

PAUL HENDRICKS REAL ESTATE APPRAISAL & COUNSELING

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COVER PAGE

APPRAISAL REPORT

**Opinion of Fee Simple and Easement Interest Values of
An unimproved +/- 19.41ac site (Fee simple), 42,885sf (Easement)
Located west of the Bilby Rd, Wade Rd intersection alignment,
In the northeast corner of Tucson Mountain Ranch Subdivision,
Known as Tucson Mountain Ranch Park (parcel 2010), and
Tucson Mountain Ranch Black Wash Trail (parcel 2020)
Tucson, AZ
Pima County, 85757**

As Of September 13, 2025 (Effective Date of Value)

**Owner: Pima County
Tax Parcel: 210-15-2010 ,2020
Sec 9 T15S, R12E,**

Prepared For Use By

**Pima County
201 N. Stone Avenue, Floor 6,
Tucson, Arizona 85701-1215
Attention: Mr. Thomas Kral, MAI, SRA
Chief Real Estate Appraiser
Pima County Real Property Services**

Appraisal Prepared By

**PAUL HENDRICKS REAL ESTATE APPRAISAL & COUNSELING
Paul D. Hendricks, MAI
Arizona Certified General Real Estate Appraiser 30197**

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Letter of Transmittal

September 15, 2025 (Date of report)

Mr. Thomas Kral, MAI, SRA
Chief Real Estate Appraiser
Pima County Real Property Services
201 N. Stone Avenue, 6th Floor
Tucson, AZ 85701-1215

Re: Opinion of market value, Pima County, parcels 210-15-2010, 2020.

In response to your request I have completed an appraisal analysis of the above referenced property; this letter of transmittal is part of the appraisal report. This appraisal report conforms to Uniform Standards of Professional Appraisal Practice (USPAP) and Pima County appraisal guidelines.

Problem Identification: The purpose of the appraisal is to assist in Decision Making for Potential Sale of Property Rights; the intended use is to establish a basis for establishing fee simple and easement interest values. The intended users are my client, Pima County and Pima County RPS. The proposed easement, 42,885sf to be used as a Public Water Easement. Effective date of the appraisal is September 13, 2025.

Relevant subject characteristics: the easement is 42,885sf, along the northern boundary of a +/- 19.41ac, CMH-1 (Pima County) zoned larger parcel located southwest of the Bilby Rd, Wade Rd alignment intersection, Tucson Arizona. The site is restricted by being FEMA AO-3, AO-2, AO-1, and A, as well as EHSA (erosion hazard setback area), and riparian areas; it is entirely in Black Wash Administrative Floodway and has been dedicated as Pima County Park and Black Wash Trail as part of the Tucson Mountain Ranch subdivision. The Pima Prospects (comprehensive plan) designation is LIR (low intensity rural) and Flood Control Resource Area (FCRA).

Assignment Conditions: No extraordinary assumptions or hypothetical conditions are employed. Please see my limiting conditions and assumptions in the appendix.

Value/compensation of the proposed easement is opined as follows:

Larger Parcel Site Value: \$101,000

Public Water Easement: \$ 3,000

Please call if you have any questions regarding the following appraisal report. Thank you for the opportunity to be of service.

Sincerely,



Paul D. Hendricks, MAI
Arizona Certified General Real Estate Appraiser 30197

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Project Overview Exhibits



Public Water Easement

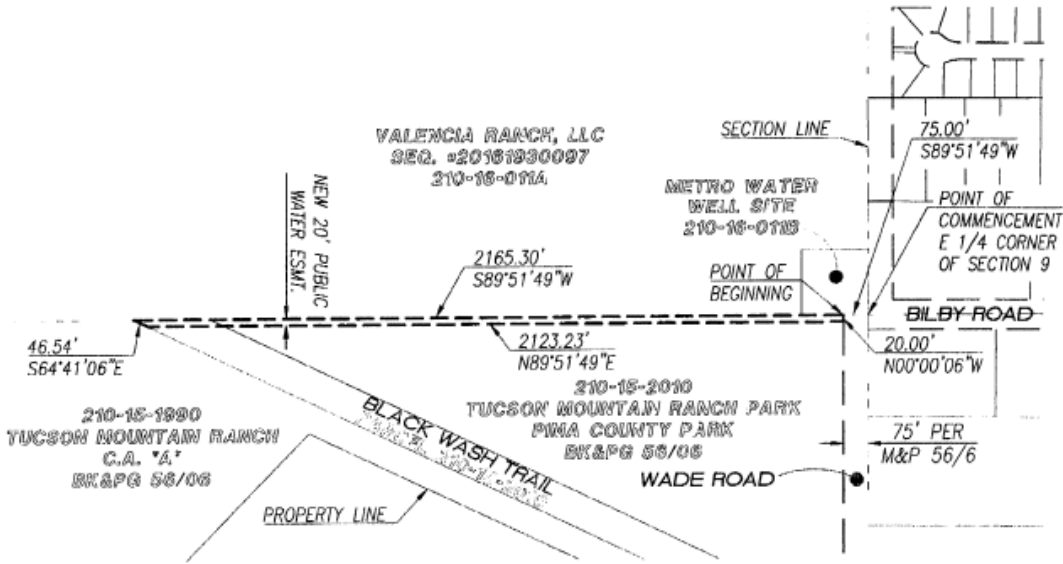


EXHIBIT "B"
PUBLIC WATER EASEMENT
TMR PROPERTY - PIMA COUNTY



Baker & Associates Engineering, Inc.
3561 E. Sunrise Drive, Suite #225 Tucson, Arizona 85718 (520) 318-1950 Fax (520) 318-1930



JOB #2084.8
DATE: 6/10/25

PREFACE & SUMMARY

Appraisal Reference: 2024357 PC RPS Public Water Easement

Problem Identification: The following 7 parameters are considered, client, intended users, intended use, type of opinion, effective date, relevant subject characteristics and assignment conditions:

Client: Pima County, Real Estate Division
Attn: Mr. Thomas Kral, MAI, SRA, Chief Real Estate Appraiser, Pima County Real Property Services.

Appraiser: Paul D. Hendricks, MAI
Arizona Certified General Real Estate Appraiser 30197

Purpose, Intended Use: The purpose of the appraisal is to opine fee simple and easement interests market value.

Intended Users: Pima County is the only intended user; however, it is understood that following review and acceptance of this report by client, this report will become public information

Subject Characteristics: Located southwest of the Bilby Rd, Wade Rd alignment intersection, Tucson Arizona. The easement is 42,885sf, along the northern boundary of a +/- 19.41ac, CMH-1 zoned larger parcel, restricted due to flood zone classifications and subdivision dedications.

Easement: Public Water Easement-42,885sf

Tax Code: 210-15-2010, 2020

Interest Considered: Fee Simple and easement

Opinion of Value: \$101,000 Larger Parcel Site Value
\$ 3,000 Public Water Easement

Assignment Conditions: Value opined is market value is as defined following (not public interest value), this utilizes a hypothetical condition, considering the property available for sale in the open market. The use of the hypothetical condition may have affected assignment results. Please see limiting conditions and assumptions in the appendix.

Effective Date of Valuation: September 13, 2025; date of site visit.

Date of Appraisal Report: September 15, 2025

Type of Appraisal Report: Report.

PURPOSE OF THE APPRAISAL

The purpose of the appraisal is to assist in Decision Making for Potential Sale of Property Rights.

INTENDED USE OF THE APPRAISAL

The opinion of value will be used by the client, Pima County, to establish a basis for establishing fee simple and easement interest values.

INTEREST APPRAISED

The interests appraised are the fee simple and easement. Fee Simple is defined as “absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat”.

Easement is defined as “The right to use another’s land for a stated purpose”.

ANALYSIS AND IDENTIFICATION OF LARGER PARCEL

The larger parcel, after consideration of the three tests of larger parcel, common ownership, use and physical contiguity, as well as beneficial control, is +/- 19.41 acres, as depicted in the above exhibit; APN 210-15-2010, 2020. While there are adjacent properties (east) of similar ownership and use (open-space, multi-use paths and parks, etc.), they are not considered necessary for inclusion for highest and best use of the site (larger parcels typically result in lower value per unit and thus are not maximally productive), the parcel identified and analyzed is considered to be of reasonable size and dimension to maximize the per unit underlying land value (beneficial control).

PROPERTY IDENTIFICATION

The property is identified as Tucson Mountain Ranch Park (210-15-2010) and Tucson Mountain Ranch Black Wash Trail (210-15-2020), Pima County, Arizona.

MARKET VALUE DEFINED *

Value shall be determined by ascertaining the most probable price estimated in terms of cash in United States dollars or comparable market financial arrangements that the property would bring if exposed for sale in the open market, with reasonable time allowed in which to find a purchaser, buying with knowledge of all of the uses and purposes to which it was adapted and for which it was capable.

([Arizona Statute 12-1122C](#))

EXPOSURE PERIOD

Exposure time, always presumed to precede the effective date of the appraisal, is 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 estimate based upon an analysis of past events assuming a competitive and open market”.

Exposure time estimated from review of comparable sales and from discussions with active market participants is estimated for the sale of the fee simple interest, to be approximately 6 to 12 months.

EFFECTIVE DATE OF APPRAISAL, REPORT DATE

The effective date of the appraisal is September 13, 2025, the date of site area visit. The transmittal date of the report is September 15, 2025.

Appraisal Development and Reporting Process (Scope)

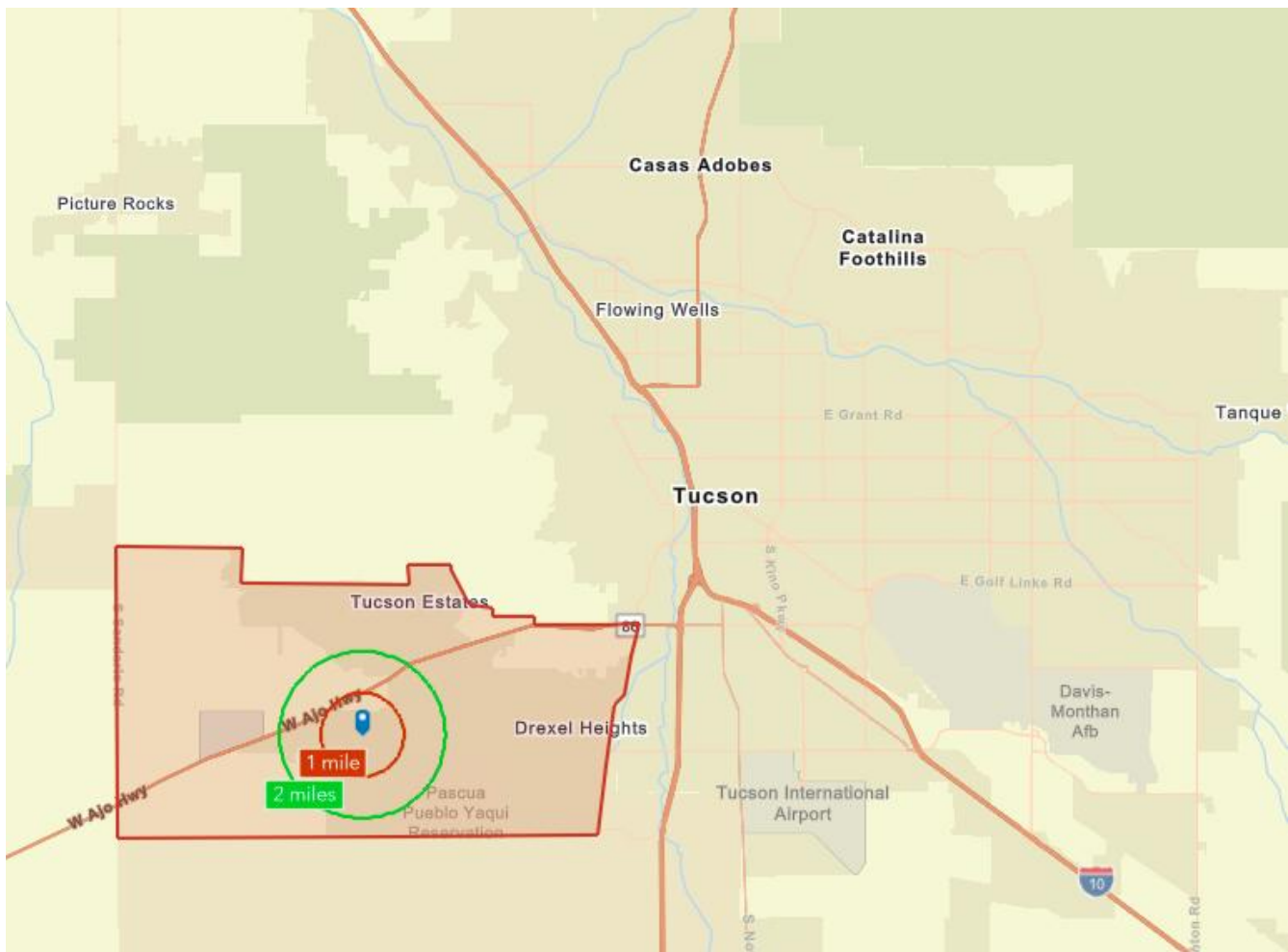
- The appraiser performed an appraisal process in conformance with the Uniform Standards of Professional Appraisal Practice and Pima County appraisal standards.
- Determined the nature of the appraisal assignment by identifying the client, intended user, intended use, type of opinion, effective date of the opinion, property interest appraised, and subject property assignment conditions, the extraordinary or hypothetical assumptions, if any.
- Offered a property owner representative the opportunity to accompany the appraiser on inspection
- Performed an inspection of the property including the market area, the subject site, improvements (if any) and its relevant characteristics
- Reviewed site plat, zoning, flood zone and other maps and public records-information indicating physical suitability of the parcel. Reviewed zoning ordinance and general (comprehensive) plans applicable to the subject property.
- Included items required by USPAP in the Addendum of this report.
- Did not review a title report including schedule B exceptions relating to easements and other restrictions, (none was provided)
- Performed a Highest and Best Use Analysis to identify the use that results in highest market value.
- Researched comparable sales from available data sources including Costar, MLS, Realquest and appraiser's files.
- Inspected, by drive by, all comparable sales used.
- Attempted confirmation of each comparable sale with a party familiar with the property/transaction (when confirmation was not available, public records/information was relied upon).
- Applied appraisal techniques and methodology according to the appraisal body of knowledge and the expectations and actions of my appraisal peers to arrive at an indication of market value of the subject property
- Prepared an appraisal report describing my appraisal process, in conformance with the Uniform Standards of Professional Appraisal Practice and Pima County requirements.
- *Any other components of scope including the 7 parameters, client, intended users, intended use, type of opinion, effective date, relevant subject characteristics and assignment conditions are considered to be included in/as scope.*

MARKET AREA ANALYSIS

A property is an integral part of its surroundings. The character and features of the surrounding area directly affect the use of a property which is a primary factor in the property's value. In order to estimate the value of a property, an analysis of the surrounding area must be made. This surrounding area is referred to as a market area.

