

Nominal Appraisal Waiver - Based on FHWA Uniform Act Title 49, Part 24 - Sub Part B, Section 24.102 (c).

Project:	Green Valley Water Company	Tax Code:	304-24-7010	Site Size in Sq. Ft.	57,499	Size in Acres	1.32	2019 Taxes	N/A - County Owned	Total Full Cash Value- Land & Improvements (2020)	\$38,000
Address:	Adjacent North of 1801 S Abrego	Owner:	Pima County	Predominant Zoning	SH-99.8%, SP-096%	Agent:	Tim Murphy	Remnant	No	Separately Developable	No-Drainageway Tract
Twn/Rng/Sec	T18S R13E SEC 23	Date:	1/8/2020	Flood Zone	AE, X, Xshd, EHS-95.99%	Adj Parcel	SFR	Utility to Adj Parcel	Yes	Proposed Drainage Esm SF	250.00

Comparable Index Number:	MLS or Tax Parcel Number	Current Use	Date of Sale	Sales Price	No of Acres	Price per Sq. Ft.	Street Exposure	Market Area	Zoning	Location	Site Improvements	Relative Influence	Wtd Avg
1	304-80-3740	Residential Lot	11/20/2019	\$106,000	1.42	\$1.71	Paved Asphalt	Green Valley	RH	2302 S Rolling Rock Place 10	None	20%	\$0.34
2	304-80-1840	Residential Lot	8/29/2019	\$110,000	0.90	\$2.81	Paved Asphalt	Green Valley	CR1	1032 E Cave Canyon Place	None	45%	\$1.26
3	304-80-1040	Residential Lot	3/14/2019	\$115,000	1.24	\$2.13	Paved Asphalt	Green Valley	CR1	1072 East Baldy Spring Place	None	35%	\$0.75
Subject Parcel	304-24-7010	Drainage-way	N/A	TBD	1.32	TBD	Paved Asphalt	Green Valley	SH/SP	Adj North of 1801 South Abrego Drive	None	None	None
Averages				\$110,333	1.19	\$2,2162						100%	\$2.35

Note: The above sales/listing data was obtained from sources such as Comps of AZ, TRW/REDI, MLS, etc. and from other sales data. Form does not constitute an appraisal. A weighted average has been applied based on the relative comparability of each sale.

Type of Interest: Proposed utility easement is based on a percentage of the discounted full fee market value per acre. In this case 75% is being considered to reflect the rights being given up by the current owner.

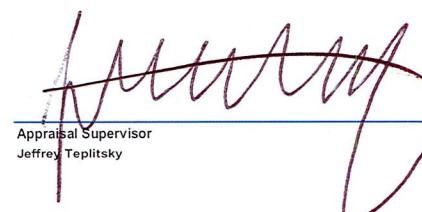
Highest and Best Use Discussion:

The maximally productive highest and best use for the subject site is narrowed to a very limited market. Considering the current overlay designations now in place – the highest and best use suggests open space, a park, or assemblage to existing parcels to preserve views and buffer area. When possible comparables with equal negative influences will be employed. However, the majority are more fully developable and as such the variances are accounted for in the weighted averages shown above. Those more similar to the subject are given greater weight for example. **Also a discount of 75% has been applied to the subject parcel BEFORE the easement percentage is considered.** This discount is used to reflect the fact that the subject parcel is essentially a drainage way for an existing wash with a 50' setback requirement. As well, that assessor's plat map indicates the parcel as being a drainageway tract. This leaves the parcel with very limited to no utility.

Sales Considered: greatest weight placed on sale 1 as it is zoned with a more rural RH designation allowing for minimum lot sizes of 4.13 acres. It is however, of similar size and has a recent sales date. Sales 2 and 3 have a more similar type of zoning and also have a more recent sales date. Other features such as access, proximity to utilities, and market area are similar. All of the sales are from within developments with a normal highest and best use geared towards semi custom to higher end merchant residential development BEFORE any discount is applied for limited utility. Unfortunately no sales were found with similar negative impacts to value such as flood zone designations, erosion hazard setbacks, recorded limiting easements, etc.

Note:
All sales are from within areas in which potential users of the subject would consider for alternative purchase. A weighted average methodology is used to determine which comparables are most similar. **The estimated value per square foot has been discounted by 75% to reflect the limited utility of the site given the setback requirements from the wash and the fact that about 95% of the site is within the erosion hazard setback.** Lastly an easement percentage of the discounted full market value is applied to reflect the rights remaining and those that are part of the easement.

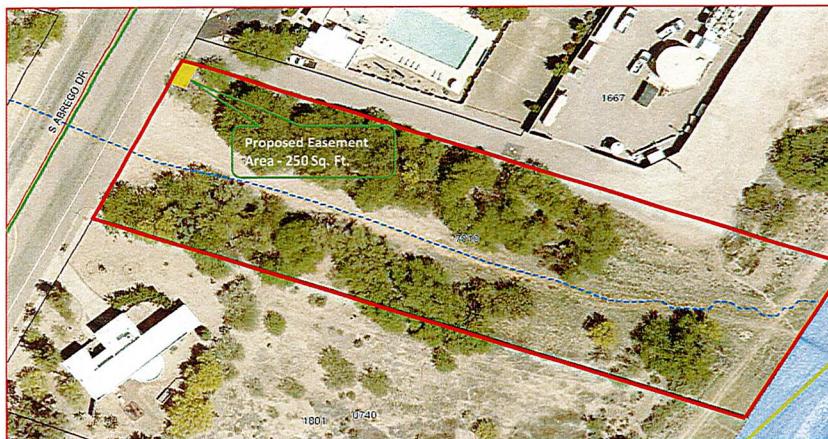
Offer Summary:	Easement Amount in Square Feet	Fee Simple Market Value per Square Foot	Discount of 75% applied for ltd utility	Easement percentage of 75% applied for easement	Estimate for easement portion	Rounded Estimate
Utility Easement for PC Parcel	250	\$2.35	\$0.59	\$0.15	\$36.73	\$40
Site Improvements						\$0
Depreciation if applicable						\$0
Sub-Total						\$40
Recommended Offer Amount	Rounded Total			Deminimus		\$500



