



BOARD OF SUPERVISORS AGENDA ITEM REPORT

Requested Board Meeting Date: February 6, 2018

Title: Consent for Sale of Surplus Property (File: Sale-0051)

Introduction/Background:

Staff asks the Board of Supervisors to consent to the sale of parcel no. 111-04-097D (the "Property"), which is vacant land located at the Northwest Corner of Alvernon Way and Farr Place and contains 13,343 square feet. The Property was purchased for the Alvernon Way-Ft. Lowell to River Rd. Improvement Project. The appraised value of the Property is \$77,400.00. The Property will be auctioned with a minimum bid of \$ 76,000.00, which is more than 90 percent of the appraised value, and includes an administrative fee of \$1,000.00.

Discussion:

The consent will authorize Real Property Services to proceed with the sale of the Property by auction to the highest bidder pursuant to A.R.S. Section 11-251(9). The adjacent property owner has requested the sale and is anticipated to bid at the auction. County departments have been noticed and none have expressed a need for the Property.

Conclusion:

The Property will be auctioned pursuant to state law and sold to the highest bidder for not less than \$76,000.00.

Recommendation:

It is recommended that the Board of Supervisors authorize the sale of the Property.

Fiscal Impact:

The county will no longer have liability and maintenance responsibility for the Property, and will receive revenue from the sale in an amount not less than \$76,000.00.

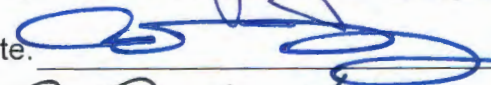
Board of Supervisor District:

