

## UPDATE OF PRIOR APPRAISAL REPORT

**PREPARED FOR:** Mr. Doug Laney, MAI, SR/WA  
Appraisal Supervisor  
Pima County Real Property Services  
201 N. Stone Avenue, Sixth Floor  
Tucson, AZ 85701

**PREPARED BY:** Beverly Weissenborn, MAI  
Weissenborn Appraisal, LLC  
326 South Convent Avenue  
Tucson, AZ 85701

**DATE OF VALUE:** June 19, 2015

**DATE OF THE REPORT:** June 25, 2015

**FILE NUMBER:** 03-15-14-L

**PRIOR FILE NUMBER:** 03-11-91-L

**OWNER:** RB Land, LLC

**PROPERTY:** 326.48 acres of vacant land located about 2.5 miles west of Sandario Road and 1.0 to 2.0 miles south of Avra Valley Road, Pima County, AZ

**LEGAL:** Located in Section 19, Township 12 South, Range 11 East

**TAX CODE NOS:** 215-19-002D, -002J and -005C



June 25, 2015

Mr. Doug Laney, MAI, SR/WA  
Appraisal Supervisor  
Pima County Real Property Services  
201 N. Stone Avenue, Sixth Floor  
Tucson, AZ 85701

REF: Appraiser's File Nos.: 03-15-14-L & 03-11-91-L

Dear Mr. Laney:

At your request, I have developed an opinion of market value of 326.48 acres of vacant land located on the north side of the Emigh Road alignment, 2 to 3 miles west of Sandario Road, in Avra Valley, Pima County, Arizona. The site is located in Section 19, Township 12 South, Range 11 East.

The date of value is June 19, 2015, the date of the most recent property inspection. The intended use of the appraisal is to provide a valuation basis for the potential acquisition of the property by Pima County for open space. Pima County and its assignees are the exclusive intended users of the report.

The attached report is an update of a previously provided Appraisal Report prepared for Pima County Real Property Services. The prior report had an effective date of value of December 28, 2011 and was known as File Number 03-11-91-L. This report relies on the Advisory Opinion 3 (AO3) provision of USPAP to provide an updated value opinion. This report incorporates by reference the appraisal dated January 6, 2012, which the client has in his possession. The reader is cautioned to have that report available in order to fully understand the subject property and the valuation. This report only contains new data and revised analysis. It is not intended to stand alone as an appraisal report.

The attached appraisal is intended to comply with the reporting requirements set forth under Standard Rule 2-2 of the *2014-15 Uniform Standards of Professional Appraisal Practice* promulgated by the Appraisal Standards Board of the Appraisal Foundation. It is also intended to comply with the appraisal requirements set forth by Pima County.

This report is being prepared for Pima County. This report or any portion thereof is for the exclusive use of the client and is not intended to be used, sold, transferred, given, or relied on by any other person other than the client without the prior, expressed written permission of the author, as set forth within the Limiting Conditions contained in this report.

Mr. Doug Laney, MAI, SR/WA  
June 25, 2015  
Page 2

Based upon my judgment and the data and discussions contained in this report and the prior appraisal with a valuation date of December 28, 2011, my opinion of market value for the subject property is as follows:

**MARKET VALUE OPINION OF THE  
SUBJECT PROPERTY ..... \$490,000**

**Hypothetical Condition:**

The preceding value is based on the hypothetical condition that all taxes and delinquencies have been paid in full and there are no liens on the property. Taxes are delinquent for 2013 and 2014. The total amount due through June 30, 2015 is \$10,054.81.


The use of this hypothetical condition could affect the assignment results.

I hereby certify that to the best of my knowledge and belief, all statements and opinions contained in this appraisal report are correct. This transmittal letter is not valid for any purpose unless accompanied by the appraisal referred to herein.

In order to guarantee the authenticity of this report, the designated appraiser has imprinted this letter of transmittal with an embossed seal. Any copy without same is not a certified copy and the appraiser assumes no responsibility or liability for such a report.

