



APPRAISAL OF REAL PROPERTY

LOCATED AT:

Lot 5327-4-3
Lot 5327-4-3
Mangilao, GU 96913

FOR:

Guam Housing and Urban Renewal Authority
117 Bien Venida Avenue
Sinajana, GU 96910

AS OF:

09/03/2024

BY:

Vance L. Reklai, VA Appraiser No. 5004416
Micronesia Appraisal Associates
1088 Army Drive, Suite 202
Barrigada, GU 96913

FIRREA / USPAP ADDENDUM

Borrower/Client	Guam Housing and Urban Renewal Authority	File No.	240259
Property Address	Lot 5327-4-3		
City	Mangilao	County	Guam
		State	GU
		Zip Code	96913
Lender	Guam Housing and Urban Renewal Authority		

Purpose
 The purpose of the report is to estimate the market value of the fee simple interest in the property as described above to determine market value for decision making purposes. The function of the report is to provide market data, real property information and opinions of value in connection with estimating the market value of the subject property as of the effective date of the appraisal.

Scope of Work
 The scope of the appraisal refers to the extent of the process of collecting, confirming, and reporting data. The standards clearly impose a responsibility on the appraisers to determine the extent of the work and the report required in relation to the significance of the appraisal problem. A clear and accurate description of the scope of the appraisal is desirable to protect other parties whose reliance on the appraisal may be affected.

General data include information on the social, economic governmental, and environmental forces that affect property value. The appraisers have accumulated general data from a wide variety of sources, including Pacific Area regional information sources; U. S. Federal Governmental sources; Government of Guam sources; national, regional, and local real estate organizations; and trade associations. The appraiser's educational background and experience is utilized extensively in the collection and evaluation of general data.

Intended Use / Intended User
 Intended Use: This report is intended only for use in determining market value for decision making purposes. This report is not intended for any other use. This report is intended for use by our client named in above header. Use of this report by others is not intended by the appraiser.
 Intended User(s): This report is intended for use by our client named in above header. Use of this report by others is not intended by the appraiser.


History of Property
 Current listing information: The subject has not been listed and marketed in GARMLS. Subject is not currently for sale.
 Prior sale: The subject has not sold within the last three years.

Exposure Time / Marketing Time
 Estimated exposure time is 4 to 6 months. Estimated marketing time is 4 to 6 months.

Personal (non-realty) Transfers
 None.

Additional Comments
 None.

Certification Supplement
 1. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or an approval of a loan.
 2. My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result or the occurrence of a subsequent event.
 3. The reported analyses, opinion, and conclusion were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
 4. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
 5. As of the effective date of this appraisal, Vance L. Reklai has completed the Continuing Education requirements of the Appraisal Institute.

Appraiser:	Vance L. Reklai, VA Appraiser No. 5004416		Supervisory Appraiser:	_____
Signed Date:	09/17/2024		Signed Date:	_____
Certification or License #:	CGA-24-031		Certification or License #:	_____
Certification or License State:	GU Expires: 02/10/2026		Certification or License State:	_____ Expires: _____
Effective Date of Appraisal:	09/03/2024		Inspection of Subject:	<input type="checkbox"/> Did Not <input type="checkbox"/> Exterior Only <input type="checkbox"/> Interior and Exterior

Subject Photo Page

Borrower/Client	Guam Housing and Urban Renewal Authority				
Property Address	Lot 5327-4-3				
City	Mangilao	County	Guam	State	GU Zip Code 96913
Lender	Guam Housing and Urban Renewal Authority				

