

Appraisal Report

Doral Bank Loan: 50047539

Borrower: Gregorio Rivera and Hipolita Gonzalez

7.82 Cuerdas Vacant Residential Land

Located at PR-686 KM 10.5 Corner of Playa Linda Street,

Yeguada Ward

Vega Baja, Puerto Rico



Prepared for:

Mr. Edwin Irizarry

Appraisal Processor

Doral Bank

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Prepared by:

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Real Estate Appraiser

EPA-850 / PRGC-199 Exp. 08/02/2016

Luciano.tasador@gmail.com

Effective Date: 07/26/2014

Report Date: 09/18/2014

September 18, 2014

Mr. Edwin Irizarry
Appraisal Processor
Doral Bank
PO Box 70308
San Juan, PR 00936-8308
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Re: Doral Bank Loan: 50047539
Borrower: Gregorio Rivera and Hipolita Gonzalez
7.82 Cuerdas Vacant Residential Land
Located at PR-686 KM 10.5 Corner of Playa Linda Street,
Yeguada Ward
Vega Baja, Puerto Rico

Dear Mr. Irizarry:

At your request, I prepared an appraisal of the fee simple rights in the referenced 7.82 Cuerdas vacant residential land located at PR-686 KM 10.5 Corner of Playa Linda Street, Yeguada Ward, Vega Baja, Puerto Rico. The purpose of the appraisal is to estimate the “as is” market value of the subject property as of the appraisal effective date, *July 26, 2014*. *The intended use of the appraisal is for a loan transaction, servicing action, or similar lending-related transaction. The intended user is Doral Bank and/or its affiliated companies.*

As requested, I performed a complete inspection of the property. The information and description of the property was taken from excerpts of a prior appraisal report prepared by Appraiser Efrain Tirado on June 17, 2013 who also referenced a previous appraisal report prepared by Appraiser Martin Gonzalez Martinez on February 20, 2005 with an effective date of August 2002. Both appraisals reported the property to be located at PR-686 Km 9.4. Nonetheless, as per kilometer sign located in the adjacent property, the subject is located at kilometer 10.5. *Thus, the appraisal was performed based on the extraordinary assumptions that the provided information is correct and the location was rectified. If these assumptions are found to be false the concluded opinions might be invalid.*

The appraised property comprises 7.82 Cuerdas vacant residential land with a rectangular configuration and level topography. It is within a low density residential zoning district, UR; Developable Land (former R-0) and outside the flood prone area (X-zone). Located within the Vega Baja coastal line is at walking distance from the beach. It has frontage to PR-686 and Playa Linda Street. As per my observation, it seems suitable for a low density residential development having all utilities available on site with minimum site works required for its development.

After the inspection of the subject property, a thorough investigation and analysis of the factors affecting value, completing the appraisal process and report, the “as is” market value opinion for the fee simple rights as of July 26, 2014 follow:

“As is” Market Value, Fee Simple Rights
\$390,000
(THREE HUNDRED NINETY THOUSAND DOLLARS)

This report was prepared and is intended for the sole use of the client. However, the client may provide only complete, final copies of the report to third parties who shall review such in connection with decision-making process efforts. The appraiser is not required to explain or testify as to appraisal results other than to respond to the client for routine and customary questions.

This appraisal report has been prepared in compliance with the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation, the Code of Ethics of the Appraisal Institute, the Interagency Appraisal and Evaluation Guidelines (2010) and Doral Bank Minimum Requirements, and conforms to appraisal regulations set forth under Title XI of The Financial Institutions Reform Recovery and Enforcement Act of 1989 (FIRREA).

It has been a pleasure to assist you in this assignment. If you have any questions in regards the analysis or the report, don’t hesitate to contact me at your convenience.

Respectfully submitted,

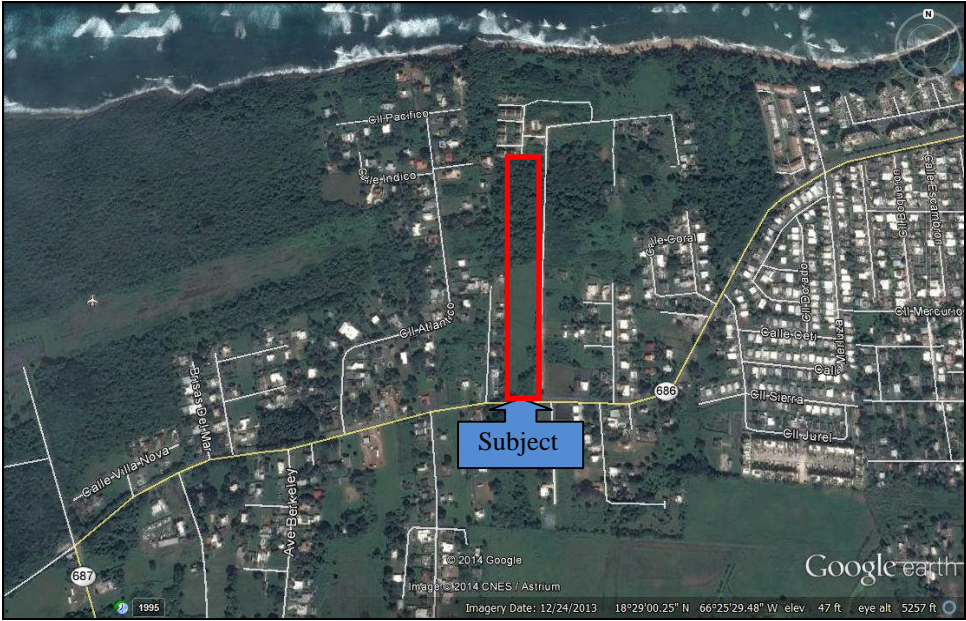


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Subject Property Front View



Aerial View



Subject Location Map

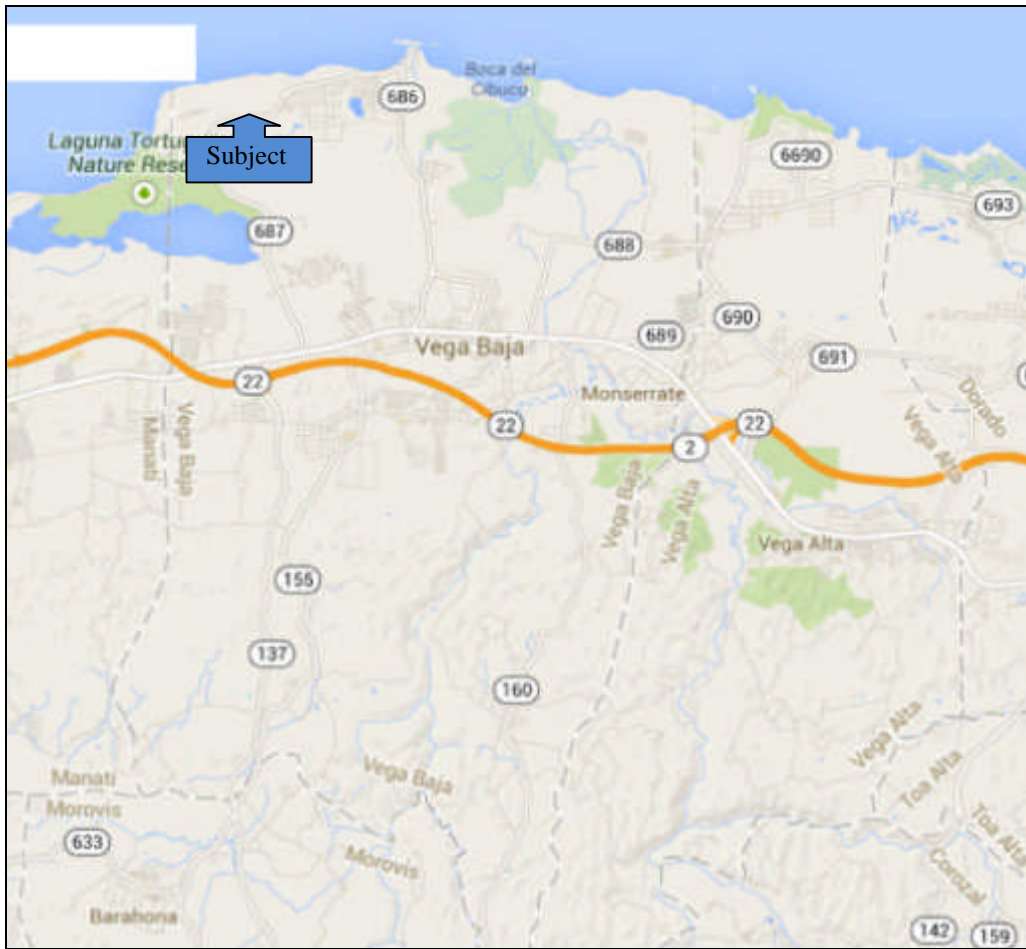


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Extraordinary Assumptions and Hypothetical Conditions

Extraordinary Assumption

An extraordinary assumption is defined by Uniform Standards of Professional Appraisal Practice (USPAP) 2014-2015 as “an assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis.”

The information and description of the property was taken from excerpts of a prior appraisal report prepared by Appraiser Efrain Tirado on June 17, 2013 who also referenced a previous appraisal report prepared by Appraiser Martin Gonzalez Martinez on February 20, 2005 with an effective date of August 2002. Both appraisals reported the property to be located at PR-686 Km 9.4. Nonetheless, as per kilometer sign located in the adjacent property, the subject is located at kilometer 10.5. Thus, the appraisal was performed based on the extraordinary assumptions that the provided information is correct and the location was rectified. If these assumptions are found to be false the concluded opinions might be invalid.

Hypothetical Conditions

A hypothetical condition is defined by USPAP 2014-2015 as “a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis”.

No hypothetical conditions were used in the preparation of this report.

Summary of Important Facts

Property Type:	7.82 Cuerdas Vacant Residential Land.
Location:	PR-686 KM 10.5 Corner of Playa Linda Street, Yeguada Ward, Vega Baja, PR
Report Format:	Appraisal Report
Borrower:	Gregorio Rivera and Hipolita Gonzalez
Owner:	Gregorio Rivera and Hipolita Gonzalez
Rights Appraised:	Fee Simple
Purpose of the Appraisal:	Estimate the “as is” market value of the property.
Intended Use:	To assist in a loan transaction, servicing action, or similar lending-related transaction.
Intended User(s):	Doral Bank and/or its affiliated companies.
Site Description:	The subject has a land area of 7.82 Cuerdas (30,735.70 SM; about 7.60 Acres), rectangular shape and level topography considered typical for the area.
Improvements:	None observed at site.
Zoning:	Low density residential, UR; Developable Land (former R-0).
Flood:	Zone X (out of the flood prone area) as per FEMA map 72000C0285J; Effective 11/18/2009.
Highest and Best Use	
As Vacant:	Residential development.
As Improved:	Not applicable.
Value Indications	
Cost Approach:	Not applicable.
Sales Comparison Approach:	\$390,000
Income Capitalization Approach:	Not applicable.

Reconciled "As Is" Market Value:	\$390,000
Exposure Time:	36 months.
Marketing Time:	36 months.
Effective Date:	07/26/2014
Report Date:	09/18/2014
Real Estate Appraiser:	Oscar Luciano, SRA PR Real Estate Appraiser EPA-850 / PRGC-199 Exp. 08/02/2016

Competency Statement and Scope of Work

Competency Statement

I have the level of competency, knowledge and expertise to conduct this appraisal assignment. Included in the addenda you will find the professional qualifications and copy the EPA license and General Certification.

Scope of Work

The purpose of this appraisal is to report an opinion as of the “as is” market value of the fee simple interest in the real estate as of the appraisal effective date, July 26, 2014.

Subject’s relevant information and documents were provided by the client and intended user, Doral Bank. These include excerpts of the previous appraisal report prepared by Appraiser Efrain Tirado along with dated Title Study and Tax Receipt. Current legal status of the property was not disclosed to the appraiser.

A complete visual inspection/observation of the subject property and immediate neighborhood was performed on July 26, 2014 (appraisal effective date) to observe all elements that affect market value. Also, neighborhood, tax, zoning, and flood maps were examined to delineate the market area, determine the property highest and best use, and marketability of the property.

Considering the subject’s physical and legal characteristics, market analysis, and the highest and best use determination, the most reliable valuation methods were developed to create the requested opinion of value. For this assignment the most reliable method to value the subject property was the sales comparison approach. The income approach was not considered necessary to produce a reliable value opinion and therefore was not developed. The cost approach to value was not developed since it was not applicable for vacant residential land.

For the sales comparison approach, transactions of similar residential vacant land parcels were researched, confirmed and analyzed. The research produced a limited group of sales from which the most similar were selected for the valuation analysis. The comparables were adjusted for market recognized differences; in addition qualitative and ranking analyses were employed to account for the differences in which a market derived adjustment could not be performed. After recognizing the differences and analyzing these elements, a value indication via the sales comparison approach was estimated.

Once the applicable valuation methods were completed, the final market value conclusions were reconciled based on the most reliable approach. In this case, the only method applied which also is the one that better represents current market participants’ behavior is the sales comparison approach. Thus, the final value conclusion was based on this approach.

Introduction

Identification of the Property

The subject of this appraisal is a 7.82 Cuerdas vacant residential land located at PR-686 KM 10.5 Corner of Playa Linda Street, Yeguada Ward, Vega Baja, Puerto Rico.

Following the subject's legal description in Spanish language as obtained from the provided title search:

RUSTICA: Predio de terreno compuesto de 7 cuerdas con 82 céntimos de otra equivalentes a 3 hectáreas, 7 áreas, 35 centiáreas y 65 miliáreas, radicada en el Barrio Yeguada del término municipal de Vega Baja, en lindes por el Norte, con terrenos de la Sucesión de Ramón de León; por el Sur, con camino vecinal que lo separa de tierras de la Sucesión de Ramón de León; por el Este con la misma Sucesión de Ramón de León; por el Oeste, con Francisco Jiménez, Carlos López y Nemesio Torres.

It is recorded at page 22, book 35 of the Bayamon Property Registry, Section IV; Tract 1539.

History

The property is recorded in the name of Gregorio Rivera-Hernandez and Hipolita Gonzalez-Rodriguez who acquired it from Tomas Lopez-Garcia and Evarista Jimenez for \$1,000.00 on October 21, 1947. Current legal status of the property was not disclosed to the appraiser. No transactions or listing information in regards the subject property was reported or found within the last three years.

NOTE: According to the prior appraisal report, as indicated by Francisco Diaz-Fournier, RE Broker, the property was offered for sale for \$950,000 (\$121,483/Cuerda) for a period of approximately 2 years. My research did not reveal any listing information at the moment. Clearly, the asking price was considered way above market levels.

Property Rights Appraised

The subject is a vacant residential land parcel with no lease agreements reported; therefore, the appraised interest is the fee simple rights. *Fee simple is defined as "an absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat".*

Appraisal Effective and Report Dates

The effective date of the appraisal is July 26, 2014, date of inspection. The report date is September 18, 2014, the completion and transmittal date of the report.

Purpose of the Appraisal

The purpose of the appraisal is to estimate the "as is" market value of the subject property as of the appraisal effective date, July 26, 2014.

Intended Use and User(s) of the Report

The intended use of the appraisal is for a loan transaction, servicing action, or similar lending-related transaction. The intended user is Doral Bank and/or its affiliated companies.

Definition of Value

Market Value definition as established by FIRREA, and set forth by OCC [12 CFR, Part 34, Subpart C - appraisals, Section 34.42 definitions (f)] is:

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 are 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 considers his 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 arrangement, 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.

