

DEFENDANT'S EXHIBIT E

Hurley v. Lopez MJM-23-2494

Description, 2003 MAI Certified Appraisal

Group of fourteen pages, related to the **2003 MAI Certified Appraisal** of the Defendant's 826 oceanfront acres property located in Puerto Rico, made by the hired company **Global Valuation**, located at Florida State.

Relevancy

To prove the Defendant property ownership, surveying, king rights, the real \$450 million discovered value, and the existence of the parties' **December 2002 business partnership-relationship**.

Source & Validation

Made, paid, provided, accepted, discussed and/or certified by parties, public notaries and/or federal licensed appraisers

Federal Rules of Evidence

Rule 401 – Relevance Evidence must make a fact more or less probable and be material to the case.

902 – Self-Authentication Certain documents (e.g., certified public records, newspapers, official publications) require no extrinsic evidence of authenticity.



“Summary Appraisal Report”

of

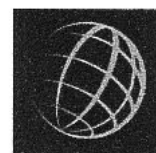
**The “ Juan Perez” Parcel
825 Acres of Vacant Oceanfront Land
State Road 187 – Kilometer Marker 10.3 –12.3
Municipality of Loiza, Puerto Rico USA**

**Prepared for
Megaproductions, Inc.**

Prepared By

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April 2003



Global **VALUATION**

Worldwide Appraisal Services



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Part One
Introduction

Letter of Transmittal
Executive Summary
Certificate of Value
Global Valuation Introduction
Qualifications of Appraisers





April 30, 2003

Mr. Anthony Hurley, General Manager
Megaproductions, Inc.
1401 Shefford Road
Baltimore, Maryland

Dear Mr. Hurley:

In accordance with our contract, I have inspected and appraised the subject property.

The subject property is briefly described as the "Juan Perez" Parcel and consists of 850 cuerdos (approximately 825 acres) of vacant land located at State Road 187, between kilometer marker 10.3 and 12.3 in the municipality of Loiza, Puerto Rico USA. The property features two kilometers of wide, white sandy beaches along the Atlantic Ocean and antique use rights which allow a wide variety of uses on the land including tourism, recreational, mining and energy uses.

Another feature is a large sand deposit on the parcel. "Islote de Juan Perez" contains over 30 million cubic meters of useable sand, which can be abstracted and sold on site. The sand is of good quality and has many uses, including construction materials and industrial uses. The sand is briefly described as: (Holecene and Pleistocene) sand, predominately composed of shell fragments cemented by calcium carbonate.

This is a Real Property (Land) and a Personal Property (Sand) Appraisal completed in accordance with The Uniform Standards of Professional Appraisal Practice (USPAP), as promulgated by the Appraisal Foundation, which is authorized by the United States Congress as the source of appraisal standards and appraiser qualifications. This letter is accompanied by an Appraisal Report prepared under the "Summary Appraisal Report" option.

The scope of the Personal Property Appraisal (Sand) is to estimate the prospective market value assuming an annual sales volume of one million cubic meters is sold, "on a wholesale basis on site." The scope of the Real Property Appraisal (Land) is to estimate the current market value "As Is."

We have completed an investigation of the local, regional and national mineral market and the real estate market. Based upon all of the information, market data consultations and analysis, it is our opinion that the subject property has a market value, as of April 30, 2003 of:

real property	\$340,000,000
personal property	\$110,000,000
total property	\$450,000,000

Four Hundred Fifty Million Dollars
(\$450,000,000)

We certify that we have no interest past or present in the subject property and that our conclusions of value are based on Internationally accepted techniques, methods and procedures. Moreover, our fee is not contingent upon a specified value conclusion. The value conclusions are subject to the Assumptions and Limiting Conditions, presented in the Appraisal Report.