Respectfully submitted,

Weissenborn Appraisal, LLC

By   
Beverly Weissenborn, MAI  
Certified General Real  
Estate Appraiser #30125

## TABLE OF CONTENTS

CONTINGENT AND LIMITING CONDITIONS .....	1
SCOPE OF THE APPRAISAL .....	4
PROPERTY IDENTIFICATION .....	4
PURPOSE OF THE APPRAISAL .....	6
INTENDED USE/USER OF THE APPRAISAL.....	6
DEFINITION OF MARKET VALUE .....	6
INTEREST APPRAISED.....	6
OWNERSHIP HISTORY .....	7
SITE DESCRIPTION .....	8
HIGHEST AND BEST USE.....	21
LAND VALUATION.....	21
LAND VALUE ANALYSIS .....	24
CERTIFICATION .....	30
QUALIFICATIONS.....	31
ADDENDA.....	33

**CONTINGENT AND LIMITING CONDITIONS**

The certification of the Appraiser appearing in the report is subject to the following conditions, and to such other specific and limiting conditions as are set forth by the Appraiser in the report.

This report is being prepared for my client. This report or any portion thereof is for the exclusive use of the client and is not intended to be used, sold, transferred, given or relied on by any other person than the client without the prior, expressed written permission of the author, as set forth within the Limiting Conditions contained in this report.

The Appraiser assumes no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor does the Appraiser render any opinion as to the title, which is assumed to be good and marketable. No Owner's Title Policy has been furnished to the Appraiser. The property is appraised as though under responsible ownership, competent management and adequate marketing typical for that type of property.

The Appraiser has made no survey of the property. Any sketch or map in the report may show approximate dimensions and is included for illustrative purposes only. It is the responsibility of a certified engineer, architect or registered surveyor to show by a site plan the exact location of the subject property or any improvements or any proposed improvements thereon, or the exact measurements or calculations of estimated area of the site. In the absence of such a survey, the Appraiser may have utilized Tax Assessor's maps or other maps provided by the client which may not represent the exact measurements of the subject property or other comparable information utilized to determine the value of the subject property. Any variation in dimensions or calculations based thereon may alter the opinions of value contained within the report.

In determining the opinion of value of the subject property and in analyzing comparable information, the Appraiser has relied upon information from public and private planning agencies as to the potential use of land or improved properties. This information may include, but is not limited to, Area Plans, Neighborhood Plans, Zoning Plans and Ordinances, Transportation Plans and the like. In the opinion of market value, the Appraiser may consider the extent to which a knowledgeable and informed purchaser or seller, as of the date of the appraisal, would reflect the reasonable probability of changes in such land uses becoming actualized in the future. To the extent that these plans may change, the value opinions of this report may also change.

In the absence of a professional Engineer's Feasibility Study, information regarding the existence of utilities is made only from a visual inspection of the site. The Appraiser assumes no responsibility for the actual availability of utilities, their capacity or any other problem which may result from a condition involving utilities. The respective companies, governmental agencies or entities should be contacted directly by concerned persons.

The Appraiser is not required to give testimony or appear in court because of having made the appraisal with reference to the property in question, unless prior arrangements have been made and confirmed in writing.

Any allocation of the valuation in the appraisal report between land and improvements applies only under the existing program of utilization. The separate valuation for land and improvements must not be used in conjunction with any appraisal and are invalid if so used.

The Appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, potential flooding hazards, hydrology or structures which would render it more or less valuable. The Appraiser assumes no responsibility for such conditions or for engineering which might be required to discover such factors. To the extent that published data from public agencies is available on the above, the Appraiser has made an effort to consult this information.

Unless otherwise stated within this report, the existence of hazardous materials, which may or may not be present within or on the property, will not be considered by the appraiser. The Appraiser assumes, and the client warrants, that no such materials adversely affect the utility, usability or developability of the property to the best of their knowledge. The Appraiser is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, radon gas or other potentially hazardous materials may affect the opinion of value of the property. The value opinion has been predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility will be assumed for any such conditions or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired. If at a later time hazardous materials or substances are discovered, the Appraiser reserves the right, for an additional agreed upon fee, to re-analyze and re-value said property, taking into account the discovery of such factor or factors and their effects on the value of the subject property.

Information, estimates and opinions furnished to the Appraiser and contained in the report were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished to the Appraiser can be attributed to the Appraiser.

Disclosures of the contents of the report by the Appraiser are governed by the Bylaws and Regulations of the professional appraisal organizations with which the Appraiser is affiliated.

