homes on large lots specifically designed for farming and/or the raising and keeping of animals in a rural atmosphere. Limited commercial activity is permitted. The maximum density of this district is two (2) dwelling units per acre. The subject property was constructed prior to the inception of zoning restrictions. This subdivision was grandfathered in as legal, nonconforming. In the event the subject improvement were to be destroyed, the homeowner would not be restricted by this zoning classification to rebuild a residential improvement on this site. The subject's neighborhood is comprised of single-family site built homes and manufactured homes. Given the above definition, it is this appraiser's opinion that the highest and best use of the subject property, as improved, is residential.

CONDITIONS OF THE APPRAISAL

The Summary Appraisal Report was performed under the hypothetical condition that the following conditions have been met as of the effective date of the appraisal. In actuality, none of the hypothetical conditions have occurred and the appraisal is subject to the following hypothetical conditions being met.

THIS SUMMARY APPRAISAL REPORT IS SUBJECT TO THE PARTIAL DEMOLITION, RECONSTRUCTION AND REPAIRS TO THE EXISTING HOME ON THE SUBJECT PROPERTY SET FORTH IN THE HAND DRAWN PLANS AND DETAILED SPECIFICATIONS SUBMITTED TO THE APPRAISER BY THE CITY OF LAS CRUCES COMMUNITY DEVELOPMENT REHABILITATION PROGRAM.

ADDITIONAL COMMENTS

NEIGHBORHOOD BOUNDARIES

North - Peachtree Hills Drive; East - Porter Drive; South - US Highway 70; West - Mesa Grande Drive; Nearest Major Intersection - Mesa Grande Drive and Central Avenue, 0.27 miles Northwest.

NEIGHBORHOOD DESCRIPTION

The subject is located in the northeast portion of the city limits of Las Cruces in an established neighborhood of predominantly single family homes. This is a homogeneous neighborhood. It shares similar features such as building type and style, population characteristics, economic profile of occupants and zoning regulations that affect land value. The City of Las Cruces population was estimated, in 2005, to be 82,700. Las Cruces is the county seat of Dona Ana County and the economic hub of southern New Mexico. The 2000 census shows there are almost 175,000 people living in Dona Ana County. The population in Dona Ana County grew 28.9% during the ten years between 1990 and 2000. Las Cruces is located in the Rio Grande River Valley about 45 miles north of El Paso, TX and Juarez, Mexico. It is located 225 miles south of Albuquerque, NM. The main employment activities include agriculture, manufacturing and government related activities. The area's largest employers are the Federal and State Government, including New Mexico State University, NASA and White Sands Missile Range. These activities provide about 60% of the area employment. The remaining 40% includes service employment activities. The prospects for continued economic growth in the area are good due to the stability of government, the established agricultural sector and the expanding retail/commercial trade areas.

NEIGHBORHOOD MARKET CONDITIONS

Increasing inventories are taking longer to sell, however the appraiser was unable to extract, from market data, a measurable increase or decrease in sales prices. The Multiple Listing Service indicates an overall "list to sell" ratio of 92% and overall average marketing times, excluding presales, of 155 days within the subject's neighborhood. Sellers are not typically required to offer sales or financing concessions. Financing is readily available from a variety of sources.

ADDITIONAL FEATURES

**It is noted that measurements provided on the sketch submitted with this report are based on actual measurements taken at the time of inspection, taking into consideration the hand drawn plans submitted to the appraiser from the City of Las Cruces Rehabilitation Program.

SUPPORT FOR THE OPINION OF SITE VALUE

MLS #805285; Lot 2A Central Road, Las Cruces, Dona Ana, NM 88012; \$37,000; 0.220 Acres; 01/09 CoE
 MLS #804045; 7332 Vista De Sobre Lane, Las Cruces, Dona Ana, NM 88012; \$32,900; 0.144 Acres; 02/09 CoE
 MLS #803693; 3929 Sombra Azul Street, Las Cruces, Dona Ana, NM 88012; \$27,230; 0.132 Acres; 12/08 CoE

It is noted that the last two comparable lot sales provided are not located in the subject's neighborhood. Due to the lack of comparable lot sales within the subject's neighborhood, lot sales from competing neighborhoods were utilized to determine the value of the lot.

ADDENDUM

Borrower: Rosa M Lopez	435	File No.: 20090402
Property Address: 5311 Midway Avenue		Case No.: Rehabilitation
City: Las Cruces		State: NM
Lender: City of Las Cruces		Zip: 88012

COST APPROACH COMMENTS

The Cost Approach is derived from the Marshall and Swift Residential Cost Handbook. The Economic Life of the subject property is determined by using the Depreciation Section of the Marshall and Swift Residential Cost Handbook. The Economic Life of the subject property is determined to be 55 Years.

ESTIMATED REMAINING ECONOMIC LIFE IS 55 YEARS

The Replacement Cost New figures used in the Cost Approach are for valuation purposes only, given the intended use of the assignment. The Definition of Market Value used in this assignment is not consistent with the Definition of Insurable Value for property insurance coverage/use.

SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: Rosa M Lopez

File No.: 20090402

Property Address: 5311 Midway Avenue

Case No.: Rehabilitation

City: Las Cruces

436

State: NM

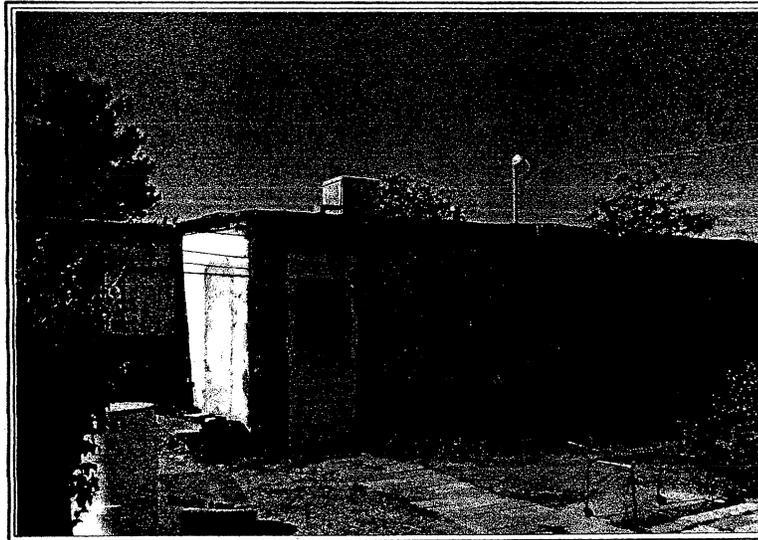
Zip: 88012

Lender: City of Las Cruces

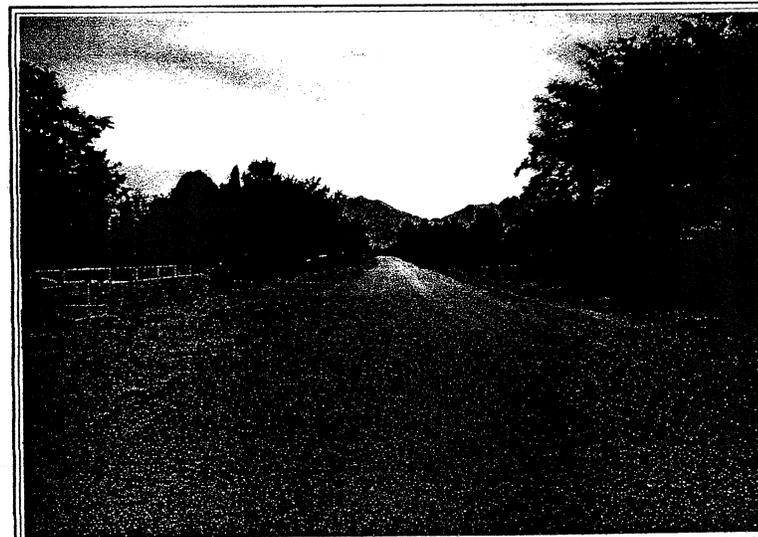


**FRONT VIEW OF
SUBJECT PROPERTY**

Appraised Date: May 1, 2009
Appraised Value: \$ 109,000



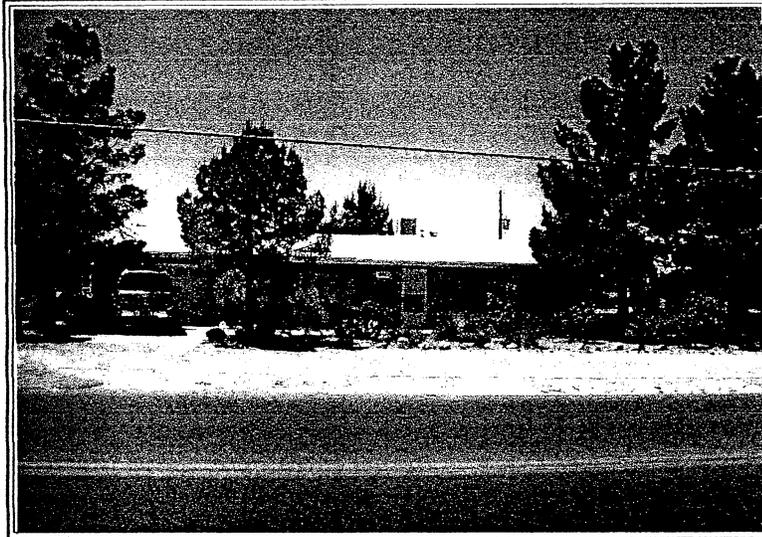
**REAR VIEW OF
SUBJECT PROPERTY**



STREET SCENE

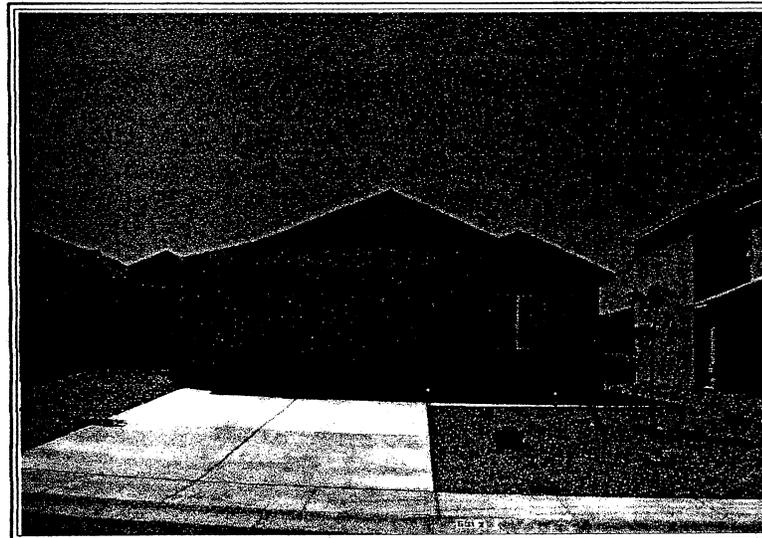
COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Rosa M Lopez	File No.: 20090402
Property Address: 5311 Midway Avenue 437	Case No.: Rehabilitation
City: Las Cruces	State: NM
Lender: City of Las Cruces	Zip: 88012