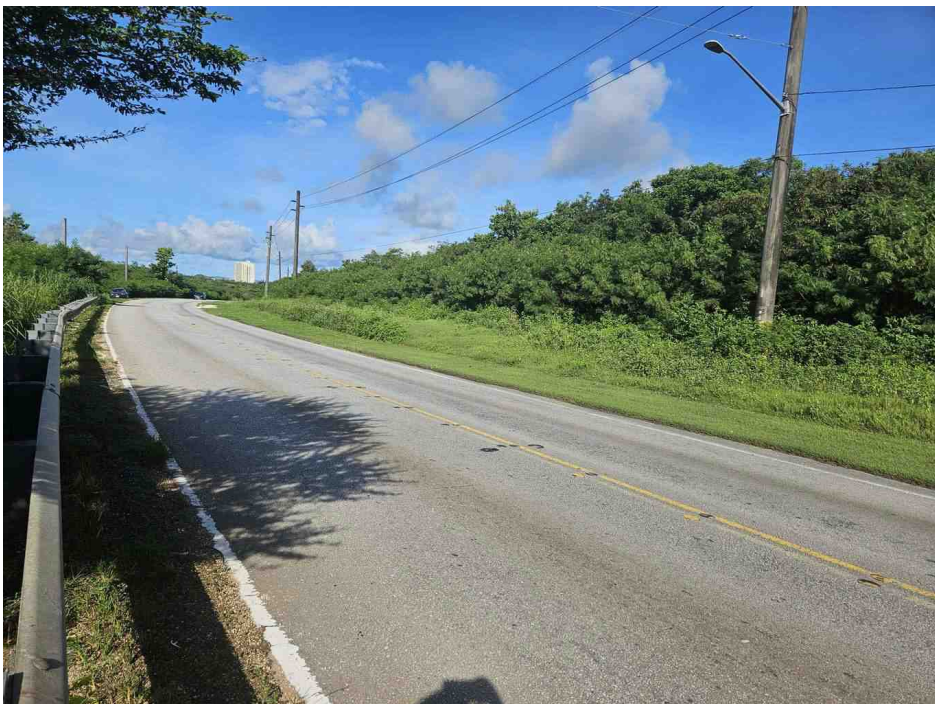


Subject Front

Lot 5327-4-3



Subject Street



Subject Street

Micronesian Appraisal Associates
LAND APPRAISAL REPORT

240259
 File No. 240259

SUBJECT
 Borrower Guam Housing and Urban Renewal Authority Census Tract 9528.00 Map Reference 031FY2023
 Property Address Lot 5327-4-3
 City Mangilao County Guam State GU Zip Code 96913
 Legal Description Lot 5327-4-3
 Sale Price \$ N/A Date of Sale N/A Loan Term Unknown yrs. Property Rights Appraised Fee Leasehold De Minimis PUD
 Actual Real Estate Taxes \$ 1,565.40 (yr) Loan charges to be paid by seller \$ None Other sales concessions None
 Lender/Client Guam Housing and Urban Renewal Authority Address 117 Bien Venida Avenue, Sinajana, GU 96910
 Occupant Vacant Appraiser Vance L. Reklai, VA Appraiser No. 5004416 Instructions to Appraiser Appraise market value of the fee simple interest in the property

NEIGHBORHOOD

Location	<input type="checkbox"/> Urban	<input checked="" type="checkbox"/> Suburban	<input type="checkbox"/> Rural	Good	Avg.	Fair	Poor
Built Up	<input type="checkbox"/> Over 75%	<input checked="" type="checkbox"/> 25% to 75%	<input type="checkbox"/> Under 25%	Employment Stability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Growth Rate	<input type="checkbox"/> Fully Dev.	<input checked="" type="checkbox"/> Rapid	<input type="checkbox"/> Slow	Convenience to Employment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Property Values	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	Convenience to Shopping	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Demand/Supply	<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In Balance	<input type="checkbox"/> Oversupply	Convenience to Schools	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Marketing Time	<input type="checkbox"/> Under 3 Mos.	<input checked="" type="checkbox"/> 4-6 Mos.	<input type="checkbox"/> Over 6 Mos.	Adequacy of Public Transportation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Present	<u>50</u> % One-Unit	<u>10</u> % 2-4 Unit	<u>2.5</u> % Apts.	Recreational Facilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Land Use	<u>5</u> % Industrial	<u>25</u> % Vacant	<u>5</u> % Commercial	Adequacy of Utilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Change in Present Land Use	<input checked="" type="checkbox"/> Not Likely	<input type="checkbox"/> Likely (*)	<input type="checkbox"/> Taking Place (*)	Property Compatibility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Predominant Occupancy	<input checked="" type="checkbox"/> Owner	<input type="checkbox"/> Tenant	<u> </u> % Vacant	Protection from Detrimental Conditions	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One-Unit Price Range	\$ <u>215,000</u> to \$ <u>1,300,000</u>	Predominant Value \$ <u>543,000</u>		Police and Fire Protection	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One-Unit Age Range	<u>0</u> yrs. to <u>30</u> yrs.	Predominant Age <u>15</u> yrs.		General Appearance of Properties	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
				Appeal to Market	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, view, noise) Neighborhood is 75% built up with 25% vacant land. Located on the Eastern side of the island, Mangilao is approximately 15-20 minutes from major employment and shopping centers, average by market standards. The immediate area consists of schools, churches, and small convenience stores. Notable establishments include the University of Guam, Guam Community College, George Washington High School, and the Mangilao Golf Course. Overall appeal to the market is good due to proximity to educational centers.

SITE

Dimensions See Site Map = 2,000 SM Corner Lot
 Zoning Classification A-Rural Present Improvements Do Do Not Conform to Zoning Regulations
 Highest and Best Use Present Use Other (specify) Develop for Executive Single Family Residential
 Elec. Public Utility None OFF SITE IMPROVEMENTS
 Gas None Street Access Public Private
 Water Public Utility Surface Undeveloped Access
 San. Sewer Underdeveloped septic tank Maintenance Public Private
 Underground Elect. & Tel. Storm Sewer Curb/Gutter
 Sidewalk Street Lights
 Topo Level Size 2,000 SM Shape Irregular View Average Drainage Appears Adequate
 Is the property located in a FEMA Special Flood Hazard Area? Yes No
 Comments (favorable or unfavorable including any apparent adverse easements, encroachments, or other adverse conditions) There were no apparent adverse easements, encroachments or special assessments. The subject is located within Flood Zone Map Panel #660001 0125D, Clear X, Map dated 09-28-2007.

The undersigned has recited the following recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to or more favorable than the subject property, a minus (-) adjustment is made, thus reducing the indicated value of subject; if a significant item in the comparable is inferior to or less favorable than the subject property, a plus (+) adjustment is made thus increasing the indicated value of the subject.

