

**JEAN TWORKOWSKI, LLC
COMMERCIAL REAL ESTATE APPRAISALS**

ASSIGNMENT

Appraisal of vacant land

PREPARED FOR

Mr. Doug Laney, MAI
Appraisal Supervisor, Real Property Division
Pima County Department of Transportation

WORK ORDER/PROJECT CODE

N/A

PROPERTY IDENTIFICATION

Vacant lot located at 500 West Orange Grove Road, Pima County, Arizona
Tax Parcel Number 102-07-0530
Township 13 South, Range 13 East, Section 1

PROPERTY OWNER

Pima County

PREPARED BY

Jean Tworkowski
Arizona State Certified
General Real Estate Appraiser
Certificate Number 30608

DATE OF VALUE

June 19, 2015

DATE OF REPORT

July 1, 2015

FILE NUMBER

275-L15

**JEAN TWORKOWSKI, LLC
COMMERCIAL REAL ESTATE APPRAISALS**

ASSIGNMENT

Appraisal of vacant land

PREPARED FOR

Mr. Doug Laney, MAI
Appraisal Supervisor, Real Property Division
Pima County Department of Transportation

WORK ORDER/PROJECT CODE

N/A

PROPERTY IDENTIFICATION

Vacant lot located at 500 West Orange Grove Road, Pima County, Arizona
Tax Parcel Number 102-07-0530
Township 13 South, Range 13 East, Section 1

PROPERTY OWNER

Pima County

PREPARED BY

Jean Tworkowski
Arizona State Certified
General Real Estate Appraiser
Certificate Number 30608

DATE OF VALUE

June 19, 2015

DATE OF REPORT

July 1, 2015

FILE NUMBER

275-L15

TABLE OF CONTENTS

DEFINITION OF MARKET VALUE.....	1
SCOPE OF THE APPRAISAL.....	2
PROPERTY IDENTIFICATION.....	2
OWNERSHIP/PROPERTY HISTORY.....	2
MARKET AREA DATA.....	3
SITE DATA.....	4
ZONING.....	5
PROPERTY TAXES.....	6
HIGHEST AND BEST USE.....	6
VALUATION PROCESS.....	6
LAND VALUATION.....	7
EXPOSURE TIME.....	9
APPRAISERS' CERTIFICATION.....	10
UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS.....	11
QUALIFICATIONS OF JEAN TWORKOWSKI.....	14
ADDENDUM.....	15

JEAN TWORKOWSKI, LLC

COMMERCIAL REAL ESTATE APPRAISALS

July 1, 2015
File No. 275-L15

Mr. Doug Laney, MAI
Appraisal Supervisor, Real Property Division
Pima County Department of Transportation
201 North Stone Avenue
Tucson, Arizona 85701-1207

Dear Mr. Laney:

At your request, I have appraised the vacant lot located at 500 West Orange Grove Road, in Pima County, Arizona. The purpose of this assignment is to estimate the market value of the lot as of June 19, 2015, the date of my inspection of the property. The intended use of the appraisal is for the sale of the property. The intended user of this report is Pima County. Use of this report by others is not intended.

This appraisal report has been prepared in conformance with requirements set by Pima County, and the Uniform Standards of Professional Appraisal Practice (USPAP).

DEFINITION OF MARKET VALUE

The definition of market value used in this report is as stated in Arizona Revised Statutes Section 12-1122 (C).

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 the uses and purposes to which it was adapted and for which it was capable.

SCOPE OF THE APPRAISAL

This appraisal Report is intended to comply with the reporting requirements set forth under Standard Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice. As such, it might not include full discussions of the data, reasoning, and analyses that were used in this 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 the report. The appraiser is not responsible for unauthorized use of this report.

In preparing this appraisal report, the appraiser:

Inspected and photographed the subject property and examined plat, zoning, topographic and floodplain maps, as well as aerial photographs of the subject property and surrounding area. Although the access gate to the property was locked, most of it was visible from the perimeter and from aerial photos.

Researched local real estate and economic conditions, including the effects of physical, social, economic, and governmental trends. Factual data and the analysis and reasoning leading to the value conclusion are summarized.

Sales research included searches of the Tucson Association of Realtors Multiple Listing Service data base and Zillow, as well as public records. All comparable data was confirmed with a party to the transaction and with public records.

PROPERTY IDENTIFICATION

The subject property is a vacant, previously developed, residential lot identified as Tax Parcel 102-07-0530. It is also identified as Lot 13, Desert Treasures Estates. The property address is 500 West Orange Grove Road, Tucson, Arizona.

OWNERSHIP/PROPERTY HISTORY

As of the date of valuation, title to the subject property was held by Pima County, as evidenced by a Deed recorded on July 11, 2000, in Docket 11337, at Page 643, in the office of the Pima County Recorder. I am not aware of any other sales, listings, or offers on the subject property within the past five years.

MARKET AREA DATA

The subject property is located in the northwest sector of the Tucson Metropolitan Area. The area is bounded by River Road on the south, Oracle road on the east, Thornydale Road on the west, and Magee/Cortaro Farms Road on the north.

The area was originally developed with low density residential and rural uses, but has transitioned in some areas to higher density residential uses including townhouses and apartments, with commercial uses along the major streets. This true in the area of the subject property, which is bordered on the east by an apartment complex, and is across the street from condominiums.

The subject property is part of Desert Treasures Estates, a small 13-lot single family subdivision developed between the 1950's and the 1970's. The residence adjacent west of the subject property sold this March for a reported price of \$600,000.