On all reports which are undertaken subject to satisfactory completion of, alterations of or repairs to improvements, the report and value conclusions contained in it are contingent upon completion of the improvements or of the repairs thereto or alterations thereof in a workmanlike manner and consistent with the specifications presented to the Appraiser.

The appraiser has not made a specific survey of the subject property to determine whether or not it has any plant or wildlife which is 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 appraiser is not qualified to detect or analyze such plants and 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 the appraiser has no direct evidence relating to this issue, possible endangered or threatened species were not considered in valuing the property.

The use of this report or its analysis and conclusions by the client or any other party constitutes acceptance of all the above limiting conditions.

**Hypothetical Condition:** The preceding value is based on the hypothetical condition that all taxes and delinquencies have been paid in full and there are no liens on the property.

Taxes are delinquent for 2013 and 2014. The total amount due through June 30, 2015 is \$10,054.81.

The use of this hypothetical condition could affect the assignment results.

## SCOPE OF THE APPRAISAL

In preparing this appraisal report, the appraiser:

- Inspected the subject property and each of the comparable sales.
- Researched local real estate and economic conditions, including the effects of physical, social, economic, and governmental trends. Market trends and any notable changes in the market since the prior date of valuation will be highlighted. Factual data and the analysis and reasoning leading to the value conclusion are briefly summarized.
- Searched for new sales and listings that have occurred since December 28, 2011, which is the prior date of valuation. The criteria for the search included vacant sales of 50 acres and larger that are similar to the subject in terms of location, floodplain classification and potential use. Updated analyses to reflect current market conditions are included in this report.
- All comparable sales and listings were confirmed with a party to the transaction.
- Since the site is vacant, the only applicable approach to value is the Sales Comparison Approach. The Cost Approach and Income Approach were not developed.

## PROPERTY IDENTIFICATION

The subject site consists of 326.48 acres of vacant land. It is located on the north side of the Emigh Road alignment, two to three miles west of Sandario Road and one to two miles south of Avra Valley Road in an area of Pima County known as Avra Valley. According to the legal description in the Title Report dated October 24, 2011, the property is legally described as follows.

### **Parcel 1**

**The Southwest Quarter of Section 19, Township 12 South, Range 11 East, Gila and Salt River Meridian, Pima County, Arizona.**

**{JV Arts 22 and 23}**

### **Parcel 2**

**The Northeast Quarter of the Northwest Quarter, EXCEPT the West 318.82 feet thereof; and the Southeast Quarter of the Northwest Quarter; and the East 318.8 feet of Lot 2; all in Section 19, Township 12 South, Range 11 East, Gila and Salt River Meridian, Pima County, Arizona.**

**{JV Arb 21}**

### **Parcel 3**

**The Northwest Quarter of the Northeast Quarter and the North Half of the North Half of the Southwest Quarter of the Northeast Quarter of Section 19 Township 12 South, Range 11 East, Gila and Salt River Meridian, Pima County, Arizona.**





**PURPOSE OF THE APPRAISAL**

<b>Purpose of the Appraisal:</b>	To develop an opinion of market value of the subject property as of the date of valuation.
<b>Intended Use of the Appraisal:</b>	To provide a financial basis for the potential acquisition of the property by Pima County.
<b>Intended User:</b>	Because this Appraisal Report is an update of the original Appraisal prepared for Pima County, the use of the appraisal is for Pima County. This report incorporates by reference the January 6, 2012 report which the client has in his possession. The reader is cautioned to have that report available in order to fully understand the subject property and the valuation. This report only contains new data and revised analysis. It is not intended to stand alone as an appraisal report.
<b>Effective Date of Valuation:</b>	June 19, 2015
<b>Date of Inspection:</b>	June 19, 2015 by Beverly Weissenborn, MAI
<b>Date of the Report:</b>	June 25, 2015

**Definition of Market Value:**

The definition of value used for this appraisal is that cited in *The Appraisal of Real Estate, Fourteenth Edition*, published by the Appraisal Institute.

