

AN APPRAISAL REPORT

OF

345,000 SQUARE FEET OF VACANT LAND

**LOCATED AT THE NORTHWEST CORNER OF SUNSET ROAD AND
THE I-10 FRONTAGE ROAD, TUCSON, PIMA COUNTY, ARIZONA**

FOR

**PIMA COUNTY PUBLIC WORKS
REAL PROPERTY SERVICES
MR. JEFFREY TEPLITSKY**

**OWNERSHIP: PIMA COUNTY FLOOD CONTROL DISTRICT
TAX PARCEL NUMBER: 101-21-001F; -001E (PORTION); 101-07-106R
(PORTION); PORTION OF OLD SUNSET ROAD ALIGNMENT
SECTIONS 8, 17, AND 18, TOWNSHIP 13 SOUTH, RANGE 13 EAST**

EFFECTIVE DATE OF APPRAISAL

NOVEMBER 18, 2021

BAKER, PETERSON, BAKER & ASSOCIATES, INC.
Tucson, Arizona

BAKER, PETERSON, BAKER & ASSOCIATES, INC.

REAL ESTATE APPRAISERS - CONSULTANTS

4547 E. FT. LOWELL ROAD • SUITE 401 • TUCSON, AZ 85712

(520) 881-1700 • 1-800-204-1700

FAX (520) 325-3108

www.bakerpeterson.com

• Over 40 Years of Service •

January 21, 2022

Mr. Jeffrey Teplitsky
Pima County Public Works
Real Property Services
201 North Stone Avenue, Sixth Floor
Tucson, Arizona 85701-1207

RE: An appraisal report of vacant land (345,000 square feet) located at the northwest corner of Sunset Road and the I-10 Frontage Road, Tucson, Pima County, Arizona

<i>Ownership:</i>	Pima County Flood Control District
<i>Tax Parcel No.:</i>	101-21-001F; -001E (portion); 101-07-106R (portion); portion of old Sunset Road alignment
<i>Effective Date of Appraisal:</i>	November 18, 2021
<i>Date of Report:</i>	January 21, 2022

Dear Mr. Teplitsky:

In response to your authorization, I have conducted the required inspection, gathered the necessary data, and made certain analyses that have enabled me to form an opinion of the market value of the fee simple interest in the above-named property, both before and after the acquisition of a parcel of land and any improvements for construction of road improvements as part of the Sunset Road project, and the estimated damages which may accrue to the remainder property not being acquired.

This report is intended for use only by the intended user, Mr. Jeffrey Teplitsky, Pima County Public Works, Real Property Services, and its designees. Use of this report by others is not intended by the appraiser. This report is intended only for use in assisting the intended user in the determination of the compensation due for a partial acquisition of the subject property. It is not intended for any other use.

The identified subject larger parcel contains approximately 345,000 square feet of land area, per appraiser estimate. This is based upon common ownership and highest and best use, with this land able to be utilized for a development, per the highest and best use. While the property owner does own additional adjacent land, this land is not included as part of the subject larger parcel as it has a different use.

Larger Parcel, as defined in the Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, 2015, page 127, is "In governmental land acquisitions and in valuation of charitable donations of partial interests in property such as easements, the tract or tracts of land that are under the beneficial control of a single individual or entity and have the same, or an integrated, highest and best use. Elements for consideration by the appraiser in making a determination in this regard are contiguity, or proximity, as it bears on the highest and best use of the property, unity of ownership, and unity of highest and best use. In most states, unity of ownership, contiguity, and unity of use are the three conditions that establish the larger parcel for the consideration of severance damages. In federal and some state cases, however, contiguity is sometimes subordinated to unitary use."

I have formed the opinion that, as of the effective date of appraisal, November 18, 2021, and subject to the assumptions and limiting conditions set forth herein, based on a twelve to twenty-four month marketing period, the market value of the fee simple interest of the part acquired and any severance damages is:

Market Value of Land, Before	\$221,800
Market Value of Land Acquired	\$43,200
Market Value of Remainder Land, Before	\$178,600
Market Value of Remainder Land, After	\$178,600
Severance Damages	-0-
TOTAL COMPENSATION	\$178,600
Market Value of Land To Be Acquired	\$43,200
Severance Damages	-0-
TOTAL COMPENSATION	\$43,200

Hypothetical Condition - This appraisal report includes the appraisal of the market value of the remainder property, as if the Sunset Road project was complete and all improvements were in place. As the road widening project is not complete as of the effective date of value, the appraisal of the market value of the remainder property, after, is based upon the hypothetical condition that the improvements were completed based upon the plans provided to the appraiser by Pima County. If the project is not completed as indicated by Pima County to the appraiser, then the value indicated in this report is subject to change. Per USPAP, the use of this hypothetical condition might have affected the assignment results.

Hypothetical Condition – The subject property contains a portion of the Chuck Huckelberry Loop multi-use path. As part of the larger Sunset Road project, the Loop was moved from adjacent to Sunset Road, along the southern property line, further north into the developable portion of the subject property. This appraisal is based on a hypothetical condition that in both the before and after condition, this portion of the multi-use path had not been moved further north into the subject property developable land area, but remained along the southern property line. Per USPAP, the use of this hypothetical condition might have affected the assignment results.

This is an appraisal report which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report (USPAP). As such, it presents only summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraisers' opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraisers' file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated above. The appraiser is not responsible for unauthorized use of this report.

Respectfully submitted,



Sara R. Baker, MAI, SRA
Certified General Real Estate Appraiser
Certificate Number 31679
Designated Supervisory Appraiser
Registration Number DS0082

C218069A

TABLE OF CONTENTS

<i>PART I - GENERAL INFORMATION</i>	1
Intended Use of Report	2
Legal Description	3
Ownership	4
<i>PART II - SCOPE OF THE APPRAISAL</i>	5
<i>PART III - DESCRIPTION OF REAL ESTATE APPRAISED</i>	8
<i>SECTION A - THE LAND BEFORE ACQUISITION</i>	8
Tucson Overview	8
Market Area	15
Site Description	16
Zoning	17
Highest and Best Use	22
<i>SECTION B - VALUATION OF PROPERTY, BEFORE</i>	25
Sales Comparison Approach – Developable Land	25
Sales Comparison Approach – Open Space Land	45
Total Value of the Subject Property – Before Acquisition	67
<i>SECTION C - THE LAND TO BE ACQUIRED</i>	68
Land Value, Part To Be Acquired	68
<i>SECTION D - VALUATION OF THE REMAINDER PROPERTY, BEFORE</i>	69
<i>SECTION E - THE REMAINDER LAND, AFTER ACQUISITION</i>	70
<i>SECTION E - SEVERANCE DAMAGES</i>	71
<i>SECTION F - SUMMARY OF VALUE CONCLUSIONS</i>	72
<i>PART IV - ASSUMPTIONS AND LIMITING CONDITIONS</i>	73
<i>PART V - CERTIFICATION</i>	76
<i>PART VI - EXHIBITS</i>	79

PART I - GENERAL INFORMATION

CLIENT

Pima County Real Property Services

APPRAISER:

Sara R. Baker, MAI, SRA

SUBJECT PROPERTY:

The subject property is located at the northwest corner of Sunset Road and the I-10 frontage road, Tucson, Arizona. The subject of this appraisal is vacant land estimated to contain 345,000 square feet.

LAND AREA

345,000 square feet, or 7.92 acres, based on appraiser's estimate from GIS. See scope of work for discussion on larger parcel.

ZONING

I-1, GR-1, CB-1

TAX PARCEL NUMBER

101-21-001F; -001E (portion); 101-07-106R (portion); portion of old Sunset Road alignment

FULL CASH VALUE

101-21-001F: \$8,643 (2021)

101-21-001E: \$220,000 (2021, entire parcel)

101-07-106R: \$157,000 (2021, entire parcel)

Old Sunset: not available

101-21-001F: \$8,643 (2021)

101-21-001E: \$225,000 (2022, entire parcel)

101-07-106R: \$162,000 (2022 entire parcel)

Old Sunset: not available

The development of full cash values is based on mass appraisal models as set by the State of Arizona. They are for tax assessment purposes only and cannot be equated with market value as utilized in this appraisal. Thus, they serve only as a point of comparison with other properties.

LIMITED CASH VALUE

101-21-001F: \$8,643 (2021)
101-21-001E: \$83,162 (2021, entire parcel)
101-07-106R: \$25,070 (2021, entire parcel)
Old Sunset: not available

101-21-001F: \$8,643 (2021)
101-21-001E: \$87,320 (2022, entire parcel)
101-07-106R: \$26,324 (2022 entire parcel)
Old Sunset: not available

Limited Cash Value is the basis for primary property taxes. It is a legislatively established value based on a mathematical formula that limits the amount of increase in any given year.

REAL ESTATE TAXES

There are currently no property taxes as the property owner is a government entity

Real estate taxes are a combination of a primary tax, which is the primary tax rate applied to the limited cash value and divided by 100, plus the secondary tax, which is the secondary tax rate applied to the full cash value and divided by 100. The primary and secondary tax rates are an aggregate of various tax rates set by various jurisdictions.

DELINQUENT TAXES

None

INTENDED USE OF REPORT

This report is intended for use only by the intended user, Mr. Jeffrey Teplitsky, Pima County Public Works, Real Property Services, and its designees. Use of this report by others is not intended by the appraiser. This report is intended only for use in assisting the intended user in the determination of the compensation due for a partial acquisition of the subject property. It is not intended for any other use.

INTEREST APPRAISED

Fee simple interest in the land before the acquisition, in the land to be acquired, and in the remainder land after the acquisition.

Fee Simple Interest, as defined in The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, 2015, page 90, is "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."

MARKET VALUE DEFINITION

Market value, as utilized in this appraisal, and pursuant to Arizona Revised Statutes Sec. 3, Section 12-1122, C, is defined as follows:

"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."

The terms "market value" and "value", as used in this report, refer to market value as described herein.

PROJECT INFLUENCE

In determining the fair market value of the property being acquired (and any remaining property), you must disregard any decrease or increase in market value to the property before the acquisition which was caused by the Sunset Road project, or by the likelihood that the property (or part of) would be acquired for the Sunset Road project.

State Bar of Arizona, RAJI (Civil) 5th, Eminent Domain 8; citing: State v. Hollis, 93 Ariz. 200 (1963); Udovich v. Ariz. Bd. Of Regents, 9 Ariz. App. 400 (1969).

In ADOT cases, this principle has been codified at ARS 28-7097, which provides:

In acquiring property for transportation purposes pursuant to this article, when determining the market value of the property to be taken and the market value of the remainder, if any, in the before condition, a decrease or increase in the market value of the real property before the date of valuation caused by the public project for which the property is to be acquired or by the likelihood that the property would be acquired for the project shall be disregarded.

All steps in the appraisal process, including the selection of comparables and analysis of market data, were completed disregarding any influence from the project for which this appraisal is being completed.

TITLE REPORT INFORMATION

The appraisers have reviewed information contained in a title report of the subject property as provided by the client. The appraisers do not consider there to be any impact on the market value of the subject property by items reviewed in the title report.

LEGAL DESCRIPTION

A portion of the Northwest Quarter of the Northwest Quarter of Section 17, a portion of the Northeast Quarter of Section 18, and a portion of Southwest Quarter of Section 8, Township 13 South, Range 13 East, G&SRB&M, Pima County, Arizona. The client will provide a full legal description of the property.

OWNERSHIP

According to public records of the Pima County Assessor, title to parcels 101-21-001F and 101-21-001E is in the name of Pima County Flood Control District, according to a deed recorded in Recording Number 20163370125, dated December 2, 2016. This was a quit claim deed from Pima County to Pima County Flood Control District and is not a market transaction. Title to parcel 101-07-106R is in the name of Pima county Flood Control District, according to a deed recorded in Recording Number 20223560777, dated December 21, 2012.

SALES HISTORY

No known sales of the subject property have occurred within the last three years. No current listings, options, or agreements of sale of the subject property were discovered in the course of this analysis.

ASSUMPTIONS AND LIMITING CONDITIONS:

Subject to those assumptions and limiting conditions contained in the Assumptions and Limiting Conditions@ section of this report.

CERTIFICATION

See Part V.

EFFECTIVE DATE OF APPRAISAL

November 18, 2021

DATE OF INSPECTION

November 18, 2021

HYPOTHETICAL CONDITION

This appraisal report includes the appraisal of the market value of the remainder property, as if the Sunset Road project was complete and all improvements were in place. As the road widening project is not complete as of the effective date of value, the appraisal of the market value of the remainder property, after, is based upon the hypothetical condition that the improvements were completed based upon the plans provided to the appraiser by Pima County. If the project is not completed as indicated by Pima County to the appraiser, then the value indicated in this report is subject to change. Per USPAP, the use of this hypothetical condition might have affected the assignment results.

HYPOTHETICAL CONDITION

The subject property contains a portion of the Chuck Huckelberry Loop multi-use path. As part of the larger Sunset Road project, the Loop was moved from adjacent to Sunset Road, along the southern property line, further north into the developable portion of the subject property. This appraisal is based on a hypothetical condition that in both the before and after condition, this portion of the multi-use path had not been moved further north into the subject property developable land area, but remained along the southern property line. Per USPAP, the use of this hypothetical condition might have affected the assignment results.

PART II - SCOPE OF THE APPRAISAL

Scope of work is identified by USPAP as the "amount and type of information researched and the analysis applied in an assignment." According to the scope of work rule as defined by USPAP, "For each appraisal, appraisal review, and appraisal consulting assignment, an appraiser must:

- 1) identify the problem to be solved;
- 2) determine and perform the scope of work necessary to develop credible assignment results; and
- 3) disclose the scope of work in the report."

This appraisal assignment has been completed in response to authorization by Mr. Jeffrey Teplitsky for Pima County, in a contract executed by Ms. Sara R. Baker, MAI, SRA for Baker, Peterson, Baker and Associates, Inc. The assignment includes appraisal of the property herein described, and the preparation of a report which describes the property being appraised, analyzes appropriate data, and offers an opinion of the market value of the property as of the effective date specified in the report. The appraisal is prepared and reported according to the Uniform Standards of Professional Appraisal Practice of The Appraisal Foundation, the Code of Ethics and the Standards of Professional Practice of the Appraisal Institute, the standards of Title XI of the Federal Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), and to those specifications provided by the client.

This report is intended for use only by the intended user, Mr. Jeffrey Teplitsky, Pima County Public Works, Real Property Services, and its designees. Use of this report by others is not intended by the appraiser. This report is intended only for use in assisting the intended user in the determination of the compensation due for a partial acquisition of the subject property. It is not intended for any other use. The purpose of the appraisal is to estimate the market value in fee simple interest of a specific property which has been previously identified in this report, and is referred to as the subject property, the subject, or the property.

The exact nature of, and interest in, the subject property is defined elsewhere in this report. The appraisal provides an opinion of the market value of the subject property using the sales comparison approach, which is defined in the report. In completing this assignment, the appraiser inspected and photographed the subject property, reviewed and confirmed data relative to metropolitan Tucson (from economic and demographic data, including COMPS® Commercial Property Information Services, Real Estate Daily Comps, Tucson Multiple Listing Service (MLS), and the Pima County Real Estate Research Council), the neighborhood and the site.

The identified subject larger parcel contains approximately 345,000 square feet of land area, per appraiser estimate. This is based upon common ownership and highest and best use, with this land able to be utilized for a development, per the highest and best use. While the property owner does own additional vacant land, this land has a different highest and best use, and is therefore not included as part of the subject larger parcel.

Larger Parcel, as defined in the Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, 2015, page 127, is "In governmental land acquisitions and in valuation of charitable donations of partial interests in property such as easements, the tract or tracts of land that are under the beneficial control of a single individual or entity and have the same, or an integrated, highest and best use. Elements for consideration by the appraiser in making a determination in this regard are contiguity, or proximity, as it bears on the highest and best use of the property, unity of ownership, and unity of highest and best use. In most states, unity of ownership, contiguity, and unity of use are the three conditions that establish the larger parcel for the consideration of severance damages. In federal and some state cases, however, contiguity is sometimes subordinated to unitary use."

An opinion of the "highest and best use" of the property was formed, utilizing resources to identify such factors as land use, supply and demand, governmental requirements, environmental concerns, and economic elements, present and anticipated, which may impact upon the marketability of the property.

In the sales comparison approach, there was a thorough search for sale and listing data considered directly competitive to the subject property. This data was confirmed with one or more parties related to the transaction and (in the case of sales) by review of deeds and records of the Pima County Assessor. The analysis then compared each sale considered a reliable indicator of the value to the subject property in terms of those factors which were superior to the subject, inferior to the subject, and equal or offsetting.

The sales comparison approach provided an opinion of the market value of the subject property to arrive at a final opinion of market value. To develop the opinion of value, the appraiser performed an appraisal process as defined by the Uniform Standards of Professional Appraisal Practice. This appraisal report is a brief recapitulation of the appraiser's data, analyses, and conclusions. The appraiser's file retains supporting documentation.

Hypothetical Condition - This appraisal report includes the appraisal of the market value of the remainder property, as if the Sunset Road project was complete and all improvements were in place. As the road widening project is not complete as of the effective date of value, the appraisal of the market value of the remainder property, after, is based upon the hypothetical condition that the improvements were completed based upon the plans provided to the appraiser by Pima County. If the project is not completed as indicated by Pima County to the appraiser, then the value indicated in this report is subject to change. Per USPAP, the use of this hypothetical condition might have affected the assignment results.

Hypothetical Condition – The subject property contains a portion of the Chuck Huckelberry Loop multi-use path. As part of the larger Sunset Road project, the Loop was moved from adjacent to Sunset Road, along the southern property line, further north into the developable portion of the subject property. This appraisal is based on a hypothetical condition that in

both the before and after condition, this portion of the multi-use path had not been moved further north into the subject property developable land area, but remained along the southern property line. Per USPAP, the use of this hypothetical condition might have affected the assignment results.

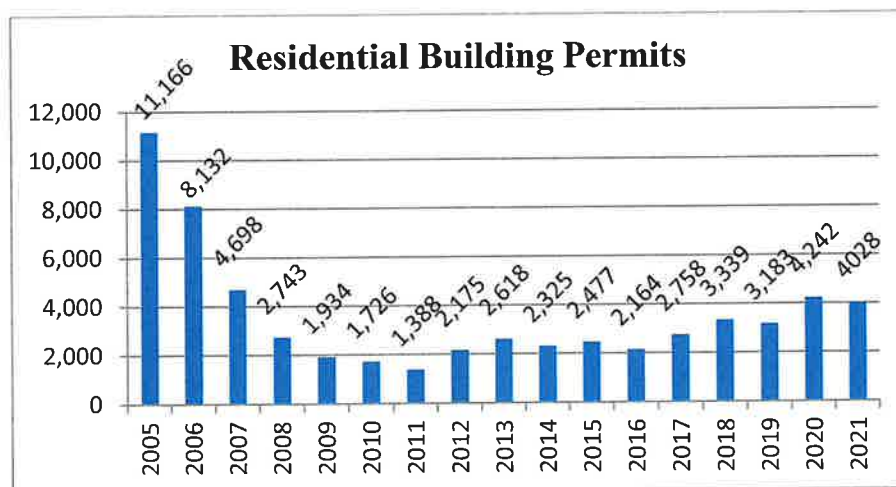
PART III - DESCRIPTION OF REAL ESTATE APPRAISED

SECTION A - THE LAND BEFORE ACQUISITION

TUCSON OVERVIEW:

Tucson is Arizona's second largest city and the "hub" of commerce in southeastern Arizona. According to the MAP AZ dashboard, in 2020, the estimated population of the Tucson metropolitan area was 1,044,675 persons, while the 2020 US Census indicated the population of the City of Tucson was 542,629.

Starting in 2006, fewer single-family residential permits were issued due to the oversupply of lots and residential homes on the market at that time. According to the United States Census Bureau, Building Permits Survey, the number of single-family residential permits declined through 2011. There was limited new single-family construction since 2008, with the decline continuing through 2011, with a small increase in 2012. The number of permits remained mostly stable with some slight variations since 2013, and increased slightly in 2017 and again in 2018. The number of permits was mostly stable in 2019 but increased somewhat in 2020. The 2021 data is through September 2021. There is currently strong demand for residential properties due to low interest rates and low inventory.



Overall, housing permits and sales had been increasing and a period of substantial growth occurred during 2004 and 2005 with unprecedented price increases experienced for most areas of Tucson. Building permit activity declined steadily in the Tucson Metropolitan area from a peak in 2005 of 11,166 to a low of 1,388 in 2011 for all new single-family residential construction residential building permits, according to the United States Census Bureau, Building Permits Survey. This was due in part to the difficulty in obtaining financing and, to a larger extent, a decrease in demand from primary home buyers and speculative home purchases by out of state buyers and an oversupply of available homes on the market, resulting in declining home prices. The number of housing permits increased slightly in 2012

and 2013 and then remained relatively stable. In recent years, the number of permits has remained mostly stable with a slight increase in 2017 and 2018 and was mostly stable in 2019. Most recently, there was an increase in 2020. There is currently strong demand for residential houses due to low interest rates and low inventory.

Office Market

Overall, the Pima County *office market* experienced net positive absorption of 44,199 square feet in the Third Quarter of 2021, according to *CoStar*. This compares to net negative absorption of 100,481 square feet in the Second Quarter of 2021, net negative absorption of 290 square feet in the First Quarter 2021, net positive absorption of 82,836 square feet in the Fourth Quarter of 2020, net negative absorption of 37,761 square feet in the Third Quarter of 2020, net negative absorption of 53,862 square feet in the Second Quarter of 2020, net negative absorption of 65,459 square feet in the First Quarter of 2020, net negative absorption of 93,213 square feet in the Fourth Quarter of 2019, net positive absorption of 226,846 square feet in the Third Quarter of 2019, net positive absorption of 105,528 in the Second Quarter of 2019, net positive absorption of 243,022 in the First Quarter of 2019, net negative absorption of 29,745 square feet in the Fourth Quarter of 2018, and net positive absorption of 78,529 square feet in the Third Quarter of 2018.

The following figure shows trends in the vacancy rates for office properties in Pima County through the Third Quarter 2021. The vacancy rate increased until late 2013 and then declined through 2017. The vacancy rate remained mostly stable in 2018 and the first part of 2019 before increasing at the end of 2019 through the third quarter of 2020. The vacancy rate increased slightly in the first half of 2021 and decreased slightly in the third quarter of 2021.



No new buildings were completed in the Third Quarter of 2021. This compares to three new buildings containing 64,037 square feet in the Second Quarter 2021, three new buildings containing 120,000 square feet in the First Quarter 2021, one new building containing 50,000 square feet in the Fourth Quarter 2020, two new buildings containing 58,500 square feet in

the Third Quarter 2020, two new buildings containing 42,000 square feet in the Second Quarter 2020, three new buildings containing 45,085 square feet in the First Quarter 2020, three new buildings containing 38,802 square feet in the Fourth Quarter 2019, two new buildings containing 206,737 in the Third Quarter 2019, one new buildings containing 266,300 square feet in the Second Quarter 2019, four new buildings totalling 235,300 square feet in the First Quarter 2019, one new building containing 14,952 square feet in the Fourth Quarter 2018, and four new buildings containing 57,516 square feet in the Third Quarter 2018.

The stable but higher overall annual vacancy rate indicates an office market which is coupled to the overall stable but slow real estate market. There was a decline in demand for owner/user office buildings, which had made up a majority of office sales in 2006 and 2007. Market conditions stabilized in 2013 and remained slow but stable through 2019. Market conditions for office properties had started to slowly improve, primarily for office properties in high demand areas and newer office buildings in good condition. Demand remained lower for older office buildings. It is uncertain if there will be long-term effects from the Covid-19 pandemic on the office market. It is not yet known if work from home will remain in demand, permanently impacting office trends and demand.

Retail Market

Retail space had maintained more constant levels of growth and absorption, with decreasing vacancy rates observed prior to mid-2007. In general, the market turned down starting at the end of 2007. Some signs for a decline in market conditions includes contracts cancelled, development projects put on hold with reasons including reduced demand and increased competition of other developments coming out of the ground, offers and counter offers at considerably below the listing price, listings being repriced at lower levels, existing tenants looking for rental relief, businesses closing their stores and vacating the premises, and excess developed land without demand. In recent years, demand had increased for many types of retail properties and remained stable for less desirable retail uses. In March 2020, the Covid-19 pandemic impacted the world. After pausing in the immediate emergence of Covid-19, demand has again increased for many retail property types but continues to be stable for certain uses and areas of less demand.

