



Legislature of the Virgin Islands

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POST AUDIT DIVISION

December 10, 2025

MEMORANDUM:

TO: Honorable Novelle E. Francis, Jr.
Chairperson,
Committee on Budget, Appropriations and Finance
36th Legislature of the Virgin Islands

FROM: Post Audit Division

SUBJECT: Contract for Sale

SELLER: Government of the Virgin Islands (Property and Procurement)

BUYER : Z Property V.I., LLC.

PREMISES: Parcel No. 20-A Hospital Street, St. Croix, U.S. Virgin Islands, consisting of 2,000 U.S. sq. ft. more-or-less, as more fully described on Measure Brief 49329 Folio No. 472 dated July 24, 1997. Parcel ID# 2-04904-1102-00.

PAYMENT TERMS: The total purchase price for the property shall be Two Hundred Sixty Thousand Dollars **(\$260,000)** payable by Buyer to Seller as follows:

1. ***Deposit.*** Upon execution of this Agreement Buyer shall pay a deposit of the amount of Twenty-six Thousand Dollars **(\$26,000)**. The Deposit shall be held by Seller and shall be applied toward the Purchase Price at Closing.
2. ***Balance of Purchase Price.*** The remaining balance of the Purchase Price, in the amount of Two Hundred Thirty-Four Thousand Dollars **(\$234,000)** will be paid by the Buyer to the designated escrow agent no less than ten (10) business days prior to the scheduled closing date, in immediately available funds.
3. ***Z Property V.I., LLC.*** Agrees to pay the delinquent sewer fees owing against the premises of Three Thousand Seven Hundred Forty-Two Dollars and Twelve Cents **(\$3,742.12)**, the cost of which will be credited to Z Property at closing.

BACKGROUND: Initially registered with the Division of Corporations and Trademarks in December 2019, Z Property V.I., LLC holds a business license as an owner's representative coordinator in the United States Virgin Islands (USVI). The company is currently engaged in the revitalization and redevelopment of a designated corridor in Christiansted, U.S. Virgin Islands.

REQUIRED SUPPORTING DOCUMENTATION

DOCUMENT	EXPIRATION DATE
Business License	8/31/2026
Certificate of Good Standing	6/30/2026
Articles of Organization	N/A
Resolution	11/20/2025

APPRAISAL REPORTS

The following appraisals were submitted with the Contract of Sale to establish a baseline value for Parcel No. 20-A Hospital Street, zoned R-4 Residential, and purported to consist of approximately 11,500 square feet.

The Appraisals were used to assist the Government of the Virgin Islands and the Department of Property and Procurement in determining just compensation for the property.

Appraiser	Estimated Net Value	Date of Valuation	Date of Report
Kenn Hobson & Associates	\$83,600	March 12, 2025	March 20, 2025
Edwards Valuation Services	\$15,000	February 24, 2025	March 24, 2025
Integra Reality Resources	\$135,000	January 31, 2025	February 21, 2025

It must be noted that all appraisals reported a single masonry structure that has been vacant for some time and appears to be overrun with vegetation and garbage. ***Kenn Hobson & Associates*** noted that they were unable to find any recent sale of property which matched the qualities of the subject property, therefore a cost approach was used to estimate the value of the property.

Structure (Apparent size 40' x 30')
1,200+/- sq. ft. x \$280/sq. ft. \$336,000
Less: Depreciation (90%) \$302,400
Depreciated Value \$33,600
Plus: Land \$50,000
Total Value **\$83,600**

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A comparable list of recent sales was used by *Edwards Valuation Services* which used a *Sales Comparison Approach* to determine the estimated net value. As a result, a land value of \$15,000 was assigned to the property on an “after demolition” basis.

	Subject	Sale #1	Sale #2	Sale #3
Street Address	20 A Hospital St	19 Prince St	16 Green St	40 A New St
Sale Price		\$11,700	\$20,100	\$13,500
Unit of Comp	Land SF	Land SF	Land SF	Land SF
UoC Value	2,400 sf	2,915 sf	4,792 sf	2,086 sf
Sale Price/UoC		\$4.01	\$4.19	\$6.47
Date Sold		6/3/2024	1/23/2023	10/18/2022

Integra Reality Resources (IRR) also employed a *Sales Comparison Approach* to estimate the net value of the subject property at \$135,000. Comparable properties sold within a four-year period were analyzed to ensure relevance.

	Subject	Sale #1	Sale #2	Sale #3
Street Address	20 A Hospital St	47 King St	54 A Company St	25 Hospital Street
Sale Price		\$140,000	\$164,100	\$99,000
Unit of Comp	Land SF	Land SF	Land SF	Land SF
UoC Value	2,400 sf	5,881 sf	3,106 sf	3,190 sf
Zoning		B3	B-1	B-1
Date Sold		7/2024	7/2022	9/2021

Indicated Value per Square Feet	\$ 30.00
Subject Square Feet	<u>2,701</u>
Indicated Value	\$ 81,022
Adjustments	
Contributory Value of Shell	<u>\$ 54,000</u>
Total Adjustments	\$ 54,000
Indicated Value	\$135,022
Rounded	\$135,000

CONCLUSION

The Department of Property and Procurement is representing the Government of the Virgin Islands in the Contract of Sale for parcel 20 A Hospital Street, comprising of 2,000 U.S. square feet, more or less. Appraisals submitted in support of the transaction were used to establish a baseline property value and inform the determination of just compensation. Collectively, the appraisal analyses provide a valuation framework to support the Government’s decision-making and conclude the property disposition process.



Theodora Philip, DBA.
Post Auditor

APPENDIX I



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