Exposure Time

The Dictionary of Real Estate Appraisal 5th edition published by the Appraisal Institute defines exposure time as follow: *The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market.*

Based on the appraiser's analysis of existing market conditions, historical sales information, and real estate brokers' interviews, a reasonable exposure time period for the subject property is about 36 months.

Marketing Time

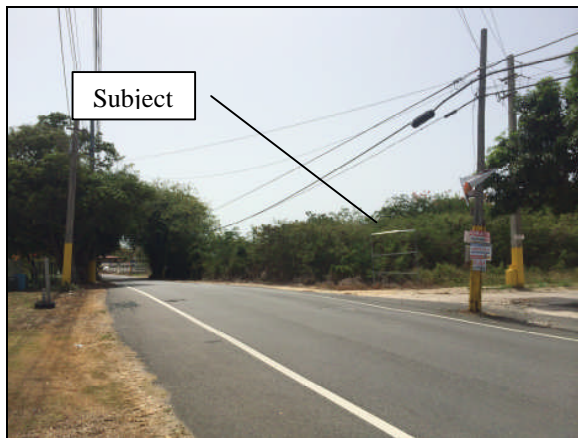
The Dictionary of Real Estate Appraisal 5th edition published by the Appraisal Institute defines marketing time as follow: *The time it takes an interest in real property to sell on the market subsequent to the date of an appraisal. Reasonable marketing time is an estimate of the amount of time it might take to sell an interest in real property at its estimated market value during the period immediately after the effective date of the appraisal; the anticipated time required to expose the property to a pool of prospective purchasers and to allow appropriate time for negotiation, the exercise of due diligence, and the consummation of a sale at a price supportable by current market conditions. Marketing time differs from exposure time, which is always presumed to precede the effective date of the appraisal.*"

Based on the appraiser's analysis of existing market conditions, historical sales information, and real estate brokers' interviews, a reasonable marketing time period for the subject property is about 36 months.

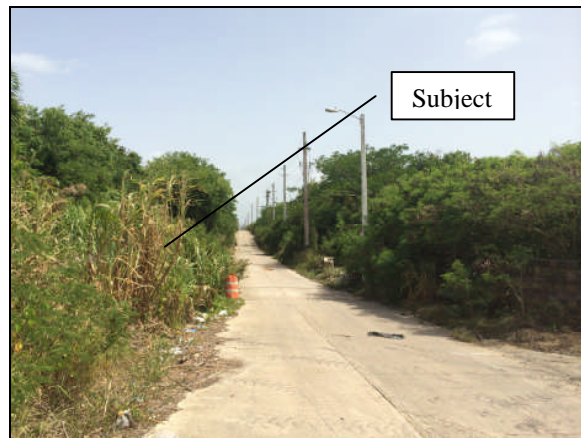
Property Analysis

Location, Access and Frontage

The subject property is located at PR-686 Km 10.5 corner of Playa Linda Street in the Yeguada Ward of the Vega Baja Municipality in Puerto Rico. Subject's coordinates are: 200976.1742, 272031.9747 (Lat: 18.484132, Lon: -66.42409). This is a corner lot with access from PR-686 at its south boundary and from the Playa Linda Street at its eastern boundary. It has frontage of approximately 190 feet toward PR-686. In terms of linkages, access to the PR-687 is about 0.5 lineal miles west which in turns 2.65 miles south reaches PR-2, the Vega Baja town core is about 3.5 miles southeast, while the San Juan Central Business District and International Airport are about 24 and 28 miles east, respectively. The following photographs show the property access roads (PR-686 and Playa Linda Street).



View West (PR-686)



View North (Playa Linda Street)

Land area, topography, configuration and subsoil

The subject property has a land area of 7.82 Cuerdas, level topography, and a rectangular shape. It is considered functional and typical when compared to developed parcels within the area. Drainage seems adequate towards the site southeast boundary (street). I'm not an expert or qualified to assess the property subsoil. No abnormal conditions are assumed to exist and no liability is assumed in this respect.

Zoning Classification

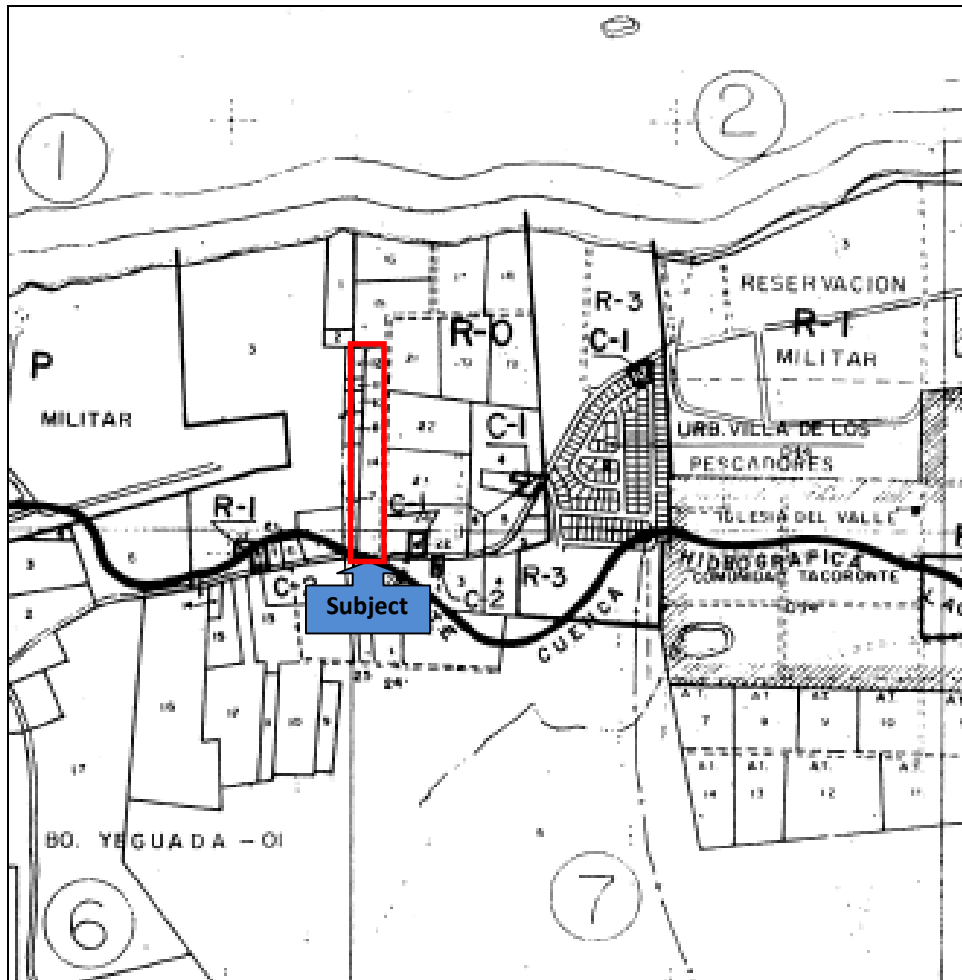
As per Vega Baja zoning maps, the subject site is located within a residential zoning district UR; Developable Land (former R-0). This district is established to promote low density residential development with a minimum lot size of 8,000 square meters. The following table summarizes the UR (R-0) zoning requirements.

UR; Developable Land (former R-0) Zoning Requirements Table	
Allowed uses	Mainly single and two families' houses, and agricultural uses. Other more extensive uses are allowed based on Sections 79.00, 80.00 and 81.00 of the Zoning Rules Manual.
Maximum height	Two stories, not to exceed 9 meters.

Minimum lot area	8,000 square meters
Minimum site width (frontage)	60 meters
Total floor area	20% of site area
Minimum front patio	5 meters or 1/5 of building height.
Minimum lateral patio	5 meters or 1/5 of building height.
Minimum rear patio	5 meters or 1/5 of building height.
Parking	As per section 73 of the Zoning Rules Manual.

The Vega Baja Zoning Maps are currently being revised, thus, the new map was not available as of the appraisal date. However, as per the PR Planning Board website the property was classified as UR. Following, copy of the currently approved and available zoning map.

Vega Baja Zoning Map (017-000)



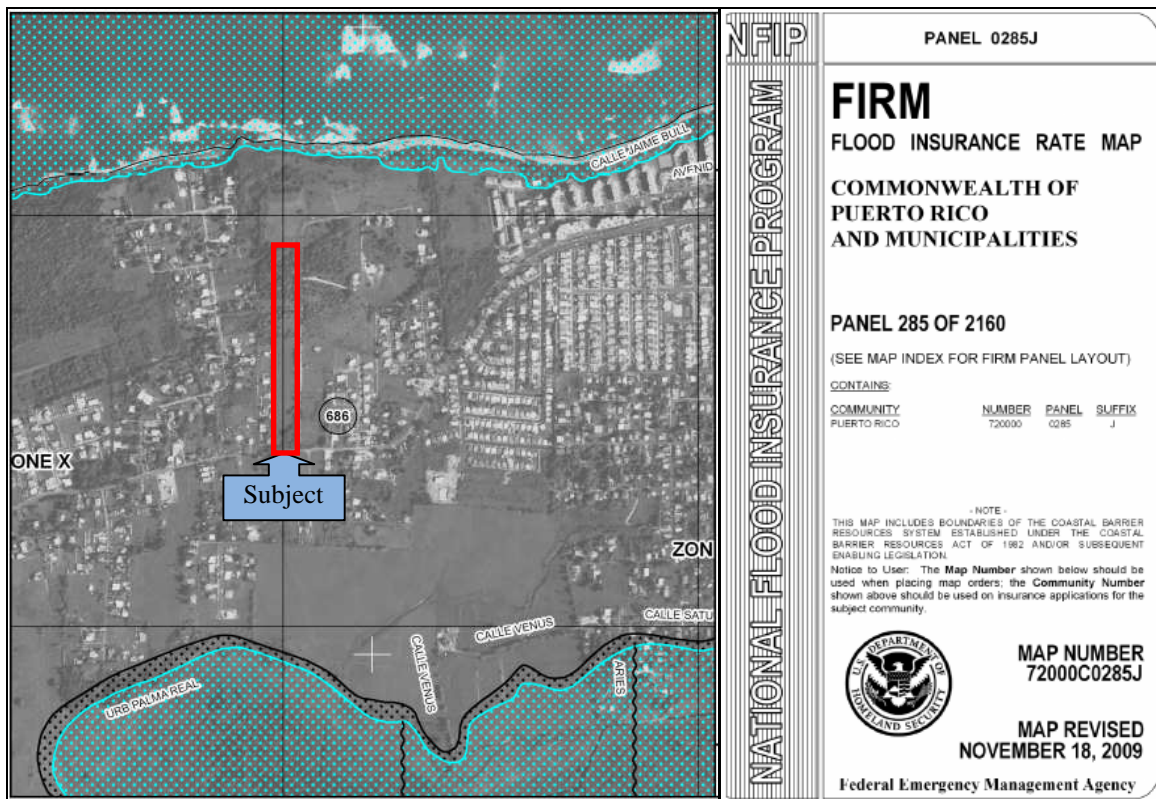
Services, Utilities and Infrastructure

Electrical power is provided by the Puerto Rico Electrical Power Authority (PREPA) while the Puerto Rico Aqueducts and Sewers Authority (PRASA) provide potable water and sanitary sewers. Telephone services are provided by several private communications companies including Claro de Puerto Rico (formerly PRTC), ATT, Liberty Cablevision, and One Link. Also, One Link and other satellite companies provide the cable television. There are no other utilities available at the subject property.

The subject property has the typical and necessary government services available, including fire and police protection provided by the Commonwealth government, street cleaning and garbage collection is provided by the municipal government, and the postal service is provided by the federal government. Public transportation is provided by the Metropolitan Bus Administration (AMA) and private transportation companies supporting AMA routes.

Flood Zone

The appraised property lies outside the flood prone area within an X-zone, as per FEMA flood map 72000C0285J effective as of November 18, 2009. The following map shows the property flood determination.



Condemnations, Easements, Encroachments and Special Assessments

Only typical easements on the subject property which include utility connections like the electrical power, potable water, cable and sanitary sewer were observed. These are not considered to have a negative effect on the subject property. No adverse easements,

encroachments or contemplated expropriations are assumed for the subject property. No responsibility is assumed for any of these items.

Environmental Hazards

No known or apparent environmental hazards were observed. The presence of certain materials, such as asbestos, urea-formaldehyde, radon gas, and others can have a significant negative impact upon the value of improved properties. Subsoil hazardous wastes can impact the valuation of both vacant and improved properties. The appraiser did not observe the existence of hazardous material, which may or may not be present on the property, during the inspection of the site. The appraiser has no knowledge of the existence of such materials on or in the property. Moreover, the appraiser is not qualified to detect such substances. The reported value opinions are predicted on the assumption that there is no such material affecting the subject site.

Conclusion of Property Analysis

The subject property refers to a vacant residential land parcel. Its location, access, and physical characteristics are adequate for future low density residential development which puts the subject in an average-good position in the market area. The subject site “as is” is considered suitable for residential development when market conditions arise.

Subject Photos



View West (PR-686)



View East (PR-686)



Subject's Front View



North View (Playa Linda Street)



Interior South View



Interior North View

Property Tax Data and Assessed Valuation

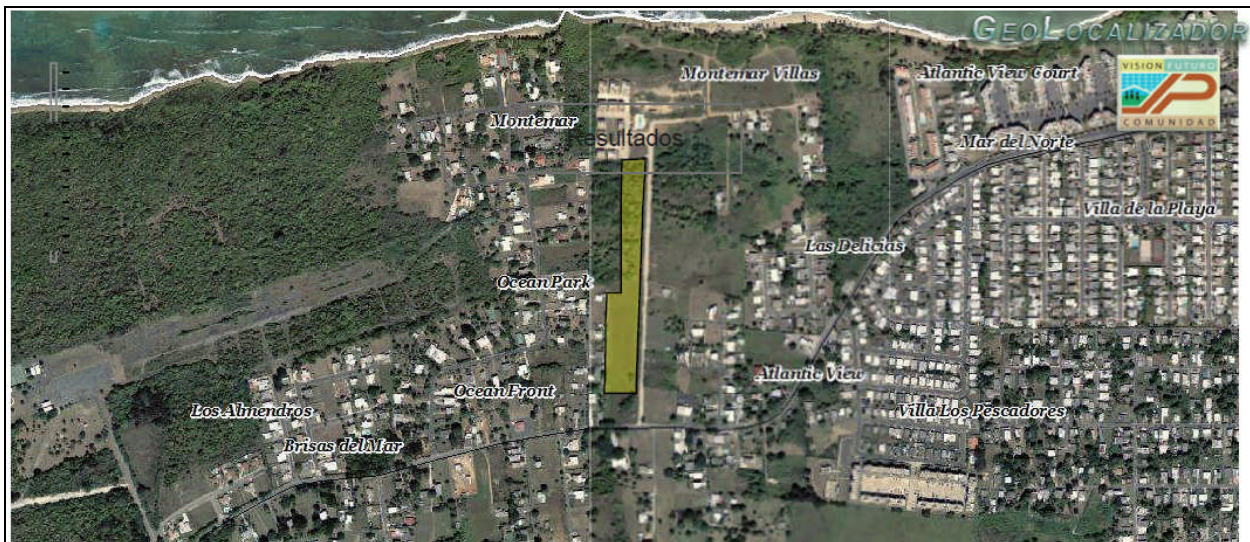
Vega Baja municipality current real estate property tax rate is 10.33%. For real estate taxation the properties in Puerto Rico are assessed as if they were built in the year 1957-1958. Thus, the values established by the Government are considerably lower than the market values; no relation has been established between assessment and market value.