The subject property is located in the southwest portion of Tucson. The area which exerts the most influence over the subject property is considered to be the area known as the Southwest Infrastructure Plan (SWIP) Area, seventy square miles of land located within the seven mile by twelve mile rectangular region identified as the area from Tucson Mountain Park on the north, Mission Road on the east, the Tohono O'odham Nation – San Xavier District and Pascua Yaqui Tribe lands on the south, and Sandario Road on the west.

These boundaries are considered appropriate due to physical divisions, predominate land uses, and social characteristics. The area defined above is referred to herein as the subject neighborhood. (The neighborhood and 1 and 2 mile radius around the subject site are depicted in the following):



The subject property is in a relatively sparsely developing neighborhood with primarily single-family residences both stick built and manufactured or mobile homes. A good deal of area in the neighborhood is restricted by the flood zone thus raised mobile homes have been a frequent alternative permitting residential development. Due to the flood zone status of much of the area there is a significant amount of land that is affected by various factors including riparian habitats, and land designated as different management areas under the Conservation Land System which does not decrease or limit existing legal

land uses, zonings, permitted activities, or management of lands; it does however put significant conservation guidelines upon rezoning of parcels that fall under the CLS. Prior to the great recession, demand for land in the neighborhood made it possible for developers to take on the costs and time to get permits for issues previously preventing or limiting development, thus, while residential development was originally on larger-lower density suburban and rural zoned sites, more recent and anticipated development was on parcels that were zoned and developed to typical urban densities. Development stalled during the great recession and early effects of the Covid pandemic, however, given continued demand and very limited supply of land ready for development, the area is again in demand and growing with new residential development. The neighborhood has virtually all services available, primarily along main traffic arterials including Valencia and Ajo Way though most are on the east end of the neighborhood.

Forming the southern boundary of the neighborhood, the San Xavier District of the Tohono O'odham Nation lies in the southwestern part of the Tucson metropolitan area and consists of 111.543 sq mi of land area, about 2.5 percent of the Tohono O'odham Reservation's territory. It had a 2000 census resident population of 2,053 persons, or 19 percent of the Tohono O'odham population. The district is home to a Spanish mission, Mission San Xavier del Bac, which was built by Tohono O'odham laborers between 1783 and 1797, a National Historic Landmark that has been in continuous use for over 200 years. The district is home to 2 of 3 Tohono O'odham casinos, Desert Diamond Tucson at 7350 S Nogales Highway about 1 mile south of Valencia, and Desert Diamond Sahuarita at 1100 W Pima Mine Road (I-19 Exit 80) at the southern boundary of the nation and the northern boundary of Sahuarita.

Tucson Mountain Park, the neighborhood northern boundary, established in 1929 and designated a National Park in 1994, encompasses approximately 20,000 acres with approximately 62 miles of non-motorized shared-use trails, ranging in elevation from 2,180' to 4,687'. The Arizona-Sonora Desert Museum is located on the west flank of the Tucson Mountains. Much of the range is protected by Saguaro National Park and Tucson Mountain County Park. Old Tucson Studios are located just west of the Tucson Mountains.

The Casino of the Sun, operated by the Pascua Yaqui Tribe, is located in the southern portion of the neighborhood, on the south side of Valencia Road (5655 W) at Ignacio Baumea (west of Mark Road). The Pascua Yaqui became federally recognized in 1994 with a transfer of 202 acres in southwest Tucson amidst the suburban communities of Drexel Heights and Valencia West, and adjacent to the eastern section of the Tohono O'odham Nation-San Xavier District. It has a land area of 1.8657 sq mi, or 1,194 acres, and a 2000 census resident population of 3,315 persons, over 90 percent of whom are Native Americans. Tribe operates the Casino of the Sun gaming facility, which includes slot machines, bingo, restaurants, games and employs more than 600 staff. Casino Del Sol, located at 7406 S Camino De Oeste, the Tribe's second gaming property, opened November 2011 and has provided an additional 550+ jobs on the reservation and in the Tucson Community.

Ryan Airfield (RYN) is a general aviation airport at the intersection of West Valencia Rd. and Ajo Way (State Route 86). Ryan occupies over 1,804 acres, and serves as a general aviation reliever airport for Tucson International Airport. More than 300 aircraft are based at the field and 30 tenants ranging from aircraft maintenance shops to charters and flight instruction facilities, provide a variety of services. A self-service fuel pump is located adjacent to the Administration Building. The airfield has a manned aircraft control tower and became part of the Federal Contract Tower Program in 1993. In 2004, the Federal Aviation Administration commissioned a Standard Terminal Automation Replacement System (STARS). The system is used to assist air traffic control services, including separation and sequencing of air traffic and traffic alerts.

Lawrence Park, surrounding Lawrence Intermediate school at the northeast corner of Mark Drive and Jeffrey Road, is 29 acres with 3 lighted baseball and 1 softball field, playground, ramadas with tables and grills, restrooms, soccer/football fields and a walking path.

As mentioned, the subject market area is identified as SWIP Area. Updated revisions to Pima Prospers, related to SWIP are as follows:

A. Comprehensive Planning: 1. The Southwest Infrastructure Plan (SWIP) shall be used to guide needs, obligations, funding, and provision of infrastructure and services related to transportation, flood control, wastewater, parks and recreation, and other governmental facilities. 2. New residential uses are incompatible within the one-half mile area from the bounds of the Tucson Trap and Skeet Club (Tax Code 210-12-0420). Any conflicts with policies approved under previous plan amendments shall be resolved at the time of the rezoning or specific plan. 3. Proposed development shall be planned, designed, and constructed to implement the sustainability principles as described in the Southwest Infrastructure Plan (SWIP).

B. Environmental Planning: At a minimum, applicable Maeveen Marie Behan Conservation Lands System Conservation Guidelines shall be complied with by providing for mitigation onsite, offsite, or in some combination thereof.

C. Regional Flood Control District: 1. No building permits shall be issued until offsite flood control improvements are constructed to remove proposed development out of the FEMA 100-year floodplain. 2. Development shall not occur within the Black Wash Administrative Floodway.

D. Wastewater Management: No person shall construe any action by Pima County as a commitment to provide sewer service to any new development within the plan amendment area until Pima County executes an agreement with the owner/developer to that effect. Adequate treatment and conveyance capacity to accommodate this plan amendment in the downstream public sewerage system may not be available when new development within the plan amendment area is to occur, unless it is provided by the owner/developer and other affected parties.

E. At a minimum, the majority of infrastructure and transportation costs shall be self-funded by the developer.

Access to the neighborhood is considered to be average. Highest traffic volumes occur on Ajo and Valencia, particularly to the east nearer the urban core and commercial services.

Demographic characteristics of the subject market area and surrounding 1 mi radius are compared to the surrounding metro area (Pima County) as follows: Anticipated growth in the area is well above the Pima County average. Per capita income is below average in the surrounding areas; median household income bracketing with the 1 mi radius slightly below and surrounding market area slightly higher than the metro area. Median home values in surrounding areas are moderately below average, both surrounding areas have significantly greater than average housing by mobile homes.

Variable	Tucson Mtn Ranch 1 mi	SWIP MA +	Pima County, AZ
2025 Total Population	3,135	61,750	1,074,686
2025-2030 Growth Rate: Population	0.88%	0.45%	0.35%
2025 Total Households	1,013	21,945	451,602
2025 Per Capita Income	\$25,304	\$34,692	\$43,721
2025 Median Household Income	\$61,460	\$78,872	\$74,420
2025 Pop Age 25+: Grad/Professional Degree	107	3,143	126,283
2025 Owner Occupied HUs	873	18,687	305,314
Percent Owner Occupied	82.7%	79.3%	62.1%
2025 Vacant Housing Units	43	1,618	40,324
Percent Vacant Housing	4.1%	6.9%	8.2%
2025 Total Housing Units	1,056	23,563	491,926
2025 Median Home Value	\$296,964	\$315,537	\$353,444
2025 Average Home Value	\$315,009	\$339,979	\$395,188
2023 Housing: Mobile Homes (ACS 5-Yr)	260	6,656	46,181
Percent Mobile Homes	24.6%	28.2%	9.4%
2023 Median Contract Rent (ACS 5-Yr)	\$1,583	\$892	\$971
2025 Population Density	998.7	846.7	117.0

The neighborhood is served police and fire protection by the City of Tucson within city limits and Drexel Heights and Pima County Sherriff in Pima County. All utilities also provided including electricity by Tucson Electric Power or Trico, water by the City of Tucson, Metro SW Diablo Village in areas; sewer by Pima County wastewater, gas by southwest gas and telephone by CenturyLink. The subject neighborhood is served by Tucson Unified, Marana Unified and Altar Valley Elementary School Districts.

SITE DESCRIPTION

Location:	The subject is located north of Valencia Road, southwest of the Bilby Rd, Wade Rd alignment intersection, within Tucson Mountain Ranch subdivision.
Present Use:	Open Space; park and trail (there are presently no park or trail improvements).
Site Size:	+/- 19.41ac.
Access:	Fair; although there is apparent right of way for Wade Road (adjacent east), there is currently no improved road in this location. Nearest public access is from Bilby Road which ends just east of the Wade Road right of way and subject site.
Visibility:	Poor.
Views:	Average for the area.
Shape:	Triangular; the subdivision plat indicates 1,029.36' frontage along the Wade Road ROW, 1,632.42' along the northern boundary and 2334.78' along the southern boundary.
Topography:	Moderately downward sloping to the west from 2,474' to 2,464'; down to approximately 2,462' in the Black Wash.
Flood Hazard:	FEMA FIRM 04019C2265L (6/16/2011), the site is indicated FEMA AO-3, AO-2, AO-1, and A, as well as EHSA (erosion hazard setback area), and riparian areas; it is entirely in Black Wash Administrative Floodway and has been dedicated as Pima County Park and Black Wash Trail as part of the Tucson Mountain Ranch subdivision. It is reported that due to flood zone conditions the site is not permitted to be improved with any habitable structures.
Washes, Other:	The Black Wash, 5,000-10,000cfs, 100' setback, runs southeast to northwest within the "park" site; there is a minor wash (under 500cfs) in the northeast corner of this site.
Easements:	A title report was not provided, as mentioned, the subdivision plat designates (dedicates) the site as Pima County Park (north) and Black Wash Trail (100'+ strip, south).
Hazardous Materials/ Contamination:	No environmental assessment was available. No indications of hazardous materials were noted on site visit.
Utilities:	Utilities are generally available in the area from the following sources; however, an engineering study would be necessary to determine if utilities are available/sufficient for proposed uses: Water: Metro Water Sewer: Pima County Wastewater* Electricity: Tucson Electric Natural Gas: Southwest Gas Telephone: CenturyLink Public Safety: Pima County Sheriff Fire: Drexel Heights Fire District

*The subject is just north and west of Sanitary Sewer Service Area, nearest sewer lines are at the end of Bilby Road.

- Surrounding Land Uses: Undeveloped land on all sides, including GR-1 zoned land on the east, RH zoned land on the north, CMH-1 land (Tucson Mountain Ranch subdivision) to the south and west.
- Zoning: Zoning:CMH-1, County manufactured and Mobile Home. The purpose of this zone is to provide for needed and properly planned mobile home developments with additional usable open space within reasonable walking distance, by permitting a wider latitude of design, without increasing existing densities. In addition to mobile homes and mobile/manufactured home parks a number of social uses are permitted. development standards include: 8,000sf min lot size, minimum lot area per dwelling 8000sf, min lot width 60', yard requirements: front-20', sides-8', rear-25', height-34' and stories-two.
- Comprehensive Plan: The subject is designated LIR (Low Intensity Rural), it is also in Flood Control Resource Area, which should be set aside when new entitlements are proposed.
- Site Analysis Conclusion: The larger parcel considered is +/-19.41 acres located in the northeast corner of the Tucson Mountain Park residential subdivision. It is zoned CMH-1 but is prohibited from any habitable structures due to flood zone characteristics, as well as being dedicated as park and trail by subdivision plat.

Real Estate Tax Analysis

The following information is available from the county treasurer's office. There are no taxes due to municipal ownership.

Tax Parcel	210-15-2010	210-15-2020	Totals
FCV Land	\$500	\$500	\$1,000
FCV Impvt.	\$0	\$0	\$0
FCV Total	\$500	\$500	\$1,000
2025 Tax	\$0.00	\$0.00	\$0.00

Market Analysis/Highest and Best Use

Highest and best use is defined by the Appraisal Institute in The Dictionary of Real Estate Appraisal, 7th Edition, as:

1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.

Also implied is that the determination of highest and best use results from the appraiser's judgment and analytical skill, i.e., that the use determined from analysis represents an opinion, not a fact to be found. In appraisal practice, the concept of highest and best use represents the premise upon which value is based. In the context of most probable selling price (market value), another appropriate term to reflect highest and best use would be most probable use. In the context of investment value, an alternative term would be most profitable use. The four criteria for the estimate of highest and best use that result in the highest land value are that the use be, legally permissible, physically possible, financially feasible, and maximally productive.

HIGHEST AND BEST USE, AS IF VACANT (Larger Parcel)

Legally Permissible The subject is zoned CMH-1, County manufactured and Mobile Home. The purpose of this zone is to provide for needed and properly planned mobile home developments with additional usable open space within reasonable walking distance, by permitting a wider latitude of design, without increasing existing densities. In addition to mobile homes and mobile/manufactured home parks a number of social uses are permitted. development standards include: 8,000sf min lot size, minimum lot area per dwelling 8000sf, min lot width 60', yard requirements: front-20', sides-8', rear-25', height-34' and stories-two.

The Pima Prospers (comprehensive plan) designates the larger parcel as LIR (Low Intensity Rural), it is also in Flood Control Resource Area, which should be set aside when new entitlements are proposed.

Physically Possible: The larger parcel considered, is approximately 19.41ac, triangular in shape. It presently has no access but is adjacent to Wade Road right of way; nearest access is currently from the west termination of Bilby Road. This parcel is of a size typically purchased in the market for properties of the subject zoning, providing a reasonable number of market sales for analysis.