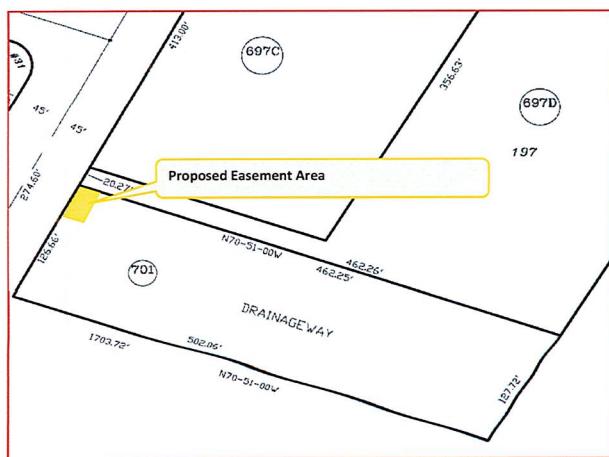
Appraisal Supervisor
Jeffrey Teplitsky

Date: 1/8/2020

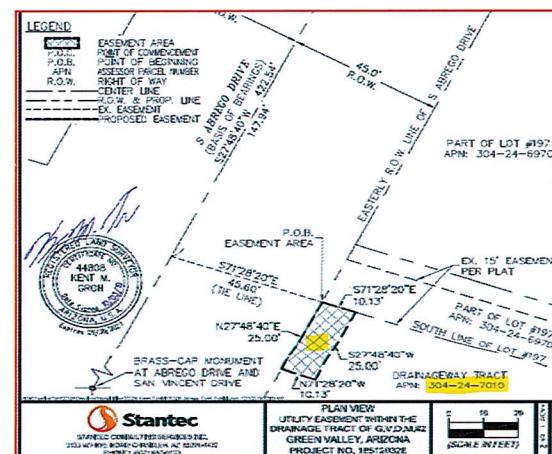
Subject Aerial Map



Subject Plat Map



Legal Description of Proposed Drainage Easement



Data Sources for Estimated Easement Percentage Rate:

Percentage of Fee	Comments	Potential Types of Easements
90% - 100%	<ul style="list-style-type: none"> Severe Impact on surface use Conveyance of future uses 	Overhead electric, flowage easements, railroad right of way, irrigation canals, exclusive access easements
75% - 89%	<ul style="list-style-type: none"> Major impact on surface use Conveyance of future uses 	Overhead electric, pipelines, drainage easements, railroad right of way, flowage easements
51% - 74%	<ul style="list-style-type: none"> Some impact on surface use Conveyance of ingress/egress rights 	Pipelines, scenic easements
50%	<ul style="list-style-type: none"> Balanced use by both owner and easement holder 	Water or sewer lines, cable lines, telecommunications
26% - 49%	<ul style="list-style-type: none"> Location along a property line location across non-usable land area 	Water or sewer line, cable lines
11% - 25%	<ul style="list-style-type: none"> Subsurface or air rights with minimal effect on use and utility Location with a setback 	Air rights, water or sewer line
0% - 10%	<ul style="list-style-type: none"> Nominal effect on use and utility 	Small subsurface easement

Legal Description Continued

Right of Way Magazine, The Valuation of Easements by Donald Sherwood, MAI, November/December 2014 P.36

Basis for Appraisal Waiver and Guidelines:

Title 49, Part 24, Sub Part - B, Section 24.102 Basic Acquisition Policies

§24.102 Basic acquisition policies.

(a) **Expedited acquisition.** The Agency shall make every reasonable effort to acquire the real property expeditiously by negotiation.

(b) **Notice to owner.** As soon as feasible, the Agency shall notify the owner in writing of the Agency's interest in acquiring the real property and the basic protections provided to the owner by law and this part. (See §24.103.)

(c) **Appraisal, waiver thereof, and initiation to owner.** (1) Before the initiation of negotiations for the real property to be acquired shall be appraised, except as provided in §24.102 (c)(2), and the owner, or the owner's designated representative, shall be given an opportunity to accompany the appraiser during the appraiser's inspection of the property.

(2) **An appraisal is not required if:**

(i) The owner is donating the property and releases the Agency from its obligation to appraise the property; or

(ii) The owner waives the appraisal because the appraisal is unnecessary because the valuation problem is uncomplicated and the anticipated value of the proposed acquisition is estimated at \$10,000 or less, based on a review of available data.

(A) When an appraisal is determined to be unnecessary, the Agency shall prepare a waiver valuation.

(B) The person performing the waiver valuation must have sufficient understanding of the local real estate market to be qualified to make the waiver valuation.

(C) The Federal Agency funding the project may approve exceeding the \$10,000 threshold, up to a maximum of \$25,000, if the Agency acquiring the real