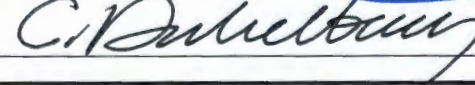
1 2 3 4 5 All

Department: Real Property Services Telephone: 724-6462

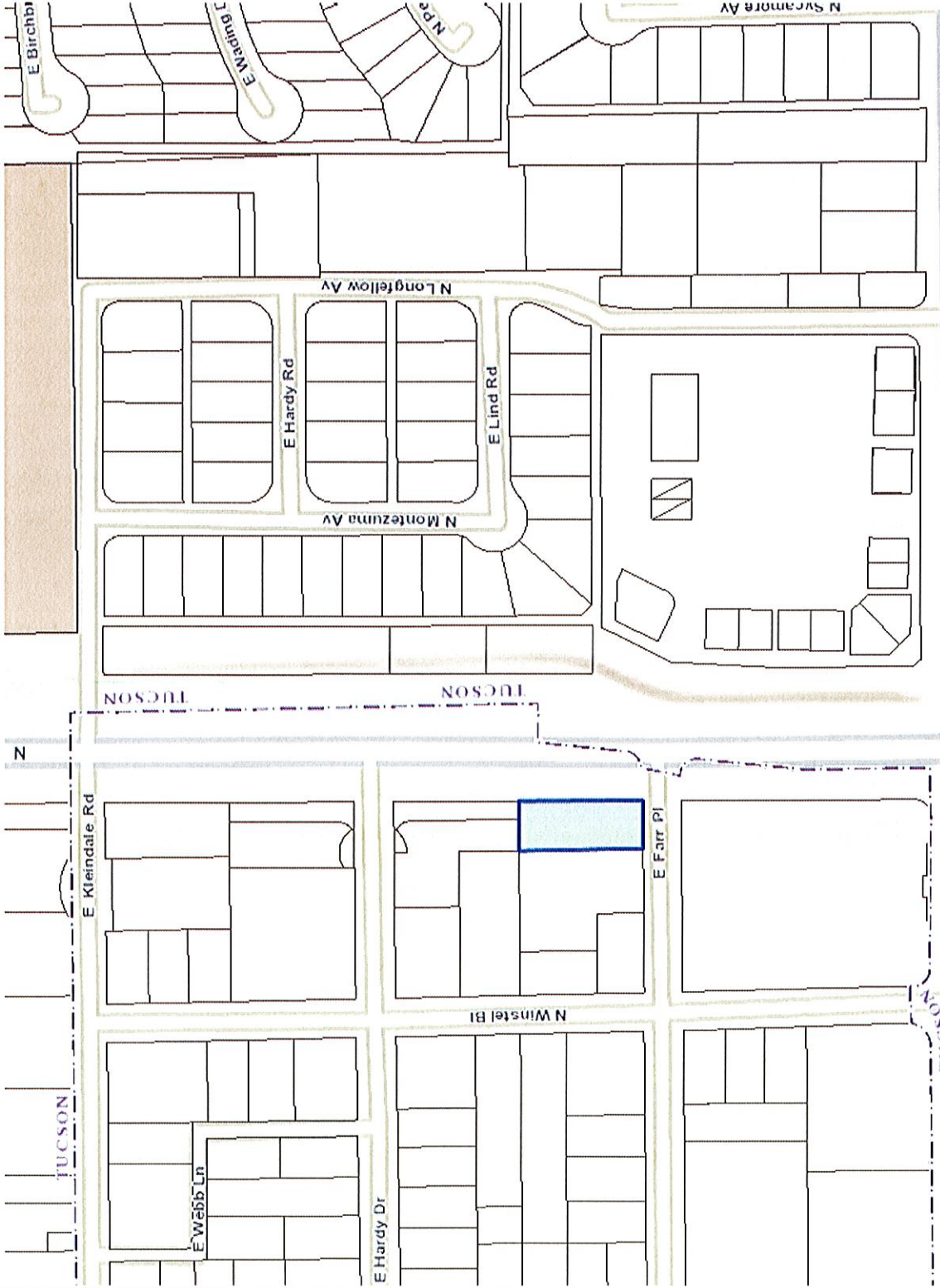
Contact: Rita Leon Telephone: 724-6462

Department Director Signature/Date:  1/23/2018

Deputy County Administrator Signature/Date:  1/24/18

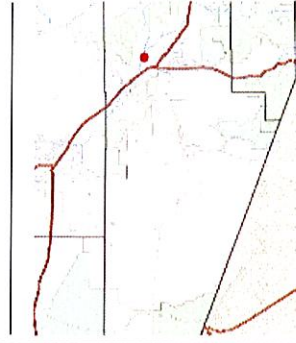
County Administrator Signature/Date:  1/24/18

Parcel 111-04-097D



Legend

- Parcels



Notes:

This map is a user generated static output from an internet mapping site and is for reference only. Data layers that appear on this map are subject to Pima County's ITD GIS disclaimer and use restrictions.



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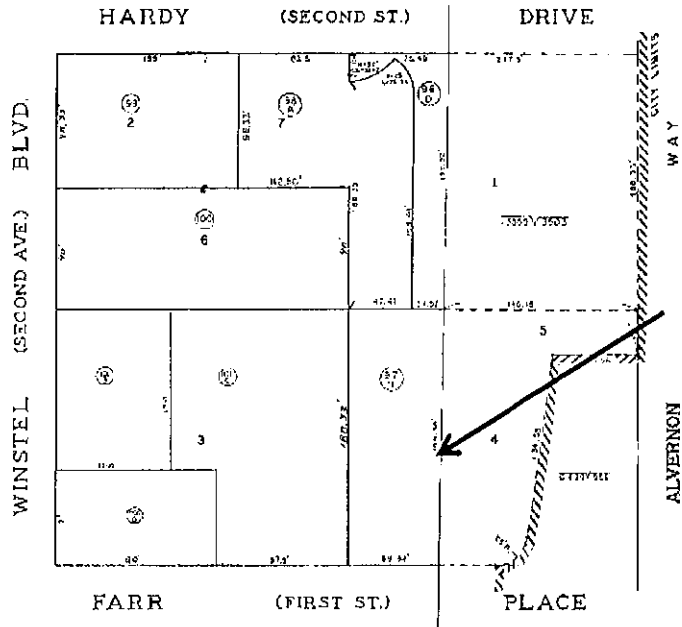
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Feet

PLAT MAP
ASSESSOR'S RECORD MAP
BLOCK 8, LOHRUM ADDITION

III - 04
9 / 16



PIMA COUNTY TECHNICAL APPRAISAL REVIEW SUMMARY

T / R / Sec	T13S/R14E/ Sec 28
Owner:	Pima County
Effective Date of Review and Date of Review Report	November 17, 2017

**IDENTIFICATION OF THE REVIEW APPRAISER'S CLIENT/
INTENDED USE/INTENDED USERS/PURPOSE**

Reviewer's Client	Pima County Real Property Services.
Intended Use	To assist Pima County in internal real property decisions related to acquisition of real property or real property interests.
Other Intended Users	All assigns and designees of Pima County and Pima County Real Property Services.
Purpose of Review	The purpose of the review is to assist Pima County, Pima County Public Services, and its designees in the decision process related to the acquisition of real property or real property interests.
Work Under Review	An appraisal report of the property described below, to determine the fee simple and easement interest thereof.
Effective Date of Reviewer's Opinions and Conclusions	For the purposes of this review, the date of review report and the effective date of the reviewer's opinion and conclusions are the same.

ASSIGNMENT CONDITIONS

Assignment Conditions Connected to the Review or Found in Original Report (see also Limiting Conditions):

Extraordinary Assumptions:

1. The reviewer's conclusion is based on the extraordinary assumption that the property characteristics exist as described in the appraisal report. It is also assumed that the data in the report is factual and accurate.
2. The reviewer reserves the right to consider any new or additional information or data that may subsequently become available.
3. Unless otherwise stated, all assumptions and limiting conditions contained in the report that is the subject of this review are also applicable to this review.