ITEM	SUBJECT PROPERTY	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3			
Address	Lot 5327-4-3 Mangilao, GU 96913	Lot 1-1, Tract 6302 Yigo, GU 96929	Lot 7024-1NEW-8-2-1 Yigo, GU 96929	Lot 2335-3NEW-11 Barrigada, GU 96913			
Proximity to Subject		9.55 miles NE	5.93 miles NE	2.14 miles W			
Sales Price	\$ N/A	\$ 83,000	\$ 132,500	\$ 136,000			
Price Per Lot	\$	\$ 83,000	\$ 132,500	\$ 136,000			
Data Source(s)	Inspection/Public Rec	GARMLS#24-319/DLM#1000428	GARMLS#23-2245/DLM#993020	GARMLS#24-1868/DLM#1000184			
ITEM	DESCRIPTION	DESCRIPTION	+(-)\$ Adjust.	DESCRIPTION	+(-)\$ Adjust.	DESCRIPTION	+(-)\$ Adjust.
Date of Sale/Time Adj.	N/A	s07/24;c05/24		s11/23;c07/23		s07/24;c05/24	
Location	Mangilao	Refer to Site Valuation		Refer to Site Valuation		Refer to Site Valuation	
Site/View	2,000 SM	Chart		Chart		Chart	
Sales or Financing Concessions	None	None		None		None	
Net Adj. (Total)		<input type="checkbox"/> + <input type="checkbox"/> - \$		<input type="checkbox"/> + <input type="checkbox"/> - \$		<input type="checkbox"/> + <input type="checkbox"/> - \$	
Indicated Value of Subject		Net 0.0 % Gross 0.0 % \$ 83,000		Net 0.0 % Gross 0.0 % \$ 132,500		Net 0.0 % Gross 0.0 % \$ 136,000	

Comments on Market Data All comps are located further than a mile away from the subject. There are minimal current sales of homes similar to the subject in the surrounding neighborhood, forcing market participants to expand their property search due to the scarcity of sales similar to the subject in the immediate vicinity. Comps 1 & 3 received an adjustment for their inferior sizes. Comp 3 also received an adjustment due to its superior location and inferior access. Overall, comp 2 was given slightly more weight in the final reconciliation.

RECONCILIATION

Comments and Conditions of Appraisal The appraisal is made subject to the Statement of Limiting Conditions and Appraiser's Certifications include in this report.

Final Reconciliation The sales comparison approach is the only approach utilized in the report. It compares similar properties against the subject and is considered most reliable given the availability of recently closed sales data and the minimal adjustments required.

I (WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE SUBJECT PROPERTY AS OF 09/03/2024 TO BE \$ 120,000

Appraiser Vance L. Reklai, VA Appraiser No. 5004416 Supervisory Appraiser (if applicable) _____
 Date of Signature and Report 09/17/2024 Date of Signature _____
 Title President & Chief Appraiser Title _____
 State Certification # CGA-24-031 ST GU State Certification # _____ ST _____
 Or State License # _____ ST _____ Or State License # _____ ST _____
 Expiration Date of State Certification or License 02/10/2026 Expiration Date of State Certification or License _____
 Date of Inspection (if applicable) 09/03/2024 Did Did Not Inspect Property Date of Inspection _____

Site Valuation: Comparisons and Adjustments

Property Identification	Subject	Comparable 1	Comparable 2	Comparable 3
Lot Number	Lot 5327-4-3	Lot 1-1, Tract 6302	Lot 7024-1NEW-8-2-1	Lot 2335-3NEW-11
Municipality	Mangilao	Yigo	Yigo	Barrigada
Document Instrument		Warranty Deed	Warranty Deed	Warranty Deed
Date of Sale	Date of Value: Sept-24	1000428	993020	1000184
Cash Equivalent Sales Price		Jul-24	Nov-23	Jul-24
Size (Square Meters)	2,000.00 Square Meters	US\$ 83,000	US\$ 132,500	US\$ 136,000
		1,874.00 Square Meters	2,000.00 Square Meters	1,857.00 Square Meters
Unadjusted Sales Price Per Lot		83,000	132,500	136,000
Real Property Rights Conveyed	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Comparison		Equal	Equal	Equal
Adjustment		0%	0%	0%
Adjusted Sales Price Per Lot		\$ 83,000.00	\$ 132,500.00	\$ 136,000.00
Financing Terms	None	Cash/Bank Financing	Cash/Bank Financing	All cash transaction
Comparison		Equal	Equal	Equal
Adjustment		0%	0%	0%
Adjusted Sales Price Per Lot		\$ 83,000.00	\$ 132,500.00	\$ 136,000.00
Conditions of Sale	No unusual conditions noted	No unusual conditions noted	No unusual conditions noted	No unusual conditions noted
Comparison		Equal	Equal	Equal
Adjustment		0%	0%	0%
Adjusted Sales Price Per Lot		\$ 83,000.00	\$ 132,500.00	\$ 136,000.00
Expenditures Made Immediately After Purchase	None	None known	None known	None known
Comparison		Equal	Equal	Equal
Adjustment		0%	0%	0%
Adjusted Sales Price Per Lot		\$ 83,000.00	\$ 132,500.00	\$ 136,000.00
Market Conditions	Date of Value: Sept-24	Similar Market Conditions	Similar Market Conditions	Similar Market Conditions
Comparison		Equal	Equal	Equal
Adjustment		0.0%	0.0%	0.0%
Adjusted Sales Price Per Lot		\$ 83,000.00	\$ 132,500.00	\$ 136,000.00
Adjustments for Physical Characteristics				
Location	Off Route 15	Chalan Ramirez	Chalan Josefan Feliz Gallo	Borja Street
Comparison		Equal	Equal	Superior
Adjustment		0%	0%	5%
Size (Square Meters)	2,000.00 Square Meters	1,874.00 Square Meters	2,000.00 Square Meters	1,857.00 Square Meters
Comparison		Inferior	Equal	Inferior
Adjustment		5%	0%	5%
Topography	Fairly Level	Fairly Level	Fairly Level	Fairly Level
Comparison		Equal	Equal	Equal
Adjustment		0%	0%	0%
Access	Paved Access & Undeveloped Access	Paved Access	Paved Acces	Unpaved Access
Comparison		Equal	Equal	Inferior
Adjustment		0%	0%	5%
Zoning	A-Rural, One Family Dwelling Permitted	A-Rural, One Family Dwelling Permitted	A-Rural, One Family Dwelling Permitted	A-Rural, One Family Dwelling Permitted
Comparison		Equal	Equal	Equal
Adjustment		0%	0%	0%
Utilities/View amenity	Close Access to Power & Water	Close Acces to Power & Water	Close Acces to Power & Water	Close Acces to Power & Water
Comparison		Equal	Equal	Equal
Adjustment		0%	0%	0%
Net Adjustments, Physical Characteristics		5.0%	0.0%	5.0%
Final Adjusted Price Per Lot		\$ 87,150.00	\$ 132,500.00	\$ 142,800.00