Access to the neighborhood is good. North/south arterials include Oracle Road, La Canada, La Cholla Boulevard, and Thornydale Road. East/west arterials include River Road, Orange Grove Road, Ina Road and Magee Road. Orange Grove Road, on which the subject is located, extends from Sunrise Drive on the east to its interchange with Interstate 10 on the west, and has an average traffic volume of 22,000 vehicles per day, according to the Pima Association of Governments (2010).

Commercial and medical services are readily available in the neighborhood. Northwest Hospital is located at the southwest corner of Orange Grove Road and La Canada.

The neighborhood is a desirable one, though it is affected by the weak real estate market, as is much of Tucson.

SITE DATA

Location

The subject site is located on the north side of Orange Grove Road, approximately a quarter mile west of Oracle Road. The property is not within the Tucson city limits, but is within unincorporated Pima County. Although the site is within the Desert Treasures Estates subdivision, it is not accessed through Treasure Drive, which leads to most of the other lots in the neighborhood.

Size and Shape

The site is rectangular in shape, with approximately 130 feet along Orange Grove Road. It is approximately 280 feet deep, for a total of approximately 36,400 square feet, according to the plat map.

Access

Access to the site is from Orange Grove Road, a paved, two-lane, median-divided road in the vicinity of the subject. Orange Grove Road extends from Sunrise Drive on the east to its interchange with Interstate 10 on the west, and has an average traffic volume between Oracle Road and La Canada of 22,000 vehicles per day, according to the Pima Association of Governments (2010).

Topography/Flood Status

The subject site is relatively level and is in Zone X, according to FEMA Panel 04019C 1680L, revised June 16, 2015.

Soil and Subsoil Conditions

The property is surrounded by chain link fencing with a locked gate, and I was not able to actually set foot on the property. Most of the lot is visible, however. There appears to have been some dumping of vegetative waste on the property as shown in the photos in the Addendum to this report.

No inadequate soil conditions or hazardous contamination was noted on the subject property upon a visual inspection of the site. Though I am not qualified to test for such materials, I have no reason to believe that inadequate environmental conditions exist. If indeed hazardous materials are found upon the subject property, the value ascribed in this report is subject to change.

Utilities

All utilities, with the exception of public sewers, are available to the subject site.

Easements and Restriction

I was not provided with a title report, but the plat map shows a 50-foot deep building setback from Orange Grove Road and a 10-foot wide utility easement along the east and north sides of the lot. Deed restrictions for the subdivision expired in 1990.

Surrounding Land Uses

The balance of Desert Treasures Estates is located to the west and north of the subject. These are single family residences constructed in the 1950's through the 1970's. La Jolla De Tucson, a large apartment complex is located adjacent to the east. The Barcelona Manor Condominiums are located across the street, on the south side of Orange Grove Road.

Conclusion

The subject lot has good physical characteristics, but its location on Orange Grove Road, with a large apartment adjacent to the east, impacts negatively on its value. Maps and photos of the site may be found in the Addendum of this report.

ZONING

The subject property is zoned CR-1, Suburban Residential, according to the Pima County Zoning Ordinance. The purpose of the CR-1 zone is to provide for low density single-family residential development. CR-1 has a minimum lot size of 36,000 square feet.

Uses permitted in the CR-1 zone include all uses permitted in the general residential and rural zoning provisions. Other permitted uses include temporary mobile home uses and limited agricultural uses. Permanent mobile homes are not permitted. General development criteria are as follows. The development criteria listed below are for only the most common uses allowed in that zone.

GENERAL DEVELOPMENT STANDARDS - CR-1	
MINIMUM LOT OR SITE AREA	36,000 SQ.FT.
MINIMUM LOT WIDTH	100
MINIMUM FRONT YARD SETBACK	30 FT
MINIMUM SIDE YARD SETBACK	10 FT
MINIMUM REAR YARD	40 FT
MINIMUM DISTANCE BETWEEN MAIN BUILDINGS	20 FT
MAXIMUM BUILDING HEIGHT	30 FT 2 stories

The property is also within the Catalina Foothills Special Area which limits building height to 24 feet.

The property's zoning is in conformance with the Pima County Comprehensive Land Use Plan, which designates the property LIU-1.2, or one residence per acre, and allows the potential for the following uses:

GC, SR, SR-2, SH, CR-1, CR-2, CR-3, CR-4, CR-5, CMH-1, MR. Maximum density: 1.2 R/AC; Or 2.5 R/AC with 30 percent cluster open space plus 15 percent natural open space; or 4 R/AC with 30 percent cluster open space plus 30 percent natural open space. MR natural open space requirement: 15 percent.

PROPERTY TAXES

The subject property is tax exempt. The assessor is still including the demolished residence in the full cash value. The full cash value for the land only, for 2015 \$13,600. This information was obtained from Pima County Assessor's and Treasurer's offices, under Tax Code Number 102-07-0530.

HIGHEST AND BEST USE

Highest and best use is defined as the reasonably probable and legal use of vacant land or improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. (*The Appraisal of Real Estate, 14th Edition*)

The legal use of the subject property is limited to a single family residence. Although the lot is situated on a relatively busy street, rezoning for commercial use would require an amendment to the Comprehensive Land Use Plan. Rezoning to higher density residential use might be possible, but due to lack of demand for land and housing, it is not financially feasible at this time. Thus, the highest and best use of the subject site is for construction of a single family or to hold it for investment purposes.