*The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently, knowledgeably and assuming that the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:*

- 1. buyer and seller are typically motivated;*
- 2. both parties are well informed or well advised, and each acting in what he or she considers his or her best interest;*
- 3. a reasonable time is allowed for exposure in the open market;*
- 4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and*
- 5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.*

**Interest Appraised:**

“The simple interest is defined as a fee without limitations to any particular class of heirs or restrictions but subject to the limitations of eminent domain, escheat, police power, and taxation. The property is appraised as if free and clear and without any restrictions or encumbrances which would limit the marketability of the property.”

**Ownership and Property History:**

Title to the subject site is vested in RB Land, LLC. Title was acquired by virtue of a Deed recorded June 21, 2011 in Sequence No. 20111720394. The grantor was RB Land Venture 1, LLC who was a related party. On the same day RB Land Venture 1, LLC acquired title from the Marana Unified School District No. 6. According to Will White, the buyer's representative, this acquisition was part of an exchange in which Marana Unified School District acquired about 107.65 acres on Grier Road for a price of \$3,200,000. Title to the subject property was conveyed at an allocated value of \$165,000 or about \$500 per acre based on an appraisal. The subject site was donated to the school district in 1986.

According to the property owner, Randall Martin, the site is not currently listed for sale and has not been listed since RB Land, LLC acquired the property in 2011. According to Mr. Randall, Pima County made a verbal offer of \$1.0 million in 2011. It was then appraised in my prior appraisal for \$650,000. The County drew up a written offer at that time for the appraised value which was not accepted.

## **SITE DESCRIPTION**

For the reader's convenience, the following is a description of the subject site as described in the prior appraisal. Based on an inspection of the property, there are no notable changes in the physical characteristics.

### **Location:**

The subject property is located two to three miles west of Sandario Road and one to two miles south of Avra Valley Road. The site is located in Avra Valley, a rural area of Pima County just west of metropolitan Tucson.

### **Site Area/Shape:**

According to the Pima County Assessor's records, the site consists of 326.48 acres. It is comprised of three Assessor Parcel Numbers and is irregularly shaped.

### **Topography/Vegetation:**

The terrain is generally level and bisected in a north-south direction by the East Branch of the Brawley Wash. The site has native Sonoran desert scrub vegetation. The majority of the site is sparsely vegetated except along braided channels and the East Branch of the Brawley Wash which are lined with mesquites.

### **Access:**

There is physical access in close proximity to the north and west boundaries of the subject site via private dirt easements that are accessible from Avra Valley Road. There is a private dirt farm road that extends south of Avra Valley Road about one mile to the north boundary of the subject site. Access to about 1,200 feet of the west boundary is from the north via El Paso Gas Road, to Maggies Farm Lane, to Desert Owl Way and Ghost Ranch Road. With the exception of El Paso Gas Road which is a dirt road maintained by Pima County, these roads are dirt and not publically maintained. They may become impassible during times of wet weather.

According to the Assessor's Maps, legal access is via a 30 foot wide right-of-way for Emigh Road which extends along the south boundary of Section 19. At this time, Emigh Road dead-ends about ½ mile east of the southeast corner of the subject site. If the subject site were ever developed, Emigh Road and all-weather access across the East Branch of the Brawley Wash would have to be built in order to facilitate access to the majority of the subject site.

There are no other apparent dedicated rights-of-way to allow legal access to the subject site.

### **Utilities:**

Electric and telephone are available to the residential properties just west of the site and about one-quarter mile east of the site. Overhead lines also extend along the north boundary. Service is provided by Tucson Electric Company and Century Link Communications. There is no developed water source. Domestic water is typically supplied by individual wells or shared wells. Since homes in the area are generally situated on large lots of one acre and more, septic systems are used for waste disposal. There is no municipal sewer service in the area. Propane is supplied by private contract. There is no natural gas available for local service.

**Surrounding Uses:**

There is irrigated farmland to the north and northeast of the subject site along the Brawley Wash. The adjoining land to the east is vacant. There are residential lots about ¼ mile east that are improved with either site-built or manufactured homes. About ½ mile east at the northwest corner of Sanders Road and Emigh Road, the City of Tucson recently leased a 305-acre site to TEP for development of a solar power generating facility. Across the street from this facility is the Tierra Linda subdivision. Along the Brawley Wash to the south the land is mostly vacant and owned by the City of Tucson. Much of the land in this area is fallow or irrigated farm land. There are scattered manufactured homes on large lots to the west of the subject. Many of these have been elevated to comply with floodplain regulations.