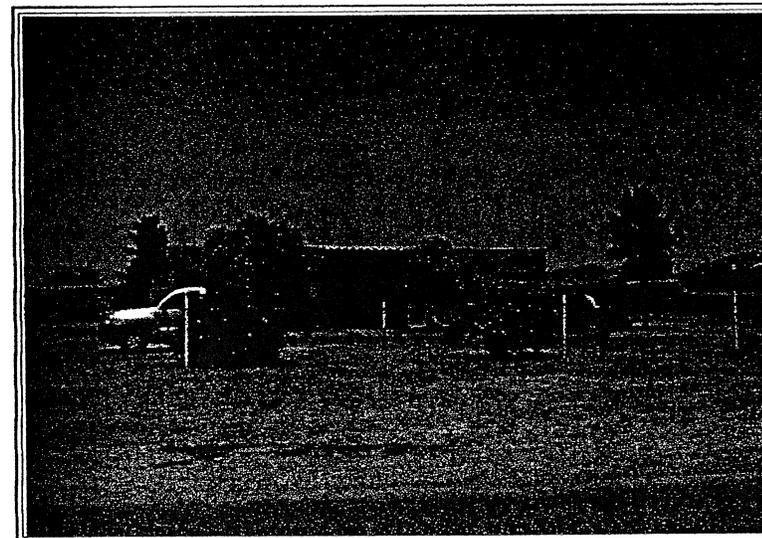
COMPARABLE SALE #1

5909 Holman Road
Las Cruces, NM 88012
Sale Date: 10/30/2008
Sale Price: \$ 110,000



COMPARABLE SALE #2

5012 Troybrook Road
Las Cruces, NM 88012
Sale Date: 02/03/2009
Sale Price: \$ 115,000

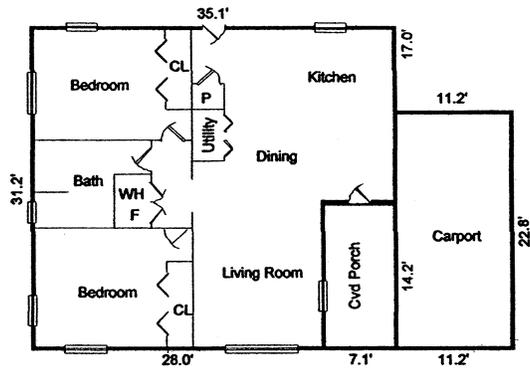


COMPARABLE SALE #3

9565 Longhorn Drive
Las Cruces, NM 88012
Sale Date: 03/12/2009
Sale Price: \$ 119,000

FLOORPLAN

Borrower: Rosa M Lopez 438 File No.: 20090402
 Property Address: 5311 Midway Avenue Case No.: Rehabilitation
 City: Las Cruces State: NM Zip: 88012
 Lender: City of Las Cruces



Sketch by Apex IV™

Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	994.3	994.3
P/P	Covered Porch	100.8	100.8
GAR	Carport	255.4	255.4
Net LIVABLE Area		(Rounded)	994

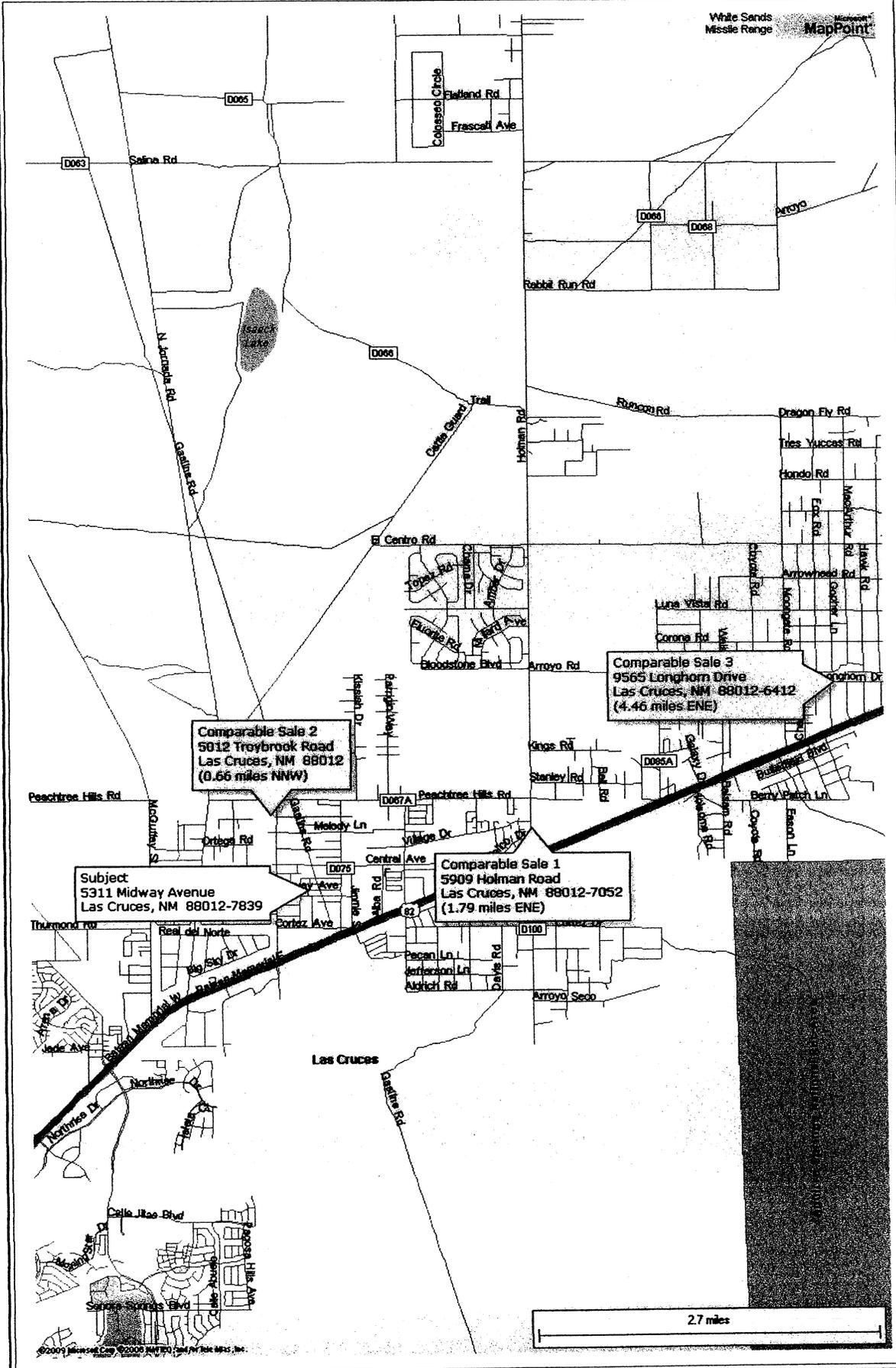
LIVING AREA BREAKDOWN			
Breakdown		Subtotals	
First Floor			
28.0	x	31.2	873.6
7.1	x	17.0	120.7
2 Items		(Rounded)	994

LOCATION MAP

Borrower: Rosa M Lopez
Property Address: 5311 Midway Avenue
City: Las Cruces
Lender: City of Las Cruces

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File No.: 20090402
Case No.: Rehabilitation
State: NM
Zip: 88012



Ray Sartin
City of Las Cruces
575 S Alameda Boulevard, Rms 151& 1
Las Cruces, NM 88005

File Number: 20090403

Dear Sir or Madam,

In accordance with your request, I have appraised the real property at:

5311 Midway Avenue
Las Cruces, NM 88012

The purpose of this appraisal is to develop an opinion of the market value of the subject property, as improved. The property rights appraised are the fee simple interest in the site and improvements.

In my opinion, the market value of the property as of May 1, 2009 is:

\$108,000
One Hundred Eight Thousand Dollars

The attached report contains the description, analysis and supportive data for the conclusions, final opinion of value, descriptive photographs, limiting conditions and appropriate certifications.

Respectfully Submitted,



Jodi Bell

APPRAISAL OF



Part of Lot 37, Mesa Development Subd Plat 1

LOCATED AT:

5311 Midway Avenue
Las Cruces, NM 88012

FOR:

City of Las Cruces
575 S Alameda Boulevard, Rms 151& 1
Las Cruces, NM 88005

BORROWER:

Rosa M Lopez

AS OF:

May 1, 2009

BY:

Jodi Bell

Uniform Residential Appraisal Report

Reconstruction File No. 20090403

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 5311 Midway Avenue, City Las Cruces, State NM, Zip Code 88012. Borrower Rosa M Lopez, Owner of Public Record Rosa M Lopez, County Dona Ana. Legal Description Part of Lot 37, Mesa Development Subd Plat 1. Assessor's Parcel # 02-19202, Tax Year 2008, R.E. Taxes \$ 220.45. Neighborhood Name Peachtree (E Mesa), Map Reference 4011129151362, Census Tract 35013/13.02. Occupant [X] Owner [] Tenant [] 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) Market Value. Lender/Client City of Las Cruces, Address 575 S Alameda Boulevard, Rms 151& 1, Las Cruces, NM 88005. 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? [] Yes [X] No. Report data source(s) used, offering price(s), and date(s). Multiple Listing Service & Home Owner.