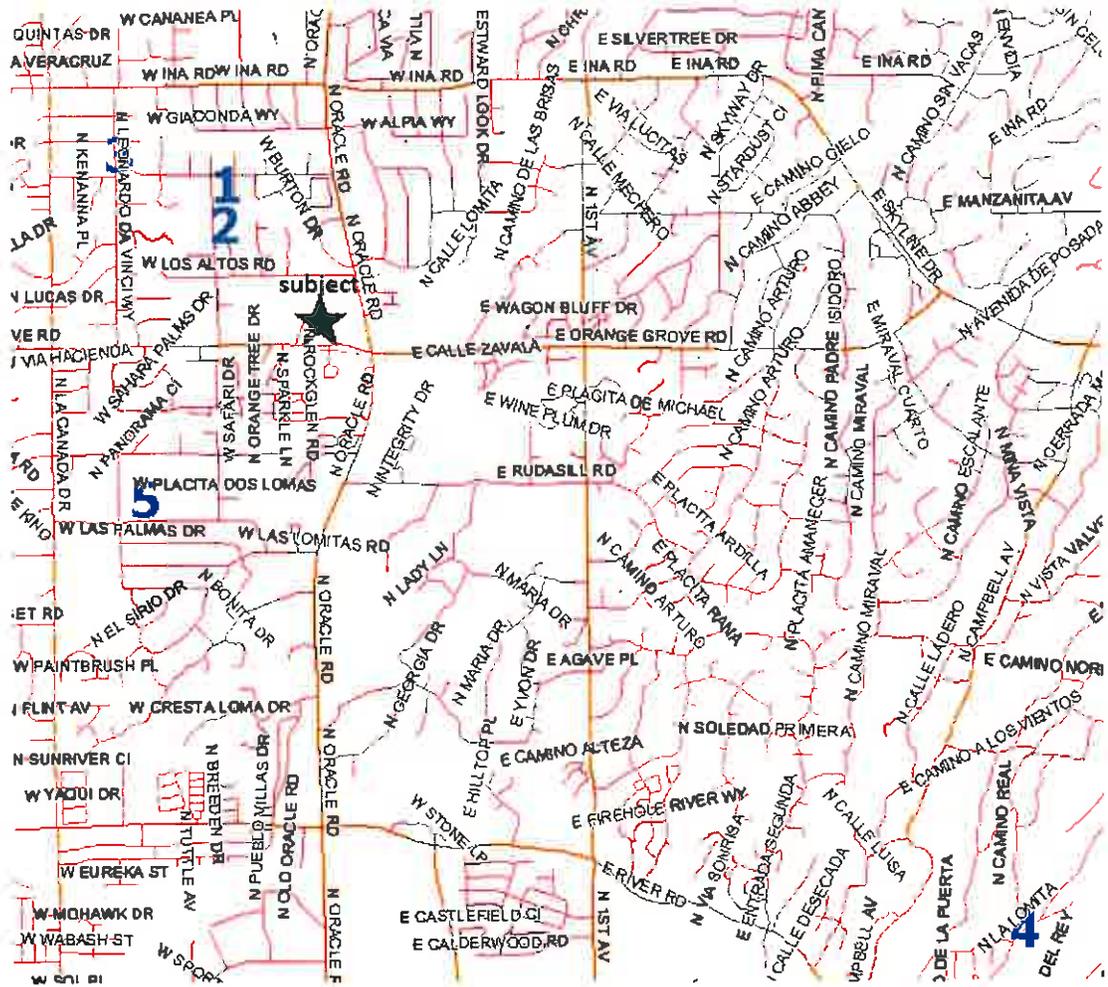
VALUATION PROCESS

The valuation of real estate is typically based upon use of the Cost, Sales Comparison, and Income Approaches to value. The greatest reliance is given to the method which is most appropriate for the property type being appraised and for which the most objective and reliable data is available.

The Cost and Income Approaches to value are generally not applicable to the appraisal of land as though vacant. Therefore, these approaches have not been used. The Sales Comparison Approach has been used to value the land as though vacant.

The Sales Comparison Approach is reliable when there are recent sales of properties that are highly similar to the subject and sufficient data about terms of sale and financing are available. I have been able to verify the purchases of comparable properties within two years of the date of valuation. These sales provided a good indication of market value for the subject site.

COMPARABLE LAND SALES MAP



LAND VALUATION

The land sales analyzed are tabulated below. A map illustrating the location of the comparable sales relative to the subject is on the facing page.

SALE	DATE	LOCATION TAX PARCEL NUMBER	SALES PRICE	# OF SQ.FT.	ZONING
1	08/13	6890 N. Pomelo Drive 102-04-1270	\$120,000	38,333	CR-1
2	09/13	6838 N. Pomelo Drive 102-04-1250	\$115,000	36,155	CR-1
3	09/14	1200 W. Chula Vista Road 102-05-0820	\$83,000	37,026	CR-1
4	02/15	4590 N. Camino Real 108-22-012R	\$105,000	43,560	CR-1
5	06/15	1100 Block of W. Las Lomitas 102-17-167G	\$55,000	36,300	CR-1
Subject Site		500 West Orange Grove Road 102-07-0530	N/A	36,400	CR-1

Summary of Land Sales Analysis

The preceding land sales were selected for comparison with the subject. After careful consideration, these sales were felt to be the most appropriate available. Adjustments were considered for differences between the subject and the comparable sales for property rights conveyed, financing terms, conditions of sale, and changing market conditions, as well as for locational and physical characteristics. The unit of comparison used is the price per lot, which is most commonly used by market participants. Following is an analysis of the comparable sales.

Property Rights Conveyed

This adjustment considers whether any of the comparable lots were sold based on other than the fee simple interest. This was not the case. Therefore, no adjustments were needed.

