Carlos E. Gaztambide and Associates, Inc.

Real Estate Appraisers and Consultants

APPRAISAL REPORT OF
REAL ESTATE IDENTIFIED AS "PARCEL B" LOCATED
ACROSS THE STREET SOUTHWEST OF SAGRADO CORAZON TRAIN STATION
MARTIN PEÑA SECTOR, SANTURCE SUR WARD
SAN JUAN, PUERTO RICO

PREPARED FOR:

GOVERNMENT DEVELOPMENT BANK FOR PUERTO RICO
ATTN: MR. RAFAEL E. GAUTIER, CPA
COMPTROLLER
P.O. BOX 40436
SAN JUAN, PUERTO RICO 00940-0436

PREPARED BY:

CARLOS E. GAZTAMBIDE AND ASSOCIATES, INC.
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EFFECTIVE DATE: OCTOBER 25, 2016

Carlos E. Gaztambide & Associates

REAL ESTATE APPRAISERS & CONSULTANTS

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October 27, 2016

Government Development Bank for Puerto Rico
Attn: Mr. Rafael E. Gautier, CPA
Comptroller
P.O. Box 40436
San Juan, Puerto Rico 00940-0436

Re: Appraisal Report of Real Estate
Identified as "Parcel B"
Located Across the Street Southwest of
Sagrado Corazón Urban Train Station
Martín Peña Sector, Santurce Sur Ward
San Juan, Puerto Rico

Gentlemen:

In compliance with your request, we have finished the necessary research and analyzes to complete the appraisal of caption property. The purpose of this appraisal is to state our opinion of the "As Is" Market Value of the Fee Simple Estate of the subject property, as of October 25, 2016.

The definition of Market Value and other pertinent terminology are found within or as an exhibit of the enclosed appraisal report. A detailed description and analysis of the information gathered for this valuation and our assessment of its relative importance in attaining the final conclusion of value are included in this report. This is an appraisal report presented in narrative format, it includes the necessary data and reasoning conducive to our conclusion of value.

We have carefully observed the subject property, the neighborhood, as well as the most relevant market data available. A detailed analysis of the pertinent information and its relative importance in attaining our final conclusion is included in the body of the report.

On the basis of the investigations and analysis performed, our opinion of the "As Is" Market Value of the Fee Simple Estate of the subject property as of the stated effective date is as stated in the Certification of Value which appears within this report.

Our conclusion of value is subject to the Contingent and Limiting Conditions included in the appraisal report. These are of general nature in order to ascertain the extent and scope of our engagement and in no way these weaken the final conclusion of value.

Respectfully submitted,

Carlos J. Sosa, B.S.
Certified General Professional Appraiser
Puerto Rico License No. 763EPA
Puerto Rico General Certificate No. 359CG

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PART ONE - INTRODUCTION

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

A. The Subject Property

The salient characteristics of the subject property may be summarized as follows:

Location	:	"Parcel B" across the street southwest of Sagrado Corazón Urban Train Station, Martin Peña Sector, Santurce Sur Ward, San Juan, Puerto Rico
Property Identification Number	:	79-041-091-159-TU (part of)
Tract Number at Property Registry	:	Not available
Owner	:	Government Development Bank for Puerto Rico
Zoning	:	DV-TU ("Plazas y Areas Verdes – Tren Urbano"); superimposed district
Highest and Best Use	:	Mixed use; Commercial – High Density Residential Use
Infrastructure	:	Adequate urban infrastructure to include electric power, potable water, sanitary sewer and telephone mains serve this property
Topography	:	Level
Access	:	Good through Ponce De León Avenue, Fernández Juncos Avenue, Borinquen Avenue, Rexach Street and Luis Muñoz Rivera Expressway
Frontage	:	Good to Borinquen Avenue, Fernández Juncos Avenue, Luis Muñoz Rivera Expressway and Rexach Street
Corner	:	Yes, two corner site
Exposure	:	Excellent to local and through traffic
Configuration	:	Virtually trapezoidal
Flood Rating	:	"Zone X", areas outside the 0.2% annual chance flood; as per FIRM #72000C0370J, map revised date November 18, 2009
Area	:	20,809.0301 square meters according to legal description
Improvements	:	Typical parking lot improvements such as asphalt paving, cyclone fence and lighting, all in average condition.
Easement	:	None known that could affect the utility of the property
Soils	:	No soil studies were provided to the appraisers. A determination of this nature is beyond the term of reference of this report. However, based on the general market tendencies observed within the immediate neighborhood, the soil appears adequate for the typical improvement.
Source	:	On-site observation and legal description

Complete details on the characteristics of the subject are included in the description and valuation sections of this report.

B. Method of Valuation

The opinion of the Fee Simple Market Value of the subject property was developed by the Sales Comparison Approach to value. This method is the most effective and understood method for the valuation of land resources.

The subject was not valued by either the Income or Cost Approaches. The Income Approach was not developed because the subject may not generate adequate level of income in its current underdeveloped state. The Cost Approach was not developed since in the Cost Approach the value of the land is added to the depreciated value of the improvements. In the case of vacant land the Cost Approach is in reality equivalent to the Market Approach. The importance of the method and its relevance for the final conclusion of value is explained in the Reconciliation and Final Opinion of Value Section of this report.

A series of comparable land sales were researched. The extent of the process of collecting, confirming and reporting the data included the Public Records at the Registry of the Property as well as CRIM's comparable data bank. Additional sources of information included our own files, comparable data services, published information and other professional members of the real estate industry. The data was confirmed with the best possible source. Besides, we gathered and studied the appropriate Planning Board Maps, tax maps and federal flood maps.

A detailed observation of the subject for appraisal purposes was conducted by the appraisers. Likewise, the comparables researched were inspected. The details of each comparable included in this report are presented in table and/or outline form. Photographs and a location map help the reader visualize the characteristics of the comparables and the location of these vis-a-vis the subject.

C. Conclusion of Value

Based on our observation of the subject coupled with the analysis of the most relevant market data available we have drawn our conclusion of value. It is our opinion that the "As Is" Market Value of the Fee Simple Estate in the subject property, as of the stated effective date is:

THIRTEEN MILLION FIVE HUNDRED TWENTY FIVE THOUSAND DOLLARS ($13,525,000.00)

CERTIFICATION

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and I have 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 analyzes, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standard of Professional Appraisal Practice.
- That I have made a personal observation for appraisal purposes of the property that is the subject of this report.
- That Carlos J. Sosa, B.S., prepared the analyses, conclusions and opinions concerning the real estate that are set forth in this report. Moreover, Carlos E. Gaztambide provided significant assistant in the analyses, conclusions and opinions concerning the real estate that are set forth in this report. However, we acknowledge the help provided by our staff in the research and preparation of this report.
- The reported analyzes, opinions and conclusions were developed and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

CERTIFICATION (CONTINUED)

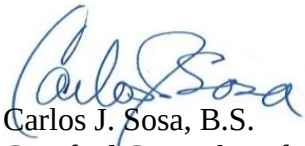
- That this appraisal assignment was not based on a required minimum valuation, a specific valuation or the approval of a loan.

- That I have performed services, as an appraiser, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this appraisal.

I hereby certify that the "As Is" Market Value of the Fee Simple Estate of the subject property, as of October 25, 2016 is:

THIRTEEN MILLION FIVE HUNDRED TWENTY FIVE THOUSAND DOLLARS

($13,525,000.00)



Carlos J. Sosa, B.S.
Certified General Professional Appraiser
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PART TWO - IDENTIFICATION OF THE APPRAISAL PROBLEM AND SCOPE OF WORK

IDENTIFICATION OF THE APPRAISAL PROBLEM AND SCOPE OF WORK

Identification of Type of Appraisal and Type of Report

This is an appraisal report presented in narrative format. It includes the necessary data, analyzes, and reasoning to promote proper understanding of the appraisers' conclusion of value.

Identification of the Client and Intended User of the Report

The intended user of this report is our client, the Government Development Bank for Puerto Rico and its personnel. The use of this report by third parties is not authorized without the prior written consent and approval of Carlos E. Gaztambide in representation of Carlos E. Gaztambide & Associates in the form of an Affidavit.

Purpose and Intended Use of the Appraisal Report

The purpose of this appraisal is to state our opinion of the "As Is" Market Value of the Fee Simple Estate of the subject property. The intended use of this appraisal is for decision making process on the subject property and financing purposes.

Identification of the Subject Property

The subject property is a vacant lot identified as "Parcel B" located across the street southwest of Sagrado Corazón Urban Train Station, Martin Peña Sector, Santurce Sur Ward, San Juan, Puerto Rico. It is further identified with property identification number (PIN) 79-041-091-159-TU (part of) according to the cadastral maps of the Municipalities Revenue Collection Administration (CRIM by its Spanish acronym).

Property Rights Appraised

This appraisal is prepared with the understanding that title to the subject property is unencumbered fee simple.

Type and Definition of Value

Definition of Fee Simple According to The Appraisal of Real Estate 13th Edition, p.111

Fee Simple Estate is defined as follows: ***"Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental power of taxation, eminent domain, police power and escheat".***

Definition of Market Value According to The Dictionary of Real Estate 5th Edition, p. 122

Market Value is defined as follows: ***"The most probable price that the specified property interest should sell for in a competitive market after a reasonable exposure time, as of a specified date, in cash, or in terms equivalent to cash, under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, for self-interest, and assuming that neither is under duress."***

Reasonable Exposure Time

Another consideration to be addressed with respect to our conclusion of value is our opinion of reasonable exposure period. According to Appraisal Standards Board Statement Number 6 exposure time must be considered when the purpose of an assignment is to develop an opinion of market value. The appraiser must develop an opinion of reasonable exposure time linked to the value opinion. Our opinion for the forecasted reasonable exposure time has been included within the reconciliation and final value opinion section of this report.

Effective Date of Opinion of Value

The effective date of the opinion of value is October 25, 2016.

Date of the Report

The date of the report is October 27, 2016.

SCOPE OF THE APPRAISAL WORK

The Uniform Standards of Professional Appraisal Practice and Advisory Opinions under the Scope of Work Rule require for every appraisal that the appraiser:

1. identify the problem to be solved;
2. determine and perform the scope of work necessary to develop credible assignment results; and
3. disclose the scope of work performed

The intention of following the Scope of Work Principle is to disclose to the client and any other intended users of this report:

1. why the client and any other intended user needs the service performed (the nature of the client's problem to be addressed)
2. the type of value to be developed and the effective date of the report, given the nature of the client's problem;
3. the relevant physical, legal and economic characteristics of the subject property; and
4. Any extraordinary or hypothetical conditions required for the development of a credible opinion of value as well as any jurisdictional exception or supplemental standards affecting the development of the opinion of value.

Using this information, the appraiser tailors the amount of market research and analysis necessary to solve the problem posed by the appraisal assignment.

The subject of this appraisal is the Fee Simple Estate of a vacant lot identified as "Parcel B" located across the street southwest of Sagrado Corazón Urban Train Station, Martín Peña Sector, Santurce Sur Ward, San Juan, Puerto Rico. It is further identified with property identification number (PIN) 79-041-091-159-TU (part of) according to the cadastral maps of the Municipalities Revenue Collection Administration (CRIM by its Spanish acronym).

The intended user of this report is our client, the Government Development Bank for Puerto Rico and its personnel. This appraisal is prepared for the evaluation of the subject property for decision making process on the subject property and financing purposes. Under this scenario there are no Extraordinary Assumptions and/or Hypothetical Conditions to consider in this report.

The Scope of Work includes, but is not limited to:

- **The extent to which the property is identified**

The subject property location and site area were identified from the legal description provided to the appraisers included as an Exhibit in this report and physical observation. The subject is identified as "Parcel B" located across the street southwest of Sagrado Corazón Urban Train Station, Martín Peña Sector, Santurce Sur Ward, San Juan, Puerto Rico. It is further identified with property identification number (PIN) 79-041-091-159-TU (part of) according to cadastral map of the Municipalities Revenue Collection Administration (CRIM by its Spanish acronym). The subject parcel is further described in the Description of the Subject Property section of this report.

- **The extent to which tangible property is inspected**

The subject property was observed to analyze its main characteristics. The documents about the subject property were analyzed and are assumed to be true and correct.

With the personal observation of the physical aspects of the real estate and all pertinent documentation, and the analyzes of all significant valuation factors that could affect the market value of the subject property, its neighborhood and the residential market segment to which it belong we made all the relevant analyzes and investigations to arrive at a final conclusion of value of the subject, as of the effective date of the appraisal.

- **The type and extent of data researched**

The research developed to appraise the subject property includes gathering information on comparable data and its confirmation. The analysis of the comparable data to develop the applicable approaches to value, consistent with the expectations of the participants in this market and with the current techniques and methodologies necessary to produce a credible and competent appraisal as required by Standard 1; and the communication of the analysis, opinions and conclusions in a manner that is not misleading as required by the Standard 2 of USPAP as promulgated by the Appraisal Standard Board of the Appraisal Foundation.

- **The type and extent of analyzes applied to arrive at opinions or conclusions**

In order to opine with respect to the Market Value of the Fee Simple Estate of the Subject Property we developed the Sales Comparison Approach to value. This method is the most effective and understood method for the valuation of land resources.

A series of comparable land sales were researched for this assignment. Data on comparable sales was obtained from public records at the Registry of the Property as well as the CRIM property comparable data bank. Additional sources of information included our own files, comparable data services, published information and data obtained from other real estate industry professionals. Confirmation of the data is attempted through the best possible sources. Additional information pertinent to the subject and comparable properties is gathered and studied from the appropriate Planning Board maps, tax maps, and federal flood maps.

We want to recognize that the majority of the statements made in the Assumptions and Limiting Conditions Section of this report are an integral part of our scope of work process.

The Scope of Work described above is judged reliable since what is developed and reported is what the appraisers' peers would develop, given the same assignment. Finally, the goal of this appraisal is to arrive at a credible opinion of value which is of service to the client, taking into account the intended use of this appraisal.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS

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

- No responsibility is assumed for the legal description provided or for matters pertaining to legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.

- The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.

- Responsible ownership and competent property management are assumed.

- The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

- All engineering studies are assumed to be correct. The plot plans and illustrative material in this report are included only to help the reader visualize the property.

- 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 obtaining the engineering studies that may be required to discover them.

- It is assumed that the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described and considered in the appraisal report.

- It is assumed that the property conforms to all applicable zoning and use regulations and restrictions unless a nonconformity has been identified, described and considered in the appraisal report.

- It is assumed that all required licenses, certificates of occupancy, consents, and 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.

- It is assumed that the use of the land and improvements is confined with the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.

- Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property.

Statement of Assumptions and Limiting Conditions (Continued)

The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation and other potentially hazardous materials may affect the value of the property. The value estimated 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 such conditions or for any expertise or engineering knowledge required to discover them. The intended user is urged to retain an expert in this field, if desired.

- Any allocation of the total value estimated in this report between the land and the improvements applies only under the stated program of utilization. The separate values allocated to the land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.

- Possession of this report, or a copy thereof, does not carry with it the right of publication.

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

- Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales or other media without the prior written consent and approval of the appraiser.

- Any value estimates provided in the report apply to the entire property, and any proration or division of the total into fractional interests will invalidate the value estimate, unless such proration or division of interests has been set forth in the report.

- The forecast, projections, or operating estimates contained herein are based on current market conditions, anticipated short-term supply and demand factors, and a continued stable economy. These forecasts are, therefore, subject to changes with future conditions.

- The American with Disabilities Act (ADA) became effective January 26, 1992. The appraiser has not made a specific compliance survey or analysis of the property to determine whether or not it is in conformity with the various detailed requirements of ADA. It is possible that a compliance survey of the property and a detailed analysis of the requirements of the ADA would reveal that the property is not in compliance with one or more of the requirements of the act. If so, this fact could have a negative impact upon the value of the property. Since the appraiser has no direct evidence relating to this issue, possible noncompliance with the requirements of ADA was not considered in estimating the value of the property.

- No liability is assumed for matters which are legal or environmental in nature.

Statement of Assumptions and Limiting Conditions (Continued)

- Ownership and management are assumed to be in competent and responsible hands. We have not been engaged to evaluate the effectiveness of management and we are not responsible for future marketing efforts and other management actions upon which actual results will depend.

- No architectural or engineering study, property survey, soil study or environmental investigation has been made and no liability is assumed in connection with such matters. The described physical condition of the improvements, if any, based on visual description only, and it is assumed that there are no hidden or unapparent physical conditions affecting value.

- Improvements, if any, are assumed to be within lot lines and in accordance with local zoning and building ordinances as well as all applicable federal, state and local laws and regulations, except as noted. Any plans, diagrams or drawings provided are intended solely to facilitate understanding and are not meant to be used as reference in matters of survey. The legal description, if furnished, should be verified with the aid of legal counsel.

- The appraisal was prepared for the purpose stated and should not be used for any other purpose.

- All direct and indirect information supplied by the client or representatives of the client concerning the subject property is assumed to be true and accurate. No responsibility is assumed for information supplied by others although any such information cited is believed to be reliable and correct.

- The signatories shall not be required to give further consultation or testimony, or appear in court or at any public hearing with reference to the property appraised unless prior arrangements have been made with the client.

- Disclosure of the contents of this report is governed by the Bylaws and Regulations of the Appraisal Institute. Possession of this report, or copy thereof, or any part thereof does not carry with it the right of publication, nor may it be used by anyone but the part for whom it has been prepared without the prior written consent and approval of Carlos E. Gaztambide and Associates.

- None of the contents of this report (especially any conclusions to value, the identity of the appraiser, or the firm with which he is connected, or any references to the Appraisal Institute or to the MAI designation) shall not be disseminated to the public through advertising media, news media, sales media, or any other public means of communication without the prior written consent and approval of Carlos E. Gaztambide and Associates.

Statement of Assumptions and Limiting Conditions (Continued)

- No responsibility is assumed for the accuracy of any description of physical materials and conditions pertaining to the property, or any damages sustained in connection with actual or potential deficiencies or hazards as such, but not limited to, inadequacies or defects in the structure, design, mechanical equipment or utility services associated with the improvements; air or water pollution, noise, flooding, storms or wind, traffic and other neighborhood hazards, radon gas, asbestos, natural or artificial radiation or toxic substances of any description, whether on or off the premises. The client is advised to retain an expert in the field.

- This report is intended to be read and used as a whole and not in parts. Separation of any section or page from the main body of the report is expressly forbidden and invalidates the report.

- Where the property being considered is part of a larger parcel or tract, any values reported relate only to the portion being considered and should not be construed as applying with equal validity to other portions of the larger portion or tract.

- Any projections of future rents, expenses, net operating income, mortgage debt service, capital outlays, cash flows, inflation, capitalization rates, discount rates or interest rates are intended solely for analytical purposes and are not to be construed as predictions of Carlos E. Gaztambide and Associates. They represent only the judgment of the authors as to the assumptions likely to be used by purchasers and sellers active in the marketplace, and their accuracy is in no way guaranteed.

- No formal marketing or feasibility study was provided or available to the appraisers. Marketability and financial feasibility determinations included in this report are only intended to support the highest and best use framework for purposes of this appraisal.

PART THREE - PRESENTATION OF DATA

Legal Description

The legal description of the subject property provided to the appraisers is included as an Exhibit of this report. Area of the subject property is based on legal description provided to the appraisers.

Identification of Personal Property

Non real estate items (personal property) are not considered in this appraisal. According to the Dictionary of Real Estate Appraisal this item is defined as ***"Personal property includes movable items that are not permanently affixed to, and part of the real estate"***.

History of the Subject

The Uniform Standard of Professional Appraisal Practice require that in developing a real property appraisal, the appraiser must consider and analyze any prior sale of the subject being appraised that occurred during the last three years for all property types and considered and analyzed any known agreement of sale, or opinion, or listing of the subject provided such information is available.

The information made available to the appraisers indicates that the subject property has not been in negotiation in the last 3 years, the mandatory review period established by Standard Rule 1-5. The subject property has been owned by the Government Development Bank for Puerto Rico since May 31, 2007 in barter (in Spanish language is translated to "permuta") of another parcel in Santurce Sur Ward identified as "Finca San Juan" owned by "Departamento de Transportación y Obras Públicas de Puerto Rico". This barter has no relevance with respect to this valuation.

Taxes and Assessment Data

The taxes and assessment data of the subject property were not provided to the appraisers.

ECONOMIC PERSPECTIVES OF PUERTO RICO

MARKET OVERVIEW OF THE PUERTO RICO ECONOMY

The history of Puerto Rico's economic development dates back 500 years with Spanish Galleons anchored beneath La Fortaleza, in the protected harbor of the "Rich Port". Today, cruise ships and container ships berth at the modern port facilities in San Juan Bay, adding tourists and trade goods to support the economy of this Caribbean Island's resident population of approximately 3.6 million people. Puerto Ricans born on the island have been U. S. citizens since 1917. In year 1952, the people of Puerto Rico ratified their constitution establishing the Commonwealth of Puerto Rico and the continuing bond with the United States.

Puerto Rico is the easternmost of the Greater Antilles (18° 15' N, 66° 30' W), and the fourth largest island in the Caribbean after Cuba, Hispaniola (which comprises the Dominican Republic and Haiti), and Jamaica. The Island is located at the crossroads between North and South America, at just 3.5 hours airtime from New York, 60 minutes from Caracas, and at only 4 days sailing from major Atlantic and Gulf of Mexico ports. The Island, with an area of 3,435 square miles (9,000 sq. km.) approximately 110 miles long by 39 miles wide having a mountainous interior surrounded by a wide coastal plain. Rainfall averages 69 inches (175 cm) per year and the year-round temperatures range from 74°F (23°C) in the winter to 78°F *(27°C)* in the summer.

The United States and the Commonwealth of Puerto Rico share a common defense, market, and currency. The Commonwealth exercises similar control over its internal affairs as do the 50 states. It differs from the states, however, in its relationship with the federal government. The people of Puerto Rico, as U.S. citizens, enjoy protections of the U.S. Constitution; they do not however, vote in national elections. They are represented in Congress by a Resident Commissioner who has a voice in the House of Representatives, but no vote. Most federal taxes, with some exceptions such as Social Security, are not levied in Puerto Rico who has fiscal autonomy. Although Spanish is the primary language.

Commonwealth governmental structure and responsibilities are similar in nature to those of the various state governments. In addition, the Commonwealth government assumes primary responsibility for police and fire protection, education, public health and welfare programs, and economic development. Puerto Rico is comprised of 78 municipalities, and with the Island's long tradition of political patronage and persistent corruption, fiscal programs are heavily indebted. The seriousness of the problem has resulted in the major ratings agencies downgrading the Commonwealth's various debt obligations, including those of public corporations, to below investment-grade rating, or "junk" level as referred to in the finance industry. The debt of approximately $ 72.2 billion ranks highest in the nation among states on a per capita basis. The downgrades did not come as a surprise. The local economy has been unable to grow since the middle of the prior decade.

A definitive statement of the Island's dire fiscal situation came in June 2015 when Governor, Alejandro Garcia Padilla announced in a *New York Times* interview that the debt is "unpayable". A restructuring of some of the debt should finally resolve some of the most egregious problems for the economy including at the Puerto Rico Electric Power Authority, the Ports Authority, and the Department of Education among others. Puerto Rico's Treasury Department and the Government Development bank need to regain their liquidity and take on efficiency in their most important role.

The government hopes to use the recent report by former International Monetary Fund Managing Director, Anne O. Krueger to support its position to renegotiate the debt. Puerto Rico is indeed in the national spotlight because of its fiscal problems. Being excluded from Chapter 9 of the U.S. bankruptcy code, Puerto Rico will be navigating through uncharted waters. This unfortunately has a Moody's lead analyst saying "we believe the debt-restructuring process is likely to be protracted and legally contentious."

The economic recession has affected all levels of Puerto Rican society and there has been significant ongoing migration of island residents to the mainland. A Federal Reserve Bank of New York report on the topic by Laison R. Abel and Richard Deitz points out that in the nine years prior to 2014 the population of the island was estimated to have declined 5.5%. The latest U.S. Census Bureau data points to a net out-migration of -64,000 residents during

2014. This in-turn shrinks goods consumption and the tax base, negatively impacting upon government revenues. It also negatively impacts upon real estate markets lowering demand and leaving properties vacant and un-sold increasing inventories and pressuring down prices. The Office of the Commissioner of Financial Institutions has been tracking property foreclosures on the island. As of June 2015 residential properties numbering 18,945 units were in the process of foreclosure by lenders. These units represent $2.5 billion of mortgage debt. Including all properties behind on mortgage payments the June 2015 residential mortgage delinquency rate was 13.44%.

On a positive note the delinquency rate shows improvement over annual rates during the 2010 to 2014 period. Construction of new private housing units has shown a steep decline during the recession. Whereas 16,873 units were constructed during 2004 and 11,229 during 2007, only 3,194 units were constructed during 2013. The number falls to 2,187 new private housing units constructed during fiscal year 2014. Another sector of the economy hard hit by the recession has been new automobile sales. During 2014 a total of 88,200 new cars and trucks were sold. This represents a 6l.7% decrease from the 134,391 units sold in 2004. For 2015 the United Automobile Importers Group is projecting sales of new units, fall further to 80,000 units.

One frequently cited measure of the local economy overall is the Government Development Bank's Economic Activity Index (GDB-EAI). The index posted a narrow drop in July, remaining in negative territory for a 21st straight month, reaching its lowest level in 20 years. The June-July 2016 EAI of 125.9, was a -2.0% decrease from the same period in 2015. All analysts concur that Puerto Rico's economic activity remains at a depressed level and no meaningful signs of recovery have emerged. In spite of the challenges facing the Puerto Rico economy, some bright spots can be reported. Tourism, representing approximately 6.2% of the Island's Gross National Product (GNP), reported significant increases in most of its sectors during the recent fiscal year 2014 ended June 30th. Hotel occupancy increased by 1%, to 70.5%. New hotel rooms added to inventory were 500 including the Hotel Blok in Vieques and the Vanderbilt in Condado. It was reported that an additional 3,850 hotel rooms were in the financing, permits and construction phase.

Cruise ship passenger arrivals set a new record of 1.5 million representing a one year increase of 24.8% and a two year increase of 45.8%. These trends have spurred acquisitions in the local hotel market including the famed San Juan Hotel in which the new owners have planned $40 million in renovations. Many national chain stores have long reported some of their best performing outlets are in Puerto Rico. Retail demand on the part of consumers and tenants has spurred new construction or expansion of shopping malls in Puerto Rico.

The market leader, Plaza Las Americas will be expanding onto a recently acquired 11 “cuerdas” site adjacent to the existing mall. The new property will have 210,000 square feet of retail shopping space plus a hotel component. In addition, the owner, Empresas Fonalledas will be expanding by 200,000 square feet their property in Ponce, Plaza Caribe, to include Macy's as a new anchor tenant. The Taubman Centers Company recently inaugurated their Mall of San Juan development. The upscale shopping mall comprises 650,000 square feet anchored by the first Nordstrom and Sak’s department stores in Puerto Rico. Also under construction in San Juan is the 100,000 square foot retail and entertainment component of the Paseo Caribe development located adjacent to the Caribe Hilton Hotel. And rounding out the plans for new malls is the Sambil development in Guaynabo with room for 300 stores and more in 500,000 square feet. Sambil is expected to introduce numerous Latin American retailers into the Puerto Rican market. Individual retailers and service businesses are executing expansions in Puerto Rico. The renowned Serafina restaurant opened in La Concha Hotel along Ashford Avenue in the Condado. It is the 25th location for the worldwide Italian restaurant chain. Red Mango Cafe has planned four new locations in Puerto Rico during 2015.

