

**MEMORANDUM OF AGREEMENT
BETWEEN THE
DEPARTMENT OF ADMINISTRATION
AND THE
GUAM HOUSING AND URBAN RENEWAL AUTHORITY**

This Memorandum of Agreement (“MOA”) is entered into by and between the Department of Administration (“DOA”), whose address is 590 South Marine Corps Drive, Tamuning, Guam, and the Guam Housing and Urban Renewal Authority (“GHURA”), whose address is 117 Bien Venida Ave., Sinajana, Guam 96910. DOA and GHURA may each individually be referred to as a “Party” and collectively as the “Parties.” Each Party is an agency of the government of Guam.

WHEREAS, in July 2016, GHURA acquired the following lots utilizing Community Development Block Grant (“CDBG”) funds from the U.S. Department of Housing and Urban Development (“HUD”) to serve as the location for Guam Police Department (“GPD”) and Guam Fire Department (“GFD”) facilities in the village of Sinajana:

Lot Number P.19.1A-11, Sinajana, Guam, Suburban, as said Lot is described in that Retracement Survey Map of Lot Nos. P.19.1B-1 & P19.1A-11, as shown Drawing Number 23-88-14, as L.M. Check Number 424 FY 88, dated 18 August 88 and recorded on 19 August 88 under Instrument No. 402384.

Lot Number P18.1B-1, Sinajana, Guam, Estate Number 67015, Suburban, as said Lot is described in that Retracement Survey Map of Lot Nos. P19-1B-1 & P19.1A-11, as shown Drawing Number 23-88-14, as L.M. Check Number 424 FY 88, dated 18 August 88 and recorded on 19 August 88 under Instrument No. 402384.

These lots shall collectively be referred to herein as “the Property;” and

WHEREAS, while construction for GPD’s Sinajana facility was completed in July 2019, GFD’s Sinajana facility was not completed; and

WHEREAS, at the time GHURA purchased the Property, Guam’s low- and moderate-income (“LMI”) data supported the eligibility requirement for the construction of the Fire Station in Sinajana under the CDBG. However, current LMI data no longer supports the construction of the Fire Station; and

WHEREAS, notwithstanding the loss of CDBG eligibility for construction of the Sinajana Fire Station, the Government of Guam desires to proceed with such construction; and

WHEREAS, to pursue construction of the Sinajana Fire Station on the Property, GHURA must be compensated the amount of the current fair market value of the Property, less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, and improvements to, the Property; and

WHEREAS, acquisition of the Property for use as the site for the Sinajana Fire Station is an eligible use of funds available under the American Rescue Plan Act (“ARPA”) funds; and

WHEREAS, at the direction and with the approval of Governor Lourdes A. Leon Guerrero, the DOA agrees to obligate the sum of Six Million, Five Hundred Sixty-Eight Thousand dollars (\$6,568,000.00) in ARPA funds to purchase the Property, as provided in Broker’s Price Opinion of the Property dated December 26, 2024 (“BPO”) (attached hereto as “Exhibit A”); and

WHEREAS, the purchase of real property under this Agreement is subject to a final appraisal of such property; and

WHEREAS, consistent with federal regulations, GHURA intends to subdivide and rezone the Property, which may affect the ultimate appraisal of that portion of the Property on which the Government of Guam intends to construct the Sinajana fire station.

Effective Date of this Agreement: Upon full execution.

Department of Administration agrees to:

1. DOA shall purchase the Property from GHURA for the amount of Six Million, Five Hundred Sixty-Eight Thousand dollars (\$6,568,000.00). Payment under this Paragraph shall be made within 90 days following DOA’s receipt of the appraisal report for the Property and shall be made no later than December 31, 2026. If the appraisal is lower than the amount identified to be paid under this Agreement, the difference may be reprogrammed by DOA for eligible uses consistent with the 2022 Final Rule, 2023 Interim Final Rule, and 2023 Obligation Interim Final Rule issued by the U.S. Department of the Treasury implementing the Coronavirus State Fiscal Recovery Fund established under the American Rescue Plan Act (“Treasury Rules”), and other applicable federal laws or regulations. If the appraisal exceeds the amount identified to be paid under this Agreement, the Parties shall have 30 days to renegotiate this Agreement. In such event the Parties cannot come to an agreement within this period, the Agreement shall terminate, and the funds obligated under this Agreement shall be reprogrammed by DOA for eligible uses consistent with the Treasury Rules, and other applicable federal laws or regulations.
2. DOA shall execute and manage and submit all ARPA reporting requirements to the U.S. Department of Treasury for funds paid under this Agreement.

