Pima County Clerk of the Board

Melissa Manriquez

Katrina Martinez
Deputy Clerk

Administration Division
130 W. Congress Street, 1st Floor
Tucson, AZ 85701
Phone: (520)724-8449 • Fax: (520) 222-0448

Management of Information & Records Division
1640 East Benson Highway
Tucson, Arizona 85714
Phone: (520) 351-8454 • Fax: (520) 791-6666

MEMORANDUM

TO: Honorable Chair and Board Members
Pima County Board of Supervisors

FROM: Melissa Manriquez, Clerk of the Board MM

DATE: July 20, 2026

RE: Compromising Taxes, Interest and Penalties – Tax Parcel Nos. 219-21-627X and 219-20-9150

Pursuant to A.R.S. §42-18124 and Board of Supervisors Policy C 4.4, Sonoran HW Solutions, L.L.C. is requesting that the Board of Supervisors compromise taxes, interest and penalties incurred for Tax Parcel Nos. 219-21-627X and 219-20-9150:

Parcel Number	Total Due on Parcel	Petitioner's Estimated Market Value	Total Requested to be Compromised
219-21-627X	$1,007,114.91	$458,000.00	$549,114.91
219-20-9150	$ 455,294.06	$138,000.00	$317,294.06
Totals	**$1,462,408.97**	**$596,000.00**	**$866,408.97**

Under A.R.S. §42-18124, "If it appears to the board of supervisors that any property is not worth the amount of taxes, interest, costs and penalties due or that the tax lien on the property would not sell for that amount, the board may compromise the taxes, interest and penalties with the owner or with the holder of a certificate of purchase that was issued pursuant to §42-18118."

The Board of Supervisors may under A.R.S. §42-18124(C)(3) "condition the relief under this section by requiring the holder of a Certificate of Purchase to complete a judicial foreclosure under article 5 of this chapter" prior to the compromise being granted.

Upon review by the Pima County Assessor's Office their recommendation is the following:

- Tax Parcel No. 219-21-627X be lowered to $500.00 and updating use code to reflect limited use of parcel.
- Tax Parcel No. 219-20-9150 be lowered to $138,000.00 as a portion is within the C-1 zoning.

Upon review by the Treasurer's Office their recommendation is for approval of the appeal.

Attachments:

Notice of Hearing Letter
Assessor's Review
Treasurer's Review
Sonoran HW Solutions, L.L.C., Submission

Pima County Clerk of the Board

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July 16, 2026

Sonoran HW Solutions, L.L.C.
Attn: William Schumacher
6655 E. Placita Alhaja
Tucson, AZ 85750

RE: Request for Compromising of Taxes, Interest and Penalties – A.R.S. §42-18124 and Board of Supervisors Policy C 4.4

Dear Mr. Schumacher:

Please be advised that your request for Compromising of Taxes, Interest and Penalties for Parcel Nos. 219-21-627X and 219-20-9150, has been scheduled before the Pima County Board of Supervisors on Tuesday, July 28, 2026, at 5:00 p.m., or thereafter, at the following location:

Pima County Administration Building
Board of Supervisors Hearing Room
130 West Congress, 1st Floor
Tucson, AZ 85701

If you have any questions, please contact this office at (520)724-8449.

Sincerely,

Melissa Manriquez
Clerk of the Board

/mm

Melissa Manriquez

From:	Ryan Call
Sent:	Thursday, May 28, 2026 12:30 PM
To:	Melissa Manriquez; Katrina Martinez
Subject:	FW: Request for Compromising of Taxes from Sonoran HW Solutions, LLC
Attachments:	Schumacher 219-20-9150.pdf; Schumacher 219-21-627X.pdf

Good afternoon,

Here is the Assessor's office review and conclusion of value for 219-21-627X and 219-20-9150 for Sonoran HW Solutions, LLC.

Please let me know if you need any additional information.

Thank you,

Ryan Call
Division Manager
Pima County Assessor's Office

240 N. Stone Ave | Tucson, AZ 85701
(520) 724-3111 | Ryan.call@Pima.gov
Office Hours Mon-Fri 7am-3:30PM
Upcoming out of office: 6/22-26

From: Conor Lemmon <Conor.Lemmon@pima.gov>
Sent: Thursday, May 28, 2026 8:47 AM
To: Stephanie Oroz <Stephanie.Oroz@pima.gov>; Ryan Call <Ryan.Call@pima.gov>
Subject: FW: Request for Compromising of Taxes from Sonoran HW Solutions, LLC

Stephanie/Ryan,
Please see the recommendations below from Gabe.

I see the updates have not been made to 27, but I will have them make a Sup update ASAP. Thank you.