The yogurt and healthy fare cafes had only arrived in Puerto Rico during 2014 but interest by franchisees is supporting an expansion plan continuing into 2016. Companies investing in Puerto Rico with new industrial plant openings or expansions include MedsDirect with a manufacturing facility in Guánica. Also creating new jobs in the municipality of Moca is the arrival of Honeywell Aerospace who will occupy a new 73,000 square foot research and development center at the Las Americas Technology Park. In the municipality of

Aguadilla the Rafael Hernandez Airport is hosting a significant maintenance and repair operation of Lufthansa airlines with a lease agreement extending 20 years. Investment advice is offered to clients of the new brokerage office HJ Sims. They are certainly aware of the significant tax breaks in Laws 20 and 22 of 2012 now attracting investment dollars to Puerto Rico by outsiders.

One famous investor has recently been extolling the virtues of investment in Puerto Rico. His name is Nicolas Prouty and he is the Managing Partner of Putnam Bridge, a billion dollar investment firm now located in Santurce. At a recent tech industry conference Mr. Prouty told attendants that he is "A believer in Puerto Rico" as his hundred million dollar investments here, “Ciudadela” and “Puerto Del Rey”, certainly demonstrate. John Paulson is another famed investor who has taken a hard look at Puerto Rico and has made multi-million dollar investments here including a majority stake in the luxury St. Regis Resort in Bahia Beach and real estate in Condado including the Vanderbilt and La Concha Hotels.

Included overleaf is the Puerto Rico Fact Sheet produced by the Office of Economic Studies and Analysis, of the Government Development Bank for Puerto Rico. This periodic publication includes a number of data points to help the reader gain background into the Puerto Rican Economy.

Impact of the economy over the Subject Property

The subject of this appraisal is impacted negatively by current recession over the Island, similar to all properties in the real estate market. The recession has affected negatively all levels of society. It also negatively impacts upon real estate markets lowering demand and leaving properties vacant and un-sold increasing inventories and pressuring down prices. In Puerto Rico demand is not strong, in current market conditions supply is outpacing demand.

PUERTO RICO FACT SHEET

GDB

GOVERNMENT DEVELOPMENT BANK FOR PUERTO RICO • ECONOMIC ANALYSIS DIVISION

AS OF MARCH 2016

GEOGRAPHY

Location: Caribbean, island between the Caribbean Sea and the North Atlantic Ocean, east of the Dominican Republic
Geographic coordinates: 18 15 N, 66 30 W
Map references: Central America and the Caribbean
Land and Water Area: 13,790 sq. km. (5,324 sq. mi.)
Coastline: 501 km (311 miles)
Climate: tropical marine, mild; little seasonal temperature variation
Terrain: mostly mountains, with coastal plain belt in north; mountains precipitous to sea on west coast; sandy beaches along most coastal areas
Elevation extremes: lowest point: Caribbean Sea 0 m
highest point: Cerro de Punta 1,338 m

PEOPLE

Population: 3,598,357 (July 1, 2015 est.)
Age structure: 0-14 years: 17.7% (male 325,944; female 311,520) (2015 est.) 15-64 years: 64.8% (male 1,121,534; female 1,209,726) (2015 est.) 65 years and over: 17.5% (male 271,633; female 358,000) (2015 est.)
Median age: total: 39.1 years (2015 est.)
male: 37.1 years
female: 41 years
Population growth rate: -0.6% (2015 est.)
Birth rate: 10.86 births/1,000 population (2015 est.)
Death rate: 8.67 deaths/1,000 population (2015 est.)
Net migration rate: -8.15 migrant(s)/1,000 population (2015 est.)
Sex ratio: at birth: 1.02 male(s)/female (2015 est.)
under 15 years: 1.05 male(s)/female
15-64 years: 0.93 male(s)/female
65 years and over: 0.76 male(s)/female
total population: 0.92 male(s)/female (2015 est.)
Infant mortality rate:
total: 7.57 deaths/1,000 live births (2015 est.)
male: 8.38 deaths/1,000 live births
female: 6.75 deaths/1,000 live births
Life expectancy at birth:
total population: 79.25 years (2015 est.)
male: 75.62 years
female: 82.94 years
Total fertility rate: 1.64 children born/woman (2015 est.)
Nationality: noun: Puerto Rican(s) (US citizens)
adjective: Puerto Rican
Ethnic groups: white 75.8%, black / African American 12.4%, other 8.5%, and mixed 3.3% (2010)
Religion: Roman Catholic 85%, Protestant and other 15%
Languages: Spanish, English
Literacy: definition: age 15 and over can read and write
total population: 93.3%
male: 92.8%
female: 93.8% (2015 est.)

ECONOMY

GNP: $69.2 billion (2014)
GNP - real growth rate: -0.9% (2014)
GNP - per capita: $19,257 (2014)
GDP: $103.7 billion (2014)
GDP - per capita: $28,850 (2014)
GDP - composition by sector:

Manufacturing:	47.6%
Finance, insurance and real estate:	19.7%
Services:	12.5%
Trade:	7.7%
Government:	7.6%
Transportation and other public utilities:	2.9%
Construction and Mining:	1.1%
Agriculture:	0.8%

Persons below poverty level: 46.2% (2014)
Inflation rate: change in the implicit price deflator for GNP 1.6% (2014)
Labor force: 1.1 million (2015)
Labor force - by occupation: (2015)

Services:	33.8%
Trade:	24.3%
Government:	20.1%
Manufacturing:	8.3%
Transportation and other public utilities:	4.5%
Construction and mining:	3.8%
Finance, insurance and real estate:	3.4%
Agriculture:	1.7%

Unemployment rate: 13.0% (2015)
Industries: pharmaceuticals, electronics, food products
Electricity - production: 20.9 billion kWh (2015)
Electricity - consumption: 17.3 billion kWh (2015)
Natural gas - consumption: 2,606,992 km3 (2015)
Natural gas - imports: 2,606,992 km3 (2015)
Agriculture - products: coffee, pineapples, plantains, bananas, starchy vegetables; livestock products, milk, poultry (2014)
Exports: $69.4 billion f.o.b. (2015)
Exports - commodities: Pharmaceuticals, chemicals, medical equipment, food, computers, electronics, electrical equipment
Exports - partners: US 74.1%, Belgium 5.7%, Netherlands 3.7%, Spain 2.1% and Austria 2.0% (2015)
Imports: $43.2 billion c.i.f. (2015)
Imports - commodities: Pharmaceuticals, chemicals, petroleum products, food, computer and electronic products, motor vehicles, machinery
Imports - partners: US 51.7%, Ireland 12.0%, Singapore 7.9%, Brazil 3.4% and Japan 3.3% (2015)
Currency: US dollar (USD)
Currency code: USD
Fiscal year: 1 July - 30 June

GOVERNMENT

Country name:
Conventional long form:
Commonwealth of Puerto Rico
Conventional short form: Puerto Rico
Government type: commonwealth associated with the US
Capital: San Juan
Legal system: based on civil law and within the US Federal legal system
Suffrage: 18 years of age; universal; island residents are US citizens but do not vote in US presidential elections
Head of State: President Barack H. Obama
Governor: Alejandro García Padilla (since January 2, 2013)
Legislative branch: bicameral Legislative Assembly consists of the Senate (27 seats; members are directly elected by popular vote to serve four-year terms) and the House of Representatives (51 seats; members are directly elected by popular vote to serve four-year terms)
Judicial branch: Supreme Court; Appellate Court; Court of First Instance composed of two sections: a Superior Court and a Municipal Court (justices for all these courts are appointed by the governor with the consent of the Senate)
International organization participation:
Caricom (observer), Interpol (subbureau), IOC, UNWTO (associate), UPU

TRANSPORTATION

Highways: total: 28,053.2 km
paved: 27,903.6 km
unpaved: 149.6 km (2014)
Ports and harbors: 12
Airports: 10

SOURCES

U.S. Census Bureau
Economic Report to the Governor 2014 Puerto Rico Planning Board
Office of Management and Budget
The World Factbook 2014-2015 Central Intelligence Agency, Washington, DC
External Trade Statistics 2015 Puerto Rico Planning Board
Highway and Transportation Authority
Puerto Rico Ports Authority

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For additional information please refer to the related Puerto Rico Economic Indicators provided by the GDB.

RECENT DEVELOPMENT IN THE ECONOMY OF THE SAN JUAN METROPOLITAN AREA

(Prepared by Dr. Mohinder Bhatia for Carlos E. Gaztambide & Associates)

OVERALL

Since 2006, the economy of Puerto Rico is in recession. Because the economy has lost 13 percent of GDP and 200,000 jobs, some people have described the situation depressionary.

The San Juan Metropolitan Area (SJMA) has seven municipalities namely, San Juan, Bayamón, Caguas, Carolina, Cataño, Guaynabo and Trujillo Alto. The economic conditions in all these municipalities have deteriorated. In 2006, SJMA provided jobs to 452,600 and this number has declined to 375,900, a loss of 76,700 jobs, or 16.9 percent. This reflected wage loss of $1,839 million in 2011. In 2006, the rate of unemployment in SJMA was 8.1 percent, and by 2011, this rate had increased to 12.6 percent. In 2006, 40,000 workers were unemployed and by 2011 this number had increased to 54,200.

During the twelve months, October 2011 – 12, there have been some improvements in the labor condition. The rate of unemployment declined from 13 percent to 10.9 percent, the number of unemployment declined from 56,600 to 46,700, and the number of employees increased from 377,300 to 381,400. Even with the improvements, the number of employees in SJMA in October 2012 was less than 2006 by 71,200.

There was out-migration of people, due to loss of jobs. During the decade of 2000-10, the population of SJMA declined by 66,845, reflecting a decline of 5.6 percent. The population of Puerto Rico declined by 2.2 percent. SJMA population decline constituted 81 percent of the decline in Puerto Rico's population. Density of the population has declined which has an enormous impact on property values.

Under the American Community Survey, the population of SJMA in 2011 was 1,121,506, reflecting a loss of 0.2 percent in one year.

While jobs, incomes, and population have declined in SJMA, the number of housing units increased from 456,915 in 2000 to 509,698, reflecting an increase of 11.6 percent. It should be pointed out that the number of households in SJMA increased from 415,504 to 437,060 in the last decade. A mismatch between supply and demand for housing units has prompted a substantial drop in property values.

POPULATION

The San Juan Metropolitan Area consists of seven municipalities. Under the Census of 2010, seven municipalities had a population of 1,124,003 as compared to 1,190,848 in 2000. During the last decade, the population of SJMA declined by 5.6 percent, at an annual rate of 0.5 percent. During the last decade, the population declined by 66,845 in the area and of the seven municipalities, with the exception of the Municipality of Caguas, the other six experienced population decline. In the municipality of San Juan, the population declined by 39,048, Bayamón 15,928, Carolina 9,314, Cataño 1,931, Guaynabo 2,129 and Trujillo Alto 886. The population decline in San Juan accounted for 58.4 percent of the total population decline in SJMA.

Under the concept of the American Community Survey, the U.S. Census Bureau has produced population estimates for the year 2011. The population decline in 2011 in SJMA has continued. The population was 1,121,506 in 2011 as compared to 1,124,003 in 2010, a decline of 0.2 percent. It may be noted that while the population decline continues, the rate of decline has sharply come down. In 2011, the population declined in each one of the seven municipalities of the area.

The population of SJMA during 2006 – 11 has declined because:

- The housing costs had sharply increased, and households decided to move out,
- Stagnating real household incomes contributed to a reduction,
- Job opportunities virtually dried out since 2006 when the current depression started,
- Job opportunities began to improve in the major job markets for Puerto Ricans in the U.S. (Orlando, New York, Miami, Tampa, Atlanta, etc.) and,
- Quality of life deterioration as reflected in crime increment also had a sizeable impact on the people to move out.

It should be pointed out that there is some improvement in job opportunities in 2012 in the area, and that development has slowed down the population decline.

SJMA has an area of 248 square miles (Bayamón 44, Caguas 57, Carolina 45, Cataño 5, Guaynabo 27, San Juan 48 and Trujillo Alto 21). Density of the population in the area declined from 4,802 to 4,532 in 2010. The density continued to decline in 2011. The density decline has a substantial influence on land values, which influence property and house prices.

Of the 1,124,003 people living in the seven municipalities of SJMA, 254,000 had ages under 18 years, and 180,000 had ages over 65 years. The young and old people constituted 38.6 percent of the total SMJA population in 2010. There were living in the area 690,000 people who pertained to the age groups 18-64 which was a source for workers origination.

SJMA population constituted 31.3 percent of the total population of Puerto Rico in 2000, and this ratio declined to 30.2 percent under the Census 2010.

The declining population of SJMA will have an impact on:

- The supply of the labor force,
- Demand for goods and services,
- Personal income of the area, and,
- Revenues of the central government and seven municipal governments emerging from property taxes, patents and license fees.

These changes will have significant influence on land values and housing values, as well as commercial property values.

HOUSING

In the San Juan Metropolitan Area, the number of housing units has continued to increase even when the population of the area declined in the last decade. The population of the area declined, and the number of housing units increased.

According to the 2010 Census, there were 509,698 housing units in the SJMA as compared to 456,915 units in 2000, reflecting an increase of 11.6 percent. In the period 2000-10, the population of the municipalities of San Juan, Bayamón, Caguas, Carolina, Cataño, Guaynabo and Trujillo Alto declined 5.6 percent.

Among the 509,698 housing units in 2010, 437,060 (85.7 percent) were occupied and 72,638 (14.3 percent) vacant. A housing unit is vacant if no one is living in it. New housing units not yet occupied are classified as vacant housing units. A housing unit is occupied if it is the usual place of residence of the person(s) living in it. The occupant may be a single person or occupants may be two or more persons, or two or more families living together.

Because of declining population and an increasing number of housing units, the vacancy rate of 9.1 percent in 2000 increased to 14.3 percent in 2010. There were 41,421 vacant housing units in 2000 and this number increased to 72,638 in 2010.

During the decade of 2000-10, the number of households increased from 415,504 to 437,060, an increment of 21,556. During the same period total housing units increased 52,773. The supply exceeded demand by 31,217 units. It is this mismatch which caused the drop in the housing prices by as much as 30 percent, or perhaps more in certain areas, and high price brackets.

During the past several years, there were more than 350 projects under construction in Puerto Rico where there were more than 20,000 housing units in some level of development, including ready to be occupied and some under construction. A number of these projects are located in SJMA. These developed and in the process of development housing units which are unoccupied are expected to have depressing price influence for some time to come.

The vacancy rate in San Juan was 14.3 percent. In SJMA, in the municipalities other than San Juan, the vacancy rate was 12.3 percent in 2010. The municipality of Guaynabo in 2010 had 4,610 vacant housing units out of 42,012 which reflected vacancy rate of 11 percent. In Puerto Rico, among the 1,636,946 housing units, the vacancy rate was 15.9 percent.

Under the American Community Survey, in 2011, there were 404,319 households in SJMA. It is surmised that a household is equal to one occupied housing unit, which is the usual place of residence of one person or more than one person (a family). Thus, in 2011, there were 404,319 occupied housing units in SJMA, a number lower than what the Census of 2010 indicated.

LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT

Puerto Rico is in a condition of depression. Puerto Rico has lost 200,000 jobs, and its GDP is lower now than what it was in 2006 by 13 percent. The San Juan Metropolitan Area which includes seven municipalities has lost 76,700 jobs during the period of 2006-11. In SJMA, the rate of unemployment has increased from 8.1 percent in 2006 to 12.6 percent in 2011. The labor force of SJMA has sharply declined from 492,600 in 2006 to 430,200 in 2011, reflecting a decline of 12.7 percent. The decline of 62,400 in the labor force in SJMA emerged from all the seven municipalities of the area, San Juan 25,400, Bayamón 10,700, Caguas 6,200, Carolina 10,200, Cataño 1,200, Guaynabo 5,700 and Trujillo Alto 3,000. Part of the labor force decline can be attributed to the number of people in the eligible population (16 + years) and part to a decline in the labor force participation rate. People withdrew from the labor force due to a lack of job opportunities.

On the labor market conditions, the latest data available is for the month of October 2012. In this month, in the area there were employed 381,400 as compared to 377,300 in October 2011. It is surmised that additional 4,100 opportunities occurred due to the fact that 2012 is an election year and that incumbent administration increased infrastructure investment.

In October 2012, the number of unemployed declined to 46,700, from 56,600, and the rate of unemployment declined by 2.1 percentage points from 13.0 percent to 10.9 percent. During the period October 2011 – 2012, the number of people in the labor force declined from 433,900 to 428,100 in SJMA reflecting developments in the eligible population and on migration.

RETAIL TRADE

The data on retail trade represents a proxy for personal consumption expenditures which constitutes about 60 percent of GDP. The data on retail trade is available up to September 2012. This data is compiled by the Commercial and Export Company for Puerto Rico and nine regions. Among these regions, there are three which pertrude into the San Juan Metropolitan Area (SJMA). The three pertruding regions, namely, San Juan, Bayamón, and Caguas have a large number of municipalities which are outside what traditionally constitutes SJMA. For example, the San Juan Region includes the municipalities of Canovanas, Carolina, Guaynabo, San Juan and Trujillo Alto. The Caguas Municipality, which is part of San Juan Metropolitan Area is not part of the San Juan Region. Similarly, the Bayamón Municipality which is part of SJMA is not part of the San Juan Region. For the sake of brevity, this report equates SJMA with the San Juan Region.

The San Juan Region had retail sales $11.9 billion in 2006 and $10.8 billion in the Calendar year 2011, reflecting a decline of 9.2 percent over a period of five years in nominal prices. During the same period, CPI increased by 19 percent. Therefore, in constant prices, retail sales dropped by 28.2 percent in the SJMA.

It may be noted that the retail sales in Puerto Rico (all nine regions) were $34.8 billion in 2006 and $35.4 billion in the Calendar year 2011, reflecting an increase of 1.7 percent in nominal prices. When the inflation factor is injected in the analysis, it will be noticed that the retail sales declined by 17.3 percent in Puerto Rico. In relation to Puerto Rico, SJMA retail sales declined by 10.9 percent more than the former. If the retail sales represent some sort of purchasing power, these data reflect that the SJMA has suffered more.

During the period January – September 2011 and 2012, the retail sales in the San Juan region increased from $7,816 million to $7,935 million, reflecting an increase of 1.5 percent in nominal prices. During the same period, CPI increased by almost 2 percent. Although, the retail sales in nominal prices increased during the first nine months of 2012, the sales declined in real prices by 0.5 percent.

DECLINING BUSINESSES ESTABLISHMENTS

The Department of Labor and Human Resources complies data on employment, total salaries for a quarter, average salary per worker and business establishments by industry. For the purpose of evaluating economic conditions in the San Juan Metropolitan Area, the consultant consolidated data on the variables for the seven municipalities.

The San Juan Metropolitan Area consists of seven municipalities. SJMA is being impacted severely by the current depression. During the period of the Second Quarter 2007 – 2011, in the area there were 5,400 businesses closed. In 2007, there were 28,785 establishments and their number was reduced to 23,385. The 5,400 closed businesses in the area constituted 46.2 percent of the 11,681 closed establishments in Puerto Rico. There were 62,284 establishments in Puerto Rico in the Second Quarter of 2007 and by the same quarter of 2011 their number was reduced to 50,603.

On an annual basis, 28,785 establishments paid $13,721 million dollars in salaries and wages in 2007 as compared to $13,437 million in 2011 by 23,385 establishments. An average establishment paid $575,000 salaries in 2011 and $447,000 in 2007. The economic impact of a decline of 18.8 percent in establishments in SJMA during the period 2007-11 was offset by 20.5 percent increase in wages and salaries paid by an average establishment.

As reflected in the size of salaries paid an average establishment in SJMA was larger than an average establishment in Puerto Rico. An average SJMA establishment paid annual salaries $575,000 as compared to $470,000 in Puerto Rico, a difference of 22.3 percent.

In SJMA, an employed worker had an hourly wage of $10.89 in the Second Quarter of 2007 and in 2011 hourly wages had increased to $11.52, reflecting an increase of 5.8 percent. During the same period CPI in Puerto Rico increased by 12 percent from 102 to 114 (2005=100), which means the real wages in the SJMA declined by 6.2 percent. In Puerto Rico, as a whole, average wages increased from $11.45 per hour to $12.39 per hour, reflecting an increase of 8.2 percent. Since CPI increased by 12 percent, real wages in Puerto Rico declined by 3.8 percent. It is

interesting to note that standard of living of the people dropped more in SJMA than in Puerto Rico as a whole, 6.2 and 3.8 percent.

The Department of Labor has made available data for the first quarter of 2012. During the first quarter of 2011 and 2012, the number of business establishment continued to decline (from 23,310 to 22,599). In this twelve month period, the decline in establishment was 711. However, during the same period, total salaries paid increased from $13,440 million to $14,155 million, an increase of 5.3 percent. While the number of establishment declined, the salaries paid increased. It should be noted that the economic effect is felt through changes in dollars and cents. It may be further noted that during the period first quarter 2011 – 2012, total salaries increased in nominal prices in all the seven municipalities of the area.

CPI – Consumer Price Index = Inflation

PRESCRIPTION (Bhatia – Gaztambide & Associates)

Six Municipalities out of seven in The San Juan Metropolitan Area have lost population during the last decade. SJMA has lost thousands of jobs. This economic deterioration must be stopped. It can be done if San Juan and other municipalities receive direct investment by national and international companies. These companies have products, markets, management, capital and know how. To attract these companies, their return on investment after tax must be improved which can be done if the U.S. Congress restores something similar to section 936 of the Internal Revenue Code whereby the U.S. companies will be able to repatriate profits free of income tax. The Project HR 3020, if and when enacted, will create Section 933A which will be similar to Section 936. However, in San Juan Metropolitan Area as in Puerto Rico as a whole, the enactment of Section 933A of the Internal Revenue Code will not operate by itself. The local government has to enact a stable imposition tax package that will assure investors a “level field” where the “return off” and “return on” their investment is assured over a reasonable holding period. Moreover, the cost of Power has to be brought under control. In other words, tax incentives work only if there is a “profit”. Therefore, Puerto Rico’s part of the equation must be “in place” to start.

Neighborhood Description

The subject property is located along Fernández Juncos Avenue at the corners of Borinquen and Rexach Streets in the neighborhood of Santurce. Fernández Juncos Avenue is the primary local roadway for traffic traveling east from Old San Juan through Miramar and Santurce and on to Hato Rey. Local traffic in the west direction through this neighborhood utilizes Ponce de León Avenue to the inmediate east of the subject. The Santurce Ward represents an urban district within San Juan. The neighborhood is densely developed with residential and commercial uses. The Santurce neighborhood is also a location with a high density of institutional uses. The urban development of Santurce has its origins following the turn of the previous century, enjoying its peak as San Juan's central business district during the period of 1950's and 60's. While the 1970's and 80's brought with them a steep decline for Santurce, we can gratefully report that at the turn of the current century Santurce can be said to be showing reportable signs of revitalization.

The inmediate neighborhood of the subject is centrally located and easily accessible to all major transportation routes. Additionally, the Urban Train has a terminal at Sagrado Corazón (next to subject) to serve the eastern parts of Santurce. Typical urban infrastructure and services are available to the residents and businesses of the sector. Along with the gradual reclamation of properties throughout the neighborhood and a corresponding trend toward lower crime rates, both residential and commercial occupants are returning to Santurce.

DESCRIPTION OF THE SUBJECT PROPERTY

SITE DESCRIPTION OUTLINE

Location	:	"Parcel B" across the street southwest of Sagrado Corazón Urban Train Station, Martín Peña Sector, Santurce Sur Ward, San Juan, Puerto Rico
Property Identification Number	:	79-041-091-159-TU (part of)
Tract Number at Property Registry	:	Not available
Owner	:	Government Development Bank for Puerto Rico
Zoning	:	DV-TU ("Plazas y Areas Verdes – Tren Urbano"); superimposed district
Highest and Best Use	:	Mixed use; Commercial – High Density Residential use
Infrastructure	:	Adequate urban infrastructure to include electric power, potable water, sanitary sewer and telephone mains serve this property
Topography	:	Level
Access	:	Good through Ponce De León Avenue, Fernández Juncos Avenue, Borinquen Avenue, Rexach Street and Luis Muñoz Rivera Expressway Street
Frontage	:	Good to Fernández Juncos Avenue, Borinquen Avenue, Rexach Street and Luis Muñoz Rivera Expressway
Corner	:	Yes, two corner site
Exposure	:	Adequate to local and through traffic
Configuration	:	Rectangular
Flood Rating	:	"Zone X", outside the 0.2% annual chance flood; as per FIRM #72000C0370J, map revised date November 18, 2009
Area	:	20,809.0301 square meters according to legal description
Improvements	:	Typical parking lot improvements such as asphalt paving, cyclone fence, gate, and lighting, all in average condition.
Easement	:	None known that could affect the utility of the property
Soils	:	No soil studies were provided to the appraisers. A determination of this nature is beyond the term of reference of this report. However, based on the general market tendencies observed within the immediate neighborhood, the soil appears adequate for the typical improvement.

PHOTOS OF THE SUBJECT PROPERTY

AERIAL VIEW OF THE SUBJECT PROPERTY

NEIGHBORHOOD AS SEEN ALONG BORINQUEN AVENUE DUE WEST.
SUBJECT AT LEFT

NEIGHBORHOOD AS SEEN ALONG BORINQUEN AVENUE DUE EAST.
SUBJECT AT RIGHT

INTERIOR OVERVIEW OF SUBJECT AS SEEN FROM NORTH BOUNDARY DUE SOUTH

GENERAL INTERIOR OVERVIEW OF WEST BOUNDARY OF SUBJECT. MUÑOZ RIVERA EXPRESSWAY BEHIND THE WALL

NEIGHBORHOOD AS SEEN ALONG REXACH STREET DUE SOUTH.
SUBJECT AT RIGHT. TRAIN STATION AT LEFT

NEIGHBORHOOD AS SEEN ALONG REXACH STREET DUE NORTH.
SUBJECT AT LEFT. TRAIN STATION AT RIGHT

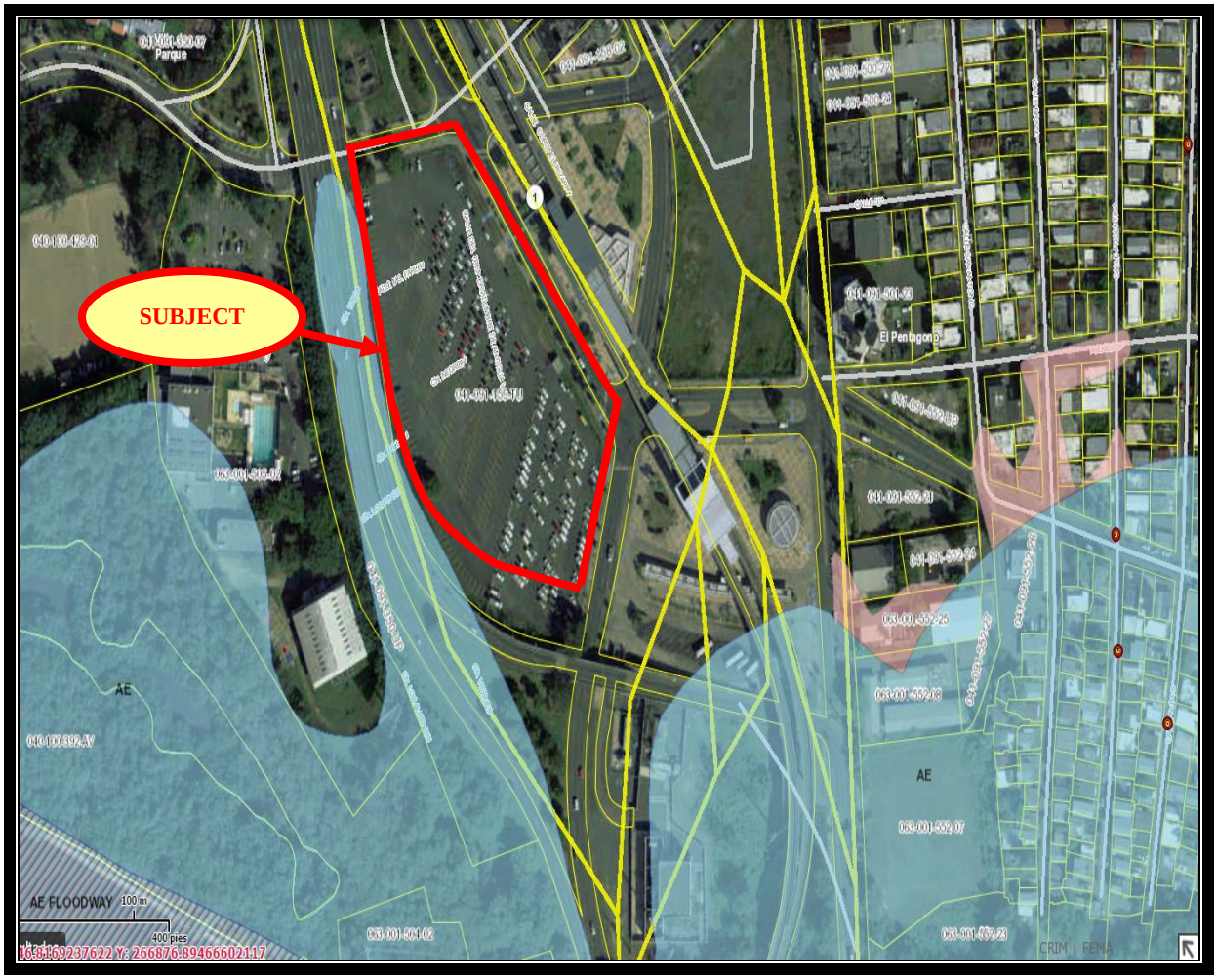
GENERAL OVERVIEW OF SUBJECT AS SEEN FROM REXACH STREET CORNER FERNANDEZ JUNCOS AVENUE DUE WEST

NEIGHBORHOOD AS SEEN ALONG FERNANDEZ JUNCOS AVENUE DUE SOUTH. SUBJECT AT RIGHT

INTERIOR VIEW OF SUBJECT SOUTH SIDE AS SEEN FROM THE CENTER OF EAST BOUNDARY.