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. N/A. Contract Price \$, Date of Contract, Is the property seller the owner of public record? [X] Yes [] No. Data Source(s) County Records. 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. \$ N/A.

Table with columns: Location, Property Values, Increasing, Stable, Declining, PRICE, AGE, One-Unit, 2-4 Unit, Multi-Family, Commercial, Other Vacant. Includes Neighborhood Boundaries See Attached Addendum and Neighborhood Description See Attached Addendum.

Dimensions Pending Survey, Area 0.139 Acres/Avg Per CH, Shape Rectangular, View Residential Neighborhood. Specific Zoning Classification REM, Zoning Description Single Family Residential Estate Mobile. Zoning Compliance [X] Legal [] Legal Nonconforming (Grandfathered Use) [] No Zoning [] Illegal (describe). Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? [X] Yes [] No. If No, describe. See Attached.

Addendum - SCOPE OF WORK COMMENTS. Utilities: Electricity [X], Gas [X], Water [X], Sanitary Sewer [X]. Off-site Improvements: Street Paved Asphalt [X], Alley None. FEMA Special Flood Hazard Area [] Yes [X] No, FEMA Flood Zone X, FEMA Map # 35013C0525 E, FEMA Map Date 09/27/1991. Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? [] Yes [X] No. If Yes, describe.

GENERAL DESCRIPTION, FOUNDATION, EXTERIOR DESCRIPTION, INTERIOR. Units [X] One [] One with Accessory Unit. # of Stories One. Design (Style) Ranch, Year Built Proposed. Heating [X] FWA, Cooling [X] Central Air Conditioning. Appliances: Refrigerator [X], Range/Oven [X], Dishwasher [], Disposal [], Microwave [], Washer/Dryer [X]. Finished area above grade contains: 4 Rooms, 2 Bedrooms, 1.0 Bath(s), 1050** Square Feet of Gross Living Area Above Grade.

Additional features (special energy efficient items, etc.). **It is noted that measurements provided on the sketch submitted with this report are based on the hand drawn sketch and estimates provided by City of Las Cruces Rehabilitation Program. Actual plans have not been drawn up at this time. Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). The subject is proposed construction and therefore there is no physical depreciation or deferred maintenance. According to the plans and specifications, there is no functional obsolescence. There is no external inadequacies noted or considered applicable.

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

There are 0 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$		to \$		
There are 0 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$		to \$		
FEATURE	SUBJECT	COMPARABLE SALE NO. 1	COMPARABLE SALE NO. 2	COMPARABLE SALE NO. 3
5311 Midway Avenue Address Las Cruces		5909 Holman Road Las Cruces, NM 88012	5012 Troybrook Road Las Cruces, NM 88012	9565 Longhorn Drive Las Cruces, NM 88012
Proximity to Subject		1.79 miles ENE	0.66 miles NNW	4.46 miles ENE
Sale Price	\$	\$ 110,000	\$ 115,000	\$ 119,000
Sale Price/Gross Liv. Area	\$ 0.00 sq. ft.	\$ 91.67 sq. ft.	\$ 107.18 sq. ft.	\$ 91.54 sq. ft.
Data Source(s)	Inspect 05/01/2009	MLS #804477 Inspect 521-1000	MLS #804732 Inspect 521-7977	MLS #802754 Inspect 521-7977
Verification Source(s)	County Records	DOM - 52	DOM - 135	DOM - 118
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	DESCRIPTION	DESCRIPTION
Sale or Financing	FHA	FHA	FHA	Conventional
Concessions	None	None	None	None
Date of Sale/Time	10/30/2008	02/03/2009	03/12/2009	03/12/2009
Location	Mesa Development/Avg	Mesa Village/EQ	Rincon Mesa/EQ	Catteland Estates/EQ
Leasehold/Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Site	0.139 Acres/Avg	0.340 Acres/Avg	0.130 Acres/Avg	0.830 Acres/Avg
View	Average	Average	Average	Average
Design (Style)	Ranch	Ranch	Ranch	Southwest
Quality of Construction	Stu,Fr/Avg	Brk,Fr/Avg	Stu,Fr/Avg	Stu,Fr/Avg
Actual Age	Proposed	1983, A-26, E-13	2008, New	1982, A-27, E-5
Condition	New	Average	New	Good
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths	Total Bdrms. Baths	Total Bdrms. Baths
Room Count	4 2 1.0	4 2 1.0	4 2 2.0	5 3 2.0
Gross Living Area	30 1,050 sq. ft.	1,200 sq. ft.	1,073 sq. ft.	1,300 sq. ft.
Basement & Finished	None	None	None	None
Rooms Below Grade	N/A	N/A	N/A	N/A
Functional Utility	Average	Equal	Equal	Equal
Heating/Cooling	GFA/Evap	GFA/Evap	GFA/Refrig	GFA/Evap
Energy Efficient Items	Standard Package	Standard Package	Standard Package	Standard Package
Garage/Carport	1 Car Carport	1 Garage	2 Car Garage	None
Porch/Patio/Deck	Porch	Cvd Porch	Cvd Porch	Cvd Porch
Fireplace(s), etc.	None	None	None	None
Fence, Pool, etc.	Fence,Lndscp	Fence,Lndscp	Fen, LS-FrontOnly	Fence,Lndscp
Kitchen Equipment	KitchenEquipment	KitchenEquipment	KitchenEquipment	KitchenEquipment
Net Adjustment (Total)		\$ 500	\$ 13,000	\$ 13,300
Adjusted Sale Price of Comparables		Net Adj. -0.5% Gross Adj. 18.6% \$ 109,500	Net Adj. -11.3% Gross Adj. 13.0% \$ 102,000	Net Adj. -11.2% Gross Adj. 19.9% \$ 105,700

SALES COMPARISON APPROACH

I did did not research the sale or transfer history of the subject property and comparable sales. If not, explain

My research did 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) County Records & Multiple Listing Service

My research did 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) County Records & Multiple Listing Service

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 NO. 1	COMPARABLE SALE NO. 2	COMPARABLE SALE NO. 3
Date of Prior Sale/Transfer	Unknown	11/2005	06/2006	07/2008
Price of Prior Sale/Transfer	Unknown	Unknown	Unknown; Site Only	\$75,180
Data Source(s)	Cty Receipt #0900906	Cty Receipt #0540345	Cty Receipt #0816327	MLS #801731
Effective Date of Data Source(s)	01/23/2009	11/07/2008	02/10/2009	07/14/2008

Analysis of prior sale or transfer history of the subject property and comparable sales According to Dona Ana County Clerk's Office a deed was filed with County Reception #0900906, however no information is provided regarding the deed. Prior to this deed, a Certificate of Death, (County Reception #0816122), for Ernest Lopez was filed. Records show that Ernest Lopez and Rosa Manuela Lozoya purchased the subject property in May of 1997, (County Reception #9710049).

Summary of Sales Comparison Approach. The comparables chosen are believed to be the best representative sales available, being the most similar in appeal, age and quality of location. Building adjustments are made at \$30.00 per square foot. Land adjustments are based on market value differences only. Effective age adjustments are calculated using the comparables' sales price minus its site value. The adjusted value in the Sales Comparison Approach demonstrate a range of \$7,500 or 7.4% of the lowest valued comparable. Comparable 1 is believed to be the most representative comparable and is given the most weight in determining the estimate of value based on the Sales Comparison Approach.

Indicated Value by Sales Comparison Approach \$ 106,000
 Indicated Value by: Sales Comparison Approach \$ 106,000 Cost Approach (if developed) \$ 110,800 Income Approach (if developed) \$ N/A

The Final Estimate of Value is derived by giving the most weight to the Sales Comparison Approach. The Cost Approach is also considered in the Final Estimate of Value. The subject property is not income producing; therefore, the Income Approach is not utilized.

RECONCILIATION

This appraisal is made "as is," subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: See Attached Addendum

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 \$ 108,000 as of May 1 2009, which is the date of inspection and the effective date of this appraisal.

Uniform Residential Appraisal Report

All adjustments in the Sales Comparison Approach are rounded to the nearest one hundred dollars.

DISTANCE: It is noted that Comparable Sales 1 and 3 located more than one mile from the subject, but they are considered the best available within the subject's marketing area. Due to the lack of recently settled comparable sales within the subject's neighborhood, comparable sales from the nearest competing neighborhoods have been selected. The comparables are similar in that they have good access to all community and municipal services and major sources of employment.

DATE OF SALE: Comparable 1 exceeds the six month date of sale guideline. Although there has been an increase in inventories and marketing times, this appraiser, through extensive research, has not found data to support that there has been a decline in property values. Therefore, the Comparables are representative of the subject and are appropriate.

SITE AREA: The sites for all of the Comparables are primary residential sites. Any difference between the subject and comparable's site area is treated as excess or lack thereof and an adjustment for "contributory value only" is warranted.

AGE AND CONDITION ADJUSTMENTS: A factor of one percent per year was used to adjust the comparables for age difference of the long-lived items of the improvements.

TOTAL ROOM AND BEDROOM COUNT COMMENTS: The room count, number of bedrooms and gross living area are dependent variables, the necessary adjustments for rooms and bedrooms are reflected in the gross living area. There is no functional obsolescence associated with the subject property. The subject's room count and bedroom count does not affect value or marketability.

GROSS LIVING AREA: No adjustments are made for differences in gross living area that are less than fifty square feet of the subject.

GROSS LIVING AREA AND FNMA GUIDELINES: The gross living area of Comparables 1 and 3 are 14.3% and 23.8% greater than the gross living area of the subject improvement, respectively. All line adjustments, net and gross adjustments meet FNMA guidelines. Due to the lack of comparable sales within the subject's neighborhood, it is necessary to use these comparables. Therefore, the Comparables are appropriate and representative of the subject.

GROSS LIVING AREA ADJUSTMENTS: These adjustments are based on data derived from previous paired set analysis of similar homes in the subject's neighborhood.