Property taxes are imposed on the first day of the each calendar year and the payments are due according with the fiscal year which runs from July to June of the following year. Property taxes are paid on a semi-annual basis and there is a 10% prompt discount if paid within 30 days after the issuance of the invoice.

The subject property is identified with the tax code number 017-000-007-38-000. According to the prior appraisal the property assessment value is of \$1,130. Thus, the annual real estate taxes were estimated at \$116.73 according to the municipality rate of 10.33%.

I'm not an expert in tax matters, thus, no liability is assumed in this respect. Confirmation of current tax conditions should be verified with the tax authorities. The reported value for the subject disregards any existing tax liability that might be pending and/or any potential tax increases.

Tax Location Map / GeoLocator



Neighborhood and Market Area

The subject property is located at Yeguada Ward of the Vega Baja Municipality. Vega Baja is a coastal municipality located at the north central section of the Island. It was founded on 1775 and had an organized government after year 1812 following its first elections.

The municipality comprises approximately 17 wards covering a territorial extension of 144.28 square kilometers. Its large territorial extension helped to establish the development of agriculture activity, especially cane sugar crops. Vega Baja had a population on year 2010 of 59,662 persons for a density of 413.52 persons per square kilometer. Almirante Norte Ward is located at the east central section of the Vega Baja Municipality and is approximately 35 percent built up.

Population, Housing and Income Profile

The following table summarizes the most relevant information regarding the Bayamón's demographics as per the 2000 and 2010 Census:

Vega Baja Municipality General Demographics - 2010 and 2000 Comparison								
Population and Housing	2010	Change	2000	Economic Factors	2010	Change	2000	
Population	59,662	-3.66%	61,929	Employed	46,327	158.9%	17,893	
Households	21,335	7.98%	19,758	Median Family Income	\$19,097.00	21.6%	\$15,708.00	
Persons per Households	2.78	-10.90%	3	Median Household Income	\$16,462.00	18.2%	\$13,933.00	
				Per Capita Income	\$8,681.00	19.3%	\$7,279.00	
Housing Units	25,401	15.51%	21,990					
Occupied Units	21,335	7.98%	19,758	Poverty Levels				
Vacant Units	4,066	82.17%	2,232	Families below level	48.0%	1.9%	47.1%	
Owner Occupied	16,486	4.04%	15,846	Individuals below level	61.6%	21.7%	50.6%	
Renter Occupied	4,849	23.95%	3,912					
				Employment Force *	16,700	-15.7%	19,800	
				Vega Baja Unemployment Rate*	14.1%	27.0%	11.1%	
				PR Unemployment Rate*	13.9%	37.6%	10.1%	

* Based on the July 2014 figures and historic figures from 1983 to 2010 released by the Department of Labor and Human Resources

The above table shows that the population has decreased about -4%, a housing units increase mainly due to the many new developed projects during the decade, the vacant units have almost doubled with a 82% increase, a slight increase in owner occupied units was observed with 4%; the most noted change is showed at the renters category which increased by 24%.

The economic growth is primarily influenced by educational services and retail trade, the two largest employment sectors in the municipality followed by professional, scientific, management, and administrative services, and waste management services. Although the population and employment force had decreased, per capita and median family and household incomes have increased. Poverty levels increased at slight 1.9%. On the other hand, unemployment rate increased to 14.1%; 27% higher than in year 2000. This figure is slightly above the islands overall level of 13.9%.

The immediate market area could be delineated by the Atlantic Ocean to the north, PR-687 to the west, PR-686 to the east, and PR-2 to the south. Like in the rest of the island, commercial properties are mainly located along the major corridors, while the residential properties are

mostly observed at interior streets with much less traffic. Urban uses are mainly oriented for single-unit residences. The subject property is located north of PR-686 where a mix of residential uses is observed including single-unit residential subdivision, condominium projects, and stand-alone residences and lots. Some of the residential development in the immediate area include Los Almendros, Brisas del Mar, Ocean Front, Atlantic View and Palma Real to mention a few. These are middle-income residential and residential-tourist oriented developments with prices in the range of \$150,000 to \$250,000. Along the road several commercial complimentary uses were also observed including retail, office, cafeterias, and gas service stations. Some other tourist interest areas like Vega Baja and Mar Chiquita beaches and Tortuguero Lagoon can be reached at relatively short distance from the subject.

The property is easily access from PR-686 and PR-687, two of the major thoroughfares of the area which connect to the PR-2 to the south. The neighborhood has access to commercial shopping centers, supermarkets, restaurants, parks, hospitals, postal service, pharmacies, and all typical community amenities. The streets are paved with asphalt and have concrete curbs and sidewalks, and sanitary sewer systems.

Residential property values continue to show a slight decreasing trend due to the current weak market condition and recessionary economy. The market trends analyses performed over the past years showed continued devaluation in the range of 3 to 10% depending on the property location and overall condition. This applies to improve and vacant residential land. In the case of residential land with development potential, the typical buyer is expecting to pay a reduced or discount price in the transactions to compensate for the holding period required to achieve the property development potential highest and best use. These limits further the transactions where only a few were found that compare to the subjects characteristics.

My researched reveal only one recent sale from the immediate market area and about eight additional comparables located in coastal locations around the north, northwest and southwest coastal lines of the Island. These ranged from \$30,000 to over \$100,000 per Cuerda varying mainly due to market condition, location, size, and beach proximity. Out of the sample, only the five most similar sales were selected for valuation purposes and presented in the analysis. The property across the street from the subject has a land area of 3,600 square meter and is currently in the market for sale for \$234,000 or \$65/SM as indicated by the owner/seller, Luis Rivero. At the moment, due diligence is being made to obtain permits for a lots subdivision for three 600 square meter lots and a remnant of approximately 1,800 square meters. This property has been in the market for over six months without receiving any offer at the moment.

The search for additional comparables listings using ClasificadosOnline.com for the north region, as of the appraisal report date, produced the following results.

	Listing Location		Price	Land Area (Cda.)	Price/Cda.	Comments
1	Arecibo	Santana Ward	\$ 950,000.00	18.00	\$ 52,777.78	Near PR-22; Residential HBU.
2	Arecibo	Brisas del Mar Dev.	\$ 750,000.00	7.63	\$ 98,296.20	Abandoned project of 24 residences.
3	Arecibo	Sabana Hoyos Ward	\$ 749,000.00	18.82	\$ 39,798.09	Near PR-2; Residential HBU.
4	Arecibo	Islote Ward	\$ 625,000.00	12.50	\$ 50,000.00	Residential HBU.
5	Arecibo	Las Canelas Ward	\$ 625,000.00	6.00	\$ 104,166.67	Residential with Dev. Permits
6	Arecibo	Islote Ward	\$ 520,000.00	7.50	\$ 69,333.33	Residential subdivision for 25 lots.
7	Vega Baja	Algarrobo Ward	\$ 355,000.00	6.12	\$ 58,006.54	At PR-2; Commercial HBU.
8	Arecibo	Islote Ward	\$ 350,000.00	8.60	\$ 40,697.67	Residential HBU.
9	Manati	Rabanos Ward	\$ 304,000.00	6.76	\$ 44,970.41	Residential HBU.
10	Arecibo	Llanos Ward	\$ 300,000.00	5.00	\$ 60,000.00	Residential lots subdivision (900 sm lots).
11	Manati	Pueblo Ward	\$ 297,000.00	5.70	\$ 52,105.26	Residential HBU.
Min					\$ 39,798.09	
Max					\$ 104,166.67	
Mean					\$ 60,922.90	
Median					\$ 52,777.78	

The average and median listed prices of competitive properties are \$60,922 and \$52,778 suggesting the subject market value to be slightly below the listing indications after considering the price negotiation process. Listed prices typically show the value upper range.

Current marketing time for vacant residential real estate could range from 24 to 36 months depending on the property characteristics. Sales concessions and discounts are becoming typical as a result for the oversupply.

Conclusion

In summary, the subject neighborhood and market area brings a mixed of residential and commercial complimentary uses. The market conditions are weak continuing in declining trends. There is still an oversupply of vacant residential land with development potential due to the current recessionary economy. The inventory may last up to 3-5 years. The area is served by all necessary utilities and governmental services, and has adequate access to and from the neighborhood.

Highest and Best Use

Highest and Best Use is defined by the Dictionary of Real Estate Appraisal, Fifth Edition, published by The Appraisal Institute as:

“The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.”

The highest and best use analysis requires the appraiser to distinguish from among all possible uses the use which would represent the highest value as of the effective date of appraisal and must be:

1. Legally permissible - permitted by law (Zoning Code);
2. Physically possible - site physical characteristics are appropriate for the proposed development and vice-versa;
3. Economically and financially feasible - it must produce a return on its own and typical finance will be obtained;
4. Maximally productive - It must be the most profitable use among all.

This analysis will be performed for the property “as though vacant” and “as improved” where the ideal improvements must be analyzed and compared with the existing.

Highest and Best Use “As Though Vacant”

Highest and Best use of land or a site “as though vacant” is defined by the Dictionary of Real Estate Appraisal, Fifth Edition, published by The Appraisal Institute as:

“Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements.”

Legally Permissible

The subject site is under low density residential zoned area UR; Developable Land (former R-0). Therefore, based on the current zoning parameters, a residential use is legally permitted on the site.

Physically Possible

The subject is a corner lot with access towards PR-686 and Playa Linda Street in the Yeguada Ward Development. The physical characteristics previously described in the site analysis section supports the permissible residential use.

Financially Feasible

Residential development will provide financial feasibility, as reflected by the surrounding area where a mix residential properties is observed. However, due to the current stagnant economy

and weak market condition, further feasibility study must be performed to establish the timing for the future development of the land.

Maximally Productive

Based on the legally permissible, physical possibilities, and financial feasibility, the maximally productive use will be a low density residential development which will provide the highest return to the land.

Conclusion

Based on the market analysis and property site characteristics the highest and best use of the property “as though” vacant is the residential development when market conditions arise in compliance with the existing zoning requirements and market standards. Typical buyer will be an investor willing to wait a determined holding period to develop the land into its residential highest and best use.

The Appraisal Process

The Appraisal Foundation defines Appraisal as the act or process of estimating value. There are three (3) basic approaches that may be used by appraisers in the estimation of market value. These approaches provide data from three (3) different areas of the market, when data is available. These three (3) approaches are the Cost Approach, the Sales Comparison Approach and the Income Approach.

Based on factual data, these approaches reflect typical market behavior. Analysis of subject's physical, legal and location attributes contribute to the highest and best use conclusion that in turns determines the approaches applicable to each valuation assignment. Development of these approaches evolves into separate indications later reconciled into a final value estimate. The 13th edition of The Appraisal of Real Estate defines the three approaches to value as follows:

Cost Approach

“In the cost approach, an estimated reproduction or replacement cost of the building and land improvements as of the date of appraisal is developed together with an estimate of the losses in value that have taken place due to wear and tear, design and plan deficiencies, or neighborhood influences. To the depreciated building cost estimate, entrepreneurial profit and the estimated value of the land are added. The total represents the value indicated by the cost approach”.

Income Approach

“In the income capitalization approach, the current rental income to the property is calculated and deductions are made for vacancy and collection loss and expenses. The prospective net operating income of the property is then estimated. To support this estimate, operating statements for the subject property in previous years and for comparable properties are reviewed along with available operating cost estimates. An applicable capitalization method and appropriate capitalization rates are developed and used in computations that result in an indication of value”.

Sales Comparison Approach

“In the sales comparison approach, the subject property is compared to similar properties that have sold recently or for which listing prices or offers are known. Data from generally comparable properties are used and comparisons are made to demonstrate a probable price at which the subject property would be sold if offered on the market”.

Applying the Value Approaches to the Appraised Property

Since the subject is a vacant residential land, the cost and income approaches to value were not considered applicable or necessary to produce a reliable value opinion and, therefore, were not developed. The appraisal includes only the sales comparison approach which better represents current market participants' behavior for vacant land properties like the subject.

Sales Comparison Approach

The *Dictionary of Real Estate Appraisal, 5th edition*, defines the sales comparison approach as “a set of procedures in which a value indication is derived by comparing the property being appraised to similar property that sold recently, applying appropriate units of comparison, and making adjustments to the sales prices of the comparable properties based on the elements of comparison.”

The sales comparison approach applies to the valuation of all kinds of real property interests as long as there are sufficient transactions to indicate value or market trends. Data on properties recently sold, listed for sale, or under an option agreement; as compared to the appraised property, may provide sufficient information to estimate market value. The reliability of this technique depends on the number of recent transactions, adequate means of verifying the data, degree of similarity and absence of non-typical conditions. The steps applied in the sales comparison approach were:

- Market research and data verification.
- Sales analysis including.
- Selection of relevant units of comparison.
- Selection of relevant elements of comparison.
- Comparison analysis between the comparable sales and the subject property.
- Application of necessary adjustments to the price of each comparable to reflect the subject property’s market value.
- Reconciliation of the results into a market value indication.

Subject property’s concluded highest and best is to hold the land vacant for low density residential development when market conditions arise. After a thorough market research the following sales were selected for analysis. The comparables will be analyzed based on the sales price per Cuerda which is the most typical unit of comparison to value residential vacant parcels of land.

Comparables Summary Table					
Sale	Location	Date	Sales Price	Land Area (Cds)	Sales Price/Cda
1	PR-681 KM 6.7 Islote Ward, Arecibo, PR	10/29/2010	\$88,500.00	1.50	\$59,000
2	PR-686 KM 10.8, Yeguada Ward, Vega Baja, PR	9/27/2011	\$100,000.00	2.14	\$46,729
3	PR-101 KM 18.6 Int. Boqueron Ward, Cabo Rojo, PR	5/30/2012	\$350,000.00	5.25	\$66,667
4	PR-160 KM 6.6, Almirante Sur Ward, Vega Baja, PR	8/5/2013	\$200,000.00	5.00	\$40,000
5	PR-307 KM 7.5, Pedernales Ward, Cabo Rojo, PR	8/23/2013	\$345,000.00	4.99	\$69,138
Min					\$40,000
Max					\$69,138
Mean					\$56,307
Median					\$59,000

The analyzed comparable sales are presented in the following pages.

Land Sale 1			
PROPERTY DESCRIPTION			
Property Type:	Vacant Residential Land	Sub-type:	Land
Address:	PR-681 KM 6.7 Islote Ward,	Neighborhood:	Suburban
City:	Arecibo, PR	Region:	North
SITE		IMPROVEMENTS	
Site Area (Cda):	1.50	GBA:	N/A
Topography:	Level	Stories:	N/A
Shape:	Rectangular	Condition:	N/A
Flood:	X	LOR:	N/A
Zoning:	UR	Parking Spaces:	N/A
HBU:	Low desity residential development	Parking Ratio:	N/A
TRANSACTION INFORMATION			
Seller:	Fredeswindo Perez Concepcion	Deed:	187
Buyer:	Iveliz Rodriguez Arguello	Sales Price:	\$88,500
Esquire:	Gema Gonzalez-Rodriguez	Sales Price/Cda:	\$59,000
Registry:	Tract: 18,766	Sales Date:	10/29/2010
Tax PIN:	013-000-003-25-000	Verification/Source:	Fellow Appraiser/ Property Registry
Comments:	The property is vacant residential site located at walking distance from the Arecibo beach. It compares superior to the subject in market conditions and smaller in size indicating the markets' upper limit.		