INTERIOR VIEW OF SUBJECT NORTH SIDE AS SEEN FROM THE CENTER OF EAST BOUNDARY.

TAX MAP



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Centro de Recaudacion de
Ingresos Municipales
Carretera Estatal 1 km. 17.2
San Juan, Puerto Rico 00926

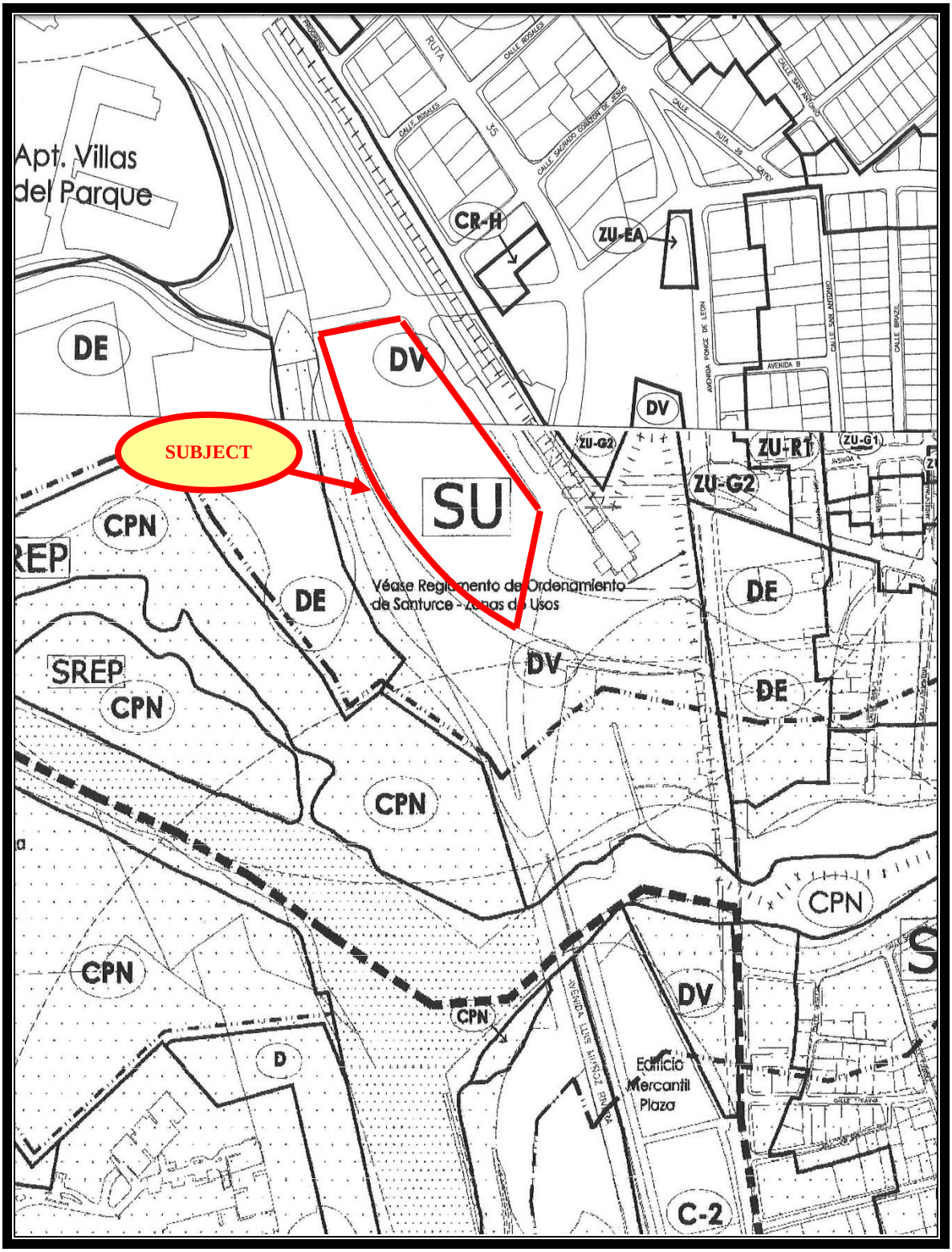
Nota aclaratoria : Este es un producto de la Oficina del Catastro Digital del Centro de Recaudacion de Ingresos Municipales (CRIM) de Puerto Rico. Este no es un mapa de agrimensura, ni pretende ser una herramienta de diseño.

Este mapa es actualizado con base en planos de agrimensura y demás documentos de cada caso de modificación de parcelas registrado en el Centro de Recaudación de Ingresos Municipales.

Leyenda

- Carreteras primarias
- Carreteras secundarias
- Carreteras según planimetría
- Ríos
- Parcelas
- Carreteras
- Desconocido
- Cuerpos de agua
- Otros
- Barrios
- Municipios

ZONING MAP


Apt. Villas
del Parque
CR-H
ZU-EA
DE
DV
DV
SUBJECT
SU
ZU-G2
ZU-R1
ZU-G1
ZU-G2
CPN
REP
DE
Véase Reglamento de Ordenamiento
de Santurce - Zonas de Usos
DE
SREP
CPN
DV
DE
CPN
CPN
CPN
CPN
DV
D
Edificio
Mercantil
Plaza
C-2

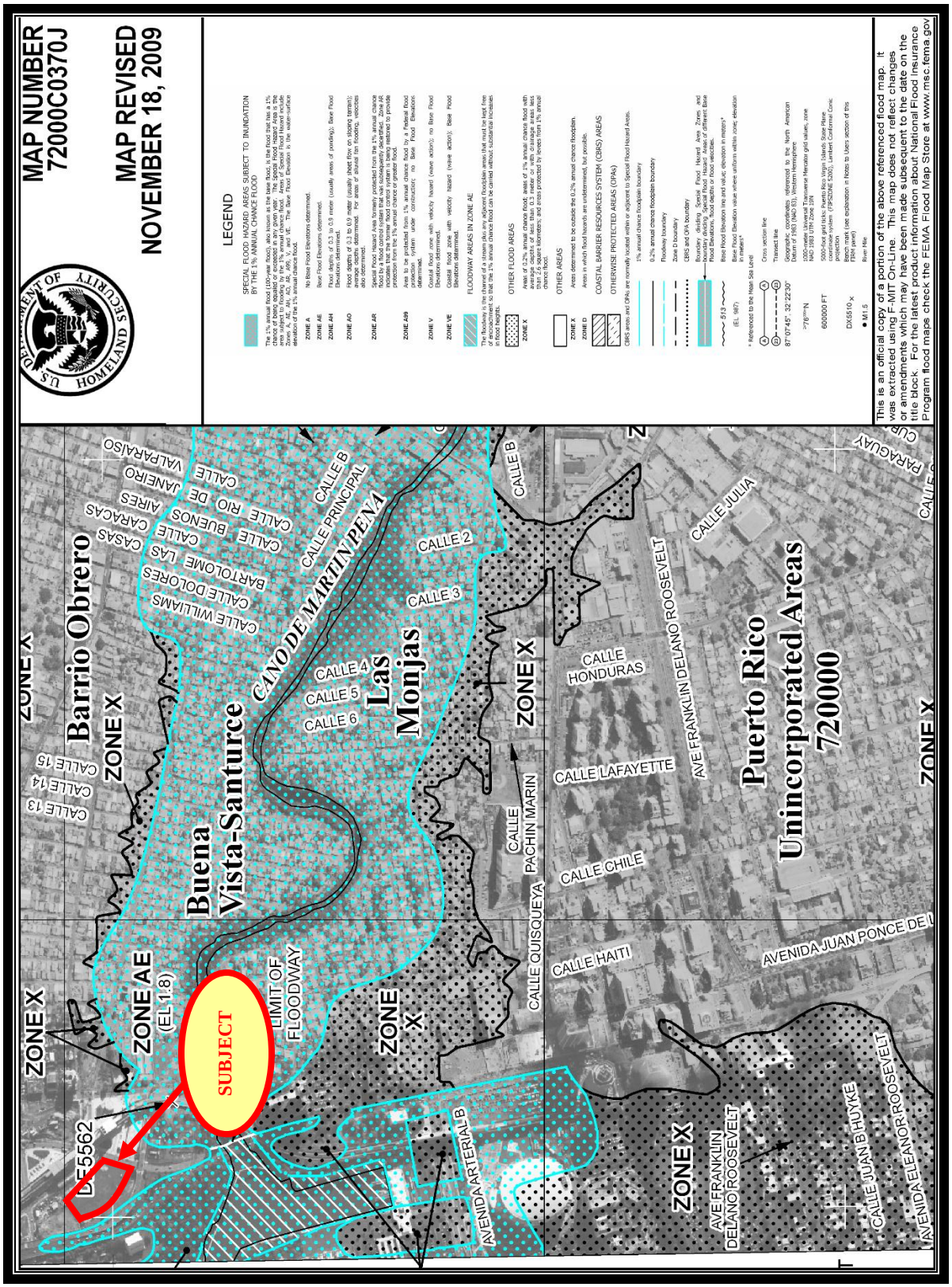
PLANNING BOARD MAP

PUT Movil

Ubicación		
Catastro	041-091-159-TU	
Coordenadas Lambert (X, Y)	239397.3326, 266719.4762 (Lat: 18.435774, Lon: -66.06039)Ver: Google | Yahoo	
Area Aprox. (m.c.)	67234.4765	
Municipio	San Juan	
Barrio	Santurce	
Características Ambientales		
Zona Inundabilidad	X (78.4%), AE (21.6%)	(ver referencia)
Panel Inundabilidad	72000C0360J, 72000C0370J	
Floodway		
Suelo Geológico	SNS (99.2%), W (0.8%)	(ver referencia)
Calificación y Clasificación de Suelo		
Clasificación	Oficializacion del geodato en proceso, favor de referirse al mapa de calificacion vigente	(ver referencia)
Calificación	Oficializacion del geodato en proceso, favor de referirse al mapa de calificacion vigente	(ver referencia)
Distrito Sobrepuesto		
Zona o Sitio Histórico		
Reglamento Aplicable	Reglamento POT San Juan	
Vigencia de GeoDato de Calificación		
Certificados de Nivel de Inundación		

GEORIESGO

FLOOD MAP


MAP NUMBER
72000C0370J
MAP REVISED
NOVEMBER 18, 2009
LEGEND
SPECIAL FLOOD HAZARD AREAS SUBJECT TO INUNDATION BY THE 1% ANNUAL CHANCE FLOOD
ZONE A
ZONE AE
ZONE AH
ZONE AO
ZONE AR
ZONE A99
ZONE V
ZONE VE
FLOODWAY AREAS IN ZONE AE
OTHER FLOOD AREAS
ZONE X
OTHER AREAS
ZONE X
ZONE D
COASTAL BARRIER RESOURCES SYSTEM (CBRS) AREAS
OTHERWISE PROTECTED AREAS (OPAs)
Barrio Obrero
Buena Vista-Santurce
CANO DE MARTIN PENA
Las Monjas
Puerto Rico Unincorporated Areas 720000
SUBJECT
LIMIT OF FLOODWAY
ZONE AE
(EL 1.8)
ZONE X
CALLE 13
CALLE 14
CALLE 15
CALLE WILLIAMS
CALLE DOLORES
CALLE BARTOLOME LAS CASAS
CALLE BUENOS AIRES
CALLE CARACAS
CALLE RIO DE JANEIRO
CALLE VALPARAISO
CALLE PRINCIPAL
CALLE B
CALLE 2
CALLE 3
CALLE 4
CALLE 5
CALLE 6
CALLE PACHIN MARIN
CALLE QUISQUEYA
AVENIDA ARTERIAL B
CALLE HAITI
CALLE CHILE
CALLE LAFAYETTE
CALLE HONDURAS
CALLE JULIA
AVE FRANKLIN DELANO ROOSEVELT
AVENIDA JUAN PONCE DE L
CALLE JUAN BUYKE
AVENIDA ELEANOR ROOSEVELT
PARAGUAY
This is an official copy of a portion of the above referenced flood map. It was extracted using F-MIT On-Line. This map does not reflect changes or amendments which may have been made subsequent to the date on the title block. For the latest product information about National Flood Insurance Program flood maps check the FEMA Flood Map Store at www.msc.fema.gov

PART FOUR - ANALYSIS OF DATA AND CONCLUSIONS

HIGHEST AND BEST USE

According to The Dictionary of Real Estate Appraisal, 5th Edition (Appraisal Institute, Chicago, 2010) highest and best use is defined as follows:

> ***"The reasonably probable and legal use of vacant land or an improved property, that 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".***

Moreover, highest and best use of land or a site as though vacant is further defined as among all reasonable alternative uses, the use that yields the highest land value after payments are made for labor, capital and coordination. The use of a property on the assumption that the parcel of land is vacant or can be made vacant by demolishing existing improvements.

Highest and Best Use "as Vacant"

Legally Permissible: Uses are derived from public (zoning) and private (deed restrictions) restrictions placed on the site. Applicable zoning for the subject is DV-TU as per the San Juan Municipality's "Mapa de Calificación de Suelo" Number 5D dated July 2007. DV ("Plazas y Areas Verdes") allows for parks, square and green area. However, the TU ("Tren Urbano") superimposed district promotes high density developments. It is evident upon examination of the immediate neighborhood that a number of uses have been permitted. Thus, the use of the subject for mixed use, commercial – high density residential purposes is legally permissible.

Physically Possible: Physically Possible uses are evident from an observation of the property. The size of the site is large enough to support a variety of developments. The topography, grade, drainage, and other physical characteristics which the appraisers were able to observe, fully support a variety of potentials uses of the property. Good vehicular access is available to the property. The subject site is fully served by adequate urban infrastructure including water, sewer, and electrical service. The subject is located next to Sagrado Corazón Urban Train Station, Martin Peña Sector, Santurce Sur Ward. The location provides adequate access to Ponce De León, Fernández Juncos Avenue and urban areas of San Juan municipality. The subject site is apparently suitable for medium to high construction, based on observation of uses on neighboring parcels. The subject is level, comprising approximately 20,809.0301 square meters and is not located in a flood prone area. Thus, it appears that there are no physical limitations in

determining the highest and best use of the site for mixed use, commercial - high density residential purposes.

Financially Feasible: The immediate neighborhood is a mix of office, commercial, industrial, institutional and residential uses. The high concentration of business enterprises located within this neighborhood next to the Central Business District of Hato Rey is testament to the financial feasibility of mixed use, commercial – high density residential use of the subject site. Due to the limited number of vacant comparable sites within the immediate neighborhood, the subject will likely capture a significant amount of residual demand for mixed use (commercial – high density residential) space. Note, that real estate participants concluded that notwithstanding the current recession, there is sufficient market demand for additional mixed use facilities within the immediate subject neighborhood in future years. These considerations attest to the fact that financially feasibility may be inferred.

Maximally Productive: No other probable alternative use for the site is believed to exist that would economically justify the substitution of mixed use, commercial – high density residential use of the site, inclusive of supporting activities. The maximally productive and therefore, the highest and best use of the subject property is for mixed use, commercial – high density residential use.

Conclusion

Given the subject's zoning, location and the trends of the neighborhood, the use of the subject for mixed use, commercial – high density residential purposes use is forecast to produce the highest net return to the site over a typical holding period. Therefore the most productive, legally permitted, physically possible and financially feasible use of the site as vacant is estimated to be for mixed use, commercial – high density residential use.

Contingent and Limiting Conditions

This highest and best use analysis is not to be considered a Marketing Fundamental nor Feasibility Study. The determinations made here are only within the Highest and Best use framework for the purpose of the appraisal in the form of an Inferred Analysis. A Fundamental Analysis is not required for appraisal purposes.

Inferred Versus Fundamental Analysis

Inferred analysis is sometimes called trend analysis. It is similar to the technical analysis practiced by stock market analysts. This is also the level of analysis required for appraisal work. In this analysis the analyst or appraiser investigates macroeconomic trends and patterns, and infers expected market behavior.

Fundamental analysis goes beyond trend analysis, forecasting supply, demand and residual demand based on segmentation of broad demographic and economic data to reflect the property's specific sub-market. Fundamental analysis is focused on the subject real estate. This fundamental analysis is beyond the Scope of this assignment.

VALUATION

DISCUSSION OF THE APPRAISAL PROCESS

To arrive at an estimate of market value for the given property, special attention must be given to the typical purchaser who would be interested in that particular type of property. Market Value is the most probable sales price which a property will bring, and this price depends upon the typical purchaser's reaction to the various supply and demand factors which affect the property being appraised. All of this information must be derived from the market.

Considering the above framework, the appraisal process is basically an economic analysis. It consists of an orderly approach by which the problem is defined, then data are acquired, classified, analyzed and interpreted into an opinion of value. These approaches are the Income Approach, the Sales Comparison Approach and the Cost Approach. Regardless of the approach being utilized, the data under consideration are taken from the market in one form or another. Whether or not all three approaches to value are used in the valuation of a particular property depends upon the individual situation. In the event that more than one approach is utilized, the value opinion arrived at from the different approaches are reconciled into a single value opinion considered to be the most appropriate for the subject property. The following is a brief discussion of each approach and its application.

A. Income Approach

The Income Approach to value is predicated upon a definite relationship between the amount of income a property will earn and its value. Although all of the appraisal principles are involved in this approach, the principle of anticipation is particularly applicable. The Income Approach is an appraisal technique in which the anticipated annual net income of the subject is processed in order to arrive at an indication of value. The process is called capitalization and it involves multiplying the annual net income by a factor or dividing it by a rate which weights such consideration as risk, time, return on investment, and return of investment. The appropriateness of this rate or factor is critical and there are a number of techniques by which it may be developed. The net income attributable to the subject property is estimated by subtracting expenses from the property's annual potential gross income. All of these figures are derived from the market comparison of properties similar to the subject. The reliability of the Income Approach is based upon a number of considerations. These considerations include the reliability of the estimate of income and expenses, the duration of the net annual income, the capitalization rate or factor used, and the method of capitalization used. The weakness of this approach lies in

the estimation of income and expenses and the fact that not all properties are suitable for this type of analysis. The strength of this approach is that it reflects typical investor considerations as they analyze income-producing properties. This approach was not developed in this assignment since the subject is not in condition to generate adequate level of income.

B. **Sales Comparison Approach**

The Sales Comparison Approach to value relies heavily upon the principle of substitution. A comparative analysis between the subject and similar properties that have been sold can often provide an indication of market behavior and response to the subject. The sales are compared to the subject and adjustments for differences in location, time, terms of sale, or physical characteristics can be made using the subject as the standard of comparison. Most types of properties which are bought and sold can be analyzed using "common denominators" such as the sales price per unit of comparison. The reliability of the Sales Comparison Approach to value depends to a large extent upon the degree of comparability between the sales and the subject. The major strength of this approach include the reflection of actual market transactions and the fact the normal "common denominators" tend to be fairly easily determined. The potential weaknesses of this approach arise from the fact that the data are historical and the "ideal" comparables are usually very difficult to obtain. This approach was used to arrive at a conclusion of value for the subject property, since it is the most reliable approach to value vacant land based on a unitary of dollars per square meter.

C. **Cost Approach**

The Cost Approach to value is based upon the premise that a prudent buyer will pay no more for a property than it would cost to reproduce a substitute property with the same utility. The Cost Approach is a method in which the value of a property is developed by estimating the replacement cost, or reproduction cost new of the subject improvements, deducting therefrom the estimated depreciation from all sources and then adding this depreciated reproduction cost of the improvements to the site value. The site value is based upon a vacant site being utilized to its highest and best use. Generally speaking, the site value is estimated via the Sales Comparison Approach. Replacement Cost or Reproduction Cost New can be derived from reliable cost manuals and/or from interviews with reputable local contractors as well as actual cost data from comparable developments.

Depreciation can be from physical, functional or economic causes. Depreciation can be observed from rent loss or based upon a cost-to-cure analysis. In all cases, information concerning depreciation is developed from the market by observing comparable properties. This approach was not developed in this assignment, since in this approach the estimated value of the land is added to the estimated depreciated value of the improvements, in the case of vacant land the Cost Approach is equivalent to the Sales Comparison Approach.

Valuation

To render an opinion of value for the subject, we have developed the Sales Comparison Approach to value. This method requires an extensive investigation to generate appropriate market data. The market data obtained has been developed and analyzed to provide an adequate indication of the Market Value of the Fee Simple Estate in the subject property. Our analysis and conclusions via the utilized approach to value is presented in the following section of this report.

LAND VALUATION BY THE MARKET OR SALES COMPARISON APPROACH

LAND VALUATION BY THE MARKET APPROACH

Introduction

For the valuation of land resources, the site is assumed as vacant and available for its highest and best use.

The land sales included in the following pages best represent the prevailing values for the type of parcels that comprise this sub-market. The outlines presented in the following pages are self-explanatory. The subject and comparable location map previously presented within this report help the reader visualize the relationship of these parcels with respect to the subject. A discussion of market evidence follows the outlines that lead to a conclusion of value.

In this analysis, the unit of comparison is the sales price expressed as dollars per square meter. We will include some representative sales that will help the reader visualize the trend of value with respect to comparable and competitive properties within the market under study. These are adequate sustaining evidence for the final conclusion of value in Fee Simple Interest. The aforementioned data is presented overleaf.