Conor Lemmon
Real Property Division Manager
Pima County Assessor's Office

240 N. Stone Ave | Tucson, AZ 85701
(520) 724-8433 | conor.lemmon@pima.gov

From: Gabriel Turrubiartes <Gabriel.Turrubiartes@pima.gov>
Sent: Monday, November 3, 2025 1:43 PM
To: Bob Putman <Bob.Putman@pima.gov>; Conor Lemmon <Conor.Lemmon@pima.gov>; Enrique Wilkins <Enrique.Wilkins@pima.gov>
Subject: RE: Request for Compromising of Taxes from Sonoran HW Solutions, LLC

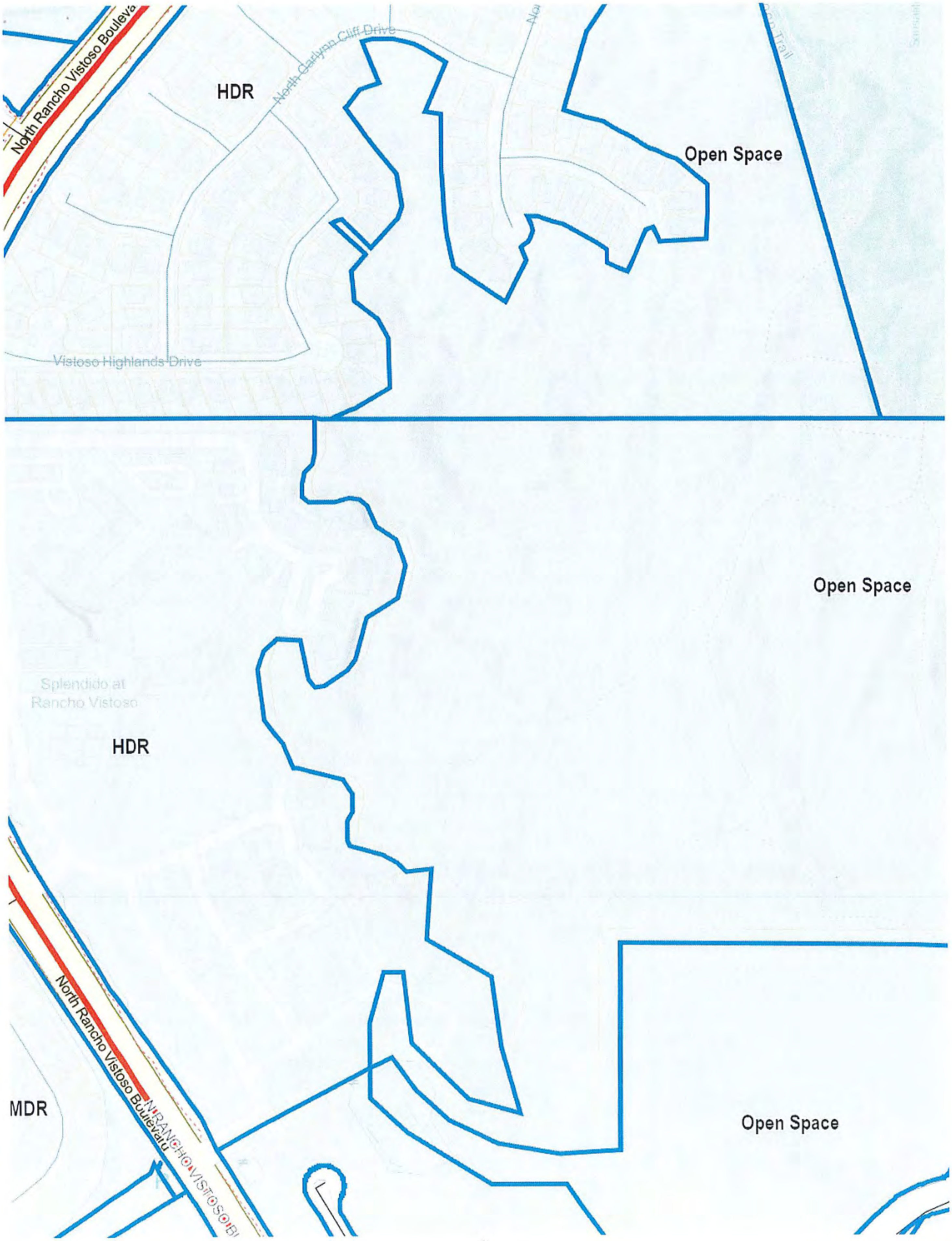
Both parcels are Zoned Oro Valley PAD. Both parcels are in PAD: Rancho Visto

Looking at the Oro Valley zoning overlay map and interpreting the Open Space designation as a limiter on development, as a sort of common area or Limited Use area, then I would agree that lower valuations are necessary.

Based on this information, I would recommend:
219-21-627X be lowered to $500 and updating use code to reflect limited use of parcel
219-20-9150 be lowered to $138,000 as a portion is within the C-1 zoning.

I would further recommend lowering other Open Space designated parcels to a limited use value. I don't know if any portion of that can be automated or will we have to compare maps side by side like cartographers of old.