There was net positive absorption of 156,241 in the Third Quarter 2021, according to CoStar. This compares to net negative absorption of 117,165 in the Second Quarter 2021, net positive absorption of 123,296 square feet in the First Quarter 2021, net positive absorption of 22,013 in the Fourth Quarter 2020, net negative absorption of 291,825 in the Third Quarter 2020, net positive absorption of 124,234 square feet in the Second Quarter 2020, net negative absorption of 21,517 square feet in the First Quarter 2020, net positive absorption of 96,722 square feet in the Fourth Quarter 2019, net negative absorption of 36,116 square feet in the Third Quarter 2019, net positive absorption of 79,816 square feet in the Second Quarter 2019, and net negative absorption of 178,587 square feet in the First Quarter 2019.

In the Third Quarter 2021, five new buildings containing 167,960 square feet were completed. This compares to five new buildings containing 14,931 square feet in the Second Quarter of 2021, ten new buildings containing 51,429 square feet in the First Quarter 2021,

three new buildings containing 30,591 square feet in the Fourth Quarter 2020, eight new buildings containing 33,731 square feet in the Third Quarter 2020, eleven new buildings containing 75,681 square feet in the Second Quarter 2020, 13 new buildings containing 69,437 square feet in the First Quarter of 2020, nine new buildings containing 44,781 square feet in the Fourth Quarter of 2019, 14 new buildings containing 73,436 square feet in the Third Quarter of 2019, eight new buildings containing 27,078 square feet in the Second Quarter of 2019, nine new buildings containing 83,949 square feet in the First Quarter of 2019, nine new buildings containing 114,424 square feet in the Fourth Quarter of 2018, and fifteen new buildings containing 188,995 square feet in the Third Quarter 2018.

The following shows trends in the vacancy rate for retail properties in the Tucson market through the Third Quarter 2021, according to *Costar*.



This chart shows that the vacancy rate for retail properties increased through mid-2012. The retail vacancy rate declined since that time. Most recently, there was a decline though 2018, with a slight increase in the vacancy rate from late 2018 through the first quarter of 2020. The retail vacancy rate declined slightly in late 2020 and first quarter 2021. The vacancy rate has remained generally stable, with slight variations, in the first three quarters of 2021. The retail market has stabilized from the uncertainty of the early Covid-19 pandemic. Prices and rents are stable or increasing in high demand areas or for high demand property types, although there remains little demand for older retail properties in low demand areas.

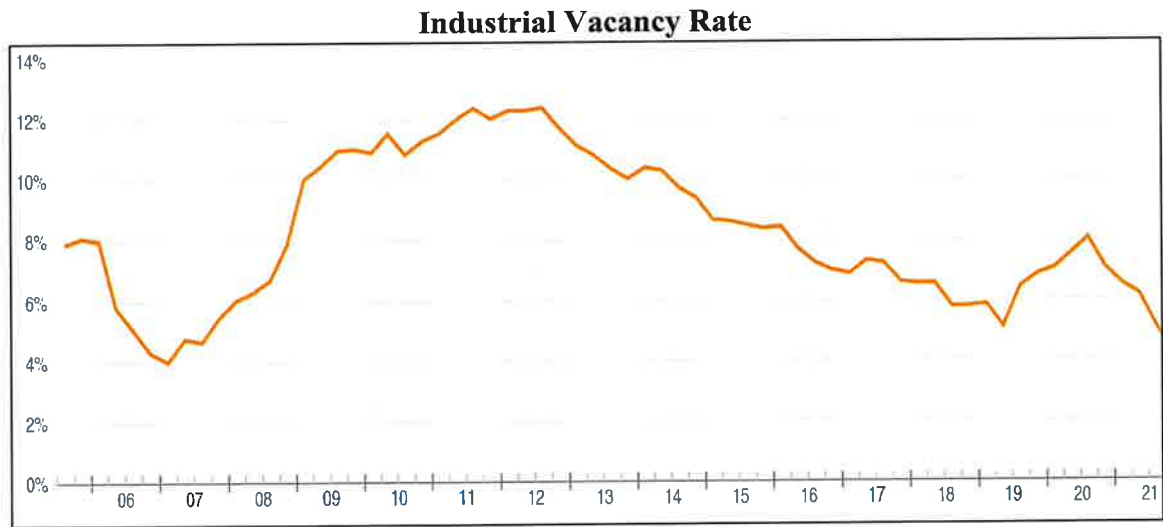
Industrial Market

Tucson experienced rapid *industrial* growth from the late 70's to the mid-80s. There has been limited new industrial/flex space constructed recently in Tucson, with one new building containing 30,000 square feet in the Third Quarter of 2021, no new buildings completed in Second Quarter 2021, one new building containing 12,237 square feet completed in the First Quarter 2021, one new building containing 5,473 square feet completed in the Fourth Quarter 2020, no new buildings completed in the Third Quarter 2020, one new building containing 32,000 square feet completed in the Second Quarter 2020, no new buildings in the First Quarter 2020, one new building containing 157,000 square feet completed in the Fourth Quarter 2019, four new buildings containing 286,434 square feet in the Third Quarter 2019,

two new buildings containing 906,900 square feet in the Second Quarter 2019, and no new buildings completed in the First Quarter 2019, the Fourth Quarter 2018, or the Third Quarter 2018, according to *CoStar*. Many of the recently constructed buildings are larger buildings constructed for a specific user.

There was net positive absorption of 506,526 square feet in the Third Quarter 2021. This compares to net positive absorption of 146,353 square feet in the Second Quarter 2021, net positive absorption of 255,635 square feet in the First Quarter 2021, net positive absorption of 439,022 square feet in the Fourth Quarter 2020, net negative absorption of 254,361 square feet in the Third Quarter 2020, net negative absorption of 188,517 square feet in the Second Quarter 2020, net negative absorption of 92,259 square feet in the First Quarter 2020, net negative absorption of 32,808 square feet in the Fourth Quarter 2019, net negative absorption of 325,976 square feet in the Third Quarter 2019, net positive absorption of 1,190,498 square feet in the Second Quarter 2019, net negative absorption of 25,972 square feet in the First Quarter 2019, net positive absorption of 5,240 square feet in the Fourth Quarter 2018, and net positive absorption of 315,455 square feet in the Third Quarter 2018, according to *CoStar*.

The following chart shows trends in the industrial/flex vacancy rate in Tucson from 2006 through Third Quarter 2021, according to *CoStar*.



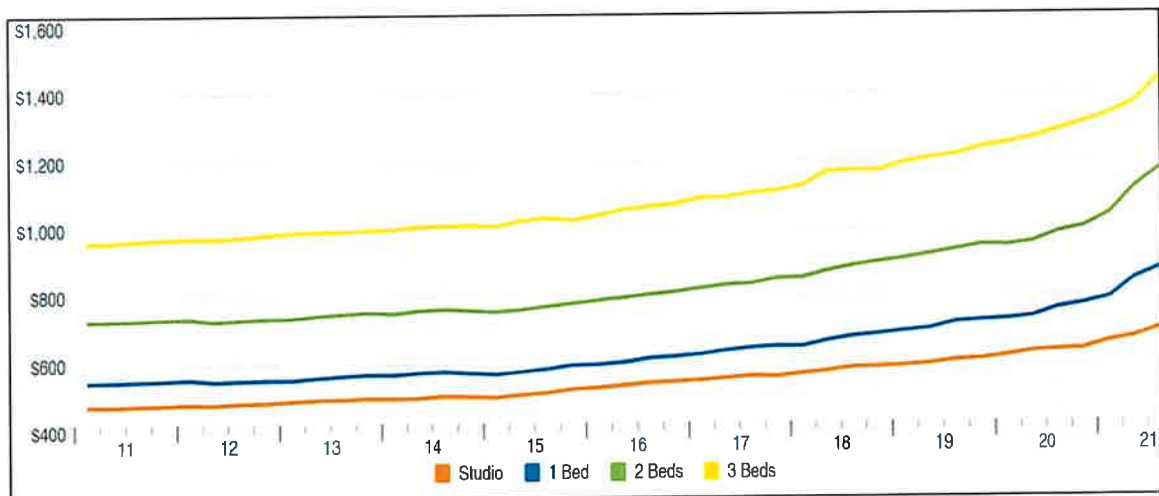
Overall, the industrial vacancy rate increased through mid-2012. The vacancy rate declined from late 2012 through the first part of 2019 before increasing somewhat through mid-2020 before declining again through mid-2021. There continues to be a large supply of fully zoned and improved industrial lots available in the Tucson market with limited demand in the current market. In March 2020, the Covid-19 pandemic led to a shutdown of many businesses; however, the industrial market has not been significantly impacted and demand for many industrial uses has increased in the last year since that time. There may potentially be long-term impacts due to changing demand for warehouses and cold storage due to potential changes in supply chains and delivery and storage models.

Multi-Family Market

The following is the stabilized vacancy rate for apartments in Tucson from 2006 through the Third Quarter 2021. Vacancy rates for apartment properties in the Tucson Metropolitan area peaked in 2009 before slowly declining, with that decline continuing in the first three quarters of 2021.

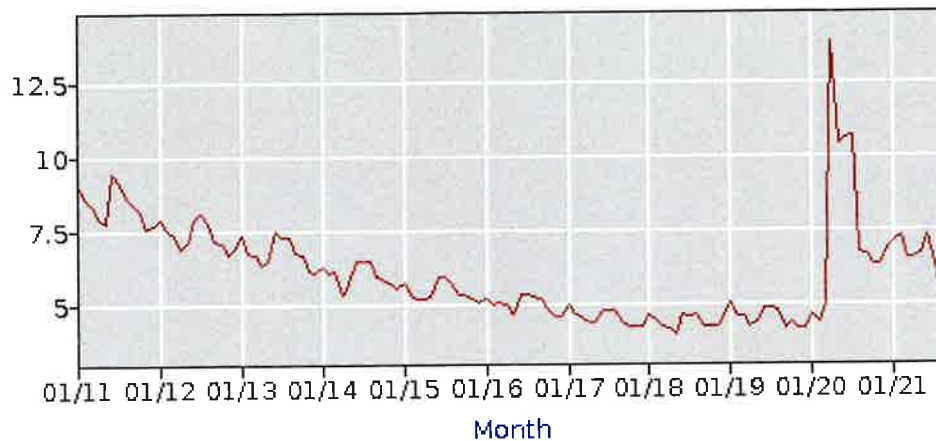


The following is the average market rental rate per unit type for properties in the Tucson market, according to CoStar. There has been a significant increase in rents for all unit types in the first three quarters of 2021.



There has been limited demand for new construction, with the exception of student housing projects and some larger high-end Class A apartment complexes with many amenities. Market conditions for multi-family properties has increased significantly since mid-2020, with increasing rents, decreasing vacancy rates, and increased sales prices.

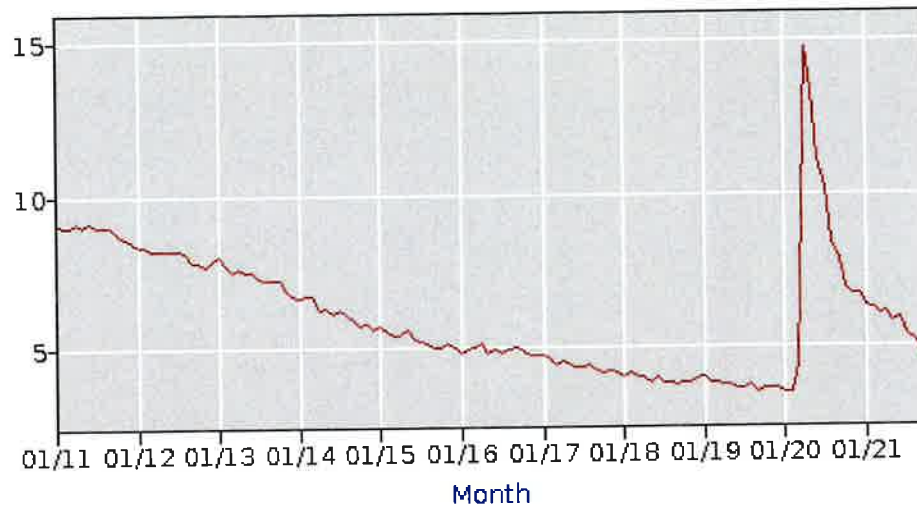
According to the Bureau of Labor Statistics, the (not seasonally adjusted) unemployment rate for metropolitan Tucson was as follows:



This data shows that the unemployment rate in the Tucson metropolitan area had slowly been declining since early 2011. There was a slow steady decline in the unemployment rate over several years. However, the unemployment rate (not seasonally adjusted) was stable in 2019 with an increase early in the year. Due to the shutdown of many businesses due to Covid-19, unemployment began to increase significantly in mid-March 2020. The unadjusted unemployment rate peaked at 13.9% in April 2020 and declined to 10.4% in May 2020. After another increase to 10.7% in July 2020, there was a decline to 6.8% in August 2020. In October 2020 the unemployment rate was 6.4%. The unemployment rate was 7.1% in January 2021 and then declined to 6.6% in April 2021 with a slight increase to 6.7% in May 2021. The unemployment rate was 5.2% in August 2021. The unemployment rate has been generally stable with some variations since that time. Areas with significant increases in unemployment include hospitality, restaurant, and retail jobs, although many job categories have seen increases in unemployment. It is uncertain how long it will take employment in these sectors to fully recover.

According to the United States Department of Labor, Bureau of Labor Statistics, the national seasonally adjusted unemployment rate also increased through late 2009. The unemployment rate remained high and started to decline slowly in late 2010. The unemployment rate has declined and is below 2007 levels. The seasonally adjusted unemployment rate was 3.5% in February 2020 and 4.4% in March 2020. This increased to a peak of 14.8% in April 2020,

then declined slightly to 13.3% in May 2020 and 10.2% in July 2020. The unemployment rate declined to 8.4% in August 2020 and 6.9% in October 2020. The unemployment rate declined to 6.3% in January 2021, 6.1% in April 2021, 5.4% in July 2021, and 4.8% in September 2021.



Overall, the commercial real estate markets reveal that in early to mid-2020, most investors held a cautionary outlook due to the uncertainty of the government conditions and Covid-19. Market conditions have improved for many property types since that time, starting as early as mid-2020. Market conditions were uncertain for some commercial property types, while demand remained for other property types that are less impacted by Covid-19. Market conditions for single-family and multi-family properties has increased significantly in that time frame, while demand for many commercial uses, particularly those most impacted by Covid-19, were uncertain and stable for longer. In the short term, market conditions for some property types remained uncertain. Demand still remains slow for commercial uses in areas of less demand and with certain older properties, while many commercial uses have been seeing increased demand. The long-term result should be a more balanced level of supply and demand - more conducive to steady long-term development. Factors such as climate, health and educational facilities, and the availability of housing are positive influences which will result in long-term economic growth for metropolitan Tucson.

MARKET AREA

The subject's market area is located northwest of the core downtown Tucson area. The market boundaries are Prince Road to the south, Ina Road to the north, I-10 to the east, and Silverbell Road to the west. Major north-south arterials include Interstate-10, the I-10 frontage road, and Silverbell Road. Major east-west arterials include El Camino del Cerro, Sunset Road, and Ina Road. The market area consists primarily of commercial uses including retail, office, and industrial, as well as vacant land. At the south end of the market area, there are commercial uses in the east area with the Silverbell Golf Course at the southwest corner. The Santa Cruz River bisects the market area. At the north end of the market area, there is a water reclamation treatment facility. To the south of this is a mine. There are residential uses to the east and west. There is availability of public services within the market area. There is

vacant land available for development, as well as some land that is not developable. There is strongest demand for properties along the I-10 frontage road and Silverbell, and at the I-10 interchanges. Due to recent and planned interchange improvement project, there is some potential for increased demand in the area. There is good access to I-10 from the market area, with demand for commercial uses that desire access to I-10. Long-term trends are predicted to be balanced.

SITE DESCRIPTION

The site is long and narrow in shape with approximately 1,900 feet of frontage on Sunset Road on the southern property line and approximately 150 feet of frontage on the I-10 frontage road on the eastern property line (see Exhibits). It contains a total area of 345,000 square feet (7.92 acres). The property is located at the northwest corner of Sunset road and the I-10 frontage road. The property has visibility from but no access from the I-10 frontage road. Access would be from Sunset Road. Sunset Road is a two-lane, asphalt-paved street with a center turn lane but no sidewalks and curbing in a portion of the south side in the area of the subject property. Sunset Road has a 2020 traffic count of 4,544 vehicles per day near this site, according to the Pima Association of Governments. The I-10 frontage road is a one-way two-lane, asphalt-paved street, widening to three lanes at the Sunset Road intersection, with concrete curbs at the subject site. The I-10 frontage road has a 2019 traffic count of 2,060 vehicles per day near this site according to ADOT. The topography of the eastern portion of the property is mostly level, rolling slightly, and is mostly at grade of Sunset Road. There is a steep drop-off at the west end of tax parcel 101-21-001F, with the land to the west of this significantly lower in elevation although mostly level, and below street grade. After a rise in elevation towards the western end of the property, the westernmost portion of the property is slightly sloping. Properties bordering the subject property include a former mine to the north, vacant land to the south, the Santa Cruz River followed by vacant land and then lower-density residential uses to the west, and I-10 followed by vacant land to the east.

Utilities available to the subject property include electric (Tucson Electric Power Company). There is a sewer line located along the western property line; it is uncertain if this line could be access. If not, the property would be developed with a septic system. Public water is not located in the vicinity, but is located further to the south or across I-10. Water would have to be brought a distance to the property or the property would have to be developed with a well. Any development would require a study on the availability and adequacy of utilities.

According to FEMA Flood Insurance Rate Map 04019C1666L, dated June 16, 2011, the majority of the land is located in Zone X (unshaded) which are areas determined to be outside the 0.2 percent annual chance floodplain (see Exhibits). A small portion along the western boundary of the subject property is in a floodplain with a designation of Zone AE, and small adjacent area with a designation of Shaded Zone X, in an area of the 0.2 percent annual chance floodplain. The western portion of the property is in the erosion hazard setback of the Santa Cruz River and in a riparian area. A hydrology study would be needed to determine if the erosion hazard setback could be reduced. The property is in a seismic zone which is considered to have a low probability of seismic activity.

CURRENT USE

Vacant land

ZONING

The western portion of the subject site and a very small area near the eastern property line (in the former Sunset Road) is zoned GR-1 (Rural Residential), according to the Pima County Zoning Code. This classification is intended to encourage orderly residential growth in rural and semirural areas as well as to provide opportunities for semirural residential uses. In addition, this zone is intended to allow commercial development only where appropriate and necessary to serve the needs of the rural area. General development requirements include: a minimum site area of 36,000 square feet; minimum setbacks of 30 feet in the front, 40 feet in the rear, and 10 feet on the side; and a maximum building height of 34 feet (two stories).

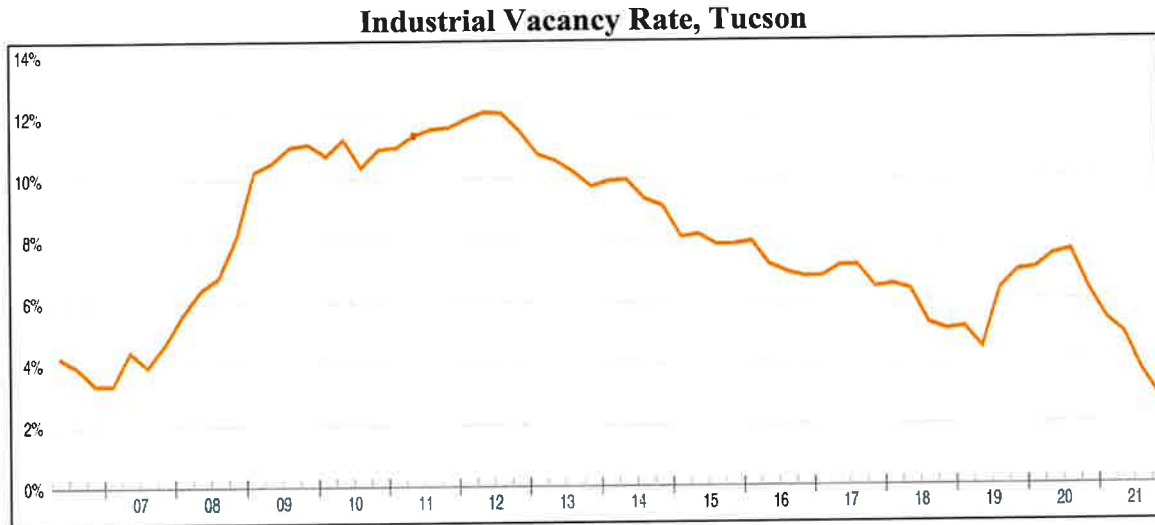
The majority of the eastern portion of the subject property is zoned I-1 according to the City of Tucson zoning code. The purpose of this zone is to provide for industrial uses that do not have offensive characteristics, in addition to the land uses allowed in more restrictive nonresidential zones. The I-1 zoning allows for commercial, industrial, and manufacturing uses. No dwelling uses are permitted except for caretakers' residences. There is no minimum lot or site area. A maximum building height of 75 feet is permitted. Specific building setbacks for the subject vary depending on the type of uses allowed on adjacent sites.

A very small portion of the property along the easternmost subject property line is zoned CB-2 (General Business), according to the Pima County Zoning Code. The Pima County Zoning Code indicates that this general business zone permits uses which include CB-1 uses (i.e., retail, service businesses, gas stations, research facilities, restaurants, and multi-family and single family uses) and TR uses (i.e., residential uses and allows for transient housing and accessory uses, permits professional offices and research facilities under specific conditions, and discourages single family residence uses). Billboards, light manufacturing, wholesale, and bars are allowed under this zoning designation. In general, the CB-2 zone allows intensive business uses, very high intensity residential uses, and multiple use structures. The minimum lot width is 60 feet for residential uses.

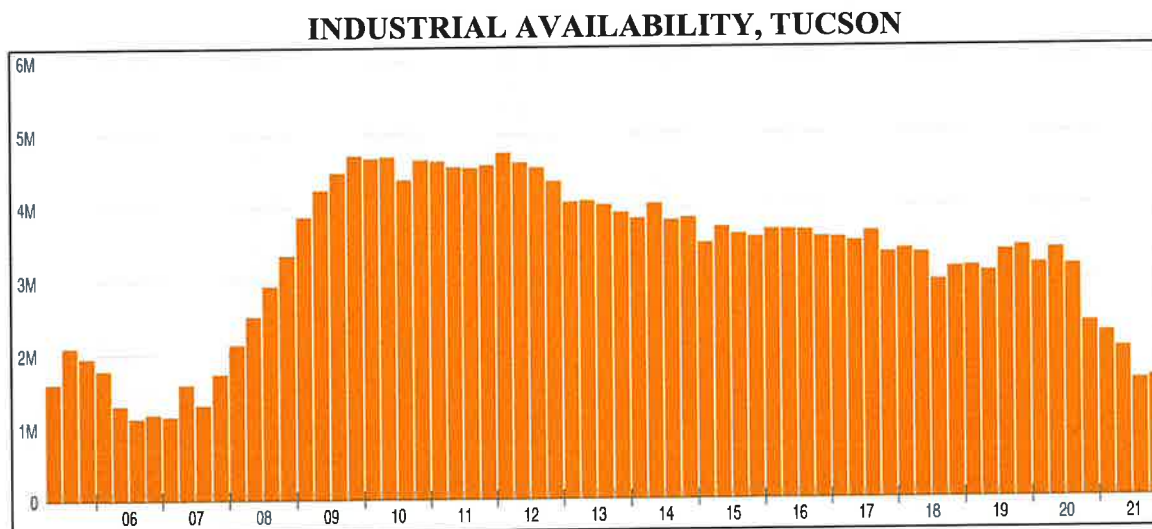
The I-1 zoned portion of the subject property is located within the City of Tucson limits, while the remainder of the property has Pima County zoning.