COMPARABLE LAND SALES

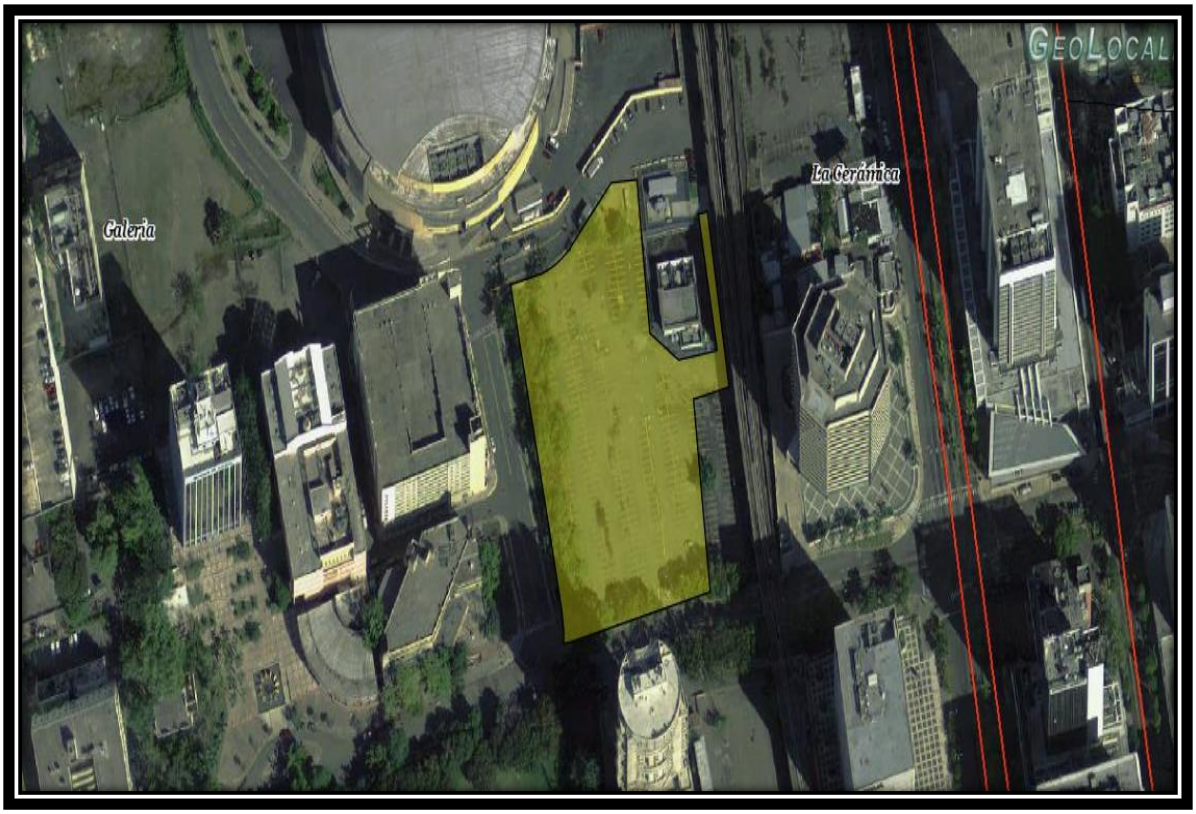
Comparable Number L-1

Grantor	:	"Administración de los Sistemas de Retiro ELA"
Grantee	:	Banco Popular de Puerto Rico, represented by Richard Carrión
Location	:	Muñoz Rivera Avenue Corner Prudencio Rivera Martinez Street, Hato Rey, San Juan, Puerto Rico
Tax Map Code Number	:	79-063-021-027-01-000
Description	:	The main characteristics of this vacant site may be outlined as follows:
Zoning	:	Primarily "Recreación y Deportes" (DD) and some area Commercial District (C-3)
Highest and Best Use	:	Commercial use or supporting activity
Infrastructure	:	Adequate urban infrastructure to include electric power, potable water, sanitary sewer and telephone mains
Topography	:	Level
Access	:	Good through Muñoz Rivera Avenue and adequate through Prudencio Rivera Martinez street
Frontage	:	Good to Muñoz Rivera Avenue and adequate to Prudencio Rivera Martinez street
Corner	:	Yes, one corner site
Exposure	:	Adequate to local traffic
Configuration	:	Rectangular
Flood Rating	:	"Zone AE", special flood hazard areas subject to inundation by the 1% annual chance flood, FIRM 72000C0370J, map revised November 18, 2009
Area	:	14,296.57 square meters
Improvements	:	Asphalt paving, concrete and chain link fence
Source	:	BPPR representative
Deed	:	Not applicable
Date	:	August 28, 2014
Price	:	$9,001,000.00
Unit Price	:	$629.59 per square meter
Financing	:	Cash sale

COMPARABLE SALE NUMBER L-1

Comparable Sale Number L-2

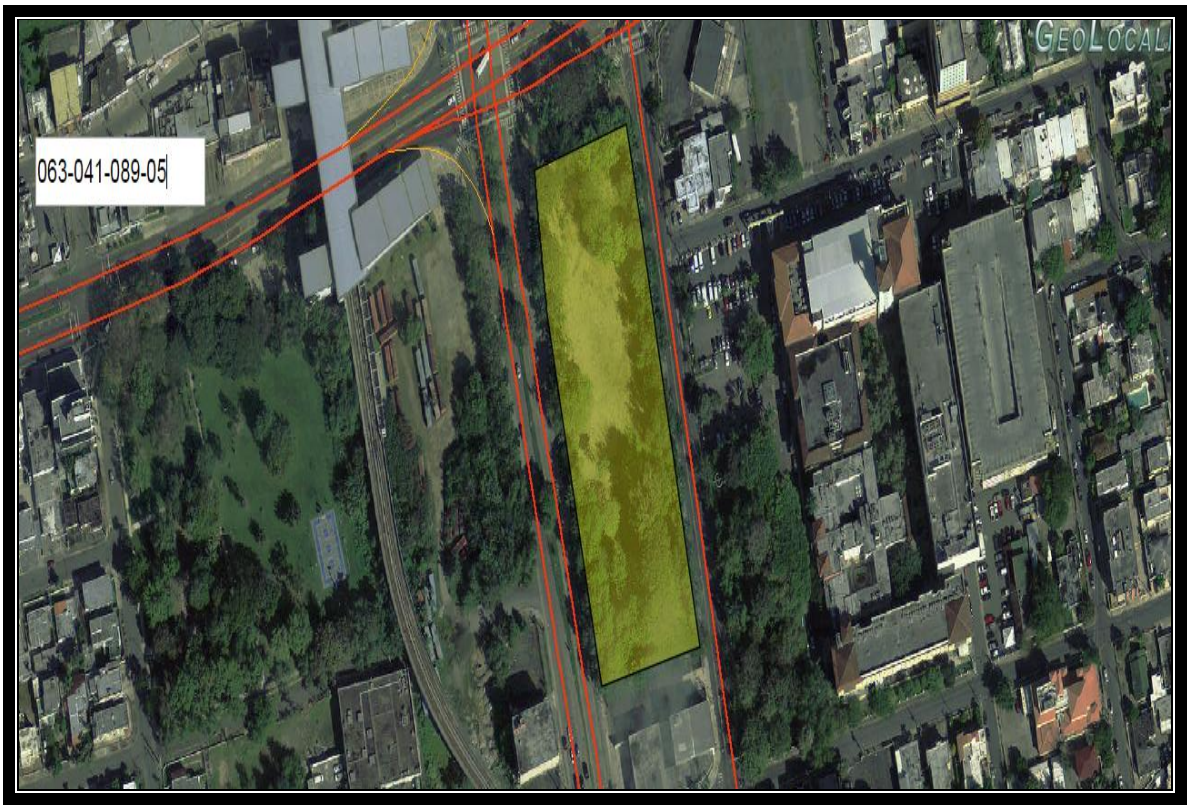
Grantor	:	BP Chardon Plaza SPV LLC
Grantee	:	Chardon Hc Llc
Location	:	Carlos F. Chardon Avenues, adjacent to former AIG Building, Hato Rey, San Juan, Puerto Rico
Tax Map Code Number	:	79-063-021-027-19
Description	:	The main characteristics of this vacant site may be outlined as follows:
Zoning	:	Central Commercial (C-3)
Highest and Best Use	:	Commercial use
Infrastructure	:	Adequate urban infrastructure to include electric power, potable water, sanitary sewer and telephone mains
Topography	:	Level
Access	:	Good through Chardon Avenue
Frontage	:	Adequate to Chardon Avenue
Corner	:	No, center site
Exposure	:	Average to local traffic
Configuration	:	Rectangular
Flood Rating	:	"Zone X-shaded" (±57%), area determined to be outside the 0.2% annual chance floodplain; "Zone AE" (±43%), areas of 0.1% annual chance flood; FIRM 72000C0370J revised November 18, 2009
Area	:	13,772.4859 square meters
Improvements	:	Typical parking improvements to include asphalt paving and cyclone fence
Source	:	Diary 1082, Entry 964, Property #40,365
Deed	:	Number 1, before Amanda Billoch Vazquez, Esquire
Date	:	June 30, 2014
Price	:	$5,300,000.00
Unit Price	:	$384.83 per square meter
Financing	:	Cash sale; no financing recorded at the Registry of the Property after purchase



COMPARABLE SALE NUMBER L-2

Comparable Sale Number L-3

Grantor	:	Government Development Bank of Puerto Rico, represented by Jorge Civillés Díaz
Grantee	:	Puerto Rico CVS Pharmacy, LLC, represented by Arnaldo Villamil Pagan
Location	:	Ponce de Leon and Muñoz Rivera Avenues, Hato Rey, San Juan, Puerto Rico
Tax Map Code Number	:	79-063-041-089-05-901
Description	:	The main characteristics of this vacant site may be outlined as follows:
Zoning	:	Central Commercial (C-3)
Highest and Best Use	:	Commercial use
Infrastructure	:	Adequate urban infrastructure to include electric power, potable water, sanitary sewer and telephone mains
Topography	:	Level
Access	:	Good through Ponce de Leon and Muñoz Rivera Avenues
Frontage	:	Good to Ponce de Leon and Muñoz Rivera Avenues
Corner	:	No, center site
Exposure	:	Good to local and through traffic
Configuration	:	Rectangular
Flood Rating	:	"Zone X", area determined to be outside the 0.2% annual chance floodplain, FIRM 72000C0370J revised November 18, 2009
Area	:	10,297.46 square meters
Improvements	:	Demolished after purchase
Source	:	Diary 1082, Entry 814, Property #20,778
Deed	:	Number 2, before Marguilean Rivera Amill, Esquire
Date	:	June 26, 2014
Price	:	$6,800,000.00
Unit Price	:	$660.36 per square meter
Financing	:	Cash sale; no financing recorded at the Registry of the Property after purchase



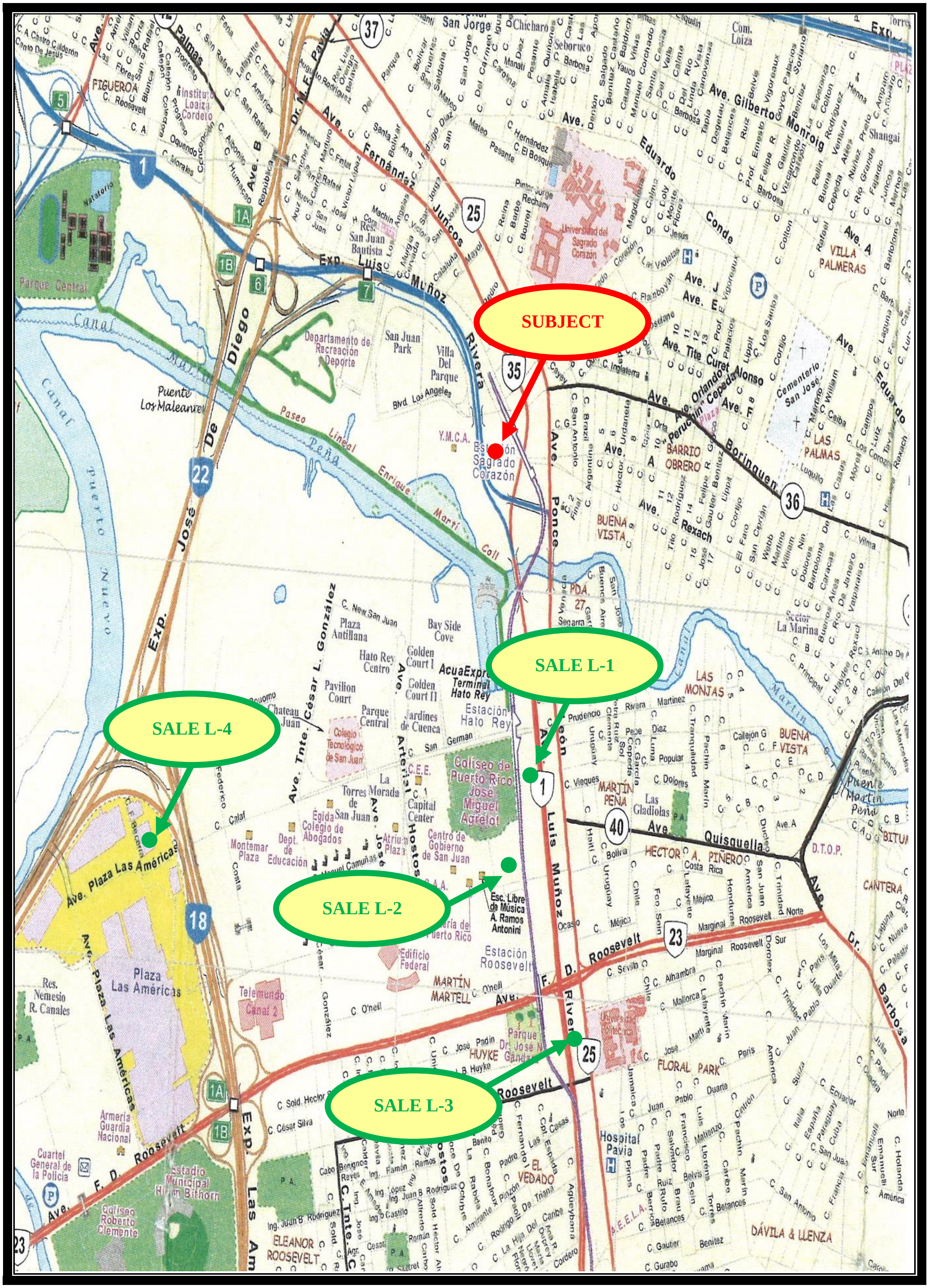
COMPARABLE SALE NUMBER L-3

Comparable Sale Number L-4

Grantor	:	Las Americas 74-75, Inc., represented by Omar Guzman Benitez
Grantee	:	Walgreens of San Patricio, Inc., represented by Dennis Santiago Ristorucci
Location	:	Lot A, #74 Juan Calaf Corner Frank Becerra Street, Hato Rey Ward, San Juan, Puerto Rico PIN: 79-062-000-005-12-901
Description	:	The main characteristics of this improved site may be outlined as follows:
Zoning	:	Central Commercial (C-3)
Highest and Best Use	:	Commercial use
Infrastructure	:	Adequate urban infrastructure to include electric power, potable water, sanitary sewer and telephone mains
Topography	:	Level
Access	:	Good through Calaf and Frank Becerra Street
Frontage	:	Good to Calaf and Frank Becerra Street
Corner	:	Yes, one corner parcel
Exposure	:	Adequate to local and through traffic
Configuration	:	Rectangular
Flood Rating	:	"Zone AE", special flood hazard areas subject to inundation by the 1% annual chance flood, FIRM #72000C0365J, Map effective November 18, 2009
Area	:	10,010.00 square meters
Improvements	:	Industrial concrete building of no contributory value to be demolished by Grantee.
Source	:	Diary 1081; Entry 1271; Property #24,031
Deed	:	Number 19, before LeRoy Lewis Maymo, Esquire
Date	:	February 26, 2014
Price	:	$16,000,000.00
Unit Price	:	$1,598.40 per square meter
Financing	:	Cash sale; no financing recorded at the Registry of the Property after purchase
Comments	:	Option to Buy Agreement dated March 16, 2013

COMPARABLE SALE NUMBER L-4

SUBJECT AND COMPARABLES LOCATION MAP


SUBJECT
SALE L-1
SALE L-4
SALE L-2
SALE L-3

Discussion of Market Evidence - Introduction

The best method for estimating land value is by means of the Sales Comparison Approach. The subject as well as the land sales included in this report have been described and analyzed on a dollar per square meter basis. Current market tendencies indicate the stated basis is the most relevant unit of comparison for competitive sites within this location. Quantitative and qualitative considerations, as discussed herein, provided a sound basis for our value opinion attributable to the subject. The Comparable Sales will help us extract an opinion of value on a dollar per square meter basis.

We have previously stated that the subject site comprises a total area of approximately 20,809.0301 square meters. The market value attributable to the subject is best supported by the comparable sales presented. A complete outline description for each sale has been previously included. A subject and comparable sales location map helps the reader visualize the proximity of these parcels to the property under valuation. A series of photos have also been included.

Quantitative Analysis

A total of five elements of comparison were considered in the quantitative analysis. The summary grid shown in Table L-I indicates that the comparable properties differ from the subject in terms of market conditions at time of sale. A brief discussion of the stated comparison is included overleaf.

Real Property Rights Conveyed. No adjustment for property rights was necessary since all comparables were sold in fee simple. Thus, the subject and the comparables are equivalent in this respect.

Financing Terms. All comparables were sold for cash or with market financing. Typical financing is assumed in the eventual sale of the subject. Thus, no adjustment is necessary for financing terms.

Conditions of Sale. Each sale was an arm's length transaction. The subject and the comparables are thus, rated similar in this regard as well.

Expenditures. No extraordinary buyer expenditures were necessary at the sites after acquisition for Sales L-1, L-2 and L-3. This indicates that no adjustment for buyer expenditure is necessary for these comparables. However, a $1M demolition cost is considered reasonable for a deteriorated demolished structure at Sale L-4.

Market Conditions. The presented comparable are all 2014 sales falling into the same recessionary market trend. Considering the present status of the economic conditions, typically a quantitative adjustment for this nature would be considered appropriate. Current downturn in the economy has prompted a depletion in values. We are conducting a market study to measure the loss in value of real estate throughout Puerto Rico. Based on this observation, we consider reasonable to perform a negative market condition adjustment in the order of 0.25% per month equivalent to 3.0% per year up to December 2015. The comparable land sales will be adjusted on this basis.

Qualitative Analysis

This type of analysis acknowledges the difficulty of precisely measuring the differences between comparable sales and the subject. The summary grid shown in Table L-II has thirteen variables, each considered independently. Positive (+) ratings were appropriate due to the inferior characteristics of the comparable. Negative (-) ratings were reasonable for superior characteristics (See table L-II). Once the qualitative analyzes have been performed for each of the variables of the comparable sales in relation to the subject property, we analyze the variables where the comparable is superior and the variables where the comparable is inferior. The difference results in a superior, similar or inferior overall comparability. Superior overall comparability implies that the unitary of the comparable is higher than the reasonable unitary that should be imputed to the subject. Inferior overall comparability implies that the unitary of the comparable is lower than a reasonable unitary for the subject. Similar overall comparability implies that the subject's unitary should be reasonably close to the unitary reflected by this comparable.

TABLE L-I MARKET DATA GRID: QUANTITATIVE ANALYSIS

Characteristics	Subject	Sale L-1	Sale L-2	Sale L-3	Sale L-4
Price	----	$9,001,000	$5,300,000	$6,800,000	$16,000,000
Adjusted for:					
Property Rights	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Financing Terms (a)	----	Cash	Cash	Cash	Cash
Condition of Sale (b)	----	Arm's	Arm's	Arm's	Arm's
Expenditure	----	None	None	None	$1,000,000
Adjusted Price	----	$9,001,000	$5,300,000	$6,800,000	$17,000,000
Sale Date	Oct. 2016	Aug. 2014	June, 2014	June, 2014	Feb. 2014
Market Condition Adjustment (c)	----	(26 mnths ago) 16 mths adj. -4% ($360,040)	(28 mths ago) 18 mths adj. -4.50% ($238,500)	(28 mths ago) 18 mths adj. -4.50% ($306,000)	(32 mths ago) 22 mths adj. -5.50% ($935,000)
Adjusted Price	----	$8,640,960	$5,061,500	$6,494,000	$16,065,000
Parcel Area in Square Meters	20,809.0301	14,296.57	13,772.4859	10,297.46	10,010
Adjusted Price Per Square Meter (d)		$604	$368	$631	$1,605

(a) "Cash or market" indicates that payment was made in cash in U.S. dollars or in terms of financial arrangements comparable thereto.
(b) Arm's indicates that this is an arm's length transaction.
(c) Market condition adjustment of negative 0.25% per month up to December 2015 is reasonable.
(d) Rounded figures.

TABLE L-II QUALITATIVE ANALYSIS

Characteristics	Subject	Sale L-1	Sale L-2	Sale L-3	Sale L-4
Adjusted Price Per Sq. Mtr.	----	$604	$368	$631	$1,605
Location	Average	Similar	Similar	Similar	Superior (-)
Zoning	DV-TU	Similar	Superior (-)	Superior (-)	Superior (-)
Highest and Best Use	Commercial - Residential	Similar	Similar	Similar	Similar
Infrastructure	Power/water/ sewer	Similar	Similar	Similar	Similar
Topography	Level	Similar	Similar	Similar	Similar
Access	Good	Similar	Similar	Similar	Similar
Frontage	Good	Similar	Inferior (+)	Similar	Similar
Corner	Two Corner	Similar	Inferior (+)	Inferior (+)	Similar
Exposure	Excellent	Similar	Inferior (+)	Similar	Similar
Configuration	Trapezoidal	Similar	Similar	Similar	Similar
Flood Rating	Non-Flood	Inferior (+)	Inferior (+)	Similar	Inferior (+)
Improvements	Not considered	Similar	Similar	Similar	Similar
Size (square meters)	20,809.0301	Similar	Similar	Similar	Similar
Overall Comparability		Inferior (+)	Inferior (+)	Similar	Superior (-)
Value Indication		>$604	>$368	$631	<$1,605

Conclusion of Value

In this analysis we have included four recent comparable land sales located in the immediate neighborhood of the subject which adequately sustain the unitary value attributable to the subject as though vacant on a dollar per square meter basis. After an exhaustive research no other more recent comparable land sale was discovered by the appraisers. The previously analyzed unitary indications provided by the market ranged from approximately $368 to $1,605 per square meter. After quantitative and qualitative considerations, the comparable have been arranged in descending order according to their overall comparability.

RANKING GRID					
Sale #	**Address**	**Sale Date**	**Size(Sq.Mts.)**	**Overall Comparability**	**Value Indication**
L-4	Calaf Street, Hato Rey	02/2014	10,010.00	Superior	$1,605/SM
Subject	Sagrado Corazon Train Station, Santurce Sur	N/A	20,809.03	Subject	?
L-3	Ponce de Leon Ave., Hato Rey	06/2014	10,297.46	Similar	$631/SM
L-1	Muñoz Rivera Ave., Hato Rey	08/2014	14,296.57	Inferior	$604/SM
L-2	Chardon Avenue Hato Rey	06/2014	13,772.49	Inferior	$368/SM

Comparable Sale L-1 reflected an inferior overall comparability due to its inferior flood rating. Comparable Sale L-2 reflected an inferior overall comparability due to the inferior frontage and exposure. Comparable Sale L-3 reflected a similar overall comparability since the inferior and superior characteristics offset each other. Comparable Sale L-4 reflected a superior overall comparability primarily due to its superior location, across the street north from Plaza Las Americas Shopping Center. Sales L-1, L-2 and L-3 are influenced by an urban train station in their immediate neighborhood similar to the subject. More weight will be given to Sales L-3 which reflected a similar overall comparability.

This is a very heterogeneous market; however, we have presented four comparable sales located in the market area of the subject that are considered relevant for this valuation. We observed a wide range that may be identified as $368 to $1,605 per square meter, with a mean of $802 per square meter and a median of $618 per square meter. After careful consideration of the relevant

factors for comparison and based on the general market tendencies observed, and giving more weight to Comparable Sales L-1, L-3 and L-4, we are of the opinion the eventual sales price of the subject would range from $600 to $700 per square meter, an indication of $650 per square meter adequately supports the market value for the subject. Thus, the value of the subject site is calculated as follows:

20,809.0301 square meters @ $650 per square meter	=	$13,525,869.57
Rounded to		$13,525,000.00

Therefore, by virtue of the investigation and analyzes performed, our opinion of value for the subject property, as of stated effective date is:

THIRTEEN MILLION FIVE HUNDRED TWENTY FIVE THOUSAND DOLLARS ($13,525,000.00)

RECONCILIATION AND FINAL OPINION OF VALUE

Final reconciliation discusses the strength and weaknesses of each approach and reconciles them into a value that is best supported by the approaches. Final Reconciliation is defined in The Dictionary of Real Estate Appraisal, fifth edition, page 79, as follows:

"The last phase in the development of a value opinion in which two or more value indications derived from market data are resolved into a final value opinion, which may be either a final range of value or a single point estimate."

The value opinion for the subject property is effective as of October 25, 2016. The indication of value is as follows:

Sales Comparison Approach	$13,525,000.00
Income Approach	Not Applicable
Cost Approach	Not Applicable

The indication of value was developed via the Market or Sales Comparison Approach. The importance of the Market Approach stems from the fact that it is based on the historical reaction of investors to properties in this market. We have developed quantitative and qualitative analyzes for the subject property; these were explained in the previous section. Four sales of comparable properties were presented and analyzed. Differences in the general characteristics were considered. The appraisers are of the opinion that these comparable provided good evidence of market value for the subject property.

The subject was not valued by the Income or Cost Approaches. The Income Approach is usually a reliable indication when appraising income producing properties. This analysis is based on the premise that the typical investor is mostly concerned with the income generating potential of the property. The Income Approach was not employed in the present assignment because we judge that the subject may not earn maximal income in its present underdeveloped state. The Cost Approach was not employed since in this approach the estimated value of the land is added to the estimated depreciated value of the improvements. In the case of vacant land the Cost Approach is equivalent to the Market Approach.

Thus, by virtue of the investigation and analyzes performed, our opinion of value of the subject property, as of stated effective date is:

THIRTEEN MILLION FIVE HUNDRED TWENTY FIVE THOUSAND DOLLARS ($13,525,000.00)

Opinion of Reasonable Exposure Time

Another consideration to be addressed with respect to our estimate of value is our opinion of reasonable exposure period. According to the Statement of Appraisal Standards No. 6(a) exposure time may be defined as follows: ***"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 opinion based upon an analysis of past events assuming a competitive and open market".***

Based on general market observations, we are of the opinion a reasonable exposure period for the subject would have ranged from 6 to 18 months. A contingency is that professional marketing at the appraised market value is a cardinal consideration of this retrospective opinion.

Marketing Time

A final consideration to be addressed with respect to our estimate of value is the forecasted marketing time for the subject. According to the Dictionary of Real Estate Appraisal, 5th Edition, Marketing Time is defined as follows: ***"An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal".*** Properties of this category typically require a marketing time which is estimated to range from 6 to 18 months. Professional marketing of the subject at the appraised value is a cardinal consideration of this forecast.

QUALIFICATION OF THE APRAISER

****

QUALIFICATIONS OF
CARLOS J. SOSA, B.S.
PROFESSIONAL LICENSED REAL ESTATE APPRAISER
PUERTO RICO APPRAISER LICENSE NO. 763EPA

****

Renovado
23/May/2013

Estado Libre Asociado de Puerto Rico
Commonwealth of Puerto Rico

DEPARTAMENTO DE ESTADO
Department of State

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
hereby certifies that

Carlos J. Sosa Ruiz

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 Estatal y/o 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 23 de mayo de 2013.
In San Juan , Puerto Rico, on May 23, 2013.

Licencia Número: **763EPA**
Certificate Number:

Vencimiento: **22 de mayo de 2017**
Expires: *May 22, 2017*

Presidente
(Board President)

Director
(Director)

Estado Libre Asociado de Puerto Rico
Commonwealth of Puerto Rico

DEPARTAMENTO DE ESTADO
Department of State

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
hereby certifies that

Carlos J. Sosa Ruiz

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 de lo cual se expide este certificado para autorizar el ejercicio de dicha profesión bajo el sello de la Junta Examinadora.
In testimony whereof, this certificate is issued to authorize the practice of this profession, under the seal of the Examining Board.

En San Juan, Puerto Rico, hoy 21 de octubre de 2016
In San Juan, Puerto Rico, on October 21, 2016.