Respectfully submitted,

Thomas G. Spears, ASA
President & CEO



EXECUTIVE SUMMARY

Subject Property	The "Juan Perez" Parcel, 850 cuerdos (825 acres) of Vacant Oceanfront Land	
Location	State Road 187 between kilometer markers 10.3 and 12.3, municipality of Loiza, Puerto Rico USA	
Special Assumptions	The Personal Property valuation is predicated upon abstracting and selling one million cubic meters of sand annually, on a wholesale basis on site.	
Type of Appraisal	Real Property (Land) and Personal Property (Sand) appraisal, uniform standards of Professional Appraisal Practices (USPAP) prepared under the "Summary Appraisal Report" option.	
Property Description	The subject property is briefly described as the "Juan Perez" Parcel and consists of 850 cuerdos (approximately 825 acres) of vacant land located at State Road 187, between kilometer marker 10.3 and 12.3 in the municipality of Loiza, Puerto Rico USA. The property features two kilometers of wide, white sandy beaches along the Atlantic Ocean and antique use rights, which allow a wide variety of uses on the land including tourism, recreational, mining and energy uses. Another feature is the large sand deposit on the parcel. "Islote de Juan Perez" contains over 30 million cubic meters of useable sand, which can be abstracted and sold on site. The sand is of good quality and has many uses, including construction materials and industrial uses. The sand is briefly described as: (Holocene and Pleistocene) sand, predominantly composed of shell fragments cemented by calcium carbonate, generally 1 meter of less thick.	
Highest and Best Use	Mixed use including developing a Destination Resort Subdivision, Water and Electricity Plants and Mining the Sand.	
Effective Date of Appraisal	April 30, 2002	
Interest Appraised	Fee simple interest of the Real Property, the sand is personal property.	
Zoning	Antique Uses Rights Doctrine Turistico – Commercial, Recreation, Energy, Mining, etc.	
Market Value Conclusions	Real Property	\$340,000,000
	Personal Property	\$110,000,000
	Total Property	\$450,000,000

**Four Hundred Fifty Million Dollars
(\$450,000,000)**



CERTIFICATE OF VALUE

This Appraisal is completed in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the appraisal Standards Board of the Appraisal Foundation, which is authorized by the United States Congress as the source of appraisal standards and appraiser qualifications. The Appraisal Report is prepared under the "Summary Appraisal Report" option.

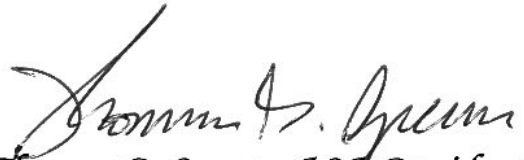
We certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is our personal, impartial, and unbiased professional analyses, opinions and conclusions.
- We have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our compensation, or future employment for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the causes 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.
- Thomas G. Spears, ASA, has made a personal inspection of the property that is the subject of this report. Michael G. Horton, MAI has not personally inspected the property.
- Thomas G. Spears has applied for a Temporary Practice permit, which will be issued by the Puerto Rico Board of Examiners of Real Estate Appraisers.
- No one provided significant professional assistance to the person signing this report.
- The scope of the Personal Property Appraisal (Sand) is to estimate the prospective market value assuming an annual sales volume of one million cubic meters is sold on a wholesale basis, on site. The scope of the Real Property Appraisal (Land) is to estimate the current market value "As Is."
- The subject property is briefly described as the "Juan Perez" Parcel and consists of 850 cuerdos (or approximately 825 acres) of vacant land located at State Road 187, between kilometer marker 10.3 and 12.3 in the municipality of Loiza, Puerto Rico USA. The property features two kilometers of wide, white sandy beaches along the Atlantic Ocean and antique use rights which allow a wide variety of uses on the land including tourism, recreational, mining and energy uses. Another feature is the large sand deposits on the parcel. "Islote de Juan Perez" contains over 30 million cubic meters of useable sand, which can be abstracted and sold on site. The sand is of good quality and has many uses, including construction materials and industrial uses. The sand is briefly described as: (Holocene and Pleistocene) sand, predominately composed of shell fragments cemented by calcium carbonate, generally 1 meter or less thick.