MARKET PROFILE - INDUSTRIAL

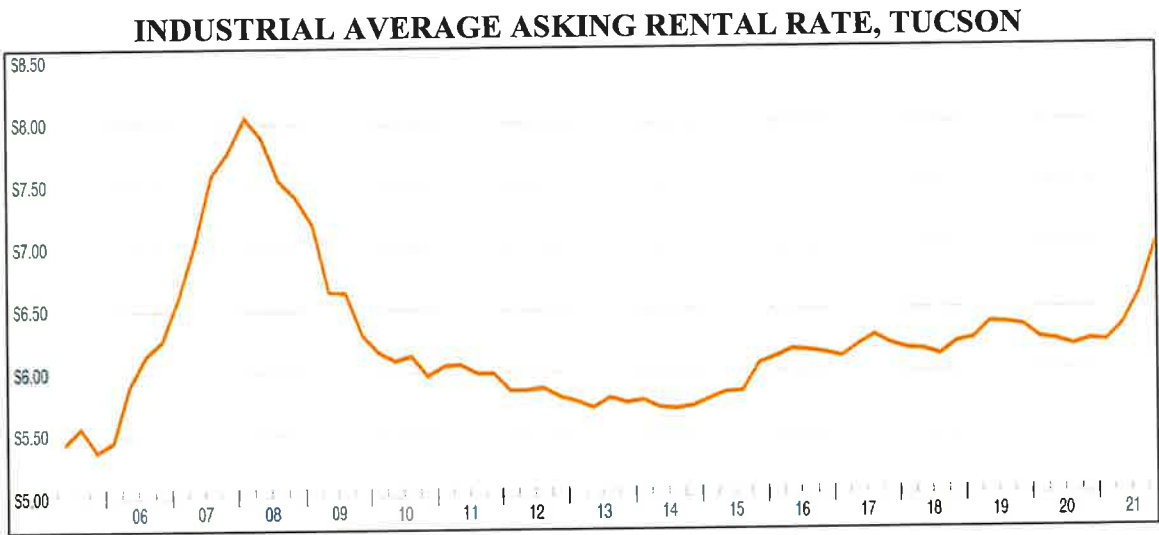
The following is the vacancy rate for industrial properties in the Tucson Market, according to CoStar. This data indicates that the vacancy rate for industrial properties increased from 2007 before peaking in mid-2012. From the peak level, the vacancy rate for industrial properties had trended downward continuing through the first half of 2019. From mid-2019, the industrial vacancy rate increased again through mid-2020, before declining again through the fourth quarter of 2021.



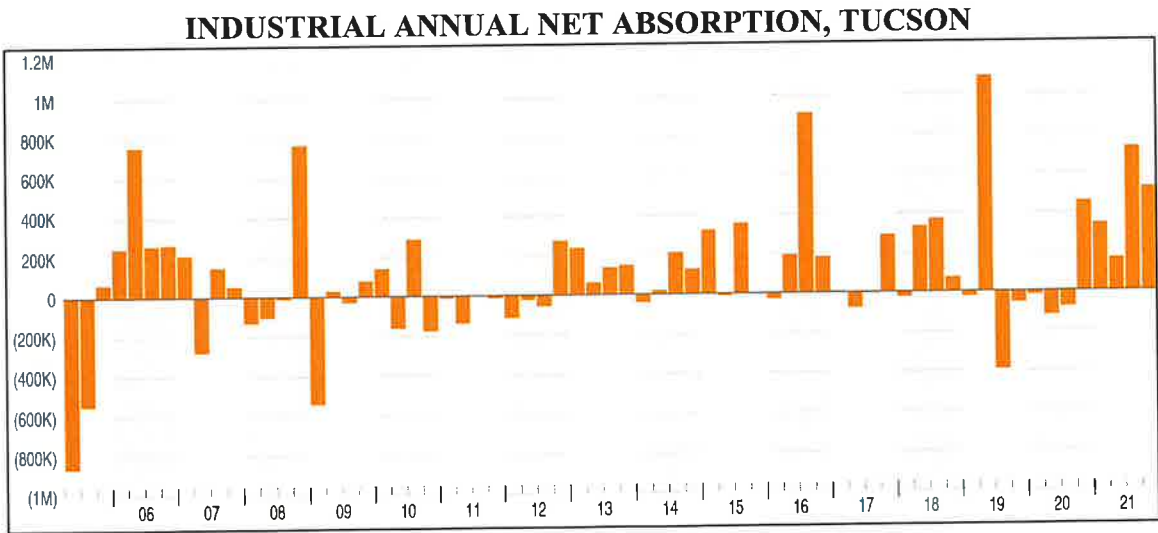
The following is the amount of available industrial space in the Tucson market, according to CoStar. This data indicates that the amount of available industrial space peaked in the end of 2009 and remained somewhat stable through 2011. From 2013 through the first half of 2020, the available industrial space saw slight and steady decline. Available industrial space in the Tucson market experienced a sharp decline in the second half of 2020 and again in mid-2021 through the fourth quarter.



The following is the average asking rental rate for industrial properties in the Tucson market, according to CoStar. The average asking rental increased from 2006 to a peak level in early 2008. The asking rental rate for industrial properties then declined through mid-2013. After remaining generally stable through 2014, there was a slow but gradual increase in the average asking rental rate. After a slight decline in the first half of 2020, the average asking rental rate increased significantly from early 2021 through the fourth quarter of 2021. It is noted that CoStar may not always have access to rental data for smaller properties that may potentially lease for less.

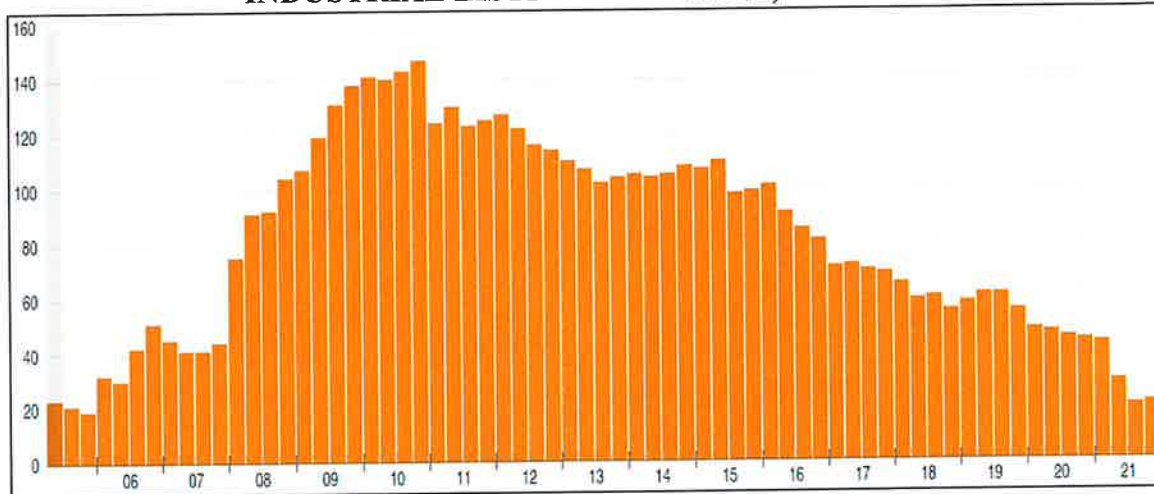


The following is the industrial annual net absorption rate in the Tucson Market, according to CoStar. There has been a mix of net positive and net negative absorption for industrial properties in the Tucson market since 2005. Most recently, there was net positive absorption in all four quarters of 2021.



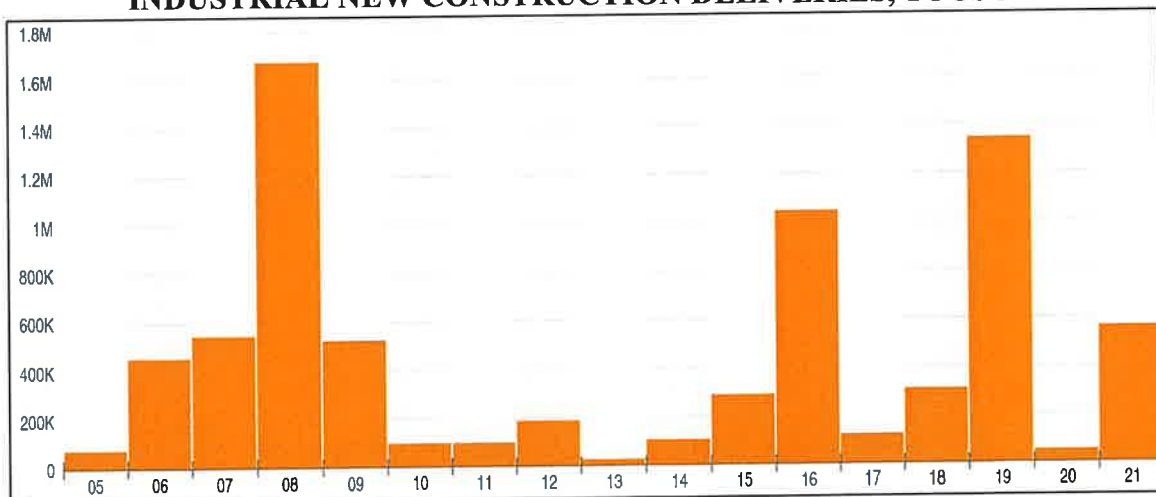
The following is the number of industrial properties listed for sale in the Tucson market, according to CoStar. The number of listings increased from 2005 to a peak level in late 2010. From 2010 through the second half of 2021, the number of listings for industrial properties has been on a gradual downward trend, with a further decline in 2021.

INDUSTRIAL LISTINGS FOR SALE, TUCSON



The following is the amount of new construction delivery of industrial space in the Tucson Market, according to CoStar. There has been limited new construction from 2010 through the second half of 2021 for industrial properties in the overall Tucson market. In 2016 and 2019 the majority of this new construction was located in one or two large buildings with few buildings constructed in these years. As market conditions improve and the oversupply of existing properties is absorbed, it is expected that the number of buildings constructed will increase.

INDUSTRIAL NEW CONSTRUCTION DELIVERIES, TUCSON



Overall, the Tucson commercial real estate market reveals that most investors had held a cautionary but improving outlook due to continued oversupply of available space in many markets which adversely affects tenants, owners and investors, and the continuing uncertainty of the government conditions. The stabilizing supply and demand fundamentals had resulted in slowly improving values until mid-2020. In early to mid-2020, market conditions were static and uncertain during the early months of the Covid-19 pandemic. However, market conditions for this type of property started to improve again in mid-2020. There was strong demand for industrial properties with limited inventory, decreasing vacancy rates, increasing prices and rents, and increased net positive absorption. Demand has remained strong for industrial properties. The long-term result should be a more balanced level of supply and demand - more conducive to steady long term development. Factors such as climate, health and educational facilities, and the availability of housing are positive influences which will result in long-term economic growth for metropolitan Tucson.

EXPOSURE/MARKETING TIME

Marketing time, as utilized in this appraisal, is defined as:

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal.

1

The reasonable *exposure time* is the period a property is on the market until a sale is consummated and as utilized in this appraisal, is defined as:

The estimated length of time that 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 opinion based on an analysis of past events assuming a competitive and open market. ²

The reasonable exposure and marketing time is estimated to be twelve to twenty-four months based on the sales used in this report and based on conversations with brokers familiar with properties similar to the subject property.

1. The Dictionary of Real Estate Appraisal (Appraisal Institute, Sixth Edition, 2015), p. 140

2. Ibid, p. 83

HIGHEST AND BEST USE

The Sixth edition of The Dictionary of Real Estate Appraisal (Appraisal Institute; 2015, p. 109), defines highest and best use as:

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.

An analysis of market data supports the conclusion of highest and best use.

Highest and Best Use as Vacant

Legal Considerations

The western portion of the subject site and a very small area near the eastern property line (in the former Sunset Road) is zoned GR-1 (Rural Residential), according to the Pima County Zoning Code. This classification is intended to encourage orderly residential growth in rural and semirural areas as well as to provide opportunities for semirural residential uses. In addition, this zone is intended to allow commercial development only where appropriate and necessary to serve the needs of the rural area. General development requirements include: a minimum site area of 36,000 square feet; minimum setbacks of 30 feet in the front, 40 feet in the rear, and 10 feet on the side; and a maximum building height of 34 feet (two stories).

The majority of the eastern portion of the subject property is zoned I-1 according to the City of Tucson zoning code. The purpose of this zone is to provide for industrial uses that do not have offensive characteristics, in addition to the land uses allowed in more restrictive nonresidential zones. The I-1 zoning allows for commercial, industrial, and manufacturing uses. No dwelling uses are permitted except for caretakers' residences. There is no minimum lot or site area. A maximum building height of 75 feet is permitted. Specific building setbacks for the subject vary depending on the type of uses allowed on adjacent sites.

A very small portion of the property along the easternmost subject property line is zoned CB-2 (General Business), according to the Pima County Zoning Code. The Pima County Zoning Code indicates that this general business zone permits uses which include CB-1 uses (i.e., retail, service businesses, gas stations, research facilities, restaurants, and multi-family and single family uses) and TR uses (i.e., residential uses and allows for transient housing and accessory uses, permits professional offices and research facilities under specific conditions, and discourages single family residence uses). Billboards, light manufacturing, wholesale, and bars are allowed under this zoning designation. In general, the CB-2 zone allows intensive business uses, very high intensity residential uses, and multiple use structures. The minimum lot width is 60 feet for residential uses.

The I-1 zoned portion of the subject property is located within the City of Tucson limits, while the remainder of the property has Pima County zoning.

Based upon the current zoning, the eastern portion of the property could be developed with an industrial use. The western portion of the property could be utilized for residential zoning under the existing zoning, or would have to be rezoned for a higher density development.

Physical Considerations

The site is long and narrow in shape with approximately 1,900 feet of frontage on Sunset Road on the southern property line and approximately 150 feet of frontage on the I-10 frontage road on the eastern property line (see Exhibits). It contains a total area of 345,000 square feet (7.92 acres). The property is located at the northwest corner of Sunset road and the I-10 frontage road. The property has visibility from but no access from the I-10 frontage road. Access would be from Sunset Road. Sunset Road is a two-lane, asphalt-paved street with a center turn lane but no sidewalks and curbing in a portion of the south side in the area of the subject property. Sunset Road has a 2020 traffic count of 4,544 vehicles per day near this site, according to the Pima Association of Governments. The I-10 frontage road is a one-way two-lane, asphalt-paved street, widening to three lanes at the Sunset Road intersection, with concrete curbs at the subject site. The I-10 frontage road has a 2019 traffic count of 2,060 vehicles per day near this site according to ADOT. The topography of the eastern portion of the property is mostly level, rolling slightly, and is mostly at grade of Sunset Road. There is a steep drop-off at the west end of tax parcel 101-21-001F, with the land to the west of this significantly lower in elevation although mostly level, and below street grade. After a rise in elevation towards the western end of the property, the westernmost portion of the property is slightly sloping. Properties bordering the subject property include a former mine to the north, vacant land to the south, the Santa Cruz River followed by vacant land and then lower-density residential uses to the west, and I-10 followed by vacant land to the east.

Utilities available to the subject property include electric (Tucson Electric Power Company). There is a sewer line located along the western property line; it is uncertain if this line could be access. If not, the property would be developed with a septic system. Public water is not located in the vicinity, but is located further to the south or across I-10. Water would have to be brought a distance to the property or the property would have to be developed with a well. Any development would require a study on the availability and adequacy of utilities.

According to FEMA Flood Insurance Rate Map 04019C1666L, dated June 16, 2011, the majority of the land is located in Zone X (unshaded) which are areas determined to be outside the 0.2 percent annual chance floodplain (see Exhibits). A small portion along the western boundary of the subject property is in a floodplain with a designation of Zone AE, and small adjacent area with a designation of Shaded Zone X, in an area of the 0.2 percent annual chance floodplain. The western portion of the property is in the erosion hazard setback of the Santa Cruz River and in a riparian area. A hydrology study would be needed to determine if the erosion hazard setback could be reduced. The property is in a seismic zone which is considered to have a low probability of seismic activity.

The physical characteristics of the subject property would allow for a low density industrial development on the eastern portion of the property. However, any development would be impacted by the long and narrow shape, with only approximately 150 feet of depth and a lack of all utilities. The western portion of the property would likely not be developed due to the location within the erosion hazard setback and with a significant portion of this land well below grade of the land to the east and below grade of Sunset Road.

Financial Feasibility

The subject property could be developed with a low density industrial use, such as a small contractor's yard, in the eastern portion of the property. This area contains an estimated 175,000 square feet, per appraiser's estimate. Utilities would have to be provided to the property for any development to occur. Potential industrial uses would be limited to a small building due to the long and narrow shape with minimal depth. Due to the availability of vacant available land with better utility and lower development costs in the area, the property would most likely be held for investment until a user is found. The western portion of the property is within the erosion hazard setback of the Santa Cruz River, and a portion is well below grade of the developable land to the east. Therefore, this land would most likely not be developed at this time but would be utilized as open space. This area contains an estimated 170,000 square feet, per appraiser's estimate. As open space, there is some potential for use with certain yard improvements.

Maximally Productive

Therefore, the maximally productive highest and best use of the subject site is for investment with eventual development of a low density industrial use such as a contractor's yard in the eastern portion of the property, with the western portion of the property being utilized as open space.

SECTION B - VALUATION OF PROPERTY, BEFORE

The subject property consists of two areas with different highest and best uses. A portion of the subject property would be held for investment with eventual development of an industrial use such as a contractor's yard, while the western portion of the property would be retained as open space. These two areas are valued using separate comparable sales with separate values. First, in the following section is the analysis of the developable land area, which has an estimated size of 175,000 square feet.

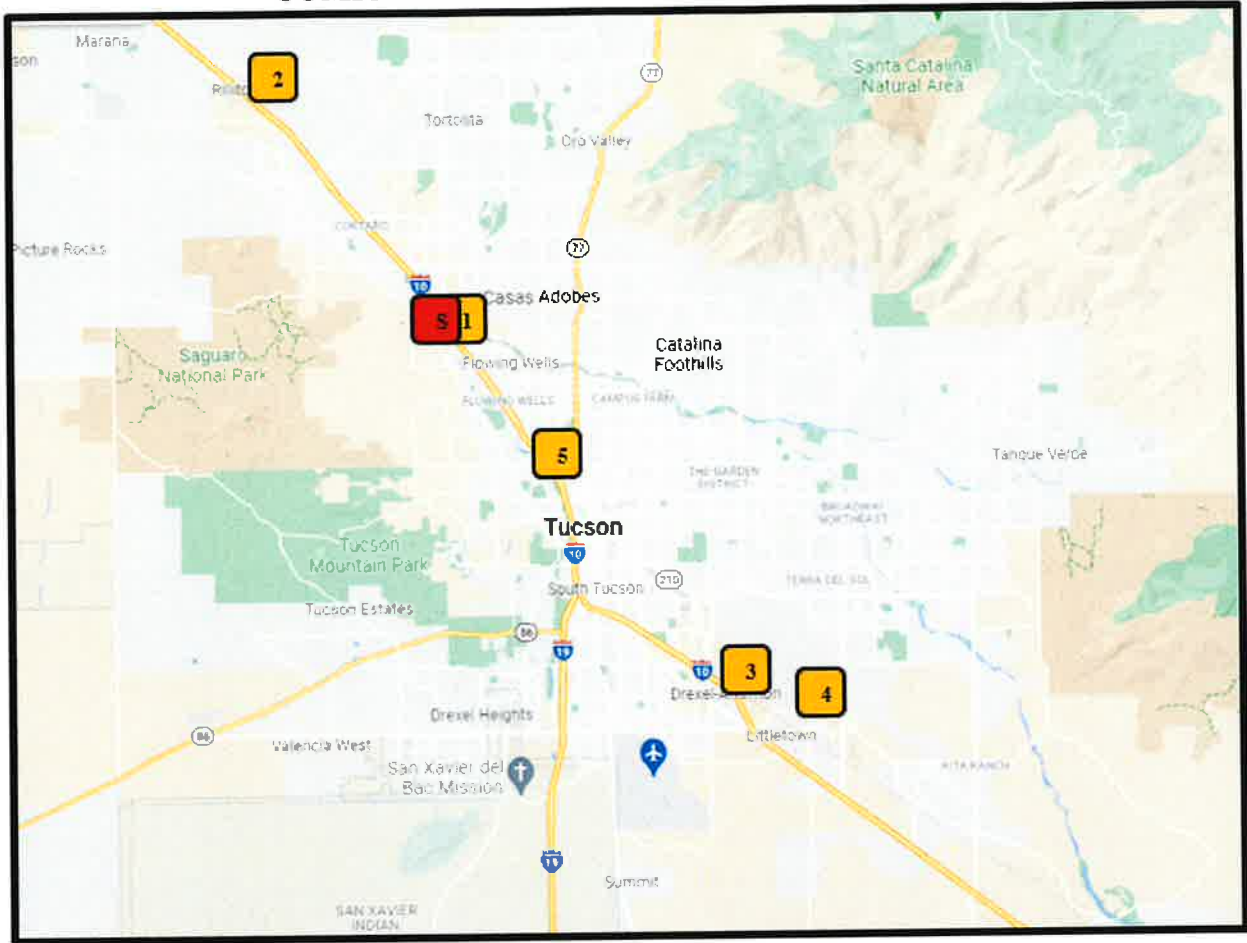
SALES COMPARISON APPROACH – DEVELOPABLE LAND

The sales comparison approach to value considers what a typical well-informed purchaser would pay for a property, based on an analysis of similar properties. This approach reflects the application of the principle of substitution, which affirms that when a property can be replaced, its value tends to be set by the cost of acquiring an equally desirable substitute property.

This approach analyzes sales and listings of properties similar to the subject. This analysis uses those sales most relevant as indicators of value of the subject property, making adjustments for dissimilarities such as terms of sale, site size, location, zoning, and utility. Sales used in this approach must contain these elements: 1) both parties are typically motivated; 2) both parties are well-informed; 3) a reasonable market exposure time is allowed; 4) payment is made in cash or its equivalent; and 5) financing reflects terms typically available, and not affected by special or unusual terms. The summary below illustrates the comparable sales used in this report.

Table of Comparable Land Sales – Developable Land						
Sale No.	Sale Date	Property Location	Sale Price	Site Size (Sq. Ft.)	Price/ Sq. Ft.	Zoning
1.	09/16	East side of I-10 frontage road, southeast of Sunset Road	\$85,000	100,133	\$0.85	CB-2
2.	02/21	West side of the Tangerine Business Loop, south of Tangerine Road	\$210,000	91,126	\$2.30	F
3.	03/21	North side of Nebraska Street, east of Arcadia Avenue	\$277,500	201,247	\$1.38	CI-2
4.	04/21	South side of Drexel Alignment, east of Mann Avenue	\$144,000	230,480	\$0.62	SR*
5.	05/21	East of Flowing Wells Road, north of Grant Road	\$42,000	43,560	\$0.96	I-1
Subject				175,000		I-1, CB-2, GR-1

COMPARABLE LAND SALES LOCATION MAP



Subject: Northwest corner of Sunset road and I-10 frontage road

Sale 1: East side of I-10 Frontage Road, southeast of Sunset Road

Sale 2: West side of the Tangerine Business Loop, South of Tangerine Road

Sale 3: North side of Nebraska Street, east of Arcadia Avenue

Sale 4: South side of Drexel Alignment, east of Mann Avenue

Sale 5: East of Flowing Wells Road, north of Grant Road

COMPARABLE LAND SALES – USABLE LAND SALES

LAND COMPARABLE NUMBER ONE (SALE)

ID: CB2 0100 7813D

LOCATION: East side of I-10 Frontage Road, southeast of Sunset Road

LEGAL DESCRIPTION: A Portion of the East Half of the Northwest Quarter of Section 17, Township 13 South, Range 13 East, G&SRB&M, Pima County, Arizona

STATE TAX PARCEL: 101-18-007C

RECORD DATA: Fee number 2016-2560528

DATE OF SALE: September 12, 2016

SELLER: Clear Channel Outdoor Inc

BUYER: Gregory J. Connor and Rebecca J. Connor

CONFIRMED BY: Patrick Welchert; buyer's agent
(pwelchert@alphacommercial.net)
RMT; November, 2019

LAND DESCRIPTION: This site is an irregular shaped property with approximately 660 feet of frontage on Casa Grande Highway/I10 Frontage Road on the western property line. The site has a depth of approximately 110 feet on the northern property line and 219.25 feet on the southern property line. The site has a total length of 656.64 feet on the eastern property line. Casa Grande Highway/I-10 Frontage Road is a one way, two-lane, asphalt-paved roadway with concrete curbs, but no sidewalks or streetlights in the vicinity of this property. No traffic count is available for Casa Grande Highway/I-10 Frontage Road in the vicinity of the property. The topography is mostly level and at the street grade. Electric and telephone are available in the vicinity of the property. Public water would need to be brought to the property. Public sewer is not available to the property; therefore, the property would be developed with a private septic system. According to

FEMA Flood Insurance Rate Map 04019C1666L, dated June 16, 2011, the land is located in Zone X (unshaded) which are areas determined to be outside the 0.2 percent annual chance floodplain.