Número de Certificado: 359CG
Certificate Number

Vencimiento: 20 de octubre de 2020
Expires: October 20, 2020

JUNTA EXAMINADORA DE EVALUADORES PROFESIONALES DE BIENES RAICES DE PUERTO RICO

José Eduardo Arellano
Presidente
(Board President)

Secretario Auxiliar Lcdo. Francisco Rodríguez Bernier
Auxiliary Secretary

QUALIFICATIONS OF CARLOS J. SOSA, B.S.
CERTIFIED GENERAL PROFESSIONAL APPRAISER
PUERTO RICO APPRAISER LICENSE NUMBER 763EPA, 359CG
e-mail: cj.sosa359@gmail.com; telephone: (787) 638-2305 (mobile)

EDUCATIONAL BACKGROUND	:	Agronomist, B.S. University of PR Mayagüez Campus Honor Student, Graduated in Dec. 1991 Biology, B.S. Kansas State University, December 1989
PROFESSIONAL DESIGNATION	:	Certified General Professional Appraiser Puerto Rico License #763EPA Puerto Rico General Certificate #359CG
PROFESSIONAL AFFILIATIONS	:	"Instituto de Evaluadores de P.R." "Candidato a Miembro IEPR"
REAL ESTATE COURSES APPROVED	:	Advance Residential Applications & Case Studies (Instituto de Evaluadores de PR) San Juan, Puerto Rico - November 2014 Basic Appraisal Principles (Instituto de Evaluadores de Puerto Rico) San Juan, Puerto Rico - September 2014 "Leyes y Reglamentos que Rigen la Profesión de Evaluadores Profesionales Bienes Raices, bajo el ELA de P.R." (Instituto de Evaluadores de Puerto Rico) San Juan, Puerto Rico - April 2014 2014-2015 National USPAP Update Course (Instituto de Evaluadores de Puerto Rico) San Juan, Puerto Rico - April 2014 Basic Appraisal Procedures (Appraisal Institute) San Juan, Puerto Rico - March 2014 General Repot Writing & Case Studies (Instituto de Evaluadores de Puerto Rico) San Juan, Puerto Rico - February 2014 General Market Analysis & Highest and Best Use (Instituto de Evaluadores de PR) San Juan, Puerto Rico - October 2013

Statistics, Modeling and Finance
(Instituto de Evaluadores de Puerto Rico)
San Juan, Puerto Rico - September 2013

National USPAP Update Course
(Instituto de Evaluadores de Puerto Rico)
San Juan, Puerto Rico - May 2013

General Appraiser Income Approach/ Part 2
(Appraisal Institute)
San Juan, Puerto Rico - February 2013

General Appraiser Income Approach/ Part 1
(Appraisal Institute)
San Juan, Puerto Rico - January 2013

General Appraiser Sales Comparison Approach (Appraisal Institute)
San Juan, Puerto Rico - August 2012

General Appraiser Site Valuation & Cost Approach (Appraisal Institute)
San Juan, Puerto Rico - September 2012

Analyzing Tenant Credit Risk and Commercial Lease Analysis (Appraisal Institute) San Juan, PR - December 2011

National USPAP Update Course
(Instituto de Evaluadores de Puerto Rico)
San Juan, Puerto Rico - August 2011

Requirements of UASFLA - The "Yellow Book"
The American Society of Farm Managers and Rural Appraisers Inc.
San Juan, Puerto Rico - May 2010

Appraising Residential Condos
(Instituto de Evaluadores de Puerto Rico)
San Juan, Puerto Rico - May 2009

"Tasación de Fincas Agrícolas"
(Instituto de Evaluadores de Puerto Rico)
San Juan, Puerto Rico - May 2009

The New Residential Market Conditions Form (Appraisal Institute)
San Juan, Puerto Rico - February 2009

"Leyes y Reglamentos que Rige la Profesión de Evaluadores Profesionales de Bíenes Raices" (Instituto de Evaluadores de PR)
San Juan, Puerto Rico - 2009

National USPAP Course
(Appraisal Institute) San Juan, PR - 2009

Residential Market Analysis and Highest & Best Use (Appraisal Institute)
San Juan, Puerto Rico - 2007

National USPAP Course
(Instituto de Evaluadores de Puerto Rico)
San Juan, Puerto Rico - 2007

Advance Income Capitalization
(Appraisal Institute)
San Juan, Puerto Rico - 2004

Appraisal Principles
Course 110 (Appraisal Institute)
San Juan, Puerto Rico - 2001

Appraisal Procedures
Course 120 (Appraisal Institute)
San Juan, Puerto Rico - 2001

Basic Income Capitalization
(Appraisal Institute)
San Juan, Puerto Rico - 2001

Standards of Professional Practice, Part A (USPAP)
Standards of Professional Practice, Part B (Appraisal Institute)
San Juan, Puerto Rico - 2001

Residential Case Study
Course 210 (Appraisal Institute)
San Juan, Puerto Rico - 1999

Advance Condemnation Course
(Instituto de Evaluadores de Puerto Rico)
Santurce, Puerto Rico - 1998

Financial Mathematics for Appraisal
(Instituto de Evaluadores de Puerto Rico)
Santurce, Puerto Rico - 1994

Condemnation Course
(Instituto de Evaluadores de Puerto Rico)
Santurce, Puerto Rico - 1994

Standard of Professional Practice
(Instituto de Evaluadores de Puerto Rico)
Santurce, Puerto Rico - 1994

Appraisal of Real Estate
(Instituto de Evaluadores de Puerto Rico)
Santurce, Puerto Rico - 1993

REAL ESTATE SEMINARS :

Unifrom Standards of Professional Appraisal Practice 2016 – 2017 (7 hours Update Course) (Appraisal Institute)
San Juan, Puerto Rico – February 2016

Business Practice and Ethics
(Appraisal Institute) San Juan, PR – February 2016

Subdivison Valuation: A Comprehensive Guide to Valuing Improved Subdivisions
(Appraisal Institute)
San Juan, Puerto Rico – September 2015

A Comprehensive Review of Appraisal Concepts (Appraisal Institute)
San Juan, Puerto Rico – September 2015

“Análisis Cualitativo en el Enfoque de Ventas Comparables” (Appraisal Institute)
San Juan, Puerto Rico - 2015

Understanding and Using Comparable Transaction (Instituto de Evaluadores de Puerto Rico) San Juan, PR - March 2015

"Valoración de Servidumbres de Conservación"
(Instituto de Evaluadores de Puerto Rico)
San Juan, Puerto Rico - September 2014

The Uniform Appraisal Dataset from Fannie Mae and Freddie Mac
(Appraisal Institute)
San Juan, Puerto Rico - June 2011

The New Residential Market Conditions Form (Appraisal Institute)
San Juan, Puerto Rico - 2009

Appraising High Value and Historic Home
(Appraisal Institute)
San Juan, Puerto Rico - 2008

Appraising Residential Condos
(Instituto de Evaluadores de Puerto Rico)
San Juan, Puerto Rico - 2008

"Tasación de Fincas Agrícolas"
(Instituto de Evaluadores de Puerto Rico)
San Juan, Puerto Rico - 2008

Liability Management for Residential Appraisers
(Appraisal Institute)
Orlando, Florida - 2006

Professional's Guide to the Uniform Residential Appraisal
(Appraisal Institute)
San Juan, Puerto Rico - 2005

Avoiding Liability as a Residential Appraiser
(Appraisal Institute)
San Juan, Puerto Rico - 2003

The FHA and the Appraisal Process
(Appraisal Institute)
San Juan, Puerto Rico - 1999

PROFESSIONAL EXPERIENCE	:	Carlos E. Gaztambide & Associates, Inc. Banco Popular Center Suite 1515 Hato Rey, Puerto Rico Professional Real Estate Appraiser Associate Member of the Firm (1998-present) "Oficina de Reglamentación Industrial Lechera", Field Inspector San Juan, P.R. (1993 - 2007) Sosa Realty Involve in Real Estate Development and Sales Activity, Aguada, P.R. (1995 - 1996) Puerto Rico Farm Credit, ACA Loan Officer Aguadilla, P.R. (1992 - 1993)
APPRAISAL EXPERIENCE	:	Residential: Low Income Housing to Upscale Residential Single Family and Multi-Family, Development Valuation and Analysis, Vacant Residential Parcels, etc. Commercial: Offices, Retail/ Warehouse, Shopping Centers, Mixed, Vacant Commercial Parcels, etc. Industrial: Manufacturing, Storage and Distribution Warehouse, Vacant Industrial Land. Other: Agricultural, Conservation, Historical, Government / Public, Institutional, Special Purpose, Eminent Domain / Litigation, Market Surveys, Highest and Best Use Analyses, etc.

QUALIFICATIONS OF CARLOS E. GAZTAMBIDE, JURIS DOCTOR, MAI, SRA

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Education Transcript

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Carlos E. Gaztambide & Assoc., Inc.
Banco Popular Ctr. - Hato Rey
Ste. 1515
San Juan, PR 00918

Acct# 114552

Program	Date	Location	Type	Status	Hrs. Attn	Hrs. Exam
The Lending World in Crisis-What Clients Need Their Appraise	05/09/2011	Caparra Country Club Guaynabo, PR	Standard		7.0	0.0
Appraising Distressed Commercial Real Estate: Here We Go Aga	10/01/2010	San Juan,PR San Juan, PR	Standard		7.0	0.0
Business Practices and Ethics	08/14/2010	UIA Professional Development Center San Juan, PR	Standard		7.0	0.0
7-Hour National USPAP Update Course	08/13/2010	UIA Professional Development Center San Juan, PR	Standard		7.0	0.0
Commercial Appraisal Engagement and Review	12/11/2009	Condado Plaza Hotel and Casino San Juan, PR	Standard		7.0	0.0
Basic Appraisal Procedures	11/03-14/2009	Universidad Interamericana de PR San Juan, PR	Standard, Less 100%		28.0	0.0
Feasibility Analysis, Market Value & Investment Timing	04/05/2008	Interamericana University Rio Piedras, PR	Standard		7.0	0.0
Quality Assurance in Residential Appraisals	03/15/2008	Interamericana University Rio Piedras, PR	Standard		7.0	0.0
Spotlight on USPAP: Hypothetical Conditions & Extraordinary	02/09/2008	Interamericana University Rio Piedras, PR	Standard		3.0	0.0
Spotlight on USPAP: Reappraising, Readdressing, Reassigning	02/09/2008	Interamericana University Rio Piedras, PR	Standard		2.0	0.0
7-Hour National USPAP Update Course	10/27/2007	University of InterAmericana San Juan, PR	Standard		7.0	0.0
The Real Estate Economy: What's in Store for 2008?	07/17/2007	Caesar's Palace Las Vegas, NV	Standard		4.0	0.0
Rates and Ratios: Making sense of GIMs, OARs, and DCFs	07/16/2007	Caesar's Palace Las Vegas, NV	Standard		7.0	0.0
A Professional's Guide to Conservation Easements	07/15/2007	Caesar's Palace Las Vegas, NV	Standard		4.0	0.0
7-Hour National USPAP Update Course	04/22/2005	UMET San Juan, PR	Standard	Did Not Write	7.0	0.0
Business Practices and Ethics	04/21/2005	UMET San Juan, PR	Standard	Pass	7.0	1.0

4/17/2012

Program	Date	Location	Type	Status	Hrs. Attn	Hrs. Exam
Advanced Sales Comparison & Cost Approaches	09/22-28/2004	Union Plaza Building San Juan, PR	Standard	Did Not Write	36.0	0.0
15-Hour National USPAP Course	03/26-27/2004	Tropimar Beach Club San Juan, PR	Standard	Pass	14.0	1.0
Advanced Income Capitalization	02/16-21/2004	College of Engineers San Juan, PR	Standard	Pass	36.0	4.0
Appraisal Consulting: A Solutions Approach for Professionals	12/12/2003	Colegio Universitario Metropolitano San Juan, PR	Standard		7.0	0.0
Avoiding Liability as a Residential Appraiser	06/20/2003	Colegio Universitario Metropolitano San Juan, PR	Standard		7.0	0.0
Appraisal of Local Retail Properties	03/14/2003	Colegio de Abogados, Building San Juan, PR	Standard		7.0	0.0
Standards of Professional Practice, Part B	09/25/2002	Union Plaza Building San Juan, PR	Standard	Pass	7.0	1.0
Rapid Reading and Recall	06/24/2001	University of St. Thomas Minneapolis, MN	Standard		2.5	0.0
Residential Legal Liability	06/23/2001	University of St. Thomas Minneapolis, MN	Standard		2.5	0.0
An overview of the new course 800	06/23/2001	University of St. Thomas Minneapolis, MN	Standard		3.0	0.0
Appraisal Consulting	06/22/2001	University of St. Thomas Minneapolis, MN	Standard		2.5	0.0
Real Estate Value Cycles: Cutting Edge in Mkt. & Val. Anal.	06/22/2001	University of St. Thomas Minneapolis, MN	Standard		2.0	0.0
Business Enterprise Value; Case Studies & Applications	07/13/2000	MGM Grand Hotel and Casino Las Vegas, NV	Standard		2.0	0.0
The E-tailing Revolution	07/13/2000	MGM Grand Hotel and Casino Las Vegas, NV	Standard		2.0	0.0
Closing Session w/Keynote Speaker Don Tapscott	07/13/2000	MGM Grand Hotel and Casino Las Vegas, NV	Standard		1.5	0.0
Estimating Environmental Impacts on Comm. & Indus. Prop.	07/12/2000	MGM Grand Hotel and Casino Las Vegas, NV	Standard		2.0	0.0
Determination of Value - What is Fair?	07/12/2000	MGM Grand Hotel and Casino Las Vegas, NV	Standard		4.0	0.0
Breakfast w/Keynote Speaker Hjalma Johnson & Keith Jones	07/12/2000	MGM Grand Hotel and Casino Las Vegas, NV	Standard		1.5	0.0
Discounts and Premiums Meet Levels of Value: The Final Chapt	07/11/2000	MGM Grand Hotel and Casino Las Vegas, NV	Standard		2.0	0.0

Program	Date	Location	Type	Status	Hrs. Attn	Hrs. Exam
Easement Valuation	07/11/2000	MGM Grand Hotel and Casino Las Vegas, NV	Standard		4.0	0.0
Opening Ceremonies and General Session	07/11/2000	MGM Grand Hotel and Casino Las Vegas, NV	Standard		1.0	0.0
Understanding and Testing DCF Valuation Models	12/04/1999	Sheraton Chicago Hotel &Towers Chicago, IL	Standard		3.5	0.0
Valuation of Detrimental Conditions	12/03/1999	Sheraton Chicago Hotel &Towers Chicago, IL	Standard		7.0	0.0
FHA and the Appraisal Process	12/02/1999	Sheraton Chicago Hotel &Towers Chicago, IL	Standard		7.0	0.0
Appraising From Blueprints and Specifications	08/06/1999	San Juan,PR San Juan, PR	Standard		7.0	0.0
Standards of Professional Practice, Part B	07/23/1999	Union Plaza Bldg San Juan, PR	Standard	Pass	7.0	1.0
Standards of Professional Practice, Part A (USPAP)	07/21-22/1999	Union Plaza Bldg San Juan, PR	Standard	Pass	15.0	1.0
Appraisal of Retail Properties	02/02/1996	Crowne Plaza Hotel Carolina, PR	Standard		7.0	0.0
Mandatory Faculty Workshop	07/08/1995	Ramada Hotel O'Hare Rosemont, IL	Standard	Did Not Write	4.0	0.0
Feasability Analysis - Nonresidential	11/17/1994	Condado Plaza Hotel and Casino San Juan, PR	Standard		7.0	0.0
Rates, Ratios, & Reasonableness - Part II	06/25/1994	Condado Plaza Hotel and Casino San Juan, PR	Standard		7.0	0.0
Rates, Ratios & Reasonableness	06/24/1994	Condado Plaza Hotel and Casino San Juan, PR	Standard		7.0	0.0
Understanding Limited Appraisals - General	06/10/1994	Gaithersburg Hilton Hotel (DC area) Gaithersburg, MD	Standard		7.0	0.0
Standards of Prof. Practice, Part B	11/15-16/1991	Caribe Hilton Rio Piedras, PR	Standard	Pass	10.0	1.0
Standards of Prof. Practice, Part A	05/02-03/1991	Phi Sigma Alph Fraternity Hato Rey, PR	Standard	Pass	15.0	1.0
Market Analysis	09/24-30/1989	University of Texas Arlington, TX	Standard	Pass	0.0	0.0
Professional Practice	05/14/1988	Condado Plaza Hotel and Casino San Juan, PR	Standard	Pass	7.0	0.0
Recert 312	06/27-28/1984	ReTake	Standard		0.0	0.0
Market & Marketability Analysis	06/25-26/1984	Holiday Inn Chicago City Centre Chicago, IL	Standard		0.0	0.0
Principles of Income Property Appraising	03/07-18/1983	ReTake	Standard	Pass	54.0	6.0
Recert 124	01/26/1983	ReTake	Standard	Pass	0.0	0.0
Recert 311	11/05/1982	ReTake	Standard		0.0	0.0
Market & Marketability Analysis	11/15/1978	ReTake	Standard		0.0	0.0

Program	Date	Location	Type	Status	Hrs. Attn	Hrs. Exam
Principles of Income Property Appraising	02/24/1977	SREA #201 = #1B	Standard	Pass	0.0	0.0
Introduction to Appraising Real Property	01/18/1977	SREA #101 - #1A	Standard	Pass	0.0	0.0
Applied Residential Property Valuation	03/25-30/1974	West Palm Beach,FL West Palm Beach, FL	Standard	Pass	33.0	6.0
Introduction to Appraising Real Property	01/01-12/31/1971	ReTake	Standard	Pass	0.0	0.0
Instructor Clinic for 201	01/01/1901	ReTake	Standard	Pass	0.0	0.0

Estado Libre Asociado de Puerto Rico

Sepan todos los que la presente vieren:

Que en virtud de la autoridad que me confiere la Constitución del Estado Libre Asociado de Puerto Rico, y considerando los méritos que concurren en

Carlos E. Gaztambide

le he designado y, con el consejo y consentimiento del Senado de Puerto Rico, le nombro

Miembro de la Junta Examinadora de Evaluadores Profesionales de Bienes Raíces

concediéndole la autoridad y facultad para desempeñar los deberes de dicho cargo de acuerdo con la legislación vigente y para su posesión y disfrute con todas las atribuciones, privilegios y beneficios que por derecho le corresponden, sin más limitaciones que las prescritas por la ley.

En Testimonio de lo Cual, expido este Documento bajo mi firma y el Gran Sello del Estado Libre Asociado de Puerto Rico, en la ciudad de San Juan, Puerto Rico, hoy 23 de diciembre A.D. mil novecientos 56

Doy Fe:

Secretario de Estado

Gobernador

APPRAISAL INSTITUTE

MEMBERSHIP CERTIFICATE

This Certifies That

Carlos E. Gaztambide

was admitted to membership in the Society of Real Estate Appraisers as an ***SREA Member*** *(654) on the 27th day of April, 1985 and by virtue of the unification of the American Institute of Real Estate Appraisers and the Society of Real Estate Appraisers has become an*

MAI Member

in the Appraisal Institute and is entitled to all the rights and privileges of membership subject only to the limiting conditions set forth from time to time in the Bylaws and Regulations of the Appraisal Institute.

In Witness Whereof, the Board of Directors of the Appraisal Institute has authorized this certificate to be signed in its behalf by the President.

PRESIDENT

APPRAISAL INSTITUTE CORPORATE SEAL

THIS CERTIFICATE IS THE PROPERTY OF THE APPRAISAL INSTITUTE AND MUST BE RETURNED TO THE SECRETARY UPON TERMINATION OF MEMBERSHIP.

The Most Trusted Rural Property Professionals

ASFMRA

AMERICAN SOCIETY OF FARM MANAGERS AND RURAL APPRAISERS

CERTIFICATE OF ACHIEVEMENT

Carlos E. Gaztambide, MAI, SRA

Banco Popular Ctr., Ste. 1515 Hato Rey
San Juan, PR 918

SSN : _____ STATE LICENSE NO. : _____

has successfully completed and passed

Requirements of UASFLA – The 'Yellow Book'

San Juan, Puerto Rico

05/11/2010 – 05/13/2010

Student attended all instructional presentations and passed examination

Course Hours: 22
Examination Hours: 2

Brian Stockman
Executive Vice President
5/27/2010

The American Society of Farm Managers and Rural Appraisers, Inc.
950 South Cherry Street, Suite 508, Denver, Colorado 80246 ▲ (303) 758-3513

Inter American University

of Puerto Rico

To all who read these presents, Greeting

Whereas

Carlos Enrique Gaztambide Acosta

has honorably completed the studies and duties prescribed by the Faculty, therefore, the Trustees of the University by the authority vested in them have conferred the degree of

Juris Doctor

upon the candidate together with all the rights, privileges, honors, and marks of distinction which everywhere pertain thereto.

Whereof let this Diploma with the seal of the University bear witness.

Given at San Juan, Commonwealth of Puerto Rico, this 31st day of July, 1979

Osiris Sánchez Vázquez
President, Board of Trustees

INTER-AMERICAN UNIVERSITY OF PUERTO RICO · FOUNDED 1912 · COM

Ramón A. Cay
President of the University

QUALIFICATIONS OF CARLOS E. GAZTAMBIDE
JURIS DOCTOR, MAI, MIE
PROFESSIONAL CERTIFIED REAL ESTATE APPRAISER
PUERTO RICO LICENSE NO. 94 EPA
PUERTO RICO GENERAL CERTIFICATE NO. 4 CG

EDUCATIONAL BACKGROUND	:	Juris Doctor Inter American University (1979)
	:	Master of Science in Animal Husbandry Penn State University (1964)
	:	Bachelor of Science in Agriculture University of Puerto Rico (1963)
PROFESSIONAL DESIGNATIONS	:	Member, Appraisal Institute - MAI
	:	Member, Puerto Rico Institute - MIE
CONTINUING EDUCATION STATUS	:	See enclosed August 26, 2010 Appraisal Institute Continuing Education Status Report, currently certified under this program up to December 2015.
COMMONWEALTH OF PUERTO RICO	:	President, Real Estate Appraisers Examining Board for 7 years
OFFICES HELD - PUERTO RICO	:	Society of Real Estate Appraisers: Past President, former Vice President acting President, Former Vice President, Secretary, Member of the Board, Former Chairman Data Bank, Vice President The Puerto Rico Chapter Appraisal Institute: Vice President, President
OFFICES HELD - INTERNATIONAL	:	Chairman, Task Force on International Relations
	:	Delegate, Pan American Congress (UPAV), Buenos Aires, Argentina, 1985 (SREA)
PROFESSIONAL EXPERIENCE	:	Carlos E. Gaztambide & Associates, Inc. Real Estate Appraisers & Consultants (President) 1977 to present
	:	Juan B. Gaztambide & Associates (1971-1977) Real Estate Appraiser and Economic Consultants

	:	Ganadería del Turabo, Manager (1971 part-time)
	:	Fonalledas Dairy Farms, Manager (1966-1970)
QUALIFIED INSTRUCTOR	:	Course 201, Principles of Income Property Appraising
	:	Course 202, Applied Income Property Valuation
	:	Real Estate Appraising Courses at various forum
	:	Guest Professor at Universidad del Sagrado Corazón
EXPERIENCE IN THE APPRAISAL OF	:	Income Producing Commercial Properties such as Office Buildings and Shopping Centers
	:	Industrial Properties including Pharmaceutical Plants
	:	Hospital, Hotels, Golf Courses, Cementeries and other Special Use Properties
	:	Condominium and Apartment Buildings
	:	Rural and Urban Parcels
	:	Residential Properties
EXPERT WITNESS FOR	:	Puerto Rico District Court Federal District Court
RECOGNITIONS	:	Life Time Achievement Award Appraisal Institute, December 6, 2008
		Government Relations Award Appraisal Institute, December 1st, 2007
		Distinguished Citizen of the Year in the Real Estate Industry as an Appraiser, Puerto Rico Association of Realtors, 1982

PARTIAL LIST OF CLIENTS SERVED

Alberic Colón
Almacenes Pitusa/Mr. Israel Kopel
American Intl. Insurance Co. (Dupont Plaza Hotel)
Amgen Manufacturing
Arthur Andersen Company
Bacardi Corporation
Badillo Saatchi - Saatchi
Baldwin School
Banco Bilbao Vizcaya Argentaria
Banco Gubernamental de Fomento
Banco Popular de Puerto Rico
Banco Santander Puerto Rico
Banco Cooperativo de Puerto Rico
Bella International
Caribbean Petroleum Corporation
Ceph International
Citibank, N.A.
Comisión Industrial de Puerto Rico
Compañía de Fomento Industrial de Puerto Rico
D.D. Williamson Puerto Rico Inc.
Doral Bank
Eaton Laboratories Inc.
El Día Inc.
Empresas Fonalledas
First Bank
Federal Deposit Insurance Corporation
Federico F. Sánchez & Company
Fiddler, González & Rodríguez Law Office
Fraterfood
G.E. Capital
General Electric Company
General Electric Pension Fund
General Services Administration (U.S.A.)
Grupo Ferre Rangel
Grupo HIMA San Pablo
Hospital San Cristobal
Holsum
Industrias Vasallo
Interlink Group
International Textile Products Inc.
John Blair & Co. of N.Y. (Telemundo)
Kentucky Fried Chicken International
Levitt Homes
Lord Electric Company of Puerto Rico Inc.
Mark Stuart Inc.
Marrion Merrell Pharmaceutical
McConnell Valdez Law Offices
Motorola, Inc.
Mova Pharmaceutical Inc.
O'Neill & Borges Law Offices.
Oriental Bank & Trust
Palmas del Mar Company
Pannell Kerr Forster
Phillips Puerto Rico Core Inc.
Pfizer Manufacturing
Parke & Davies Pharmaceutical
P.R. Housing Finance
Private Residential & Industrial Developers
Procter & Gamble
Puerto Rico Telephone Company
R J Reynolds Tobacco Company
San Juan Cement Company (Italcementi)
Scotiabank de Puerto Rico
Sears Roebuck and Company
Smithkline Beecham Laboratories
Sterling Products International Inc.
Taco Bell Corporation
Tamachi Inc
Tamanaco Universal Inc
Tartak Brothers Inc.
Telemundo Corporation (TV Channel 2)
Warner Lamber Inc.
Union Carbide Corporation
U. S. Department of Agriculture
U.S. Postal Service
Upjohn Manufacturing
V'Soske

COURSES APPROVED, SYMPOSIUMS : AND CONFERENCES ATTENDED UP TO 1989 (For 1990 on See Appraisal Institute Continuing Education Report)

Introductory Biometry and Principles of Economics

: An Introduction to Appraising Real Estate (SREA Course 101)

: Real Estate Financing

: Principles of Income Property Appraising (SREA Course 201)

: R-2 Examination (Residential Test Case)

: Marketability and Market Analysis

: Real Estate Investments: Introduction to Cash Flow and Risk Analysis

Investment Feasibility Analysis 302-B (1989)

: SREA International Conference, New York City, August 1989

- □ Senior Real Estate Analyst's, Los Angeles (1988) Workshops Attended:
- □ The Current State and Status of Real Estate Market Analysis
- □ Testing Appraisals for Reasonableness through Market Analysis
- □ Analysis of Commercial Property in Southern California
- □ Major Land Development Projects in a Turn Around Market
- □ Workout of a Southern California Marina
- □ The Role of Statistics in Real Estate Market Analysis
- □ Forecasting Panel, Review and Projections of the Real Estate Market

: SREA International Conference San Francisco (1988) Some of the Workshops Attended:

- □ Hotel and Motel Properties, Feasibility and Appraisal
- □ Capitalization Techniques
- □ Matched Paired Sales Analysis
- □ Business Enterprise Valuation

: Senior Real Estate Analyst's Indianapolis (1987) Some of the Workshops Attended:

- □ Demand for Industrial Space as Derived Products Demand

:

- □ Market Analysis for Limited Market or No-Market Properties
- □ Impact Area and Control Area Delineation Using Published Data
- □ Financial and Investment Market Analysis for Industrial Properties and Going Concerns
- □ Use of Published Materials to Identify Demand for Specified Uses
- □ Statistical Analysis for Market Wide Studies of Industrial Properties
- □ Markets for Sites Acceptable for Hazardous Materials and Waste Disposal

: Senior Real Estate Analyst's, New Jersey (1986) Some of the Workshops Attended:

- □ Market Analysis Specifications for Real Estate Appraisers
- □ Commercial Property Market Analysis for the Appraisers
- □ Application of Consumer Behavior Studies to Real Estate Market Analysis
- □ Market Analysis for Retail Development
- □ Market Analysis for Free-Standing Restaurant Property
- □ Market Analysis for an Office Building
- □ Market Analysis for a Hospitality Industry Facility
- □ Application of Housing Market Analysis Models to select Market Areas
- □ A Review of Last Year's Forecast and Projections for 1987 and Beyond (1986)

: Senior Real Estate Analyst's, Canada (1985)

- □ Market Analysis for Shopping Centers Development
- □ Market Analysis for Residential Subdivision Development
- □ A Review of Last Year's Forecast and Projections for 1986 and Beyond

: SREA International Conference, Tennessee (1985) Some of the Workshops Attended:

- □ The Challenge of Economic Obsolescence
- □ Valuation Concepts of Partial Interest Leased Fee/Leasehold

:

- □ Capital Market Influences on Real Estate Values

- ☐ Residential Appraisers as Seen by the Reviewer
- ☐ Residential Paired Sales Analysis
- ☐ Construction Analysis

CONGRESS ATTENDED : Unión Panamericana Asociaciones de Evaluación (UPAV), Buenos Aires, Argentina (1985)

SEMINAR FOR INSTRUCTORS : SREA Course 201 Principles of Income Property Appraising, Chicago (1988)

: Contents Revision Clinic for Course 201 Instructors

SOME OTHER SEMINARS ATTENDED: The Uniform Residential Appraisal Report (1987)

: Income Capitalization (1986)

: Revised Depreciation Seminar (1985)

: R 41-C and the Appraiser (1985)

: Tax Considerations in Real Estate Valuation*

: Introduction to Feasibility Analysis*

: Mortgage Equity Analysis*

: Math Stat Seminar*

: The Valuation of Leases & Leasehold Interest

: Basic Money Markets and Economic Analyses*

: Adjusting of Financing Differences in Residential Properties*

: Appraising Single Family Residences*

: Recent Developments in Income Property Valuation*

: Real Estate Investing (Kidder, Peabody & Co.)*

OTHER MEMBERSHIPS : Former Director, Law Review, Inter-American University School of Law

: Honor society of Agriculture (Gamma Sigma Delta)