Site Valuation: Reconciliation and Conclusion

Property Identification	Subject	Comparable 1	Comparable 2	Comparable 3
Lot Number	Lot 5327-4-3	Lot 1-1, Tract 6302	Lot 7024-1NEW-8-2-1	Lot 2335-3NEW-11
Municipality	Mangilao	Yigo	Yigo	Barrigada
Unadjusted Sales Price Per Lot		83,000.00	132,500.00	136,000.00
Adjusted Price Per Lot		\$ 87,150.00	\$ 132,500.00	\$ 142,800.00
Weighting Considerations	Net Adjustments, Per Lot	\$ 4,150.00	\$ 0.00	\$ 6,800.00
	Total Adjustments, Gross %	5.0%	0.0%	15.0%
	Total Adjustments, Net %	5.0%	0.0%	5.0%
	Weight	30.0%	40.0%	30.0%

Summary of Unit Values	
Unadjusted Price Range	\$ 83,000.00 to \$ 136,000.00
Adjusted Price Range	\$ 87,150.00 to \$ 142,800.00
Average Adjusted Price	\$ 120,816.67
Weighted Average Sales Price	\$ 121,985.00
Conclusion	\$ 122,000.00

Category	Unadjusted Price	Adjusted Price
Comparable 1	83,000.00	87,150.00
Comparable 2	132,500.00	132,500.00
Comparable 3	136,000.00	142,800.00
Subject Conclusion	-	122,000.00

Value Conclusion: Rounded to \$120,000 Per Lot

Comparable Photo Page

Borrower/Client	Guam Housing and Urban Renewal Authority				
Property Address	Lot 5327-4-3				
City	Mangilao	County	Guam	State	GU Zip Code 96913
Lender	Guam Housing and Urban Renewal Authority				