FEMA FIRM 04019C2265L (6/16/2011), the site is indicated FEMA AO-3, AO-2, AO-1, and A, as well as EHSA (erosion hazard setback area), and riparian areas; it is entirely in Black Wash Administrative Floodway and has been dedicated as Pima County Park and Black Wash Trail as part of the Tucson Mountain Ranch subdivision. It is reported that due to flood zone conditions the site is not permitted to be improved with any habitable structures.

Financially Feasible: In addition to physical and legal characteristics, financial feasibility, based on current market conditions must also be considered. As indicated above the only uses permitted are very limited, essentially, only low impact recreation or open space; such uses do not provide support of financial feasibility; demand is dependent on end user aesthetics.

Maximum Profitability: In conclusion, the highest and best use "as if vacant" is considered limited to open space or low impact recreational type uses.

VALUATION METHODOLOGY; Larger Parcel

In the appraisal of real estate, three methods of estimating value are often employed, depending on the characteristics of the property; they include the Cost Approach, Sales Comparison Approach and the Income Approach.

The cost approach is a set of procedures through which a value of the fee simple interest is derived by estimating a reproduction or replacement cost of improvements, deducting accrued depreciation from all sources, and adding the value of the site as if vacant. This approach is particularly useful in the analysis of a property that is new or nearly new, which is not significantly affected by any forms of depreciation, and properties that are not frequently exchanged in the market.

The cost approach includes a site value typically based on sales comparison and site improvements based on a national cost source or local construction cost bids. The subject is unimproved, the cost approach is not considered to be applicable to the subject analysis/

The Sales Comparison Approach is a set of procedures through which value is estimated by comparison of the subject property to the sales of similar properties that have recently sold, making adjustments to the sales for differences between the subject and the comparable property's based on units of comparison. The sales comparison approach is applied and considered to be appropriate as the sales provide meaningful analysis of property similar to the subject in the current market.

The income approach is a set of procedures through which value is estimated based on the future benefits of property ownership (income earning potential) of the property appraised. Rental income is estimated based on analysis of similar market properties and/or the subject income stream from existing leases. Incomes are reduced by expenses to the owner and net income is capitalized by either direct capitalization, yield capitalization, or both. Properties of this type are typically purchased for owner use/development rather than for income earning potential, thus the income approach is not considered to be necessary for credible assignment results and is not employed.

SALES COMPARISON APPROACH

The sales comparison approach considers the recent sales of properties with similar use and improvements to the subject. This technique is an application of the principle of substitution which affirms that, when a property can be replaced with an alternative property of similar utility without undue delay, its value tends to be set by the cost to acquire such an equally desirable substitute property.

The sales comparison approach is the process of analyzing sales data of properties considered comparable to the subject being appraised. The reliability of the sales comparison approach is dependent upon (a) the availability of comparable sales data, (b) verification of the sales data and derivation of various indicators of value, (c) the absence of non-typical conditions affecting the sales price of the comparable sales, and (d) the degree of comparability of the sales to the subject and the extent of adjustments required to make the sales equal to the subject.

Under the sales comparison analysis there are ten basic elements of comparison that will be considered in sales comparison analysis; they include:

1. Real property rights conveyed
2. Financial terms
3. Conditions of sale
4. Expenditures made immediately after purchase
5. Market conditions
6. Location
7. Physical characteristics
8. Economic characteristics
9. Use
10. Non-realty components of value

Adjustments for items 1-5 above are made first if necessary, indicating an "adjusted sale price". The comparables prices are each then adjusted for differences in location, physical characteristics (including use or zoning), economic characteristics and any non-realty components of value.

After adjusting the comparable sales prices to compare equally to the subject, the sales are reduced to common units of comparison for further analysis. The units of comparison selected depend on the type of property being appraised. The comparables have been analyzed on a price per acre of site basis which is a common unit of comparison for properties such as the subject. The comparable properties are then adjusted for locational, physical and economic differences as indicated.

A search of the Tucson Metro area (Pima County) market revealed the following sales, considered to be most applicable to this appraisal valuation.

COMPARABLE LAND SALE ONE

Location: 2600 Block Sandario Rd, 2 mi n/o Snyder Hill Rd.de Rd, (n/o 3905 S Sandario Rd), Pima County, Arizona 85735

Legal Description: E2 E2 SE4 S30' & N30' E2, SW4, SEC 22-14-11G&SRB&M, Pima County, Arizona

Tax Code Number: 211-28-003, 004, 005A

Recorded: 4/28/2025 2025-1190022, Warranty Deed, Pima County.

Seller: Leber Family Trust

Buyer: Pima County FCD.

Sale Price: \$209,000, \$399,000 Asking price, 70 DOM; a 2024 transfer was between related parties; no market sales within prior 3 years.

Terms: Cash

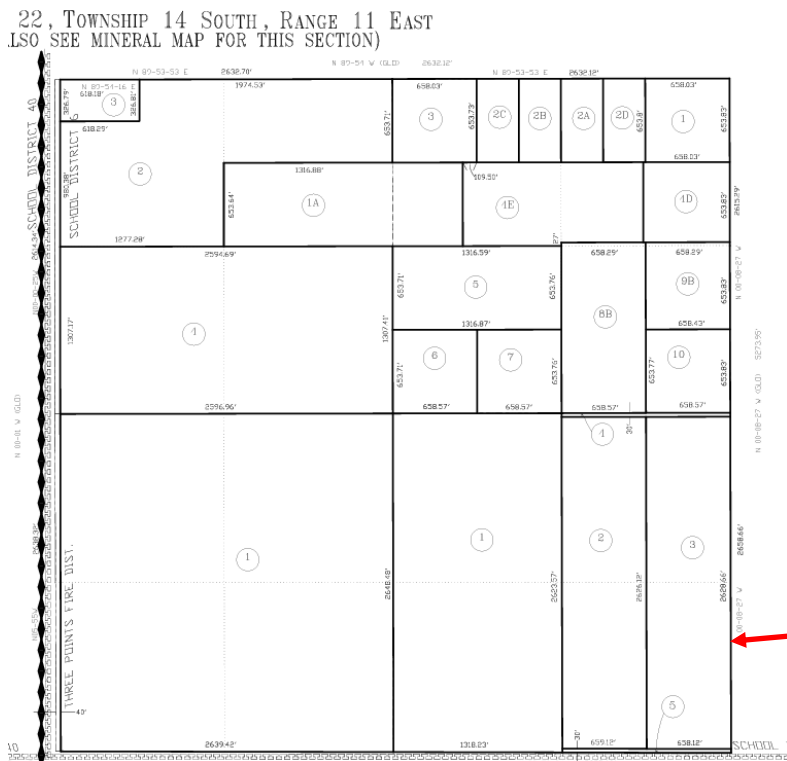
Site Size: 40.9 acres

Sale Price/Unit \$5,110/ac/sf

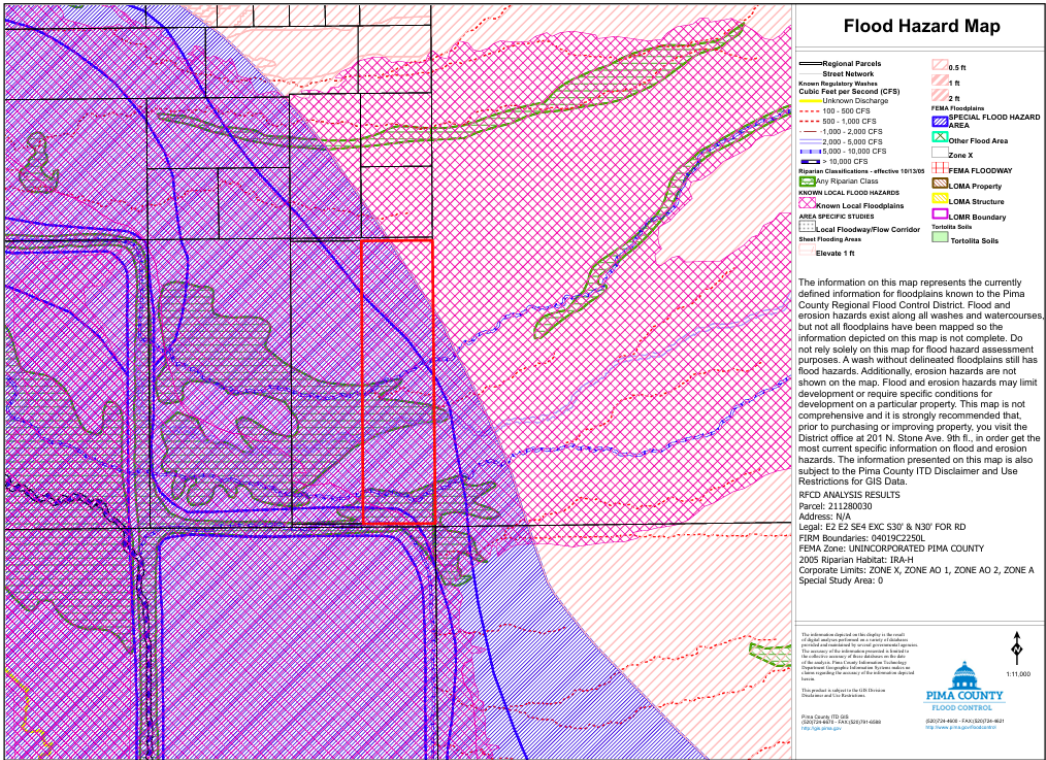
Zoning: RH (Pima County Rural Homestead); comprehensive plan LIR and FCRA)

Comments: The property is located east of Sandario Rd., accessed by 1 mi of paved/gravel road then +/- ½ mile a rough dirt road access (easement), with several “wash outs”. Electricity only utility available. The site is 64.5% AO-2, 24.6% AO-1, 7.4%-x; 3.5% zone A, 96.9% RFCD Brawley and Balck Wash local floodplain; 3% AE (RFCD); 35.55% Black Wash local floodway; 34% EHSA. The site was purchased by Pima County Flood Control District for open space.

Confirmation: MLS 222427842, Carl Schroeder, listing agent, 520.904-5055, Jim Rossi, purchaser representative; pdh 2025357



Sale 1, 2600 Blk Sandario



COMPARABLE LAND SALE TWO

Location 13905 W Park Rd, Pima County, Arizona 85735

Legal Description: ELY PTN N2 N2 NW4 21.50 AC SEC 7-15-11 AKA PTN LOT 53 TUCSON WEST RS 2/81G&SRB&M, Pima County

Tax Code Number: 209-08-038B

Records: 7/15/2023 Fee # not available

Seller: John B Mize

Buyer: Pima County FLAP.