: Colegio de Agrónomos de Puerto Rico

: Fraternidad Nu Sigma Beta (Past President)

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* 1977 through 1984

EXHIBIT A

LEGAL DESCRIPTION

ESCRITURA NÚMERO: DOCE (12) ----------

-------- **SEGREGACIÓN, AGRUPACIÓN, Y PERMUTA** --------

--- En San Juan, Puerto Rico, a los treinta y un (31) días del mes de mayo del dos mil siete (2007).----------

---------- **ANTE MI** ----------

---------- **CARLOS E. ROSADO MUÑOZ** ----------

-------- Abogado y Notario Público de esta Isla, con residencia en el municipio de Guaynabo, Puerto Rico, y estudio abierto en el Westernbank World Plaza, Ave. Muñoz Rivera doscientos sesenta y ocho (268), Suite ochocientos ocho (808), Hato Rey, Puerto Rico.----------

---------- **COMPARECEN** ----------

--- **DE LA PRIMERA PARTE: EL ESTADO LIBRE ASOCIADO DE PUERTO RICO,** Seguro Social Patronal Número sesenta y seis guión cero cuarenta y tres guión tres mil cuatro cientos ochenta y uno (66-043-3481),representada en este acto por DON FERNANDO IVAN PONT MARCHESE también conocido como FERNANDO I. PONT, mayor de edad, casado, ingeniero y vecino de San Juan, Puerto Rico, quien comparece en su carácter de SECRETARIO INTERINO del Departamento de Transportación y Obras Públicas del Estado Libre Asociado de Puerto Rico, autorizado a llevar a cabo este otorgamiento, conforme a la Ley Número doce (12) de diez (10) de diciembre de mil novecientos setenta y cinco (1975), según enmendada; y de conformidad con el Plan de Reorganización Número Seis (6) de mil novecientos setenta y uno (1971), Apéndice Tercero (3ro.)Título Tres (3) de las Leyes de Puerto Rico Anotadas; el Artículo Ciento Treinta y Tres (133), del Código Político de Puerto Rico, en adelante denominada **"EL ESTADO".**----------

DE LA SEGUNDA PARTE: EL BANCO GUBERNAMENTAL DE FOMENTO, Seguro Social Patronal Número sesenta y seis guión,

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cero treinta y cuatro guión ocho mil quinientos setenta y dos (66-034-8572), representado en este acto por don ALFREDO SALAZAR CONDE, mayor de edad, casado y vecino de San Juan, Puerto Rico, quien comparece en su carácter de PRESIDENTE INTERINO DEL BANCO GUBERNAMENTAL DE FOMENTO DE PUERTO RICO, autorizado a llevar a cabo este otorgamiento en virtud de Resolución de la Junta de Directores del Banco Gubernamental de Fomento número ocho mil cuatrocientos veintidós (8,422) suscrita por doña Olga L. Ortiz, a tenor con la Junta, efectuada el día veinticuatro (24) de agosto de dos mil cinco (2005), en adelante **"EL BANCO".**----------

----------**DOY FE**----------

--- Del conocimiento personal de los comparecientes y por sus dichos, de las circunstancias personales y vecindad. Me aseguran tener, y a mi juicio tienen la capacidad legal necesaria para llevar a cabo este otorgamiento sin que me conste nada en contrario y libre y voluntariamente----------

---------- **EXPONEN** ----------

--- **PRIMERO: Que el ESTADO LIBRE ASOCIADO DE PUERTO RICO** es dueño en pleno dominio de las propiedades que se describen a continuación: ----------

FINCA NÚMERO CUATRO MIL CUATROCIENTOS TREINTA Y SIETE (4,437) ----------

---- **URBANA:** Parcela de terreno radicada en el Barrio Martín Peña, Sección Sur del Barrio Santurce de San Juan, Puerto Rico, compuesta según sus títulos de mil trescientos cincuenta punto noventa y uno (1,350.91) metros cuadrados, pero la cual, por mensura practicada por la División de Ingeniería del Departamento de Obras Públicas, resultó tener una cabida superficial de cero punto tres cuatro uno nueve (0.3419) cuerdas, equivalentes a mil trescientos cuarenta y tres punto ochenta y nueve (1,343.89) metros cuadrados. En lindes: por el Norte, con terrenos pertenecientes al Estado Libre Asociado de Puerto Rico y la Calle Coronel Irizarry; por el Sur, con terrenos pertenecientes al Estado Libre Asociado de Puerto Rico y la Avenida Muñoz Rivera; por el Este, con la existente Avenida Muñoz Rivera y la Calle Coronel Irizarry; y por el Oeste, con terrenos pertenecientes al Estado Libre Asociado de Puerto Rico. ----------

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---- Inscrita al Tomo ciento sesenta y uno (161) del Folio veintisiete (27), Finca Número cuatro mil cuatrocientos treinta y siete (4,437), de Santurce Sur, Inscripción Octava.----------

---- Adquirida mediante expropiación forzosa en el caso E guión sesenta y cuatro guión setecientos cincuenta y dos (E-64-752), al E guión sesenta y cuatro guión setecientos cincuenta y cuatro (E-64-754), según Resolución de fecha veinte (20) de mayo de mil novecientos sesenta y cuatro (1964) en el Tribunal Superior de San Juan, Sala de Expropiaciones. ----------

FINCA NÚMERO VEINTIÚN MIL SEISCIENTOS OCHENTA Y SEIS (21,686) PRESENTADA Y PENDIENTE DE INSCRIPCIÓN AL ASIENTO NOVECIENTOS VEINTIOCHO (928) DEL DIARIO MIL SETENTA Y SIETE (1077) ----------

---- **URBANA:** Predio de terreno localizado en el Barrio Santurce Sur, Sector Martín Peña, del término municipal de San Juan, Puerto Rico, con una cabida superficial de ciento cuarenta y siete punto seis nueve cinco cuatro (147.6954) metros cuadrados equivalentes a cero punto cero tres siete seis (0.0376) cuerdas. En lindes: por el Norte, con el Estado Libre Asociado de Puerto Rico, antes Autoridad de Acueductos y Alcantarillados; por el Sur, con el Estado Libre Asociado, antes Calle Coronel Irizarry; por el Este, con el Estado Libre Asociado de Puerto Rico; y por el Oeste, con la nueva alineación de la Avenida Fernández Juncos, antes Calle Coronel Irizarry. ----------

---- Presentada mediante Certificación de Dominio a favor del Estado Libre Asociado de Puerto Rico al Asiento novecientos veintiocho (928) del Diario mil setenta y siete (1077) el día doce (12) de mayo de dos mil seis (2006), en el Registro de la Propiedad, Sección Primera de San Juan. ----------

FINCA NÚMERO SIETE MIL QUINIENTOS VEINTE (7,520)

---- **URBANA:** Parcela de terreno situado en Martín Peña en la Sección Sur del Barrio Santurce en el Municipio de San Juan, con un área superficial de trescientos setenta y tres punto seis cuatro tres (373.643) metros cuadrados equivalentes a cero punto cero nueve cinco uno (0.0951) cuerdas. En lindes: por el Norte, con terrenos de la Autoridad de Acueductos y Alcantarillados de Puerto Rico; por el Sur, con la Calle Irizarry y el Expreso Muñoz Rivera; por el Este, con Avenida Muñoz Rivera; y por el Oeste, con terrenos de la Autoridad de Acueductos y Alcantarillados. ----

---- Inscrita al Tomo doscientos cuarenta y siete (247) del Folio ochenta y ocho (88) de Santurce Sur, Finca Número siete mil quinientos veinte (7,520), Inscripción Primera. ----------

---- Adquirida por compra a la Autoridad de Acueductos y Alcantarillados de Puerto Rico mediante la escritura número ciento tres (103) otorgada en San Juan, el día diecisiete (17) de noviembre de mil novecientos setenta y dos (1972) ante la notario María Yolanda Pomales Álvarez. ----------

FINCA NÚMERO VEINTIÚN MIL TRESCIENTOS (21,300) PRESENTADA Y PENDIENTE DE INSCRIPCIÓN AL

FAP

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ABOGADO NOTARIO

ASIENTO MIL CUATROCIENTOS TREINTA Y SIETE (1437) DEL DIARIO MIL SETENTA Y CINCO (1075) ----------

---- **URBANA:** Franja de terreno localizada en la Avenida Ponce de León, con una cabida superficial de seiscientos setenta punto ocho nueve cero cinco (670.8905) metros cuadrados. Colinda por el Norte, en una distancia de nueve punto cero cinco cero cuatro (9.0504) metros con terrenos propiedad de la Avenida Ponce de León; por el Sur, en una distancia de veinte punto seis mil cuatrocientos ocho (20.6408) metros con terrenos privados; por el Este, en una distancia de cincuenta punto cinco mil ciento seis (50.5106) metros con la Avenida Ponce de León; y por el Oeste, en una distancia de cuarenta y tres punto cuatro mil novecientos cuarenta y nueve (43.4949) metros con la Marginal Avenida Muñoz Rivera. ----------

---- Adquirida al Municipio de San Juan, mediante escritura de Cesión y Traspaso Número Tres (3), otorgada en San Juan, el día treinta (30) de diciembre de dos mil cinco (2005). ----------

---- Presentada al Asiento mil cuatrocientos treinta y siete (1,437) del Diario mil setenta y cinco (1075) el día veinticuatro (24) de enero de dos mil seis (2006). ----------

FINCA NÚMERO CUATRO MIL QUINIENTOS SETENTA Y NUEVE (4,579) ----------

---- **URBANA:** Parcela de terreno sita en el Barrio Martín Peña en el término municipal de San Juan, Puerto Rico, compuesta de seis mil seiscientos sesenta y seis punto setenta y dos (6,666.72) metros cuadrados. En lindes: por el Norte, con la Avenida Ponce de León y Fernández Juncos; por el Sur, con Rolón Lumber Company y finca principal; por el Este, con la Avenida Ponce de León; y por el Oeste, con la Calle Buenos Aires y la finca principal.

---- Inscrita al Folio cuarenta y cuatro (44) del tomo ciento treinta y dos (132) de Santurce Sur, Finca Número cuatro mil quinientos setenta y nueve (4,579), Inscripción Primera. ----------

---- Adquirida mediante expropiación forzosa en virtud de Sentencia de fecha nueve (9) de agosto de mil novecientos cincuenta y cinco (1955), en el caso civil número cuatrocientos setenta y dos (472) en el Tribunal Superior de Puerto Rico, Sala de Expropiaciones. ----------

FINCA NÚMERO CUATRO MIL QUINIENTOS OCHENTA (4,580) ----------

---- **URBANA:** Parcela de terreno sita en el Barrio Martín Peña de Santurce Sur, compuesta de cuatrocientos sesenta y seis punto sesenta y cuatro (466.64) metros cuadrados; en lindes: por el Norte, con la Avenida Fernández Juncos; por el Sur y Este, con la finca principal de la cual se segrega; y por el Oeste, con la Calle Buenos Aires. ----------

---- Inscrita al Tomo ciento treinta y dos (132) del Folio cuarenta y ocho (48), Finca Número cuatro mil quinientos ochenta (4,580), de Santurce Sur, Inscripción Primera. ----------

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---- Adquirida mediante expropiación forzosa en virtud de Resolución de fecha once (11) de abril de mil novecientos cincuenta y uno (1951), en el caso civil número cuatrocientos setenta y tres (473) en el Tribunal de Expropiaciones de Puerto Rico. ----------

FINCA NÚMERO VEINTIÚN MIL SEISCIENTOS OCHENTA Y SIETE (21,687) PRESENTADA Y PENDIENTE DE INSCRIPCIÓN AL ASIENTO NOVECIENTOS VEINTINUEVE (929) DEL DIARIO MIL SETENTA Y SIETE (1077) ----------

---- **URBANA:** Predio de terreno localizado en el Barrio Santurce Sur, Sector Martín Peña del término municipal de San Juan, Puerto Rico, con una cabida superficial de cuatro mil seiscientos cuarenta y cinco punto seis siete uno seis (4,645.6716) metros cuadrados equivalentes a uno punto uno ocho uno nueve (1.1819) cuerdas. En lindes: por el Norte, con la Autoridad de Carreteras y Transportación antes S.I.P.F. Corporation y Olga Negrón Martínez y con la Nueva Extensión de la Avenida Borinquen; por el Sur, con el Estado Libre Asociado de Puerto Rico, antes María López Viuda de Rosales y con la nueva extensión de la Avenida; por el Este, con la Autoridad de Carreteras y Transportación de Puerto Rico, antes The November Group, S.E. y The Shell Co. P.R. Ltd., el Estado Libre Asociado de Puerto Rico, antes Municipio de San Juan y la Avenida Ponce de León; y por el Oeste, con la Autoridad de Carreteras y Transportación de Puerto Rico, antes Autoridad de Acueductos y Alcantarillados, el Estado Libre Asociado de Puerto Rico y con la nueva alineación de la Avenida Fernández Juncos. ----------

---- Inscrita mediante Certificación de Dominio a favor del Estado Libre Asociado de Puerto Rico, mediante afidávit número diez mil seiscientos ochenta (10,680) suscrito por el Secretario del Departamento de Transportación y Obras Públicas el día cinco (5) de mayo de dos mil seis (2006) ante la notaria pública Nilsa Colón de Reyes. ----------

---- Presentada al Asiento novecientos veintinueve (929) del Diario mil setenta y siete (1077) el día doce (12) de mayo de dos mil seis (2006) al Registro de la Propiedad, Sección Primera de San Juan. ----------

FINCA NÚMERO DOS MIL DOSCIENTOS VEINTIDÓS (2,222): ----------

--- **RÚSTICA:** Parcela de terreno radicada en el Barrio Santurce, de Puerto Rico, del término municipal de San Juan, con una cabida superficial de ciento cuarenta y seis mil punto ciento cincuenta y nueve punto ochenta y tres metros cuadrados (146,159.83) equivalentes a treinta y siete punto ciento ochenta y siete cuerdas (37.187). Colinda por el Norte, con el Expreso Muñoz Rivera; por el Sur, con terrenos del Municipio de San Juan; por el Este, con Ramal de Muñoz Rivera; y por el Oeste, con terrenos del Municipio de San Juan. ----------

---- Inscrita la Tomo treinta y cinco (35) del Folio veinticuatro (24), continúa al Folio ciento setenta y dos (172) y siguientes, del tomo mil sesenta (1060), Finca Número Dos Mil Doscientos Veintidós (2,222), de Santurce Sur.----------

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---- Consta inscrita a favor del Pueblo de Puerto Rico, hoy Estado Libre Asociado de Puerto Rico, por Cesión de los Estados Unidos de América, mediante Certificación expedida el día veintiocho (28) de junio de mil novecientos veintidós (1922), Artículo Ciento Treinta y Tres (133) del Código Político por el Comisionado de lo Interior John A. Wilson. ----------

FINCA NÚMERO CINCO MIL DOSCIENTOS SETENTA Y CINCO (5,275): ----------

---- **URBANA:** Parcela de terreno radicado en el Barrio Santurce Sur, de San Juan, compuesta de cuatro mil seiscientos cincuenta y seis punto sesenta y nueve (4,656.69) metros cuadrados, equivalentes a uno punto mil ochocientos cuarenta y ocho diezmilésimas (1.1848) cuerdas. En lindes, por el Norte, con la Autoridad de Puertos; por el Sur, con el Caño Martín Peña; por el Este, con Belarmino Suárez, Francisco Seín y The Collette Manufacturing Co., Inc.; y por el Oeste, con el Estado Libre Asociado de Puerto Rico. ----------

---- Consta inscrita al Folio doscientos dieciséis (216) del Tomo ciento sesenta y ocho (168), Finca Número cinco mil doscientos setenta y cinco (5,275), de Santurce Sur, Inscripción Primera.-----

---- Adquirida mediante escritura número cuarenta y tres (43), otorgada en San Juan, el día veintisiete (27) de noviembre de mil novecientos sesenta y uno (1961), ante el notario público Vicente Ortiz Colón.----------

FINCA NÚMERO CUATRO MIL QUINIENTOS OCHENTA Y SEIS (4,586): ----------

---- **URBANA:** Parcela de terreno sita en el Barrio Martín Peña de Santurce Sur, del término municipal de San Juan con una cabida superficial de cinco mil ciento cuatro punto setenta y dos (5,104.72) metros cuadrados. En lindes, por el Norte, con The Collete Manufacturing Co., Inc. y la finca principal; por el Sur, con la Calle Buenos Aires; por el Este, con Calle Buenos Aires; y por el Oeste, con la American Railroad Company of Puerto Rico.----------

---- Inscrita al Folio setenta y uno (71) del Tomo ciento treinta y dos (132) Finca Número cuatro mil quinientos ochenta y seis (4,586), de Santurce Sur, Inscripción Primera.----------

---- Adquirida mediante Expropiación Forzosa, en el caso civil número cuatrocientos setenta y tres (473), mediante Resolución expedida el día once (11) de abril de mil novecientos cincuenta y uno (1951) en el Tribunal de Primera Instancia de San Juan.------

FINCA NÚMERO CUATRO MIL SEISCIENTOS SETENTA (4,670): ----------

---- **URBANA:** Solar radicado en el Barrio Santurce Sur del término municipal de San Juan, compuesta de dos mil diecisiete punto doce (2,017.12) metros cuadrados según sus títulos, pero según mensurado por el Departamento de Obras Públicas resultó con una cabida de dos mil treinta punto diecinueve (2,030.19) metros cuadrados, equivalentes a cero punto cinco mil ciento sesenta y cinco diezmilésimas (0.5165) cuerdas. En lindes, por el Norte, en cincuenta tres punto treinta y tres (53.33) metros con

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el Estado Libre Asociado de Puerto Rico; por el Sur, en sesenta y uno punto noventa y seis (61.96) metros con el Estado Libre Asociado de Puerto Rico; por el Este, en veintiocho punto treinta y nueve (28.39) metros con la Avenida Muñoz Rivera y en doce punto treinta (12.30) metros con el Estado Libre Asociado de Puerto Rico; y por el Oeste, en veintitrés punto noventa y nueve (23.99) metros con el Estado Libre Asociado de Puerto Rico.--------

---- Inscrita al Tomo ciento treinta y seis (136) del Folio ciento treinta y dos (132), Finca Número cuatro mil seiscientos setenta (4,670), de Santurce Sur, Inscripción Segunda.----------

---- Adquirida mediante Expropiación Forzosa en el caso civil número sesenta y ocho guión novecientos ochenta y cuatro (68-984), mediante Resolución expedida el día veintiocho (28) de octubre de mil novecientos sesenta y ocho (1968), en el Tribunal Superior de Puerto Rico, Sala de Expropiaciones.----------

FINCA NÚMERO CINCO MIL SETENTA Y CUATRO (5,074):

---- URBANA: Parcela de terreno radicada en el Barrio de Santurce Sur de San Juan, Puerto Rico, con una cabida superficial según mensura de tres mil cinco punto sesenta y dos (3,005.62) metros cuadrados. En lindes, por el Norte, con terrenos propiedad de The Collete Manufacturing Co., Inc. y con la Calle Coronel Irizarry; por el Sur, con terrenos propiedad de Gorbea, Pérez and Morell Suárez and Sains S. en C. y con terrenos del Estado Libre Asociado de Puerto Rico; por el Este, con la Calle Coronel Irizarry; y por el Oeste, con terrenos de The Collete Manufacturing Co., Inc., y el Estado Libre Asociado de Puerto Rico.----------

---- Inscrita al Tomo ciento sesenta (160) del Folio ciento dieciséis (116), de Santurce Sur, Finca Número Cinco Mil Setenta y Cuatro (5,074), Inscripción primera.----------

---- Adquirida mediante expropiación forzosa en el caso civil número E guión sesenta y uno guión novecientos treinta y dos (E-61-932), mediante Resolución expedida el día catorce (14) de agosto de mil novecientos sesenta y uno (1961) en el Tribunal Superior de Puerto Rico, Sala de Expropiaciones.----------

FINCA NÚMERO CUATRO MIL QUINIENTOS OCHENTA Y DOS (4,582): ----------

---- URBANA: Parcela de terreno sita en el Barrio Martín Peña de Santurce Sur, del término municipal de San Juan, compuesto según sus títulos de quinientos ochenta y dos punto cincuenta y dos (582.52) metros cuadrados, pero según mensura realizada por la Autoridad de Carreteras y Transportación tiene una cabida de seiscientos diez punto mil trescientos trece (610.1313) metros cuadrados. En lindes, por el Norte y Este, con la finca principal de la cual se segrega; por el Sur, con Belarmino Suárez y Francisco Seín; y por el Oeste, con terrenos de la American Railroad Co. Of Puerto Rico.----------

---- Inscrita al Tomo ciento treinta y dos (132) del Folio cincuenta y seis (56), finca número cuatro mil quinientos ochenta y dos (4,582), inscripción primera. ----------

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---- Adquirida mediante expropiación forzosa en el caso civil número cuatrocientos setenta y tres (473) por Resolución de once (11) de abril de mil novecientos cincuenta y uno (1951), en el Tribunal Superior de Puerto Rico, Sala de Expropiaciones.--------

FINCA NÚMERO CUATRO MIL QUINIENTOS OCHENTA Y TRES (4,583): ----------

---- **URBANA:** Parcela de terreno sita en el Barrio Martín Peña de Santurce Sur, compuesta según sus títulos de cuatrocientos cincuenta y uno punto once (451.11) metros cuadrados, pero según mensura realizada por la Autoridad de Carreteras y Transportación tiene una cabida de cuatrocientos setenta y siete punto mil seiscientos setenta y cinco (477.1675) metros cuadrados. En lindes, por el Norte, Sur y Este, con la finca principal de la cual se segrega; y por el Oeste, con terrenos de la American Railroad Co. of Puerto Rico.----------

---- Inscrita al Tomo ciento treinta y dos (132) del Folio cincuenta y nueve (59), de Santurce Sur, Finca Número cuatro mil quinientos ochenta y tres (4,583), Inscripción Primera.----------

---- Adquirida mediante expropiación forzosa en el caso civil número cuatrocientos setenta y tres (473) por Resolución expedida el día once (11) de abril de mil novecientos cincuenta y uno (1951) en el Tribunal Superior de Puerto Rico, Sala de Expropiaciones.----------

FINCA NÚMERO SEIS MIL TRES (6,003): ----------

---- **URBANA:** Parcela de terreno sita en el Barrio Martín Peña de Santurce Sur, en el término municipal de San Juan, con una cabida de trescientos setenta y ocho punto quince (378.15) metros cuadrados. Pero según mensura por Autoridad de Carreteras y Transportación resulto con cabida superficial de trescientos setenta y ocho punto cinco mil quinientos setenta y siete (378.5571) metros cuadrados equivalentes a cero punto cero novecientos sesenta y tres (0.0963) cuerdas. En lindes, por el Norte, con terrenos de Belarmino Suárez y Francisco Seín; por el Sur, con la finca principal de la cual se segrega: por el Este, con la finca principal de la cual se segrega; y por el Oeste, con terrenos de la American Railroad Co. Of Puerto Rico.----------

---- Inscrita al Tomo ciento noventa y cuatro (194) del Folio doscientos cuarenta (240), de Santurce Sur, Finca Número seis mil tres (6,003), Inscripción Primera.----------

---- Adquirida mediante expropiación forzosa en el caso civil número cuatrocientos setenta y dos (472) por Resolución expedida el día nueve (9) de mayo de mil novecientos cincuenta y cinco (1955) en el Tribunal Superior de Puerto Rico, Sala de Expropiaciones.----------

FINCA NÚMERO CUATRO MIL CUATROCIENTOS TREINTA Y SEIS (4,436): ----------

---- **URBANA:** Solar radicado en el Barrio Santurce Sur del término municipal de San Juan, compuesta de mil trescientos

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noventa y seis punto veintinueve (1,396.29) metros cuadrados, equivalentes a cero punto tres mil quinientos cincuenta y tres diezmilésimas (0.3553) cuerdas, con que se expropia. En lindes, por el Norte, en cincuenta y ocho punto sesenta y cuatro (58.64) metros cuadrados con el Estado Libre Asociado de Puerto Rico (antes Fernando y Luisa Géigel); por el Sur, en cincuenta y uno punto quince (51.15) metros con la parcela número trece (13) de The Collete Manufacturing Co., Inc. (ahora Estado Libre Asociado de Puerto Rico); por el Este, en veintiuno punto noventa (21.90) metros con la Calle Coronel Irizarry; y por el Oeste, en veintitrés punto noventa y tres (23.93) metros con el Estado Libre Asociado de Puerto Rico.----------

---- Inscrita al Tomo ciento veintidós (122) del Folio ciento cuarenta y tres (143), Finca Número cuatro mil cuatrocientos treinta y seis (4,436), de Santurce Sur, Inscripción Quinta.---------

---- Adquirida mediante expropiación forzosa en el caso civil número E guión sesenta y ocho guión novecientos ochenta y cuatro (E-68-984) por Resolución expedida el día veintiocho (28) de octubre de mil novecientos sesenta y ocho (1968) en el Tribunal Superior de Puerto Rico, Sala de Expropiaciones.----------

FINCA NÚMERO CUATRO MIL CIENTO CUARENTA Y SIETE (4,147): ----------

---- **URBANA:** Parcela de terreno en Martín Peña, Sección Sur del Barrio Santurce Sur del término municipal de San Juan, Puerto Rico, compuesta según sus títulos de tres mil cincuenta y cinco (3,055.00) metros cuadrados, pero según mensura practicada por el Departamento de Obras Públicas de Puerto Rico, resultó tener una cabida superficial de cero punto siete mil ochocientos noventa y ocho diezmilésimas (0.7898) cuerda equivalentes a tres mil ciento cuatro punto catorce (3,104.14) metros cuadrados. En lindes, por el Norte, con las Calles Coronel Irizarry y Sagrado Corazón; por el Sur, con terrenos pertenecientes a Billy Suárez y Corporación de Renovación Urbana y Vivienda de Puerto Rico; por el Este, con la Calle Coronel Irizarry y terrenos de Billy Suárez; y por el Oeste, con la Calle Sagrado Corazón y terrenos de la Corporación de Renovación Urbana y Vivienda de Puerto Rico.-----

---- Inscrita al Tomo ciento treinta y ocho (138) del Folio sesenta y cinco (65), Finca Número cuatro mil ciento cuarenta y siete (4,147), de Santurce Sur, Inscripción décima novena (19).---------

--- Adquirida mediante expropiación forzosa en el caso civil número E guión sesenta y cuatro guión setecientos cincuenta y tres (E-64-753), por Resolución expedida el día veintisiete (27) de marzo de mil novecientos sesenta y cuatro (1964), en el Tribunal Superior de Puerto Rico, Sala de Expropiaciones.----------

FINCA NÚMERO CUATRO MIL CUATROCIENTOS OCHENTA Y UNO (4,481): ----------

---- **URBANA:** Solar radicado en el Barrio Santurce Sur en el término municipal de San Juan, Puerto Rico, con una cabida superficial de mil ciento setenta y tres punto veintinueve (1,173.29) metros cuadrados, según sus títulos pero mensurado resultó tener una cabida de mil ciento ochenta y siete punto diecisiete (1,187.17) metros cuadrados, equivalentes a cero punto

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tres mil veinte diezmilésima (0.3020) cuerda, con que se expropia. En lindes, por el Norte, en cincuenta y uno punto quince (51.15) metro lineales con la parcela número doce (12) de Belarmino Suárez (ahora Estado Libre Asociado de Puerto Rico); por el Sur, en cincuenta y seis punto noventa y siete (56.97) metros lineales con el Estado Libre Asociado de Puerto Rico; por el Este, en veintiuno punto noventa y seis (21.96) metros lineales con la Calle Coronel Irizarry: y por el Oeste, en veintidós punto sesenta y cinco (22.65) metros lineales con el Estado Libre Asociado de Puerto Rico.----------

---- Inscrita al Tomo ciento veintiséis (126) del Folio cuarenta y nueve (49), Finca Número cuatro mil cuatrocientos ochenta y uno (4,481), de Santurce Sur, Inscripción Segunda.----------

---- Adquirida mediante expropiación forzosa en el caso civil número sesenta y ocho guión novecientos ochenta y cinco (68-985), por Resolución expedida el día veintiocho (28) de octubre de mil novecientos sesenta y ocho (1968) en el Tribunal Superior de Puerto Rico, Sala de Expropiaciones.----------

--- **SEGUNDO:** Manifiesta y asegura el compareciente de la PRIMERA PARTE que las antes descritas propiedades están libres de cargas y gravámenes. ----------

-- **TERCERO:** La Junta de Planificación AUTORIZÓ la transacción que a continuación se describe sobre la Segregación, Agrupación y Permuta entre "EL ESTADO LIBRE ASOCIADO DE PUERTO RICO", "LA AUTORIDAD DE CARRETERAS DEL ESTADO LIBRE ASOCIADO DE PUERTO RICO" y "EL BANCO GUBERNAMENTAL DE FOMENTO", mediante la Resolución Número dos mil siete guión dieciocho guión cero cero cero cinco guión JGT (2007-18-0005-JGT, el día doce (12) de enero de dos mil siete (2007). -----

----------**SEGREGACIÓN**----------

--- **CUARTO:** El compareciente de la PRIMERA PARTE, Estado Libre Asociado de Puerto Rico, interesa segregar y por la presente **SEGREGA** de las fincas descritas en el párrafo PRIMERO anterior, los predios identificados como Parcelas A GUIÓN UNO (**A-1**); A GUIÓN TRES (**A-3**); A GUIÓN SIETE (**A-7**); A GUIÓN DIEZ (**A-10**) Y A GUIÓN ONCE (**A-11**), para que formen una finca independiente. Las **PARCELAS "A"** que a continuación se detallan, se ilustran en el plano "Survey, Segregation and

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Grouping Plan – Parcels A and B – Sagrado Corazón Station - Tren Urbano Proyect" levantado para la AUTORIDAD DE CARRETERAS Y TRANSPORTACIÓN, por la firma de agrimensores "Pedro J. Dávila Colón, P.S.C." con Licencia Número nueve mil trescientos veintitrés (9323), que se hace formar parte de la presente escritura, y que se describen a continuación: ----------

DE LA FINCA NÚMERO CUATRO MIL CUATROCIENTOS TREINTA Y SIETE (4,437), SE SEGREGA LA SIGUIENTE: --

----------PARCELA A GUIÓN UNO (A-1): ----------

---- **URBANA:** Predio de terreno localizado en el Barrio Santurce Sur, Sector Martín Peña, del término municipal de San Juan Puerto Rico, con una cabida superficial de ocho punto siete mil seiscientos diecinueve (8.7619) metros cuadrados equivalentes a cero punto cero cero dos dos (0.0022) cuerdas. En lindes por el Norte y Oeste, con la nueva alineación de la Avenida Fernández Juncos y con el Estado Libre Asociado de Puerto Rico; antes Gorbea, Pérez y Morell; por el Sur, con la nueva extensión de la Avenida Rexach; antes Gorbea, Pérez y Morell; por el Este, con el Estado Libre Asociado de Puerto Rico; antes calle Coronel Irizarry.