Comparable 1

Lot 1-1, Tract 6302



Comparable 2

Lot 7024-1NEW-8-2-1



Comparable 3

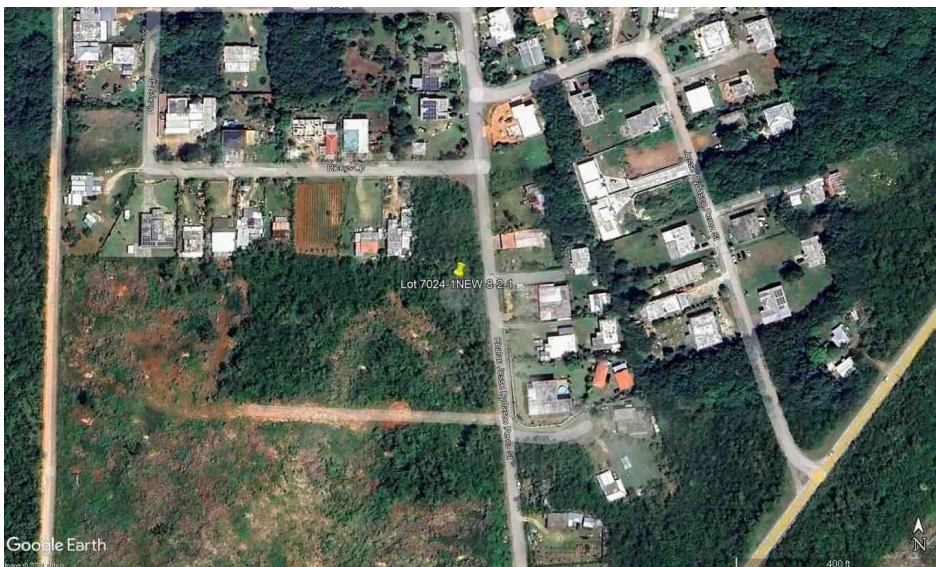
Lot 2335-3NEW-11

Comparable Location Maps 1-3

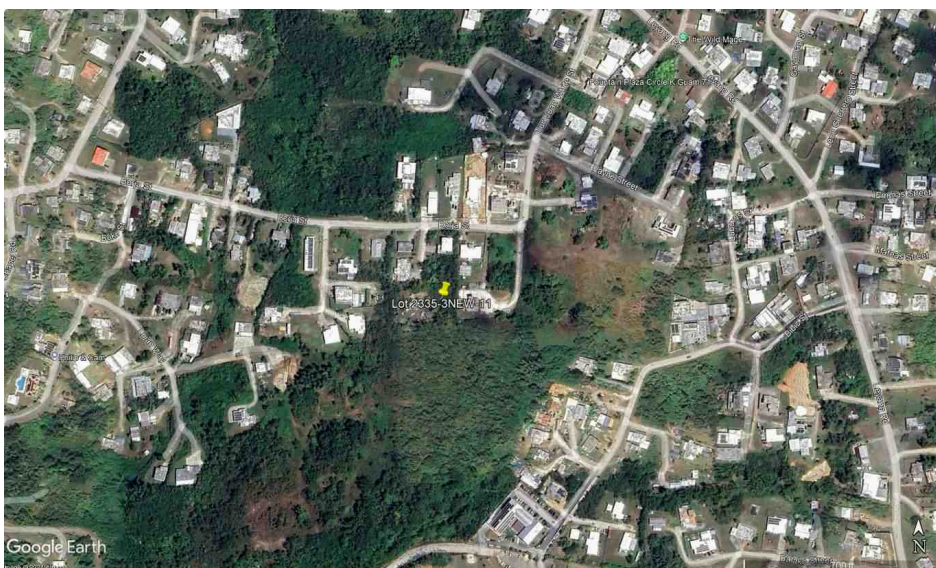
Borrower/Client	Guam Housing and Urban Renewal Authority			
Property Address	Lot 5327-4-3			
City	Mangilao	County	Guam	State GU Zip Code 96913
Lender	Guam Housing and Urban Renewal Authority			



Comparable 1



Comparable 2



Comparable 3

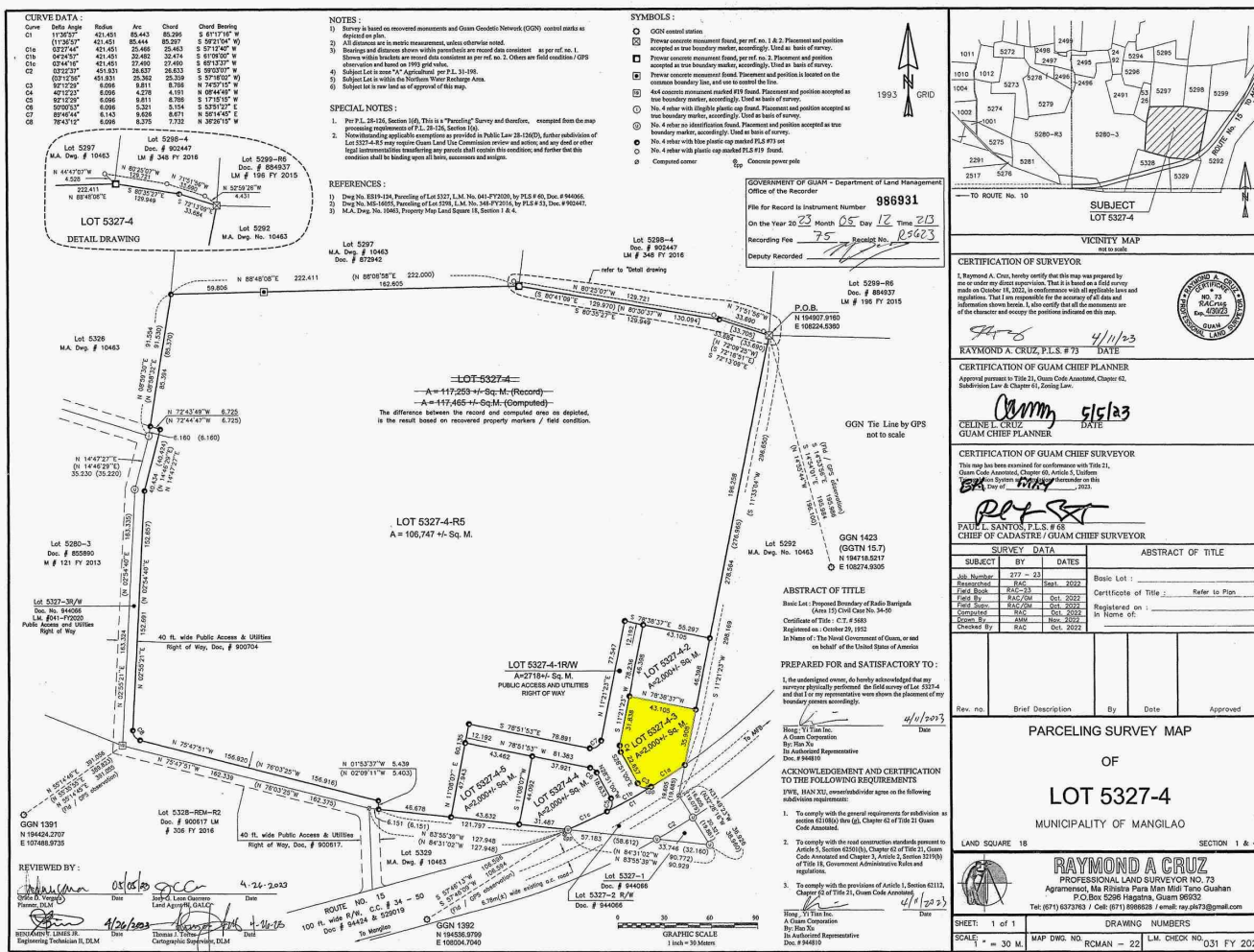
Comparable Sales Map

Borrower/Client	Guam Housing and Urban Renewal Authority						
Property Address	Lot 5327-4-3						
City	Mangilao	County	Guam	State	GU	Zip Code	96913
Lender	Guam Housing and Urban Renewal Authority						