3. DOA shall not be required to compensate GHURA for work GHURA performs or causes to be performed under this Agreement.

Guam Housing and Urban Renewal Authority agrees to:

1. GHURA shall perform or cause to be performed all actions to complete subdivision and rezoning of the Property as necessary prior to the appraisal of the Property as required by 2 CFR § 200.311 or any other applicable federal law or regulation.
2. GHURA shall perform or cause to be performed the appraisal of the Property as required by 2 CFR § 200.311 or any other applicable federal law or regulation.
3. GHURA shall cooperate with DOA to provide all information necessary to comply with ARPA reporting requirements. GHURA shall permit DOA and any auditors of DOA ongoing access to its records and financial statements as necessary to meet applicable federal regulations. DOA shall have the right of access to any pertinent documents, papers or other records of GHURA that are pertinent to this Agreement, including timeline and reasonable access to GHURA personnel for the purpose of interview and discussion related to the documents.
4. GHURA shall make, keep, and maintain, all official records, documents, communications, notes and other written materials, electronic media files, and communications, pertaining in any manner to this Agreement for a period of five years following the completion of the close out of this Agreement.
5. GHURA agrees that it will not seek reimbursement from DOA for performance of its obligations under this Agreement.
6. The purchase transaction shall be closed on July 31, 2025 or earlier at a location to be agreed upon by the Parties. Any extension of the Closing must be agreed upon in writing by the Parties. Prior to closing, the Parties agree to authorize and execute all necessary documents, in good faith, in order to record the transaction under the conditions required by the Department of Land Management.
7. GHURA shall convey title to the Property by warranty deed. The Property may be subject to restrictions contained on the plat, deed, covenants, conditions, and restrictions, or other documents noted in a Title Search Report. Prior to closing, GHURA will order a Title Search Report and deliver it to DOA. Upon receipt of the Title Search Report, DOA will have 10 business days to notify GHURA in writing of any matters disclosed in the report that are unacceptable to DOA. DOA's failure to timely object to the report shall constitute

acceptance of the Title Search Report. If GHURA does not remedy such matters within 60 days, DOA shall have the option of canceling this Agreement. After closing, GHURA shall provide DOA with an owner's standard form policy of title insurance insuring marketable title in the Property to the Government of Guam in the amount of the purchase price, free and clear of the objections agreed to be removed.

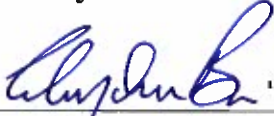
Both Parties agree:

1. The Parties agree that they will comply with all applicable Guam and federal laws, regulations and requirements as relate to this Agreement. DOA may terminate this Agreement at any time if it determines that cause exists to terminate this Agreement or the Agreement is not being carried out in compliance with the terms of this Agreement or the Treasury Rules.
2. The Parties shall promptly execute and deliver to the other party upon request, in recordable form, if appropriate, such other documents as the other party may reasonably request to effectuate the intent and terms of this Agreement.
3. This Agreement may not be amended, modified, or supplemented in any way except by a written instrument signed by both Parties.
4. In the event any provision herein is determined to be void or unenforceable for any reason, such determination shall not affect the validity or enforceability of any other provision, all of which shall remain in full force and effect.
5. This Agreement shall be governed under the laws of Guam.

[signature page follows]

IN WITNESS of the above provisions, the Parties have executed this Memorandum of Agreement on the last of the dates below stated.

For the Department of Administration: Authority: **For the Guam Housing and Urban Renewal Authority:**



EDWARD M. BIRN, Director

December 31, 2024

Date



ELIZABETH F. NAPOLI, Executive Director

12/31/2024

Date

Certified Funds Available:

\$6,568,000.00

Account No. 682-21-4200303 (450)



LESTER L. CARLSON, JR., Director,
Bureau of Budget and Management Research
Certifying Officer

EXHIBIT A: BROKER'S PRICE OPINION

12/26/24, 3:38 AM

flcxmls Web

Broker's Price Opinion

860 Route 4, Afame, Sinajana, GU, 96910

Prepared for Guam Housing Urban and Renewal Authority (GHURA) — Monday, December 23, 2024



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COMMENTS

As requested, I conducted a drive-by inspection and performed an exterior evaluation of the Guam Police Station, culminating in a Broker's Price Opinion (BPO). The subject property, completed in 2019, appears to be in very good condition, with visible wear and tear on the exterior due to the 2023 typhoon.

The initial analysis, including a projected price, is detailed at the end of this report. Based on the suggested marketing price, we estimate a marketing period ranging from eight (8) months to a year and a half (1.5 years). However, market trends indicate a timeframe exceeding two (2) years if priced outside the recommended range.

This price opinion pertains to the fee simple interest in the property. Key property details were provided by the Guam Housing Urban and Renewal Authority (GHURA). The opinion relies on data from their appraisal report, presumed accurate. My inspection was limited to the property's exterior.

As of December 23, 2024, and under the outlined Terms and Conditions, Assumptions, and Limiting Conditions available here: <http://neat-bpo.pgtb.mg/29rfbN>, my price opinion for the fee simple interest in the subject property is:

BROKER'S PRICE OPINION: \$6,568,000 (Rounded)

To the best of my knowledge, the data utilized is accurate, though no responsibility is assumed for any errors or omissions.