Financing Terms

Consistent with the market value definition as set forth in the letter of transmittal, the subject property is appraised based on a cash sale, or on terms equivalent to cash. That means if a sale has favorable financing, such as an extremely low down payment, or low interest rate, it must be adjusted for cash equivalency.

None of the sales required adjustment for financing terms.

LOT SALES ADJUSTMENT GRID

175-1

SALE NUMBER	1	2	3	4	5
SALES PRICE	\$120,000	\$115,000	\$83,000	\$105,000	\$55,000
DATE OF SALE	08/13	09/13	09/14	02/15	06/15
NUMBER OF SQ.FT.	38,333	36,155	37,026	43,560	36,300
ADJUSTMENTS:					
PROPERTY RIGHTS	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
ADJUSTED PRICE	\$120,000	\$115,000	\$83,000	\$105,000	\$55,000
FINANCING	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
ADJUSTED PRICE	\$120,000	\$115,000	\$83,000	\$105,000	\$55,000
CONDITIONS OF SALE	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
ADJUSTED PRICE	\$120,000	\$115,000	\$83,000	\$105,000	\$55,000
MARKET CONDITIONS	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
ADJUSTED PRICE	\$120,000	\$115,000	\$83,000	\$105,000	\$55,000
GENERAL LOCATION	0.00%	0.00%	0.00%	-15.00%	0.00%
SPECIFIC LOCATION	0.00%	0.00%	0.00%	0.00%	0.00%
SIZE	0.00%	0.00%	0.00%	0.00%	0.00%
TOPOGRAPHY	0.00%	0.00%	0.00%	17.00%	0.00%
UTILITIES	0.00%	0.00%	0.00%	0.00%	0.00%
ZONING	0.00%	0.00%	0.00%	0.00%	0.00%
NET ADJUSTMENTS	0.00%	0.00%	0.00%	2.00%	0.00%
ADJUSTED PRICE	\$120,000	\$115,000	\$83,000	\$107,100	\$55,000

Conditions of Sale

All of the sales were typical "arm's length" transactions, requiring no adjustments.

Market Conditions

This adjustment considers any difference in market conditions between the date of valuation of the subject property and the date of the comparable sale. According to data compiled by the Tucson Multiple Listing Service, the lot market has been relatively flat over the past two years. Therefore, no adjustments for market conditions have been made.

General Location

Most of the comparable sales are located within a mile radius of the subject property. Sale Four is located in the Foothills, where prices are higher, warranting a downward adjustment.

Specific Location

The subject property is located on Orange Grove Road, which carries an average traffic volume of 22,000 vehicles per day. Proximity to a busy street has a negative effect on residential property values, as does the presence of the apartment complex adjacent to the east. None of the comparable properties were impacted by such factors. Since these influences are difficult to quantify, no adjustment is shown on the grid but consideration will be given to these factors in the final reconciliation of value.

Size/Shape

The comparable sales bracket the size of the subject lot and are sufficiently similar that no adjustments are needed. In addition, each is zoned to support only one home site.

While the subject lot and the comparables differ in shape, none of the comparables is sufficiently irregular as to impact on its utility.

Topography/Flood Status

The subject lot is relatively flat and is not in a mapped flood prone area. Of the comparable lot sales, only Sale Four is impacted by topography. Approximately 90% of the site is in Flood Zone A. The seller and listing agent estimated the cost of site work necessary to raise the building site to regulatory level at \$15,000 to \$20,000. This equates to an upward adjustment of 14% to 19% to Sale Four when compared to the subject. I have made an upward adjustment of 17% to Sale Four.

Utilities

The subject lot and all of the comparable lots have utilities close by. Thus, no adjustments were needed.

Zoning

The subject lot and all of the comparables are zoned CR-1, requiring no adjustments.

Conclusion

The comparable sales ranged, before adjustment, from \$55,000 to \$120,000. Sales One and Two occurred nearly two years ago and while MLS statistics seem to indicate that the market for lots has been flat, there have been too few sales in this area to indicate anything concrete. Thus, the more recent sales are given greater weight.

Sales Three, Four, and Five are the most recent sales and had adjusted prices of \$83,000, \$107,100, and \$55,000, respectively. Sale Four, at \$107,100, was given less weight because it is more distant and required the most adjustment. It was included however, because it occurred only four months ago and there is a scarcity of recent sales in the area.

Giving less weight to Sales One Two and Four, the range of value indicated is between \$55,000 and \$83,000. As noted earlier, the value of the subject lot is negatively impacted by the adjacent apartments and Orange Grove Road. Thus, its value should be closer to the lower end of the range represented by the comparable sales.

Based on my analysis of the subject and comparable sales, I have estimated the market value of the subject property to be approximately \$65,000.

INDICATED MARKET VALUE OF THE SUBJECT SITE **\$65,000**

EXPOSURE TIME

Exposure time is the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market. The overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort.

The marketing time for the comparable sales ranged from one to nine months, with most within six months. Therefore, I have estimated the exposure time for the subject to be six months.

APPRAISERS' CERTIFICATION

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, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report 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 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 is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- Jean Tworkowski has made a personal inspection of the property that is the subject of this report.
- no one provided significant professional assistance to the persons signing this report.