Extraordinary Assumptions/Hypothetical Conditions:

Assignment Conditions: The subject site may have been previously developed; no environmental assessment was available for analysis; it is an extraordinary assumption that there are no detrimental environmental conditions related to the site. The extraordinary assumption may affect assignment results. Additionally, please see standard limiting conditions in the appendix.

REVIEWER APPRAISER'S SCOPE OF WORK

Extent/Scope of Review Process:

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

In completing this review above the appraiser has performed the following:

- Reviewed the mathematical calculations of the data presented within the body of the report.
- Reviewed entire report as presented but not the work-file.
- Analyzed the reasoning utilized in arriving at the value conclusion.
- The reviewer is not providing their own opinion of value but merely concurring or disagreeing.
- Review is based on a combination of the reviewer's own research in addition to data contained in the report.
- Read report for credibility and conformance to USPAP.
- Checked all exhibits for uniformity and accuracy.

In completing this review the appraiser asserts competency in one or more of the following areas based on the Scope of Work provided:

- Specific type of property or asset
- Market
- Geographic Area
- Intended use
- Specific laws and regulations when applicable
- Analytic method

**IDENTIFICATION OF THE APPRAISER'S CLIENT/INTENDED
USE/INTENDED USERS/PURPOSE**

Appraiser's Client	Pima County Real Property Services.
Intended Use	To assist Pima County in internal real property decisions related to the potential disposition of real property or real property interests.
Intended Users	All assigns and designees of Pima County and Pima County Real Property Services.
Purpose of Appraisal	The purpose of the appraisal is to assist Pima County, Pima County Public Services, and its designees in the decision process related to the potential disposition of real property or real property interests.
Type of Value	Fee Simple
Effective Date of Value	September 25, 2017
Date of Report	November 17, 2017
Assignment Conditions of Original Report.	Assignment Conditions: This is a revised-new appraisal of my former appraisal of the site on the northwest corner of Alvernon and Farr Pl. to Hardy Dr (SWC) totaling 18,957sf, effective date September 25, 2017 (my reference #20171047). Portions of that report that have not changed significantly (scope including purpose, intended use, interest appraised, market value definition, exposure period, property ownership and sales history neighborhood (market area) analysis, portions of site description, valuation methodology, site exhibits, limiting conditions and assumptions etc.) are incorporated by reference. The subject site reportedly has been previously developed; no environmental assessment was available for analysis; it is an extraordinary assumption that there are no detrimental environmental conditions related to the site. The extraordinary assumption may affect assignment results. Additionally, please see standard limiting conditions in the appendix.

PROPERTY CHARACTERISTICS

Pima County Project: Sale of Surplus Property	Pima County Project # (if known): Sale -0052	RPS #: Sale-0052	Pima Co. Property Management Agent: Rita Leon	
Property Owner: Pima County	Current Occupant: Vacant lot		Appraiser: Paul D. Hendricks, MAI	
Location of Property Appraised: NWC of Alvernon Way and Farr Place		Site Improvements: None noted		
Tax Code #: 111-04-097D		Municipal Zoning/Comprehensive Plan: MU		
Current Use of Property: Land as Vacant		Highest and Best Use Concluded by Appraiser: Speculative Investment for future development		
Larger Parcel Size: 13,343 sf		Area(s) to be Sold: 13,343 sf		
Access/Paving: Farr Place	Sewer: PC	Water: COT	Gas: SWG	Electric: TEP

**Appraisal Methodology:
Sales Comparison Approach**

The appraisal utilizes the Sales Comparison Approach. No cost or income approach. The appraisal is an update of an original appraisal completed prior for a parcel of land that included an additional APN. The current appraisal incorporates the previous appraisal by reference.

Assignment Conditions: This is a revised-new appraisal of my former appraisal of the site on the northwest corner of Alvernon and Farr Pl. to Hardy Dr (SWC) totaling 18,957sf, effective date September 25, 2017 (my reference #20171047). Portions of that report that have not changed significantly (scope including purpose, intended use, interest appraised, market value definition, exposure period, property ownership and sales history neighborhood (market area) analysis, portions of site description, valuation methodology, site exhibits, limiting conditions and assumptions etc.) are incorporated by reference. The subject site reportedly has been previously developed; no environmental assessment was available for analysis; it is an extraordinary assumption that there are no detrimental environmental conditions related to the site. The extraordinary assumption may affect assignment results. Additionally, please see standard limiting conditions in the appendix.

The updated appraisal concludes a value of \$77,400 for the subject parcel of land.