**Flood Zone:**

According to FEMA Map #04019C1020L dated June 16, 2011, the entire site is in the 100-year floodplain. Based on the FEMA maps, Pima County Flood Control reports the number of acres located within each floodplain classification.

<b>Parcel #</b>	<b>Total Acreage</b>	<b>Zone AO-2</b>	<b>Zone AO-3</b>	<b>Riparian Classification</b>
215-19-002D	79.96	39.18	40.78	99.76% Xeroriparian D
215-19-002J	49.85	49.85	0	95.8% Xeroriparian D
215-19-005C	197.56	110.70	86.86	84.38% Xeroriparian D & 14.02% Xeroriparian C
<b>Total</b>	<b>327.37 Acres*</b>	<b>199.73 Acres</b>	<b>127.64 Acres</b>	
<b>Percentage</b>		<b>61%</b>	<b>39%</b>	

\*Slight difference in total acreage due to estimated areas in the floodplain.

The AO zones are subject to 100-year flooding with depths of 2 to 3 feet. As can be seen on the following map, the areas Zoned AO-2 include approximately 65 acres at the extreme northeast corner of the site, an area along the west boundary and the middle of the site between two channels of the Brawley Wash. Each channel is designated AO-3 and most significantly impacted by flooding. While AO-2 is generally developable providing the finish floor is elevated three feet and other requirements are met pertaining to pier depths, building angles, runoff and access, development of land in Zone AO-3 is extremely limited.

According to the Pima County Floodplain Department, the subject site is in the Brawley Wash Floodplain Flow Corridor. As such, a Floodplain Use Permit is needed to develop any portion of the subject site. To obtain a Floodplain Use Permit, an engineering study is required from an Arizona Registered Professional Civil Engineer that outlines the effects any proposed development will have on the flow of water through the area being developed and the surrounding areas. The study is then used to evaluate the possible flood hazards and to render a decision on the suitability of development. Ms. Suzie Bohnet, senior hydrologist with Pima County, indicated the flow totals about 21,000 cfs at a point near the north boundary. This is a significant amount of water in a 100-year event and suggests that development of the site will be extremely difficult based on current engineering. She further noted that there is a 250-foot building setback from the top of the banks of each channel. The reader should refer to the prior appraisal for a map of the Brawley Wash Corridor and the associated copy of the engineering requirements.

**Conservation Lands System:**

Nearly 100% of the subject site is designated as IRA, Important Riparian Area. The majority of the site (87%) is in Xeroriparian D. About 13% of the site along the East Branch of the Brawley Wash is designated Xeroriparian C. These are regulated areas that require a mitigation plan and Board approval when 1/3 acre or more per parcel is disturbed. Mitigation can be handled onsite or offsite but must be approved by the Pima County Regional Flood Control District and the Flood Control District Board of Directors. If onsite mitigation is not feasible, offsite mitigation may be approved under one of the following three options.

- (1) Restoration of disturbed or degraded Regulated Riparian Habitat (RRH) on another parcel of land that provides comparable or superior biological function similar to the RRH proposed for disturbance, with appropriate long-term protection measures.
- (2) Land transfer proposals; and
- (3) Payment in an in-lieu fee

**Zoning and Comprehensive Land Use Code:**

The site is zoned RH, Rural Homestead. The minimum lot size is one dwelling unit per four acres. Under the Comprehensive Land Use Plan, the site is designated RT, Resource Transition. Please refer to the original report, for more detailed descriptions of the zoning and Land Use Code.

**Easements:**

According to the Title Report prepared by First American Title on October 24, 2011, there is only one easement that affects the subject site. This is an access easement that extends east-west through the north central portion of the property.