JEAN TWORKOWSKI

ARIZONA STATE CERTIFIED GENERAL REAL ESTATE APPRAISER
CERTIFICATE NUMBER 30608

UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

- ... This is **Appraisal Report** is intended to comply with the reporting requirements set forth under Standard Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice. 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 the report. The appraiser is not responsible for unauthorized use of this report.
- ... No opinion as to **title** is rendered. Data related to ownership and legal description was obtained from county records and is considered reliable. Title is assumed to be marketable and free and clear of all liens, encumbrances, easements and restrictions except those specifically discussed in the report. The property is appraised assuming it to be under responsible ownership and competent management, and available for its highest and best use.
- ... No **survey or engineering** analysis of this property has been made by the appraiser. The appraiser assumes the existing boundaries to be correct, that no encroachments exist, and the appraiser assumes no responsibility for any conditions not readily observable from customary investigation and inspection of the premises which might affect the valuation, excepting those items which were specifically mentioned in the report.
- ... 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 as a prerequisite to any transaction involving sale, lease, or other significant commitment of subject property, and that such verification be performed by the appropriate specialists.

- ... The **date of value** to which the conclusions and opinions expressed in this report apply, is set forth in the letter of transmittal. Further, that the dollar amount of any value opinion rendered was based upon the purchasing power of the American dollar existing on that date.
- ... The appraiser assumes no responsibility for **economic or physical factors** which may affect the opinions in this report which occur after the date of the letter transmitting the report.

- ... The appraiser reserves 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 that may become available.
- ... No opinion is expressed as to the value of **subsurface oil, gas or mineral rights** or whether the property is subject to surface entry for the exploration or removal of such materials except as is expressly stated.
- ... The property is appraised assuming it is not in violation of any federal or state environmental policy, act, statute or regulation. Unless otherwise stated in this report, the existence of **hazardous material**, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, toxic waste or subsoil gases, or other potential hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that 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 or the cost of containment, removal, or clean-up of hazardous materials. The client is urged to retain an expert in this field, if desired.
- ... No opinion is intended to be expressed for matters which require **legal expertise** or specialized investigation or knowledge beyond that customarily employed by real estate appraisers.
- ... In the event the report is placed in the hands of a third party, it is requested that such party be made cognizant of any and all **limiting conditions** resulting from the basis of appraiser's employment and discussions related thereto as well as those set forth in the report.
- ... No consideration has been given in the appraisal as to the value of **personal property** (as considered by the appraiser) located on the premises, or the cost of moving or relocating such personal property; only the real property has been considered.
- ... No detailed **soil studies** covering the subject property were available to the appraiser. Therefore, it is assumed that existing soil conditions are capable of supporting development of the subject property to its assumed highest and best use without extraordinary foundation or soil remedial expense.
- ... **Testimony** or attendance in court or at any other hearing is not required by reason of rendering this appraisal, unless such arrangements are made a reasonable time in advance.

- . . . **Maps, plats and exhibits** included in the report are for illustration only as an aid in visualizing matters discussed within the report. They should not be considered as surveys, or relied upon for any other purpose, nor should they be removed from, reproduced, or used apart from the report.
- . . . The property is appraised assuming it to be in full compliance with all applicable federal, state and local environmental **regulations and laws**, unless otherwise stated.
- . . . The property is appraised assuming that all applicable **zoning** and use regulations and restrictions have been complied with, unless otherwise stated.
- . . . The property is appraised assuming that all **required licenses**, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based, unless otherwise stated.
- . . . The **possession** of this report, or a copy of it, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event only with proper written authorization and only in its entirety.
- . . . The **liability** of Jean Tworkowski, LLC, and any other appraisers responsible for this report, is limited to the client who is stipulated in the report as the addressee, only and to the fee actually received by the appraisers. Further, there is no accountability, obligation or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussion. The appraisers are in no way to be responsible for any costs incurred to discover or correct any deficiencies of any type present in the property, physically, financially and/or legally.
- . . . Acceptance of and/or **use of this appraisal** report by the client or any third party constitutes acceptance of the above conditions. The appraiser's liability extends only to the stated client, not subsequent parties or users, and limited to the amount of fee received by appraisers.

QUALIFICATIONS OF JEAN TWORKOWSKI

PROFESSIONAL AFFILIATIONS AND MEMBERSHIPS

Arizona State Certified General Real Estate Appraiser, Certificate Number 30608
Member, Board of Directors, Southern Arizona Chapter, Appraisal Institute, 2001-2004

PROFESSIONAL EDUCATION

Successful completion of the following courses given by the Appraisal Institute:

Course 1A-1 Real Estate Appraisal Principles, University of Arizona, 1989
Course 1A-2 Basic Valuation Procedures, University of Arizona, 1989
Course 1B-A Capitalization Theory and Techniques, Part I, U of A, 1991
Course 1B-B Capitalization Theory and Techniques, Part II, U of A, 1991
Course SPP-A Standards of Professional Practice, Part A, Appraisal Institute, 1996
Course SPP-B Standards of Professional Practice, Part B, Appraisal Institute, 1996
Course 540 Report Writing and Valuation Analysis, Appraisal Institute, 1996
Course 430 Uniform Standards of Professional Practice, Part C, AI, 2001

Successful challenge of the following examinations given by the Appraisal Institute:

Exam II5 Advanced Application, Appraisal Institute, 1993

Additional courses and seminars:

Arizona Appraisal Law, University of Arizona, 1991
Practical Applications in Market Analysis, Appraisal Institute, 1992
North American Free Trade Agreement (NAFTA), Appraisal Institute, 1994
Litigation and the Appraiser, Appraisal Institute, 1995
Loss Prevention, Appraisal Institute, 1997
Investigating the Property: Planning and Development Issues, 1998
Criteria for Site Selection, 1998
Acquisitions and Appraisal of State Lands, 1998
Partial Interest Valuation – Undivided, Appraisal Institute, 2000
Water in Arizona: Laws, Agencies & Issues, 2000
Compliance with the Americans with Disabilities Act (ADA), 2000
Tax Deferred Exchanges in Today's Market, 2000
Valuation, Assessment & Real Estate Taxation, 2000
Fair Housing in Property Management, 2000
Mark to Market, Appraisal Institute, 2002
Mitigation Land Banking Workshop Pima County, 2002
FEMA, Floodplain Management, Appraisal Institute, 2002