It is noted that the net adjustments to all the comparables are negative. It is this appraiser's opinion that the comparables utilized are the most representative of the subject property, based on location, gross living area, age, condition, quality and utility.

COST APPROACH TO VALUE (not required by FNMA)

Provide adequate information for the lender/client to replicate the below cost figures and calculations.
Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) **See Attached Addendum**

ESTIMATED	REPRODUCTION OR	<input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE.....	= \$	30,000
Source of cost data	Marshall and Swift Residential Cost Handbook		Dwelling 1,050	Sq. Ft. @ \$ 74.11.....	= \$ 77,816
Quality rating from cost service	Avg	Effective date of cost data 03/2009	Bsmnt. 0	Sq. Ft. @ \$	= \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)	See Attached Addendum		Porch		400
			Garage/Carport 260	Sq. Ft. @ \$ 10.28.....	= \$ 2,670
			Total Estimate of Cost-New		= \$ 80,786
			Less 0 Physical	Functional	External
			Depreciation \$0		= \$(0)
			Depreciated Cost of Improvements.....	= \$	80,786
			"As-is" Value of Site Improvements.....	= \$	
Estimated Remaining Economic Life (HUD and VA only)	65 Years		INDICATED VALUE BY COST APPROACH.....	= \$	110,800

INCOME APPROACH TO VALUE (not required by FNMA)

Estimated Monthly Market Rent \$ **N/A** X Gross Rent Multiplier **N/A** = \$ **N/A** Indicated Value by Income Approach
Summary of Income Approach (including support for market rent and GRM) **N/A**

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? Yes No Unit type(s) Detached Attached
Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.
Legal name of project **N/A**
Total number of phases **N/A** Total number of units **N/A** Total number of units sold **N/A**
Total number of units rented **N/A** Total number of units for sale **N/A** Data source(s) **N/A**
Was the project created by the conversion of an existing building(s) into a PUD? Yes No If Yes, date of conversion. **N/A**
Does the project contain any multi-dwelling units? Yes No Data source(s) **N/A**
Are the units, common elements, and recreation facilities complete? Yes No If No, describe the status of completion. **N/A**
Are the common elements leased to or by the Homeowners' Association? Yes No If Yes, describe the rental terms and options. **N/A**
Describe common elements and recreational facilities. **N/A**

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Uniform Residential Appraisal Report

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 this 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.

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Uniform Residential Appraisal Report

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.

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Uniform Residential Appraisal Report

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 Jodi L Bell
 Name Jodi Bell
 Company Name Tillman Appraisals, LLC
 Company Address PO Box 103
Las Cruces, NM 88004
 Telephone Number (575) 382-2066
 Email Address jodibell@zianet.com
 Date of Signature and Report May 9 2009
 Effective Date of Appraisal May 1 2009
 State Certification # 02634R
 or State License # _____
 or Other (describe) _____ State # _____
 State NM
 Expiration Date of Certification or License 04/30/2010

ADDRESS OF PROPERTY APPRAISED

5311 Midway Avenue
Las Cruces, NM 88012

APPRAISED VALUE OF SUBJECT PROPERTY \$ 108,000

LENDER/CLIENT

Name Ray Sartin
 Company Name City of Las Cruces
 Company Address 575 S Alameda Boulevard, Rms 151& 1
Las Cruces, NM 88005
 Email Address _____

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
 Name _____
 Company Name _____
 Company Address _____
 Telephone Number _____
 Email Address _____
 Date of Signature _____
 State Certification # _____
 or State License # _____
 State _____
 Expiration Date of Certification or License _____

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 _____

COMPARABLE SALES

Did not inspect exterior of comparable sales from street
 Did inspect exterior of comparable sales from street
 Date of Inspection _____

ADDENDUM

Borrower: Rosa M Lopez	448	File No.: 20090403
Property Address: 5311 Midway Avenue		Case No.: Reconstruction
City: Las Cruces	State: NM	Zip: 88012
Lender: City of Las Cruces		

MARKET VALUE DEFINITION: The definition of market value used for this appraisal assignment is provided by FNMA on Page 4 of the Uniform Residential Appraisal Report.

INTENDED USER: The intended User of this appraisal report is the Lender/Client. The Intended Use is to evaluate the property that is the subject of this appraisal for a mortgage finance transaction, subject to the stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form and the Definition of Market Value. No additional Intended Users are identified by the appraiser.

SCOPE OF WORK COMMENTS

HIGHEST AND BEST USE

The zoning for the subject property is REM; Single Family Residential Estate Mobile. The single-family residential estate mobile district is intended as a low density residential district of single family site-built/manufactured housing or mobile homes on large lots specifically designed for farming and/or the raising and keeping of animals in a rural atmosphere. Limited commercial activity is permitted. The maximum density of this district is two (2) dwelling units per acre. The subject property was constructed prior to the inception of zoning restrictions. This subdivision was grandfathered in as legal, nonconforming. In the event the subject improvement were to be destroyed, the homeowner would not be restricted by this zoning classification to rebuild a residential improvement on this site. The subject's neighborhood is comprised of single-family site built homes and manufactured homes. Given the above definition, it is this appraiser's opinion that the highest and best use of the subject property, as improved, is residential.

CONDITIONS OF THE APPRAISAL

The Summary Appraisal Report was performed under the hypothetical condition that the following conditions have been met as of the effective date of the appraisal. In actuality, none of the hypothetical conditions have occurred and the appraisal is subject to the following hypothetical conditions being met.

THIS SUMMARY APPRAISAL REPORT IS SUBJECT TO THE EXISTING STRUCTURE ON THE SUBJECT SITE BEING DEMOLISHED AND A NEW HOME CONSTRUCTED. THE PLANS GIVEN TO THE APPRAISER WERE HAND DRAWN BY THE CITY OF LAS CRUCES COMMUNITY DEVELOPMENT REHABILITATION PROGRAM.

ADDITIONAL COMMENTS

NEIGHBORHOOD BOUNDARIES

North - Peachtree Hills Drive; East - Porter Drive; South - US Highway 70; West - Mesa Grande Drive; Nearest Major Intersection - Mesa Grande Drive and Central Avenue, 0.27 miles Northwest.

NEIGHBORHOOD DESCRIPTION

The subject is located in the northeast portion of the city limits of Las Cruces in an established neighborhood of predominantly single family homes. This is a homogeneous neighborhood. It shares similar features such as building type and style, population characteristics, economic profile of occupants and zoning regulations that affect land value. The City of Las Cruces population was estimated, in 2005, to be 82,700. Las Cruces is the county seat of Dona Ana County and the economic hub of southern New Mexico. The 2000 census shows there are almost 175,000 people living in Dona Ana County. The population in Dona Ana County grew 28.9% during the ten years between 1990 and 2000. Las Cruces is located in the Rio Grande River Valley about 45 miles north of El Paso, TX and Juarez, Mexico. It is located 225 miles south of Albuquerque, NM. The main employment activities include agriculture, manufacturing and government related activities. The area's largest employers are the Federal and State Government, including New Mexico State University, NASA and White Sands Missile Range. These activities provide about 60% of the area employment. The remaining 40% includes service employment activities. The prospects for continued economic growth in the area are good due to the stability of government, the established agricultural sector and the expanding retail/commercial trade areas.

NEIGHBORHOOD MARKET CONDITIONS

Increasing inventories are taking longer to sell, however the appraiser was unable to extract, from market data, a measurable increase or decrease in sales prices. The Multiple Listing Service indicates an overall "list to sell" ratio of 92% and overall average marketing times, excluding presales, of 155 days within the subject's neighborhood. Sellers are not typically required to offer sales or financing concessions. Financing is readily available from a variety of sources.

SUPPORT FOR THE OPINION OF SITE VALUE

MLS #805285; Lot 2A Central Road, Las Cruces, Dona Ana, NM 88012; \$37,000; 0.220 Acres; 01/09 CoE
 MLS #804045; 7332 Vista De Sobre Lane, Las Cruces, Dona Ana, NM 88012; \$32,900; 0.144 Acres; 02/09 CoE
 MLS #803693; 3929 Sombra Azul Street, Las Cruces, Dona Ana, NM 88012; \$27,230; 0.132 Acres; 12/08 CoE

It is noted that the last two comparable lot sales provided are not located in the subject's neighborhood. Due to the lack of comparable lot sales within the subject's neighborhood, lot sales from competing neighborhoods were utilized to determine the value of the lot.

COST APPROACH COMMENTS

The Cost Approach is derived from the Marshall and Swift Residential Cost Handbook. The Economic Life of the subject property is determined by using the Depreciation Section of the Marshall and Swift Residential Cost Handbook. The Economic Life of the subject property is determined to be 55 Years.

ADDENDUM

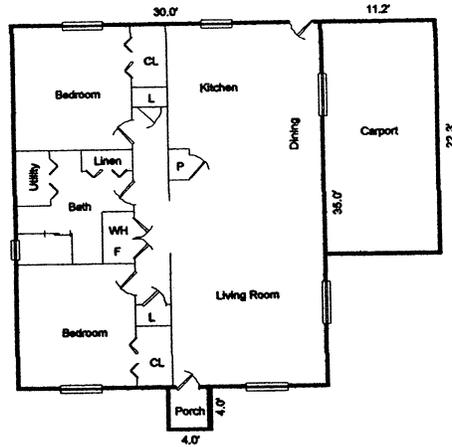
Borrower: Rosa M Lopez	449	File No.: 20090403
Property Address: 5311 Midway Avenue		Case No.: Reconstruction
City: Las Cruces		State: NM Zip: 88012
Lender: City of Las Cruces		

ESTIMATED REMAINING ECONOMIC LIFE IS 55 YEARS

The Replacement Cost New figures used in the Cost Approach are for valuation purposes only, given the intended use of the assignment. The Definition of Market Value used in this assignment is not consistent with the Definition of Insurable Value for property insurance coverage/use.

FLOORPLAN

Borrower: Rosa M Lopez	450	File No.: 20090403
Property Address: 5311 Midway Avenue		Case No.: Reconstruction
City: Las Cruces	State: NM	Zip: 88012
Lender: City of Las Cruces		



The carport will be attached to the home, however, the actual location is not known at this time. Placement of the carport in this sketch is for visual aid of the dimensions for the carport.