REVIEW APPRAISER ANALYSIS AND OPINIONS

Work Element	Adequate/Present	Inadequate	N/A	Comment
Client	X			Meets minimum reporting requirements
Intended Use	X			Meets minimum reporting requirements
Intended Users	X			Meets minimum reporting requirements
Type of Value	X			Meets minimum reporting requirements
Effective Date of Value	X			Meets minimum reporting requirements
Physical Characteristics	X			Meets minimum reporting requirements
Assignment Conditions	X			Meets minimum reporting requirements

Work Element	Adequate/Present	Inadequate	N/A	Comment
Scope of Work	X			Meets minimum reporting requirements

Work Element	Adequate/Present	Inadequate	N/A	Comment
Market Area Data	X			Meets minimum reporting requirements
Subject Property Data	X			Meets minimum reporting requirements
Comparable Property Data	X			Meets minimum reporting requirements

Work Element	Adequate/Present	Inadequate	N/A	Comment
Market Analysis	X			Meets minimum reporting requirements
Highest and Best Use Analysis	X			Meets minimum reporting requirements

Work Element	Adequate/Present	Inadequate	N/A	Comment
Land Valuation	X			Meets minimum reporting requirements

Work Element	Adequate/Present	Inadequate	N/A	Comment
Sales Comparison Approach	X			Meets minimum reporting requirements
Cost Approach			X	Meets minimum reporting requirements
Income Approach			X	Meets minimum reporting requirements

Work Element	Adequate/Present	Inadequate	N/A	Comment
Reconciliation of Value Indications and Value Opinion			X	Meets minimum reporting requirements

REVIEW APPRAISER RESEARCH AND ANALYSIS

Work Element	Comprehensive		Thorough		Comments	Page Reference
	Yes	No	Yes	No		
Completeness	X		X		Report appears to be complete and thorough.	

Work Element	Conformity		Correctness		Provable		Comments	Page Reference
	Yes	No	Yes	No	Yes	No		
Accuracy	X		X		X		Elements regarding accuracy are satisfied.	

Work Element	Minimum		Acceptable		Comments	Page Reference
	Yes	No	Yes	No		
Adequacy	X		X		Report meets minimum requirements and is adequate	

Work Element	Connected		Applicable		Useful		Significant		Comments	Page Reference
	Yes	No	Yes	No	Yes	No	Yes	No		
Relevant	X		X		X		X		Report categories are relevant	

Work Element	Common Sense		Rational		Fair		Acceptable		Comments	Page Reference
	Yes	No	Yes	No	Yes	No	Yes	No		
Reasonableness	X		X		X		X		Report appears reasonable	

REVIEW APPRAISER RESEARCH AND ANALYSES COMMENTS

The market value of the subject property is opined at \$77,400.

The updated report provides adequate support for the market value and the adjustments to the comparable sales.

The report is complete, accurate, adequate, relevant and reasonable as presented and the reviewer concurs with the conclusion as presents.

REVIEW APPRAISER CONCLUSIONS

Larger Parcel Value Conclusion	\$77,400
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Are the opinions and analyses appropriate within the context of the requirements applicable to that work:	Are the opinions and conclusions are credible within the context of the requirements applicable to that work:	Reasons for disagreement: N/A
The work under review is appropriate under the applicable requirements.	The work under review is credible within the context of the original requirements applicable to that work.	

REVIEW OF APPRAISER'S REPORT

The report is appropriate and not misleading within the context of the requirements applicable to that work.	Reasons for disagreement: None
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DEVELOPMENT OF REVIEWER'S OWN OPINION OF VALUE IF NECESSARY AND WITHIN REVIEWER'S SCOPE OF WORK

Reviewer's Own Opinion Necessary? Not applicable for this assignment.

SUMMARY OF REVIEW APPRAISER'S REPORT

Concurrence: I agree with the value conclusion in the appraisal report under review.

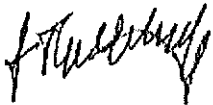
Concurrence with reservation: I agree with the value conclusion in the appraisal report under review, based on the extraordinary assumption that, for example, the property description in the report under review is accurate.

Disagreement: I disagree with the value conclusion in the appraisal report under review.

Disagreement and provision of an alternative: Reviewer may disagree with value conclusion of the appraisal report under review and provide an alternative value opinion presented as either a single number, a range of numbers, or a relationship to a benchmark amount.