--- Para fines registrales se valora esta parcela en la suma nominal de UN DÓLAR ($1.00). ----------

DE LA FINCA NÚMERO SIETE MIL QUINIENTOS VEINTE (7,520) SE SEGREGA LA SIGUIENTE: ----------

----------PARCELA A GUIÓN TRES (A-3): ----------

---- **URBANA:** Predio de terreno, localizado en el Barrio Santurce Sur, Sector Martín Peña, del término municipal de San Juan Puerto Rico, con una cabida superficial de doscientos setenta y cuatro punto dos mil treinta y cinco (274.2035) metros cuadrados, equivalentes a cero punto cero seis nueve ocho (0.0698) cuerdas. En lindes por el Norte con la Autoridad de Carreteras y Transportación, antes Autoridad de Acueductos y Alcantarillados; por el Sur con el Estado Libre Asociado de Puerto Rico; por el Oeste con la nueva alineación de la Avenida Fernández Juncos; y por el Este con el Estado Libre Asociado de Puerto Rico. ----------

--- Para fines registrales se valora esta parcela en la suma nominal de UN DÓLAR ($1.00). ----------

DE LA FINCA VEINTIÚN MIL TRECIENTOS (21,300) PENDIENTE DE INSCRIPCIÓN DE SEISCIENTOS SETENTA PUNTO OCHO NUEVE CERO CINCO (670.8905) METROS CUADRADOS SE SEGREGA LA SIGUIENTE PARCELA: -------

----------PARCELA A GUIÓN SIETE (A-7): ----------

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---- **URBANA:** Predio de terreno, localizado en el Barrio Santurce Sur, Sector Martín Peña, del término municipal de San Juan Puerto Rico, con una cabida superficial de cuatrocientos noventa y cinco punto mil cuatrocientos doce (495.1412) metros cuadrados, equivalentes a cero punto mil doscientos sesenta (0.1260) cuerdas. En lindes por el Norte, con la nueva extensión de la Avenida Borinquen; antes Municipio de San Juan; por el Sur, con la Autoridad de Carreteras y Transportación; antes "The November Group, S.E."; por el Oeste, con el Estado Libre Asociado de Puerto Rico; y por el Este, con la Avenida Ponce de León. ----------

--- Para fines registrales se valora esta parcela en la suma nominal de UN DÓLAR ($1.00).----------

DE LA FINCA CUATRO MIL QUINIENTOS SETENTA Y NUEVE (4,579), SE SEGREGA LA SIGUIENTE: ----------

----------PARCELA A GUIÓN DIEZ (A- 10): ----------

---- **URBANA:** Predio de terreno, localizado en el Barrio Santurce Sur, Sector Martín Peña, del término municipal de San Juan Puerto Rico, con una cabida superficial de seiscientos cincuenta punto cuatro mil seiscientos treinta y tres (650.4633) metros cuadrados equivalentes a cero punto mil seiscientos cincuenta y cuatro (0.1654) cuerdas, según mensura realizada por la Autoridad de Carreteras y Transportación. En lindes por el Norte, Este y Oeste, con el Estado Libre Asociado de Puerto Rico; y por el Sur, con la nueva extensión de la Avenida Rexach; antes María López Viuda de Rosales. ----------

--- Para fines registrales se valora esta parcela en la suma nominal de UN DÓLAR ($1.00). ----------

DE LA FINCA CUATRO MIL QUINIENTOS OCHENTA (4,580), SE SEGREGA LA SIGUIENTE: ----------

----------PARCELA A GUIÓN ONCE (A- 11): ----------

---- **URBANA:** Predio de terreno, localizado en el Barrio Santurce Sur, Sector Martín Peña, del término municipal de San Juan Puerto Rico, con una cabida superficial de ciento sesenta y ocho punto dos mil quinientos ochenta y siete (168.2587) metros cuadrados, equivalentes a cero punto cero cuatro dos ocho (0.0428) cuerdas, según mensura realizada por la Autoridad de Carreteras y Transportación. En lindes por el Norte y Oeste, con el Estado Libre Asociado de Puerto Rico; por el Sur, con la nueva extensión de la Avenida Rexach; antes María López Viuda de Rosales; y por el Este, con el Estado Libre Asociado de Puerto Rico; antes María López Viuda de Rosales. ----------

--- Para fines registrales se valora esta parcela en la suma nominal de UN DÓLAR ($1.00). ----------

--- **QUINTO: A su vez,** el compareciente de la PRIMERA PARTE, Estado Libre Asociado de Puerto Rico, interesa segregar y por la presente **SEGREGA** de las fincas descritas en el párrafo

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PRIMERO anterior, los predios identificados como Parcelas B GUIÓN UNO **(B-1)**; B GUIÓN DOS **(B-2)**; B GUIÓN TRES **(B-3)**; B GUIÓN CUATRO **(B-4)**; B GUIÓN CINCO **(B-5)**; B GUIÓN NUEVE **(B-9)**; B GUIÓN DIEZ **(B-10)** Y B GUIÓN ONCE **(B-11)**, para que formen una finca independiente. Las **PARCELAS "B"** que a continuación se detallan, se ilustran en el plano "Survey, Segregation and Grouping Plan – Parcels A and B – Sagrado Corazón Station - Tren Urbano Proyect" levantado para la Autoridad de Carreteras y Transportación, por la firma de agrimensores "Pedro J. Dávila Colón, P.S.C." con Licencia Número nueve mil trescientos veintitrés (9323), que se hace formar parte de la presente escritura, y que se describen a continuación: ------

DE LA FINCA NÚMERO DOS MIL DOSCIENTOS VEINTIDÓS (2,222), SE SEGREGA LA SIGUIENTE: ----------

----------PARCELA B GUIÓN UNO (B-1) ----------

---- **URBANA:** Predio de terreno localizado en el Barrio Santurce Sur, Sector Martín Peña del término municipal de San Juan, Puerto Rico, con una cabida superficial de doce mil seiscientos sesenta y cuatro punto ocho mil veintinueve (12,664.8029) metros cuadrados, equivalentes a tres punto dos mil doscientos veintisiete (3.2227) cuerdas. En lindes, por el Norte, hoy con la nueva extensión de la Avenida Borinquen, antes con la finca de la cual se segrega; por el Sur y Oeste, hoy con la nueva rampa de acceso al Expreso Luis Muñoz Rivera, antes con la finca principal de la cual se segrega; y por el Este, con el Estado Libre Asociado de Puerto Rico, antes Autoridad de los Puertos.----------

--- Para fines registrales se valora esta parcela en la suma nominal de UN DÓLAR ($1.00). ----------

DE LA FINCA NÚMERO CINCO MIL DOSCIENTOS SETENTA Y CINCO (5,275), SE SEGREGA LA SIGUIENTE: ----------

----------PARCELA B GUIÓN DOS (B-2) ----------

---- **URBANA:** Predio de terreno localizado en el Barrio Santurce Sur, Sector Martín Peña del término municipal de San Juan, Puerto Rico, con una cabida superficial de tres mil trescientos diecinueve punto siete mil doscientos setenta y uno (3,319.7271) metros cuadrados, equivalentes a cero punto ocho mil cuatrocientos cuarenta y seis (0.8446) cuerdas. En lindes, por el Norte, hoy con las nuevas extensiones de las Avenidas Borinquen y Rexach, antes con la finca principal de la cual se segrega, o Autoridad de los Puertos; por el Sur, hoy con la nueva rampa de acceso al Expreso Luis Muñoz Rivera, antes con la finca principal de la cual se segrega; por el Oeste, con el Estado Libre Asociado de Puerto Rico; y por el Este, hoy con el Estado Libre Asociado de Puerto Rico, antes B. Suárez y Francisco Seín, The Collete Manufactoring Co.; Francisco Géigel Brunet y Luis Géigel Brunet.-

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--- Para fines registrales se valora esta parcela en la suma nominal de UN DÓLAR ($1.00). ----------

DE LA FINCA NÚMERO CUATRO MIL QUINIENTOS OCHENTA Y SEIS (4,586), SE SEGREGA LA SIGUIENTE: ---

----------PARCELA B GUIÓN TRES (B-3) ----------

---- URBANA: Predio de terreno localizado en el Barrio Santurce Sur, Sector Martín Peña del término municipal de San Juan, Puerto Rico, con una cabida superficial de mil quinientos sesenta y ocho punto cero siete cinco tres (1,568.0753) metros cuadrados, equivalentes a cero punto tres mil novecientos ochenta y nueve diez milésimas (0.3989) de cuerda. En lindes, por el Norte, hoy con el Estado Libre Asociado de Puerto Rico, antes con The Collete Manufacturing Company; por el Sur, hoy con la Avenida Luis Muñoz Rivera, antes con la finca principal de B. Suárez y Francisco Seín; por el Oeste, hoy con el Estado Libre Asociado de Puerto Rico, antes Autoridad de los Puertos; y por el Este, hoy con la Avenida Luis Muñoz Rivera y el Estado Libre Asociado de Puerto Rico, antes finca principal de B. Suárez y Francisco Seín.----------

--- Para fines registrales se valora esta parcela en la suma nominal de UN DÓLAR ($1.00). ----------

DE LA FINCA NÚMERO CUATRO MIL SEISCIENTOS SETENTA (4,670), SE SEGREGA LA SIGUIENTE: ----------

----------PARCELA B GUIÓN CUATRO (B-4) ----------

---- URBANA: Predio de terreno, localizado en el Barrio Santurce Sur, Sector Martín Peña, en el término municipal de San Juan Puerto Rico, con una cabida superficial de trescientos treinta y seis punto tres mil ochocientos veintisiete (336.3827) metros cuadrados, equivalentes a cero punto cero ochocientos cincuenta y cinco (0.0855) cuerdas. En lindes por el Norte, hoy con el Estado Libre Asociado de Puerto Rico, antes "The Collette Manufacturing Co."; por el Sur, hoy con Avenida Luis Muñoz Rivera, antes finca principal de B. Suárez y F. Seín; por el Oeste, hoy con el Estado Libre Asociado de Puerto Rico, antes finca principal; y por el Este, hoy Avenida Luis Muñoz Rivera, antes finca principal.----------

--- Para fines registrales se valora esta parcela en la suma nominal de UN DÓLAR (1.00). ----------

DE LA FINCA NÚMERO CINCO MIL SETENTA Y CUATRO (5,074), SE SEGREGA LA SIGUIENTE: ----------

----------PARCELA B GUIÓN CINCO (B-5) ----------

---- URBANA: Predio de terreno, localizado en el Barrio Santurce Sur, Sector Martín Peña, en el término municipal de San Juan Puerto Rico, con una cabida superficial de setecientos veintinueve punto cero cuatrocientos ochenta y dos (729.0482) metros

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cuadrados, equivalentes a cero punto mil ochocientos cincuenta y cuatro (0.1854) cuerda. En lindes por el Norte, hoy, con el Estado Libre Asociado de Puerto Rico, antes "The Collette Manufacturing Co."; por el Sur, hoy con el Estado Libre Asociado de Puerto Rico, antes B. Suárez y F. Seín; por el Oeste, hoy con el Estado Libre Asociado de Puerto Rico, antes "The Collette Manufacturing. Co."; y por el Este, hoy con la nueva extensión a la Avenida Rexach, antes "The Collette Manufacturing Co."----------

--- Para fines registrales se valora esta parcela en la suma nominal de UN DÓLAR ($1.00). ----------

DE LA FINCA NÚMERO CUATRO MIL CUATROCIENTOS TREINTA Y SEIS (4,436) SE SEGREGA LA SIGUIENTE: ----

----------PARCELA B GUIÓN NUEVE (B-9) ----------

---- URBANA: Predio de terreno localizado en el Barrio Santurce Sur, Sector Martín Peña, del término municipal de San Juan Puerto Rico, con una cabida superficial de trescientos sesenta y nueve punto siete mil ochocientos treinta y dos (369.7832) metros cuadrados equivalentes a cero punto cero novecientos cuarenta y una (0.0941) cuerdas. En lindes por el Norte, hoy con el Estado Libre Asociado de Puerto Rico, antes Fernando y Luisa Géigel; por el Sur, con el Estado Libre Asociado de Puerto Rico, antes "The Collette Manufacturing Co."; por el Oeste, con el Estado Libre Asociado de Puerto Rico, antes Autoridad de los Puertos; y por el Este con la calle Coronel Irizarry.----------

--- Para fines registrales se valora esta parcela en la suma nominal de UN DÓLAR ($1.00). ----------

DE LA FINCA NÚMERO CUATRO MIL CIENTO CUARENTA Y SIETE (4,147), SE SEGREGA LA SIGUIENTE: ----------

----------PARCELA B GUIÓN DIEZ (B-10) ----------

---- URBANA: Predio de terreno localizado en el Barrio Santurce Sur, Sector Martín Peña, del término municipal de San Juan Puerto Rico, con una cabida superficial de doscientos punto cero dos dos tres (200.0223) metros cuadrados equivalentes a cero punto cero quinientos ocho (0.0508) cuerdas. En lindes por el Norte y el Este con la calle Coronel Irizarry; por el Sur con el Estado Libre Asociado de Puerto Rico, antes B. Suárez y F. Seín; y por el Oeste con el Estado Libre Asociado de Puerto Rico, antes Autoridad de Puertos.----------

--- Para fines registrales se valora esta parcela en la suma nominal de UN DÓLAR ($1.00). ----------

DE LA FINCA NÚMERO CUATRO MIL CUATROCIENTOS OCHENTA Y UNO (4,481), SE SEGREGA LA SIGUIENTE: ---

----------PARCELA B GUIÓN ONCE (B-11) ----------

---- URBANA: Predio de terreno localizado en el Barrio Santurce Sur, Sector Martín Peña, del término municipal de San Juan

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Puerto Rico, con una cabida superficial de ciento cincuenta y cinco punto tres mil trescientos veintiséis (155.3326) metros cuadrados equivalentes a cero punto cero trescientos noventa y cinco (0.0395) cuerdas. En lindes por el Norte y Este con el Estado Libre Asociado de Puerto Rico y con la calle Coronel Irizarry; por el Sur y Oeste, con el Estado Libre Asociado de Puerto Rico.----------

--- Para fines registrales se valora esta parcela en la suma nominal de UN DÓLAR ($1.00). ----------

--- **SEXTO:** El compareciente de la PRIMERA PARTE solicita de la (el) Honorable Registrador(a) de la Propiedad que inscriba las fincas anteriormente segregadas en los párrafos CUARTO y QUINTO como fincas independientes----------

----------**REMANENTES**----------

---- **SÉPTIMO:** Luego de segregadas las parcelas descritas en los párrafos CUARTO Y QUINTO anterior, los remanentes de las fincas descritas en el párrafo PRIMERO anterior son los siguientes: ----------

REMANENTE DE LA FINCA NÚMERO CUATRO MIL CUATROCIENTOS TREINTA Y SIETE (4,437) ----------

---- **URBANA:** Parcela de terreno radicada en el Barrio Martín Peña, Sección Sur del Barrio Santurce de San Juan, Puerto Rico, con una cabida superficial de mil trescientos treinta y cinco punto uno dos ocho uno (1,335.1281) metros cuadrados equivalentes a cero punto tres tres nueve siete (0.3397) cuerdas. En lindes: por el Norte, Sur, Este y Oeste, con terrenos del Estado Libre Asociado de Puerto Rico. ----------

REMANENTE DE LA FINCA NÚMERO SIETE MIL QUINIENTOS VEINTE (7,520) ----------

---- **URBANA:** Parcela de terreno situado en Martín Peña en la Sección Sur del Barrio Santurce en el municipio de San Juan, con un área superficial de noventa y nueve punto cuarenta y cuatro (99.44) metros cuadrados equivalentes a cero punto cero dos cinco tres (0.0253) cuerdas. En lindes: por el Norte, con la Autoridad de Carreteras y Transportación de Puerto Rico; por el Sur, el Este y el Oeste, con terrenos del Estado Libre Asociado de Puerto Rico. ----------

REMANENTE DE LA FINCA VEINTIÚN MIL TRECIENTOS (21300) PENDIENTE DE INSCRIPCIÓN DE SEISCIENTOS SETENTA PUNTO OCHO NUEVE CERO CINCO (670.8905) METROS CUADRADOS ----------

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---- **URBANA:** Predio de terreno localizado en la Avenida Ponce del León con una cabida superficial de ciento setenta y cinco punto siete cuatro nueve tres (175.7493) metros cuadrados equivalentes a cero punto cero cuatro mil cuatrocientos setenta y uno (0.04471) cuerdas. En lindes: por el Norte, con el Estado Libre Asociado de Puerto Rico; por el Sur, con la Autoridad de Carreteras y Transportación de Puerto Rico; por el Este, con el Estado Libre Asociado de Puerto Rico; y por el Oeste, con el Estado Libre Asociado de Puerto Rico. ----------

REMANENTE DE LA FINCA NÚMERO CUATRO MIL QUINIENTOS SETENTA Y NUEVE (4,579) ----------

---- **URBANA:** Parcela de terreno sita en el Barrio Martín Peña en el término municipal de San Juan, compuesta de seis mil dieciséis punto dos cinco seis siete (6,016.2567) metros cuadrados equivalentes a uno punto cinco mil trescientos siete (1.5307) cuerdas. En lindes: por el Norte, Sur, Este y Oeste, con el Estado Libre Asociado de Puerto Rico. ----------

REMANENTE DE LA FINCA NÚMERO CUATRO MIL QUINIENTOS OCHENTA (4,580) ----------

---- **URBANA:** Parcela de terreno sita en el Barrio Martín Peña de Santurce Sur, con una cabida superficial de doscientos noventa y ocho punto tres ocho uno tres (298.3813) metros cuadrados equivalentes a cero punto cero setecientos cincuenta y nueve (0.0759) cuerdas. En lindes: por el Norte, Sur, Este y Oeste, con el Estado Libre Asociado de Puerto Rico. ----------

REMANENTE DE LA FINCA NÚMERO DOS MIL DOSCIENTOS VEINTIDÓS (2,222): ----------

----**URBANA:** Parcela de terreno radicada en el Barrio Santurce, de Puerto Rico, del término municipal de San Juan, con una cabida superficial de ciento treinta y tres mil cuatrocientos noventa y cinco punto cero dos setenta un metros cuadrados (133,495.0271), equivalentes a treinta y tres punto nueve mil seiscientas cuarenta y tres cuerdas (33.9643). En lindes: por el Norte, con Expreso Muñoz Rivera; por el Sur con terrenos del Municipio de San Juan, por el Este con ramal Muñoz Rivera y el Oeste terrenos del Municipio de San Juan. ----------

REMANENTE DE LA FINCA NÚMERO CINCO MIL DOSCIENTOS SETENTA Y CINCO (5,275): ----------

---- **URBANA:** Parcela de terreno radicado en el Barrio Santurce de San Juan, compuesta de mil trescientos treinta y seis punto nueve seis tres (1,336.963) metros cuadrados, equivalentes a cero punto tres mil cuatrocientos dos diezmilésimas (0.3402) cuerdas. En lindes, por el Norte, Este y Oeste, con el Estado Libre Asociado de Puerto Rico; y por el Sur, con el Caño Martín Peña. --

REMANENTE DE LA FINCA NÚMERO CUATRO MIL QUINIENTOS OCHENTA Y SEIS (4,586): ----------

---- **URBANA:** Parcela de terreno sita en el Barrio Martín Peña de Santurce Sur del término municipal de San Juan. Con una cabida

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--- **OCTAVO:** El compareciente de la PRIMERA PARTE, Estado Libre Asociado de Puerto Rico, interesa agrupar y por la presente **AGRUPA** las fincas denominadas como parcelas A Guión Uno **(A-1),** A Guión Tres **(A-3),** A GUIÓN SIETE **(A-7),** A Guión Diez **(A-10)** y A Guión Once **(A-11),** descritas en el párrafo CUARTO anterior; y la Finca Número Veintiún Mil Seiscientos Ochenta y Seis **(21,686)** PENDIENTE DE INSCRIPCIÓN DE CIENTO CUARENTA Y SIETE PUNTO SEIS NUEVE CINCO CUATRO METROS CUADRADOS (147.6954 m.c.), e identificada como PARCELA A GUIÓN DOS **(A-2);** en el Plano y la Resolución de la Junta de Planificación antes citada, Y la Finca Número Veintiún Mil Seiscientos Ochenta y Siete **(21,687)** PENDIENTE DE INSCRIPCIÓN DE CUATRO MIL SEISCIENTOS CUARENTA Y CINCO PUNTO SEIS SIETE UNO SEIS (4,645.6716) METROS CUADRADOS, e identificada como PARCELA A GUIÓN DOCE **(A-12),** en el Plano y la Resolución de la Junta de Planificación antes citada descritas en el párrafo PRIMERO anterior, y que se ilustran en el Plano "Inscription Plan I Parcels "A"and "B" Sagrado Corazón Station Tren Urbano Proyect" preparado por la firma de agrimensores Pedro J. Dávila Colón, como una finca independiente y con la siguiente descripción:----------

----------PARCELA A GUIÓN I (A-I) ----------

---- **URBANA:** Predio de terreno localizado en el Barrio Santurce Sur, Sector Martín Peña, del término municipal de San Juan, Puerto Rico, con una cabida superficial de seis mil trescientos noventa punto uno nueve cinco siete (6,390.1957) metros cuadrados equivalentes a uno punto seis dos cinco ocho (1.6258) cuerdas, según mensura realizada por la Autoridad de Carreteras y Transportación. En lindes: por el Norte, con la Autoridad de Carreteras y Transportación, antes S.I.P.F. Corporation, Olga Negrón Martínez y la nueva extensión de la Avenida Borinquen; por el Sur, con la nueva extensión de la Avenida Rexach; por el Oeste, con la Autoridad de Carreteras y Transportación, antes la Autoridad de Acueductos y Alcantarillados y la nueva alineación de la Avenida Fernández Juncos; y por el Este, con la Autoridad de Carreteras y Transportación, antes The November Group, S.E. y The Shell Co. P.R. Ltd., y la Avenida Ponce de León. ----------

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--- **NOVENO:** A su vez, el compareciente de la PRIMERA PARTE, Estado Libre Asociado de Puerto Rico, interesa agrupar y por la presente **AGRUPA** las fincas denominadas como parcelas B Guión Uno **(B-1),** B Guión Dos **(B-2).** B Guión Tres **(B-3),** B Guión Cuatro **(B-4)** y B guión Cinco **(B-5),** B Guión Nueve **(B-9),** B Guión Diez **(B-10)** y B Guión Once **(B-11),** descritas en el párrafo QUINTO anterior; y las FINCAS: CUATRO MIL QUINIENTOS OCHENTA Y DOS **(4,582),** identificada como PARCELA B GUIÓN SEIS **(B-6);** en el Plano y la Resolución de la Junta de Planificación antes citada; la finca número CUATRO MIL QUINIENTOS OCHENTA Y TRES **(4,583),** identificada como **PARCELA B GUIÓN SIETE (B-7);** en el Plano y la Resolución de la Junta de Planificación; antes citada y la finca número SEIS MIL TRES **(6003),** identificada como **PARCELA B GUIÓN OCHO (B-8),** en el Plano y la Resolución de la Junta de Planificación antes citada descritas en el párrafo PRIMERO anterior, que se ilustran en el Plano "Inscription Plan I Parcels "A"and "B" Sagrado Corazón Station Tren Urbano Proyect" preparado por la firma de agrimensores Pedro J. Dávila Colón, como una finca independiente y con la siguiente descripción:----------

----------**PARCELA B:** ----------

---- **URBANA:** Predio de terreno localizado en el Barrio Santurce Sur, del término municipal de San Juan, Puerto Rico, con una cabida superficial de veinte mil ochocientos nueve punto cero tres cero uno (20,809.0301) metros cuadrados equivalentes a cinco punto dos nueve cuatro cuatro (5.2944) cuerdas. En lindes, por el Norte, con la nueva extensión de la Avenida Borinquen; por el Sur y Oeste, con la nueva rampa de acceso al Expreso Luis Muñoz Rivera; y por el Este, con la nueva extensión de la Avenida Rexach y la Avenida Manuel Fernández Juncos.----------

--- **DÉCIMO:** El compareciente de la PRIMERA PARTE solicita de la (el) Honorable Registrador(a) de la Propiedad que inscriba las fincas anteriormente agrupadas y descritas en los párrafos OCTAVO Y NOVENO anteriores, como fincas independientes. ----