Sketch by Apex IV™

Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	1050.0	1050.0
P/P	Porch	16.0	16.0
GAR	Carport	249.8	249.8
Net LIVABLE Area		(Rounded)	1050

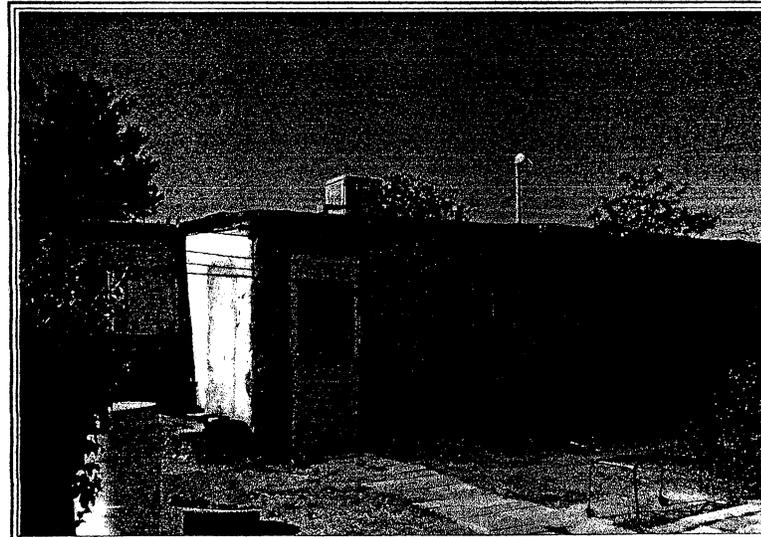
LIVING AREA BREAKDOWN		
Breakdown	Subtotals	
First Floor	30.0 x 35.0	1050.0
1 Item		(Rounded) 1050

Borrower: Rosa M Lopez	File No.: 20090403
Property Address: 5311 Midway Avenue	Case No.: Reconstruction
City: Las Cruces 451	State: NM Zip: 88012
Lender: City of Las Cruces	



**FRONT VIEW OF
SUBJECT PROPERTY**

Appraised Date: May 1, 2009
Appraised Value: \$ 108,000



**REAR VIEW OF
SUBJECT PROPERTY**



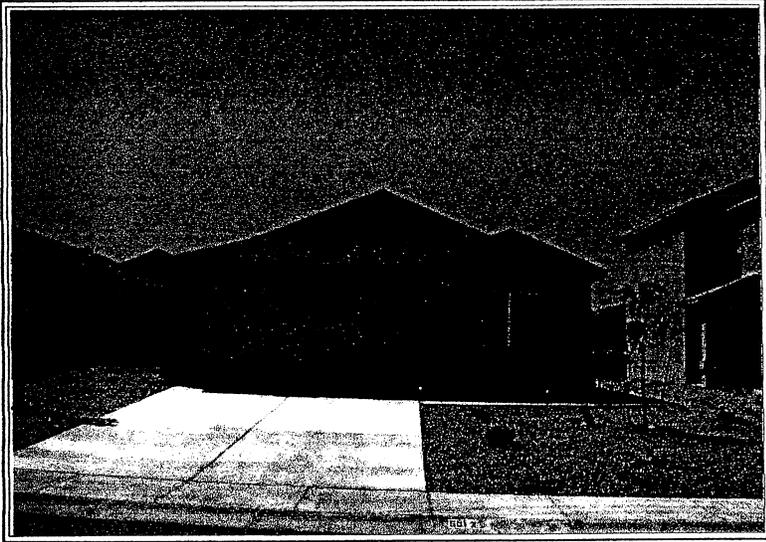
STREET SCENE

Borrower: Rosa M Lopez	File No.: 20090403
Property Address: 5311 Midway Avenue	Case No.: Reconstruction
City: Las Cruces 452	State: NM Zip: 88012
Lender: City of Las Cruces	