**Tax Data and Assessed Valuation:**

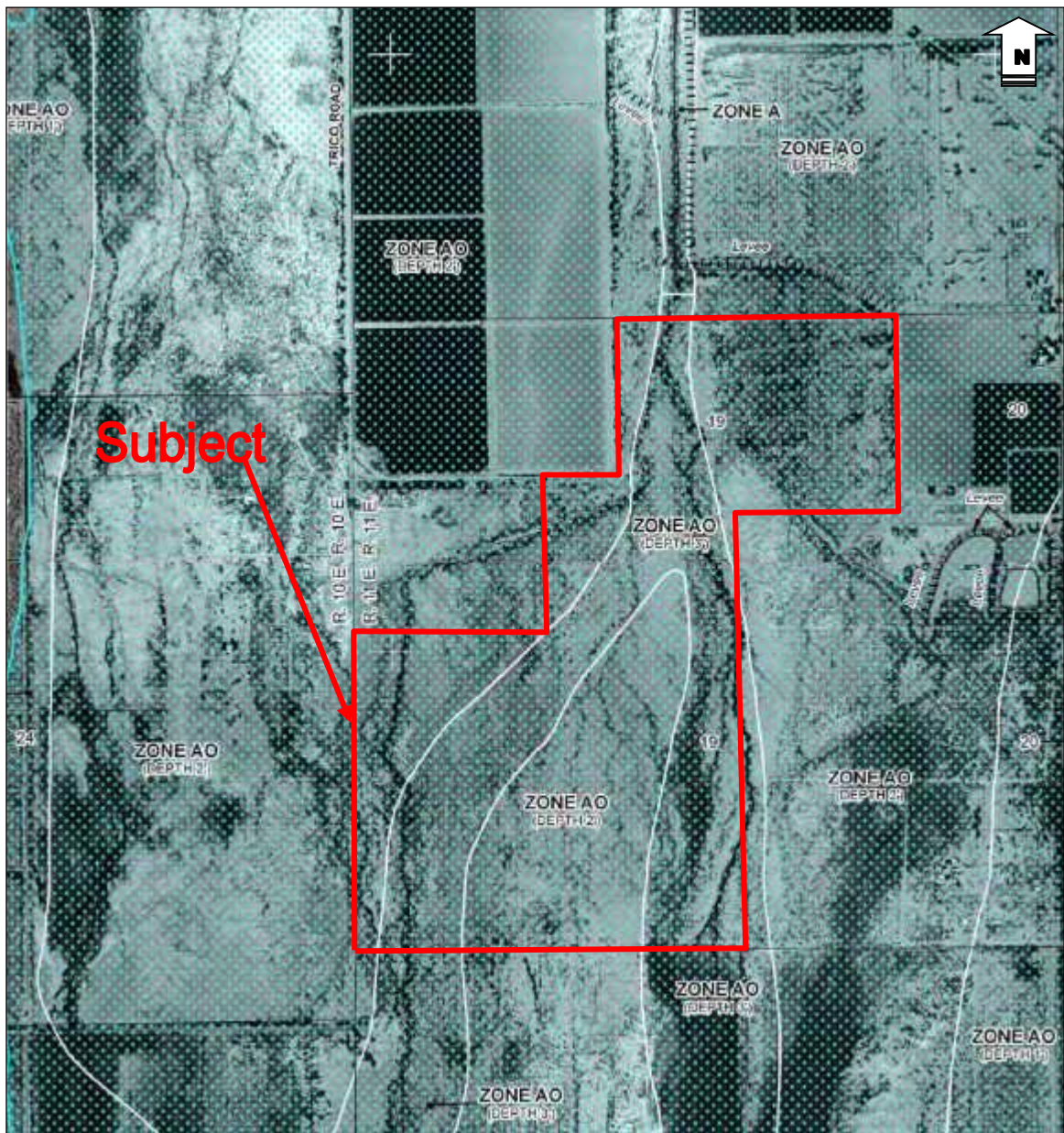
The subject site is assessed under the following Assessor's Parcel Numbers. The full cash values and real estate taxes are reported for each parcel. According to the Treasurer's Office, the taxes are delinquent for each parcel for 2013 and 2014 and a lien has been issued. The total amount due is \$10,054.81, including interest through June 30, 2015.

<b><u>Assessor Parcel Number</u></b>	<b><u>2015 Full Cash Value</u></b>	<b><u>2014 Taxes</u></b>
215-19-002D	\$44,000	\$1,257.06
215-19-002J	\$27,500	\$785.63
215-19-005C	<u>\$108,064</u>	<u>\$2,425.12</u>
<b>Total</b>	<b>\$179,564</b>	<b>\$4,467.81</b>

The full cash value established by the Pima County Assessor is intended for use in establishing ad valorem taxes and not intended to represent market value. The objective of the assessor's assessment is the equal distribution of the tax burden based on real property value, but not an opinion of market value for a specific property.