LAND SIZE:	100,133 square feet or 2.30 acres
ZONING:	CB-2, Pima County
REPORTED SALE PRICE:	\$85,000
PRICE PER SQ. FT.:	\$0.85
PRICE PER ACRE:	\$36,957
MARKETING TIME:	N/A
TERMS OF SALE:	This was an all cash to the seller transaction.
PRIOR SALE:	Records of the Pima County Assessor indicate that no market transaction has occurred within three years of the date of valuation. There was an internal transfer sub
CONDITIONS OF SALE:	This sale is reported to have occurred under normal market conditions.
INTENDED USE:	Commercial development

LOCATION: West side of the Tangerine Business Loop, South of Tangerine Road

LEGAL DESCRIPTION: Block 3, Tangerine Business Park, Pima County, Arizona

STATE TAX PARCEL: 216-07-0060

RECORD DATA: Fee number 20210570717

DATE OF SALE: February 26, 2021

SELLER: Rancho Palomita Advisors LLC

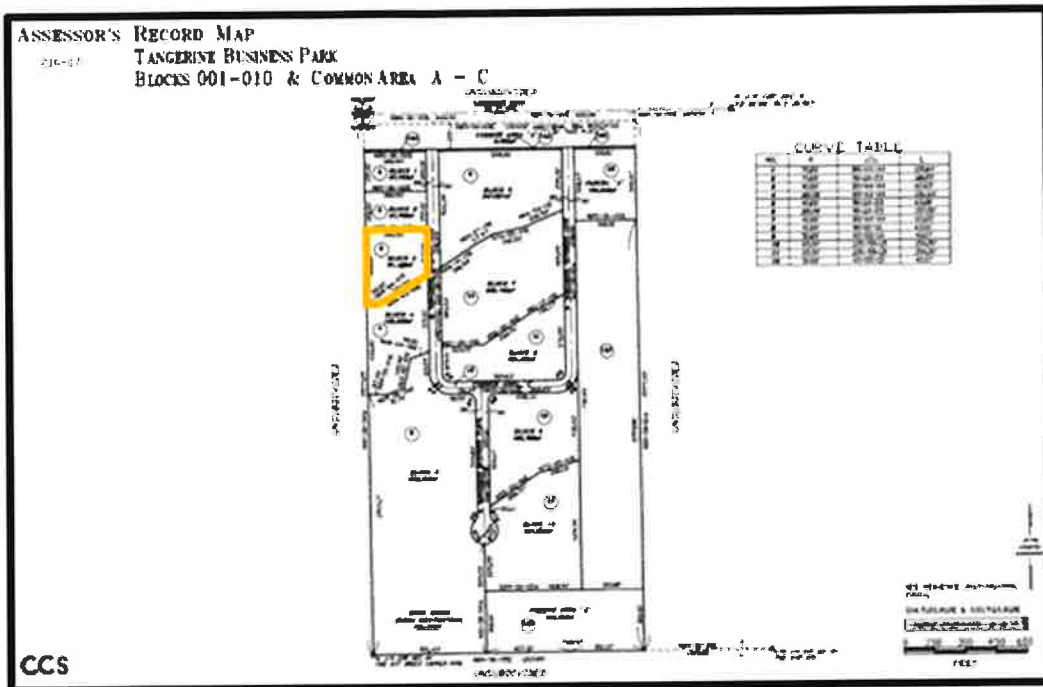
BUYER: May Third LLC

CONFIRMED BY: Pat Welchert; listing broker (520-360-9394)
TFH; June, 2021

LAND DESCRIPTION: This site is an irregular shaped property with 217.02 feet of frontage on Tangerine Business Loop along the eastern property boundary. The site has a depth of 300.55 feet along the northern property boundary, a depth of about 340 feet along the southern property boundary and a length of 360.68 feet along the western property boundary. Tangerine Business Loop is a two-lane, asphalt-paved roadway with no concrete curbs, no sidewalks, and no streetlights in the vicinity of this property. There is no traffic count available for Tangerine Business Loop in the vicinity of this site. Electric and water are available to the site. Sewer is not available. And development of the site would require a septic system. According to FEMA Flood Insurance Rate Map 04019C1045L, dated June 16, 2011, the site is located in Zone AO (Depth 1 foot) which is a Special Flood Hazard Area subject to inundation by the 1% annual chance flood with flood depths of 1 to 3 feet (usually sheet flow on sloping terrain); average depths determined. For areas of alluvial fan flooding, velocities also determined.

LAND SIZE: 91,126 square feet or 2.09 acres

ZONING:	F, Town of Marana
REPORTED SALE PRICE:	\$210,000
PRICE PER SQ. FT.:	\$2.30
MARKETING TIME:	2,683 days
TERMS OF SALE:	This was an all cash to the seller transaction.
PRIOR SALE:	Records of the Pima County Assessor indicate that no transaction has occurred within three years of the date of valuation.
CONDITIONS OF SALE:	This sale is reported to have occurred under normal market conditions.
INTENDED USE:	Development of an industrial use.
COMMENTS:	The listing broker indicated that development of the site would require more flood mitigation development at the western end of the site, and that the additional development had an impact on the sales price.



LOCATION: North side of Nebraska Street, east of Arcadia Avenue

LEGAL DESCRIPTION: The East half of the Southwest quarter of the Southeast quarter of the Northwest quarter of Section 2, Township 15 South, Range 14 East , G&SRB&M, Pima County, Arizona

STATE TAX PARCEL: 140-01-026A

RECORD DATA: Fee number 20210670985

DATE OF SALE: March 8, 2021

SELLER: Roy H. Rogers Foundation LLC

BUYER: Summer Enterprise LLC

CONFIRMED BY: Ron Zimmerman, listing broker (520-546-2755)
TFH; March, 2021

LAND DESCRIPTION: This site is a rectangular shaped property with about 325 feet of frontage on Nebraska Street along the southern property line and a depth of about 620 feet along the eastern and western property line. Nebraska Street is a two-lane, asphalt paved roadway. There is no traffic count available for Nebraska Street in the vicinity of this site. The topography is mostly level. Utilities available to the property include electric and water which are located at the southwest corner of the site. Sewer would be by a private septic system. According to FEMA Flood Insurance Rate Map 04019C2295L, dated June 16, 2011, the site is located in Zone X (unshaded) which are areas determined to be outside the 0.2 percent annual chance floodplain. The site is located within the Davis-Monthan Air Force Base Environs Land Use Overlay Zone.

LAND SIZE: 201,247 square feet or 4.62 acres

ZONING: CI-2 (Pima County)

REPORTED SALE PRICE: \$277,500

PRICE PER SQ. FT.:	\$1.38
MARKETING TIME:	N/A
TERMS OF SALE:	This was an all cash to the seller transaction with the seller carrying back a loan at market terms.
PRIOR SALE:	Records of the Pima County Assessor indicate that no transaction has occurred within three years of the date of valuation.
CONDITIONS OF SALE:	This sale is reported to have occurred under normal conditions.
INTENDED USE:	Contractors yard with the potential for future development.

LOCATION: South side of Drexel Alignment, east of Mann Avenue

LEGAL DESCRIPTION: A portion of the West half of the West half of the Northeast Quarter of the Northeast Quarter of Section 7, Township 15 South, Range 15 East, G&SRB&M, Pima County, Arizona

STATE TAX PARCEL: 141-03-0120

RECORD DATA: Fee number 20210960852

DATE OF SALE: April 6, 2021

SELLER: AJPJ PLAN

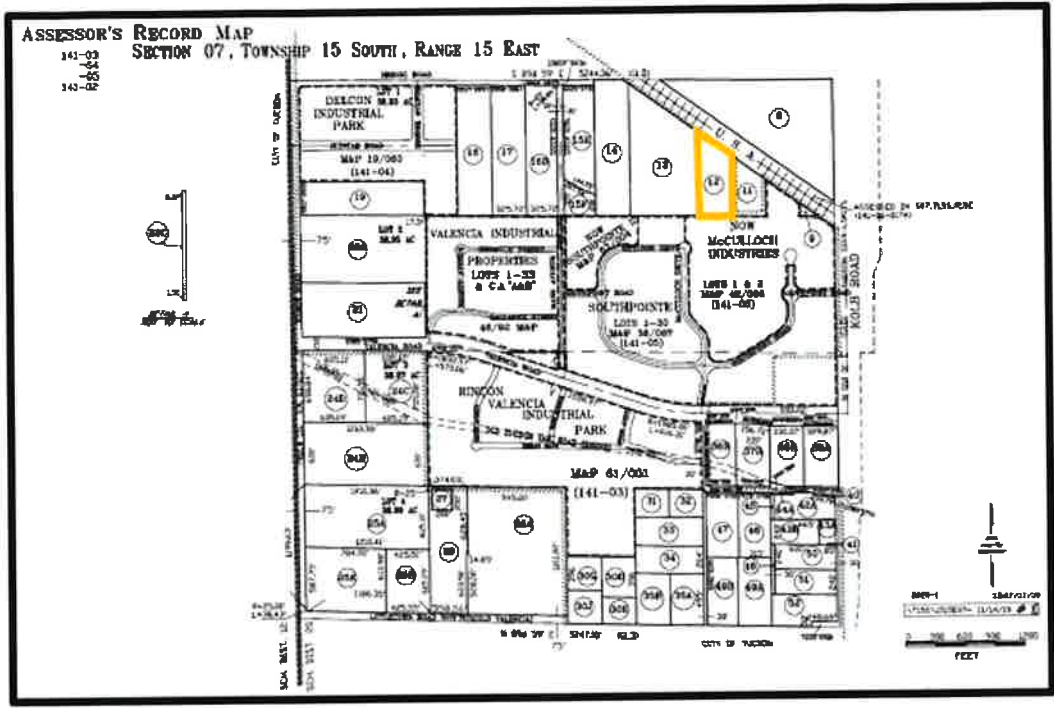
BUYER: Edwin LLC

CONFIRMED BY: William C. Martin, buyer's agent (520-241-0969)
TFH; July, 2021

LAND DESCRIPTION: This site is an irregular shaped backage property with about 330 feet along the southern property line, a depth of about 820 feet along the western property line, a length of 580 feet along the eastern property line, and a length of about 415 along the northern property line. Access to the site is from an unnamed, two-lane, dirt-graded roadway which runs along the northern property line. The unnamed dirt roadway is accessed from Drexel Road to the west, which is also a two-lane, dirt-graded roadway. The topography is mostly level. Utilities are not available to the site. Electric and telephone are located over 1,500 feet away along Drexel to the west. Water is the south, but the property owner cannot access this water without obtaining easements across adjacent parcels. According to FEMA Flood Insurance Rate Map 04019C2315L, dated June 16, 2011, the site is located in Zone X (unshaded) which are areas determined to be outside the 0.2 percent annual chance floodplain. The site is within a sheet flooding area with base flood elevation of six inches.

LAND SIZE: 230,480 square feet or 5.29 acres

ZONING:	SR
REPORTED SALE PRICE:	\$144,000
PRICE PER SQ. FT.:	\$0.62
MARKETING TIME:	56 days
TERMS OF SALE:	This was an all cash to the seller transaction
PRIOR SALE:	Records of the Pima County Assessor indicate that no transaction has occurred within three years of the date of valuation.
CONDITIONS OF SALE:	This sale is reported to have occurred under normal market conditions. The buyer was also an adjacent property owner. The broker discussed that the site had more value to the adjacent property owner as the buyer also owned an industrial lot to the southwest, just north of Outlook Drive, which would allow the buyer to bring utilities from Outlook Drive to this site.
INTENDED USE:	Investment with plans for future development after rezoning of the property.
COMMENTS:	This purchaser will be able to provide utilities closer and at less cost than other property owners due to the owing adjacent parcels to the west and southwest that will allow utilities and access to be brought from the southwest, although still at a considerable cost to the purchaser.



LOCATION: East of Flowing Wells Road, north of Grant Road

LEGAL DESCRIPTION: A portion of the Northwest Quarter of the Southwest Quarter of Section 35, Township 13 South, Range 13 East, G&SRB&M, Pima County, Arizona

STATE TAX PARCEL: 107-07-0090

RECORD DATA: Fee number 2021-1470858

DATE OF SALE: May 27, 2021

SELLER: Blue Palo Servicing Company, LLC

BUYER: Jesus Leonardo Arce Ojeda and Jose Manuel Ochoa Carrillo

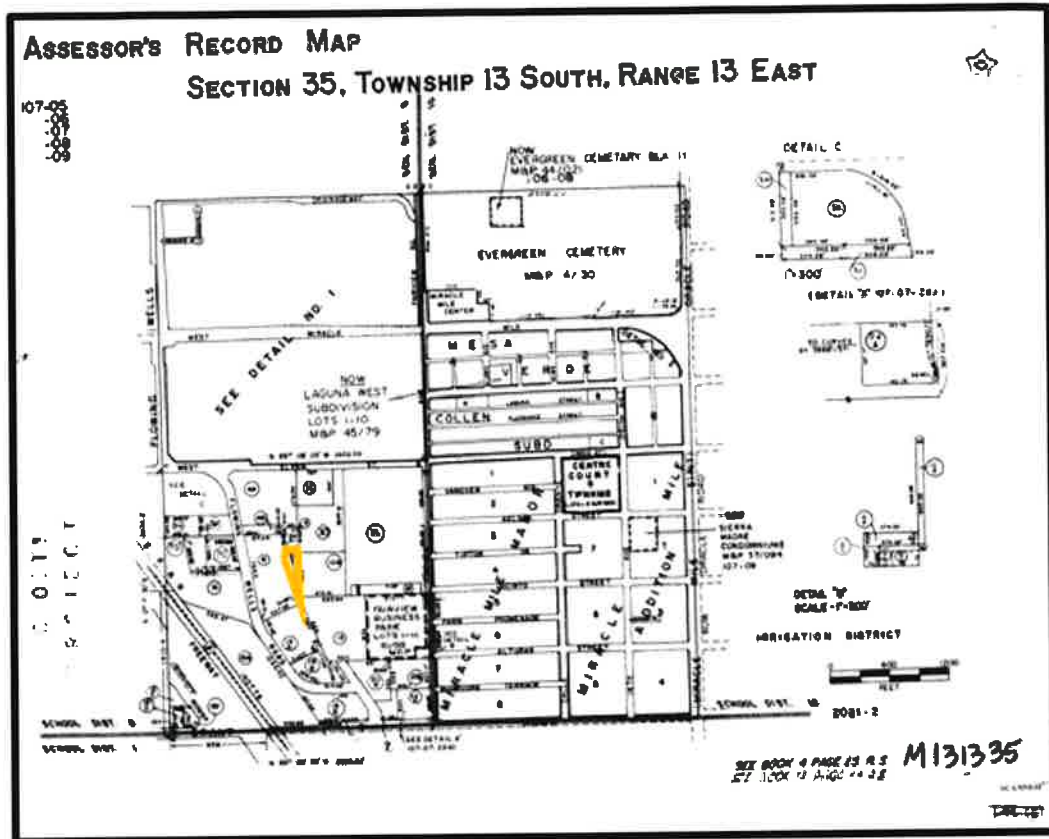
CONFIRMED BY: Richard Schutt, listing agent (951-541-7001)
TFH; June, 2021

LAND DESCRIPTION: This site is an irregular but somewhat triangular shaped backage property with a depth of about 120 feet on the northern property line, about 600 feet on the western property line, and about 575 feet on the eastern property line. The property has access from Flowing Wells Road, located to the west, through an easement over the adjacent property. Flowing Wells Road is a two-lane, asphalt-paved roadway with no concrete curbs, sidewalks, or streetlights in the vicinity of this property. Flowing Wells has a 2020 traffic count of 3,014 vehicles per day in the vicinity of this site. The topography is mostly level. All utilities are available in Flowing Wells and would have to be brought to the property. According to FEMA Flood Insurance Rate Map 04019C1688L, dated June 16, 2011, the land is located in Zone X (unshaded) which are areas determined to be outside the 0.2 percent annual chance floodplain.

LAND SIZE: 43,560 square feet or 1.0 acres

ZONING: I-1

REPORTED SALE PRICE:	\$42,000
PRICE PER SQ. FT.:	\$0.96
MARKETING TIME:	12 days
TERMS OF SALE:	This was an all cash to the seller.
PRIOR SALE:	Records of the Pima County Assessor indicate that no market transaction has occurred within three years of the date of valuation. A transaction on April 5, 2021 was a Treasurer's Deed and not a market transaction.
CONDITIONS OF SALE:	This sale is reported to have occurred under normal market conditions.
INTENDED USE:	Contractor's yard
COMMENTS:	This is a backage property; therefore, utilities would have to be brought to the property. While this was an REO sale, it was reported to not be a distressed sale but sold at a market price. The buyer planned to use the property as a contractor's yard for their business. There was chain link fencing that contributed some value.



COMPARABLE LAND SALES ADJUSTMENT GRID – DEVELOPABLE LAND

	Subject	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5
Sale Date		09/2016	02/2021	03/2021	04/2021	05/2021
Site Size (Sq. Ft.)	175,000	100,133	91,126	201,247	230,480	43,560
Zoning	I-1, CB-2, GR-1	CB-2	F	CI-2	SR*	I-1
Site Utility	Below Average	Similar	Superior	Superior	Inferior	Similar
Sale Price		\$85,000	\$210,000	\$277,500	\$144,000	\$42,000
Price per Sq. Ft.		\$0.85	\$2.30	\$1.38	\$0.62	\$0.96

*Buyer planned to rezone for an industrial use

Summary of Adjustments

Unadjusted Price / Sq. Ft.	\$0.85	\$2.30	\$1.38	\$0.62	\$0.96
Property Rights	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>
Adjusted Price	\$0.85	\$2.30	\$1.38	\$0.62	\$0.96
Financing	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>
Adjusted Price	\$0.85	\$2.30	\$1.38	\$0.62	\$0.96
Conditions of Sale	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>-2%</u>
Adjusted Price	\$0.85	\$2.30	\$1.38	\$0.62	\$0.94
Date/Market Conditions	<u>15%</u>	<u>4%</u>	<u>4%</u>	<u>3%</u>	<u>2.5%</u>
Adjusted Price	\$0.98	\$2.40	\$1.43	\$0.64	\$0.97
Physical Adjustments (%)					
Location/Visibility	0	-20	10	10	5
Zoning	0	0	0	10	0
Site Size	-5	-5	0	0	-10
Site Utility	<u>0</u>	<u>-30</u>	<u>-35</u>	<u>10</u>	<u>0</u>
Net Adjustment	-5%	-55%	-25%	30%	-5%
Indicated Value / Sq. Ft.	\$0.93	\$1.08	\$1.08	\$0.84	\$0.92

This analysis compares five sales of similar vacant land parcels to the subject property on a price per square foot basis. This is the sale price divided by the square footage of the site. Sales prices range from \$0.62 to \$2.30 per sq. ft. before adjustment. The adjustment grid on the previous page reflects the adjustments. An upward adjustment indicates that the comparable is inferior to the subject; a downward adjustment indicates that the comparable is superior to the subject; and no adjustment (0) indicates the comparable is similar or equal to the subject.

Comparable Sale One requires an upward adjustment for date and market conditions as market conditions for this type of property improved between the date of this sale and the date of value. This sale warrants a downward adjustment for site size as this property is smaller than the subject property. Smaller properties tend to sell for more on a price per square foot basis than larger properties, all else being equal. Overall, this sale price per square foot indicates an upward adjustment in comparison to the subject.

Comparable Sale Two requires an upward adjustment for date and market conditions as market conditions for this type of property improved between the date of this sale and the date of value. This sale warrants a downward adjustment for location as this property is located in an area with stronger demand than the subject property. This sale warrants a downward adjustment for site size as this property is smaller than the subject property. Smaller properties tend to sell for more on a price per square foot basis than larger properties, all else being equal. There is a downward adjustment for utility as this property has better utility with a better shape and more access to utilities. Overall, this sale price per square foot indicates a downward adjustment in comparison to the subject.

Comparable Sale Three requires an upward adjustment for date and market conditions as market conditions for this type of property improved between the date of this sale and the date of value. This sale warrants an upward adjustment for location as this property is located in an area with less demand than the subject property. There is a downward adjustment for utility as this property has better utility with a better shape and more access to utilities. Overall, this sale price per square foot indicates a downward adjustment in comparison to the subject.

Comparable Sale Four requires an upward adjustment for date and market conditions as market conditions for this type of property improved between the date of this sale and the date of value. This sale warrants an upward adjustment for location as this property is located in an area with less demand than the subject property. This sale warrants an upward adjustment for zoning as this property requires rezoning, while the majority of the property has industrial zoning. There is an upward adjustment for utility as this property has inferior utility with inferior access to utilities. Overall, this sale price per square foot indicates an upward adjustment in comparison to the subject.

Comparable Sale Five requires a downward adjustment for conditions of sale as there was fencing that contributed some value. This sale requires an upward adjustment for date and market conditions as market conditions for this type of property improved between the date of this sale and the date of value. There is an upward adjustment for location as this property

has inferior visibility compared to the subject. This sale warrants a downward adjustment for site size as this property is smaller than the subject property. Smaller properties tend to sell for more on a price per square foot basis than larger properties, all else being equal. Overall, this sale price per square foot indicates a downward adjustment in comparison to the subject.

Sales Comparison Approach Summary, Developable Land.

	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5
Adjusted Sale Price/ Sq. Ft.	\$0.93	\$1.08	\$1.08	\$0.84	\$0.92

Land Value Before Acquisition. These five comparable sales indicate a price range of \$0.84 to \$1.08 per square foot after adjustment. All of the sales provide a reliable indicator of value range for the subject property. After analyzing the comparable sales, the conclusion of market value of the developable land portion of the subject property, before the acquisition, as of November 18, 2021, is \$1.00 per square foot, times 175,000 square feet, equaling \$175,000.

SALES COMPARISON APPROACH – OPEN SPACE LAND

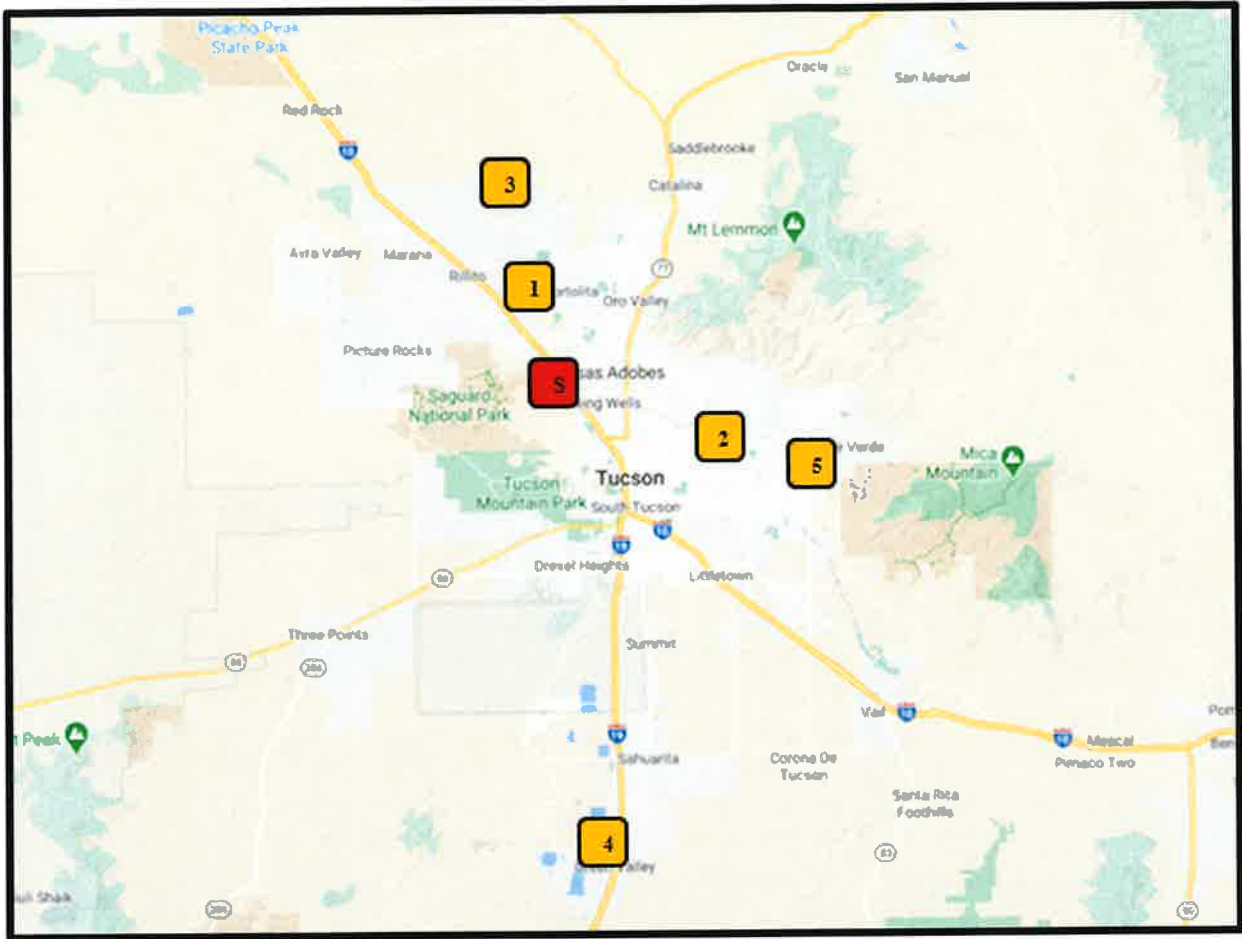
The sales comparison approach to value considers what a typical well-informed purchaser would pay for a property, based on an analysis of similar properties. This approach reflects the application of the principle of substitution, which affirms that when a property can be replaced, its value tends to be set by the cost of acquiring an equally desirable substitute property.