Site Map

Borrower/Client	Guam Housing and Urban Renewal Authority				
Property Address	Lot 5327-4-3				
City	Mangilao	County	Guam	State	GU
Lender	Guam Housing and Urban Renewal Authority				



Location Map

Borrower/Client	Guam Housing and Urban Renewal Authority						
Property Address	Lot 5327-4-3						
City	Mangilao	County	Guam	State	GU	Zip Code	96913
Lender	Guam Housing and Urban Renewal Authority						



Flood Map

Borrower/Client	Guam Housing and Urban Renewal Authority						
Property Address	Lot 5327-4-3						
City	Mangilao	County	Guam	State	GU	Zip Code	96913
Lender	Guam Housing and Urban Renewal Authority						



Flood Map Key

Borrower/Client	Guam Housing and Urban Renewal Authority						
Property Address	Lot 5327-4-3						
City	Mangilao	County	Guam	State	GU	Zip Code	96913
Lender	Guam Housing and Urban Renewal Authority						

ZONE A	No Base Flood Elevations determined.
ZONE AE	Base Flood Elevations determined.
ZONE AH	Flood depths of 1 to 3 feet (usually areas of ponding); Base Flood Elevations determined.
ZONE AO	Flood depths of 1 to 3 feet (usually sheet flow on sloping terrain); average depths determined. For areas of alluvial fan flooding, velocities also determined.
ZONE AR	Special Flood Hazard Area formerly protected from the 1% annual chance flood by a flood control system that was subsequently decertified. Zone AR indicates that the former flood control system is being restored to provide protection from the 1% annual chance or greater flood.
ZONE A99	Area to be protected from 1% annual chance flood by a Federal flood protection system under construction; no Base Flood Elevations determined.
ZONE V	Coastal flood zone with velocity hazard (wave action); no Base Flood Elevations determined.
ZONE VE	Coastal flood zone with velocity hazard (wave action); Base Flood Elevations determined.

FLOODWAY AREAS IN ZONE AE

The floodway is the channel of a stream plus any adjacent floodplain areas that must be kept free of encroachment so that the 1% annual chance flood can be carried without substantial increases in flood heights.

OTHER FLOOD AREAS

Areas of 0.2% annual chance flood; areas of 1% annual chance flood with average depths of less than 1 foot or with drainage areas less than 1 square mile; and areas protected by levees from 1% annual chance flood.

OTHER AREAS

Areas determined to be outside the 0.2% annual chance floodplain.

ZONE D

Areas in which flood hazards are undetermined, but possible.

COASTAL BARRIER RESOURCES SYSTEM (CBRS) AREAS

OTHERWISE PROTECTED AREAS (OPAs)

CBRS areas and OPAs are normally located within or adjacent to Special Flood Hazard Areas.

	1% annual chance floodplain boundary
	0.2% annual chance floodplain boundary
	Floodway boundary
	Zone D boundary
	CBRS and OPA boundary
	Boundary dividing Special Flood Hazard Area Zones and boundary dividing Special Flood Hazard Areas of different Base Flood Elevations, flood depths or flood velocities.
	Base Flood Elevation line and value; elevation in feet*
(EL 987)	Base Flood Elevation value where uniform within zone; elevation in feet*

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he 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 arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

* Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgement.

STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
9. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.
10. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

APPRAISER'S CERTIFICATION:

The Appraiser certifies and agrees that:

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.
4. I have no present or prospective interest in the property that is the subject to this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.
5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
7. I performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have personally inspected the interior and exterior areas of the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

SUPERVISORY APPRAISER'S CERTIFICATION:

If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that:

I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

ADDRESS OF PROPERTY APPRAISED:

Lot 5327-4-3, Mangilao, GU 96913

APPRAISER:

Signature: _____

Name: Vance L. Reklai, VA Appraiser No. 5004416

Date Signed: 09/17/2024

State Certification #: CGA-24-031

or State License #: _____

State: GU

Expiration Date of Certification or License: 02/10/2026



SUPERVISORY APPRAISER (only if required):

Signature: _____

Name: _____

Date Signed: _____

State Certification #: _____

or State License #: _____

State: _____

Expiration Date of Certification or License: _____

Did Did Not Inspect Property

Supplemental Addendum

File No. 240259

Borrower/Client	Guam Housing and Urban Renewal Authority						
Property Address	Lot 5327-4-3						
City	Mangilao	County	Guam	State	GU	Zip Code	96913
Lender	Guam Housing and Urban Renewal Authority						

This is a summary appraisal report which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice for a summary appraisal report. As such, it presents only summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analysis is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and to the intended use stated below. The appraiser is not responsible for unauthorized use of this report.

Valuation Methodology

The valuation process is a systematic procedure conducted to arrive at a value or conclusion regarding real property. The purpose of this report is to estimate the fair market value for the subject property utilizing accepted valuation methods or approaches. The three recognized approaches to value are the Cost Approach, Income Approach and the Sales Comparison Approach. These three approaches are examined, completed and correlated to establish the fair market value of the subject.