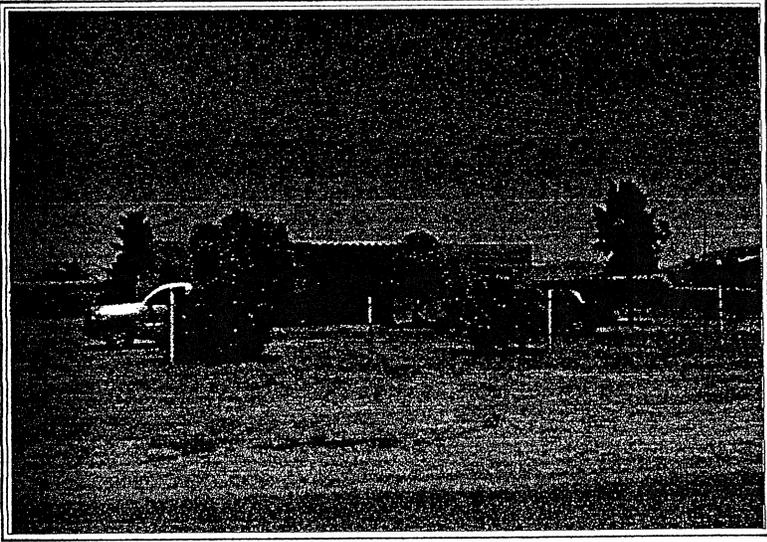
COMPARABLE SALE #1

5909 Holman Road
Las Cruces, NM 88012
Sale Date: 10/30/2008
Sale Price: \$ 110,000



COMPARABLE SALE #2

5012 Troybrook Road
Las Cruces, NM 88012
Sale Date: 02/03/2009
Sale Price: \$ 115,000

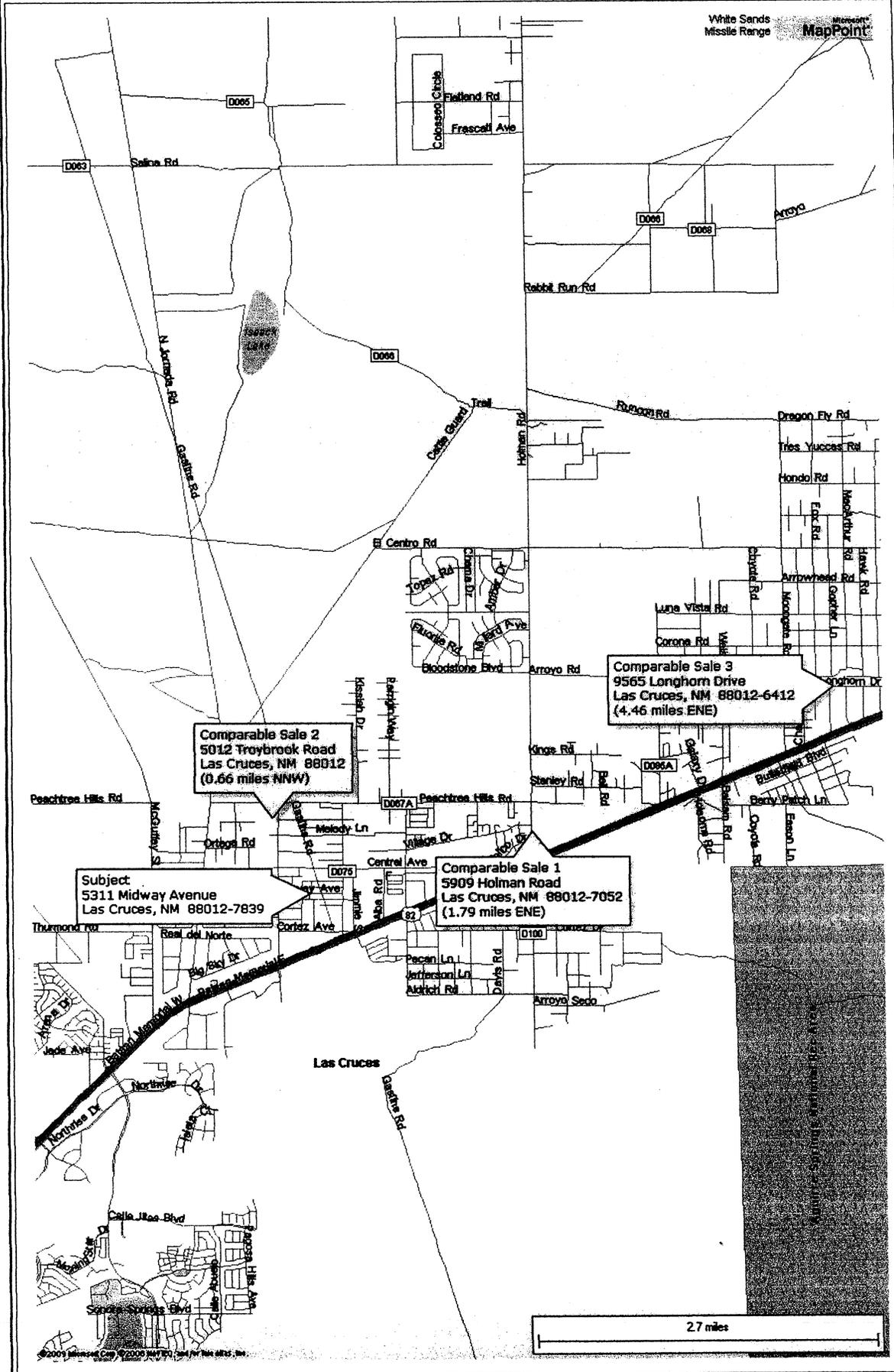


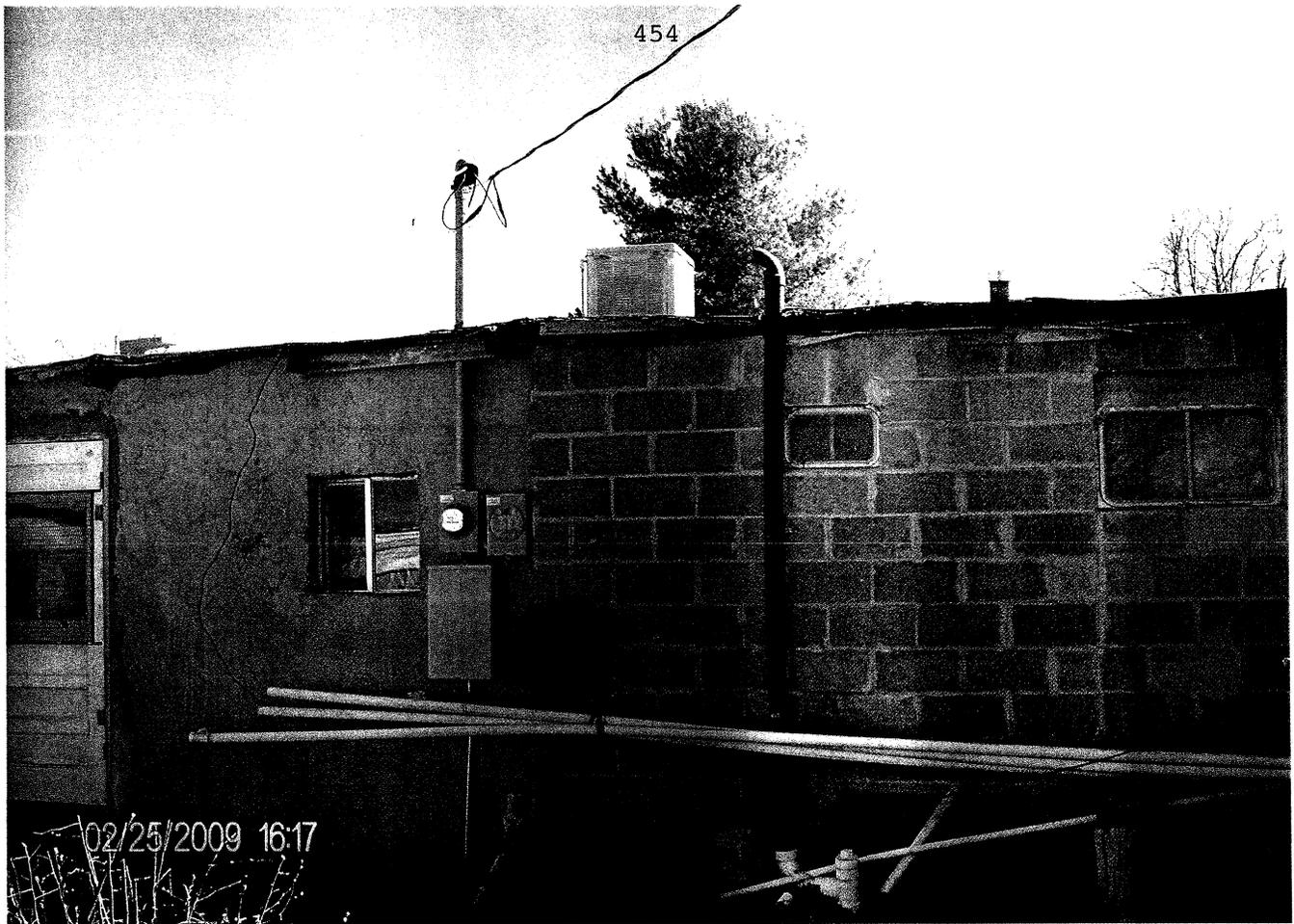
COMPARABLE SALE #3

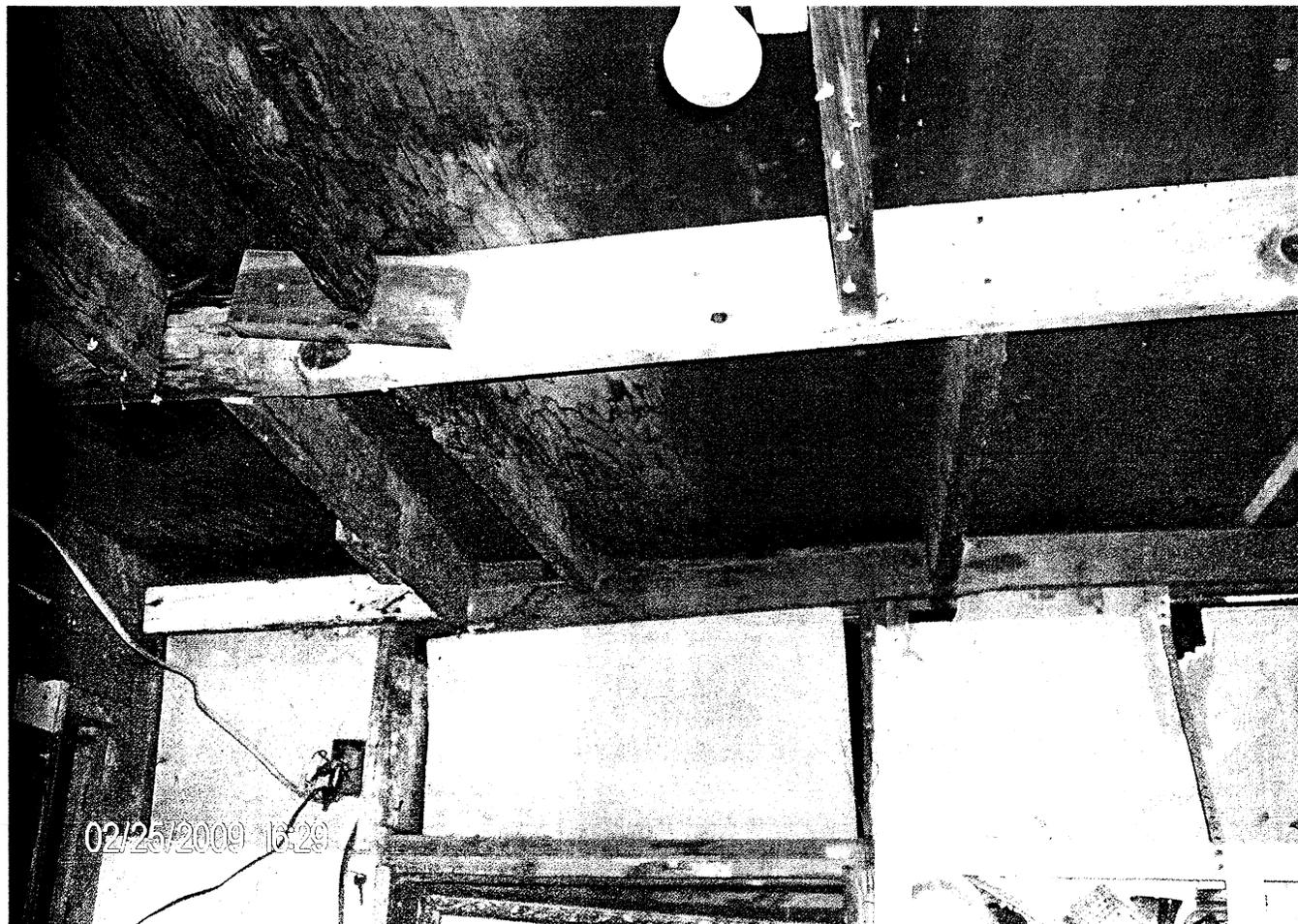
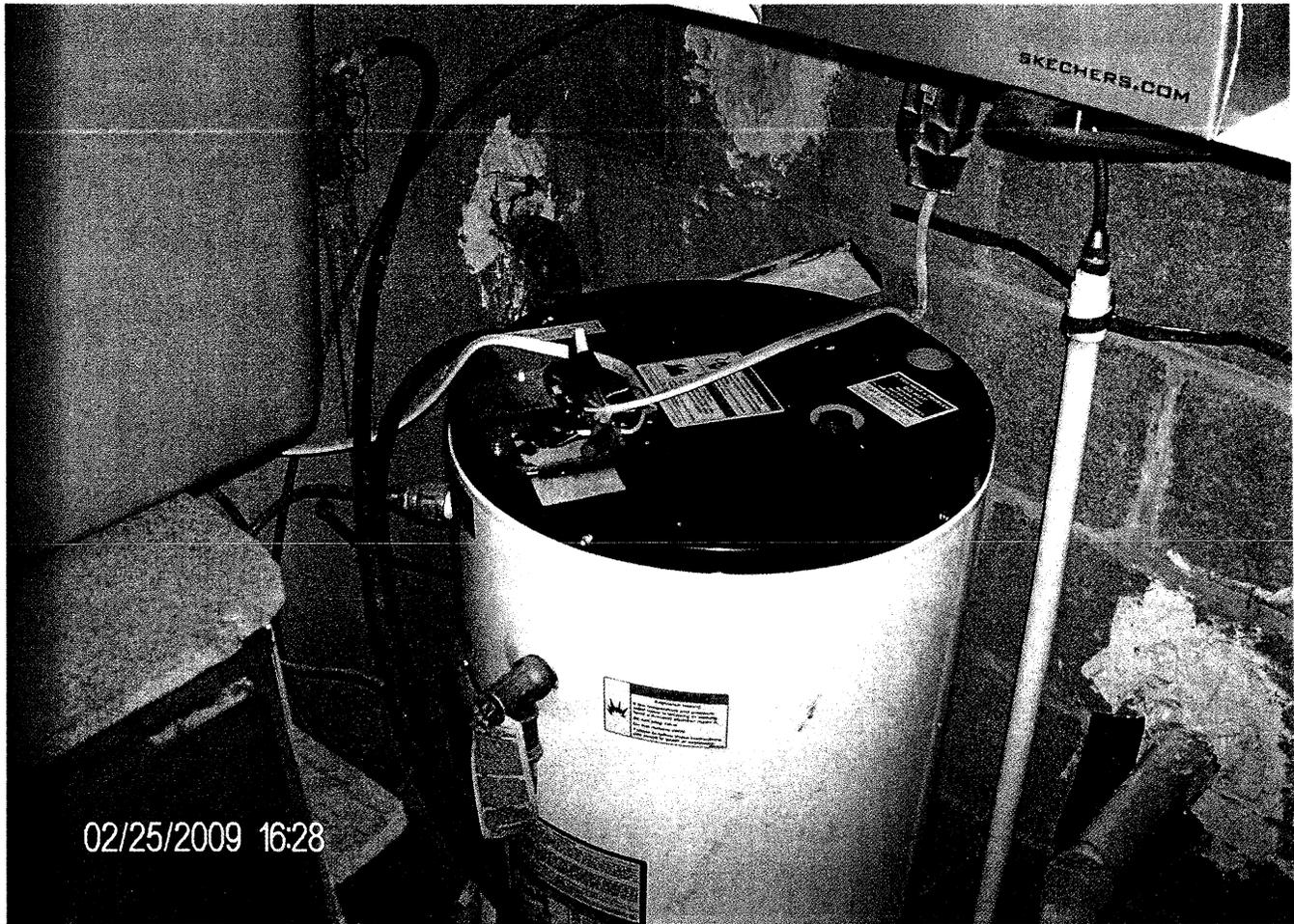
9565 Longhorn Drive
Las Cruces, NM 88012
Sale Date: 03/12/2009
Sale Price: \$ 119,000