Appraised value by review: \$77,400

Effective Date of Review: November 17, 2017



Reviewed by:

Jeffrey Teplitzky
AZ Certified General Real Estate Appraiser: 30151
Pima County Real Property Services
Appraisal Supervisor

Date of Review Report: November 17, 2017

CERTIFICATION

I certify that, to the best of my knowledge and belief:

- ✓ The statements of facts contained in this report are true and correct.
- ✓ The reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- ✓ I have no present or prospective interest in the property that is the subject of the work under review and no personal interest with respect to the parties involved.
- ✓ I have performed no other services, as an appraiser or in any other capacity, regarding the property that is the subject of the work under review within the three-year period immediately preceding acceptance of this assignment.
- ✓ I have no bias with respect to the property that is the subject of the work under review or to the parties involved with this assignment.
- ✓ My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- ✓ My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in this review or from its use.
- ✓ My compensation for completing this assignment is not contingent upon the development or reporting of predetermined assignment results or assignment results that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal review.
- ✓ My analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
- ✓ I have have not made a personal inspection of the subject property of the work under review.
- ✓ No one provided significant appraisal, appraisal review, or appraisal consulting assistance to the person signing this certification.
- ✓ The reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute.
- ✓ The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- ✓ As of the date of this report, I, Jeffrey Teplitzky, have completed the Standards and Ethics Education Requirements for Candidates of the Appraisal Institute.



Signed: _____

Date of Review Report: November 17, 2017

Jeffrey Teplitzky
Arizona Certified General Real Estate Appraiser: No. 30151
Pima County Real Property Services
Appraisal Supervisor

LIMITING CONDITIONS

- ✓ Possession of this review does not carry with it the right of publication.
- ✓ This review is intended for the internal use of Pima County. This review shall not be disseminated through advertising, public relations, news, sales, or other media. However, the contents of the review can be acquired by a member of the public upon request if the purpose is not –for- profit.
- ✓ This review constitutes a limited assignment and should not be construed as an appraisal of the subject property.
- ✓ The analyses, opinions, and conclusions in this review report are based solely on the data, analyses, and conclusions contained in the appraisal report under review. It is assumed that the data is representative of existing market data. No attempt, unless otherwise stated, has been made to obtain additional market data for this review.
- ✓ Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did the reviewer become aware of such during the review. The reviewer, however, is not qualified to test such substances or conditions.

If the presence of such substances, such as asbestos, Urea-Formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property, the value estimated is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them.

- ✓ *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.

- ✓ All analyses and conclusions expressed by the reviewer are limited by the scope of the review process as defined herein.

PAUL HENDRICKS REAL ESTATE APPRAISAL & COUNSELING

Appraisal Service, Litigation Support, Counseling

Voice & Fax (520) 325-6512

Email pdhend@cox.net

COVER PAGE

APPRAISAL REPORT

**An Opinion of Site Value, Located at the
northwest corner of Alvernon Way and Farr Place
Pima County, Arizona, 85716**

As Of September 25, 2017

**Owner: Pima County
Tax Parcel: 111-04-097D
Sec. 28, T13S, R14E**

Prepared For Use By
**Pima County
201 N. Stone Avenue, Floor 6,
Tucson, Arizona 85701-1215
Attention: Mr. Jeffrey Teplitsky
Real Property Appraisal Supervisor**

Appraisal Prepared By

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

**Assignment Reference 20171052
Appraisal Report Completed November 16, 2017**

PAUL HENDRICKS REAL ESTATE APPRAISAL & COUNSELING

Appraisal Service, Litigation Support, Counseling
Voice & Fax (520) 325-6512
Email pdhend@cox.net

Letter of Transmittal

November 16, 2017

Mr. Jeffrey Teplitsky
Real Property Appraisal Supervisor
Pima County
201 N. Stone Avenue, 6th Floor
Tucson, AZ 85701-1215

Re: Estimate of market value of the site on the northwest corner of Alvernon and Farr Pl.,
Pima County, Arizona.

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

Problem Identification: The purpose of the appraisal is to opine value of the site, the intended use is for potential disposition. Effective date of the appraisal is September 25, 2017, the date of site visit.

Relevant subject characteristics: Subject site size is indicated to total 13,343sf (.306 acres), zoned MU, rectangular in shape, formerly improved and thus leveled; it is located on the northwest corner of Alvernon Way and Farr Place; Alvernon is considered to be a major arterial.

Assignment Conditions: This is a revised-new appraisal of my former appraisal of the site on the northwest corner of Alvernon and Farr Pl. to Hardy Dr (SWC) totaling 18,957sf, effective date September 25, 2017 (my reference #20171047). Portions of that report that have not changed significantly (scope including purpose, intended use, interest appraised, market value definition, exposure period, property ownership and sales history neighborhood (market area) analysis, portions of site description, valuation methodology, site exhibits, limiting conditions and assumptions etc.) are incorporated by reference. The subject site reportedly has been previously developed; no environmental assessment was available for analysis; it is an extraordinary assumption that there are no detrimental environmental conditions related to the site. The extraordinary assumption may affect assignment results. Additionally, please see standard limiting conditions in the appendix.