This approach analyzes sales and listings of properties similar to the subject. This analysis uses those sales most relevant as indicators of value of the subject property, making adjustments for dissimilarities such as terms of sale, site size, location, zoning, and utility. Sales used in this approach must contain these elements: 1) both parties are typically motivated; 2) both parties are well-informed; 3) a reasonable market exposure time is allowed; 4) payment is made in cash or its equivalent; and 5) financing reflects terms typically available, and not affected by special or unusual terms. The summary below illustrates the comparable sales used in this report.

Table of Comparable Land Sales – Open Space Land

Sale No.	Sale Date	Property Location	Sale Price	Site Size (Acres)	Price/Acre	Zoning
1.	06/16	North side of Lambert Lane alignment, west of Twin Peaks Road	\$220,560	22.056	\$10,000	F
2.	02/18	North of Fort Lowell, east of Craycroft Road	\$8,000	1.108	\$7,220	SR
3.	08/18	Southeast side of Cochie Canyon Trail, north of Desperado Trail	\$229,295	15.427	\$14,863	RH
4.	09/18	North side of Esperanza Boulevard, west of La Canada Drive	\$136,481	12.33	\$11,069	CB-1
5.	12/20	Northeast corner of Speedway Boulevard and Houghton Road	\$100,000	12.42	\$8,052	SR
Subject Property				3.90		GR-1

COMPARABLE LAND SALES LOCATION MAP



- Subject:** North side of Sunset Road, west of I-10 frontage Road
- Sale 1:** North side of Lambert Lane alignment, west of Twin Peaks Road
- Sale 2:** Vacant land located North of Fort Lowell, east of Craycroft Road
- Sale 3:** Southeast side of Cochie Canyon Trail, north of Desperado Trail
- Sale 4:** North side of Esperanza Boulevard, west of La Canada Drive
- Sale 5:** Northeast corner of Speedway Boulevard and Houghton Road

COMPARABLE LAND SALES – OPEN SPACE SALES

LAND COMPARABLE NUMBER ONE (SALE)

ID: MAL 0288 7052

LOCATION: North side of Lambert Lane alignment, west of Twin Peaks Road

LEGAL DESCRIPTION: A portion of Common Area Lot D-2, Cascada, Pima County, Arizona

STATE TAX PARCEL: 216-19-579B

RECORD DATA: Fee number 20161820642

DATE OF SALE: June 30, 2016

SELLER: Fidelity National Title, Trust 60327

BUYER: Metro Water District

CONFIRMED BY: Myrlene Francis, Tierra Right of Way, buyer's representative (520-319-2106)
WDP; March 31, 2016

LAND DESCRIPTION: This site is a rectangular shaped backage property which is located on the north side of Lambert Lane alignment about 1,000 feet west of Twin Peaks Road. The site size is about 985 feet by about 995 feet and contains 22.056 acres per a survey. There is an existing rough graded dirt easement which terminates at the southeast corner of the property; however, this easement is private property and does not provide legal access to the site. Legal access to the site is south and west of the property through the Cascada subdivision, however, there is no physical access from the subdivision because the roads have not been developed, nor is planned to be developed in the foreseeable future. Legal and physical access will need to be purchased from private properties between the site and Twin Peaks Road, east of the property. Twin Peaks Road a four-lane, asphalt-paved roadway with a median, concrete curbs, asphalt paved and concrete sidewalks but no streetlights in the vicinity of this property and has a 2014 traffic count of 10,000 vehicles per day near

the site. The topography is mostly level, sloping in a southwesterly direction. Public utilities available to the south and east side of the property include electric and telephone. There is currently no public water or sewer service to the site. According to FEMA Flood Insurance Rate Map 04019C1065L, dated June 16, 2011, a portion of the site (about 10 percent) is identified as being located in Zone X (shaded) which are areas of 0.2% annual chance flood; areas of 1% annual chance flood with average depths of less than 1 foot or with drainage areas less than 1 square mile; and areas protected by levees from 1% annual chance flood. The remainder of the site is located in Zone X (unshaded) which are areas determined to be outside the 0.2 percent annual chance floodplain. There is an unnamed wash that transverses the site that requires a 75 foot erosion hazard setback.

LAND SIZE:	22.056 acres
ZONING:	F - Specific Plan (Town of Marana)
REPORTED SALE PRICE:	\$220,560
PRICE PER ACRE:	\$10,000
MARKETING TIME:	Not on the market
TERMS OF SALE:	This was an all cash to the seller transaction.
PRIOR SALE:	Records of the Pima County Assessor indicate that no transaction has occurred within three years of the date of valuation.
CONDITIONS OF SALE:	This sale is reported to have occurred under normal market conditions.
INTENDED USE:	The buyer is Metro Water District, who intends to construct a booster site.
COMMENTS:	This property is identified as Common Area D-2 in a master planned development known as Cascada which is reserved for undisturbed open space. This restriction means that the land can only be used for open space and

cannot be developed. The land may have the potential to be sold for mitigation purposes or open space requirements if the Cascada development no longer need the land set aside as mitigation land.

LOCATION: North of Fort Lowell, east of Craycroft Road (channel of Pantano Wash)

LEGAL DESCRIPTION: A portion of the Southeast Quarter of the Southwest Quarter of Section 25, Township 13 South, Range 14 East, G&SRB&M, Pima County, Arizona

STATE TAX PARCEL: 109-22-024B

RECORD DATA: Fee Number 2018-0450174

DATE OF SALE: February 4, 2018

SELLER: John E. Osborne and Diana K. Osborne

BUYER: Pima County Flood Control District

CONFIRMED BY: Jeff Teplitsky; buyer representative (520-724-6306) TAB; June, 2019

LAND DESCRIPTION: The site is an irregular shaped backage property. The property contains a length of 228.52 feet on the southern border, a length of 164.21 feet along the western property line, a length of 476.60 on the northeastern property line, and a length of 180.59 on the southwestern property line. It contains a total area 1.108 acres, or 48,264 square feet. The property currently has access through a strip of land under the same ownership that provides access to Fort Lowell Road to the south. Fort Lowell Road is a two-lane, dirt graded roadway in the area of the site. No traffic count is available for Fort Lowell Road in the vicinity of this site according to the Pima Association of Governments, Transportation Division. The topography of the southwest portion of the property is mostly level and at grade of the adjacent properties. The northeast portion of the property is approximately 10 percent of the site and is mostly level and significantly below grade of the southwest portion of the property. The northeast portion is located within the channel of the Pantano Wash and is approximately 10 feet below grade of the balance of the property. Properties bordering the property include low density residential uses and vacant land to the

north, south, east, and west, and low density residential followed by higher density residential uses to the southwest. Utilities available to the property include electric and telephone. Water is available in the immediate area. Public sewer is not available to the property; septic is required.

According to FEMA Flood Insurance Rate Map 04019C1713L, dated June 16, 2011, the property is identified as being located in a Special Flood Hazard Area with a designation of Zone AE. The majority (95%) of the property is located within a FEMA floodway. The channel of the Pantano Wash is located within the eastern approximately 90% portion of the property. There is a 500-foot erosion hazard setback from the edge of bank of the Pantano Wash for properties within Pima County. The western portion of the property is located entirely within the erosion hazard setback of the Pantano Wash, which is not bank protected in the area of the property. Therefore, the entire property is located within either the channel or the erosion hazard setback of the Pantano Wash, with the majority being located within the FEMA floodway, and the rest of the property being located within a FEMA floodplain area.

LAND SIZE:	1.108 acres
ZONING:	SR (Pima County)
REPORTED SALE PRICE:	\$8,000
PRICE PER ACRE:	\$7,220
MARKETING TIME:	N/A
TERMS OF SALE:	This was an all cash to the seller transaction.
PRIOR SALE:	Records of the Pima County Assessor indicate that no market sales of this property occurred within five years of the date of this sale.

CONDITIONS OF SALE:

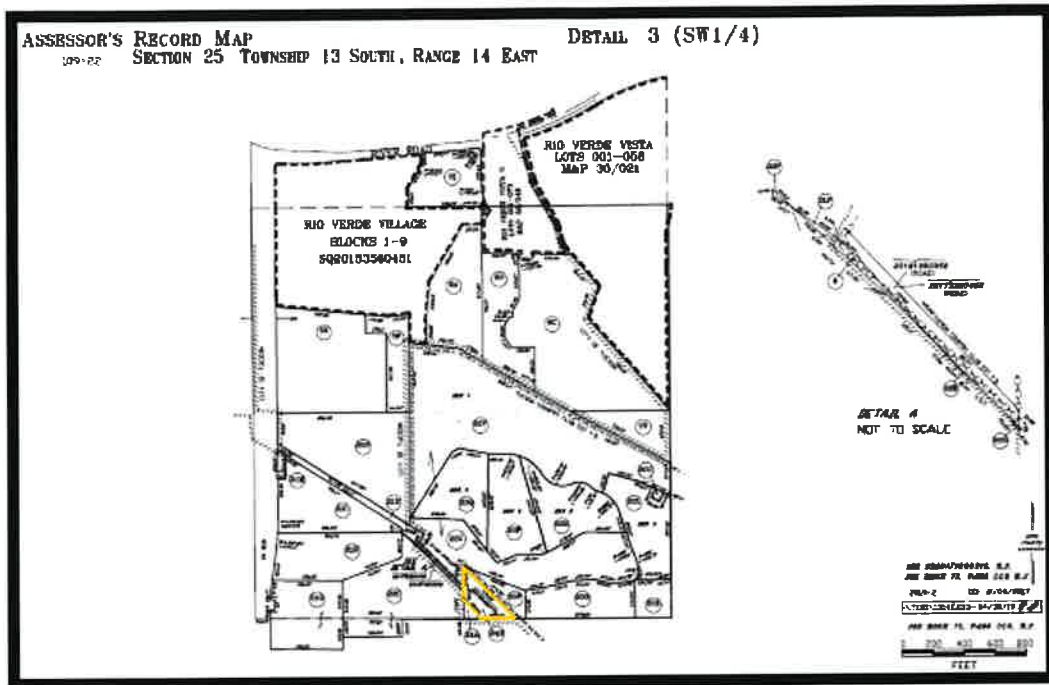
This sale was the purchase of land under the FLAP (floodplain) acquisition program by Pima County. The purchase price was based on an appraised market value.

INTENDED USE:

A portion is utilized for a linear park multiuse path, with land in the channel of the wash being open space for future flood control purposes.

COMMENTS:

This property is completely within a floodplain, with the majority located within a floodway. There is no area of the property that can be developed with habitable structures.



LOCATION: Southeast side of Cochie Canyon Trail, north of Desperado Trail

LEGAL DESCRIPTION: A portion of the Northeast Quarter of the Northwest Quarter of Section 10, Township 11 South, Range 12 East, G&SRB&M, Pima County, Arizona

STATE TAX PARCEL: 218-10-005U (portion)

RECORD DATA: Fee number 2018-2200468

DATE OF SALE: August 8, 2018

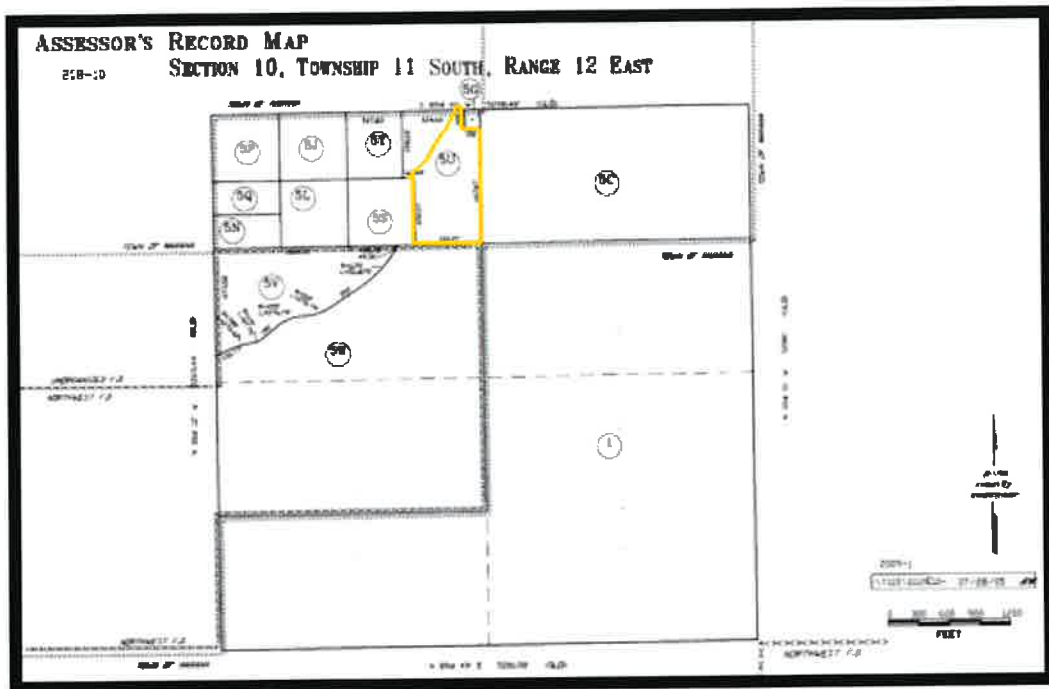
SELLER: Michael and Kelly McCully Revocable Trust

BUYER: Meritage Homes

CONFIRMED BY: Ben Becker; buyer's agent (520-323-5100)
TAB; November, 2018

LAND DESCRIPTION: 15.427 acres. This site is an irregularly shaped interior property with approximately 820 feet of frontage on Cochie Canyon Trail. The site has a depth of 1,317.67 feet along the eastern property line. Cochie Canyon Trail is a one-lane, dirt road alignment with no concrete curbs, sidewalks or streetlights in the vicinity of this property. The Pima Association of Governments has no traffic count information for Cochie Canyon Trail in the vicinity of this site. The topography is sloping in a southerly direction. Utilities are not available to the site. According to FEMA Flood Insurance Rate Map 04019C1051L, dated June 16, 2011, portions of this property are within Zone X (unshaded) which are areas determined to be outside the 0.2 percent annual chance floodplain. Approximately 37 percent of the property is within FEMA Flood Zone: AO which are areas of 1 percent shallow flooding where average depths are between 1 and 3 feet. The South Cochie Canyon Wash runs through the southeast portions of the property. This wash has a 50 foot erosion hazard setback, with approximately 14.6 percent of the property in erosion hazard setback. This area is within a riparian habitat with a designation of Xeroriparian C.

LAND SIZE:	15.427 acres
ZONING:	RH (Pima County)
REPORTED SALE PRICE:	\$229,295
PRICE PER ACRE:	\$14,863
MARKETING TIME:	N/A
TERMS OF SALE:	This was an all cash to the seller transaction.
PRIOR SALE:	Records of the Pima County Assessor indicate that no transaction has occurred within three years of the date of valuation. There was a prior sale of a manufactured home on 21.02 acres of land, with this sale of 15.427 acres of land being split off of that land area. This prior sale was at \$210,000.
CONDITIONS OF SALE:	This sale is reported to have occurred under normal market conditions.
INTENDED USE:	Mitigation land to give rights to develop other land. Donated to Pima County for open space after purchase.
COMMENTS:	No water rights were included in this sale. The property could be developed with 1 or 2 home sites outside any flood prone areas; however, the buyer purchased the land as mitigation land where restrictions were placed on the land where no development could occur and the land would have to be maintained as open space. This mitigation land allowed the buyer to rezone other land and develop with housing as part of a subdivision development in Pima County. The buyer gifted the land to Pima County after the purchase, with Pima County to maintain as open space.



LOCATION: North side of Esperanza Boulevard, west of La Canada Drive

LEGAL DESCRIPTION: A portion of the North half of the North half of the North half of Section 15, Township 18 South, Range 13 East, G&SRB&M, Pima County, Arizona

STATE TAX PARCEL: 304-61-274C

RECORD DATA: Fee number 2018-2500659

DATE OF SALE: September 7, 2018

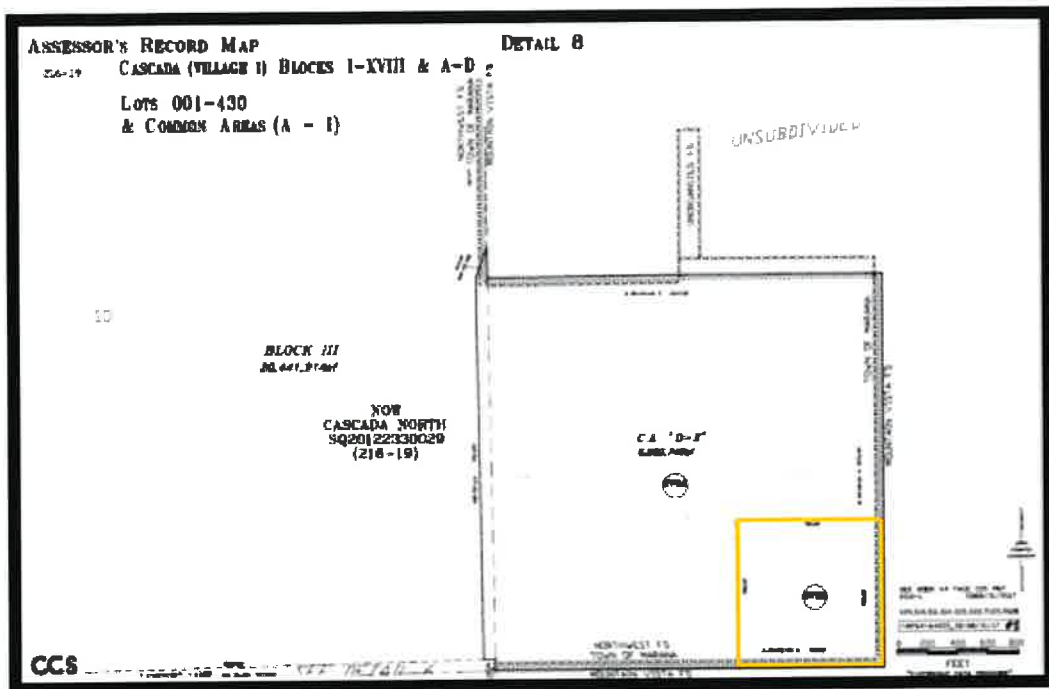
SELLER: William L. Pippin and Teresa A. Pippin

BUYER: Las Campanas Community Association

CONFIRMED BY: Mary Moore; project manager for buyer (520-648-6730)
EWV; November, 2018

LAND DESCRIPTION: 537,095 square feet or 12.33 acres. This site is an irregularly shaped property with approximately 2,370 feet of frontage on Esperanza Boulevard along the southern property line. The site has a length of approximately 2,140 feet along the northern property line. Esperanza Boulevard is a two-lane, asphalt-paved roadway with no concrete curbs, sidewalks or streetlights in the vicinity of this property. Esperanza Boulevard has a 2014 traffic count of 5,022 vehicles per day east of this site, according to the Pima Association of Governments. The topography is sloping in an easterly direction. All utilities are available to the site. According to FEMA Flood Insurance Rate Map 04019C3935L, dated June 16, 2011, the land is located in Zone X (unshaded) which are areas determined to be outside the 0.2 percent annual chance floodplain. An unknown local regulated wash runs along the northern and center portions of the property. The wash has an erosion hazard setback of 25 feet on the western portion of the property, and 50 feet in the northeast corner of the property. The area of the wash is within a riparian habitat with a designation of Hydromesoriparian.

LAND SIZE:	537,095 square feet or 12.33 acres
ZONING:	CB-1 (Pima county)
REPORTED SALE PRICE:	\$136,481
PRICE PER ACRE:	\$11,069
MARKETING TIME:	N/A
TERMS OF SALE:	This was an all cash to the seller transaction.
PRIOR SALE:	Records of the Pima County Assessor indicate that this property sold on March 19, 2018 for the amount of \$135,000. Transactions dated September 7, 2018 and July 5, 2018 were internal transfers and not market transactions.
CONDITIONS OF SALE:	This sale is reported to have occurred under normal market conditions.
INTENDED USE:	Open space
COMMENTS:	This land is restricted in use to open space and cannot be developed with buildings of any kind and has to remain as open space.



LOCATION: Northeast corner of Speedway Boulevard and Houghton Road

LEGAL DESCRIPTION: Lot 12, excepting the South 75' and the West 164' and the East 477.84' thereof, located in the South half of the Southwest quarter of Section 1, Township 14 South, Range 15 East, G&SRB&M, Pima County, Arizona

STATE TAX PARCEL: 133-01-066J

RECORD DATA: Sequence Number 20203510779

DATE OF SALE: December 16, 2020

SELLER: 76 Trust

BUYER: Pima County

CONFIRMED BY: Jeff Teplitsky, buyer's representative (520-724-6306)
TAB; November 17, 2020

LAND DESCRIPTION: This site is a mostly rectangular shaped corner property with about 867 feet of frontage on Speedway Boulevard along the southern property boundary and about 867 feet of frontage on Houghton Road along the western property boundary. The property is at the northeast corner of Speedway Boulevard and Houghton Road, which is a fully signalized intersection. Speedway Boulevard is a four-lane, asphalt-paved roadway tapering to two lanes to the east of this site with some concrete curbs and no sidewalks or streetlights in the vicinity of this property. Speedway Boulevard has a 2019 traffic count of 4,802 vehicles per day in the vicinity of this site, according to the Pima Association of Governments. Houghton Road is a two-lane, asphalt-paved roadway with concrete curbs and no sidewalks or streetlights in the vicinity of this property. Houghton Road has a 2019 traffic count of 11,951 vehicles per day in the vicinity of this site, according to the Pima Association of Governments. The topography is mostly level, sloping in a northerly direction and below the existing street grades. The site is covered with heavy vegetation, especially along the wash areas. Utilities

available to the site include electric and telephone. There is no sewer to the property with the closest line being located to the west along Speedway Boulevard. Public water is located near but not to the parcel. According to FEMA Flood Insurance Rate Map 04019C2307M, dated September 28, 2012, the entire property is identified as being located in Zone AE which is a Special Flood Hazard Area subject to inundation by the 1% annual chance flood with Base Flood Elevations determined with about 70 percent of the site being located in the floodway of the Tanque Verde Wash which abuts this site along the northern property line. The floodway area in Zone AE is the channel of a stream plus any adjacent floodplain areas that must be kept free of encroachment so that the 1% annual chance flood can be carried without substantial increases in flood heights. No habitable structures can be constructed in a floodway. The site is also transversed by the Reyes Wash over the southwestern portion of the land. Most of the site is in the erosion hazard setback of these washes, with no habitable structures allowed in the erosion hazard setback. Almost the entire parcel is located in an Important Riparian Area identified as Hydromesoriparian or Mesoriparian H.