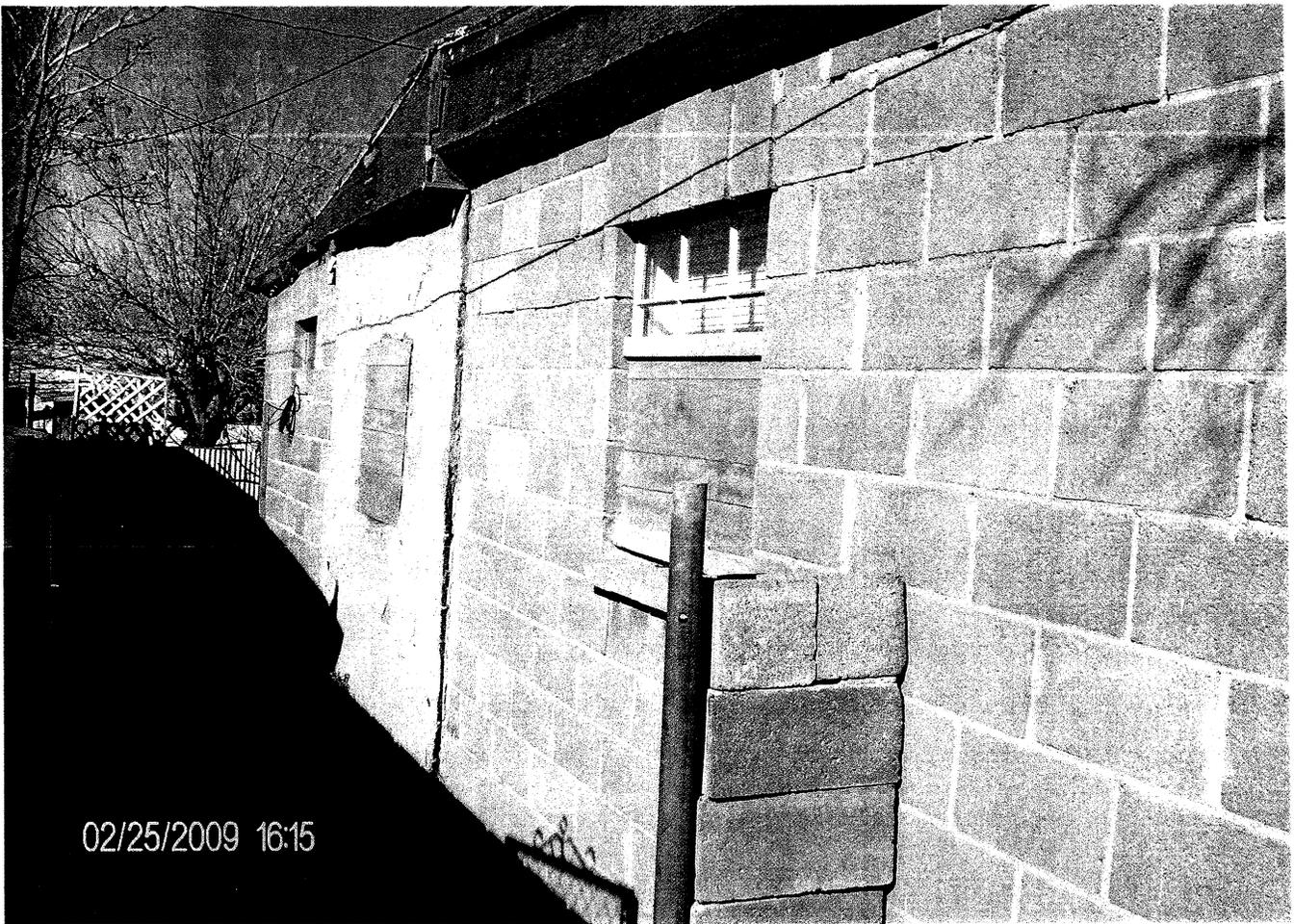
LOCATION MAP

Borrower: Rosa M Lopez	453	File No.: 20090403
Property Address: 5311 Midway Avenue		Case No.: Reconstruction
City: Las Cruces	State: NM	Zip: 88012
Lender: City of Las Cruces		