Price: \$36,120

Terms: Cash

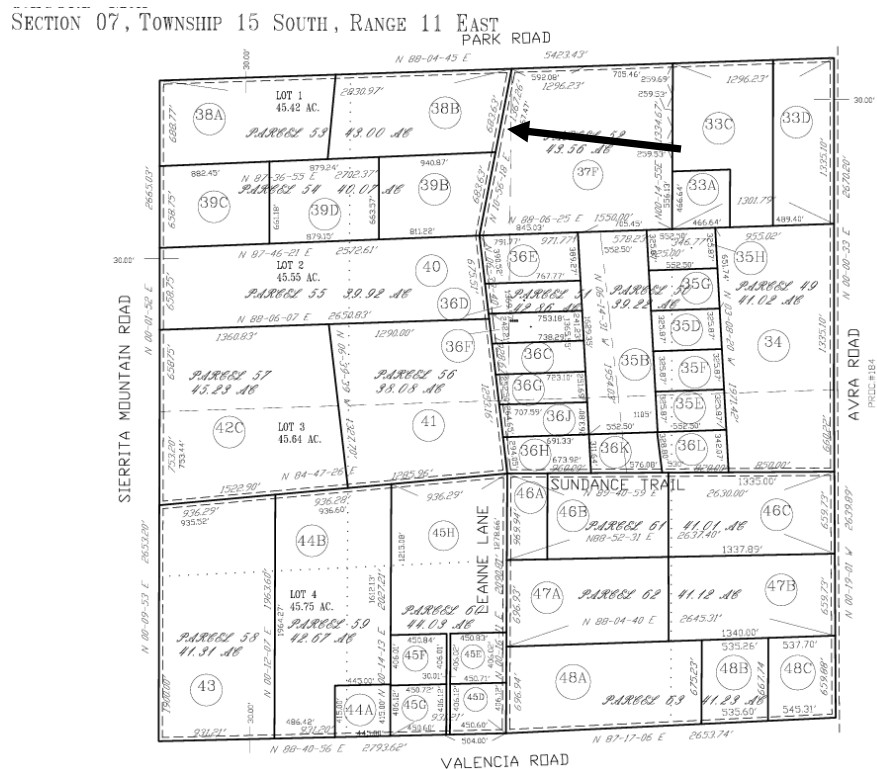
Site Size: 21.50ac

Price Per AC: \$1,680

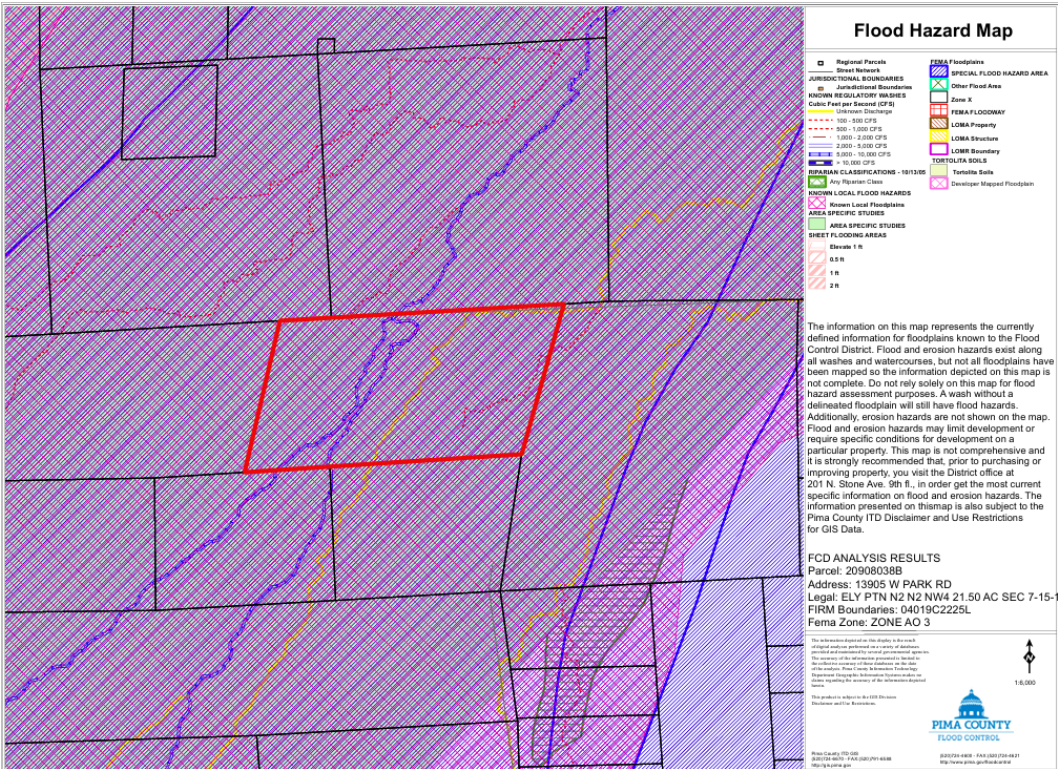
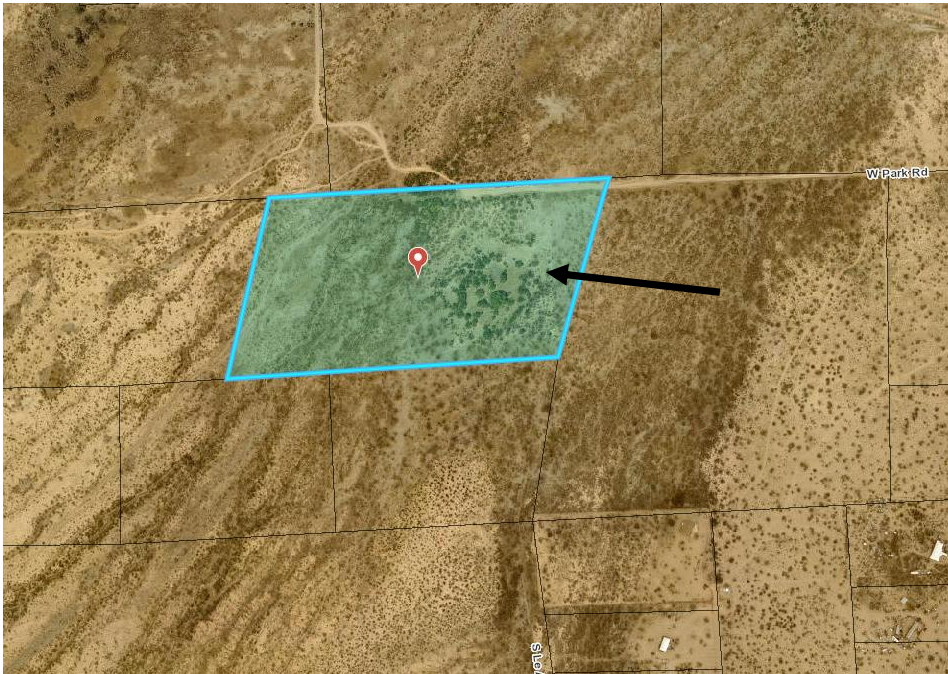
Zoning: RH Pima County Rural Homestead

Comments: Park (dirt) Rd., n/o Ajo Hy, w/o Marsteller Rd, e/o Brawley Wash. FEMA AO-3, 10% IRA, 57.6% EHSA due to an un-named 2,000-5,000cfs wash, 100' setback. Appraised at \$34,400, sold at \$36,120 by administrative adjustment considered to be due to purchaser special motivation.

Confirmation: Jeff Swango, purchaser representative, 520.740-9089. 2023289, pdh



Site Sale 2



COMPARABLE LAND SALE THREE

Location: s/o 6981 S Avalon Dr, w/o Marstellar Rd. Pima County, Arizona 85735

Legal Description: PTN OF SLY 284.60' OF N2 S2 8.63 AC SEC 17-15-11 AKA S284.60' M/L OF LOT 71 TUCSON WEST R S 2/79, G&SRB&M, Pima County, Arizona

Tax Code Number: 209-19-028

Recorded: 8/29/2023 2023-2720552, Warranty Deed, Pima County.

Seller: West Palmetto holdings

Buyer: Rene De La Cruz

Sale Price: \$65,000, \$74,500 Asking price, 43 DOM; acquired 6/29/23 at tax lien auction

Terms: Cash

Site Size: 8.63 acres

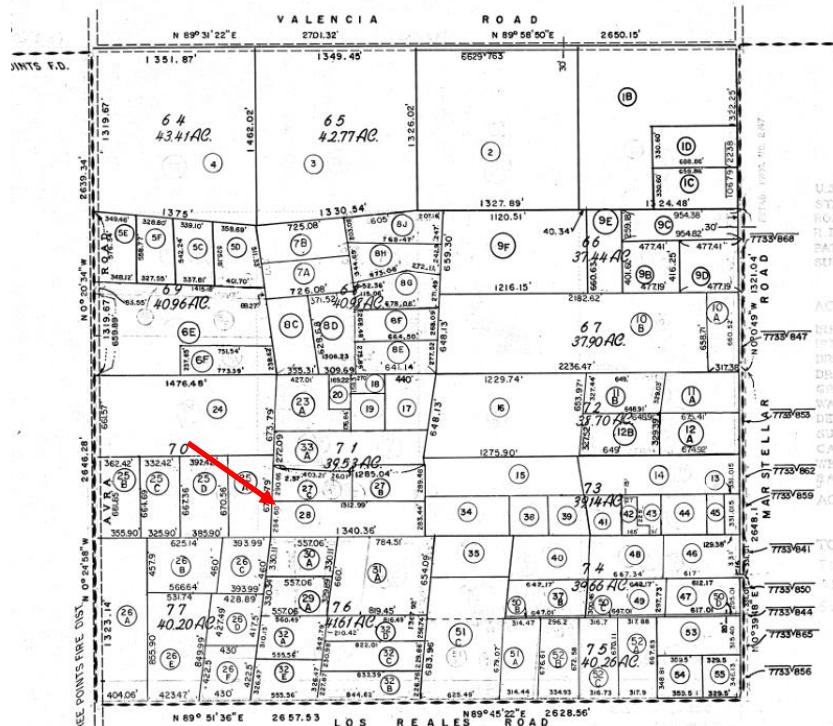
Sale Price/Unit: \$7,532/ac

Zoning: RH (Rural Homestead); comprehensive plan RS)

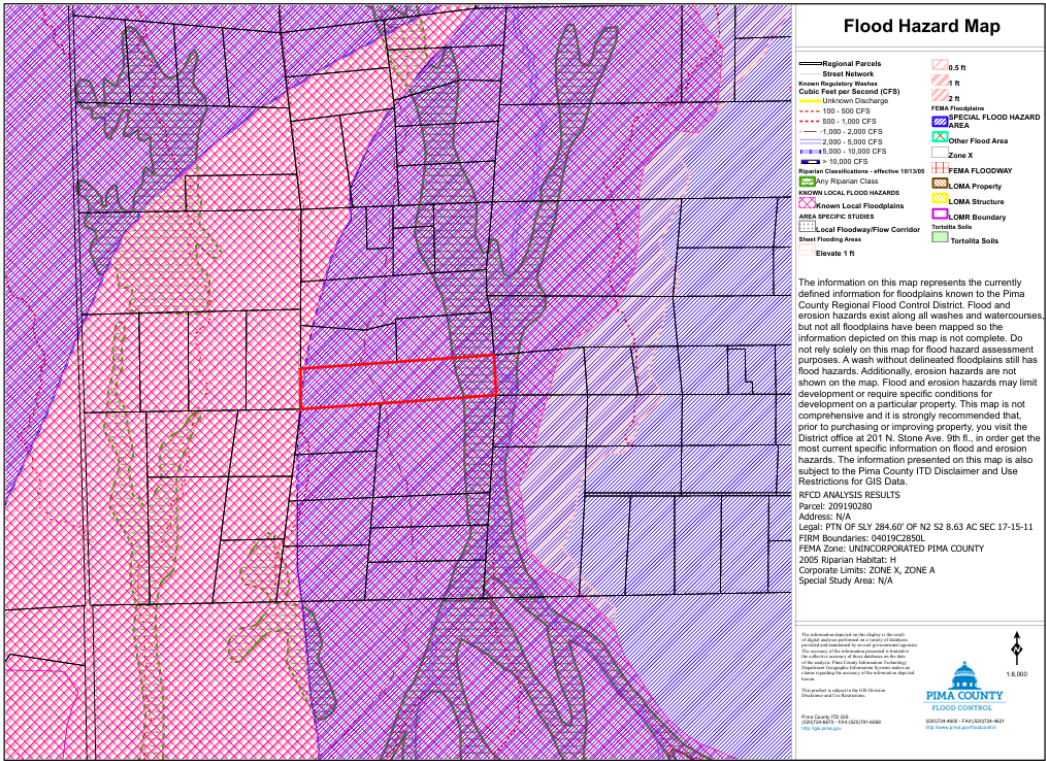
Comments: The property is located west of Marstellar, south of Valencia Road; it accessible via several miles of dirt road. The site had no utilities with the exception of electricity to the lot line. The site is 99% FEMA A, 0.92%-x, 19% Riparian, 15.6% EHSA.

Confirmation: MLS 2231692, Christina Esala, listing agent, 520.400-0904, pdh 2025357

SECTION 17 TOWNSHIP 15 SOUTH RANGE 11 EAST



Sale 3, Avalon Dr



COMPARABLE LAND SALE FOUR

Location: Sandario Ranch Tr, (w/o 12152 W), w/o Sandario Rd, 85746

Legal Description: IRR CENTRAL PTN SEC 37.11 AC SEC 4-15-11 AKA LOT 23 OF TUCSON WEST R/S 2/80, G&SRB&M, Pima County, Arizona

Tax Code Number: 209-05-008

Recorded: 11/15/2023 2023-3020171, Special Warranty Deed, Pima County.

Seller: John Unthank & Tucson Property LLC

Buyer: Mark & Judy Mulestein.

Sale Price: \$124,000, \$125,000 Asking Price, 298 DOM; no sale within prior 3 years.

Terms: Cash

Site Size: 37.11 acres

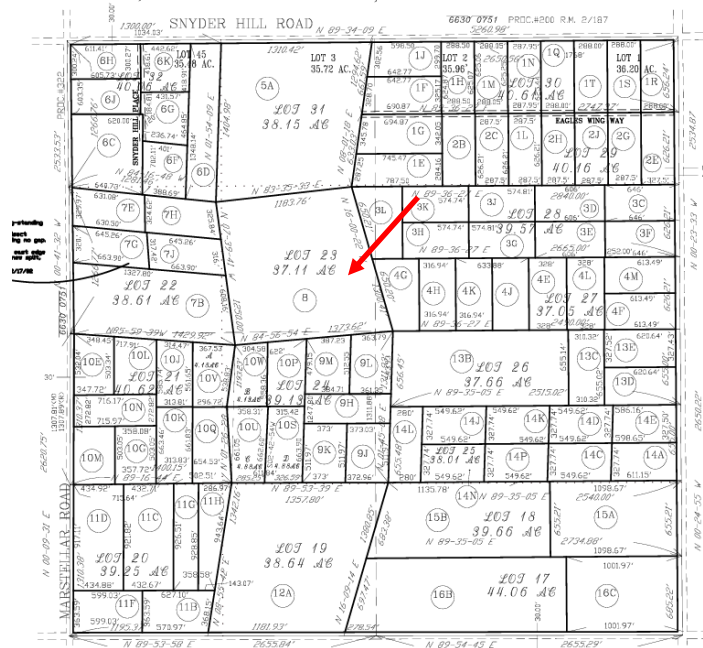
Sale Price/Unit \$3,341/ac

Zoning: RH

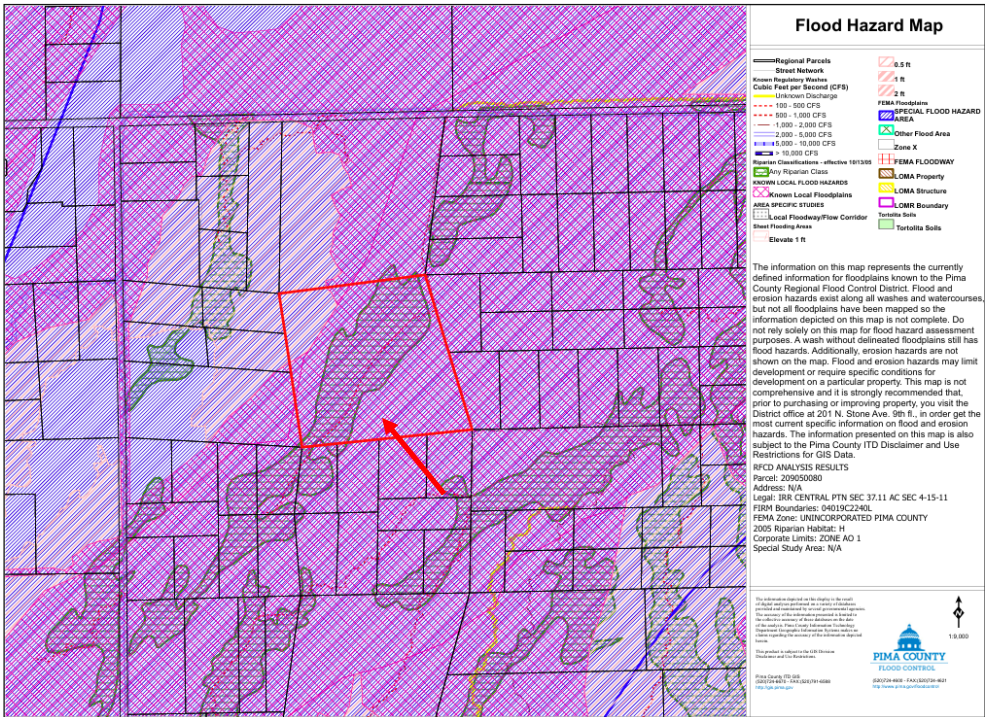
Comments: The site is accessible via dirt roads (under 1 mi). It is RFCD Brawley and Balck Wash local floodplain 87% AE, 2.18% AO-1, 6% EHSA; 10.83% 6" RFCD sheet flooding. No utilities were available.