QUALIFICATIONS OF JEAN TWORKOWSKI, CONTINUED

Update to the AI Code of Professional Ethics #ABA-103264, Appraisal Institute, 2003
1031 Exchanges, ABA-0903-298, Appraisal Institute, 2003
After the Fire, ABA 1103-313, Appraisal Institute, 2003
The Cloaked Lease Clause, Appraisal Institute, 2004
Operating Expenses, ABA 0204-333, Appraisal Institute, 2004
Valuing Residential Income Properties, Appraisal Institute, 2004
Full Disclosure & How Stigmas Affect Property Value, 2004
Evaluating Commercial Construction, Appraisal Institute, 2005
Re-Appraising, Re-Addressing, Re-Assigning, Appraisal Institute, 2005
Uniform Standards of Professional Appraisal Practice, Appraisal Institute, 2006
Water 2007: Regulating the Resource, Appraisal Institute, 2007
Uniform Appraisal Standards for Federal Land Acquisitions, Appraisal Institute, 2009
Business Practices and Ethics, Appraisal Institute, 2010
Appraising and Analyzing Industrial and Flex Buildings for Mortgage Underwriting, 2012
Appraising and Analyzing Retail Shopping Centers for Mortgage Underwriting, 2012
Land and Site Valuation, 2012
National USPAP Update Course, (2014/2015 version), Appraisal Institute, 2014
Housing and Land: Market Perspectives, 2014
Appraisal of Self-Storage Facilities, 2015
Appraisal of Assisted Living Facilities, 2015

PROFESSIONAL EXPERIENCE

2005-Present: Owner/Principal Appraiser of Jean Tworkowski, LLC
Commercial Real Estate Appraisals

1990-2005: Associate Appraiser with Sanders K. Solot & Associates, Inc.

1976-1990: Licensed Realtor in Arizona

Professional experience in both residential and commercial valuation, including vacant land, industrial, office, medical office, apartment, and retail property ranging in size from single tenant buildings to a regional mall. Appraisal assignments also include the valuation of conservation easements, partial interests, billboards, flood prone properties, and eminent domain. Eminent domain appraisals include partial and total acquisitions, easements and temporary construction easements. In addition to private and corporate clients, clients have included governmental agencies, insurance companies, and financial institutions.