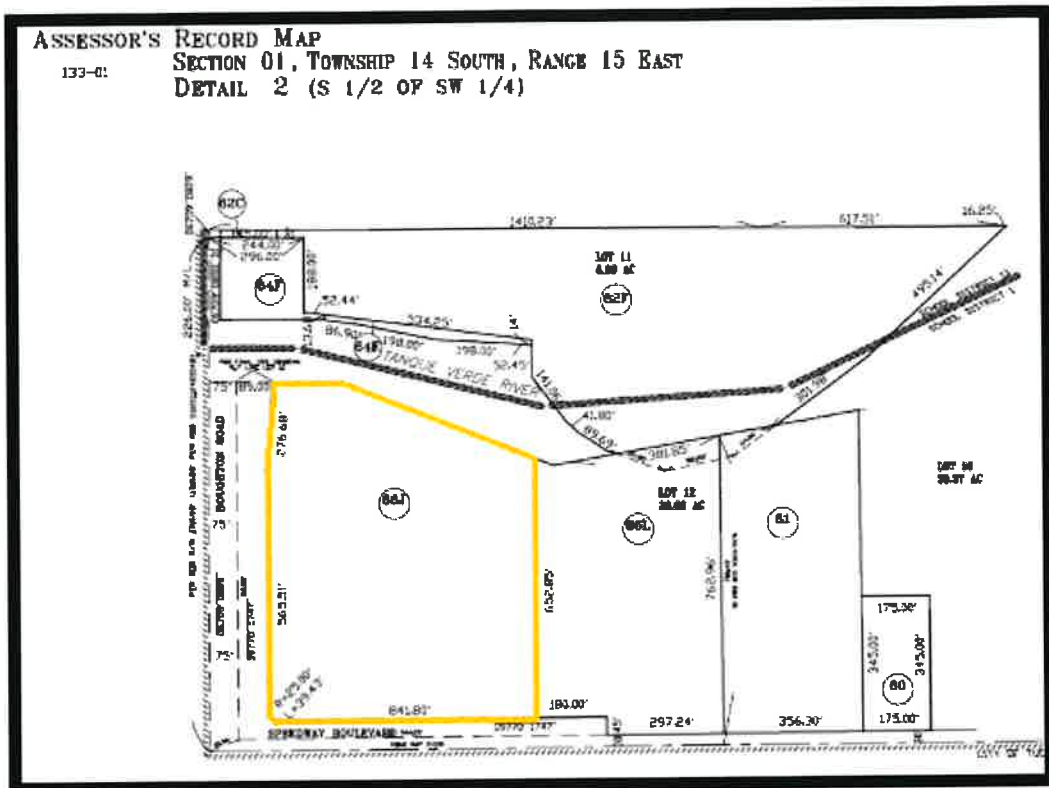
LAND SIZE:	12.42 acres
ZONING:	SR (Pima County) – see comments
REPORTED SALE PRICE:	\$100,000
PRICE PER ACRE:	\$8,051
MARKETING TIME:	N/A
TERMS OF SALE:	This will be an all cash to the seller transaction.
PRIOR SALE:	Records of the Pima County Assessor indicate that no transaction has occurred within three years of the date of valuation.
CONDITIONS OF SALE:	This sale is reported to have occurred under normal market conditions.

INTENDED USE:

Purchased for open space as part of the Pima County Flood Land Acquisition Program.

COMMENTS:

According to the Pima County Comprehensive Plan, a majority of the property is identified as LIU-0.3 (Low Intensity Urban-0.3 RAC) with about 20% of the site at the southwest corner identified as NAC (Neighborhood Activity Center).



LAND COMPARABLE SALES ADJUSTMENT GRID – OPEN SPACE

	Subject	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5
Sale Date		06/2016	02/2018	08/2018	09/2018	12/2020
Site Size (Acres)	3.90	22.056	1.108	15.427	12.33	12.42
Zoning	GR-1	F	SR	RH	CB-1	SR
Site Utility	Average	Superior	Inferior	Superior	Superior	Inferior
Sale Price		\$220,560	\$8,000	\$229,295	\$136,481	\$100,000
Price per Acre		\$10,000	\$7,220	\$14,863	\$11,069	\$8,052

Summary of Adjustments

Unadjusted Price / Acre	\$10,000	\$7,220	\$14,863	\$11,069	\$8,052
Property Rights	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>
Adjusted Price	\$10,000	\$7,220	\$14,863	\$11,069	\$8,052
Financing	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>
Adjusted Price	\$10,000	\$7,220	\$14,863	\$11,069	\$8,052
Conditions of Sale	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>
Adjusted Price	\$10,000	\$7,220	\$14,863	\$11,069	\$8,052
Date/Market Conditions	<u>10%</u>	<u>6%</u>	<u>4%</u>	<u>4%</u>	<u>2%</u>
Adjusted Price	\$11,000	\$7,653	\$15,458	\$11,512	\$8,213
Physical Adjustments (%)					
Location	0	0	10	10	0
Zoning	0	0	0	0	0
Site Size	15	0	10	10	10
Site Utility	<u>-10</u>	<u>20</u>	<u>-30</u>	<u>-10</u>	<u>20</u>
Net Adjustment	5%	20%	-10%	10%	30%
Indicated Value / Acre	\$11,550	\$9,184	\$13,912	\$12,663	\$10,676

This analysis compares five sales of similar land to the subject on a price per square foot basis. This is the sale price divided by the square footage of the site. Sales prices range from \$7,220 to \$14,863 per square foot before adjustment. The adjustment grid on the previous page reflects the adjustments. An upward adjustment indicates that the comparable is inferior to the subject; a downward adjustment indicates that the comparable is superior to the subject; and no adjustment (0) indicates the comparable is similar or equal to the subject.

Comparable Sale One requires an upward adjustment for date and market conditions as market conditions improved between the date of this sale and the date of value. This sale warrants an upward adjustment for site size as this property is larger than the subject property. Larger properties tend to sell for less on a price per acre basis, all else being equal. There is a downward adjustment for site utility as this property has better utility with more usability of the land. While the subject does not meet size or other utility requirements to be developed, this property is restricted to open space by the plat. Overall, this sale price per acre indicates an upward adjustment in comparison to the subject property.

Comparable Sale Two requires an upward adjustment for date and market conditions as market conditions improved between the date of this sale and the date of value. This sale warrants an upward adjustment for site utility as this property has inferior utility with this property being more floodprone and undevelopable than the subject. Overall, this sale price per acre indicates an upward adjustment in comparison to the subject property.

Comparable Sale Three requires an upward adjustment for date and market conditions as market conditions improved between the date of this sale and the date of value. There is an upward adjustment for location as this property is located in an area with less demand than the subject. This sale warrants an upward adjustment for site size as this property is larger than the subject property. Larger properties tend to sell for less on a price per acre basis, all else being equal. There is a downward adjustment for site utility as this property has better utility with more usability of the land. There was a potential for a home or two to be developed on the property. Overall, this sale price per acre indicates a downward adjustment in comparison to the subject property.

Comparable Sale Four requires an upward adjustment for date and market conditions as market conditions improved between the date of this sale and the date of value. There is an upward adjustment for location as this property is located in an area with less demand than the subject. This sale warrants an upward adjustment for site size as this property is larger than the subject property. Larger properties tend to sell for less on a price per acre basis, all else being equal. There is a downward adjustment for site utility as this property has better utility with more usability of the land. This sale is restricted to open space by the plat but has better utility. Overall, this sale price per acre indicates an upward adjustment in comparison to the subject property.

Comparable Sale Five warrants an upward adjustment for site size as this property is larger than the subject property. Larger properties tend to sell for less on a price per acre basis, all else being equal. This sale warrants an upward adjustment for site utility as this property has inferior utility with this property being more floodprone and undevelopable than the subject. Overall, this sale price per acre indicates an upward adjustment in comparison to the subject property.

Land Value Summary, Open Space Land.

	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5
Adjusted Sale Price / Acre	\$11,550	\$9,184	\$13,912	\$12,663	\$10,676

These five comparable sales indicate a price range of \$9,184 to \$12,663 per square foot after All of the sales provide a reliable indicator of value range for the subject property. After analyzing the comparable sales, the conclusion of market value of the open space subject land by the sales comparison approach, as of November 18, 2021, is \$12,000 per acre, times 3.90 acres, equaling \$46,800.

TOTAL VALUE OF THE SUBJECT PROPERTY – BEFORE ACQUISITION

The total value of the subject property in the before condition is equal to the value of the developable land area, or \$175,000 plus, the value of the open space land area, or \$46,800; for a total value of the subject property in the before condition of \$221,800.

Value of Developable Land Area:	\$175,000
Value of Open Space Land Area:	<u>\$46,800</u>
Total Subject Property Land Area, Before Acquisition:	\$221,800

Therefore, based on the above analysis and subject to the assumptions and limiting conditions contained in this report, the opinion of market value of the subject property, before, as of the effective date of the appraisal, November 18, 2021, is \$221,800.

SECTION C - THE LAND TO BE ACQUIRED

DESCRIPTION

Pima County is seeking to acquire a portion of the subject property as part of a roadway project. The Sunset Road project will connect Sunset Road from I-10 to River Road. As part of this project, Sunset Road will be elevated over I-10. The land to be acquired will be part of Sunset Road improvements as part of this project.

The property to be acquired includes a fee simple interest of a portion of the subject land. The fee simple acquisition includes is a long narrow strip located along the southern property line. It contains a total area of 17,859 square feet, or 0.41 acres, within the open space portion of the property, and 38,265 square feet within the developable portion of the subject property, according to information provided by Pima County. Legal descriptions of this area to be acquired can be found in the exhibits section of this report. There are no improvements to be acquired as part of this project.

The value of the part to be acquired on a fee simple basis is based on the "part of the whole" theory; therefore, the value per square foot applicable to the land before the acquisition is applicable to the land to be acquired. The estimated market value of the subject property before the acquisition is \$1.00 per square foot for the developable portion of the property and \$12,000 per acre for the open space portion of the property

LAND VALUE, PART TO BE ACQUIRED

The land to be acquired will be purchased in fee with all rights transferring to Pima County. Following is an estimate of the market value of the land to be acquired:

Developable Land Area	
38,265 square feet x \$1.00 per square foot =	\$38,265
Open Space Land Area	
0.41 acres x \$12,000 per acre =	<u>\$4,920</u>
Total	\$43,185
	Rounded to: \$43,200

SECTION D - VALUATION OF THE REMAINDER PROPERTY, BEFORE

REMAINDER PROPERTY BEFORE

The market value of the remainder property before the acquisition is the difference between the value of the entire property before the acquisition less the value of the part to be acquired. This step reflects the value of the remainder property without recognizing any increase or decrease in value as the result of any special benefits or severance damages.

Value of Property Before Acquisition:	\$221,800
Value of Property To Be Acquired:	<u>(43,200)</u>
Value of Remainder Property Before:	\$178,600

SECTION E - THE REMAINDER LAND, AFTER ACQUISITION

DESCRIPTION

After the acquisition, the remainder land will consist of an irregular shaped parcel totaling 6.63 acres. Out of this total area, 136,735 square feet, or 3.14 acres, is located within the developable portion of the subject property. The remaining 3.49 acres is located within the open space land area. The site will continue to have access from Sunset Road. There will be a no access easement in the easternmost portion of the subject property that would inhibit access near the I-10 frontage road. However, this is not along the entire subject property, and access could be obtained from Sunset Road to the west of this no-access easement area. The shape of the remaining land remains similar to that which existed before the acquisition. The land maintains the same long term developability.

Highest and Best Use, After, as Vacant. After the acquisition, the subject has a highest and best use that is the same as in the before condition. That use is for land investment with eventual low density industrial development such as a contractor's yard in the eastern portion of the property and open space land area in the western portion of the property. This use is considered to be the most feasible use based on the location, the zoning, surrounding development, and the supply of vacant land in the neighborhood.

LAND VALUE AFTER ACQUISITION

The remainder land is being appraised using the same comparable sales, the same adjustments, and the same value conclusion used to value the property in the before condition. After the acquisition, the shape of the parcel remains similar and the site size is reduced to 6.63 acres. The highest and best use of the property is considered to be the same as in the before condition.

Based on the same highest and best use, the same comparable sales are utilized for the conclusion of land value after the acquisition. The sales indicate a value of \$1.00 per square foot for the developable portion of the land area and \$12,000 per acre for the open space land area.

Therefore, the estimated market value of the property after the acquisition is as follows:

Developable Land Area	
136,735 square feet x \$1.00 per square foot =	\$136,735
Open Space Land Area	
3.49 acres x \$12,000 per acre =	<u>\$41,880</u>
Total	\$178,615
	Rounded to: \$178,600

SECTION E - SEVERANCE DAMAGES

DESCRIPTION

Severance damages are a loss in value to the remainder property not acquired which arises as the result of a partial acquisition or construction of public improvements which have a negative impact on the remaining property. Severance damages are typically estimated by deducting the value of the remainder property after the acquisition from the value of the remainder property before the acquisition.

CONCLUSION

The market value of the land, before the acquisition is \$221,800. The market value of the land to be acquired of \$43,200 is deducted from the market value of \$221,800 to arrive at the market value of the remainder, before, of \$178,600. The market value of the remainder, after, is estimated at \$178,600. Therefore, there are no severance damages reflected to the subject property.

Value of Remainder Property, Before:	\$178,600
Value of Remainder Property, After:	<u>(178,600)</u>
Severance Damages:	-0-

SECTION F - SUMMARY OF VALUE CONCLUSIONS

Market Value of Land, Before Acquisition	\$221,800
Market Value of Land To Be Acquired	\$43,200
Market Value of Remainder Land, Before	\$178,600
Market Value of Remainder Land, After	\$178,600
Severance Damages	-0-

TOTAL COMPENSATION:

Market Value of Land To Be Acquired	\$43,200
Severance Damages	<u>-0-</u>
TOTAL COMPENSATION	\$43,200

PART IV - ASSUMPTIONS AND LIMITING CONDITIONS

1. **Definitions.** "Appraisal," as herein defined, is the process of completing a service; namely, a valuation assignment. "Subject property" refers to the property which is the subject of the assignment. "Appraisers" are those persons, whether one or more, who have accepted the assignment and who have participated in the analyses, opinions, and conclusions formed in the appraisal. "Company" refers to Baker, Peterson, Baker & Associates, Inc. "Report" refers to this written document containing the analyses, opinions, and conclusions which constitute the appraisal.
2. **Liability.** The liability of Baker, Peterson, Baker & Associates, Inc., including any or all of its employees, and including the appraisers responsible for this report, is limited to the Client only, and to the fee actually received by the Company. Further, there is no accountability, obligation or liability to any third party. If this report is placed in the hands of any person other than the Client, the Client is responsible for making such party aware of all assumptions and limiting conditions related thereto. The appraisers are in no way responsible for any costs incurred to discover or correct any deficiencies of any type present in the subject property, whether physical, financial, or legal.
3. **Title.** No opinion as to title is rendered. Data related to ownership and legal description was provided by the Client or was obtained from available public records and is considered reliable. Unless acknowledged in this report, no title policy or preliminary title report were provided. Title is assumed to be marketable and free and clear of all liens, encumbrances, and restrictions except those specifically discussed in the report. The property is appraised assuming responsible ownership, competent management and ready availability for its highest and best use.
4. **Survey or Engineering.** No survey or engineering analysis of the subject property has been made by the appraisers. It is assumed that the existing boundaries are correct and that no encroachments exist. The appraisers assume no responsibility for any condition not readily observable from customary investigation and inspection of the premises which might affect the value thereof, excepting those items which are specifically mentioned in the report.
5. **Data Sources.** The report is based, in part, upon information assembled from a wide range of sources and, therefore, the incorporated data cannot be guaranteed. An impractical and uneconomic expenditure of time would be required in attempting to furnish unimpeachable verification in all instances, particularly as to engineering and market-related information. It is suggested that the Client consider independent verification within these categories prior to any transaction involving a sale, lease, or other significant commitment of the subject property, and that such verification be performed by appropriate recognized specialists.

6. ***Subsequent Events.*** The date of valuation to which the conclusions and opinions expressed in this report apply is set forth in the letter of transmittal. The appraisers assume no responsibility for economic or physical factors occurring after the date of valuation which may affect the opinions in this report. Further, in any prospective valuation assignment, the appraisers cannot be held responsible for unforeseeable events that alter market conditions prior to the date of valuation. Such prospective value estimates are intended to reflect the expectations and perceptions of market participants along with available factual data, and should be judged on the market support for the forecasts when made, not whether specific items in the forecasts are realized.
7. ***Adjustments.*** The appraisers reserve the right to make such adjustments to the analyses, opinions, and conclusions set forth in this report as may be required by consideration of additional data or more reliable data which may become available subsequent to issuance of the report.
8. ***Special Rights.*** No opinion is expressed as to the value of any subsurface (oil, gas, mineral) or aerial rights or whether the property is subject to surface entry for the exploration or removal of materials except where expressly stated in the report.
9. ***Value Distribution.*** The distribution of total value in this report between land and improvements applies only under the specified highest and best use of the subject property as herein described. The allocations of value among the land and improvements do not apply to any other property other than the property which is the subject of this report.
10. ***Legal or Special Opinions.*** No opinion is intended to be expressed for matters which require legal expertise, specialized investigation, or a level of professional or technical knowledge beyond that customarily employed by real estate appraisers.
11. ***Personal Property.*** Unless expressly stated within this report, no consideration has been given as to the value of any personal property located on the premises, or to the cost of moving or relocating such personal property. Only the real property has been considered.
12. ***Soil Conditions.*** Unless expressly stated within this report, no detailed soil studies covering the subject property were available to the appraisers. Therefore, it is assumed that existing soil conditions are capable of supporting development of the subject property in a manner consistent with its highest and best use without extraordinary foundation or soil remedial expense. Further, it is assumed that there are no hidden or unapparent matters (hazardous materials, toxic substances, etc.) related to the soil or subsoil which would render the subject more or less valuable by knowledge thereof.

13. **Court Testimony.** Testimony or attendance in court or at any other hearing (including depositions) is not required by reason of rendering this appraisal or issuing this report, unless such arrangements have previously been made and are part of a contract for services.
14. **Exhibits.** Maps, floor plans, photographs, and any other exhibits contained in this report are for illustration only, and are provided as an aid in visualizing matters discussed within the report. They should not be considered as surveys or scale renderings, or relied upon for any other purpose.
15. **Statute, Regulation, and License.** Unless otherwise stated within the report, the subject property is assumed to be in full and complete compliance with all applicable federal, state, and local laws related to zoning, building codes, fire, safety, permits, and environmental regulations. Further, it is assumed that all required licenses, certificates of occupancy, consents or other legislative or administrative authorizations have been, or can be, readily obtained or renewed as related to any use of the subject property on which the value estimate contained herein is based.
16. **Hidden or Unapparent Conditions.** It is assumed that there are no hidden or unapparent conditions which, if known, would affect the analyses, opinions or conclusions contained in this report. This includes, but is not limited to, electrical, mechanical, plumbing, and structural components.
17. **Hazardous/Toxic Substances.** In this appraisal assignment, no observation was made of the existence of potentially hazardous material used in the construction and/or maintenance of the improvements, or from any other source, whether borne by land or air, including, but not limited to, asbestos, lead, toxic waste, radon, and urea formaldehyde. While not observed, and while no information was provided to confirm or deny the existence of such substances (unless expressly stated herein), it is emphasized that the appraisers are not qualified to detect or analyze such substances. Unless otherwise stated, no consideration has been given to the presence of, nature of, or extent of such conditions, nor to the cost to "cure" such conditions or to remove any toxic or hazardous substances which could potentially affect the value or marketability of the property. Any such conclusions must be based upon the professional expertise of persons qualified to make such judgments. Thus, any person or other entity with an interest in the subject property is urged to retain an expert if so desired. This value estimate assumes that there is no such material on or in the property.
18. **Americans with Disabilities Act of 1990.** The ADA became effective on January 26, 1992. We 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 on the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in estimating the value of the property.

19. ***Disclosure.*** Disclosure of the contents of this report is governed by the By-Laws and Regulations of the Appraisal Institute. Neither all nor any part of the contents of this report, including the value estimate, the identity of the appraisers or their professional designations, or the company with which the appraisers are associated, shall be used for any purpose by anyone other than the Client as herein stated, without the prior written consent of the appraisers. Nor shall it be conveyed, in whole or in part, in the public through advertising, news, sales, listings, or any other media without such prior written consent. Possession of this report does not carry with it any right of public distribution.
20. ***Type of Report.*** This is an appraisal 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 for an Appraisal Report. As such, it might not include full discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses 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.
21. ***Endangered and Threatened Species.*** The appraisers have not made a specific survey of the subject property to determine whether or not it has any plant or wildlife which are identified as an endangered or threatened species by the U. S. Fish and Wildlife Service. While not observed and while no information was provided to confirm or deny the existence of any endangered or threatened species on the subject property (unless expressly stated herein), it is emphasized that the appraisers are not qualified to detect or analyze such plants or wildlife. Any such conclusions must be based upon the professional expertise of persons qualified to make such judgments. Thus, any person or other entity with an interest in the subject property is urged to retain an expert if so desired. It is possible that a survey of the property could reveal that the site contains endangered or threatened plants or wildlife. If so, this fact could have a negative effect on the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible endangered or threatened species in estimating the value of the property.
22. ***Acceptance of Report.*** Acceptance and/or use of this report by the Client or any third party constitutes acceptance of all of the above conditions.

PART V - CERTIFICATION

I CERTIFY THAT, TO THE BEST OF MY KNOWLEDGE AND BELIEF:

1. The statements of fact contained in this report are true and correct.
2. 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.
3. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. 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.
7. My reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
8. My reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice* (USPAP) of The Appraisal Foundation, and any other specifications submitted by the Client, including Title XI, FIRREA.
9. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
10. In accord with the Uniform Standards of Professional Appraisal Practice, I have the experience and knowledge to complete this assignment in a credible and competent manner.
11. As of the date of this report, I have completed requirements of the continuing education program of the Appraisal Institute.
12. The effective date (date of valuation) of this appraisal is November 18, 2021.
13. I have made a personal inspection of the property that is the subject of this report.

14. No one provided significant real property appraisal assistance to the person signing this certification.
15. This firm has not appraised the subject property in the three years prior to this appraisal.
15. I am a Certified General Real Estate Appraiser in the State of Arizona.



Sara R. Baker, MAI, SRA
Certified General Real Estate Appraiser
Certificate Number 31679
Designated Supervisory Appraiser
Registration Number DS0082

PART VI - EXHIBITS

Exhibit A	Legal Description
Exhibit B	Subject Plat Map
Exhibit C	Aerial Photograph
Exhibit D	Zoning Map
Exhibit E	FEMA Flood Plain Map
Exhibit F	Subject Photographs
Exhibit G	Acquisition Photographs
Exhibit H	Qualifications

EXHIBIT A - LEGAL DESCRIPTION AND MAP OF ACQUISITION

(see following pages)



7/14/2021

EEC No. 19099.17

101-21-001F Take Legal

Page 1 of 3

EXHIBIT "A"
LEGAL DESCRIPTION

THAT PORTION OF LAND WITHIN THE NORTHWEST QUARTER OF SECTION 17, TOWNSHIP 13 SOUTH, RANGE 13 EAST, GILA AND SALT RIVER MERIDIAN, PIMA COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A BRASS STEM AT THE NORTHWEST CORNER OF SAID SECTION 17 FROM WHICH A 2 INCH BRASS CAP SURVEY MONUMENT "RLS 12537" AT THE NORTH QUARTER CORNER OF SECTION 17, TOWNSHIP 13 SOUTH, RANGE 13 EAST, GILA AND SALT RIVER MERIDIAN, PIMA COUNTY, ARIZONA, BEARS NORTH 89 DEGREES 17 MINUTES 42 SECONDS EAST A DISTANCE OF 2646.48 FEET;

THENCE UPON THE NORTH LINE OF SAID SECTION 17 NORTH 89 DEGREES 17 MINUTES 42 SECONDS EAST A DISTANCE OF 736.08 FEET;

THENCE DEPARTING SAID NORTH LINE SOUTH 00 DEGREES 42 MINUTES 18 SECONDS EAST A DISTANCE OF 30.00 FEET TO THE **POINT OF BEGINNING**;

THENCE NORTH 89 DEGREES 17 MINUTES 44 SECONDS EAST A DISTANCE OF 78.35 FEET;

THENCE SOUTH 00 DEGREES 42 MINUTES 18 SECONDS EAST A DISTANCE OF 7.76 FEET;

THENCE SOUTH 00 DEGREES 42 MINUTES 12 SECONDS EAST A DISTANCE OF 10.17 FEET TO THE NORTHERLY RIGHT-OF-WAY LINE OF SUNSET ROAD;

THENCE UPON SAID NORTHERLY RIGHT-OF-WAY LINE SOUTH 59 DEGREES 28 MINUTES 21 SECONDS WEST A DISTANCE OF 52.60 FEET THE BEGINNING OF A TANGENT CURVE TO THE LEFT WHOSE RADIUS BEARS SOUTH 30 DEGREES 31 MINUTES 39 SECONDS EAST A DISTANCE OF 3775.00 FEET;

THENCE CONTINUING UPON THE NORTHERLY RIGHT-OF-WAY LINE AND THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 07 DEGREES 59 MINUTES 27 SECONDS A DISTANCE OF 526.48 FEET;

THENCE CONTINUING UPON THE NORTHERLY RIGHT-OF-WAY LINE SOUTH 51 DEGREES 28 MINUTES 55 SECONDS WEST A DISTANCE OF 432.69 FEET;

THENCE DEPARTING SAID NORTHERLY RIGHT-OF-WAY LINE NORTH 00 DEGREES 12 MINUTES 33 SECONDS EAST A DISTANCE OF 20.51 FEET;

THENCE NORTH 51 DEGREES 28 MINUTES 55 SECONDS EAST A DISTANCE OF 419.85 FEET TO THE BEGINNING OF A TANGENT CURVE TO THE RIGHT WHOSE RADIUS BEARS SOUTH 38 DEGREES 31 MINUTES 05 SECONDS EAST A DISTANCE OF 3791.00 FEET;

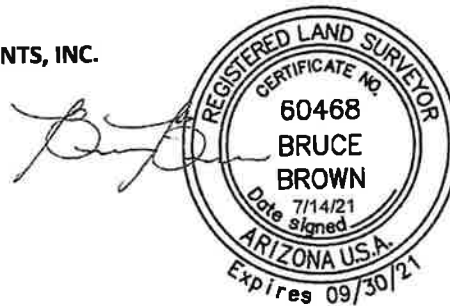
THENCE UPON THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 01 DEGREES 17 MINUTES 15 SECONDS A DISTANCE OF 85.19 FEET;

THENCE NORTH 37 DEGREES 14 MINUTES 15 SECONDS WEST A DISTANCE OF 10.00 FEET;

THENCE NORTH 52 DEGREES 22 MINUTES 02 SECONDS EAST A DISTANCE OF 440.61 FEET TO THE POINT OF BEGINNING.