My opinion of subject market value, subject to all conditions and assumptions, as of September 25, 2017, is \$77,400.

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

Sincerely,



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

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PREFACE & SUMMARY

APPRAISAL REFERENCE: 20171052 Alvernon-Farr 2

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

CLIENT: Pima County, Real Estate Division
Attn: Mr. Jeffrey Teplitsky, Real Property Appraisal Supervisor.

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

PURPOSE, INTENDED USE: The purpose of the appraisal is to opine market value; the intended use is for potential disposition.

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

SUBJECT CHARACTERISTICS: The site is located on the northwest corner of Alvernon Way and Farr Place; Alvernon is considered to be a major arterial. It is irregular in shape due a remnant northern portion of the site left after Alvernon Way expansion.

SITE SIZE: 13,343sf (.306 acres) per assessor's record.

ZONING: MU, Pima County Multiple Use Zone

TAX CODE: 111-04-097D

INTEREST CONSIDERED: Fee simple

EFFECTIVE DATE OF VALUATION: September 25, 2017; Date of Site Visit.

DATE OF APPRAISAL REPORT: November 16, 2017

TYPE OF APPRAISAL REPORT: Appraisal Report

OPINION OF VALUE: \$77,400

ASSIGNMENT CONDITIONS: Please note the extraordinary assumption noted in letter of transmittal; additionally note limiting conditions and assumptions contained in the appendix.

PROPERTY IDENTIFICATION

The site is known as 3305 N Alvernon Way, parcel 111-04-097D, the northwest corner of Alvernon Way and Farr Place; the legal description is summarized as Ptn of W70' Lot 4 block 8, Lohrum, Pima County, Arizona

EFFECTIVE DATE OF APPRAISAL, REPORT DATE

The effective date of the appraisal is September 25, 2017, the date of site visit. The transmittal date of the report is November 16, 2017.

SITE DESCRIPTION

Location: The northwest corner of Alvernon Way and Farr Place.

Site Size: 13,343sf per assessor's record.

Access: While there is frontage on Alvernon Way (17,022vpd), access is not permitted on Alvernon Way; while the site fronts on Hardy Drive, frontage is relatively narrow and there is a fire hydrant roughly mid-point in the frontage.

Visibility: Good; visibility due to frontage on Alvernon.

Shape: Rectangular; 69.32' frontage on Farr Place by 188.33' depth.

Site Analysis Conclusion: The subject site is a relatively small, rectangular parcel. It fronts on two streets but access is only permissible-reasonable on Farr Place; Alvernon is a traffic arterial that links the central city to lower foothills to the north. Utilities necessary for development are available in the area.

HIGHEST AND BEST USE

Highest and best use "as if vacant" is considered to be speculative or holding the site for future development when market conditions improve. In consideration of current zoning and surrounding property use a commercial/industrial use would be anticipated, likely development by an owner user. (Supportive highest and best use analysis is incorporated by reference).

Site Value Analysis

Comparable Site Sale Four

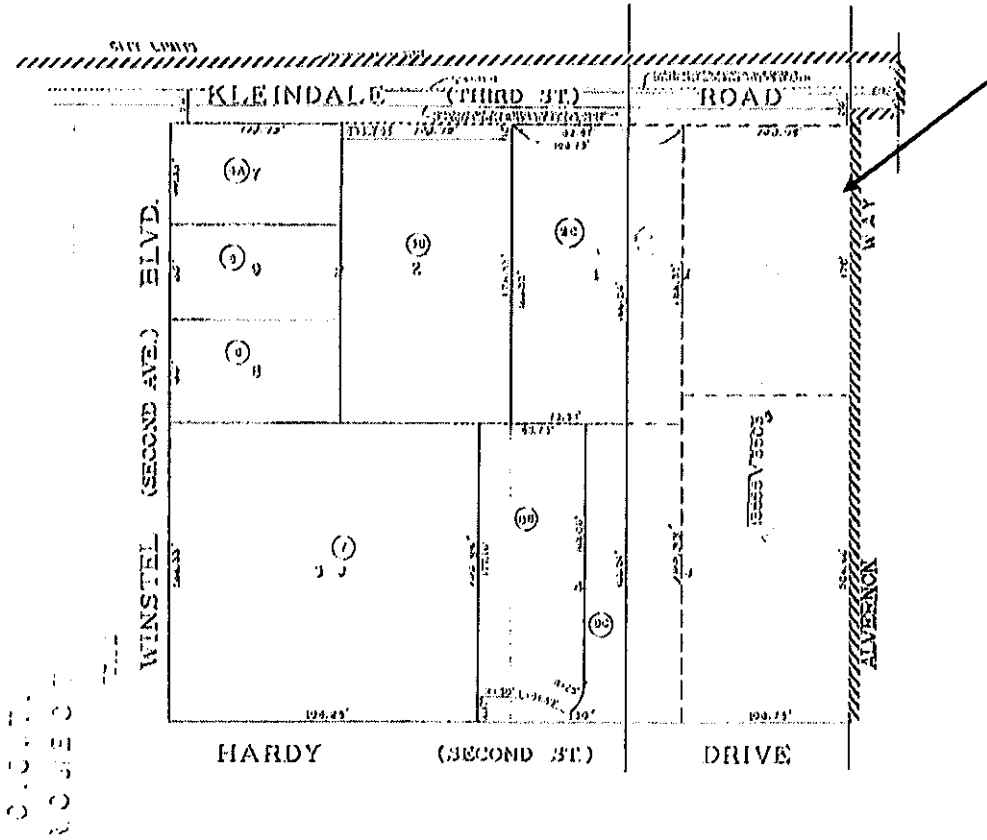
LOCATION: SWC Kleindale (3832 E) & Alvernon, Tucson, Arizona
LEGAL DESCRIPTION: W82.61' Lot 1 Lohrum, Pima County, Arizona
TAX CODE NUMBER: 111-04-002C
RECORDS: 7/26/2013 document 20131960639
SELLER: Hermitage Cat
BUYER: Cotlow Development III
SALE PRICE: \$96,000
TERMS: Cash
SITE SIZE: 15,269 square feet
PRICE PER SF: \$6.29
ZONING: MU, City of Tucson Multiple Use
COMMENTS: The site is at the corner of Alvernon (18,000vpd), however access is only available from Kleindale Road. The purchaser is now developing with a personal office-shop. Per FEMA 04019C1639L, the site is flood zone X.
CONFIRMED WITH: Costar 2799121, purchaser Dean Cotlow, 881-8180, 2015958, pdh