Highest and Best Use

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 land value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.

The Appraisal Institute, The Dictionary of Real Estate Appraisal, Third Edition, 1993.

Listings

Listings represent the current market expectations of sellers of properties similar to the subject. Generally, listings indicate a level above actual transaction prices and provide an indication of the highest value possible for the subject.

Cost Approach to Valuation

The Cost Approach is based on the premise that value is indicated by the current cost to construct a new improvement minus accrued depreciation plus the value of the site (land). The processes involved in the Cost Approach includes three steps: 1) estimation of the cost to produce a replica of the existing structure at current prices or the cost to construct an equally desirable substitute improvement of equivalent standards and materials, 2) deduction of estimated accrued depreciation from all factors (for appraisal purposes, depreciation may be defined as a loss in property value from any cause such as aging, poor design, inadequacies or over-improvements), and 3) addition of the estimated land value (land is valued as if vacant by means of the market data or sales comparison approach). The Cost Approach is most reliable when the property's improvements are new or nearly new and the resulting accrued depreciation is relatively small.

Physical depreciation was assessed based on the modified age-life method. There were no Functional Depreciation concerns upon review of the subject's floor plan. There were no External Depreciation considerations observed in the neighborhood.

The Sales Comparison Analysis is the preferred method of valuing a site if comparable sales are available. The appraiser compiles sales of vacant parcels considered comparable to the subject; each sale has been researched, analyzed and then compared to the subject parcel. This comparison is made in terms of various physical attributes of the properties, and appropriate adjustments are made to the comparables for factors considered superior or inferior.

The result is a set of adjusted sales prices for each of the comparables. The adjusted sales prices are then weighted in terms of overall comparability to the subject parcel, resulting in a weighted average. The mechanics of this process would be shown on an attached site valuation chart.

The Extraction Method is most often used when there are lack of sales of vacant parcels comparable to the subject, for example, properties located within a fully developed subdivision. This is a valuation method in which land value is extracted from the total sales price of an improved property by deducting the value contribution of the depreciated value of the improvements. The remaining value represents the value of the site.

Income Approach to Valuation

The Income Approach is based on the assumption that value is related to the income (rent) a property can be expected to earn. The indication of value for this approach is the product of an appropriate Gross Rent Multiplier (GRM) and the estimated market rent of the subject. The GRM represents the relationship of income to sales prices for improvements that were rented at the time of sale. The analysis of several comparable rented sales will result in a range of GRM's from which the most applicable multiplier is selected for the subject. Analysis of currently rented comparable properties will result in a range of potential rents from which the market rent for the subject may be derived.

An indication of value for the Income Approach can also be derived through the application of Discounted Cash Flow (DCF) analysis. This is a set of procedures in which the quantity, variability, timing, and duration of periodic income, as well as the quantity and timing of reversions, are specified and discounted to a present value at a specified yield rate. DCF utilizes the anticipated rental incomes and projects operating expenses over a ten-year period to estimate the present value of the property's cash flow at an anticipated yield rate. This value is added to the present worth of the projected resale value of the property in the eleventh year to estimate the current property value based upon the income potential.

The Income Approach is most reliable when the property being appraised competes in an open market where investors seek to purchase the property for its potential rental income.

Single family properties are not typically purchased for income. Therefore, the Income Capitalization Approach is not considered appropriate or necessary for the subject.

Sales Comparison Approach

The Sales Comparison Approach is the primary method used for valuation of single-family residences. The approach compares recent sales of properties similar to the subject. Each comparable property is analyzed using appropriate units of comparison, adjusted in relation to the amenities of the subject property, and reconciled to arrive at an indicated value. Units of comparison are selected for various physical attributes of the properties. Adjustments are made for comparable factors considered either superior or inferior. Reconciliation of the adjusted sales price for each of the comparables is related to

Supplemental Addendum

File No. 240259

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Lender	Guam Housing and Urban Renewal Authority						

overall similarity to the subject by means such as weighted average.

DATE OF SALE/TIME - The time of sale is the date that the comparable parcel is sold. In order for the property to be deemed comparable to the subject, it must be adjusted for inflation or deflation that has occurred from the date of sale to the date of the appraisal. Over the period covered by this appraisal, no quantifiable price change attributable to time can be extracted from market transactions.

LOCATION - Adjustments are made when prices are affected by locational factors such as close proximity to neighborhood amenities, off-site improvements, jobs or by neighborhood appeal or, status.

VIEW - Adjustments are made for properties that have a view amenity such as panoramic ocean view, mountain and valley, or beach front access. Adjustments are normally considered within the adjustment for site due to the difficulty in separating this difference from other factors such as location and/or size.

DESIGN/APPEAL - Adjustments are made for differences in architectural design and superior or inferior appeal of the subject or comparable. When adjustments are required, these differences are normally based on the difference in dollar per square foot costs between the subject and comparable, and would be applied accordingly.

SITE - Adjustment represents difference in value between comparable and subject site values. It is typical that sites with similar utility will have a similar land value, regardless of small variations in size. However, large difference are adjusted for through absolute land value differences.

QUALITY - Adjustment represents difference in per square foot construction cost between subject and comparable applied to size of comparable. This adjusts comparable (at its size) to same cost/per square foot as subject.