Land Sale 2			
PROPERTY DESCRIPTION			
Property Type:	Vacant Residential Land	Sub-type:	Land
Address:	PR-686 KM 10.8 Yeguada Ward,	Neighborhood:	Suburban
City:	Vega Baja, PR	Region:	North
SITE		IMPROVEMENTS	
Site Area (Cda):	2.14	GBA:	N/A
Topography:	Level	Stories:	N/A
Shape:	Irregular	Condition:	N/A
Flood:	X	LOR:	N/A
Zoning:	LT-AD	Parking Spaces:	N/A
HBU:	Low desity residential development	Parking Ratio:	N/A
TRANSACTION INFORMATION			
Seller:	Jose Rodriguez Barrios	Deed:	3
Buyer:	Jose Rodriguez Gonzalez	Sales Price:	\$100,000
Esquire:	Juan R. Cobian	Sales Price/Cda:	\$46,729
Registry:	10,647	Sales Date:	9/27/2011
Tax PIN:	017-052-378-18-000	Verification/Source:	Fellow Appraiser/ Property Registry
Comments:	The property is vacant residential site located about 0.3 kilometer west from the subject across the road. It compares similar to the subject in all elements of comparison.		



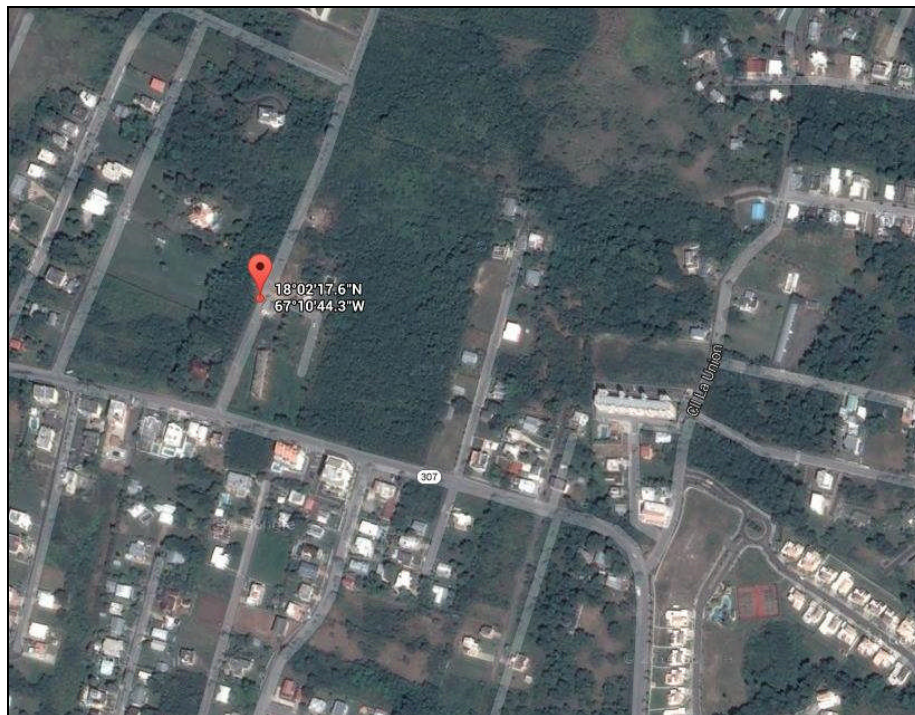
Land Sale 3			
PROPERTY DESCRIPTION			
Property Type:	Vacant Residential Land	Sub-type:	Land
Address:	PR-101 KM 18.6 Int, Boqueron Ward,	Neighborhood:	Suburban
City:	Cabo Rojo, PR	Region:	Southwest
SITE		IMPROVEMENTS	
Site Area (Cda):	5.25	GBA:	N/A
Topography:	Level	Stories:	N/A
Shape:	Irregular	Condition:	N/A
Flood:	X	LOR:	N/A
Zoning:	RG	Parking Spaces:	N/A
HBU:	Low desity residential development	Parking Ratio:	N/A
TRANSACTION INFORMATION			
Seller:	CIFA Development	Deed:	36
Buyer:	Diocesis de Mayaguez	Sales Price:	\$350,000
Esquire:	Angel del Toro	Sales Price/Cda:	\$66,667
Registry:	24,113	Sales Date:	5/30/2012
Tax PIN:	N/A	Verification/Source:	Fellow Appraiser/ Property Registry
Comments:	This property was purchased for the development of 25 residential lots. At the moment all the approvals were expired and it remains vacant on hold for future residential development. It compares slightly superior being located in Cabo Rojo (southwest region) which historically has shown higher unitary values and market demand for residential-tourist oriented projects.		



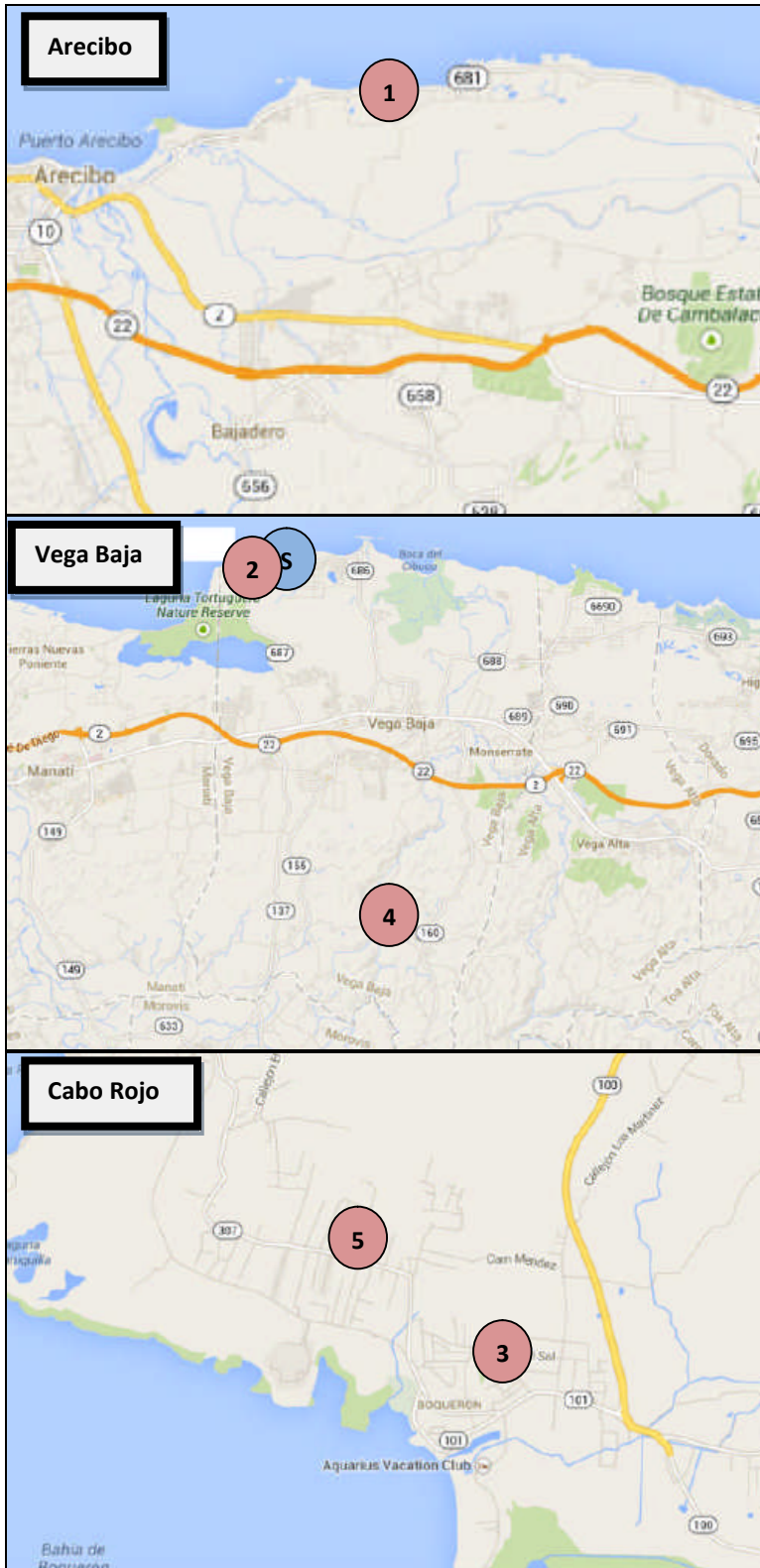
Land Sale 4			
PROPERTY DESCRIPTION			
Property Type:	Vacant Residential Land	Sub-type:	Land
Address:	PR-160 KM 6.6 Almirante Sur Ward,	Neighborhood:	Rural
City:	Vega Baja, PR	Region:	North
SITE		IMPROVEMENTS	
Site Area (Cda):	5.00	GBA:	N/A
Topography:	Level to slope	Stories:	N/A
Shape:	Irregular	Condition:	N/A
Flood:	X	LOR:	N/A
Zoning:	NC (Outside the zoned area)	Parking Spaces:	N/A
HBU:	Low desity residential development	Parking Ratio:	N/A
TRANSACTION INFORMATION			
Seller:	Teresa Santiago	Deed:	16
Buyer:	Roberto Luis Capella	Sales Price:	\$200,000
Esquire:	Juan Carlo	Sales Price/Cda:	\$40,000
Registry:	6,698	Sales Date:	8/5/2013
Tax PIN:	081-000-005-46-000	Verification/Source:	Fellow Appraiser/ Property Registry
Comments:	The property is rural vacant residential site with a sloping topography. It compares inferior to the subject due to its rural location, sloping topography, and accessibility. However, it compares similar in market conditions and size. Overall this comparable indicates a lower limit for the subject.		



Land Sale 5			
PROPERTY DESCRIPTION			
Property Type:	Vacant Residential Land	Sub-type:	Land
Address:	PR-307 KM 7.5, Pedernales Ward,	Neighborhood:	Suburban
City:	Cabo Rojo, PR	Region:	Southwest
SITE		IMPROVEMENTS	
Site Area (Cda):	4.99	GBA:	N/A
Topography:	Level	Stories:	N/A
Shape:	Irregular	Condition:	N/A
Flood:	X	LOR:	N/A
Zoning:	RT-1	Parking Spaces:	N/A
HBU:	Low desity residential development	Parking Ratio:	N/A
TRANSACTION INFORMATION			
Seller:	Banco Popular	Deed:	18 and 19
Buyer:	Griselle Sepulveda Chavier	Sales Price:	\$345,000
Esquire:	Luis F. Carlo Mendoza	Sales Price/Cda:	\$69,100
Registry:	Tracts: 14,157 and 31,708	Sales Date:	8/23/2013
Tax PIN:	N/A	Verification/Source:	Fellow Appraiser/ Property Registry
Comments:	The property has several abandoned structures without any value contribution. It was purchased "as though vacant" and remains vacant on hold for future residential development. It compares superior being located in Cabo Rojo (southwest region) which historically has shown higher unitary values and market demand for residential-tourist oriented projects.		



Comparables Location Map



Adjustments

The 13th edition of *The Appraisal of Real Estate*, published by the *Appraisal Institute*, defines comparative analysis as “the general term used to identify the process in which quantitative and/or qualitative techniques are applied to derive a value indication in the sales comparison approach.” The qualitative analytical technique identifies which elements of comparison require adjustment and compares the subject and the comparable sales without measuring the dollar amount of the adjustments. When the differences can be quantify, a quantitative comparison is made a monetary adjustment is applied. Both qualitative and quantitative adjustments were necessary. The elements of comparison follow:

Rights Conveyed

The subject property is currently vacant with no lease agreements in place. Thus, the appraised interest in the subject is the fee simple rights. All comparables as explained before were also considered and transferred in fee simple estate. Thus, no adjustments were necessary.

Financing Terms

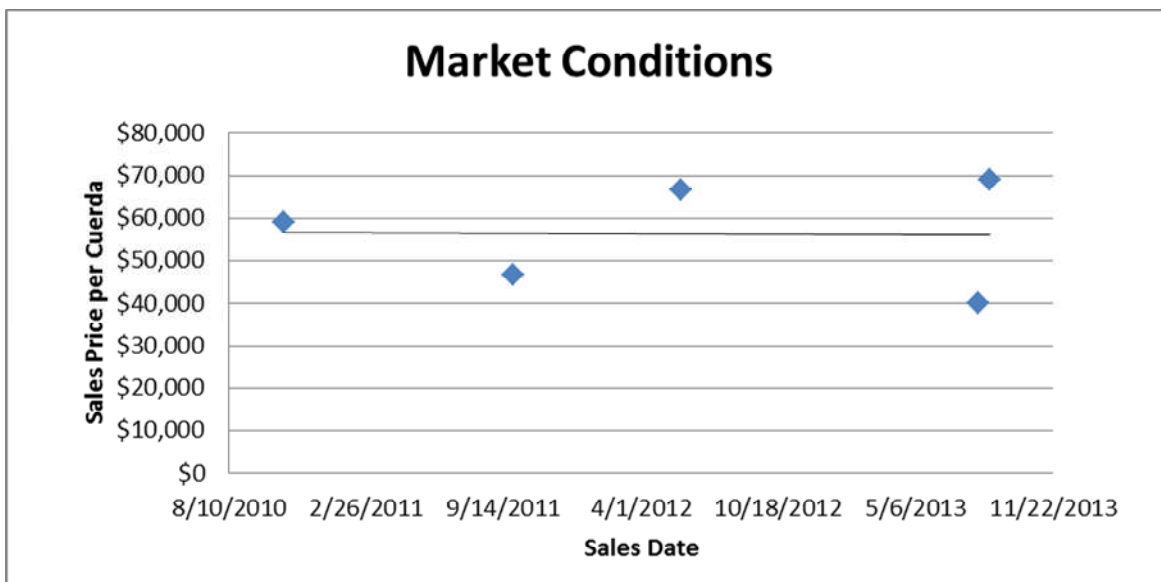
All transactions included typical financing terms with the sale prices given all cash to the sellers. No financing terms adjustments were necessary.

Sales Conditions

All sales analyzed included typical sale conditions with well-informed buyers and sellers, and typical market exposure periods. Again, no adjustments for this element were applied.

Market Conditions

The listed sales were sorted from the oldest to the most recent in order to analyze any existing price trend. The following table and graphic present the sales sorted by date of sale.



As shown in the above market conditions graph, a slight depreciation trend seems to exist between the sales. The comparables also differ in other elements of comparison including size

which might alter the result. As part of my appraisal practice I prepare quarterly market trend analyses for some of my clients based on their portfolios performance. Even though this information is confidential and can't be presented, the results for the 2Q2014 showed a declining trend range from 3 to 10%. Thus, it is my opinion that a -3% per year adjustment is deemed reasonable and therefore applicable to the comparable sales. The following table on the next page summarizes the adjustment.