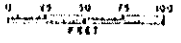
ASSESSOR'S RECORD MAP

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BLOCK 1, LOHRUM ADDITION

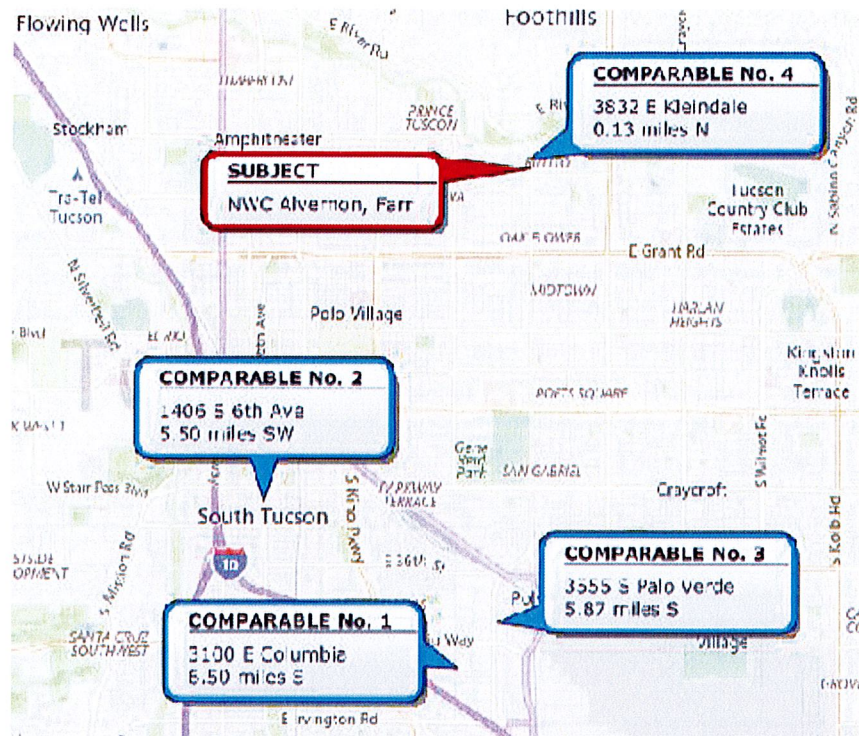


SEE BOOK 28 PAGE 04 163
SEE BOOK 39 PAGE 09 163



SEE BOOK 1, PAGE 54 M & P.

SITE SALES COMPOSITE MAP



Comparable Sales Analysis

Property Rights: each of the sales is similar to the subject being fee simple, no adjustment is necessary.

Conditions of Sale: each of the sales was considered to have average motivations or conditions of sale, no adjustment is necessary.

Market Conditions: The sales range from having occurred from July 2013 to August 2017; values were significantly eroded during the recent recession and while retail market conditions have been the first to show improvement, there is generally insufficient evidence of measureable price increase for most uses, an adjustment for market condition is not considered to be appropriate.