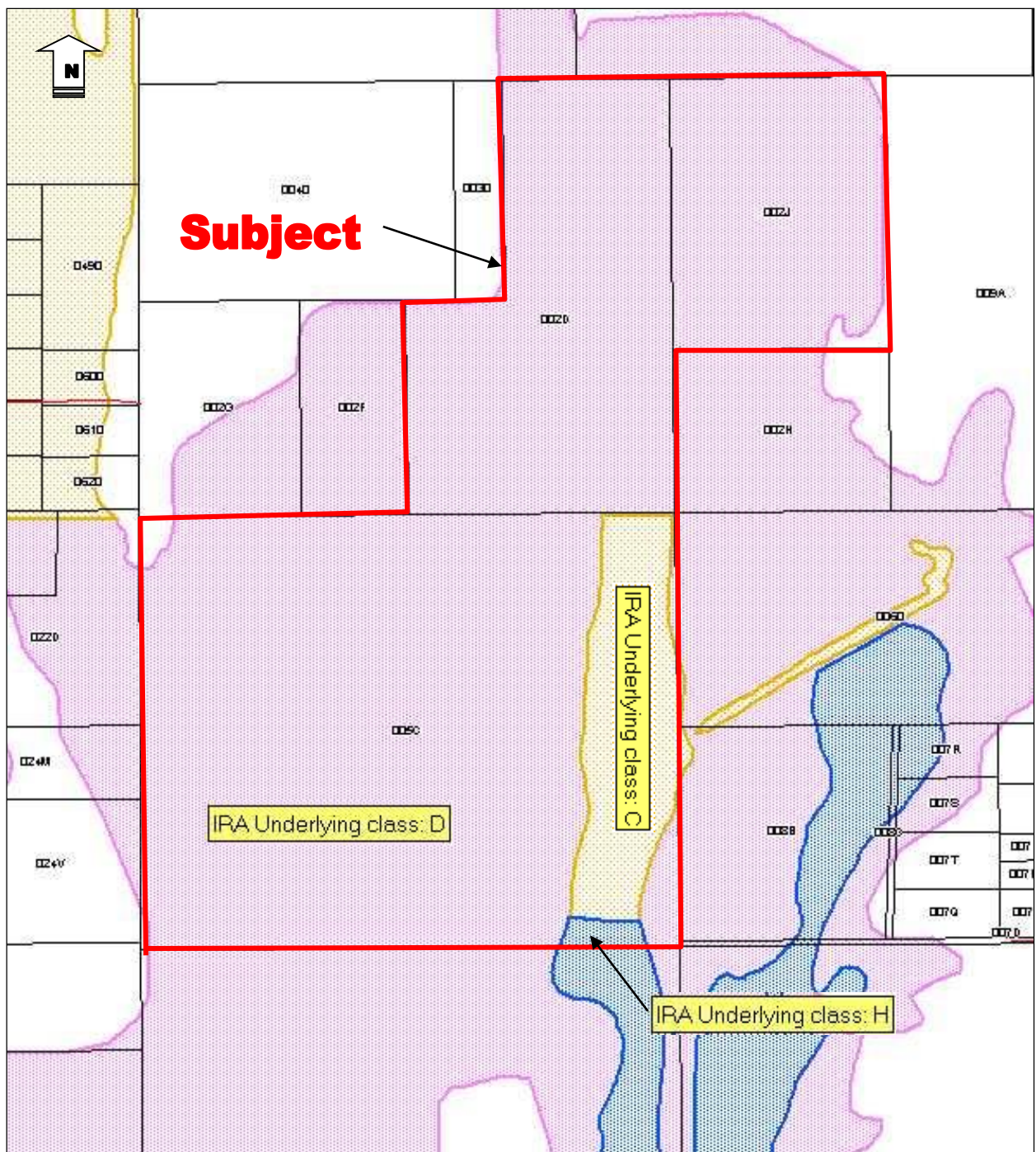
## FLOOD MAP



**Boundaries Are Approximate**



# RIPARIAN HABITAT





# AERIAL