We have completed an investigation of the national, regional and local mineral market and real estate market. Based upon all of the market data, consultation research investigations and analysis, it is our opinion that the subject property has a market value, as of April 30, 2003 of:

Real Property	\$340,000,000
Personal Property	\$110,000,000
Total Property	\$450,000,000

FOUR HUNDRED FIFTY MILLION DOLLARS
\$450,000,000


Thomas G. Spears, ASA President & CEO
State Certified General Appraiser # RZ 0001243


Michael G. Horton, MAI
State Certified General Appraiser # RZ 0001755

PURPOSE, USE AND INTENDED USERS OF THE APPRAISAL

The purpose of an appraisal is the stated reason and scope of an appraisal assignment, which, is established by the client. The purpose of this appraisal is to estimate the market value "As Is" of the subject Real Property (Land) and the prospective market value "As Abstracted" of the subject Personal Property (Sand). The use or function of an appraisal is the manner in which a client employs the information contained in the appraisal report. The function of this appraisal is to assist our client in obtaining financing. The intended users of this report are those who will be relying on this appraisal. Intended users other than our client are investors and lenders of Personal and Real Property.

DEFINITIONS OF MARKET VALUE AND TERMS

MARKET VALUE as defined by the Appraisal Standards Board of the Appraisal Foundation / Uniform Standards of Professional Appraisal Practice (USPAP), is the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently and knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and each acting in what they consider their own best interest;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

PROSPECTIVE MARKET VALUE a forecast of the value expected at a specific future date. In this case, the crushed stone is sold out over a seventeen-year holding period.

MARKET VALUE TERMS are the values expressed in this report are the current purchasing power of the United States Dollar.

DATE OF THE APPRAISAL AND DATE OF REPORT

April 30, 2003

PROPERTY RIGHTS APPRAISED

The valuation of real property includes both the physical real estate and the rights that one or more individuals or legal entities may hold or contemplate holding in the ownership or use of the land and improvements, special attention must be given to limitations or ownership rights, which include easements, encroachments liens, leases, and the disposition of air or subsurface rights. In this case, the property rights appraised are the Fee Simple Estate. The Personal Property is thirty- million cubic meters of sand (minerals).

Definition of Fee Simple Estate - Absolute ownership of real estate that is unencumbered by any other interest or estate and is subject only to the limitations imposed by government agencies.

Definition of Real Property - All interests, benefits, and rights inherent in the ownership of physical



real estate; the bundle of rights with which the ownership of the real estate is endowed. In some states, real property is defined by statute and is synonymous with real estate.

Definition of Real Estate - Physical land and appurtenances attached to the land, e.g., structures. An identified parcel or tract of land, including improvements, if any.

Definition of Personal Property – Identifiable portable and tangible objects that are considered by the general public to be “personal,” e.g., furnishings, artwork, antiques, gems and jewelry, collectibles, machinery and equipment; all property that is not classified as real estate. (USPAP , 1992 edition) Personal property includes movable items that are not permanently affixed to, and part of, the real estate.

SCOPE OF THE APPRAISAL

The scope of this assignment is to estimate the prospective market value of the Personal Property and the current market value “As Is” of the Real Property.

General Data consists of information about trends in the social, economic, governmental, and environmental forces that affect property value. Global Valuation has gathered all the required general data necessary to estimate the value of the subject property.

Specific Data relate to the property being appraised and to the comparable properties. These data include quality, location and accessibility of the properties. We have collected verified and analyzed all the required specific data necessary to estimate the value of the subject property including specific data for the subject property and all comparable properties utilized in this analysis.

Competitive Supply and Demand Data relate to the competitive position of the property in its future market. Supply data include inventories of existing competitive properties and absorption rates. Demand data may consist of population, income employment, and survey data pertaining to potential property buyers. Global Valuation has gathered and verified all the required competitive supply and demand data necessary to estimate the value of the subject property. Internationally accepted methods of data analysis have been developed for this valuation. The most appropriate methods in this case are The Sales Comparison Approach and the Income Capitalization Approach.

The Sales Comparison Approach is most useful when a number of similar properties have recently been sold in the subject’s marketplace. The subject property has been compared to several similar properties and a range in which the value indication for the subject property will fall has been developed.