Location: the subject is in an area of transition from north-central mixed use district to a significant office-retail district in the lower foothills. Sales 1 and 3 are considered to be similar or offsetting, sale 2 is considered to be moderately inferior in location due to surrounding median home values and per-capita household incomes, it is adjusted upward; sale 4 is similar to the subject in location, not requiring adjustment.

Size; while smaller parcels typically sell for more on a per square foot basis all else being equal, the subject and comparable sales are all of below optimal size potentially reducing utility of the site for a number of uses, no adjustment purely for site size is considered to be necessary.

Zoning: the subject is of MU zoning offering more limited commercial use than sales 1-3, they are therefore adjusted downward; sale 4 is similar in zoning, not requiring adjustment.

Improvements: Sales 1, and 3 are adjusted downward for site improvements; sales 2 and 4 were not improved and therefore not adjusted.

Site Utility/Utilities: the subject has utilities necessary for development and average site utility; the comparables are all similar, not requiring adjustment.

Access/Visibility: the subject is located at a minor corner with an arterial (Alvernon Way); visibility and access is considered to be average to good; the sales are generally considered to be similar, not requiring adjustment, sale 1 is adjusted upward for being on a collector street with lower traffic visibility.

Conclusion: Sales 1 and 3 receive minor net downward physical adjustment, sale 2 receives net upward adjustment due to location; sale 4 is very similar to the subject, requiring no adjustment. Sale 4 is given emphasis for significant similarity, requiring no adjustment. With emphasis as indicated, a subject value at \$5.80/sf, approximately \$77,400 is considered reasonable.

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

SITE SALES COMPARISON SUMMARY					
Comparable	Subject	Comp 1	Comp 2	Comp 3	Comp 4
Location	NWC Alvernon & Farr	3100 E Columbia	1406 S 6th Ave	3555 S Palo Verde	SWC Alvernon & Kleindale
Tax ID Number	111-04-097D	132-23-190	118-12-251	132-04-1530	111-04-002c
Sales Data					
Date of Sale	N/A	Aug-17	Mar-17	Jun-16	Jul-13
Sales Price	N/A	\$156,600	\$46,500	\$145,000	\$96,000
Site Size (sf)	13,343	21,402	16,520	26,250	15,269
Price per SF	N/A	\$7.32	\$2.81	\$5.52	\$6.29
Property Rights (Interest)	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Interest adjustment	0%	0%	0%	0%	0%
Financing	Cash	Cash	Cash	Cash	Cash
Cash Equivalent Price	N/A	\$156,600	\$46,500	\$145,000	\$96,000
Conditions of Sale	Average	Average	Average	Average	Average
Condition Adjustment	0%	0%	0%	0%	0%
Market Condition (Time)	N/A	Aug-17	Mar-17	Jun-16	Jul-13
Market Conditions Adj.	0.0%	0.0%	0.0%	0.0%	0.0%
Adjusted price per SF	N/A	\$7.32	\$2.81	\$5.52	\$6.29
Physical Characteristics					
Location	Average	Offsetting	Inferior	Offsetting	Similar
Size	13,343	21,402	16,520	26,250	15,269
Zoning	MU	CI-2	C-3	CI-2	MU
Improvements	Nil	Fence	None	Sign, Fence	None
Site Utility/Utilities	Average	Similar	Similar	Similar	Similar
Access/Visibility	Avg/Good	Inferior	Similar	Similar	Similar
Adjustments					
Location	0.0%	0.0%	15.0%	0.0%	0.0%
Size	0.0%	0.0%	0.0%	0.0%	0.0%
Zoning	0.0%	-5.0%	-5.0%	-5.0%	0.0%
Improvements	0.0%	-2.5%	0.0%	-2.5%	0.0%
Site Utility/Utilities	0.0%	0.0%	0.0%	0.0%	0.0%
Access/Visibility	0.0%	5.0%	0.0%	0.0%	0.0%
Net Physical Adjustments	Same	Downward	Upward	Downward	Similar
Net Adjustment (Overall)	0.0%	-2.5%	10.0%	-7.5%	0.0%
Adjusted Comp Price/sf		\$7.13	\$3.10	\$5.11	\$6.29
Subject Value (\$/SF)	\$5.80				
Subject Value Opinion	\$77,400				

STATEMENT AND CERTIFICATION OF APPRAISER

I certify that, to the best of my knowledge and belief:

the statements of fact contained in this report are true and correct.

the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions

I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.

I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

my engagement in this assignment was not contingent upon developing or reporting predetermined results.

my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

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

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

I have made a personal inspection of the property that is the subject of this report.

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

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

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

I appraised the site as part of a larger parcel with an additional strip of land to the north within the prior 3 years.

I am competent to complete the appraisal.

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

PAUL HENDRICKS REAL ESTATE APPRAISAL & COUNSELING



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

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