Confirmation: MLS 22223962, Rebecca Patsch, listing agent, 520.349-7322, pdh 2025357

SECTION 04, TOWNSHIP 15 SOUTH, RANGE 11 EAST



Sale 4, Sandario Ranch Tr



COMPARABLE LAND SALE FIVE

Location: Former Santa Rita Bel Air GC, SW of Sahuarita Rd & Melpomene, (around 620 E Blue Rock Way), Vail, 85641

Legal Description: SANTA RITA BEL AIR HILLS PTN BLK 1, Pima County, Arizona

Tax Code Number: 305-24-219A

Records: 9/18/2023 2023 2610181

Seller: Alterna Funding II LLC

Buyer: Arthur Ehman.

Price: \$60,000, \$69,900 Asking Price, 1,327 DOM

Terms: Cash

Site Size: 34.56ac

Price Per AC: \$1,736

Zoning: SP, Pima County Specific Plan

Comments: The former Santa Rita Bel Air Hills golf course which closed 2011. FEMA-x (not flood), however there are washes through the center of the now un-kept open space, approximately 32% EHSA. The land is zoned SP, reportedly permitting only open or recreational space, no development. Water and electric were available; sewer is throughout the surrounding residential subdivision. Real Estate Owned. The purchaser reportedly was aware of development restrictions and purchased as an investment.

Confirmation: MLS 21924679, Habitation Realty ERA, buyer's agent, Stephanie Deluca Laboa, 520.440-9298. 2024298, pdh



COMPARABLE LAND SALE SIX

Location: NWC Oracle Rd & Tangerine (+/- 32.428993 lat., -110.936223 long.), Oro Valley, Arizona 85737

Legal Description: CTRL PTN SEC 32-11-14 LYG W TUCSON-FLORENCE HWY & N TANGERINE RD 22.30 AC, G&SRB&M, Pima County

Tax Code Number: 222-46-018

Records: 8/10/2023 2023 2220187 (deed, no affidavit)

Seller: State of Arizona

Buyer: VWI Vistoso Investments LLC.

Price: \$270,000

Terms: Cash

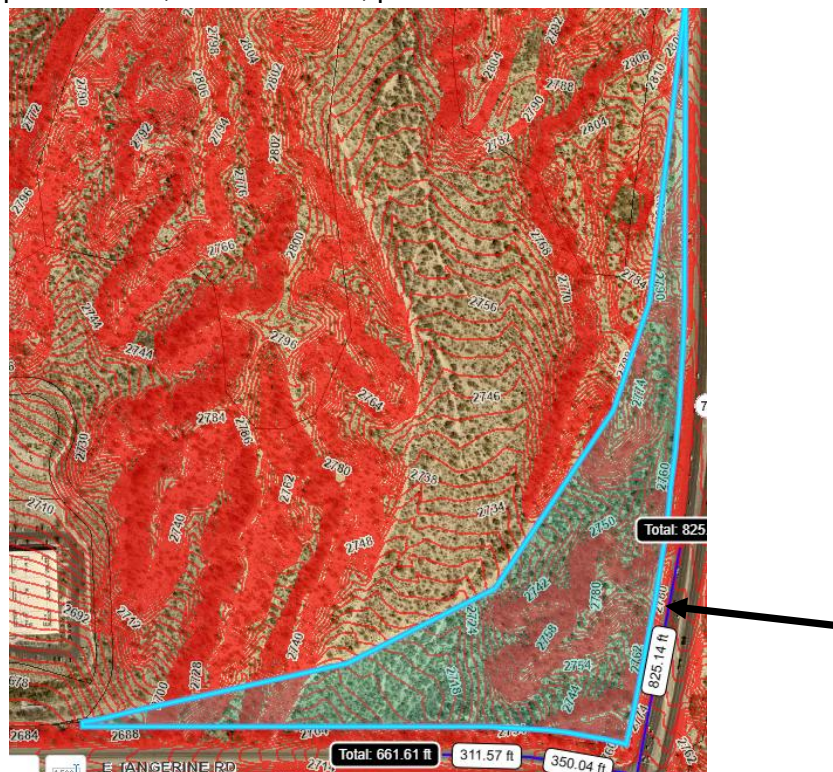
Site Size: 971,687sf, 22.31ac

Price Per AC: \$12,104

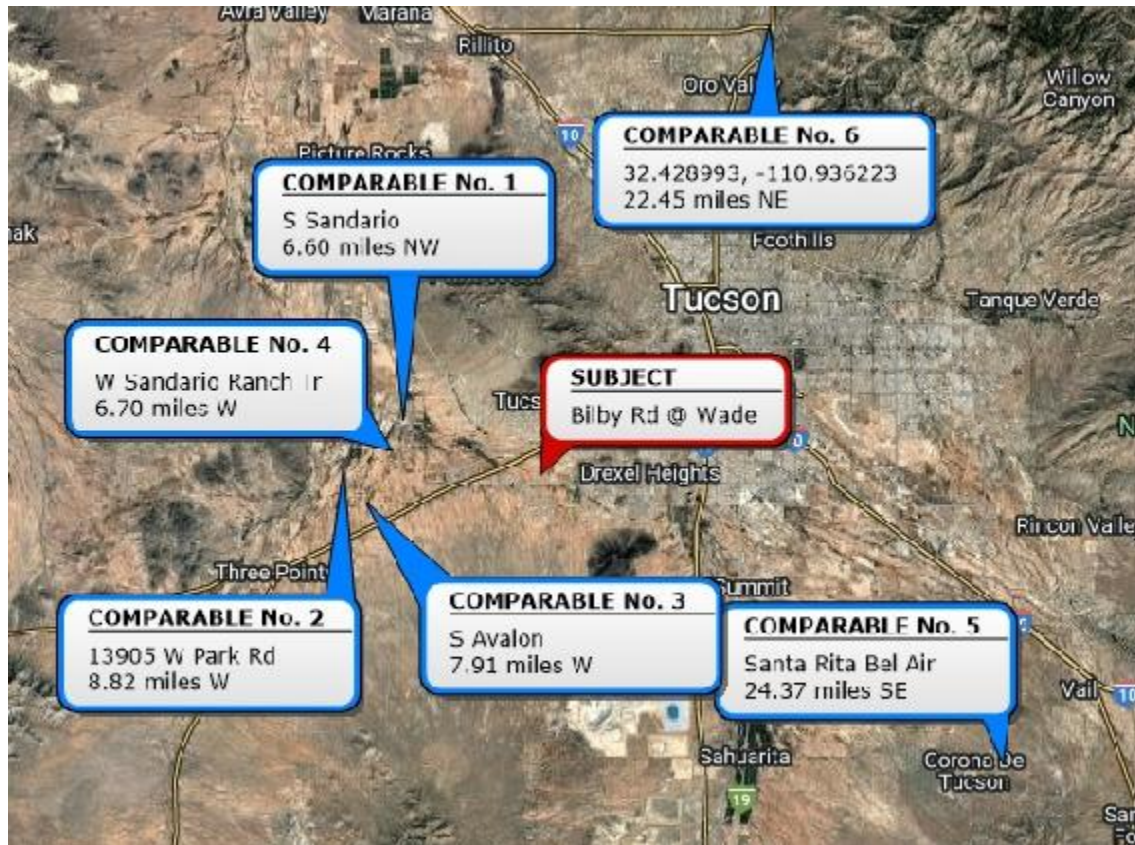
Zoning: N/A; outside of Rancho Vistoso PAD; nearest adjacent west is zoned OS (Open Space)

Comments: Access restricted to 660' w/o intersection on Tangerine, 825' n/o intersection, both locations with significant rise from the roadway. Traffic counts are 11,050vpd (23) on Tangerine, 34,210vpd (22) on Oracle Rd. Fema-X, 9.6% EHSA RFCD; there is rather extreme topography, rising from 2,680' at the southwest corner to 2806' on the northern corner. Water and electric were available; sewer is throughout the adjacent subdivision The purchaser owns Innovation Park (adjacent west) and purchased the site as protection buffer, no plans for development at this time.

Confirmation: Robert Jeffrey, seller representative, 602.712-7146; Jordan Simon, purchaser representative, 520.398-8833, pdh 2024311



SALES COMPOSITE MAP



Value Analysis; Larger Parcel

Six sales have been selected for comparison in the subject value analysis.

Adjustments are applied to provide insight into the relative significance (weight) of the characteristic being considered and difference from the various comparable sales to the subject parcel. While based on appraisal experience and interpretation from the market, they are not intended to be precise to each comparable and category.

Open Space and severely restricted sales appear to be relatively inelastic to differences in characteristics compared to most properties purchased with utility for a specific development/use; many characteristics would appear to require little or no adjustment.

Property Rights: The sales all were fee simple interests, no adjustment necessary.

Financing: The sales were all cash; no adjustment is necessary.

Conditions of Sale: Sales 1-4 and 6 were considered to have had typical sale motivations, no adjustment necessary; sale 5 was "Real Estate Owned", owners typically wanting to get these assets off their books over realizing the highest price possible; it is adjusted upward for seller motivation.

Market Conditions: The sales occurred from July 2023 through April 2025; property values have been relatively static over this time frame, no adjustment for market conditions is considered necessary.

Location: the subject and comparables 1-5 are considered to be similar or offsetting in location, no adjustment necessary; sale 5, being at a major intersection in Innovation Park-Oro Valley, is adjusted downward for superior location.

Size difference, on a per unit basis, larger properties tend to sell for less and smaller parcels more; I retain in my file, analysis of many FLAP acquisitions demonstrating that this “rule of thumb” is much less prevalent in properties such as the subject with little to no development utility. The sales, relatively comparable in size, bracket the subject in size, no adjustment is considered necessary.

Zoning: subject’s higher density residential zoning is not considered to be significant due to the lack of development utility; no adjustment is considered necessary

Improvements: the subject and comparables had no improvements, no adjustment necessary.

Topography/On Site Utility (Flood Zone): With the exception of sale 1, with a minor area that could be developed without significant cost, each of the comparables are considered to be similar to the subject due to lack of development utility, not adjusted. Sale 1 is adjusted downward.

Off-site Improvements Required: No adjustments are considered necessary.

Utilities: the subject has electricity and water available and sewer nearby; the availability of utilities is considered to enhance recreational use potential, thus comparables 1-4, inferior due to lack of utilities, are adjusted upward; sales 5 and 6 are considered to be similar to the subject, not requiring adjustment.

Access: the subject is relatively close to paved access currently and adjacent to Wade Road right of way but currently it does not have public access. The comparable sales all have physical access though sales 1-4 are by dirt road; overall, no adjustment for access is considered to be necessary/appropriate.

Reconciliation of Sales Comparison Approach: The comparables are considered to bracket the subject site; sales 2-5 with net upward adjustment, sale 6 with net downward adjustment, and sale 1 with offsetting adjustments. In consideration of the subject’s utilities available and location a bit closer to services etc. as compared to sales 1-4, a subject site value in the upper end of the adjusted comparables range, \$5,200/ac, \$101,000, rounded, is considered reasonable.

Greater detail concerning the comparable sales and their adjustment when compared to the subject site is available on the following grid:

SITE SALES COMPARISON SUMMARY							
Comparable	Subject	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Comp 6
Location	SW of Bilby & Wade	2600 Blk S Sandario Rd	13905 W Park Rd	Avalon Dr	Sandario Ranch Tr	Santa Rita Bel Air	NWC Oracle & Tangerine
Tax ID Number	210-15-2010+	211-28-003+	209-08-038B	209-19-028	209-05-008	205-24-219A	222-46-018
Sales Data							
Date of Sale	N/A	Apr-25	Jul-23	Aug-23	Nov-23	Sep-23	Aug-23
Sales (Listing) Price	N/A	\$209,000	\$36,120	\$65,000	\$124,000	\$60,000	\$270,000
Site Size (ac)	19.41	40.90	21.50	8.63	37.11	34.56	22.31
Price per Ac	N/A	\$5,110	\$1,680	\$7,532	\$3,341	\$1,736	\$12,102
Property Rights (Interest)	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Interest adjustment	0%	0%	0%	0%	0%	0%	0%
Financing	Cash	Cash	Cash	Cash	Cash	Cash	Cash
Cash Equivalent Price	N/A	\$209,000	\$36,120	\$65,000	\$124,000	\$60,000	\$270,000
Conditions of Sale	Average	Average	Average	Average	Average	REO	Average
Condition Adjustment	0%	0.0%	0.0%	0.0%	0.0%	15.0%	0.0%
Market Conditions Adj.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Adjusted Price/ac	N/A	\$5,110	\$1,680	\$7,532	\$3,341	\$1,997	\$12,102
Physical Characteristics							
Location	Average	Similar	Similar	Similar	Similar	Offsetting	Superior
Size	19.41	40.90	21.50	8.63	37.11	34.56	22.31
Zoning	CMH-1	RH	RH	RH	RH	RH	RH
Improvements	None	None	None	None	None	None	None
Site Utility	Blackwash Floodway	Superior	Similar	Similar	Similar	Similar	Offsetting
Utilities	Water, elec	Inferior	Inferior	Inferior	Inferior	Similar	Similar
Access	Poor	Similar	Similar	Similar	Similar	Offsetting	Superior
Adjustments							
Location	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-20.0%
Size	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Zoning	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Improvements	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Site Utility	0.0%	-10.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Utilities	0.0%	10.0%	10.0%	10.0%	10.0%	0.0%	0.0%
Access	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-5.0%
Net Physical Adjustments							
Net Physical Adjustments	Same	Offsetting	Upward	Upward	Upward	Similar	Downward
Net Adjustment (Overall)	0.0%	0.0%	10.0%	10.0%	10.0%	0.0%	-25.0%
Adjusted Comp Price/Ac	N/A	\$5,110	\$1,848	\$8,285	\$3,676	\$1,997	\$9,077
Subject Value (\$/Ac)	\$5,200						
Subject Value Opinion	\$101,000						

EASEMENT VALUATION:

Project Description:

The following is the subject easement legal description and exhibit:



William H. Baker Jr., P.E., R.L.S.
Martin V. Magelli, P.E.
Wade W. Baker, P.E.

3561 E. Sunrise Dr., Suite 225
Tucson, Arizona 85718
520.318.1950 Fax 318.1930

EXHIBIT "A" LEGAL DESCRIPTION PUBLIC WATER EASEMENT FOR CAMINO VERDE VILLAGE - OFFSITE WATER EASEMENT TMR PROPERTY -PIMA COUNTY

A 20 foot wide public water easement described over all of that portion of Tucson Mountain Ranch as shown on recorded Maps and Plats per Book and Page 56/06, located within Section 9, Township 15 South, Range 12 East, Gila and Salt River Base and Meridian, Pima County, Arizona, more particularly described as follows:

COMMENCING at the East 1/4 Corner of Section 9, said point being on the eastern right-of-way line of Wade Road,

THENCE South 89° 51' 49" West, along the mid-section line, a distance of 75.00 feet, said point being on the western right-of-way line of Wade Road to the POINT OF BEGINNING;

THENCE South 89° 51' 49" West, along the mid-section line, a distance of 2165.30 feet;

THENCE South 64° 41' 06" East, along a property line, a distance of 46.54 feet;

THENCE North 89° 51' 49" East a distance of 2123.23 feet;

THENCE North 00° 00' 06" West, along the west right-of-way line of Wade Road, a distance of 20.00 feet, back to the POINT OF BEGINNING.