AGE - The age adjustment represents the difference in incurable physical depreciation between the subject and the comparable. This difference is based on depreciation differences based from effective age and applied to the estimated reproduction cost of the respective comparable. Prices are usually affected by condition rather than age with the exception of newer homes. When necessary, adjustments are made based on depreciation differences of the reproduction cost between the subject and comparable.

CONDITION - The condition adjustment recognizes differences in items of deferred maintenance, and are made based on the estimated cost to repair. Only items which are economically feasible to repair including painting, when applicable and are considered for condition adjustment.

GROSS LIVING AREA - Adjustment represents difference in size between subject and comparable at reproduction cost of subject. As quality adjustment previously adjusted comparable's existing area to same unit value as subject, this adjustment adjusts only difference in area. Bathrooms are included in the GLA calculation and therefore no adjustment is required.

OTHERS - Items such as carports, on-site improvements (porches, patios, etc.), air-conditioners, appliances security bars, energy efficient items are all adjusted based on reproduction costs less any depreciation.

ASSUMPTIONS AND LIMITING CONDITIONS

The appraisal is based on the present condition of the economy and the present purchasing power of the dollar.

Guam has a "non-disclosure" policy regarding real estate transactions. Deeds and leases are available for review by the public, but transaction values are not disclosed. However, current recording fee formulas are based on transaction values. This data therefore is useful to the researcher, but is subject to limitations. Other available sources of data are: the Guam Multiple Listing Service (MLS), various lenders who are willing to share this information and actual buyers and sellers. The available information is often limited in quantity and accuracy is not guaranteed. In addition, community preferences favor privacy with regard to personal financial matters, further complicating verification issues. The appraiser has, to the best of his/her knowledge, researched and analyzed any information regarding the sales used in this report, and does not accept any responsibility for possible inaccurate information obtained from these sources.

Legal descriptions, including leases, information, maps, signed or unsigned surveys, estimates and opinions furnished or made available to the appraiser and contained in this study were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy and legality of such items furnished can be assumed by the appraiser.

This appraisal assumes no responsibility for the validity of legal matters affecting the property. The ownership history reported in this appraisal is based on the appraiser's research of public records, which are assumed to be accurate and complete. It is not the intent of the appraisal to offer a legal opinion of title. It is further assumed that the property has good title, responsible ownership and competent management. Any liens or encumbrances which may now exist have been disregarded.

This appraisal assumes that the fee simple interest in the property is marketable.

Any maps or plot plans reproduced and included in the report are intended only for the purpose of showing spatial relationship. They are not necessarily measured surveys or measured maps, and we will not be responsible for topographic or surveying errors. The appraiser has made no survey of the property. The appraiser is not responsible for encroachments, overlaps, boundary line disputes, or other matters that would be disclosed by an accurate survey of the premises. No liability will be assumed for soil conditions, bearing capacity of the subsoil or for engineering matters related to proposed or existing structures.

It is assumed that there is full compliance with all applicable federal and territorial environmental regulations and laws unless noncompliance is stated, defined, and considered in this appraisal report.

When the study contains a valuation relating to an estate in land that is less than the whole fee simple estate, the value reported for such estate relates to a fractional interest only in the real estate involved, and the value of this fractional interest plus the value of all other fractional interests may or may not equal the value of the entire fee simple estate which is considered the whole.

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When the appraisal report contains an allocation of the total valuation between land and building improvements, such allocation applies only under the existing program of utilization. The separate valuations for land and building cannot be used in conjunction with any other appraisal and will be invalid if so used.

It is assumed that all applicable zoning and use regulations have been complied with, unless a nonconformity is stated, defined and considered in the study. It is also assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from the territorial or federal 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 study is based.

No information was furnished to the appraiser regarding the presence of Radon seepage in the subject site or that it has ever been used as, or part of, a sanitary landfill or toxic waste dump.

Unless otherwise stated in this report, the existence of hazardous materials, and gases and other noxious emissions which may or may not be present on the property, were not observed by the appraiser. The appraiser has no knowledge of the existence of such materials or gases affecting the property. The appraiser, however, is not qualified to detect such substances. The presence of asbestos building materials, urea-formaldehyde foam insulation, poly-chlorinated biphenyl filled transformers, aluminum based electrical wiring, or other elements of potentially hazardous materials not currently recommended by the Uniform Building Codes may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them.

The appraiser is not responsible and makes no guarantees regarding any defects or adverse conditions that would only be found if the appraiser climbed on the roof; the appraiser does not climb on roofs during inspection. The appraiser is not responsible for hidden or unapparent conditions concerning electrical, plumbing, air conditioning, or mechanical systems; the appraiser does not test such items during inspection.

Information provided by informed local sources, such as government agencies, financial institutions, Realtors, buyers, seller and others, was weighed in the light in which it was supplied and checked by secondary means; however, no responsibility is assumed for possible misinformation.

Possession of this report, or a copy thereof, does not carry with it the right of publication. This report may not be used by anyone except the client, and then only with proper qualification.

The appraiser is not required to give testimony or attendance in court by reason of this appraisal, with reference to the property in question, unless arrangements have been previously made.

This report shall not be conveyed in whole or in part to the public through advertising, public relations, news, sales, or other media without the written consent and approval of the author. This applies particularly to written conclusions, the identity of the appraiser or firm with which he or she is connected, and any reference to the Appraisal Institute.

The delivery and acceptance of this report completes this assignment.