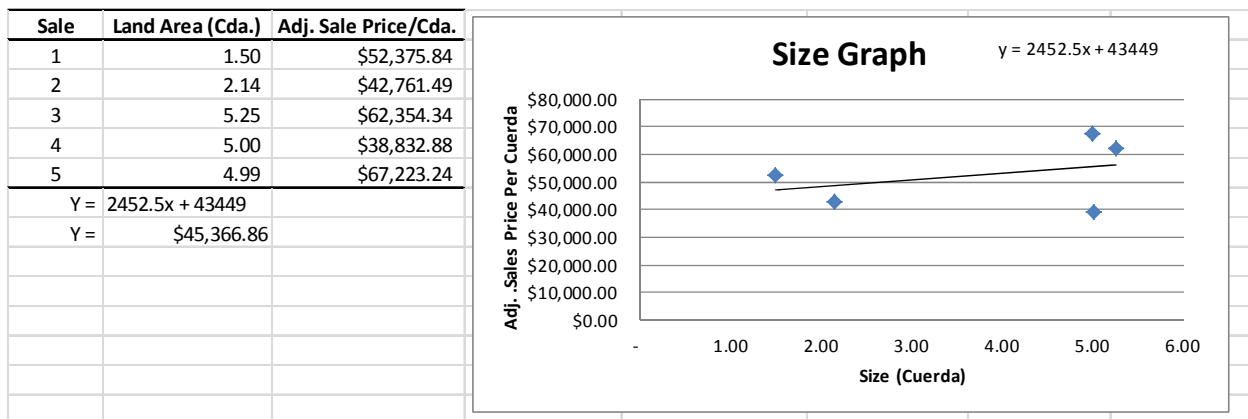
Market Conditions Adjustment Table							
Sale	Date	Sales Price/Cda	Eff. Date	Time Diff. (Yr)	Adj. (-3% per Yr)	Adj. (\$)	Adj. Sale Price
1	10/29/2010	\$59,000	7/26/2014	3.74	-11.23%	(\$6,624.16)	\$52,375.84
2	9/27/2011	\$46,729	7/26/2014	2.83	-8.49%	(\$3,967.48)	\$42,761.49
3	5/30/2012	\$66,667	7/26/2014	2.16	-6.47%	(\$4,312.33)	\$62,354.34
4	8/5/2013	\$40,000	7/26/2014	0.97	-2.92%	(\$1,167.12)	\$38,832.88
5	8/23/2013	\$69,138	7/26/2014	0.92	-2.77%	(\$1,915.04)	\$67,223.24

Location/Exposure

Comparable Sale 4 is located in a rural area of the Vega Baja Municipality distant from the coastal line and beaches while all the remaining sales were located at minutes and walking distance from the beaches. Since the comparables also differ in other elements of comparison, no adjustments will be made. The difference will be considered within the qualitative and ranking analyses.

Size-Land Area

An inverse correlation between the size of the comparable sales and their unitary prices is often observed. Typically, larger parcels of land reflect lower unitary prices and vice versa. The following graph better illustrates this fact.



Even though there is a strong correlation between the comparables, no adjustment for size was made. These will be considered in the qualitative and ranking analyses. More weight will be given to the most similar sales. The statistical analysis suggests a unitary value indication of \$45,000/Cuerda rounded.

No further adjustments were considered necessary. The following table summarizes the adjustment process.

Building Sales Comparison Adjustment Grid						
	Subject	L-1	L-2	L-3	L-4	L-5
Sales Price		\$ 88,500	\$ 100,000	\$ 350,000	\$ 200,000	\$ 345,000
Elements of Comparison						
Rights	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Financing	Typical	Typical	Typical	Typical	Typical	Typical
Sales condition	Typical	Typical	Typical	Typical	Typical	Typical
Market condition	7/26/2014	10/29/2010	9/27/2011	5/30/2012	8/5/2013	8/23/2013
Location/Access	Suburban/Adequate	Suburban/Adequate	Suburban/Adequate	Suburban/Adequate	Rural/Interior	Suburban/Adequate
Zoning/Flood	R-0 / Zone X	UR / Zone X	LT-AD / Zone X	RG / Zone X	NC / Zone X	RT-1 / Zone X
Topography/Shape	Level/Rectangular	Level/Rectangular	Level/Irregular	Level/Irregular	Sloping/Irregular	Level/Rectangular
Highest and Best Use	Residential Dev.	Residential Dev.	Residential Dev.	Residential Dev.	Residential Dev.	Residential Dev.
Size (Cuerdas)	7.82	1.50	2.14	5.25	5.00	4.99
Coastal Influence (Proximity to Beaches)	Yes	Yes	Yes	Yes	None	Yes
Lump Sum Adjustments						
Rights	-	\$ -	\$ -	\$ -	\$ -	\$ -
Financing	-	\$ -	\$ -	\$ -	\$ -	\$ -
Sales conditions	-	\$ -	\$ -	\$ -	\$ -	\$ -
Buyer's Expenditure	-	\$ -	\$ -	\$ -	\$ -	\$ -
Total Lump Sum Adjustments		\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Prices		\$ 88,500	\$ 100,000	\$ 350,000	\$ 200,000	\$ 345,000
Adjusted Prices/Cuerda		\$ 59,000	\$ 46,729	\$ 66,667	\$ 40,000	\$ 69,138
Unitary Adjustments						
Market condition	-	(\$6,624)	(\$3,967)	(\$4,312)	(\$1,167)	(\$1,915)
Location/Access	-	Similar	Similar	Similar	Inferior	Similar
Zoning/Flood	-	Similar	Similar	Similar	Inferior	Similar
Topography/Shape	-	Similar	Similar	Similar	Inferior	Similar
Highest and Best Use	-	Similar	Similar	Similar	Similar	Similar
Size (Cuerdas)	-	Smaller	Smaller	Similar	Similar	Similar
Coastal Influence (Proximity to Beaches)	-	Similar	Similar	Superior	Inferior	Superior
Overall Comparability		Similar	Similar	Superior	Inferior	Superior
Total Unitary Adjustment	-	(\$6,624)	(\$3,967)	(\$4,312)	(\$1,167)	(\$1,915)
Adjusted Unitary Prices	-	\$ 52,376	\$ 42,761	\$ 62,354	\$ 38,833	\$ 67,223

Value Indication by the Sales Comparison Approach

The sales comparison approach included five comparable properties sold between October 2010 2012 and August 2013. These range from \$40,000 to \$69,138 per Cuerda. Quantitative adjustments were made to account for market condition differences. Also, qualitative analysis was applied to consider other differences were no adjustments could be extracted.

The adjusted sales range from \$38,833 to \$67,223 per Cuerda with a mean of \$52,710 and a median of \$52,376 per Cuerda. Based on the qualitative analysis, Comparables 3 and 5 were considered superior, Comparables 1 and 2 were considered similar, while Comparable 4 was considered inferior. The most similar overall is Sale 1 with an indication of \$52,376/Cuerda. The following table demonstrates the ranking analysis and subject's positioning and conclusion.

Ranking Analysis		
Sale	Comparability	Adj. Sale Price
5	Superior	\$67,223
3	Superior	\$62,354
1	Similar	\$52,376
Subject		\$50,000
2	Similar	\$42,761
4	Inferior	\$38,833

Thus, based on the preceding analysis the subject's "as is" market value by the sales comparison approach was estimated at \$390,000 rounded ($7.82 \text{ Cuerdas} \times \$50,000/\text{Cuerda} = \$391,000$).

"As is" value Indication via the Sales Comparison Approach
 ---\$390,000.00---
 (THREE HUNDRED NINETY THOUSAND DOLLARS)

Reconciliation and Final Value Conclusion

The Dictionary of Real Estate Appraisal, 5th edition, published by the Appraisal Institute, defines reconciliation as *“the last phase of any valuation assignment in which two or more value indications derived from market data are resolved into a final value estimate, which may be either a final range of value or a single point estimate.”* In this appraisal the reconciliation process included a review of the highest and best use analysis and the applied value approaches, the establishment of a reconciliation criteria and a comparative analysis to form a meaningful, defensible conclusion of the defined market value of the appraised property.

The purpose of the appraisal is to estimate the *“as is” market value* of the subject property as of the appraisal effective date, *July 26, 2014*. The intended use of the appraisal is for a *loan transaction, servicing action, or similar lending-related transaction*. The intended user is *Doral Bank and/or its affiliated companies*.

As requested, I performed a complete inspection of the property. *The information and description of the property was taken from excerpts of a prior appraisal report prepared by Appraiser Efrain Tirado on June 17, 2013 who also referenced a previous appraisal report prepared by Appraiser Martin Gonzalez Martinez on February 20, 2005 with an effective date of August 2002. Both appraisals reported the property to be located at PR-686 Km 9.4. Nonetheless, as per kilometer sign located in the adjacent property, the subject is located at kilometer 10.5. Thus, the appraisal was performed based on the extraordinary assumptions that the provided information is correct and the location was rectified. If these assumptions are found to be false the concluded opinions might be invalid.*

The appraised property comprises 7.82 Cuerdas vacant residential land with a rectangular configuration and level topography. It is within a low density residential zoning district, UR; Developable Land (former R-0) and outside the flood prone area (X-zone). Located within the Vega Baja coastal line is at walking distance from the beach. It has frontage to PR-686 and Playa Linda Street. As per my observation, it seems suitable for a low density residential-tourist development having all utilities available on site with minimum site works required for its development.

Based on property characteristics, the highest and best use determination, and after analyzing the subject’s market, only the sales comparison approach to value was developed and produced the following results:

Cost Approach:	Not developed.
Sales Comparison Approach:	\$390,000.00
Income Capitalization Approach:	Not developed.

Typical market participants are buying residential vacant land to hold for future residential development when the market conditions arise. All the comparables analyzed were considered to have included this consideration. Therefore no adjustment was considered necessary for the holding period. Based on the appropriateness of the sales comparison approach the market value opinion of the fee simple rights, as of July 26, 2014, was concluded at \$390,000.

“As is” value Indication via the Sales Comparison Approach
---\$390,000.00---
(THREE HUNDRED NINETY THOUSAND DOLLARS)

Estimated Exposure and Marketing Time of the Subject Property

Based on the sales of competitive properties and subject property physical and economic characteristics, both exposure and marketing time were estimated at 36 months at the reported market value.

General Limiting Conditions

1. The appraiser will not be required to give testimony or appear in court because of having made this appraisal, with reference to the property in question, unless arrangements have been previously made thereof.
2. It is agreed that you will indemnify Oscar Luciano for any damages, costs, expense, and attorney's fees resulting from any cause of action by any interested party, other than the client, concerning the appraisal report.
3. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event, only with the proper written qualification and only in its entirety.
4. In the case where an improvement is considered, the distribution of the total valuation between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.
5. Disclosure of the contents of this report is governed by the By-Laws and Regulations of the Appraisal Institute. Neither all nor any part of the contents of this report, or copy thereof, shall be conveyed to the public through advertising, public relations, news, sales or any other media, without written consent and approval of the appraiser. Nor shall the appraiser, firm or professional organization of which the appraiser is a member, be identified without prior written consent of the appraiser.
6. The physical condition of the improvements described herein is based on visual inspection only. No liability is assumed for the soundness of structural members, including roof (wear and leakage), foundation (settling or leakage), footings, exterior and interior walls, partitions, floors, or any other part of the structure, since no engineering tests were made of same and no termite inspection was conducted. Furthermore, we accept no legal responsibility for the efficiency of the plumbing and electrical systems, air conditioning equipment, or any major appliances. Unless otherwise noted, all of these items appeared adequate and operational.
7. In this appraisal assignment, the existence of potentially hazardous material used in the construction or maintenance of the building, such as the presence of urea formaldehyde foam insulation or asbestos, and/or existence of toxic waste, which may be or may not be present on the property, has not been considered. The appraiser is not qualified to detect such substances. We urge the client to retain an expert in this field if desired.

General Assumptions

This appraisal report has been made with the following general assumptions:

1. No responsibility is assumed for the legal description or matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated. All taxes are assumed to be current. In specific cases, at the request of the client, the appraiser may present data on past due ad valorem taxes. However, this data is not certified and is only a verbal confirmation by the tax authority. This data should not be relied upon by the client and has no effect on the final value estimate.
3. The property is appraised as though under responsible, adequately capitalized ownership and competent property management.
4. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
5. All engineering is assumed to be correct. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
7. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined and considered in the appraisal report.
8. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless nonconformity has been stated, defined, and considered in the appraisal report.
9. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
10. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.
11. The availability of capacity and/or connection rights to any or all public utilities had not been determined by the appraiser. The value estimate reported herein is contingent upon and limited to said capacity and right of connection.

Appraiser Certification

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

- The statements of fact contained in this report are true and correct.
- I have made an inspection of the property that is the subject of this report.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and is 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 analyses, 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 with the assistance provided by the trainee appraiser.
- I have performed no other services, as an appraiser or in any other capacity, regarding the subject property that is subject of this report within the three-year period immediately preceding the acceptance of this assignment.
- No one provided assistance to the person signing this report in the development of this appraisal.
- To the best of my knowledge and belief, the reported analysis, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice.
- I have completed the continuing education program of the Appraisal Institute.

Respectfully submitted,



Oscar Luciano, SRA
PR Real Estate Appraiser
EPA-850 / PRGC-199 Exp. 08/02/2016
Luciano.tasador@gmail.com

Professional Qualifications

Oscar A. Luciano, SRA



13739 Budworth Circle, Orlando, FL 32832 / 787-466-4485 / Luciano.tasador@gmail.com or appraisals.review@gmail.com

REAL ESTATE LICENSES

- Puerto Rico General Certified Appraiser; PRGC-199
- Puerto Rico Licensed Professional Appraiser; EPA-850
- Puerto Rico Licensed Real Estate Broker 12384 (Inactive)

PROFESSIONAL ORGANIZATIONS AFFILIATIONS AND DESIGNATIONS

- SRA - Designated Member of the Appraisal Institute (Currently working towards the MAI)

EMPLOYMENT & EXPERIENCE

- Senior Commercial Appraisal Review Officer – Oriental Bank, October 2010 – Present
- Real Estate Fee Appraiser - Luciano Real Estate Solutions – October 2010 - Present
- Real Estate Fee Appraiser and Partner – ODV Appraisal Group, Feb-2006 – Oct-2010.
- Real Estate Fee Appraiser – ODV Appraisal Group, February 2001 – 2006
- Real Estate Appraiser Trainee – ODV Appraisal Group, March 1998 – January 2001
- Specialized practice in valuation and review of local commercial properties, vacant land, residential projects, industrial, multi-family apartment buildings, agricultural properties, single-family, 2-4 unit residential, and condominium units.