The Income Capitalization Approach has been employed using a Discounted Cash Flow Analysis or Yield Capitalization. Certain assumptions are made based upon market support including a discount rate range from 11.0% to 12.0%, selling one million cubic meters of sand per year and expenses associated with abstracting the sand.

SALES HISTORY OF THE SUBJECT PROPERTY

Title to this land has been in the Alberto Medina Lopez family prior to the U. S. and Spain treaty.

Part Three
Presentation of Data

Identification of the Subject Property
Area Profile



IDENTIFICATION OF THE SUBJECT PROPERTY

REAL PROPERTY

Description

The subject property consists of 850.00 cuerdas (825.521) acres) of vacant, land featuring two kilometers of wide white sandy beach along the Atlantic Ocean, all public services and communications at the site, and a large sand deposit identified as Islote de Juan Perez containing approximately 30 million cubic meters of useable sand.

Legal Description

Property: No. 57 recorded at page 62 Volume 2 of Loiza Registry of the Property of Carolina, Third Section Vacant land denominated "Juan Perez" located in Montenegro Ward of the Municipality of Loiza, with an area of 850.00 cuerdos of land bounded by the north with the sea; by the south, with property "Hacienda" Teodoro Chevrement; at the east, with lands of Public Property (Hacienda) and by the West Property "Hacienda" names Piñones. All located in the Commonwealth of Puerto Rico, USA.

Assessments and Taxes

According to the Carolina tax assessors department, the subject property has not been assessed for several years and is in the process of being assessed. The subject property is identified as PIN# 065-000-001-04-000.

Easements

State Road No. 187 runs through the property in an east –west direction, no other easements are indicated on the survey. Utility easements along state road 187 appear to be a safe assumption.

Soil Analysis

According to the Geologic Map of the Carolina Quadrangle, Puerto Rico prepared by Watson H. Monroe in 1977, the subject property soil consists of

Qbs	Beach Deposits (Holocene and Pleistocene)-Fine to medium sand on beach and coastal dunes; composed largely or rounded shell fragments mixed with minor quantities of fine quartz grains and fine grains of volcanic rock fragments.
Qbq	Beach Deposits (Holocene and Pleistocene)-Sand on beaches and abandoned beach ridges composed largely of fine quarts grains mixed with minor quantities of shell fragments and volcanic rock fragments.
QBR	Beach Rock (Holocene and Pleistocene)-Beach sand predominantly composed of shell fragments cemented by calcium carbonate.
Qs	Swamp deposits (Holocene and Pleistocene)-Sandy muck and clayey sand: some areas underlain by peat (Roberts and others, 1942). Much of the area now covered by artificial fill (af) was originally swamp deposit.

Site Improvements

All public services and communications are at this site along State Road 187, which runs through the property in an east-west direction. It is important to note that there are several squatters on the property who have developed small residences; this valuation does not take into consideration any dwellings on the land.

Ownership

The property is owned by Alberto Mendina Lopez.

Zoning

According to the zoning maps, the subject property is zoned Touristico –Commercial and Recreational Contemplative. A wide variety of commercial uses are allowed including resort hotels, golf courses, and recreational developments. The Juan Perez parcel is subject to an antique uses rights doctrine. The doctrine was established prior to the USA/Spain treaty and allows a wide variety of uses including tourism, recreation, mining, and energy uses. Another important right according to the doctrine is that the beachfront areas of the subject property are PRIVATE.

Size and Shape

The subject property is irregular in shape and contains a total area of 850.00 cuerdos or 825.521 acres.

Topography

The property features two kilometers of wide white sandy beaches along the Atlantic Ocean, sand dunes appear to range from 5-10 meters. The property also features a 60.5 cuerda or 58.78 acre sand deposit, marshland and mangrove swamp area. According to the geological map of the Carolina Quadrangle 1977, most of the swamp deposits are now covered by artificial fill. Global Valuation is not qualified to estimate the amount of fill required or in fact if any fill is required. The subject property will be developed with a large complex mixed use project with resort hotels, a golf course, etc. Based on a land development of this magnitude, lakes, canals and waterways will be dredged and this material may be used as fill, etc.

Access

The subject property is easily accessible via State Road 187.