Thank you for entrusting me with your real estate evaluation needs. Please feel free to contact me by phone or email if you have any questions or feedback.

Important Note: This document provides a price opinion, not an appraisal or a market value determination. The price opinion is subject to change based on evolving market conditions.

Respectfully,

A handwritten signature in blue ink, appearing to read 'Neat M. King', written over a circular stamp.

Neat M. King
Principal Broker

This report is not an appraisal and is not intended to meet the requirements set out in the Uniform Standards of Appraisal Practice. If an appraisal is desired, the services of a licensed appraiser should be obtained.

Subject



Address	860 Route 4, Afame, Sinajana, GU 96910
Lot +/- Sq Meters	12873
Zoning	M1/R1
Topography	Fairly Level
Utilities	Available
Access	Paved

Price Analysis

Summary of Closed Listings

MLS #	Address	List Price	DOM	Sold Date	Sold Price	Total Adjustments	Adjusted Price
24-3136	L 1 & L 2 T1417 Bello Street, Barrigada GU	\$868,880	60	09/30/2024	\$800,000	\$174,410	\$774,410
23-1991	Lot 5030-5NEW(Fronting Route3), Dededo GU	\$1,500,000	180	11/13/2023	\$1,450,000	\$-20,580	\$1,429,420
23-285	S Marine Corps Dr. & ET Calvo, Tamuning GU	\$3,700,000	198	08/04/2023	\$3,600,000	\$55,350	\$3,555,350

Summary of Active Listings

MLS #	Address	Orig. List Price	DOM	List Price	Total Adjustments	Adjusted Price
24-2153	Front Route 4, Ordot-Chalan Pago GU	\$973,965	211	\$973,965	\$110,268	\$1,084,223
24-3589	Off Route 16, Dededo GU	\$1,500,000	112	\$1,500,000	\$352,260	\$1,852,260
24-4883	Off Marine Corps Drive, Tamuning GU	\$2,500,000	5	\$2,500,000	\$203,430	\$2,703,430
23-2854	Lot 5167-R1-1-N, Tamuning GU	\$2,800,000	511	\$2,600,000	\$37,120	\$2,637,120

Summary of Expired Listings

MLS #	Address	Orig. List Price	DOM	List Price	Total Adjustments	Adjusted Price
23-714	Front Route 4, Ordot-Chalan Pago GU	\$1,074,720	385	\$1,074,720	\$115,298	\$1,190,016
24-1109	RT 4 Chalan Canton Tasi, Ordot-Chalan Pago GU	\$1,200,000	101	\$1,200,000	\$81,780	\$1,291,780
22-4026	RT 30 GOV CARLOS CAMACHO Road, Tamuning GU	\$7,100,000	731	\$7,100,000	\$339,170	\$7,439,170

Low, Average, Median, and High Comparisons

	Closed	Active	Expired	Overall
Low	\$774,410	\$1,084,223	\$1,190,016	\$774,410
Average	\$1,919,727	\$2,069,258	\$3,306,989	\$2,395,718
Median	\$1,429,420	\$2,244,890	\$1,291,780	\$1,640,840
High	\$3,555,350	\$2,703,430	\$7,439,170	\$7,439,170

Overall Market Analysis (Unadjusted)

Status	#	List Vol.	Avg. List Price	Sold Vol.	Avg. Sold Price	Avg. Sale/List Price	Avg. Lot +/- Sq Meters	Avg. List \$/Lot +/- Sq Meters	Avg. Sold \$/Lot +/- Sq Meters	Avg. DOM
Closed	3	5,868,880	1,956,293	5,550,000	1,850,000	0.94	9,900	231.56	218.27	148
Active	4	7,573,965	1,893,491	0	0	0.00	7,139	280.50	0.00	210
Expired	3	9,374,720	3,124,907	0	0	0.00	10,289	258.31	0.00	399
Overall	10	22,817,565	2,281,756	5,550,000	1,850,000	0.94	8,912	259.16	218.27	247

Estimated Cost Approach

Indicated Land Price	\$2,492,400.00	\$193.61
Total Estimate Cost-New	\$4,368,000.00	\$438.80
<i>Depreciation</i>	<i>(\$312,000.00)</i>	<i>(\$31.20)</i>
Depreciated Cost of Improvements	\$4,056,000.00	\$405.60
As-is Value of Site of Improvements	\$20,000.00	\$2.00
Indicated Value by Cost Approach	\$4,076,000.00	\$407.60
Estimated Cost (rounded):	\$4,076,000.00	Indicated BPO Price (rounded):
		\$6,568,000.00

Listing Price Recommendation



Low	\$3,266,810
High	\$6,047,750
Recommended	\$6,568,000