Prepared by:
ENGINEERING AND ENVIRONMENTAL CONSULTANTS, INC.

BRUCE BROWN, RLS





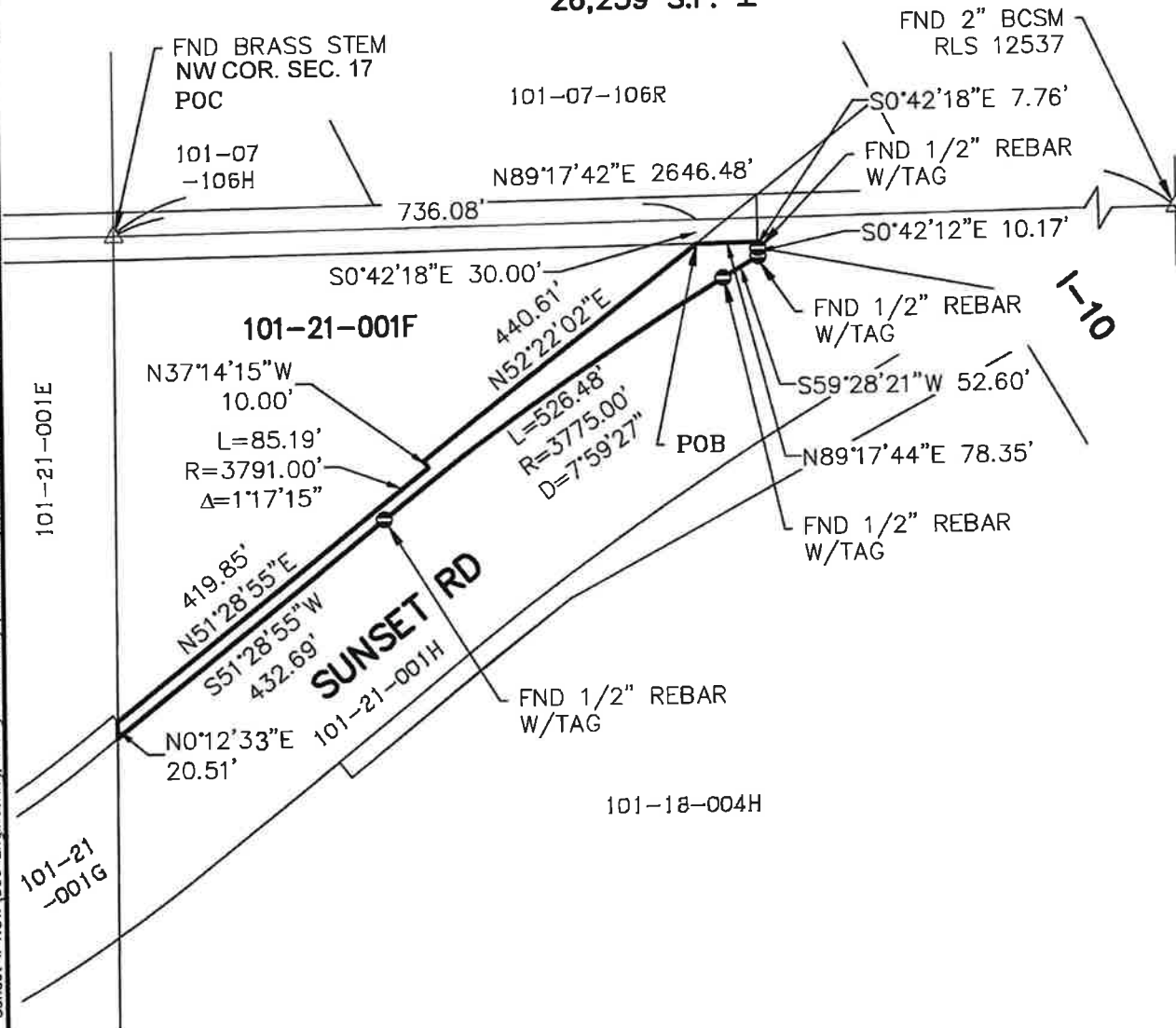
1"=400'

DEPICTION OF EXHIBIT "A" 101-21-001F TAKE

SEC. 17, T-13-S, R-13-E, G&SRM
PIMA COUNTY, ARIZONA



**TOTAL AREA
26,239 S.F. ±**



Engineering and Environmental Consultants, Inc.
555 E. RIVER ROAD, SUITE 301
TUCSON, ARIZONA 85704 520-321-4625

07/12/21
EEC No. 19099.17
SHT 3 OF 3

N:\19099 Survey\19099.17 Sunset II ROW\500 Engineering, Design & Survey\594-C3D\101-21-001F TAKE-EXHB.dwg Plotted: Jul 12, 2021 - 3:38pm crichardson



7/11/2021

EEC No. 19099.17

101-21-001E Take Legal

Page 1 of 3

EXHIBIT "A"
LEGAL DESCRIPTION

THAT PORTION OF LAND WITHIN THE NORTHEAST QUARTER OF SECTION 18, TOWNSHIP 13 SOUTH, RANGE 13 EAST, GILA AND SALT RIVER MERIDIAN, PIMA COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A BRASS STEM AT THE NORTHEAST CORNER OF SAID SECTION 18 FROM WHICH A 2 INCH BRASS CAP SURVEY MONUMENT "RLS 12537" AT THE NORTH QUARTER CORNER OF SECTION 18, TOWNSHIP 13 SOUTH, RANGE 13 EAST, GILA AND SALT RIVER MERIDIAN, PIMA COUNTY, ARIZONA, BEARS SOUTH 89 DEGREES 41 MINUTES 06 SECONDS WEST A DISTANCE OF 2646.48 FEET;

THENCE UPON THE COMMON LINE BETWEEN SAID SECTION 18 AND SECTION 17 SOUTH 00 DEGREES 12 MINUTES 33 SECONDS WEST FOR A DISTANCE OF 611.71 TO THE **POINT OF BEGINNING**;

THENCE CONTINUING UPON SAID COMMON LINE SOUTH 00 DEGREES 12 MINUTES 33 SECONDS WEST A DISTANCE OF 20.51 FEET TO THE NORTHERLY RIGHT-OF-WAY LINE OF SUNSET ROAD;

THENCE DEPARTING SAID COMMON LINE AND UPON SAID NORTHERLY RIGHT-OF-WAY LINE OF SUNSET ROAD SOUTH 51 DEGREES 28 MINUTES 55 SECONDS WEST A DISTANCE OF 31.85 FEET TO THE BEGINNING OF A TANGENT CURVE TO THE RIGHT WHOSE RADIUS BEARS NORTH 38 DEGREES 31 MINUTES 05 SECONDS WEST A DISTANCE OF 1475.00 FEET;

THENCE UPON THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 21 DEGREES 15 MINUTES 18 SECONDS A DISTANCE OF 547.18 FEET;

THENCE CONTINUING UPON SAID NORTHERLY RIGHT-OF-WAY LINE OF SUNSET ROAD SOUTH 72 DEGREES 44 MINUTES 12 SECONDS WEST A DISTANCE OF 103.51 FEET;

THENCE DEPARTING SAID NORTHERLY RIGHT-OF-WAY LINE OF SUNSET ROAD NORTH 17 DEGREES 15 MINUTES 44 SECONDS WEST A DISTANCE OF 26.00 FEET;

THENCE NORTH 72 DEGREES 44 MINUTES 12 SECONDS EAST A DISTANCE OF 103.51 FEET TO THE BEGINNING OF A TANGENT CURVE TO THE LEFT WHOSE RADIUS BEARS NORTH 17 DEGREES 15 MINUTES 48 SECONDS WEST A DISTANCE OF 1449.00 FEET;

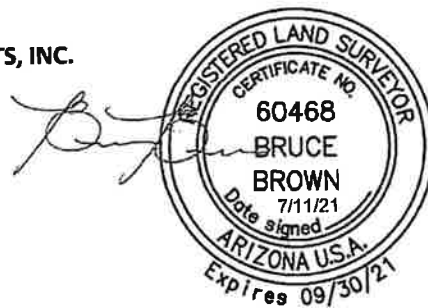
THENCE UPON THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 21 DEGREES 15 MINUTES 18 SECONDS A DISTANCE OF 537.53 FEET;

THENCE NORTH 51 DEGREES 28 MINUTES 55 SECONDS EAST A DISTANCE OF 44.68 FEET;

THENCE SOUTH 38 DEGREES 31 MINUTES 05 SECONDS EAST A DISTANCE OF 10.00 FEET TO THE
COMMON LINE BETWEEN SAID SECTIONS 17 AND 18 AND THE POINT OF BEGINNING.

Prepared by:
ENGINEERING AND ENVIRONMENTAL CONSULTANTS, INC.

BRUCE BROWN, RLS

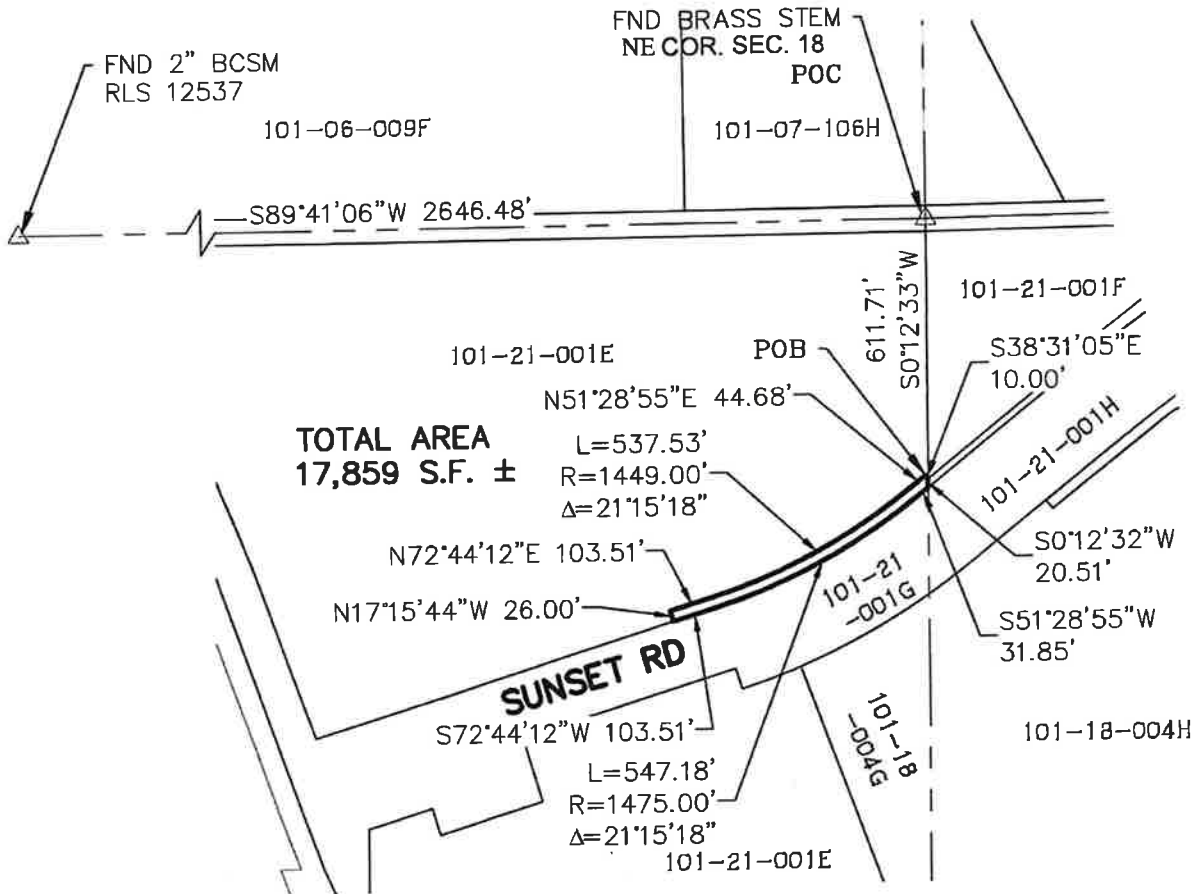




1" = 400'

DEPICTION OF
EXHIBIT "A"
101-21-001E TAKE

SEC. 18, T-13-S, R-13-E, G&SRM
PIMA COUNTY, ARIZONA



Engineering and Environmental Consultants, Inc.
555 E. RIVER ROAD, SUITE 301
TUCSON, ARIZONA 85704 520-321-4625

07/12/21
EEC No. 19099.17
SHT 3 OF 3



Engineering and Environmental Consultants, Inc.

555 E. River Road, Suite 301 | Tucson, Arizona 85704 | P: 520.321.4625

08/09/2021

EEC No. 19099.17

Old Sunset Road Take Legal

Page 1 of 2

EXHIBIT "A"
LEGAL DESCRIPTION

THAT PORTION OF LAND WITHIN THE SOUTHWEST QUARTER OF SECTION 8 AND NORTHWEST CORNER OF SECTION 17, TOWNSHIP 13 SOUTH, RANGE 13 EAST, GILA AND SALT RIVER MERIDIAN, PIMA COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A BRASS STEM AT THE COMMON CORNER OF SECTIONS 7, 8, 17, AND 18, TOWNSHIP 13 SOUTH, RANGE 13 EAST, GILA AND SALT RIVER MERIDIAN, PIMA COUNTY, ARIZONA FROM WHICH A 2 INCH BRASS CAP SURVEY MONUMENT "RLS 12537" AT THE NORTH QUARTER CORNER OF SAID SECTION 18 BEARS SOUTH 89 DEGREES 41 MINUTES 06 SECONDS WEST A DISTANCE OF 2646.48 FEET;

THENCE UPON THE SOUTH LINE OF SAID SECTION 8, NORTH 89 DEGREES 17 MINUTES 42 SECONDS EAST A DISTANCE OF 736.08 FEET;

THENCE DEPARTING SAID SOUTH LINE SOUTH 00 DEGREES 42 MINUTES 18 SECONDS EAST A DISTANCE OF 30.00 FEET TO THE **POINT OF BEGINNING**;

THENCE NORTH 52 DEGREES 22 MINUTES 10 SECONDS EAST A DISTANCE OF 73.59 FEET;

THENCE SOUTH 00 DEGREES 42 MINUTES 18 SECONDS EAST A DISTANCE OF 44.21 FEET;

THENCE SOUTH 89 DEGREES 17 MINUTES 42 SECONDS WEST A DISTANCE OF 58.83 FEET TO THE **POINT OF BEGINNING**.

Prepared by:
ENGINEERING AND ENVIRONMENTAL CONSULTANTS, INC.

BRUCE BROWN, RLS

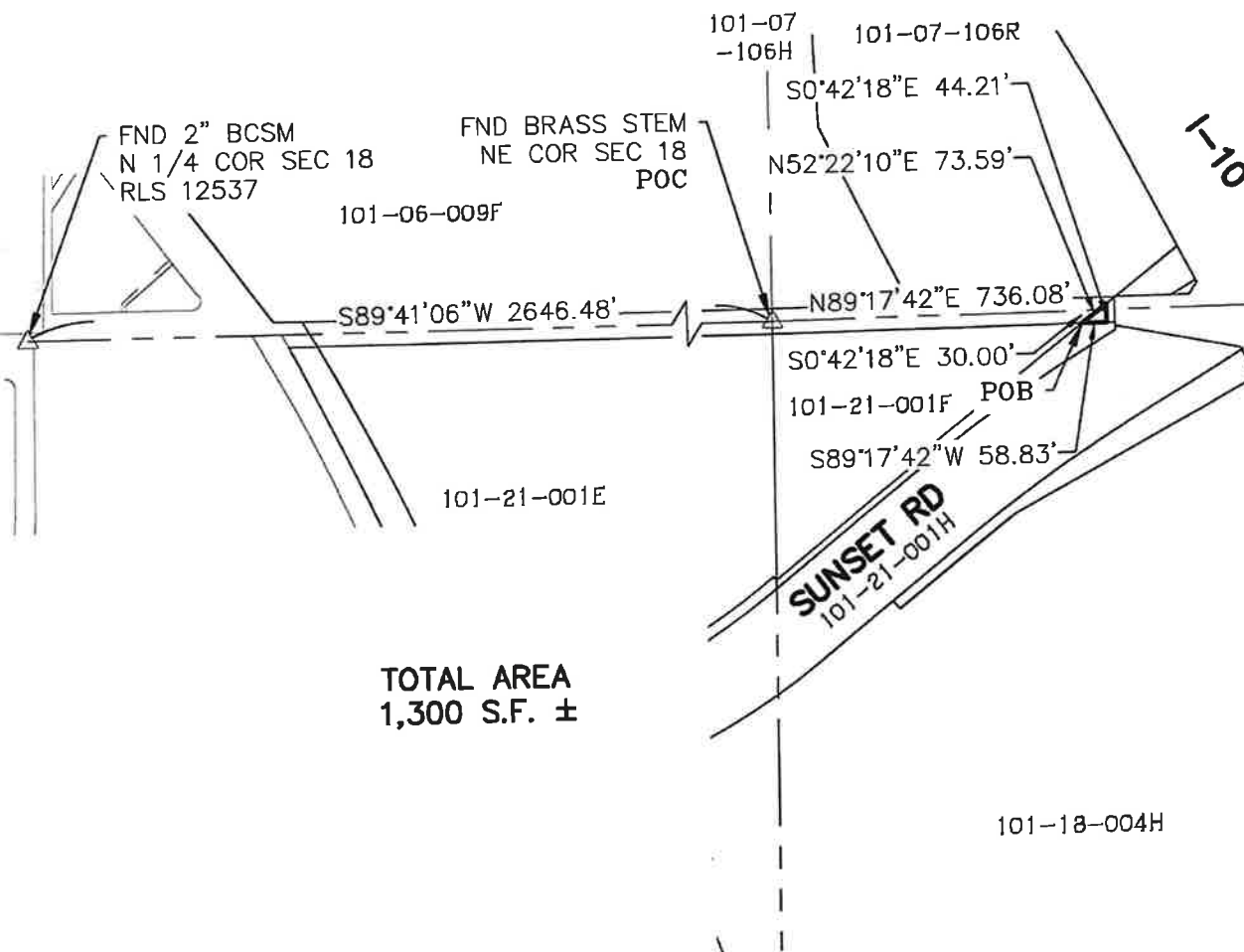




1" = 400'

DEPICTION OF
EXHIBIT "A"
OLD SUNSET ROAD TAKE

SEC. 8 & 17, T-13-S, R-13-E, G&SRM
PIMA COUNTY, ARIZONA



TOTAL AREA
1,300 S.F. ±



Engineering and Environmental Consultants, Inc.
555 E. RIVER ROAD, SUITE 301
TUCSON, ARIZONA 85704 520-321-4625

08/09/21
EEC No. 19099.17
SHT 2 OF 2

N:\19099 Survey\19099.17 Sunset II ROW\500 Engineering, Design & Survey\590-Survey\594-C30\OLD SUNSET TAKE-EXHB.dwg Plotted: Aug 09, 2021 - 8:00am crichardson



Engineering and Environmental Consultants, Inc.

555 E. River Road, Suite 301 | Tucson, Arizona 85704 | P: 520.321.4625

6/15/2021

EEC No. 19099.17

Parcel 101-07-106R Take Legal

Page 1 of 2

EXHIBIT "A"
LEGAL DESCRIPTION

THAT PORTION OF LAND WITHIN THE SOUTHWEST QUARTER OF SECTION 8, TOWNSHIP 13 SOUTH, RANGE 13 EAST, GILA AND SALT RIVER MERIDIAN, PIMA COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A BRASS STEM AT THE SOUTHWEST CORNER OF SAID SECTION 8 FROM WHICH A 2 INCH BRASS CAP SURVEY MONUMENT "RLS 12537" AT THE SOUTH QUARTER CORNER OF SAID SECTION 8 BEARS NORTH 89 DEGREES 17 MINUTES 42 SECONDS EAST A DISTANCE OF 2646.48 FEET;

THENCE UPON THE WEST BOUNDARY LINE OF SECTION 8, NORTH 00 DEGREES 03 MINUTES 58 SECONDS WEST A DISTANCE OF 30.00 FEET;

THENCE PARALLEL TO THE SOUTH BOUNDARY LINE OF SAID SECTION 8 NORTH 89 DEGREES 17 MINUTES 42 SECONDS EAST A DISTANCE OF 815.63 FEET TO THE **POINT OF BEGINNING**;

THENCE NORTH 52 DEGREES 21 MINUTES 44 SECONDS EAST A DISTANCE OF 190.26 FEET TO THE WEST RIGHT-OF-WAY LINE OF INTERSTATE 10;

THENCE UPON SAID WEST RIGHT-OF-WAY LINE SOUTH 27 DEGREES 29 MINUTES 05 SECONDS EAST A DISTANCE OF 90.48 FEET;

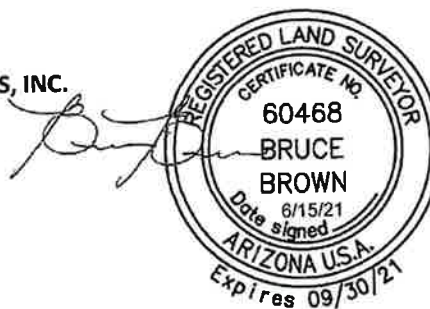
THENCE CONTINUING UPON SAID RIGHT-OF-WAY LINE SOUTH 59 DEGREES 26 MINUTES 40 SECONDS WEST A DISTANCE OF 67.40 FEET TO A POINT 30.00 FEET OFFSET TO THE NORTH OF THE SOUTH BOUNDARY OF SAID SECTION 8;

THENCE CONTINUING UPON SAID RIGHT-OF-WAY LINE AND PARALLEL WITH THE SOUTH BOUNDARY OF SAID SECTION 8 SOUTH 89 DEGREES 17 MINUTES 42 SECONDS WEST A DISTANCE OF 134.39 FEET TO THE **POINT OF BEGINNING**.

Prepared by:

ENGINEERING AND ENVIRONMENTAL CONSULTANTS, INC.