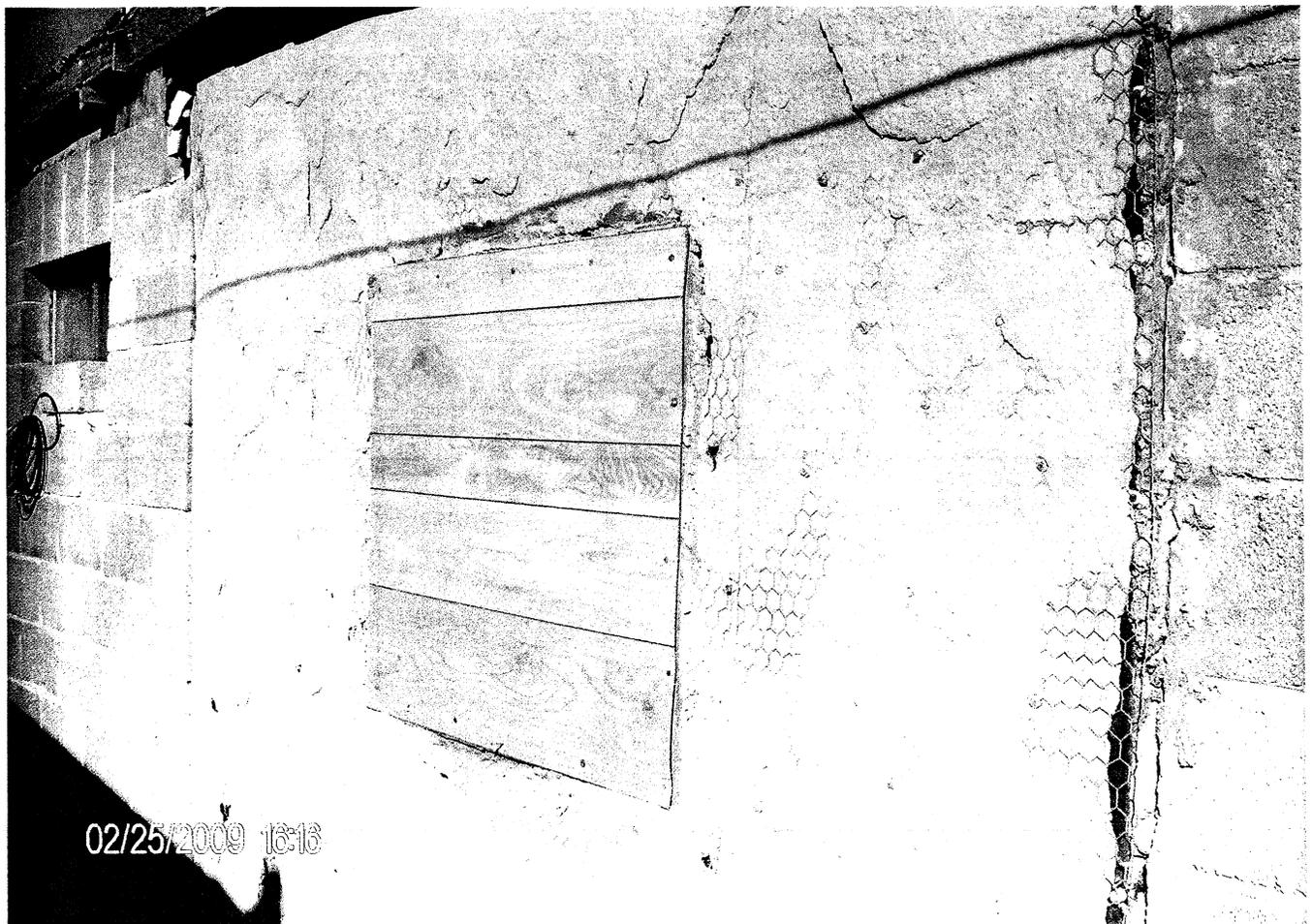




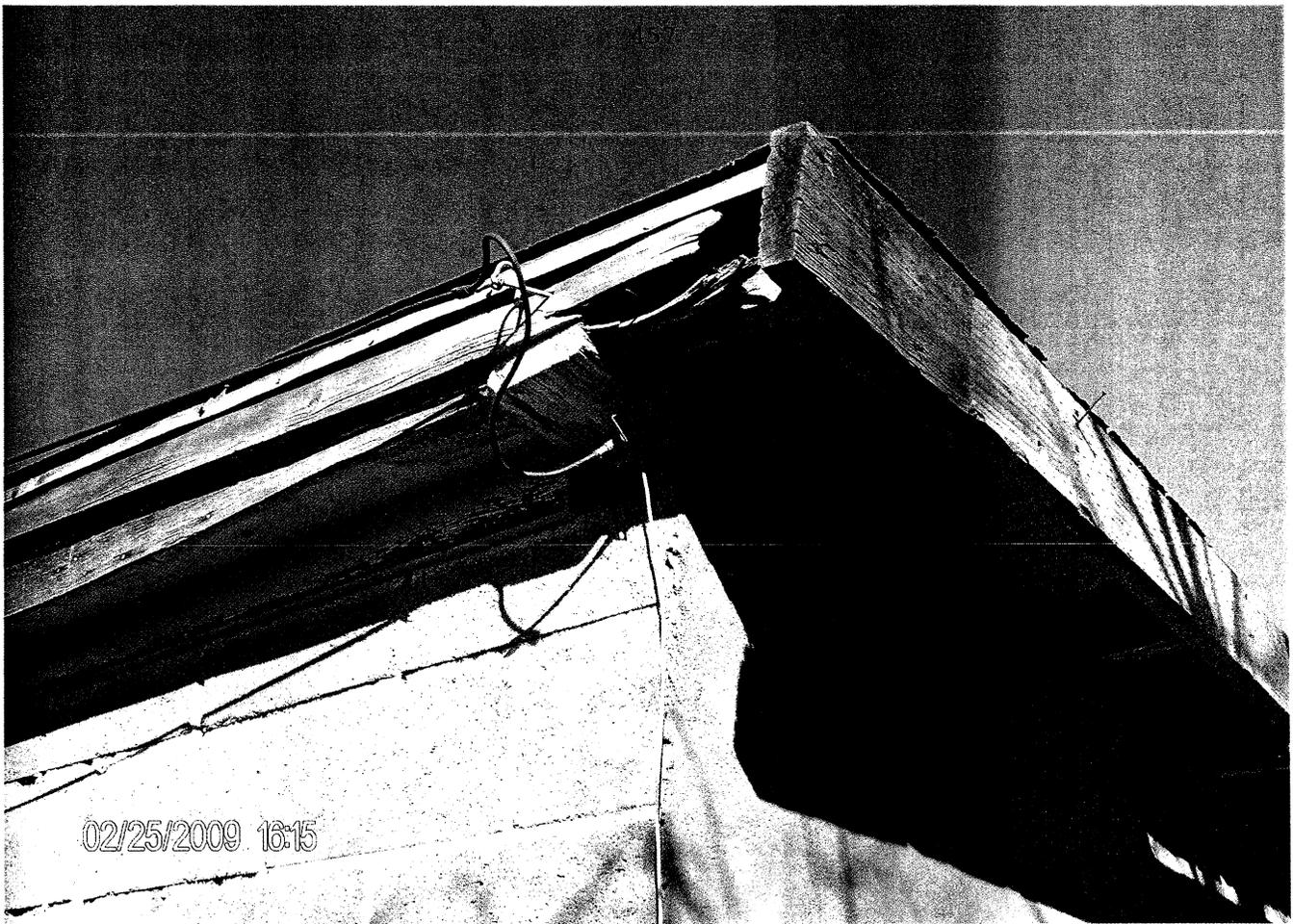


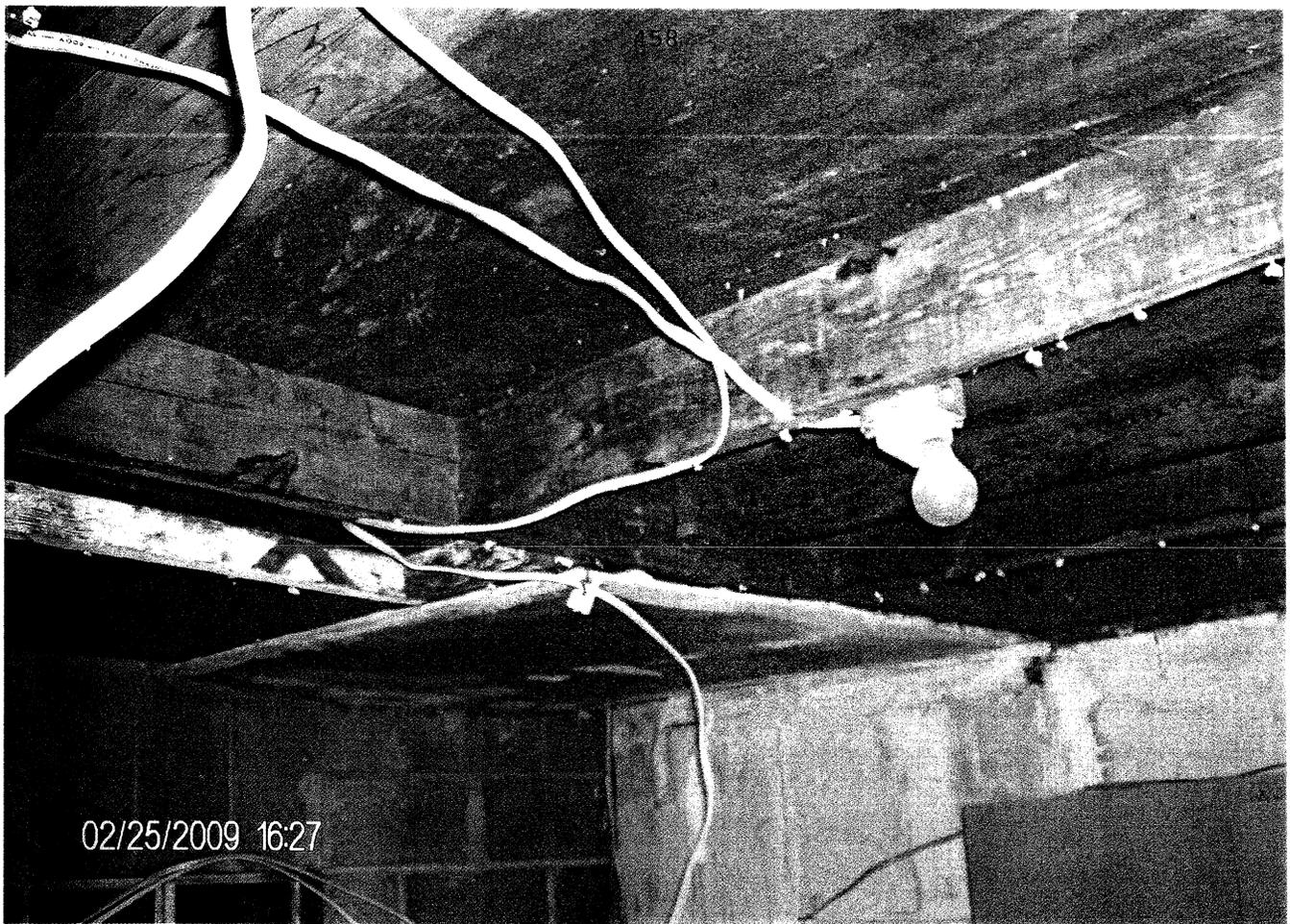


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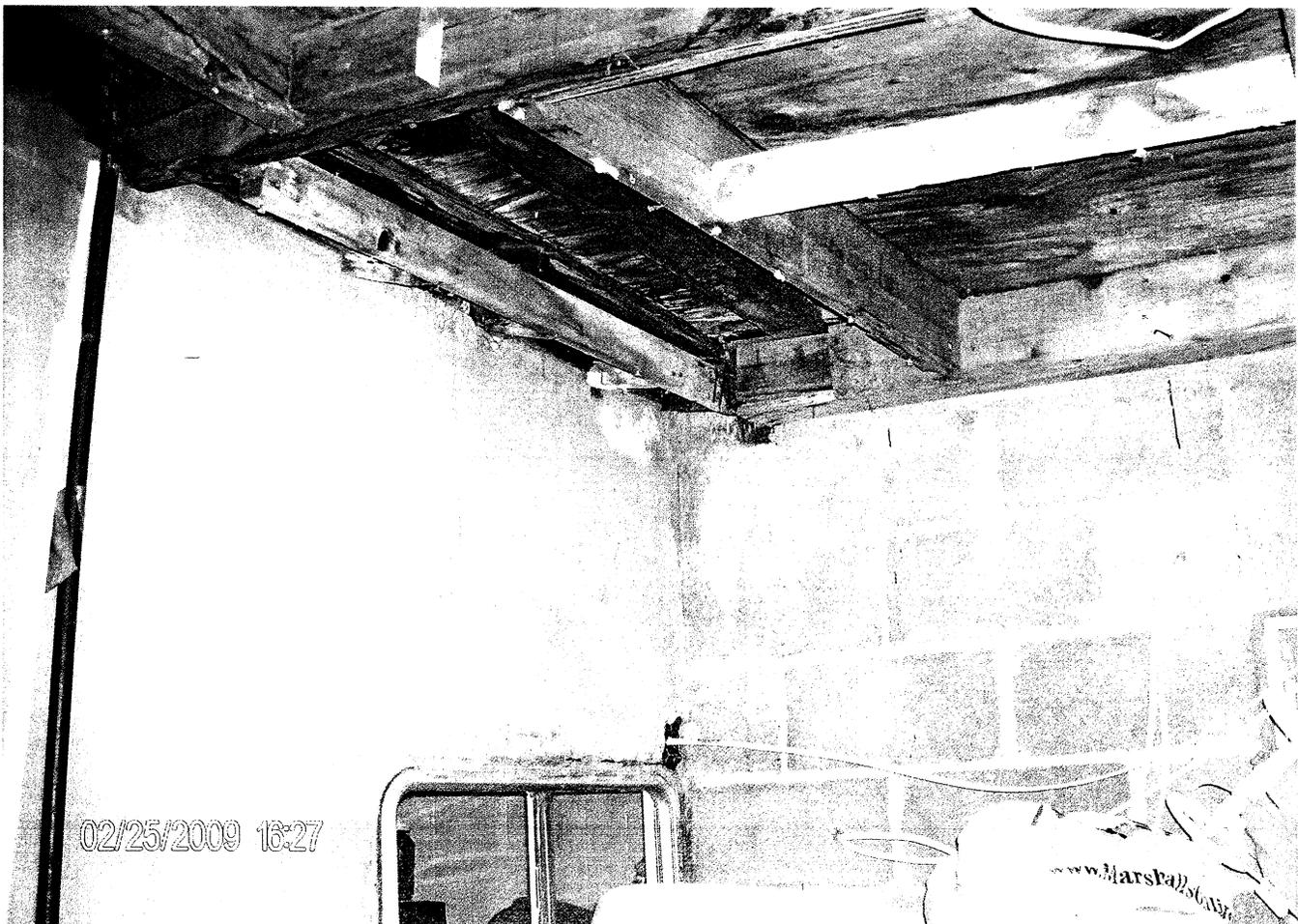


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