OFFICES HELD AND FACULTY POSITIONS

- Vice-President of the Puerto Rico Professional Real Estate Appraisers Examiners Board August 2012 to June 2013
- President of the Puerto Rico Professional Real Estate Appraisers Examiners Board July 2011 to August 2012
- Director of the Puerto Rico Professional Real Estate Appraisers Examiners Board – Jan-2010 – Jul-2011
- Past-President of the Puerto Rico & Caribbean Chapter of the Appraisal Institute – 2010
- President of the Puerto Rico & Caribbean Chapter of the Appraisal Institute – 2009
- Director of the Puerto Rico & Caribbean Chapter of the Appraisal Institute – 2008
- Director of the Puerto Rico & Caribbean Chapter of the Appraisal Institute – 2007
- Director of the Puerto Rico & Caribbean Chapter of the Appraisal Institute – 2006
- Member of the Government Relations Committee, Puerto Rico & Caribbean Chapter of the Appraisal Institute – 2005

EDUCATION

- Bachelor in Science –1998
Industrial Engineering
POLYTECHNIC UNIVERSITY OF PUERTO RICO SAN JUAN, PUERTO RICO

REAL ESTATE EDUCATION

COURSES

National USPAP Course Update – Appraisal Institute, February 2014
Advanced Market Analysis and Highest and Best Use – Appraisal Institute, October 2013
General Appraiser Report Writing and Case Studies – Appraisal Institute, May 2013
Advanced Concepts and Case Studies – Appraisal Institute, March 2013
National USPAP Course Update – Appraisal Institute, March 2012
Business Practices and Ethics – Appraisal Institute, August 2010
National USPAP Course Update – Appraisal Institute, August 2010
Uniform Appraisal Standards for Federal Land Acquisition “Yellow Book” – American Society of Farm Managers and Rural Appraisers, May 2010
National USPAP Course Update – Appraisal Institute, February 2009
National USPAP Course Update – Appraisal Institute, March 2007
“Leyes y Reglamentos que Rigen la Profesión en Puerto Rico” – Appraisal Institute, March 2007
Business Practices and Ethics, Course 420 – Appraisal Institute, October 2006
Certified Commercial Investment, Introduction – CCIM Institute, September 2006
Advanced Residential Applications and Case Studies, Part 1 – AI, September 2006
Advanced Residential Report Writing, Part 2 – Appraisal Institute, September 2006
National USPAP Course Update – Appraisal Institute, February 2005
Advanced Sales Comparison and Cost Approaches, Course 530 – Appraisal Institute, September 2004
Advance Income Capitalization, Course 510 – Appraisal Institute, February of 2004
National USPAP Course – Appraisal Institute, July 2003
Apartment Appraisal, Course 330 - Appraisal Institute, June 2002
Residential Case Study, Course 210 – Appraisal Institute, May 2002
Advanced Residential Form and Narrative Report Writing, Course 500 – Appraisal Institute, September 1999
Applications of the Financial CalculatorHP-12 for real estate appraisers, Instituto de Evaluadores, September 1999
Basic Income Capitalization, Course 310 – Appraisal Institute, November 1998
Standards of Professional Practice, Course 420 – Appraisal Institute, September 1998
Standards of Professional Practice, Course 410 – Appraisal Institute, October 1998
Appraisal Procedures, Course No. 120 - Appraisal Institute, October 1998
Appraisal Principles, Course No. 110 - Appraisal Institute, August 1998

SEMINARS AND RELATED EDUCATION

Florida Law – Appraisal Institute, April 2014
Online Appraisal Curriculum Overview – Residential – Appraisal Institute, December 2012
REO Appraisal: Appraisal of Residential Property Foreclosure - Appraisal Institute, February 2012
Appraising the Appraisal – Appraisal Review Seminar General – Appraisal Institute, August 2011
The Lending World in Crisis-What Clients Need Their Appraisers to Know Today – Appraisal Institute, May 2011

Real Estate Industry Perspectives on Lease Accounting – Appraisal Institute, April 2011
Federal Housing Administration Appraisal Training – United States Department of HUD, May 2010
Commercial Appraisal Engagement and Review Seminar – Appraisal Institute, December 2009
An Introduction to Valuing Green Buildings – Appraisal Institute, May 2009
Spotlight: The New Residential Market Conditions Form (1004MC) – Appraisal Institute, February 2009
Federal Housing Administration Appraisal Training – United States Department of HUD, May 2008
Leadership Development Advisory Council (LDAC) - Appraisal Institute, April 2008
Quality Assurance in Residential Appraisals: Risky Appraisal=Risky Loans – Appraisal Institute, March 2008
Office Building Valuation: A Contemporary Perspective – Appraisal Institute, September 2007
Online FHA and the Appraisal Process – Appraisal Institute, August 2007
Mortgage Fraud Seminar – Appraisal Institute, May 2007
Federal Housing Administration Appraisal Training – United States Department of HUD, May 2007
Leadership Development Advisory Council (LDAC) - Appraisal Institute, April 2007
Real Estate Market Trends Symposium – Appraisal Institute, June 2006
Residential Design and Functional Utility – Appraisal Institute, October 2005
New Relations Seminar – Puerto Rico Appraisers Board, September 2005
The Professionals Guide to the Uniform Residential Appraisal Report – Appraisal Institute, June 2005
Real Estate Market Trend Symposium – Appraisal Institute, October 2003
Appraising Local retail Properties – Appraisal Institute, March 2003
Real Estate Market Trend Symposium – Appraisal Institute, March 2002
The FHA and the Appraisal Process – Appraisal Institute, October 1999
Residential Demonstration Report Writing Seminar– Appraisal Institute, June 1999

CLIENTS AND FORMER CLIENTS

Scotiabank, Oriental Group, Popular Mortgage, Preferred Mortgage, Eurobank, Euro Mortgage, Banco Santander de Puerto Rico, Santander Mortgage Corporation, First Bank, First Mortgage, Doral Bank, Doral Mortgage Corporation, R-G Premier, R-G-Mortgage, First Equity Mortgage Bankers (FEMBI), First Security Mortgage Bankers, Puerto Rico Farm Credit, various local developers, and accounting and law firms.

EXPERT WITNESS

Puerto Rico Department of Justice - Court House of San Juan, Bayamon, and Fajardo.

REFERENCES

Mr. Wendel Laracuenta – Loan Review Specialist, FDIC 787.529.7602
Mr. Nestor Rodriguez – Principal Examiner, OCIF 787.723.3131
Ms. Vicki Ledbetter – Appraisal Subcommittee 202.365.5341
Ms. Damaris Alvarez – President, Puerto Rico Real Estate Appraiser Examiners Board 787.375.6800
Mr. Joseph Magdziarz – Past President, Appraisal Institute 815.482.5909

Gobierno de Puerto Rico
Government of Puerto Rico
DEPARTAMENTO DE ESTADO
Department of State

Renovado
03/Aug/2012

Secretaría Auxiliar de Juntas Examinadoras
Office of the Assistant Secretary of State for Examining Boards

La Junta Examinadora de Evaluadores Profesionales de Bienes Raíces
The Examining Board of Real Estate Appraisers
por la presente certifica que
hereto certifies that

Oscar A. Luciano Marrero
por haber cumplido todos los requisitos de Ley, ha sido inscrito
en el Registro de esta Junta como
having met all the requirements of law, has been registered as
Evaluador Profesional Licencia Estatal
State Certified Professional Appraiser

(Para evaluar todo tipo de propiedad. Gobierno Estadístico Municipal donde no exista un Interés Federal)
En testimonio del cual se expide esta licencia para el ejercicio de dicha profesión bajo el sello de la Junta.
In testimony whereof, this license is issued to practice as a professional, under the seal of the Board of Examiners.

En San Juan, Puerto Rico, hoy día 3 de agosto de 2012.
In San Juan, Puerto Rico, on August 3, 2012.

Licencia Número: **850EPA**
Licence Number:
Vencimiento: **2 de agosto de 2016**
Expires: August 2, 2016



[Signature]
Presidente
(Board President)
[Signature]
Director
(Director)

Gobierno de Puerto Rico
Government of Puerto Rico

DEPARTAMENTO DE ESTADO

Department of State

Secretaría Auxiliar de Juntas Examinadoras
Office of the Assistant Secretary of State for Examining Boards

Renovado
03/Aug/2012

La Junta Examinadora de Evaluadores Profesionales de Bienes Raíces

The Examining Board of Real Estate Appraisers

por esta presente certifica que
herby certifies that

Oscar A. Luciano Marrero

por haber cumplido todos los requisitos de Ley, ha sido inscrito
en el Registro de esta Junta como
having met all the requirements of law, has been registered as:

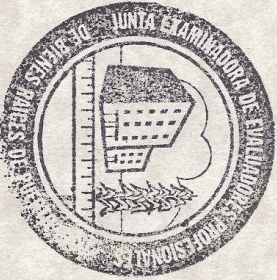
Evaluador Profesional Certificación General
Certified General Professional Appraiser


En testimonio del cual se expide esta licencia para el ejercicio de dicha profesión bajo el sello de la Junta.
In testimony whereof, this license is issued to practice as a professional, under the seal of the Board of Examiners.

En San Juan, Puerto Rico, hoy día 3 de agosto de 2012.
In San Juan, Puerto Rico, on August 3, 2012.

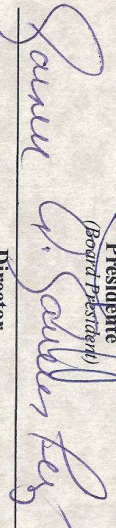
Licencia Número: **199CG**
License Number:

Vencimiento: **2 de agosto de 2016**
Expires: *August 2, 2016*





Presidente
(Board President)



Director
(Director)

Errors and Omissions Certificate of Insurance

CERTIFICATE OF INSURANCE							
PRODUCER ALBERTO ALVAREZ GUINONES P.O. BOX 41057 MILLAS STATION SAN JUAN, PR. 00940			THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.				
INSURED OSCAR LUCIANO MARRERO PO BOX 194350, SUITE 200 SAN JUAN, PUERTO RICO 00919			COMPANIES AFFORDING COVERAGE COMPANY A ACE INSURANCE COMPANY COMPANY B COMPANY C COMPANY D				
COVERAGE THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.							
CO	LT#	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS	DOLLARS
		<input type="checkbox"/> GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS OCCUR <input type="checkbox"/> OWNER'S & CONT PROT <input type="checkbox"/> STOP GAP				GENERAL AGGREGATE PRODUCTS-COMP/OP AGG PERSONAL AND INJURY EACH OCCURRENCE FIRE DAMAGE (ANY ONE FIRE) MED EXP (ANY ONE PERSON)	
		<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT BODILY INJURY (PER PERSON) BODILY INJURY (PER ACCIDENT) AGG-NO ENDORSEMENT PROPERTY DAMAGE	
		<input type="checkbox"/> GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY-EA ACCIDENT OTHER THAN AUTO ONLY EACH ACCIDENT AGGREGATE	
		<input type="checkbox"/> EXCESS LIABILITY <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	
		<input type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS LIABILITY <input type="checkbox"/> INCL. THE PROPRIETOR <input type="checkbox"/> PARTNERS-EXECUTIVE <input type="checkbox"/> EXCL. OFFICERS ARE				STATUTORY LIMITS EACH ACCIDENT DISEASE - POLICY LIMIT DISEASE - EACH EMPLOYEE	
A		PROFESSIONAL LIABILITY REAL ESTATE APPRAISAL	EO-1422	06/27/2013	06/27/2014	PER CLAIM AGGREGATE	1,000,000 1,000,000
DESCRIPTION OF OPERATIONS-LOCATIONS-VEHICLES-SPECIAL ITEMS							
CERTIFICATE HOLDER DORAL BANK PO BOX 73008 SAN JUAN, PUERTO RICO 00936			CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHOULD IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVE PREPARED BY ALBERTO ALVAREZ GUINONES				
DATE (MM/DD/YYYY): 06/03/2013							

ADDENDA

				15 FY	14 FY	
LABOR FORCE (thds., n.s.a.) 1/	Jul-14	Jun-14	Jul-13	Jul - Jul	Jul - Jul	% Ch.
Civilian Population	2,875.3	2,874.1	2,896.6	2,875.3	2,896.6	-0.7
Labor Force	1,139.7	1,140.1	1,187.1	1,139.7	1,187.1	-4.0
Participation Rate	39.6	39.7	41.0	39.6	41.0	-3.3
Employment, Total	981.6	994.2	1,012.8	981.6	1,012.8	-3.1
Non-farm Wage & Salary Employment	817.1	833.2	847.5	817.1	847.5	-3.6
Self-Employment 1a/	147.8	147.2	143.1	147.8	143.1	3.3
Unemployed, Total	158.1	145.9	174.3	158.1	174.3	-9.3
Unemployment Rate (%)	13.9	12.8	14.7	13.9	14.7	-5.4
Employment Rate	34.1	34.6	35.0	34.1	35.0	-2.4
				15 FY	14 FY	
LABOR FORCE (thds., s.a.) 2/	Jul-14	Jun-14	Jul-13	Jul - Jul	Jul - Jul	% Ch.
Labor Force	1,138.5	1,141.0	1,182.3	1,138.5	1,182.3	-3.7
Employment, Total	989.9	991.6	1,017.6	989.9	1,017.6	-2.7
Unemployed, Total	148.6	149.4	164.7	148.6	164.7	-9.8
Unemployment Rate (%)	13.1	13.1	13.9	13.1	13.9	-5.8
				15 FY	14 FY	
PAYROLL EMPLOYMENT (thds., n.s.a.) 3/	Jul-14	Jun-14	Jul-13	Jul - Jul	Jul - Jul	% Ch.
Total	904.3	919.0	902.3	904.3	902.3	0.2
Government	235.2	237.5	240.7	235.2	240.7	-2.3
Private	669.1	681.5	661.6	669.1	661.6	1.1
Construction & Mining	31.0	31.5	28.6	31.0	28.6	8.4
Trade	159.3	161.1	159.3	159.3	159.3	0.0
Transportation & Utilities	13.6	14.1	13.5	13.6	13.5	0.7
Information	19.0	19.1	19.0	19.0	19.0	0.0
Finance, Insurance & Real Estate	43.5	43.5	43.8	43.5	43.8	-0.7
Services	328.5	337.4	322.5	328.5	322.5	1.9
Manufacturing	74.2	74.8	74.9	74.2	74.9	-0.9
Durable Goods	31.3	31.3	32.2	31.3	32.2	-2.8
Nonmetallic Mineral Product	1.7	1.7	1.8	1.7	1.8	-5.6
Fabricated Metal Product	3.2	3.2	3.4	3.2	3.4	-5.9
Computer and Electronic Product	4.4	4.4	4.4	4.4	4.4	0.0
Electrical Equipment, Appliance & Components	5.1	5.1	5.2	5.1	5.2	-1.9
Other	16.9	16.9	17.4	16.9	17.4	-2.9
Nondurable goods	42.9	43.5	42.7	42.9	42.7	0.5
Food	11.0	11.2	10.9	11.0	10.9	0.9
Apparel	4.0	4.2	4.6	4.0	4.6	-13.0
Chemical	18.3	18.4	18.6	18.3	18.6	-1.6
Other	9.6	9.7	8.6	9.6	8.6	11.6
				15 FY	14 FY	
PAYROLL EMPLOYMENT (thds., s.a.) 4/	Jul-14	Jun-14	Jul-13	Jul - Jul	Jul - Jul	% Ch.
Total	912.1	909.5	917.2	912.1	917.2	-0.6
Government	236.6	227.1	241.7	236.6	241.7	-2.1
Private	675.5	682.4	675.5	675.5	675.5	0.0
Construction & Mining	30.8	31.6	29.3	30.8	29.3	5.1
Trade, Transportation & Utilities	173.9	174.9	176.1	173.9	176.1	-1.2
Information	19.0	18.8	18.9	19.0	18.9	0.5
Finance, Insurance & Real Estate	43.4	43.0	44.0	43.4	44.0	-1.4
Services	334.1	338.9	331.6	334.1	331.6	0.8
Manufacturing	74.3	75.2	75.6	74.3	75.6	-1.7