BRUCE BROWN, RLS



Customer Focus | Commitment | Communication

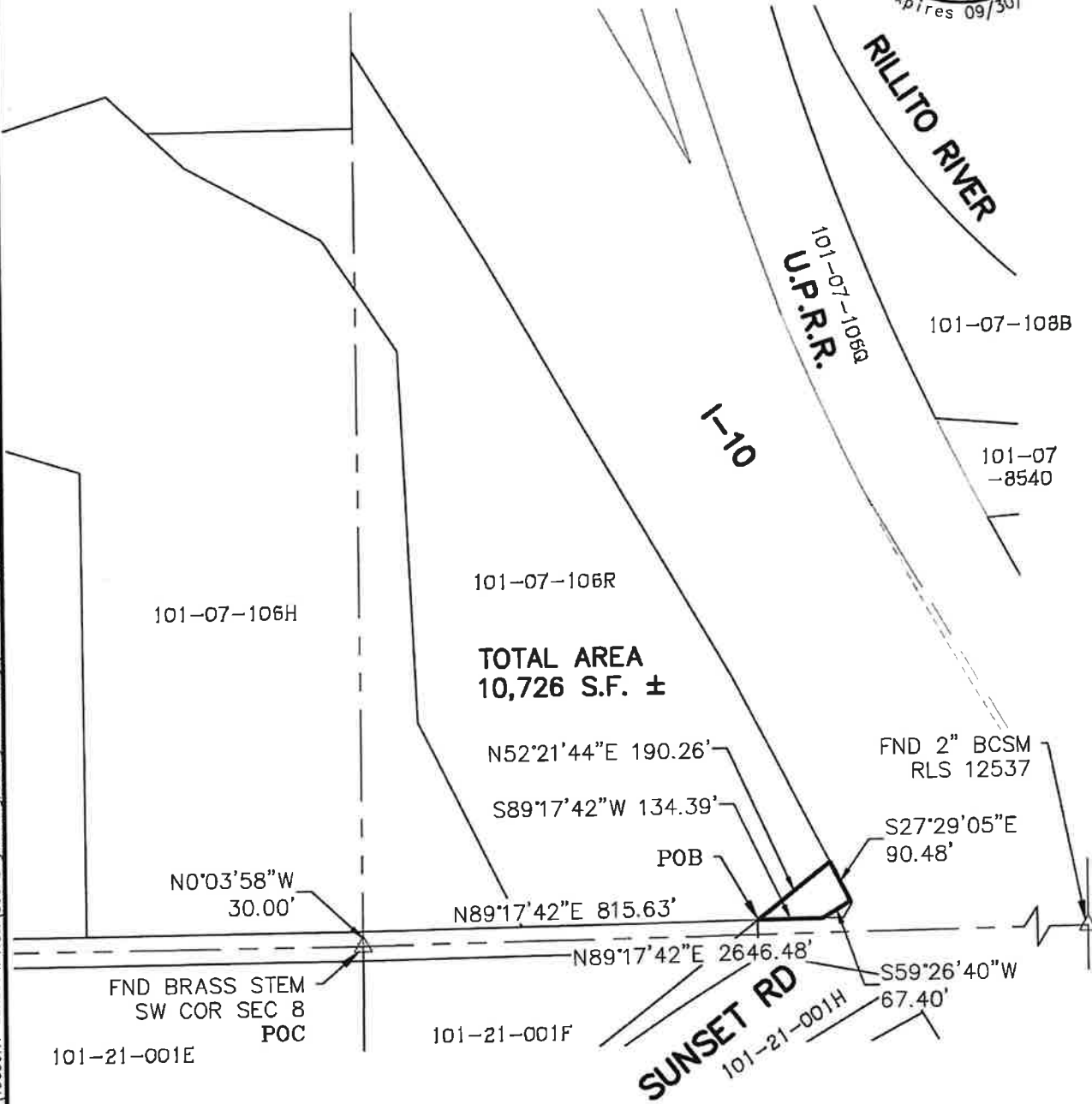
www.eec-info.com



1"=300'

DEPICTION OF
EXHIBIT "A"
101-07-106R-TAKE

SEC. 8, T-13-S, R-13-E, G&SRM
PIMA COUNTY, ARIZONA

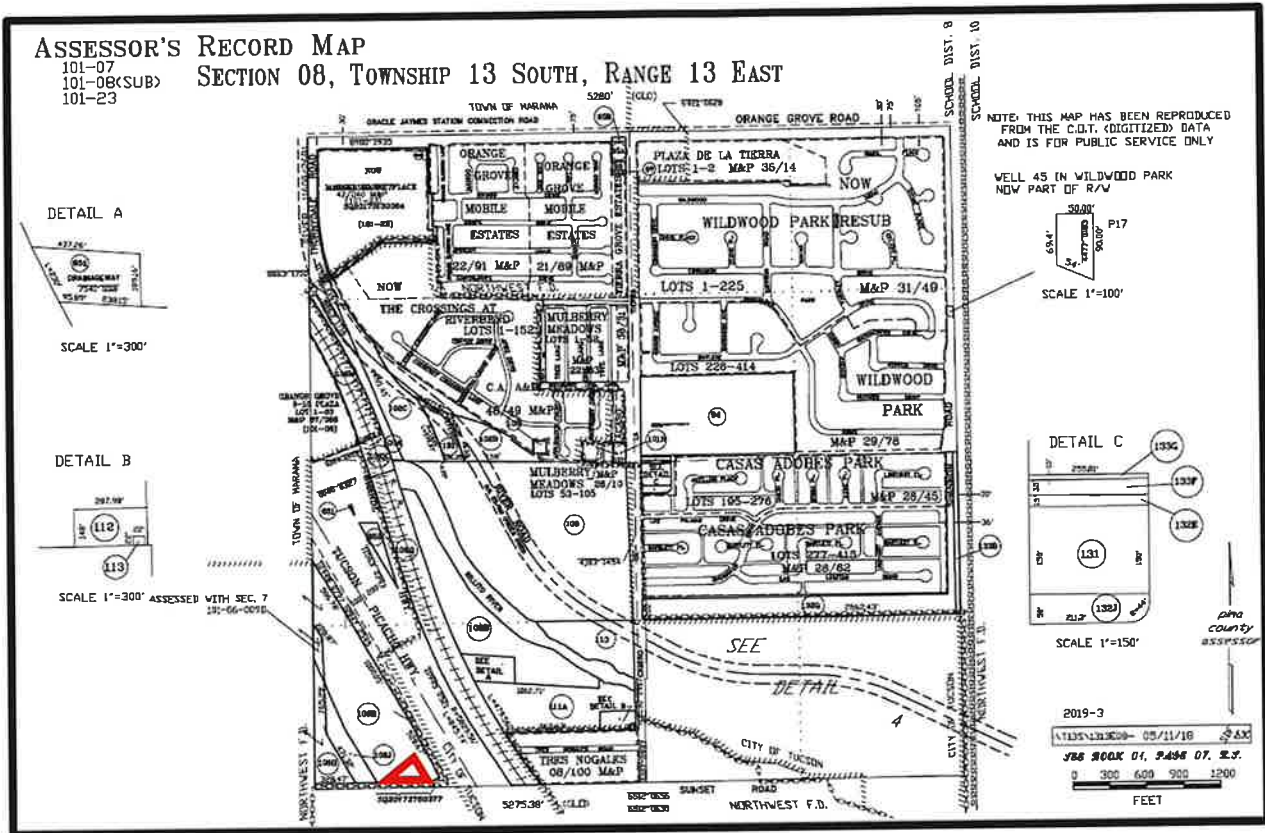


Engineering and Environmental Consultants, Inc.
555 E. RIVER ROAD, SUITE 301
TUCSON, ARIZONA 85704 520-321-4625

06/15/21
EEC No. 19099.17
SHT 2 OF 2

N:\19099 Survey\19099.17 Sunset II ROW\500 Engineering, Design & Survey\590-Survey\594-C3D\101-07-106R TAKE-EXHB.dwg Plotted: Jun 15, 2021 - 3:48pm crichardson

EXHIBIT B - SUBJECT PLAT MAP (1 of 3)



(property lines are approximate)

(property lines area approximate)

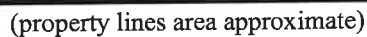
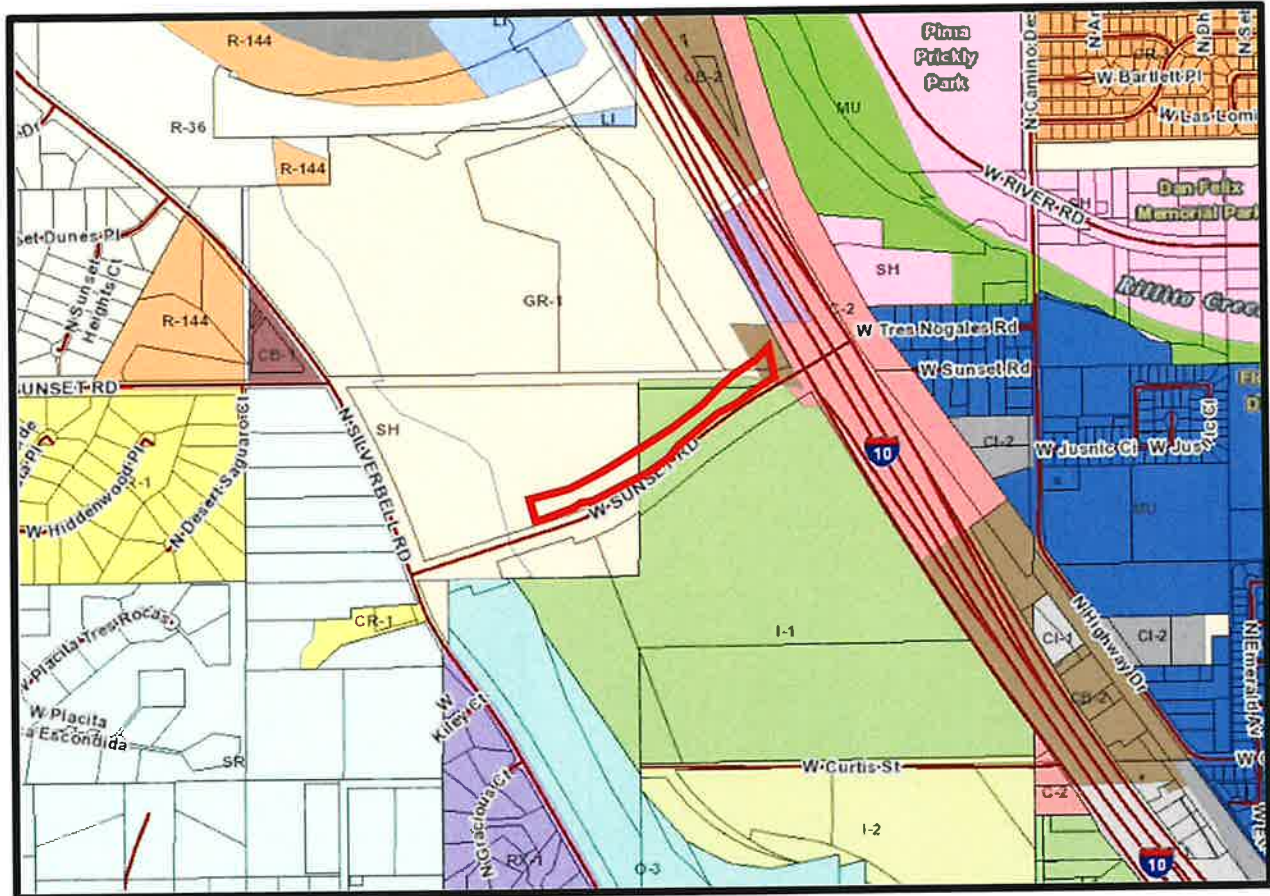


EXHIBIT C - AERIAL PHOTOGRAPH



(property lines area approximate)

EXHIBIT D - ZONING MAP (1 of 2) (Pima County)



(property lines are approximate)

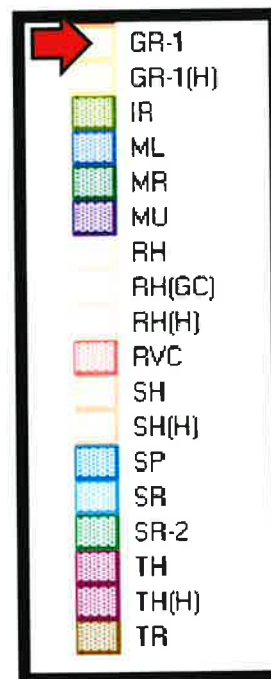
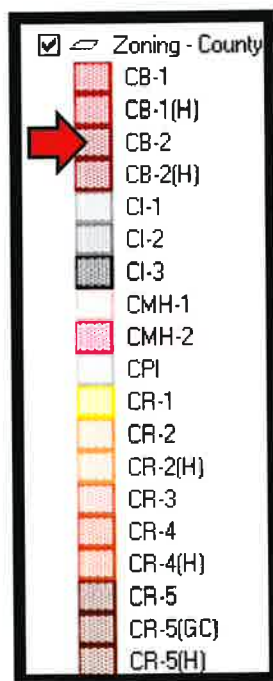
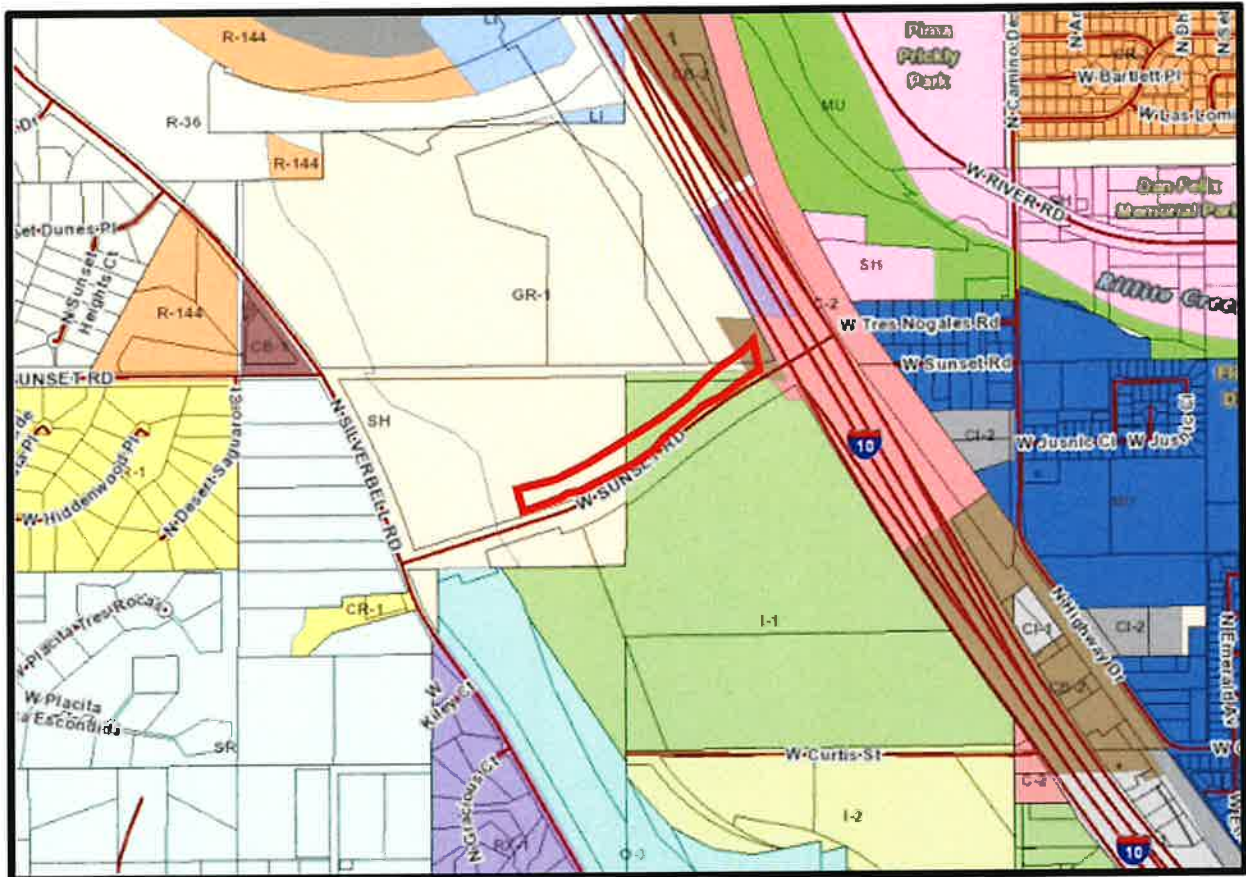


EXHIBIT D - ZONING MAP (2 of 2)
(City of Tucson)



(property lines area approximate)

<input checked="" type="checkbox"/>	Zoning - Tucson
	C-1
	C-2
	C-3
	HC-1
	HC-2
	HC-3
	HNC
	HO-1
	HO-2
	HO-3
	HOCR-2
	HP
	HR-1
	HR-2
	HR-3
	HRX-1
	HRX-2
	HSR
	I-1
	I-2
	MH-1

	MH-2
	MU
	NR-1
	NR-2
	NR-3
	O-1
	O-2
	O-3
	OCR-1
	OCR-2
	OS
	P
	PI
	PAD-1
	PAD-2
	PAD-3
	PAD-4
	PAD-5
	PAD-7
	PAD-8
	PAD-9

	PAD-10
	PAD-11
	PAD-12
	PAD-13
	PAD-14
	PAD-15
	PAD-16
	PAD-17
	PAD-18
	PAD-19
	PAD-20
	R-1
	R-2
	R-3
	RH
	RV
	RX-1
	RX-2
	SH
	SR

EXHIBIT E - FEMA FLOOD PLAIN

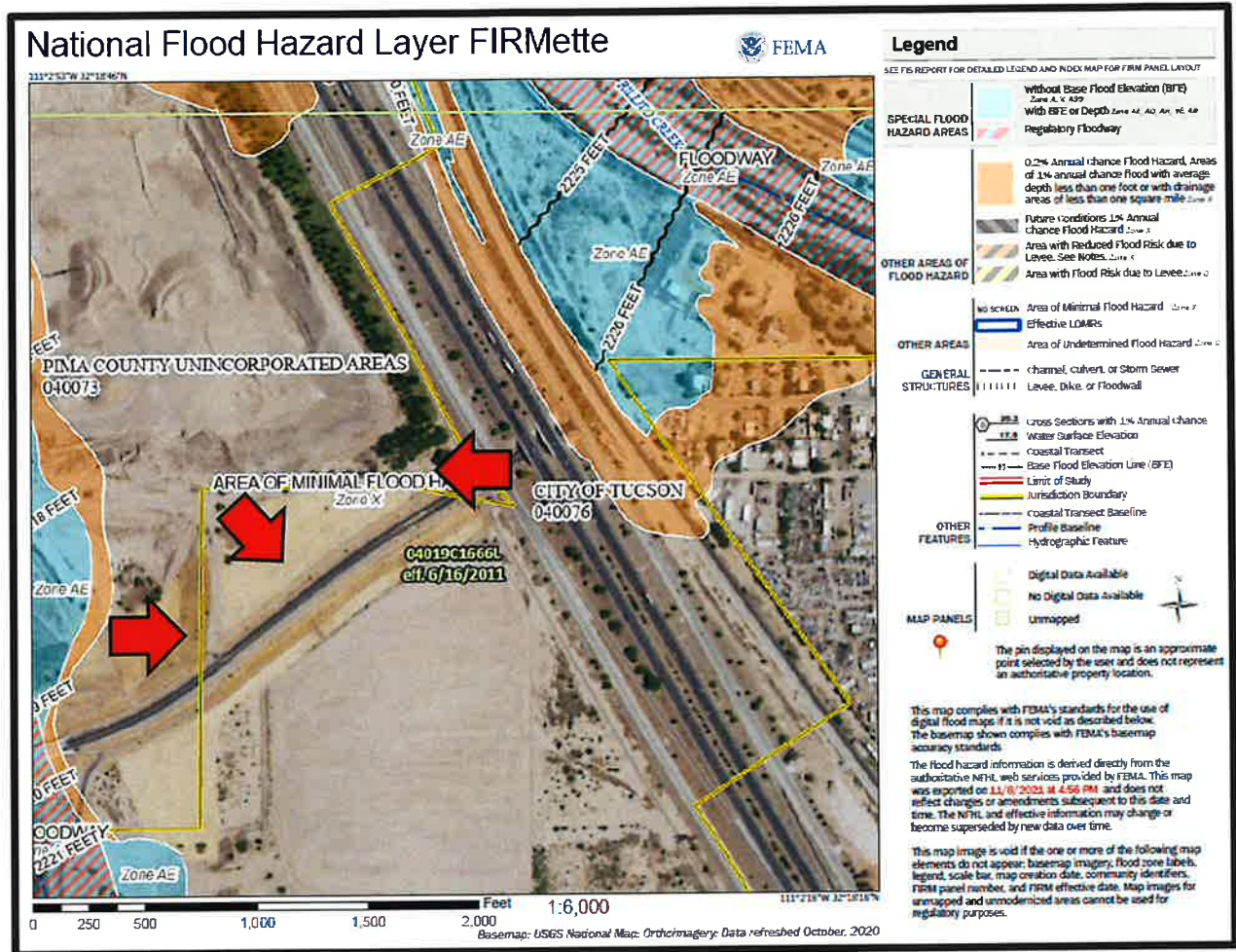


EXHIBIT F - SUBJECT PHOTOGRAPHS

PHOTO 1 – VIEW NORTHEAST OF SUBJECT PROPERTY



PHOTO 2 – VIEW EAST OF SUBJECT PROPERTY



PHOTO 3 – VIEW WEST OF SUBJECT PROPERTY



PHOTO 4 – VIEW WEST OF SUBJECT PROPERTY



PHOTO 5 – VIEW WEST OF SUBJECT RPROPERTY



PHOTO 6 – VIEW OF SUNSET ROAD



EXHIBIT G - ACQUISITION PHOTOGRAPHS
PHOTO 1 – VIEW WEST OF ACQUISITION AREA



PHOTO 2 – VIEW SOUTHWEST OF ACQUISITION AREA



PHOTO 3 – VIEW WEST OF ACQUISITION AREA

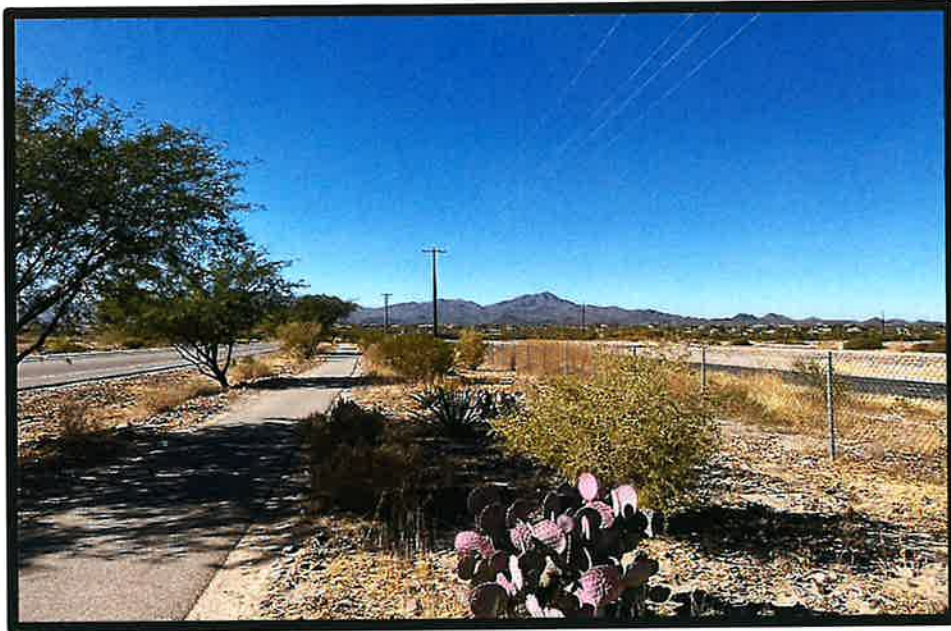


PHOTO 4 – VIEW EAST OF ACQUISITION AREA



PHOTO 5 – VIEW EAST OF ACQUISITION AREA



EXHIBIT H - QUALIFICATIONS

BAKER, PETERSON, BAKER & ASSOCIATES, INC. serves a wide variety of clients in Arizona, providing real estate appraisal and consultation services relating both to commercial and to residential properties. We also provide a wide variety of appraisal services relating to right of way acquisitions for multiple government agencies across Arizona. These clients include governmental agencies, utility companies, right of way companies, attorneys, CPA's, banks, credit unions, developers, real estate brokers, corporate and legal professionals, and numerous individuals. More than forty years of such services are represented by those presently associated with the firm, which was founded in 1974.

THOMAS A. BAKER, MAI, SRA, is a principal of the Company, and specializes in valuation and consultation services related to commercial, income-producing, and residential properties. He is a Certified General Real Estate Appraiser in the State of Arizona (Certificate 30139). He is a graduate of the University of Arizona, with a Master's Degree in Business Administration (MBA) with a specialty in Real Estate Finance. He holds the MAI and SRA Designations of the Appraisal Institute. He qualifies as an expert witness in United States District Court, the Superior Courts of Pima County, Maricopa County, Pinal County and Santa Cruz County, and United States Bankruptcy Court. He is Past President of the Tucson Chapter of the Society of Real Estate Appraisers and is Past President of the Southern Arizona Chapter of the Appraisal Institute.

SARA R. BAKER, MAI, SRA, is a principal of the Company, and specializes in valuation and consultation services related to commercial, income-producing, and residential properties. She is a Certified General Real Estate Appraiser in the State of Arizona (Certificate 31679). She holds the MAI and SRA Designations of the Appraisal Institute. She qualifies as an expert witness in the Superior Court of Pima County. She is a Past President of the Appraisal Institute, Southern Arizona Chapter. She graduated from Washington University in St. Louis with a Bachelor's Degree in Comparative Literature and earned a Master's Degree at the University of California at Los Angeles.

DAN F. ORLOWSKI is a staff appraiser specializing in valuation and consultation services related to commercial and income-producing properties. He is a Certified General Real Estate Appraiser in the State of Arizona (Certificate 32195). He graduated from San Diego State University with a Bachelor's Degree in Business Administration and also received a Master's Degree from the University of Phoenix in Accountancy.

TIM HALE is an appraiser trainee in commercial valuation. He graduated from Arizona State University with a Bachelor's Degree in Justice Studies.

ROBERT PARKER and **JOSHUA BAKER** are production coordinators and support technicians.