ADDENDUM

SUBJECT PHOTOS



LOOKING NORTH AT SUBJECT PROPERTY



**LOOKING NORTH OVER SUBJECT FROM SOUTHWEST CORNER
NOTE VEGETATION DUMPING**



**VIEW LOOKING EAST ON ORANGE GROVE ROAD
FROM SUBJECT PROPERTY**

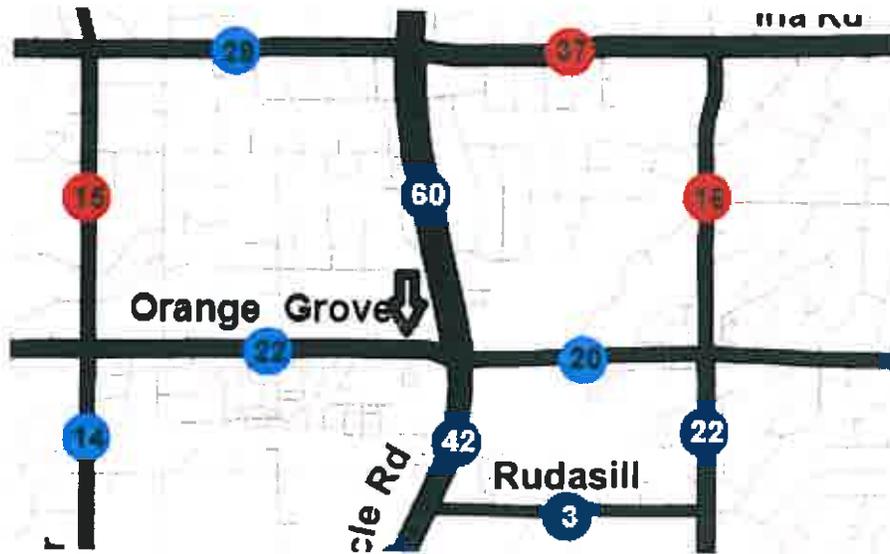


LOOKING WEST FROM SUBJECT PROPERTY

FEMA FLOODPLAIN PANEL NUMBER 04019C 1680L
REVISED JUNE 16, 2011



PIMA ASSOCIATION OF GOVERNMENTS TRAFFIC MAP



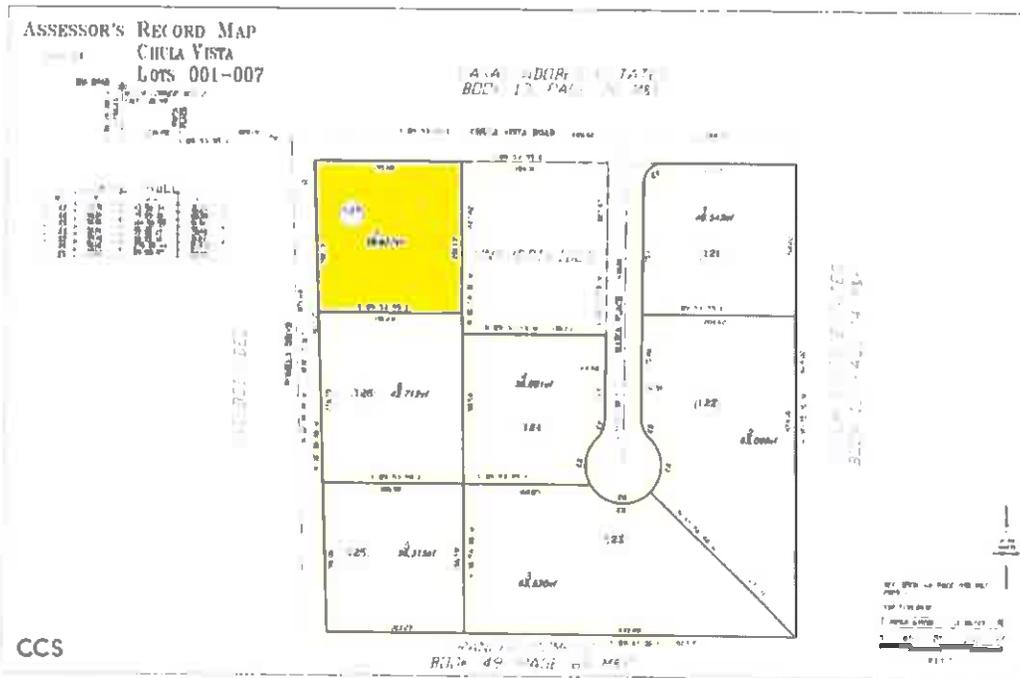
COMPARABLE LAND SALES

275-L15

LAND SALE ONE

LOCATION	6890 North Pomelo Drive
TAX CODE NUMBER	102-04-1270
LEGAL DESCRIPTION	Lot 7, Chula Vista
RECORDING INFORMATION	Warranty Deed recorded August 12, 2013 Fee # 20132240375
SELLER	Fidelity National Title
BUYER	Mary and Roger Drew
SALES PRICE	\$120,000
TERMS	Cash
SITE SIZE	38,333 square feet per survey
ZONING	CR-1
SITE CHARACTERISTICS	Rectangular, level lot in a newly developed seven-lot subdivision. Located on a residential corner with paved access and all utilities available. Mountain views.
INTENDED USE	Construction of a single family residence
TRAFFIC COUNT	N/A
MARKETING TIME	The lot was listed for \$125,000 for 119 days.
CONFIRMATION	Sue Hill, Long Realty, 6/30/15

6890 NORTH POMELO DRIVE



275-L15

LAND SALE TWO

LOCATION	6838 North Pomelo Drive
TAX CODE NUMBER	102-04-1250
LEGAL DESCRIPTION	Lot 5, Chula Vista
RECORDING INFORMATION	Warranty Deed recorded September 9, 2013 Fee # 20132520059
SELLER	Fidelity National Title
BUYER	Praveen and Deborah Chendanda
SALES PRICE	\$115,000
TERMS	New conventional financing
SITE SIZE	36,155 square feet per survey
ZONING	CR-1
SITE CHARACTERISTICS	Flat, rectangular lot with paved access and all utilities available in a newly developed seven-lot subdivision. Mountain views. Although there was a building setback from a wash to the south, no floodplain insurance was required and it did not impact on value.
INTENDED USE	Construction of a single family residence
TRAFFIC COUNT	N/A
MARKETING TIME	The property was listed for \$125,000 for 112 days.
CONFIRMATION	Glenda Grow, Keller Williams, 7/1/15

275-L15

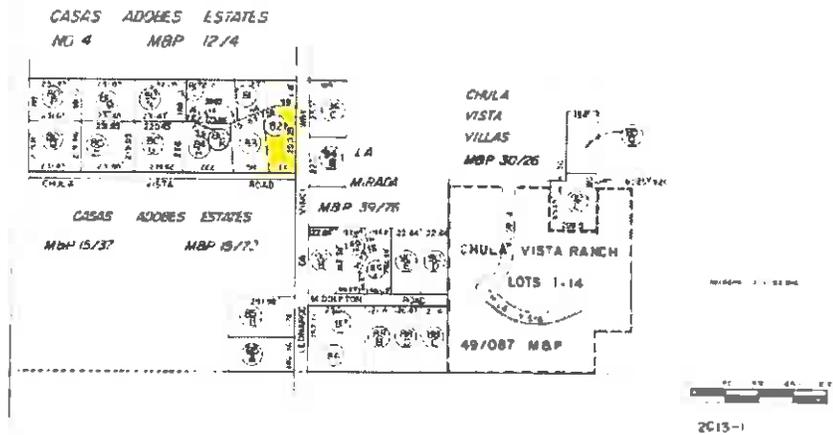
LAND SALE THREE

LOCATION	1200 West Chula Vista
TAX CODE NUMBER	102-05-0820
LEGAL DESCRIPTION	Irregular parcel in the N2 of the NW quarter, Section 2, T13S, R13E
RECORDING INFORMATION	Warranty Deed recorded September 3, 2014 Fee # 20142460243
SELLER	Straus Trust
BUYER	Equity Trust (David Kueffer)
SALES PRICE	\$83,000
TERMS	Cash
SITE SIZE	37,026 square feet per listing
ZONING	CR-1
SITE CHARACTERISTICS	Generally rectangular, flat lot on a residential corner with paved access and all utilities available.
INTENDED USE	Construction of a single family residence
COMMENTS	The property is back on the market at \$105,000.
TRAFFIC COUNT	N/A
MARKETING TIME	Nine months
CONFIRMATION	Jane London, listing agent, and public records