Total Easement Area: 42,885 S.F.

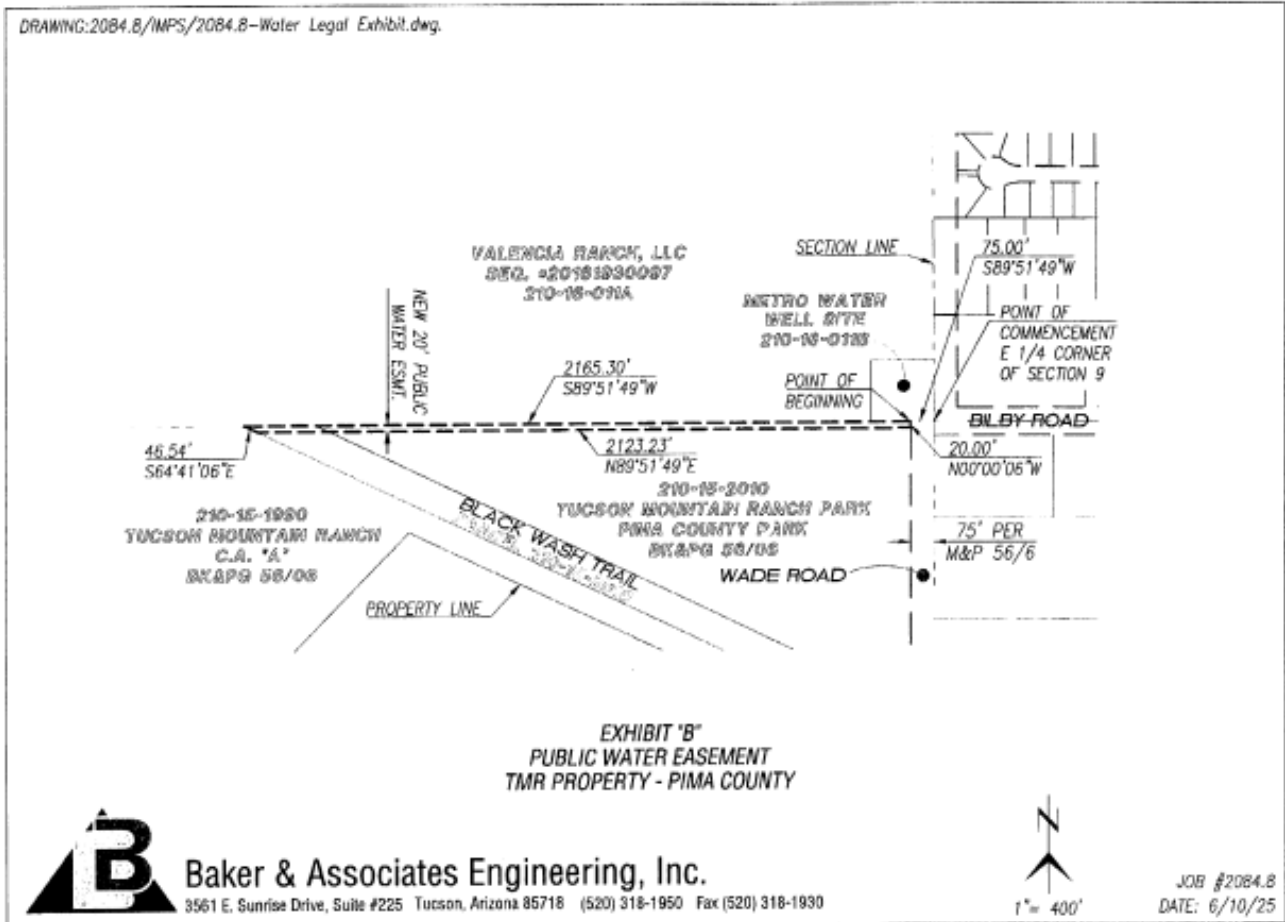
Basis of Bearing:

The basis of bearing for this subdivision is the centerline of Camino Verde as per the plat of record for Camino Verde Estates, book 49, page 62, M&P. Said bearing being N 00° 02' 00" E.

Date: 6/10/25

X:\2084.8\wpdocs\legal-description water - tmr pima county.wpd





The easement appears to be the northern 30' of the subject larger parcel (Park and Trail) by 2165.30' to 2123.23' in width. As indicated previously, yard setbacks are: front-20', sides-8', rear-25', thus portions of the water easement area are already precluded from development of structures, however, the area could be improved with landscaping, etc; the water easement requires that this area remain open and free from any obstruction or encroachment, thus not permitting other uses permitted within the setback. Compensation for the easement is estimated by comparison to published easement compensation rates. As it is related to the subject, the easement is considered to be appropriately considered a location along a property line; location across a non-usable land area (common to water or sewer lines). An "Easement Valuation Matrix" published by Donnie Sherwood in the November/December 2014 issue of Right Of Way periodical, indicates percentage of fee restricted for such as location along a property line; location across a non-usable land area (common to water or sewer lines) in the range of 26%-49%. Published rates by Arizona State Land Department indicate 30% (rural, underground distribution lines (gas, electric, water, sewer, communications). Based on these published estimates, and considering the subject utility in this area, valuation at 30% is considered reasonable.

Valuation of the easements is therefore as follows:

	Area SF		\$/SF Site		% of Fee		Value	Rounded
Water Easement	82,885	x	\$0.119376	x	30.00%	=	\$2,968 ,	\$3,000

STATEMENT AND CERTIFICATION OF APPRAISER

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 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.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute. (C.S.R.1-1)

My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice* and Arizona State Land Department Guidelines.

At client request, I have not made a physical inspection of the property appraised; the property owner designated representative was not given the opportunity to accompany me on property inspection.

No one provided significant professional appraisal assistance to the person signing this report.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.(C.S.R.1-2).

As of the date of this report, I have completed the continuing education program of the Appraisal Institute (C.S.R.1-3).

I have performed no services regarding the subject property within the prior 3 years as an appraiser or in any other capacity.

I am competent to perform this appraisal service.

If this report is in any way disassembled, reproduced, altered, or used in any other capacity than that made known to the appraiser at the time of the request and stated herein, the appraiser is not responsible for this report and it is invalid.

PAUL HENDRICKS REAL ESTATE APPRAISAL & COUNSELING



Paul D. Hendricks, MAI

Arizona Certified General Real Estate Appraiser 30197

PAUL HENDRICKS REAL ESTATE APPRAISAL & COUNSELING

APPENDIX

1. Appraisal Assumptions and Limiting Conditions
2. Subject Photos and Exhibits
3. Consultant Qualifications

LIMITING CONDITIONS AND ASSUMPTIONS

of Standard Real Estate Appraisal

(Consisting of the 23 Items Below and Others as Mentioned)

1. Information Used, Trade Secrets

The appraiser(s) shall not be responsible for the accuracy of any information obtained from the client or any other source and used in the appraisal, subject to the due diligence provision of the Uniform Standards of Professional Appraisal Practice. The appraiser(s) shall not be liable for any information or work obtained from any subcontractor. It is strongly suggested that the client consider independent verification of all factual data as a prerequisite to any transaction involving the purchase, sale, lease, or other decision involving a significant commitment of funds affecting the subject property. The client agrees that the appraisal produced pursuant to this agreement consists of "trade secrets and commercial or financial information" which is privileged and confidential and exempted from disclosure under 5 U.S.C. 552(b)(4) and furthermore agrees to obtain the appraiser(s) authorization before reproducing the appraisal in whole or in part.

2. Authentic Copies, Changes, Modifications

The authentic copies of this report were delivered to the client; copies not coming from the client may have been altered. The appraiser(s) reserve the right, at their sole discretion, and at any time, to alter statements, analysis, conclusions or any value estimate(s) in the appraisal if facts pertinent to the appraisal process and report which were unknown at the time of completion become known to the appraiser(s).

3. Use of Appraisal, Limit of Liability

This report is intended solely and exclusively for use by the client. The sole purpose of the report is to assist the client by valuation of the subject property. The client also acknowledges and agrees that some of those involved with the assignment appraisal may be independent contractors and the client hereby agrees not to hold the appraiser(s) liable for any acts of same. Notwithstanding anything herein to the contrary, the client will forever indemnify and hold appraiser(s) harmless from any claims by third parties related in any way to this appraisal.

The liability of the appraiser and affiliated business entities, its officers, directors, shareholders or employees (hereinafter collectively referred to as appraiser) is limited to the herein named client only. No liability shall extend to any third party, and the total amount of such liability shall in no event exceed the amount of the fee actually received by the appraiser(s).

Third parties shall include, but not be limited to, general and limited partners of the client if said client is a partnership, stock holders of the client if said client is a corporation, and all lenders, tenants, past owners, successors, assigns, offerees, transferees and spouses of client. The appraiser(s) shall not be held responsible for any costs incurred to investigate or correct any deficiencies of any type which may be present in the real estate and/or real property herein appraised. Acceptance and/or use of this report by the client constitutes acceptance of all limiting conditions and assumptions set forth herein.

4. Court Testimony

Testimony or attendance in court by reason of this appraisal, with reference to the property in question, shall not be required, unless arrangements have previously been made.

5. Copies, Publication, Distribution of the Report

Possession of any copy of this report shall not authorize or empower the client or any third party with any publication rights whatsoever, or with any authorization to use the appraisal other than for its intended and stated purpose noted in the agreement and/or in the report. The physical report(s) shall remain the property of the appraiser(s) at all times and appraiser(s) hereby grant the client permission to use the appraisal report(s) solely for the purposes set forth. The client agrees that the payment of the appraisal fee is in exchange for the analytical services of appraiser(s) and by the payment of said fee, the client has not purchased the appraisal report. With the exception of public disclosure indicated below, neither all nor any part of this appraisal report shall be given, recited, published, copied, distributed, nor in any way communicated to third parties in any manner, in whole or in part, without the prior written consent of the appraiser(s).

This report has been prepared for Pima County and appraiser recognizes that the report will become public record after review and will be available for review by the public upon request.

6. Confidentiality

All conclusions and opinions concerning the analysis as set forth in this report were prepared by the appraiser(s) whose signature(s) appear on the appraisal report. No changes shall be made in the report by anyone other than the appraiser(s). The appraiser(s) shall not be held responsible for any unauthorized changes or such consequences as may transpire from unauthorized changes. The appraiser(s) may not divulge the material contents of the report to anyone other than the client or his designee as specified in writing, except as may be required by the professional association(s) of which the appraiser(s) are members as may be requested in confidence for ethics enforcement, or by a court of law, or any other body with the power of subpoena. The appraisal has been prepared for Pima County with the knowledge that the report will ultimately become public records and may be made available for public review.

7. Measurements, Exhibits

The sketches, maps and photographs in the appraisal report are included solely for the purpose of assisting the reader in visualizing the property and are not necessarily to scale. The appraiser(s) have made no survey of the property and site plans included in the report are not to be considered as surveys unless so designated. Any sketch or map in the appraisal report shows approximate dimensions and is included for general illustrative purposes only. It is the responsibility of a qualified engineer, architect, or registered land surveyor to show the exact location of the subject improvements thereon, existing or proposed, as well as the measurements and areas of land and improvements. In the absence of a survey, the appraiser(s) may have used Tax Assessor's maps or records or other maps provided by the client which may or may not represent the exact measurements of the subject property or other comparable data relied upon in estimating the market value of the subject property. Any variation in land or building areas from those considered in the appraisal may alter the estimates of value contained in the report.

8. Legal, Title, and Market Value Premise

The appraiser(s) have no responsibility for matters of any legal nature affecting the property being appraised or the title thereto; the appraiser(s) assume title to be good and marketable, and free of clouds unless otherwise noted. No Title Policy or report has been furnished to the appraiser(s), unless so stated in the report. The property is being appraised as though it were under financially sound and responsible ownership with typical and competent management. The hypothetical sale referred to in the definition of market value assumes adequate marketing efforts and exposure time normal for the property. The appraiser(s) are not responsible for the accuracy of legal description.

9. Engineering, Structural Matters; Hazardous or Toxic Materials, Physical Condition

The appraiser(s) have inspected the land and the improvements. However, it is not possible to observe conditions beneath the soil surface, or hidden structural, mechanical, or other components; the appraiser(s) shall not be held responsible for any defects in the property related thereto. The property appraised is as though there are no hidden or unapparent conditions which would affect market value; this includes subsoil conditions, potential flood conditions, hydrological and/or structural conditions. The appraiser(s) are not responsible for such conditions or those engineering efforts which might be required to discover and/or correct such factors. The value estimate assumes there are no defective property conditions that would cause a loss of value. The land or the soil of the area being appraised is assumed to be firm and otherwise satisfactory for building use. Although soil subsidence and the influence of toxic material in the area of the subject and its environs is unknown, the appraiser(s) do not warrant against this condition or occurrence of problems from soil (or toxic atmospheric) conditions known or unknown.

Unless otherwise stated in the report, the existence of hazardous material, substance or gas, which may or may not be present within, on or near the property, has been disregarded in the appraisal. The appraiser(s) are not qualified to detect such substances as asbestos, urea-formaldehyde foam insulation, radon gas, or other potentially hazardous material and/or substances which may adversely affect the value of the property. The value estimate is predicated on the assumption that there is no such toxic material and/or condition affecting the property that would cause a loss in value. The appraiser(s) are not responsible for any such condition and/or the engineering expertise required to discover any such condition. The client is urged to retain an expert in this field, if so desired. All mechanical components are assumed to be in operable condition and status standard for properties of the subject type. Conditions of heating, cooling, ventilating, electrical and plumbing equipment are assumed to be in good working order unless otherwise stated. Appraiser(s) are not responsible for the adequacy or type of insulation, or energy efficiency of the improvements or equipment, which are assumed to be standard for the subject property type. Unless otherwise stated, the appraiser(s) have not been supplied with a termite inspection report or occupancy permit. The appraiser(s) shall not be held responsible for, nor shall the appraiser(s) be

deemed to have made any representations regarding any potential costs associated with obtaining same or for past or present, legal or physical, deficiencies which may be found. Client further agrees that the appraiser(s) shall not be held responsible for any costs incurred or consequences arising from the need, or the lack of need, for flood hazard insurance.