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--- **DÉCIMO PRIMERO:** A los fines de inscripción, las anteriores agrupaciones se valoran de la siguiente forma: Se valora en la suma nominal de siete **($7.00)** dólares las parcelas agrupadas y descritas en el párrafo OCTAVO anterior identificadas como PARCELA A GUIÓN I **(A-I);** y las parcelas agrupadas descritas en el párrafo NOVENO anterior, identificadas como **PARCELA B** en la suma de diez **($10.00)** dólares. ----------

--- **DUODÉCIMO: El compareciente de la Segunda parte, "BANCO GUBERNAMENTAL DE FOMENTO", es dueño en pleno dominio de la siguiente propiedad:** ----------

---- **URBANA: (Finca San Juan)** Predio de terreno propiedad del Estado Libre Asociado de Puerto Rico que radica en el Barrio Santurce Sur de San Juan, con una cabida superficial de ochenta y cuatro mil setecientos dieciocho punto cincuenta (84,718.50) metros cuadrados equivalentes a veintiuno punto cinco cinco cuatro siete (21.5547) cuerdas. En lindes, por el Norte, con el Expreso Luis Muñoz Rivera; por el Sur, con terrenos propiedad de la Corporación de Renovación Urbana y Vivienda de Puerto Rico; por el Este, con terrenos que forman parte del Sector Buenos Aires I; y por el Oeste, con el Expreso Muñoz Rivera.----------

---- Inscrita al Tomo trescientos tres (303) del Folio doscientos veintitrés vuelto (223v.), Finca Número diez mil ciento noventa y dos (10,192), Inscripción Segunda.----------

---- Adquirida por el Banco Gubernamental de Fomento de Puerto Rico mediante Cesión en Pago de Deuda de la Corporación de Renovación Urbana y Vivienda de Puerto Rico, por escritura número uno (1) otorgada en San Juan, el día siete (7) de marzo de mil novecientos noventa y siete (1997) ante el notario público Guillermo R. Picó Gómez.----------

--- **DÉCIMO TERCERO:** Manifiesta el compareciente de la SEGUNDA PARTE que la finca descrita anteriormente está libre de cargas y gravámenes.----------

--- **DÉCIMO CUARTO:** A los fines de inscripción la anterior finca descrita en el párrafo DUODÉCIMO anterior, se valora en la suma de VEINTICINCO MILLONES DE DOLARES ($25,000,000.00).------

----------**PERMUTA**----------

--- **DÉCIMO QUINTO:** Los comparecientes tienen convenida las PERMUTAS de la parcelas descritas en los párrafos OCTAVO Y

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DTOP Parcela B y Parcela A-I las permutan x la finca S.J. y BGF

NOVENO anteriores, e identificadas como **PARCELA B** y **PARCELA** A GUIÓN I **(A-I)**, según agrupadas, propiedad del Estado Libre Asociado de Puerto Rico, por la finca identificada como **Finca San Juan**, descrita en el párrafo DUODÉCIMO anterior, propiedad del Banco Gubernamental de Fomento, la cual llevan a cabo bajo las siguientes: ----------

---------- **CLÁUSULAS Y CONDICIONES** ----------

--- **UNO:** Para los efectos de esta transacción se valora la finca denominada **PARCELA B** en la suma de **DIECIOCHO MILLONES QUINIENTOS SESENTA Y UN MIL SEISCIENTOS CINCUENTA Y CUATRO DOLARES CON SETENTA Y SEIS CENTAVOS ($18,561,654.76).**----------

--- **DOS:** Para los efectos de esta transacción se valora la finca denominada **PARCELA A GUIÓN I (A-I)** en la suma de **SEIS MILLONES TRESCIENTOS NOVENTA MIL DOSCIENTOS DOLARES ($6,390,200.00).** ----------

LSP

AA

--- **TRES:** Para los efectos de esta transacción se valora la finca denominada como **FINCA SAN JUAN**, Finca Número diez mil ciento noventa y dos **(10,192)** en la suma de **VEINTICINCO MILLONES DE DOLARES ($25,000,000.00)**.----------

--- **CUATRO:** Las partes se otorgan recíprocamente cartas de pago y se obligan al saneamiento en caso de evicción u otras causas legales tomándose en cuenta que de haber alguna diferencia en el valor de las fincas aquí a permutarse la transacción aquí contemplada se debe a consideraciones de orden y política pública del Estado Libre Asociado de Puerto Rico a través de sus agencias e instrumentalidades, las cuales en ningún momento se debe entender como una donación.----------

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--- **DÉCIMO SEXTO:** De conformidad con la Ley Número doce (12) de diez de diciembre de mil novecientos setenta y cinco

(1975), según enmendada; el Plan de Reorganización Número Seis (6) de mil novecientos setenta y uno (1971), Apéndice Tercero (3ro.) Título Tres (3) de las Leyes de Puerto Rico Anotadas; el Artículo Ciento Treinta y Tres (133), del Código Político de Puerto Rico, facultan al Secretario del Departamento de Transportación y Obras Públicas a llevar a cabo esta transacción.----------

--- **DÉCIMO SÉPTIMO:** A su vez, la Ley Número diecisiete (17) del veintitrés (23) de septiembre de mil novecientos cuarenta ocho (1948) según enmendada dispone la facultad del Banco Gubernamental de Fomento de adquirir mediante permuta propiedades que redunden en beneficio para el Pueblo de Puerto Rico, para ser desarrolladas conforme a la política pública del Estado Libre Asociado de Puerto Rico.----------

--- **DÉCIMO OCTAVO:** Manifiestan las partes que mediante el otorgamiento de la presente escritura cada uno entra en la posesión del título de las propiedades permutadas, sin más formalización que la presente escritura.----------

--- **DÉCIMO NOVENO:** Manifiestan además las partes comparecientes que adquieren los inmuebles objeto de esta Permuta en las mismas condiciones en que se encuentran ("as is"). Las partes comparecientes reconocen y aceptan que el Banco Gubernamental de Fomento realizó labores en la parcela A para remoción de utilidades y remedio de terreno contaminado y que se han realizado las investigaciones y/o estudios ambientales necesarios para conocer si existen condiciones de contaminación en los terrenos objeto de la presente escritura y que no existen condiciones peligrosas o contaminantes en los predios objeto de esta transacción que no hayan sido objeto de advertencia y conocimiento de las partes. ----------

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--- **VIGÉSIMO:** Manifiestan y aseguran las partes que han cumplido con todos los requisitos de Ley vigentes para llevar a cabo la transacción que se formaliza por medio de la presente escritura y se comprometen además a realizar todas aquellas gestiones requeridas por Ley, así como a otorgar cualesquiera documentos complementarios adicionales que fuese menester otorgar para perfeccionar la transacción que se realiza por la presente escritura.----------

--- **VIGÉSIMO PRIMERO:** El notario autorizante advierte a las partes otorgantes aquí comparecientes que de encontrarse en zona inundable los inmuebles objeto de esta transacción, cualquier titular y/o ocupante presente o futuro de los mismos, queda obligado por Ley a observar y cumplir con los requerimientos y disposiciones del Reglamento sobre Zonas Susceptibles de Inundación, bajo apercibimiento de que incumplir con los mismos resultaría en un acto ilegal, a tenor de las disposiciones de la Sección Tres (3) de la Ley Número Once (11) de ocho (8) de marzo de mil novecientos ochenta y ocho (1988) sobre Zonas Inundables (L.P.R.A. Sec. 225 (G)). Las partes aquí comparecientes reconocen estar plenamente advertidas sobre este requisito y se obligan a su fiel cumplimiento en caso de que les sea de aplicación el mismo.----------

--- **VIGÉSIMO SEGUNDO:** No aparecen sellos de Rentas Internas cancelados por estar el Banco Gubernamental de Fomento para Puerto Rico exento del pago de derechos, incluyendo los prescritos para la inscripción de documentos, según dispuesto en la Ley Número veinticinco (25) del diez (10) de junio de mil novecientos cincuenta y nueve (1959) treinta (30) L.P.R.A. mil setecientos setenta c (1770c) así como el Estado Libre Asociado de Puerto Rico y el Departamento de Obras

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Públicas están exentos del cobro de derechos para instrumentos públicos y sellos de rentas internas a tenor con el titulo cuatro (4) Leyes de Puerto Rico Anotadas sección ochocientos cincuenta y uno y siguientes. ----------

---------- **ACEPTACIÓN** ----------

-- Los otorgantes aceptan esta escritura en la forma en que está redactada por encontrarla conforme a lo convenido.----------

---------- **ADVERTENCIAS** ----------

--- YO, el Notario Autorizante, en cumplimiento de la Ley, les hice las advertencias legales pertinentes y en especial de haberle advertido a las partes comparecientes que la presente escritura pública se ha otorgado conforme a estudios registrales realizados por terceros y no por el notario autorizante y que las mismas reflejan solamente la realidad registral al momento de la realización de dichos estudios y que por más reciente que sean el Registro no cierra ni excluye la posibilidad de que se hayan presentado otros documentos relacionados con las propiedades con posterioridad a dichas fechas; por lo que el notario autorizante no tendrá ningún tipo de responsabilidad.----------

--- Se advierte además a las partes la conveniencia de obtener una certificación sobre deuda contributiva sobre las propiedades objeto de esta transacción del Centro de Recaudación de Ingresos Municipales (CRIM), el deber de las partes de cumplimentar y radicar la "Planilla de Solicitud de Cambio de Dueño" en el Centro de Recaudación de Ingresos Municipales (CRIM) en relación con estas transacciones, así como la necesidad de que a la mayor brevedad posible, presenten sus respectivas copias certificadas de esta escritura en el Registro de la Propiedad correspondiente. ----

--- Se ha advertido además a las partes comparecientes la necesidad de manifestar todo lo que conozcan o sepan sobre el

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estado de cargas y/o gravámenes que afecten o puedan afectar los inmuebles. Advirtiéndoles también sobre la responsabilidad civil y/o criminal de mentir u ocultar información relativa al estado de cargas y gravámenes en las propiedades. ----------

---------- **LECTURA Y OTORGAMIENTO** ----------

--- Los otorgantes han leído y consienten esta escritura, se ratifican en su contenido y la firman ante mí, el Notario Autorizante, estampando sus iniciales en cada uno de los folios de este documento.----------

De todo lo consignado en este instrumento público y de quedar adheridos y cancelados los correspondientes sellos de Rentas Internas y el Sello del Impuesto Notarial, YO, el Notario Autorizante, que firmo, rubrico, signo y sello, **DOY FE.**----------

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EXHIBIT B

“CONTRATO DE SERVICIOS PROFESIONALES”

BANCO GUBERNAMENTAL DE FOMENTO PARA PUERTO RICO
Centro Gubernamental Roberto Sánchez Vilella
Avenida De Diego #100, Edificio Centro, San Juan, Puerto Rico 00907
PO Box 42001, San Juan, Puerto Rico 00940-2001
Tel. (787) 722-2525

CONTRATO DE SERVICIOS PROFESIONALES (CONTRATO)

Nombre y Dirección del Contratista	**Número del Contrato: 2017-BGF-059**
CARLOS E. GAZTAMBIDE & ASSOCIATES, INC EDIFICIO UNION PLAZA SUITE 1103 416 AVE. PONCE DE LEÓN SAN JUAN, PR 00918	**FECHA:** 5 DE OCTUBRE DE 2016

VIGENCIA: desde su otorgamiento hasta 30 de diciembre de 2016

DESCRIPCIÓN DEL SERVICIO	**Cuantía**
Carlos E. Gaztambide & Associates, Inc. (en adelante el "Contratista") realizará estudio de valoración para la propiedad del Banco Gubernamental de Fomento para Puerto Rico (en adelante el "Banco") conocidas como Parcela B localizada en Santurce Sur, según se detalla en la propuesta del 26 de septiembre de 2016, la cual se hace formar parte de este Contrato como **Anejo A**. De existir alguna discrepancia entre los términos expuestos en el **Anejo A** y los términos incluidos en este CONTRATO DE SERVICIOS PROFESIONALES, prevalecerán los incluidos en este CONTRATO. El monto total de la compensación por los servicios que pagará el Banco durante la vigencia del CONTRATO no excederá de $2,900.00. El mismo será pagadero por el Banco al momento de recibir el informe de valoración.	**$2,900.00**
(Patrono con Igualdad de Oportunidades de Empleo) **CUANTÍA MÁXIMA DEL CONTRATO:**	**$2,900.00**

REQUISITOS MÍNIMOS YCONDICIONES QUE EL O LA CONTRATISTA DEBE CUMPLIR:

Introducción:

En el ordenamiento jurídico del Estado Libre Asociado de Puerto Rico, existen diversos preceptos legales que guían el proceso de contratación gubernamental. Por tanto, existen leyes, órdenes ejecutivas, reglamentos y cartas circulares que dictan los requisitos para la contratación gubernamental. El incumplimiento de dichas normas podría conllevar menoscabo del erario y severas sanciones, tales como la resolución del contrato. En cumplimiento con lo anterior y en virtud de la autoridad que le confieren sus leyes orgánicas para contratar, el Banco, sus subsidiarias y afiliadas, como instituciones gubernamentales sujetas a dichas normas exigen al o a la contratista el cumplimiento de los siguientes requisitos mínimos y condiciones:

1. El Banco podrá dar por terminado este Contrato mediante notificación por escrito con treinta (30) días de antelación a la fecha en que interesa la cancelación. Los derechos, deberes y responsabilidades de las partes continuarán en pleno vigor durante el periodo de treinta (30) días desde la notificación. El o la Contratista no tendrá derecho a compensación adicional alguna, excepto lo devengado bajo este Contrato hasta esa fecha.

2. El Contratista no podrá subcontratar los servicios objeto de este Contrato, ni contratar peritos u otras personas sin autorización previa escrita del Banco. La solicitud para contratar a un tercero deberá especificar los asuntos o casos en los que éste intervendría. Los horarios pagaderos a tales terceros, se deducirán del monto máximo que el contratista puede cobrar bajo este Contrato.

FORMA DE PAGO, FACTURACIÓN Y RETENCIÓN

3. El o la Contratista someterá al Banco una factura de los servicios rendidos durante los primeros treinta (30) días del mes siguiente al mes en que se rindieron los servicios. La factura incluirá una descripción de los servicios y deberá cumplir con los siguientes requisitos:

   a) La factura debe estar certificada como correcta y pendiente de pago por el oficial a cargo de la cuenta o la persona con la autoridad en representación del o la Contratista.

   b) El proveedor someterá su factura a la atención del Departamento de Preintervención del Banco, a cualquiera de las siguientes direcciones:

Postal:
Banco Gubernamental de Fomento para Puerto Rico
PREINTERVENCION
PO Box 42001
San Juan, PR 00940-2001

Física:
Banco Gubernamental de Fomento para Puerto Rico
PREINTERVENCIÓN
Avenida De Diego # 100
Centro Gubernamental Roberto Sánchez Vilella
Edificio Centro – **Piso P**
San Juan, PR 00907-2345

c) La factura deberá incluir la siguiente certificación firmada por una persona autorizada, sobre la ausencia de interés alguno en las ganancias o beneficios del presente Contrato por parte de empleados del Banco, entendiéndose que de no contener esta certificación la factura no será procesada. Dicha certificación leerá como sigue:

"Bajo pena de nulidad absoluta certifico que ningún servidor público del Banco Gubernamental de Fomento para Puerto Rico, es parte o tiene algún interés en las ganancias o beneficios producto del contrato objeto de esta factura, y de ser parte o tener interés en las ganancias o beneficios producto del contrato, ha mediado una dispensa previa. La única consideración para suministrar los servicios objeto del contrato ha sido el pago acordado con el representante autorizado de la agencia. El importe de esta factura es justo y correcto. Los servicios se han prestado y no han sido pagados."

d) De encontrarse adecuada, la factura será aprobada y se procesará su pago. El Banco se reserva el derecho de revisar la corrección de la factura y de efectuar las auditorias que estime convenientes.

e) El Banco hace constar, y el Contratista así lo reconoce y acepta, que no honrará para pago por factura sometida pasados ciento veinte (120) días de haberse rendido los servicios. Esta condición es fundamental en este Contrato y el Contratista así lo reconoce y acepta. El Banco certifica que los desembolsos bajo este Contrato no provienen de asignaciones presupuestarias legislativas anuales, ya que el Banco es una corporación pública fiscalmente autónoma. Todo desembolso se hará de cuentas manejadas por el Banco. El Contratista se compromete a ofrecer la información pertinente para facilitar los pagos objeto del Contrato mediante transferencias electrónicas.

4. El Banco no reembolsará al Contratista por ningún tipo de gastos.

5. No se le efectuarán retenciones ni descuentos de sus honorarios al o a la Contratista, excepto los requeridos por la Ley Núm. 48-2013, según enmendada y, en los casos que apliquen, aquellos requeridos por el Código de Rentas Internas de Puerto Rico y sus reglamentos. En tales casos, el Banco hará la retención o descuento al procesar las facturas sometidas y remitirá su importe al Departamento de Hacienda. El o la Contratista será responsable de rendir y pagar sus aportaciones sobre los emolumentos obtenidos bajo este Contrato al Negociado de Contribución sobre Ingresos del Departamento de Hacienda (el "Negociado"). El Banco notificará al Negociado todos los pagos y los reembolsos que se efectúen al o la Contratista.

LEALTAD Y CONFIDENCIALIDAD

6. El o la Contratista se compromete a mantener en estricta confidencialidad toda información obtenida por razón de los servicios prestados en virtud de este Contrato, en caso de que dicha información no fuere previamente conocida por ella, no sea de conocimiento público, ni sea provista por terceras personas que no estén obligadas a mantener dicha información confidencial.

7. El o la Contratista reconoce que en el descargo de su función tiene un deber de lealtad completa hacia el Banco, lo que incluye el no tener intereses adversos a dichos organismos gubernamentales. Estos intereses adversos incluyen la representación de clientes que tengan o pudieran tener intereses encontrados con el Banco. Este deber, además, incluye la obligación continua de divulgar al Banco todas las circunstancias de sus relaciones con clientes y con terceras personas con cualquier interés que pudiere influir en el Banco al momento de otorgar el Contrato o durante su vigencia.

8. La negligencia o el abandono de sus deberes, así como la conducta impropia en o fuera del Banco por el o la Contratista o cualquiera de sus miembros constituirá causa suficiente para dar por terminado este Contrato inmediatamente sin necesidad de una notificación previa.

CERTIFICACIONES Y REPRESENTACIONES:

9. Que recibió copia de la Ley Núm. 84 del 18 de junio de 2002, según enmendada, mediante la cual se establece el Código de Ética para Contratistas, Suplidores y Solicitantes de Incentivos Económicos de las Agencias Ejecutivas del Estado Libre Asociado de Puerto Rico y de la Ley de Ética Gubernamental de Puerto Rico de 2011, Ley Núm. 1-2012, según enmendada y se compromete a cumplir con las disposiciones ambas leyes.

10. Que al momento de suscribir este Contrato ninguno de sus directores, oficiales, accionistas o empleados ha sido convicto, ni se ha declarado culpable, o que, ni el o la Contratista ni sus miembros tienen conocimiento de que son objeto de investigación en un proceso civil o criminal en el foro federal o estatal por hechos relacionados con un delito contra el erario público, la fe o función pública o que involucre fondos o propiedad pública.

11. Que al momento de suscribir este Contrato ninguno de sus directores, oficiales, accionistas o empleados es funcionario o empelado del Estado Libre Asociado de Puerto Rico ni de ninguna de sus agencias o instrumentalidades, por lo cual certifica que ninguno recibe pago o compensación alguna por servicios regulares prestados bajo nombramiento a otra agencia, organismo, dependencia, corporación pública o municipio de Puerto Rico.

12. El o la Contratista certifica y garantiza que al momento de suscribir este Contrato ha rendido su planilla de contribución sobre ingresos durante los cinco (5) años previos a su otorgamiento. El o la Contratista certifica y garantiza, además, que adeuda contribuciones al Estado Libre Asociado de Puerto Rico por concepto de contribución sobre ingresos de aproximadamente $5,000 y que está acogido a un plan de pago. Además, certifica y grantiza que no adeuda contribuciones sobre la propiedad mueble e inmueble, pagos por concepto de seguro por desempleo, incapacidad temporal, o de seguro social para choferes.

13. A los fines de este Contrato se entenderá por deuda contributiva cualquier deuda que tenga el o la Contratista con el Estado Libre Asociado de Puerto Rico, por concepto de contribuciones sobre ingresos, arbitrios, contribuciones sobre la propiedad mueble e inmueble, incluyendo cualquier imposición de carácter especial, derechos de licencias, contribuciones retenidas en el origen en el pago de salarios y servicios profesionales, en el pago de intereses, dividendos, rentas a individuos, sobre corporaciones y sociedades no residentes y en el pago de intereses, dividendos y otras distribuciones de ganancias a personas residentes, pagos por concepto de seguro por desempleo, incapacidad temporal o de seguro social para choferes.

14. El Contratista certifica y garantiza que al momento de suscribir este Contrato está en cumplimiento con sus obligaciones como patrono bajo el Programa de la Administración para el Sustento de Menores ("ASUME"), por el cual cumple con cualquier obligación de retención de nómina exigida por ASUME

Expresamente se reconoce que esta certificación es una condición esencial del Contrato. De no ser correcta en todo o en parte la presente certificación, esto constituirá causa suficiente para que el Banco deje sin efecto el Contrato, y el Contratista tendrá

que reembolsar al Banco toda suma de dinero recibida hasta el momento.

Si las circunstancias del Contratista, relacionadas con la retención sobre la nómina requerida por AUSME cambiaran en algún momento durante la vigencia del Contrato, ésta deberá informarlo al Banco de inmediato. En el caso, someterá una certificación de cumplimiento de ASUME o una declaración jurada a los efectos de que está cumpliendo con la responsabilidad de retener de los salarios de nómina la porción atribuible a la pensión alimenticia a menores. El incumplimiento con esta condición constituye una violación en esta clausula y dará lugar a los remedios antes mencionados.

15. El Contratista certifica que mantiene una póliza de seguro de responsabilidad profesional que sea suficiente para cubrir cualquier contingencia o reclamación que pueda surgir al amparo del Contrato. Será obligación del contratista evidenciar tal cubierta entregando al Banco una certificación expedida por su compañía de seguro antes de que el Banco realice el primer pago.

16. El Contratista certifica y garantiza que al momento de suscribir este Contrato es un contratista independiente, razón por lo cual nada de lo dispuesto en este Contrato deberá interpretarse como que crea una relación patrono –empleado entre el Contratista o alguno de sus directores, oficiales, accionistas o empleados y el Banco.

17. Ambas partes declaran que ningún funcionario o empleado público tiene interés pecuniario alguno directo o indirecto en la presente Contrato.

18. El Contratista certifica que no tiene obligación legal de obtener dispensa o autorización conforme a las leyes y reglamentos aplicables, previo al otorgamiento de este contrato. Además, certifica que ninguna de las disposiciones de la Ley de Ética Gubernamental de Puerto Rico de 2011 prohíbe el otorgamiento de este Contrato.

19. El Contratista certifica y garantiza que al momento de suscribir esta Orden está en cumplimiento con la Ley Núm. 168-2000, según enmendada, mejor conocida como "Ley para el Fortalecimiento del Apoyo Familiar y Sustento de Personas de Edad Avanzada", y que si tuviere alguna obligación por orden judicial o administrativa de realizar alguna aportación económica o cumplir con alguna obligación bajo la referida Ley, está en cumplimiento con tales obligaciones. El Contratista expresamente reconoce que la certificación anterior es una condición esencial de esta Orden, que de no ser cierta en todo o en parte, constituirá causa suficiente para dar por terminado la Orden inmediatamente, sin notificación previa al Contratista.

20. Expresamente se reconoce que estas certificaciones, reconocimientos y representaciones son condiciones esenciales del Contrato y de no ser correctas en todo o en parte, esto constituirá causa suficiente para que el Banco deje sin efecto el Contrato y el o la Contratista tendrá que reembolsar al Banco toda suma de dinero recibida hasta el presente. Esta obligación es de naturaleza continua durante la vigencia de este Contrato.

INTERPRETACIÓN Y APLICACIÓN:

21. Si alguna cláusula o condición de este Contrato fuera declarada nula o ilegal por cualquier tribunal competente, todas las demás cláusulas y condiciones de este Contrato seguirán teniendo plena fuerza y vigor.

22. Este Contrato contiene todos los acuerdos de las partes y queda sin efecto cualquier acuerdo anterior, escrito o verbal. Cualquier enmienda a este Contrato deberá hacerse por escrito y formará parte de este Contrato, como un anexo del mismo y estará sujeto, a la aprobación de las dependencias gubernamentales pertinentes.

23. Ninguna prestación o contraprestación objeto de este Contrato podrá exigirse hasta tanto la misma se haya presentado para registro en la Oficina del Contralor a tenor con lo dispuesto en la Ley Núm. 18 de 30 de octubre de 1975, según enmendada.

24. Este Contrato se regirá e interpretará según las leyes del Estado Libre Asociado de Puerto Rico.

OTORGAMIENTO:

Firma Autorizada – Banco:	Firma Autorizada – Contratista
Nombre y Título: LJ Lopez Asesor Legal General	Nombre y Título: Carlos E. Gaztambide, Presidente
Fecha: 11/10/2016	Fecha: 11/octubre/2016
SS: 660-34-8572	SS: 660-36-5229

Doc.32757

EXHIBIT C

MEASUREMENTS OF AREAS – CONVERSION TABLE

Units/ Unidades	Inches / Pulgadas	Feet / Pies	Yards / Yardas	Centimeters Centímetros	Meters /Metros	Miles / Millas
1 Pulgada /Inches	xxx	0.08333	0.02778	2.54	0.02540	xxx
1 Pie / Feet	12	xxx	0.33333	30.48	0.30480	xxx
1 Yarda / Yard	36	3	xxx	91.44	0.91440	xxx
1 Metro / Meter	39.37	3.28083	1.09361	100	xxx	xxx
1 Hectometro / Hectometer	xxx	328.083	109.36	xxx	100	0.06250
1 Kilometro / Kilometer	xxx	3280.830	1093.60	xxx	1000	0.62500
1 Milla / Mile	xxx	5280	1760	xxx	1600	xxx
1 Vara Castellana	32.32	2.69333	0.89778	82.09280	0.82093	xxx
1 Vara Conuquera	98.76	8.23	2.74333	250.85040	2.50850	xxx
Surface Units Unidades de Superficie	**Sq. Inches Pulgadas Cuadradas**	**Square Feet Pies Cuadrados**	**Square Yards Yardas Cuadradas**	**Square Meters Metros Cuadrados**	**Cuerdas**	**Acres**
1 Pie Cuadrado / Sq.Feet	144	xxx	0.1111	0.0929	xxx	xxx
1 Yda.^{2} / Square Yard	1296	9	xxx	0.8361	xxx	xxx
1 Metro^2 / Square Meter	1550	10.764	1.196	xxx	0.0002544	0.0002471
1 Centiarea	1550	10.764	1.196	1.00	0.0002544	0.0002471
1 Area	xxx	1076.40	119.600	100.00	0.02544	0.02471
1 Hectarea	xxx	xxx	11960	10000.00	2.5443	2.471
1 Cuerda	xxx	42306.79	4700.7543	3930.3966	xxx	0.9712
1 Acre	xxx	43560.00	4840.00	4046.8726	1.0296	xxx
1 Milla^2 / Square Mile	xxx	xxx	xxx	xxx	658.944	640.00
1 Km.^{2} / Square Kilometer	xxx	xxx	xxx	xxx	254.42	247.1