1200 WEST CHULA VISTA ROAD



ASSESSOR'S RECORD MAP
102-C5 **SECTION 2 TOWNSHIP 13 SOUTH, RANGE 13 EAST**
DETAIL No. 1

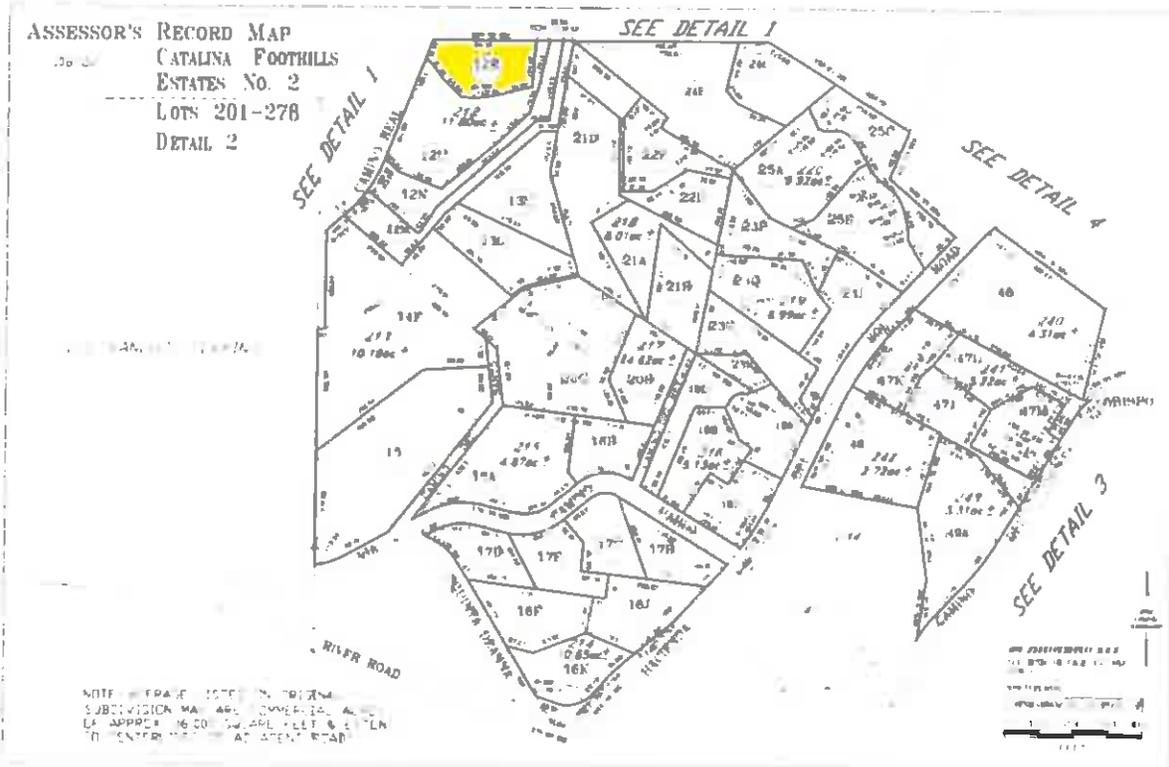


275-L15

LAND SALE FOUR

LOCATION	4590 North Camino Real
TAX CODE NUMBER	108-22-012R
LEGAL DESCRIPTION	Part of Lot 212, Catalina Foothills Estates No. 2
RECORDING INFORMATION	Warranty Deed recorded February 24, 2015 Fee # 20150550410
SELLER	Jeff and Erin Deconcini
BUYER	Jorge Zaied and Yolanda Mazon
SALES PRICE	\$105,000
TERMS	New conventional financing
SITE SIZE	43,560 square feet per owner
ZONING	CR-1
SITE CHARACTERISTICS	Somewhat irregularly shaped parcel at the southeast corner of Camino Real and Camino De Los Rancheros. Flat lot on a residential corner. All utilities except sewer. Paved access. About 90% of the lot is in Zone A, and the lot required \$15,000 to \$20,000 in site work to comply with regulations. Although the seller had house plans available for the site, the buyers had their own plans and they did not contribute to the price.
INTENDED USE	Construction of a single family residence
TRAFFIC COUNT	N/A
MARKETING TIME	The lot was listed for four months at \$129,000.
CONFIRMATION	Jeff Deconcini, seller and listing agent, 6/30/15, and public records.

4590 NORTH CAMINO REAL



275-L15

LAND SALE FIVE

LOCATION	1100 Block of West Las Lomitas
TAX CODE NUMBER	102-17-167G
LEGAL DESCRIPTION	Part of the N2, NE4, SW4, Section 11, T13S, R13E
RECORDING INFORMATION	June 25, 2015. Not yet available
SELLER	Lucas and James Morse
BUYER	Unknown
SALES PRICE	\$55,000
TERMS	Cash
SITE SIZE	36,300 square feet per survey
ZONING	CR-1
SITE CHARACTERISTICS	Generally rectangular, flat lot at the end of a cul-de-sac. All utilities available. Unpaved access for about 500 feet. Mountain views.
INTENDED USE	Construction of a single family residence
TRAFFIC COUNT	N/A
MARKETING TIME	42 days. Property was listed for \$75,000. The adjacent lot is listed for \$50,000.
CONFIRMATION	Mike Sturgis, Tierra Antigua Realty, 6/30/15, and public records

1100 BLOCK OF WEST LAS LOMITAS



ASSESSOR'S RECORD MAP

102-17
5

SECTION 11, TOWNSHIP 13 SOUTH, RANGE 13 EAST

DETAIL 2 N 1/2 NE 1/4 OF SW 1/4