10. Utilities

In the absence of a qualified professional engineer's study, information regarding the existence of utilities is made from a visual inspection of the site and review of available public information. The appraiser(s) have no responsibility for the actual availability of utilities, their capacity, or any other problem which might result from a condition involving utilities. Although public utility lines might be located adjacent to the subject property, the capacity of these lines for any proposed development is not known. The respective companies, governmental agencies or entities should be contacted directly by concerned individuals. Unless otherwise stated in the report, utilities of all types are considered in the appraisal to be present in adequate quality and quantity for the intended use or highest and best use of the property.

11. Legality of Use, Management of Property

The appraisal is based, unless otherwise stated, on there being full compliance with all applicable federal, state and local environmental regulations and laws, that all applicable zoning, building, use regulations and restrictions of all types have been complied with and, moreover, it is assumed that all required licenses, consents, permits, or other legislative or administrative authority, local, state, federal and/or private entity or organization have been or can be obtained or renewed for any use considered in the value estimate. The appraisal is prepared under the assumption that the property which is the subject of this report is maintained and managed pursuant to prudent and competent ownership and management.

12. Component Values, Special Studies

The distribution of the total valuation in this report between land and improvements applies only under the existing program of use. The separate valuations for land and building must not be used separately and are invalid if so used. No environmental or impact studies, special market study or analysis, highest and best use analysis study or feasibility study has been requested or made unless otherwise specified in an agreement for services or within the report.

13. Inclusions.

Furnishings, equipment, personal property or business operations which may sometimes be considered a part of the real estate, have been disregarded, unless otherwise specified and only the real estate is considered in the value estimate. In some limited circumstances, business and real estate interests and values may be combined depending on the specific situation and as determined by a written agreement. Please see the appraisal report for further clarification.

14. Proposed Improvements, Conditional Value

Any improvements proposed, on- or off-site, as well as any repairs required, will be assumed, for purposes of this appraisal, to be completed in a good and workmanlike manner according to information submitted by the client for consideration by the appraiser(s). In cases of proposed construction, the appraisal is subject to change upon inspection of the property by the appraiser after construction is completed. The estimate of market value is as of the date shown, as proposed, and as if completed and operating at the levels shown and projected or as otherwise indicated and labeled in the appraisal report.

15. Value Change, Dynamic Market, Influences on Market Value, Alteration of Estimate and/or Analysis Herein By Appraiser

The estimated market value, as defined in the report, is subject to change with market fluctuations over time; value is highly related to exposure, time, promotional effort, terms, motivation, and personal and general economic and supply/demand conditions surrounding the offering. The value estimate considers the productivity and relative attractiveness of the property both physically and economically in the marketplace.

The market value estimated, and the costs used, are as of the date of the estimate of value. All dollar amounts are based on the purchasing power and price of the dollar as of the date of the value estimate. The client hereby agrees that the appraisal report and value estimate are subject to change if the physical or legal entity or the financial arrangements are different than that envisioned in this report or upon change in, or discovery of, certain influencing market conditions or property conditions as well.

In cases of appraisals involving the capitalization of income benefits, the estimate of market value or investment value or value in use, the client hereby acknowledges and agrees that such estimates are intended to be a reflection of benefits which the appraiser(s) have been directed to assume as given, as well as from the appraiser's interpretation of income and yields and other factors derived from general and specific client and market information. Such estimates are as of the date of the estimate of value; they are thus subject to change as the market and value is naturally dynamic. The client agrees that these types of appraisals are based on reasonable estimates and as such, will not hold appraiser(s) responsible for any errors in the estimated values. The "Estimate of Market Value" in the appraisal report is not based in whole or in part upon the race, color or national origin of the present or previous owners nor upon the occupants of the properties in the vicinity of the property which is the subject of the appraisal.

16. After-Tax Analysis, Investment Analysis, and/or Valuation

Any "after" tax income or investment analysis and resultant measures of return on investment are intended to reflect only possible and general market considerations, whether as part of estimating value or estimating possible returns on investment at an assumed value or price paid; the client acknowledges and agrees that the appraiser(s) do not claim any expertise in tax matters and moreover will not rely on any information prepared by appraiser(s) which in any way relates to income tax matters.

17. Information furnished by Client and Third Parties

Any and all information furnished by the client and/or third parties is logically presumed to not only be correct but complete, either in entirety or summarized as presented, and if there are no other documents modifying the one or ones mentioned herein.

18. Federal Law OMB Circular A-129 & Bulletins 91-05 and 92-06 Amending Circular A-129

These require USPAP standards and practices be used under State certification and license programs under Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) (P.L. 101-73) and OMB Bulletin 92-06 applies these USPAP to the 17 affected Federal eminent-domain agencies subject to the regulations of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act), as amended by regulations in 49 CFR Part 24. Agencies not subject to the Uniform Act should follow the revised 49 CFR Part 24 to conform to OMB Bulletin 92-06.

19. Americans With Disabilities Act (ADA)

This act became effective January 26, 1992. The appraiser(s) have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA could 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 effect upon the value of the property. As the appraiser(s) have no direct evidence relating to this issue, possible or direct noncompliance with the requirements of ADA in estimating the value of the property was not considered.

20. Environmental

It is assumed that there are no protected species of plants or animals in, on, or near the subject property other than any described in the report.

It is assumed that the site is not a cactus ferruginous pygmy owl habitat (defined by US Fish & Wildlife as: Land below 4000 feet in elevation that has saguaro greater than 8 feet tall or containing a woodpecker cavity) ironwood, mesquite, or paloverde vegetation (must be >6 inches in diameter). (note as of May 2006 the pygmy owl has been de-listed as an endangered species; however, there is ongoing litigation seeking to overturn this de-listing).

21. Report Type

This is a Report which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice. Supporting documentation concerning the data, reasoning, and analysis is retained in the appraiser's file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.

22. Other Information for Readers

We recommend that if sewer or septic connection, or condition of same, is of concern to client or other readers of this report, a qualified expert should be hired to inspect the system and perform appropriate tests as he/she deems necessary. Further, if water source, status, possible toxic influences on air, water, soil, or improvement construction material or condition of mechanical, structural or other systems or components are of concern, an appropriate expert should be engaged as we are not experts in such matters. The reader is cautioned that value is dynamic and changes with changing market conditions over time. Subsequent sales, listings, and other market influencing activity may influence value after the date of the value estimate. The value estimate is an estimate, not a determined fact.

23. Conclusion

Acceptance of and/or use of this appraisal report by the client or any third party reader or user, constitutes acceptance of the above stated conditions as well as any other(s) stated in this report. The acceptance of this appraisal report also constitutes acceptance of responsibility for payment of the appraisal fee balance due and any costs incurred by the appraiser(s) in collection of same. Appraiser liability extends only to stated client, not subsequent parties or users; any additional appraiser liability is limited to the actual amount of fee received by said appraiser(s).

These Limiting Conditions and Assumptions are in conjunction with any form type page(s) of similar nature in the appraisal report package; further, the reader is advised that certain comments in the report may point out other specific assumptions and/or limiting conditions pertaining to this appraisal even though an attempt has been made to summarize all limiting conditions and assumptions herein; the client or designated user of the appraisal report should inspect the property and confirm factual information before a final decision is made concerning the subject.

--- end ---

SUBJECT & EXHIBITS

Site looking West along area of potential easement (125912930)



Site looking southwest from approximate NEC (125916602)



Wash near site northern boundary looking west (130944354)



Bilby looking east from site NEC (131309049)



Wade looking N from site NEC (131313487)



Wade Looking S from site NEC (131317918)



Plat Map

(RESUB 34/0)