	Preliminary			14 FY	13 FY	
PROMOTION ACTIVITIES 5/	Jun-14	May-14	Jun-13	Jul - Jun	Jul - Jun	% Ch.
Number of Projects	13	7	7	113	73	54.8
Employment Committed	923	109	863	6,705	3,796	76.6
Payroll Committed (\$ thds.)	15,464	2,345	63,375	137,578	152,075	-9.5
Investment Committed (\$ thds.)	5,279	5,834	210,042	403,310	491,532	-17.9
Number of Plant Openings	8	6	0	31	36	-13.9
Employment at Beginning Operation	271	139	0	834	1,112	-25.0
Plant Shutdowns	3	2	5	63	45	40.0
Employment Lost in Shutdowns	5	1	5	640	537	19.2
				14 FY	13 FY	
TOURISM (thds.) 6/	Apr-14	Mar-14	Apr-13	Jul - Apr	Jul - Apr	% Ch.
Total Hotel Registrations	198.9	223.2	186.3	1,906.5	1,887.7	1.0
Residents	51.2	44.1	42.7	574.2	585.6	-1.9
Nonresidents	147.7	179.0	143.6	1,332.3	1,302.1	2.3
Tourist Hotel Registrations	189.4	210.9	177.9	1,820.7	1,796.1	1.4
Residents	48.8	41.6	40.7	553.2	566.0	-2.2
Nonresidents	140.7	169.3	137.2	1,267.4	1,230.2	3.0
Occupancy Rate Tourist Hotels (%)	72.6	80.6	73.4	72.0	72.4	-0.6
				15 FY	14 FY	
CONSUMER PRICE INDEX (% ch.) 7/	Jul-14	Jun-14	Jul-13	Jul - Jul	Jul - Jul	
Index Base: Dec 2006=100						
All Families	0.4	0.4	0.6	1.3	1.9	
Food and beverage	0.3	0.2	0.1	2.5	1.1	
Housing	0.2	0.3	0.2	0.4	1.0	
Apparel	0.6	-0.8	0.3	-3.0	1.5	
Transportation	0.9	0.9	1.5	0.9	4.3	
Medical care	0.2	0.3	0.2	3.8	3.2	
Recreation	-0.2	0.2	0.6	-1.1	0.5	
Education and communications	1.1	0.0	0.2	1.9	0.6	
Others goods and services	0.1	0.0	1.0	1.7	1.7	
				15 FY	14 FY	
GASOLINE	Jul-14	Jun-14	Jul-13	Jul - Jul	Jul - Jul	% Ch.
Average retail price (dollars per gallon) 8/	3.63	3.58	3.49	3.63	3.49	4.1
Consumption (millions of gallons) 9/	81.9	78.0	88.2	81.9	88.2	-7.2
				14 FY	13 FY	
ELECTRIC ENERGY CONSUMPTION (mm kWh) 10/	Jun-14	May-14	Jun-13	Jul - Jun	Jul - Jun	% Ch.
Total	1,459	1,465	1,498	17,561	18,221	-3.6
Residential	518	534	545	6,271	6,656	-5.8
Commercial	710	697	701	8,497	8,635	-1.6
Industrial	201	200	222	2,434	2,578	-5.6
Other	29	33	30	359	352	1.9
				15 FY	14 FY	
ELECTRIC ENERGY GENERATION (mm kWh) 10/	Jul-14	Jun-14	Jul-13	Jul - Jul	Jul - Jul	% Ch.
Total	1,870	1,832	1,874	1,870	1,874	-0.2
				15 FY	14 FY	
CEMENT DATA (thds.) 11/	Jul-14	Jun-14	Jul-13	Jul - Jul	Jul - Jul	% Ch.
Domestic Production (94lb. bags)	1,068	1,220	1,069	1,068	1,069	-0.1
Total Sales (94lb. bags & bulk)	1,247	1,262	1,339	1,247	1,339	-6.9

				14 FY	13 FY	
CONSTRUCTION PERMITS 12/	Jun-14	May-14	Jun-13	Jul - Jun	Jul - Jun	% Ch.
Number of Construction Permits	349	333	325	3,687	4,531	-18.6
Private	254	311	302	3,419	4,174	-18.1
Public	95	22	23	268	357	-24.9
Value of Construction Permits (thds. \$)	72,294	47,765	64,243	858,026	995,681	-13.8
Private	53,629	38,753	54,521	736,186	756,551	-2.7
Public	18,665	9,012	9,722	121,840	239,130	-49.0
Number New Dwelling Units	295	189	262	2,593	3,446	-24.8
Private	271	175	257	2,482	3,195	-22.3
Public	24	14	5	111	251	-55.8
				14 FY	13 FY	
RETAIL SALES (MILLION \$) 13/	May-14	Apr-14	May-13	Jul - May	Jul - May	% Ch.
Total	2,991.3	2,966.1	3,008.8	33,361.6	33,135.1	0.7
Building Materials, Hardware, Garden Supplies & Mobile Home Dealers	136.8	153.0	129.1	1,598.5	1,586.1	0.8
General Merchandise Stores	569.7	524.3	573.4	6,222.7	6,398.3	-2.7
Department Stores	512.3	470.0	510.3	5,561.6	5,746.5	-3.2
Food Stores	459.2	441.9	445.4	4,992.1	4,835.7	3.2
Automobile Dealers, Supplies & Gasoline Service Stations	716.1	767.6	748.2	8,450.1	8,391.3	0.7
Motor Vehicle Dealers (New & Used)	278.7	277.3	308.2	3,308.7	3,441.3	-3.9
Gasoline Service Stations	316.3	355.6	313.4	3,677.5	3,480.4	5.7
Apparel, Shoe & Accessory Stores	71.8	56.8	66.6	728.0	671.8	8.4
Home Furniture, Furnishings & Equipment Stores	129.9	121.9	138.0	1,479.0	1,612.2	-8.3
Eating & Drinking Places, (Cafeterias & Restaurants)	357.1	336.3	349.3	3,623.8	3,557.4	1.9
Miscellaneous Retail	348.0	367.6	363.1	3,914.0	3,872.1	1.1
Drug Stores	309.3	334.8	326.1	3,500.2	3,439.1	1.8
Jewelry Stores	19.4	13.1	17.8	177.5	174.9	1.5
Other	202.7	196.8	195.7	2,353.5	2,209.9	6.5
				14 FY	13 FY	
EXTERNAL TRADE (million \$) 14/	Jun-14	May-14	Jun-13	Jul - Jun	Jul - Jun	% Ch.
Exports	6,298	5,738	6,192	62,457	62,397	0.1
United States	4,721	4,108	4,473	44,853	44,666	0.4
Foreign Countries	1,553	1,611	1,687	17,310	17,499	-1.1
Virgin Islands	24	20	31	294	233	26.3
Imports	3,806	3,696	3,412	42,476	45,039	-5.7
United States	1,619	1,798	1,643	20,064	20,455	-1.9
Foreign Countries	2,185	1,896	1,768	22,401	24,575	-8.8
Virgin Islands	1	2	1	11	9	20.7
Trade Balance	2,492	2,042	2,780	19,982	17,358	15.1
				13 FY	12 FY	
TRANSPORTATION & CARGO 15/	May-13	Apr-13	May-12	Jul - May	Jul - May	% Ch.
Air Passenger Traffic (thds.)						
Inbound	359	365	378	4,218	4,121	2.4
Outbound	387	398	405	4,266	4,175	2.2
Net Balance	-28	-32	-27	-48	-54	-11.0
Air Cargo (thds. of lbs.)						
Inbound	24,749	24,290	26,010	291,849	292,599	-0.3
Outbound	21,354	20,016	21,694	225,107	242,367	-7.1
Net Balance	3,395	4,274	4,316	66,742	50,232	32.9

COMMERCIAL BANKING (million \$) 16/	Quarterly Change			Outstanding Balance		
	II 14	I 14	II 13	II 14	II 13	% Ch.
Total assets	-1,171.6	828.2	-908.6	63,255.4	65,481.2	-3.4
Cash & Balances due from Depository Institutions	401.3	1,005.2	574.6	5,402.4	4,621.5	16.9
Investment & Securities	-635.5	409.8	-553.0	5,714.7	5,325.1	7.3
Loans & Leases, Net of Unearned Income & Allowances	-1,299.3	-731.3	-1,651.7	41,724.4	44,813.9	-6.9
Other Assets	361.9	144.5	721.4	10,413.9	10,720.6	-2.9
Total Liabilities and Capital	-1,171.6	828.2	-908.6	63,255.4	65,481.2	-3.4
Total Liabilities	-1,353.9	674.9	-859.4	55,376.9	58,726.5	-5.7
Deposits	-1,422.8	841.3	-283.9	47,432.0	48,979.1	-3.2
Non Interest-bearing	-526.1	111.2	1,192.4	10,048.5	11,095.1	-9.4
Interest-bearing	-896.8	730.1	-1,476.3	37,383.5	37,884.0	-1.3
Other Liabilities	69.0	-166.4	-575.5	7,944.8	9,747.4	-18.5
Capital	182.3	153.2	-49.3	7,878.5	6,754.7	16.6
Selected Loan Activity						
Real Estate	547.9	-602.3	-1,807.8	27,420.9	28,706.7	-4.5
Commercial, Indust. & Agr.	-1,561.4	-61.9	129.0	7,656.3	9,007.3	-15.0
Individuals	196.7	65.3	52.2	6,741.4	6,455.5	4.4
Leases	-9.3	-2.1	-2.2	330.0	342.3	-3.6
Other Loans	-393.0	-137.5	-156.2	759.3	1,395.2	-45.6
				15 FY	14 FY	
GOVERNMENT REVENUES (million \$) 17/	Jul-14	Jun-14	Jul-14	Jul - Jul	Jul - Jul	% Ch.
General Fund Gross Revenues	663.2	1,059.0	544.0	663.2	544.0	21.9
Less: Reserve for Tax Refunds	-39.0	-49.0	-49.0	-39.0	-49.0	-20.4
General Fund Net Revenues	624.2	1,010.0	495.0	624.2	495.0	26.1
Tax Revenues	595.4	860.4	451.8	595.4	451.8	31.8
Income Taxes	268.2	535.9	257.0	268.2	257.0	4.4
Individuals	142.1	159.5	140.4	142.1	140.4	1.2
Corporations	99.3	314.2	83.3	99.3	83.3	19.3
Withheld to Nonresidents	17.2	55.0	28.7	17.2	28.7	-40.2
Tollgate	3.7	0.3	1.8	3.7	1.8	110.0
Sales & Use Tax	0.0	106.4	0.0	0.0	0.0	NC
Excise Taxes, Total	325.3	214.6	188.7	325.3	188.7	72.4
Alcoholic Beverages	16.2	24.9	19.2	16.2	19.2	-15.7
Motor Vehicles	7.1	30.3	13.3	7.1	13.3	-46.6
Foreign (Act. 154)	283.3	140.1	135.0	283.3	135.0	109.9
Licenses, Total	1.1	1.7	1.2	1.1	1.2	-8.2
Nontax Revenues	13.3	142.3	14.1	13.3	14.1	-5.5
From Non-Commonwealth Sources	15.6	7.3	29.2	15.6	29.2	-46.6
Excise on Offshore Shipments	15.6	7.3	29.2	15.6	29.2	-46.6
				15 FY	14 FY	
ECONOMIC ACTIVITY INDEX 18/	Jul-14	Jun-14	Jul-13	Jul - Jul	Jul - Jul	% Ch.
GDB Economic Activity Index (Jan 1980=100)	125.1	126.1	126.0	125.1	126.0	-0.7

SOURCES: 1/ Dept. of Labor and Human Resources, Household Survey. Not seasonally adjusted. 1a/ Includes self-employment & family without payment. 2/ United States Department of Labor, Bureau of Labor Statistics, Household Survey. Seasonally Adjusted. 3/ Dept. of Labor and Human Resources, Establishment Survey. Industry Classification: NAICS. Not seasonally adjusted. 4/ United States Department of Labor, Bureau of Labor Statistics, Establishment Survey. Industry Classification: NAICS. Seasonally Adjusted. 5/ P.R. Industrial Development Company. 6/ P.R. Tourism Company. 7/ Dept. of Labor and Human Resources. 8/ Department of Consumer Affairs. 9/ P.R. Highways and Transportation Authority. The monthly gasoline consumption is estimated by the GDB from the Treasury Department's monthly gasoline excise tax collections paid by importers which are transferred to P.R. Highways and Transportation Authority. These collections fluctuate due to changes in inventories and purchases, which do not necessarily reflect the actual monthly consumption reported by retailers. 10/ P.R. Electric Power Authority. 11/ Production: CEMEX Puerto Rico & ESSROC San Juan. Sales: CEMEX Puerto Rico, ESSROC San Juan & Antilles Cement Corporation. Imports by Antilles Cement began in 1996. 12/ P.R. Planning Board. 13/ Puerto Rico Trade and Export Company. 14/ P.R. Planning Board. 15/ P.R. Ports Authority. 16/ Commissioner of Financial Institutions. 17/ P.R. Department of the Treasury. Sales & Use Tax began in Nov. 2006. 18/ Government Development Bank for Puerto Rico. **NOTE:** percent changes reflect actual values (no rounding). <http://www.gdbpr.com>

ESTUDIO DE TITULO

A: milite
De: Sandy
Actualizar
9/gosto

A: H.F. MORTGAGE BANKERS (SANDY)

CASO: ~~MARISOL~~ MARSAL CORPORATION

FINCA: NUMERO 1539 INSCRITA AL FOLIO 22 DEL TOMO 35 DE VEGA BAJA
REGISTRO DE LA PROPIEDAD DE BAYAMON, SECCION CUARTA

DESCRIPCION:

RUSTICA: Predio de terreno compuesto de 7 cuerdas con 82 centimos de otra equivalentes a 3 hectareas, 7 areas, 35 centiareas y 65 miliareas, radicada en el Barrio Yeguada del termino municipal de Vega Baja, en lindes por el Norte, con terrenos de la Sucesion de Ramon de Leon; por el Sur, con camino vecinal que lo separa de tierras de la Sucesion de Ramon de Leon; por el Este, con la misma Sucesion de Ramon de Leon; y por el Oeste, con Francisco Jimenez, Carlos Lopez y Nemesio Torres

DOMINIO:

Consta inscrito a favor de **GREGORIO RIVERA HERNANDEZ casado con HIPOLITA GONZALEZ RODRIGUEZ** el que adquirieron por compra a los esposos Tomas Lopez Garcia y Evarista Jimenez por el precio de \$1,000.00 segun consta de la escritura #41 otorgada en Vega Baja el dia 21 de octubre del 1947 ante el notario Eduardo M. Diaz Porto e inscrita al folio 23 del tomo 35 de Vega Baja, finca #1539 inscripcion 2da

GRAVAMENES:

HIPOTECA: NINGUNA

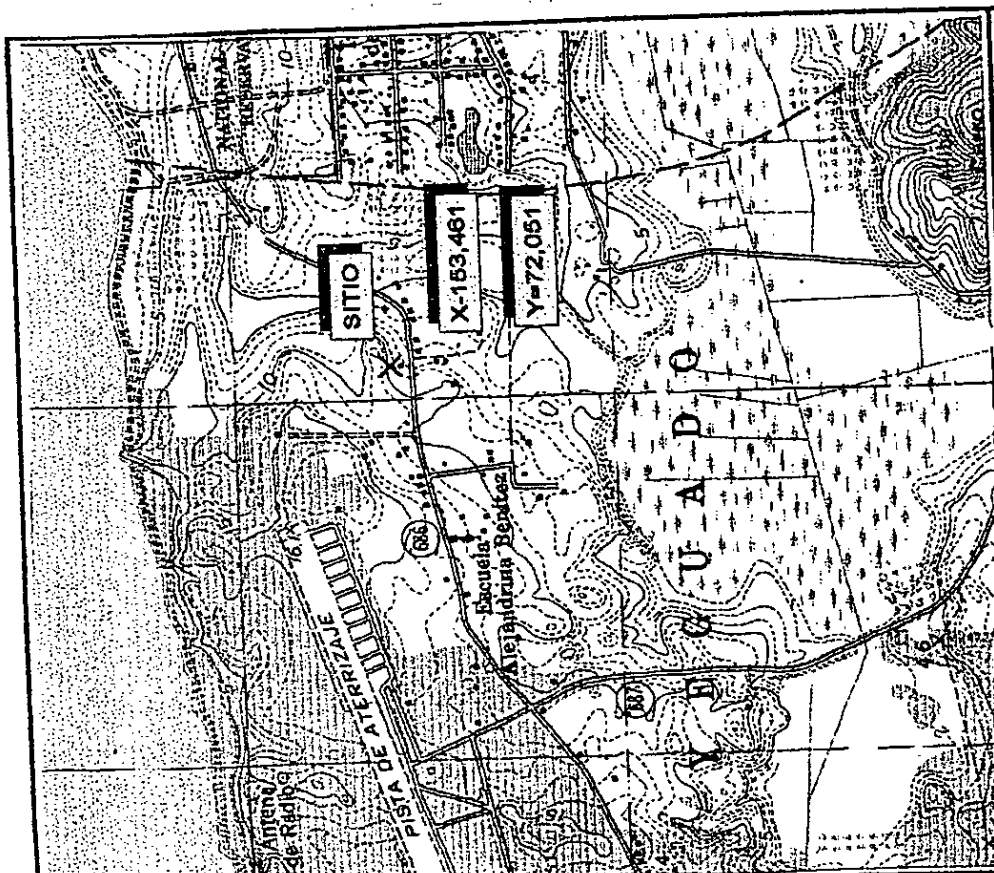
REVISADO:

Libro de embargos estatales, federales, sentencias y bitacora electronica a 18 de marzo del 2005

MILAGROS CUEVAS TORRES INC.
INVESTIGADORES DE TITULO
RCT/ra (25)

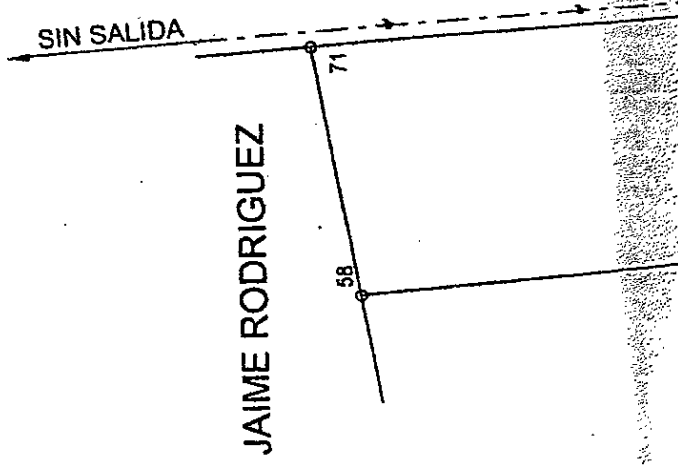
COSTO DE ESTUDIO \$60.00

Of. -
Ldb Airone
637-8398
756-0054



ESCALA 1:20,000

PLANO DE LOCALIZACION



JAIMÉ RODRIGUEZ

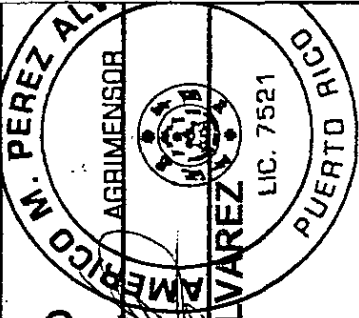
057.0120	1303	27	170.687	8	3	28	28	W	E
026.2046	1308	46	17.354	S	3	6	35	E	
011.0717	1331	2523	10.763	S	31	10	39	W	
005.0434	977	9222	53.567	S	84	36	30	W	
038.1724	975	4396	32.225	N	4	25	6	W	
070.7312	972	4585	41.666	N	4	6	10	W	
116.4590	969	0673	36.884	N	5	16	31	W	
151.5173	966	1286	35.181	N	4	47	30	W	
187.8375	963	4512	36.419	N	4	12	58	W	
225.5845	960	6372	37.852	N	4	15	49	W	
244.2477	959	0414	18.731	N	4	53	14	W	
483.5249	940	0755	240.028	N	4	31	55	W	

A = 30,900.6909 M.C. = 7.8620 Cdas.

CERTIFICO CORRECTO

ESCALA 1:2,000

FECHA 08/23/02



AGRIM. AMERICO M. PEREZ ALVAREZ
LIC. NUM. 7521
P.O. BOX 1092
VEGA BAJA, P.R. 00694-1092
TEL. / FAX. (787) 855-2895

ESTADO DE AREA

PTO. NUM.	COORDENADAS		DIST.	RUMBO			
	Y	X					
58	1,483.5249	940.0755	—————	—————			
71	1,495.1609	1,007.8876	68.803	N	80	15	48 E
62	1,386.0691	1,014.8801	109.316	S	3	40	3 E
57	1,338.0530	1,017.5990	48.093	S	3	14	27 E
44	1,207.9963	1,025.5376	130.299	S	3	29	35 E
32	1,037.6129	1,035.8827	170.697	S	3	28	28 E
25	1,020.2848	1,036.8240	17.354	S	3	6	35 E
24	1,011.0767	1,031.2523	10.763	S	31	10	39 W
4	1,006.0434	977.9222	53.567	S	84	36	30 W
3	1,038.1724	975.4396	32.225	N	4	25	6 W
2	1,079.7312	972.4585	41.666	N	4	6	10 W
45	1,116.4590	969.0673	36.884	N	5	16	31 W
46	1,151.5173	966.1286	35.181	N	4	47	30 W
47	1,187.8375	963.4512	36.419	N	4	12	58 W
48	1,225.5845	960.6372	37.852	N	4	15	49 W
50	1,244.2477	959.0414	18.731	N	4	53	14 W
58	1,483.5249	940.0755	240.028	N	4	31	55 W

AREA = 30,900.6909 M.C. = 7.8620 Cdas.

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ESCALA 1:20,000

JAIME RODRIGUEZ



SUCN. JOSE LOPEZ

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- 57
- 50
- ANGEL RIVERA 48
- CARMEN I. MELENDEZ 47
- MARIA RIVERA 46
- IRIS RESTO 45
- JORGE HERNANDEZ RIVERA 2
- HAYDE MELENDEZ RODRIGUEZ 3

CARRETERA MUNICIPAL

A PR-2

CARR. EST. PR-686

A VEGA BAJA



PO Box 70308 San Juan PR 00936-8308

July 25, 2014

OSCAR LUCIANO
RE: <50047539>

Dear OSCAR LUCIANO:

This letter with the attached "Minimum Requirements for *Narrative Summary Appraisal Report*" will confirm your engagement to prepare a real estate appraisal on the referenced property on behalf of Doral Bank. We hereby request your professional service as real estate appraiser to perform *Narrative Summary Appraisal Report* for the properties identified below with loan number, type of property, and fees for your services pursuant to the terms set forth herein and those set forth in the Professional Services Agreement executed by and between you and Doral Bank.

Loan Number	Property Type	Report Type	Fee	Delivery Date
50047539	Commercial	Narrative Summary Report	\$3000.00	8/22/2014

With your acceptance of this assignment, we authorize you to appraise a *Fee Simple* *Leased fee* *Leasehold* ownership interest in **686 KM 9.4 YEGUADA VEGA BAJA**.

The appraisal report shall include the following values:

- "As Is" Market Value Market Value Insurable Value Liquidation Value*
 Replacement Cost New ** Prospective Market Value (As Completed & As Stabilized) Land Value

*Please include the reduced marketing time.

** Please indicate the replacement cost for each individual structure.

The following approaches are required within your valuation analysis:

- Cost Approach Sales Comparison Approach
 Income Approach (Direct Capitalization) Income Approach (DCF)

The following are enclosed or will be provided as indicated to assist you in your work:

- Site Plan Permits Land Survey Legal Description / Title Report
 Rent Roll Plot Plan CRIM Value/Data Environmental Studies
 Financial Statements (Projected or Historical) Leases or Rental Agreements
 Other Documents

It's always practical to read the minimum requirement properly before accepting this assignment and signing this letter

Member FDIC

GENERAL ASSIGNMENT CONDITIONS

Confidentiality -- The results of your assignment are to be communicated only in writing and only to us. All documents and information furnished to you by Doral Bank or its affiliates in connection with this assignment are confidential information. You will maintain the confidentiality and privacy of customer information obtained in the course of this assignment in compliance with USPAP and the Regulation P Title V of the Gramm-Leach-Bliley Financial Modernization Act.

Access and Communications -- Access to the property and additional information regarding its use, productivity, and history is available from Edwin Irizarry , who can be contacted at 787-641-7127.

Please advise us of the date and time when you have made contact with that party and when you have scheduled the property inspection. Also, please contact us immediately if you encounter unforeseen problems, such as difficulty in making access arrangements or obtaining necessary property information. *Interior inspections should be conducted when possible.*

Original and Copies, and Electronic Files – one electronic (Adobe PDF, via email) file containing your appraisal report are required. If you are unable to provide the electronic file, provide an unbound original paper copy.

Fee -- The fee for appraisal services rendered, payable upon our acceptance of your report, shall be **\$3000.00**. Please include your tax identification number on your invoice.

GENERAL APPRAISAL ASSIGNMENT REQUIREMENTS

All appraisals property must comply with the following requirements.

Standards and Contract Requirements -- All appraisals must conform to the applicable requirements in the current edition of the *Uniform Standards of Professional Appraisal Practice (USPAP)*; *the Interagency Appraisal and Evaluation Guidelines (2010)*; *the Doral Bank Minimum Requirements and Title XI of The Financial Reform, Recovery and Enforcement Act of 1989*. By accepting this assignment you are representing that you have reviewed that material, are aware of the applicable requirements, and will complete this assignment in compliance with them.

Upon your execution of this document you agree to comply with the fees, cost and delivery date submitted herein; and with the Bank's Appraisal Standards, FIRREA, USPAP and any other applicable laws, regulations, guidelines and procedures for the services contemplated herein.

Engagement, Compensation, and Personal Interest -- An appraisal completed by an appraiser who has a direct or indirect interest, financial or otherwise (except for payment of the appraisal service fee), in the property appraised or with regard to the parties involved in the assignment (Client, Client's Customer, Property Owner(s), Property Broker(s), etc.) is not acceptable to Doral Bank. By accepting this assignment you are representing that you have no such interests and have disclosed to us any existing or prior involvement you may have with the property to be appraised or with the parties to the loan transaction. If you are unable to make your report certification with regard to compensation or personal interest consistent with these conditions and representations, please return this package to us and do not proceed with this assignment.

Competency – Your engagement in this assignment is predicated on your being able to personally complete it in compliance with the assignment requirements. If at any time in the course of this assignment you find that you will not be able to comply with the Competency Rule in USPAP, please contact us immediately and do not proceed with any further effort in this assignment until we have discussed the matter.

Assumptions, Limiting Conditions, Extraordinary Assumptions, and Hypothetical Conditions -- Except by our prior agreement, the only Assumptions, Limiting Conditions, Extraordinary Assumptions, and Hypothetical Conditions Doral Bank will accept are those consistent with appraisal standards outlined by USPAP; if you believe there is a need to apply others, please contact **Edwin Irizarry** to discuss obtaining our prior agreement.

Intended Users – *Doral Bank and affiliates companies* are intended users of your assignment results. We may, without your prior authorization or a notice to you, provide your report or elements of it to other parties for their use in lending-related activities. In addition, Doral Bank reserves the right to provide a copy of the report to the borrower, the borrower's representative, or again to any third party Doral Bank may deem appropriate.

Intended Use – It is our intention to use your assignment results in a Doral Bank-related loan transaction or servicing action, or in similar lending-related transactions.

Purpose of Appraisal – The “purpose” in the assignment is to develop and provide the property, market, analysis, and Market Value information in a report that responds to the requirements stated or referenced in this engagement letter.

Date(s) of Value and Date of Report – The date of value must be a *current date*, typically the date of your last property inspection or a date between the date of your report and the date of this letter. The date of report is the date you sign your appraisal report, and must appear concurrent with your signature in each instance.

APPRAISAL ACCEPTANCE, APPRAISAL REVIEW, SUBSEQUENT REQUESTS, and SUPPLEMENTAL ASSIGNMENTS

Acceptance Audit -- Your appraisal report will be read and the result compared to your responses to the requirements stated in this engagement letter.

Appraisal Review -- As part of our collateral valuation quality assurance effort, all appraisal reports are subject to an appraisal review completed in accordance with Standard 3 in USPAP. Representatives of Doral Bank and/or Independent Reviewers will perform an administrative or technical review of the report. Your full cooperation in the review process is deemed to be integral part of this valuation assignment.

Subsequent Requests -- You may be contacted to provide responses to questions resulting from our reading or review of your report. By accepting this assignment, you agree to respond promptly to our subsequent requests. When the cause of our subsequent request is a deficiency in your appraisal or report that was under your control, you agree to cure that deficiency promptly without additional cost to us.

Delivery -- It is mutually agreed that your complete report will be delivered to the undersigned on or before **8/22/2014**, and that the total fee (including expenses) will not exceed the fees specified in the above table. **FURTHERMORE, BY EXECUTING THIS DOCUMENT, YOU UNDERSTAND THAT TIME IS OF THE ESSENCE. UPON FAILURE TO COMPLY WITH THE AGREED DELIVERY DATE, YOU WILL INCUR IN A DAILY PENALTY OF 5.0% OF THE INVOICED AMOUNT.** As agreed, fees for your services will be the amount set forth herein. Payment by the Bank will be processed upon receipt of a **copy of the report in PDF**.

Assignment Termination -- Further, Doral Bank, reserves the right to terminate this assignment at any time without any further liability or obligation owed to you, if in the judgment of Doral Bank, you have failed to perform in accordance with the terms and conditions set forth in this engagement letter.

Certification -- Your appraisal report must include your personal certification. Your signature must be in a personal capacity as well as in any business capacity and include your state licensing and certification information as well as any professional accreditation. This assignment is placed with you on the express condition that your certification constitutes your representation that the assignment was accepted and performed by you with knowledge of and in compliance with all applicable requirements in the assignment.

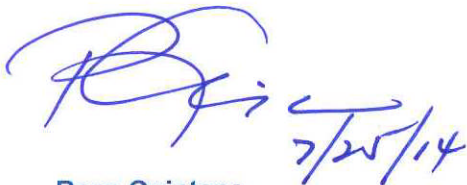
ENGAGEMENT / ASSIGNMENT CONTRACT ACCEPTANCE SIGNATURES

The terms set forth herein are in addition to the terms set forth in the Agreement. As amended hereby, the Agreement is hereby affirmed and shall remain in full force and effect. If you are in agreement with the terms and conditions of this letter, please confirm your acceptance of this assignment by signing this letter and returning a copy to **Edwin Irizarry** at Doral Bank within three (3) days of receipt.


"PLEASE INCLUDE A SIGNED COPY OF THIS LETTER AS AN ADDENDUM TO THE COMPLETED REPORT"

If you have any questions, please contact us.

Cordially,



Rosa Quintana
Sr. Manager Default
Administration PR

Accepted by: 
Printed Name Oscar Luciano, SRA EPA-850 GC-199
Date: 07/26/2014



Invoice
0714-02-DB

September 18, 2014

Mr. Edwin Irizarry
Appraisal Processor
Doral Bank
PO Box 70308
San Juan, PR 00936-8308
(787) 641-7127
edwin.irizarry@doralbank.com

SUMMARY APPRAISAL REPORT

Loan Number:	50047539
Requested by:	Mr. Edwin Irizarry
Borrower/Owner:	Gregorio Rivera-Hernandez and Hipolita Gonzalez-Rodriguez
Property Location:	PR-686 KM 10.4 corner of Playa Linda Street, Yeguada Ward, Vega Baja, Puerto Rico.
Property Description:	7.82 Cuerdas Vacant Residential Land
Review Fee:	\$3,000.00

Make check Payable to Oscar Luciano
Thanks!!!

A handwritten signature in blue ink, appearing to read "Oscar Luciano".

Oscar A. Luciano, SRA
Real Estate Appraiser
EPA-850 / PRGC-199 Exp. 08/02/2016