



**REAL PROPERTY EVALUATION AND DISPOSAL COMMITTEE ANSWERS TO
QUESTIONS SUBMITTED REGARDING FORMER DEPARTMENT OF JUSTICE
OFFICE BUILDING, ANNEX, PARKING LOTS
MIRAMAR SEALED BID PROCESS
(AS IS, WHERE IS, WITH ALL FAULTS)
BID DEADLINE: MONDAY, SEPTEMBER 30TH, 2024**

The Real Property Evaluation and Disposal Committee (the "Committee") hereby submits the ANSWERS TO QUESTIONS SUBMITTED by Interested Party in compliance with the SEALED BID PROCESS FOR FORMER DEPARTMENT OF JUSTICE OFFICE BUILDING, ANNEX, AND PARKING LOTS (defined as "MIRAMAR PROPERTIES") issued on August 8, 2024 (hereinafter referred to as the "SBP"):

1. Reason for increase in bid price from \$12,080,000 to \$14,575,000.

The Sealed Bid Process for Miramar Properties ("SBP") is being conducted by the Committee, in accordance with the provisions of Act No. 26-2017 and Regulation No. 9133 for the Evaluation & Disposition of Real Property of the Executive Branch, adopted on December 9, 2019 (hereinafter the "Regulation"), which provide the rules and regulations regarding the disposal of real property in disuse from the Government of Puerto Rico. Also, from time to time, the Committee may adopt criteria or parameters considering real estate and public policy best practices for promoting the disposition of the properties in disuse from the Government of Puerto Rico.

In virtue of the abovementioned, the disposition of property in disuse of the Executive Branch of the Government of Puerto Rico shall be subject to its market value according to an appraisal that has no more than two years calculated from its effective date. Due to the time elapsed since the appraisals commissioned for the first process of disposition through sealed bid process, new appraisals were necessary for the current SBP for Miramar Properties.

The analysis, opinions, and conclusions of the new appraisals were developed based in conformance with the guidelines and requirements set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), the provisions of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, the Code of Ethics and Standards of Practice of the CCIM Institute and the laws and regulations of the United States of America and the Commonwealth of Puerto Rico. Market Value Indication by the Sales Comparison Approach were used for this appraisals. The Dictionary of Real Estate Appraisal, 7th edition, defines the sales comparison approach as "the process of deriving a value indication for the subject property by comparing sales of similar properties to the property being appraised, identifying appropriate units of comparison, and making adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison."

2. Whether an appraisal was performed and if it can be shared.

As mentioned above, new appraisals were performed to comply with the parameters in place, real estate best practices, public policy implementation and the requirements of the Regulation. The confidentiality of appraisal is an important aspect of the appraisal profession. Appraisers must protect the privacy of their clients and the information they provide. Disclosure of appraisal to unauthorized parties can result in serious legal consequences. It is important to note that the appraisals performed have as their intended user the Real Property Evaluation and Disposal Committee and the Fiscal Agency and Financial Advisory Authority (AAFAP, for its Spanish acronym). Notwithstanding the foregoing, and in the interest of continuing to

promote the governmental transparency that should govern these processes, an in-person inspection of the appraisals will be permitted. An Interested Party may request in writing the opportunity to review the appraisals. Before reviewing said appraisals, which will be granted at the discretion of the Committee, the Interested Party shall execute a non-disclosure agreement provided by the Committee ("NDA"). The Committee will provide the NDA to the Interested Party for execution without amendment to the terms set forth therein. After execution and return of the NDA by the Interested Party, the Committee will provide access to the Miramar Properties appraisals for review, coordinating the date for inspection in AAFAF's Office.

Acknowledge Receipt:

The Interested Party must acknowledge receipt of these Answers to SBP Questions.

ACKNOWLEDGE: _____

END OF ANSWERS TO QUESTIONS SUBMITTED REGARDING SBP

August 30, 2024
San Juan, Puerto Rico



Sylvette Vélez-Conde, P.E.
Executive Director
Real Property Evaluation and Disposal Committee