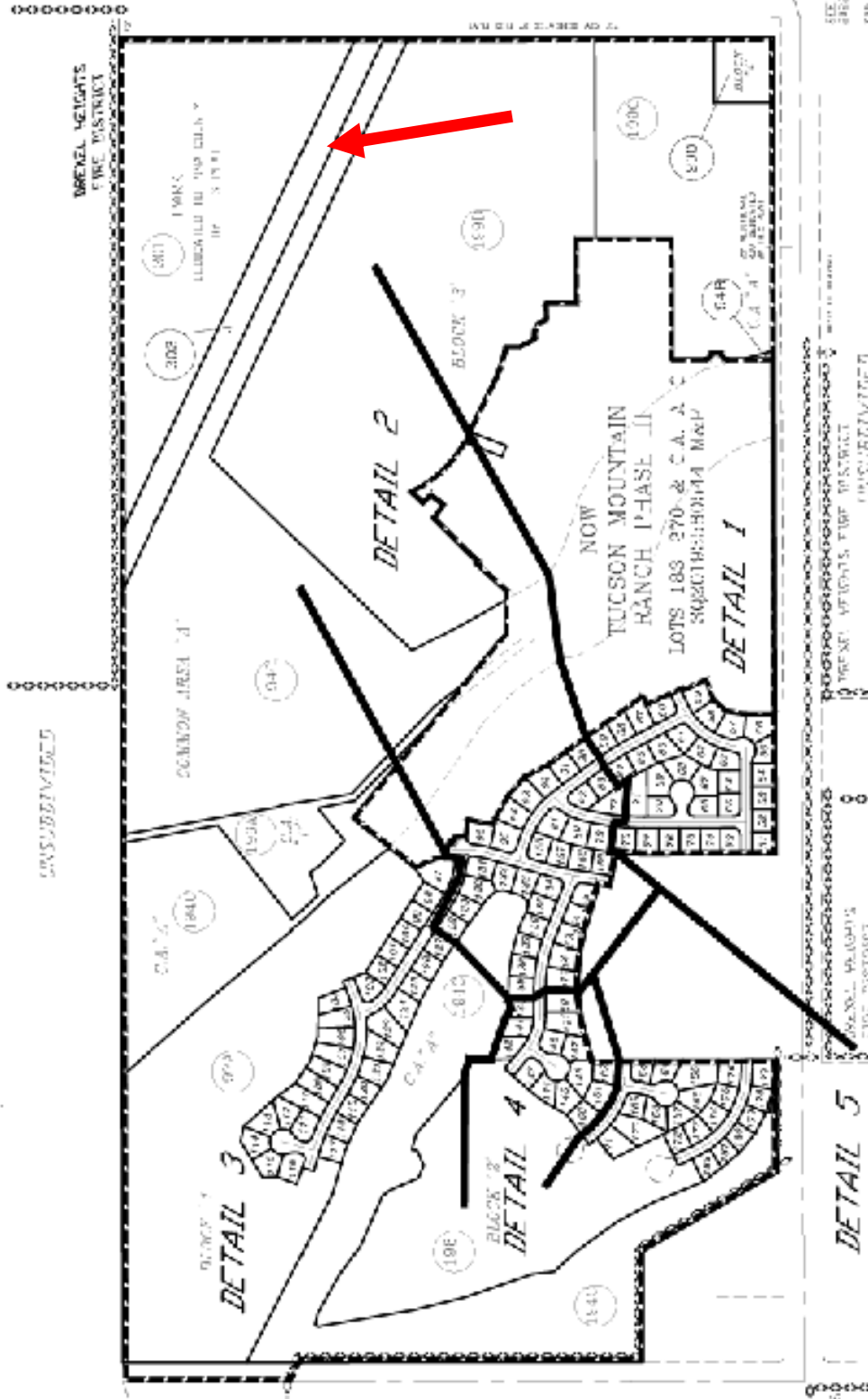
LAYOUT

FOR'S RECORD MAP

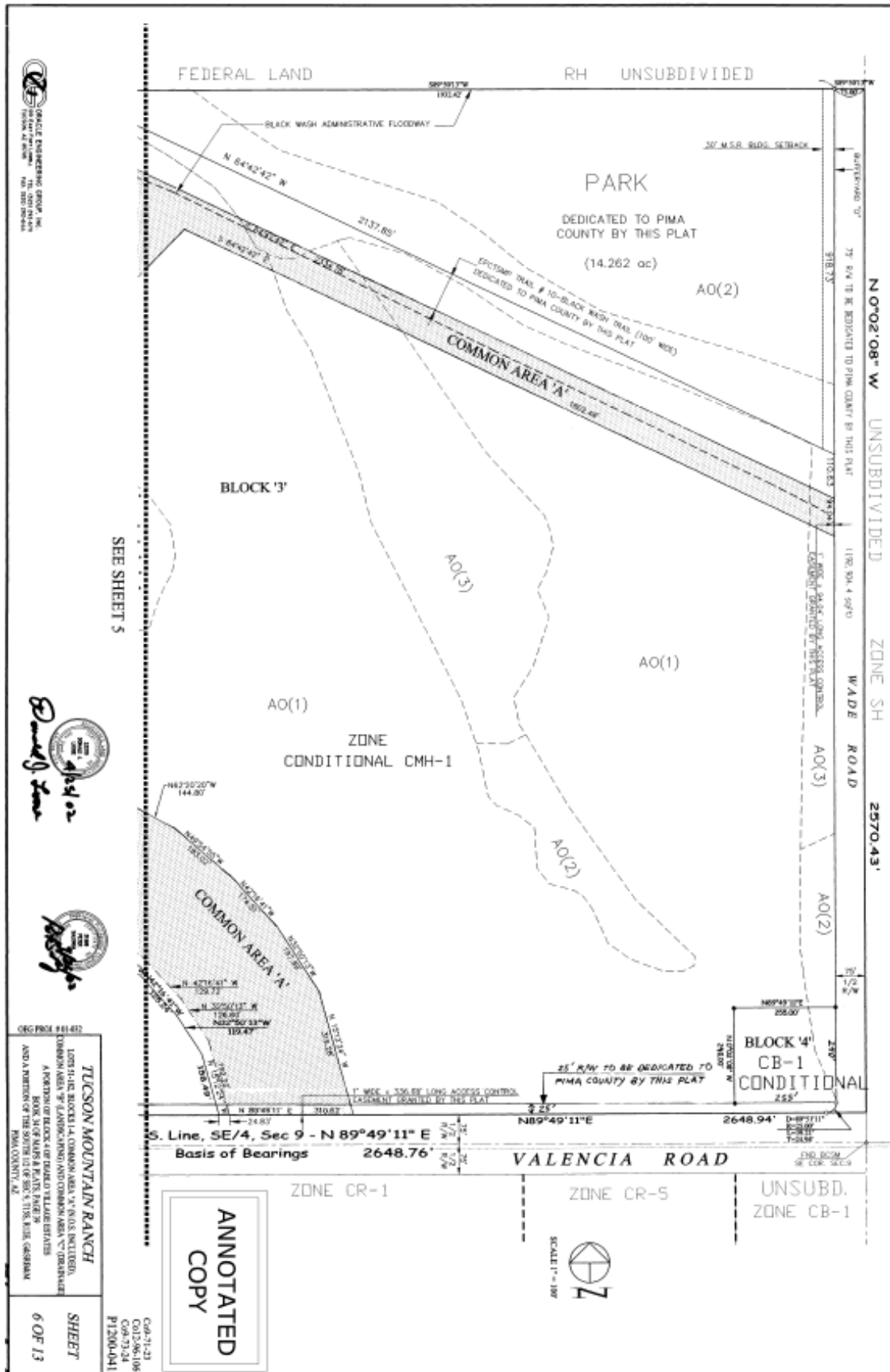
TUCSON MOUNTAIN RANCH

LOTS 51-182, BLOCKS 1-4 & COMMON AREA A - C

CONSIDERED



Subdivision Plat

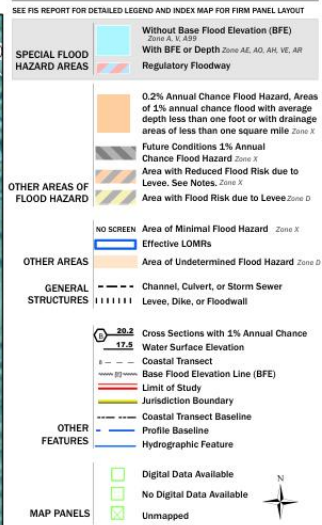


Flood Maps

National Flood Hazard Layer FIRMette



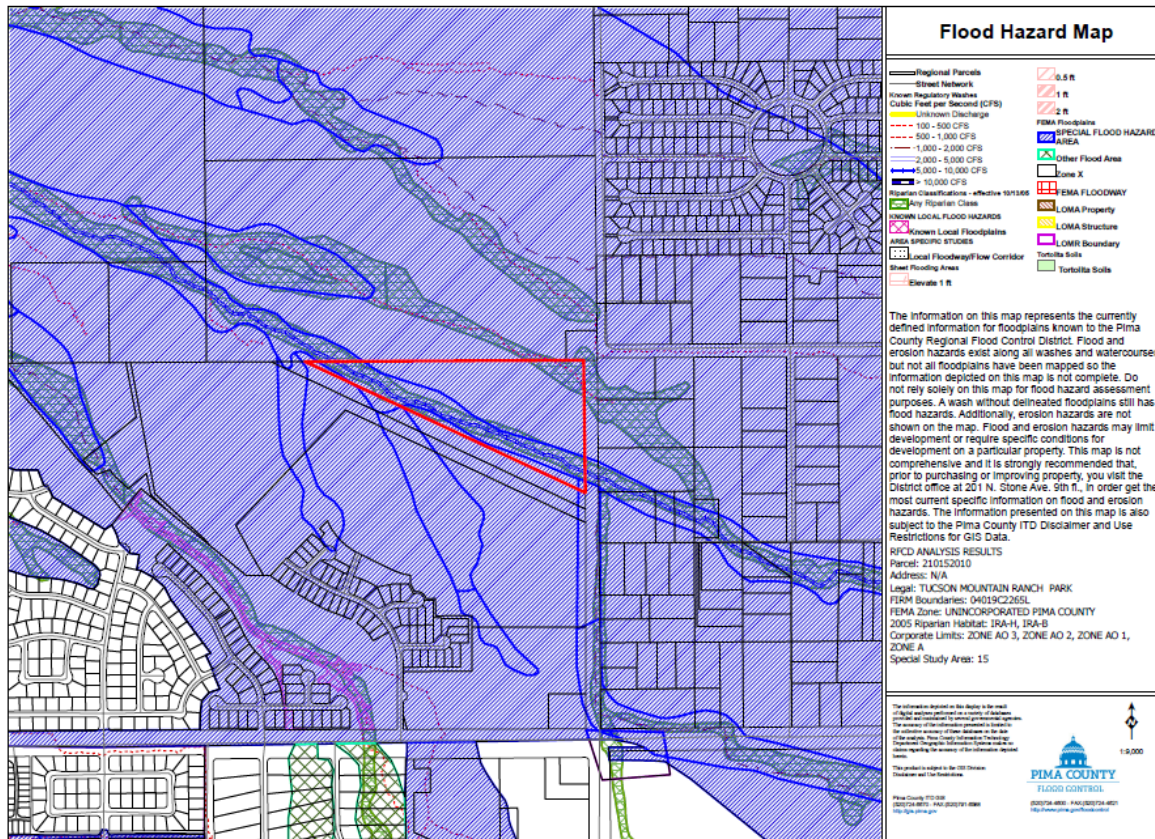
Legend



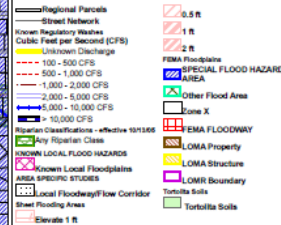
This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards.

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 9/11/2025 at 2:53 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmolded areas cannot be used for regulatory purposes.



Flood Hazard Map



The information on this map represents the currently defined information for floodplains known to the Pima County Regional Flood Control District. Flood and erosion hazards exist along all washes and watercourses, but not all floodplains have been mapped so the information depicted on this map is not complete. Do not rely solely on this map for flood hazard assessment purposes. A wash without delineated floodplains still has flood hazards. Additionally, erosion hazards are not shown on the map. Flood and erosion hazards may limit development or require specific conditions for development on a particular property. This map is not comprehensive and it is strongly recommended that, prior to purchasing or improving property, you visit the District office at 201 N. Stone Ave. 9th fl., in order get the most current specific information on flood and erosion hazards. The information presented on this map is also subject to the Pima County ITD Disclaimer and Use Restrictions for GIS Data.

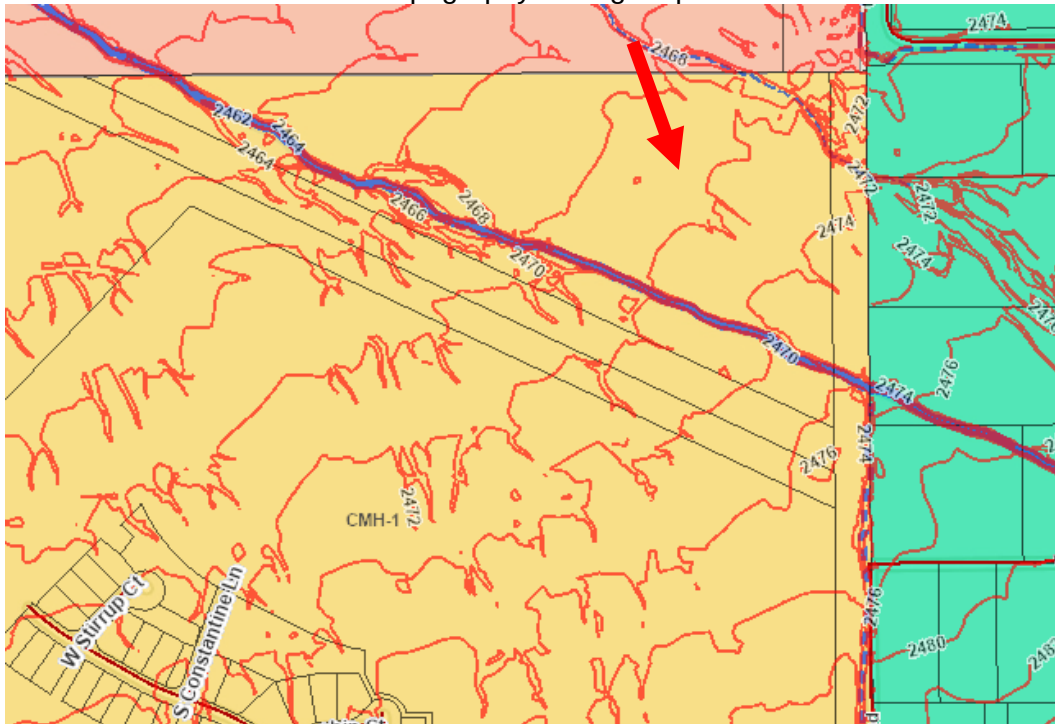
RPCD ANALYSIS RESULTS
Parcel: 210152010
Address: N/A
Legal: TUCSON MOUNTAIN RANCH PARK
FIRM Boundaries: 04019C2265L
FEMA Zone: UNINCORPORATED PIMA COUNTY
2005 Riparian Hazards: 10A-H, 10A-B
Corporate Limits: ZONE AO 3, ZONE AO 2, ZONE AO 1, ZONE A
Special Study Area: 15

This information is provided as a service to the public. It is not intended to be used for any other purpose. The user assumes all responsibility for the use of this information. The information is provided as a service to the public. It is not intended to be used for any other purpose. The user assumes all responsibility for the use of this information.

Pima County FIRM 2005
2005 FIRM 2005
2005 FIRM 2005
2005 FIRM 2005

Friday, September 5, 2025

Topography/zoning map



CONSULTANT'S QUALIFICATIONS

PAUL D. HENDRICKS, MAI
4708 E. Scarlett, Tucson, AZ 85711
Voice & Fax (520) 325-6512
Email: PaulHendricksMAI@gmail.com
www.TucsonAzAppraisal.com

EDUCATION

Academic

Bachelor of Science in Business Administration, University of Arizona; Real Estate and Finance Major.

Valuation

Appraisal Courses and Examinations:

- Standards of Professional Practice; A, B
- Standards of Professional Practice, C
- Investment Analysis
- Highest and Best Use, and Market Analysis
- Valuation Analysis and Report Writing
- Case Studies in Real Estate Valuation
- Income Approach to Value and Capitalization
- Basic Principles, Methods 1A
- Americans with Disabilities Act
- Due Diligence/Environmental Checklist
- Residential Appraisal Techniques
- FEMA Flood Hazard
- Arizona Appraisal Law
- Construction and Engineering Awareness
- Reviewing Appraisals
- Small Residential Income Property Appraisal
- Hazardous Materials
- Litigation Valuation
- Appraiser as Expert Witness
- Partial Interest Valuation; Undivided
- Land Valuation Assignments
- Residential & Commercial Solar Valuation
- Uniform Standards Appraisal Federal Land Acquisitions

Appraisal Seminars

- Appraisal Business Management
- Critical Building Inspections
- Fair Lending and the Appraiser
- Residential Real Estate Econometrics
- Commercial Appraisal; Lender Requirements

EXPERIENCE

November 1995 - Present:

Real Estate Appraiser/Consultant, Paul Hendricks Appraisal & Counseling, Tucson, Arizona

In November 1995, Mr. Hendricks again returned to his own firm which performs appraisal and consulting assignments primarily in Arizona; he also works as an independent contractor for other appraisal firms in the Tucson area. He continues to work as an independent contractor with Hendricks, Vella, Weber & Williams, a California corporation with assignments primarily in California.

1994-November 1995:

Senior Real Estate Analyst; The Dorchester Group, Scottsdale, Arizona.

In January 1994 Mr. Hendricks joined The Dorchester Group as a Senior Analyst. He has provided consulting and valuation services on several complex real estate issues and assignments for the firm which specialized in litigation support for its operations in Arizona and California.

1986-1993:

Real Estate Appraiser/Consultant, Paul Hendricks Appraisal & Counseling; Tucson, Arizona.

During this time Mr. Hendricks performed real estate appraisals and consulting for his own firm as well as working as an independent contractor primarily for Swango Appraisal. Appraisal assignments included a wide variety of property types including industrial and retail, special use, apartment, motel, subdivision and land as well as residential properties and commercial appraisal reviews.

1979-1986:

Senior Real Estate Analyst, Swango Appraisal & Consultation; Tucson, Arizona.

Mr. Hendricks primarily performed a wide variety of appraisal assignments for residential and commercial properties.

PROPERTIES

Property experience encompasses virtually all types, including apartments, retail centers, industrial, offices, motels, special use properties and commercial appraisal reviews. Clients include private, corporate, institutional, and governmental entities.

COMPUTERS

Mr. Hendricks' experience includes development of specialized spreadsheets dealing with anticipated income streams from tenant leases, analysis of various leasehold positions and Discounted Cash Flow analyses and projections.

PROFESSIONAL AFFILIATIONS

- Member Appraisal Institute, MAI (Membership No. 7811)
- Certified General Real Estate Appraiser, State of Arizona (30197)
- President, Appraisal Institute, Tucson Chapter (1997)
- Vice President, Appraisal Institute, Tucson Chapter (1996)
- Secretary, Appraisal Institute, Tucson Chapter (1995)
- Treasurer, Appraisal Institute, Tucson Chapter (1994)
- Board of Directors, Appraisal Institute, Tucson, Arizona (1991-1993)

GEOGRAPHIC WORK/MARKET EXPERIENCE

Mr. Hendricks has completed real estate assignments and has market familiarity in Arizona, California and Nevada.

EXPERT WITNESS EXPERIENCE

Mr. Hendricks will always sign appraisal reports and be responsible for analysis of the appraisal problem, primary and secondary data research, selection and confirmation of comparable properties, inspection and all analysis as well as defense of conclusions.

Mr. Hendricks has been qualified as an expert witness in Superior Court in Arizona and has given depositions and testimony experience in bankruptcy proceedings, condemnation, and other litigation. He has performed analysis for condemnor and condemnee parties.

SPECIAL PROJECTS

In Tucson, Mr. Hendricks worked as an independent fee appraiser for the City of Tucson and Pima County in the condemnation, acquisition and negotiation of several large road projects including Country Club, Alvernon and Speedway Boulevard, Golf Links, Wetmore Road and La Cholla as well as condemnation for the acquisition of Central Arizona Project pumping station sites.

In Phoenix, Mr. Hendricks is an independent fee appraiser for the City of Phoenix with experience in appraisal of a variety of commercial property types for the Central Phoenix/East Valley Light Rail Project.

Mr. Hendricks is under contract with Arizona Department of Transportation and has experience in appraisal of a variety of commercial property types.

At The Dorchester Group, Mr. Hendricks has assisted in the analysis of the impact of the Exxon Valdez Oil Spill in Prince William Sound, Alaska on certain real estate holdings and litigation support for the U.S. Justice Department in relation to acquisition of and subsequent development of Lake Pleasant. Consulting assignments have analyzed market rental and effects in value from site contamination and soil subsidence.