From: Bob Putman <Bob.Putman@pima.gov>
Sent: Monday, November 3, 2025 1:14 PM
To: Conor Lemmon <Conor.Lemmon@pima.gov>; Enrique Wilkins <Enrique.Wilkins@pima.gov>; Gabriel Turrubiartes <Gabriel.Turrubiartes@pima.gov>
Subject: RE: Request for Compromising of Taxes from Sonoran HW Solutions, LLC


North Rancho Vistoso Boulevard
North Carlynn Cliff Drive
HDR
Open Space
Vistoso Highlands Drive
Open Space
Splendido at
Rancho Vistoso
HDR
North Rancho Vistoso Boulevard
MDR
Open Space

219-21-627X looks to be almost completely covered with open space zoning

21921627X looks to be a minimum value parcel to me.
bob

Melissa Manriquez

From:	Brian Johnson
Sent:	Friday, June 12, 2026 8:05 AM
To:	Melissa Manriquez; Jake Martin; Melanie Farrington
Subject:	Re: Compromising of Taxes Appeal submitted by Mr. Schumacher

Melissa,

I approve the appeal.

Brian

From: Melissa Manriquez <Melissa.Manriquez@pima.gov>
Sent: Thursday, June 11, 2026 5:42 PM
To: Brian Johnson <Brian.Johnson2@pima.gov>; Jake Martin <Jake.Martin@pima.gov>; Melanie Farrington <melanie.farrington@pima.gov>
Subject: Compromising of Taxes Appeal submitted by Mr. Schumacher

Hi Brian,

Our office has received the Asessor's Office review. Per BOS Policy C 4.4, Compromising Taxes, Interest and Penalties, we also need the Treasurer's Office review for this appeal. I have attached a copy of the appeal in case you need it again and a copy of the policy.

If you have any questions, please let me know.

Thank you,

Melissa Manriquez
Pima County Clerk of the Board
130 W. Congress Street, 1st Floor
Tucson, AZ 85701
520-724-8413

Pima County Board of Supervisors

COMPROMISING TAXES, INTEREST AND PENALTIES
Pursuant to A.R.S. §42-18124

Name and Address of Applicant: Date: 09/18/2025

Sonoran HW Solutions LLC (Member - William Schumacher)
Last Name First Name

6655 E Placita Alhaja Tucson AZ 85750
Address City State Zip

520-609-1678 bill.schumacher@comcast.net
Phone Number Email Address

Is the Petitioner: (select one) [ ] Property Owner [x] Certificate Holder (Bidder number required)

Bidder Number: 1382

Parcel Address: No address given

Parcel Number: 219-21-627X State Code: 219-21-627X

Certificate of Purchase No.: 2200233

Please complete the following questions:

1. Total due on Parcel: $1,007,114.91 2. Estimated market value: $458,000

3. How was market value determined: Appraisal by: Baker, Peterson, Baker & Associates, Inc.

4. Assessor's full cash value (if using a different value, provide documentation): $5,701,406

5. If you are not the property owner indicate why you are requesting the compromise:
Reducing the total deliquent taxes down to the property value would encourage the property owner to redeem the delinquent property taxes rather than face a tax lien foreclosure.

EM

Signed,

Please return this form and any documentation to:
Pima County Clerk of the Board of Supervisors
130 W. Congress St., 1st Floor
Tucson, AZ 85701
or
Email to: COB_mail@pima.gov

AN APPRAISAL REPORT

OF

65.44 ACRES OF VACANT LAND DESIGNATED AS OPEN SPACE

LOCATED ON THE SOUTH SIDE OF HONEY BEE CANYON PARK,
EAST OF RANCHO VISTOSO BOULEVARD,
TOWN OF ORO VALLEY, PIMA COUNTY, ARIZONA

FOR

MR. BILL SCHUMACHER
6655 EAST PLACITA ALHAJA
TUCSON, ARIZONA 85750

OWNERSHIP: VISTOSO HOLDINGS LLC
TAX PARCEL NUMBER: 219-21-627X
SECTION 25, TOWNSHIP 11 SOUTH, RANGE 13 EAST

EFFECTIVE DATE OF APPRAISAL
SEPTEMBER 13, 2025

DATE OF REPORT
SEPTEMBER 22, 2025

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

BAKER, PETERSON, BAKER & ASSOCIATES, INC.
REAL ESTATE APPRAISERS - CONSULTANTS
4547 E. FT. LOWELL ROAD • SUITE 401 • TUCSON, AZ 85712
520.881.1700 • 1.800.204.1700
FAX 520.325.3108
www.bakerpeterson.com

• *Over 50 Years of Service* •

September 22, 2025

Mr. Bill Schumacher
6655 East Placita Alhaja
Tucson, Arizona 85750

RE: An appraisal report of 65.44 acres of vacant land designated as open space, located on the south side of Honey Bee Canyon Park, east of Rancho Vistoso Boulevard, Town of Oro Valley, Pima County, Arizona

Tax Parcel Code:	219-21-627X
Ownership:	Vistoso Holdings LLC
Effective Date of Appraisal:	September 13, 2025
Date of Report:	September 22, 2025

Dear Mr. Schumacher:

In response to your authorization, I have conducted the required inspection, gathered the necessary data, and made certain analyses that have enabled me to form an opinion of the market value of the fee simple interest in the above-named property. The intended user of this report is Mr. Bill Schumacher. Use of this report by others is not intended by the appraiser. This report is intended only for use in estimating the market value of the subject property for tax appeal purposes. It is not intended for any other use.

I have formed the opinion that, as of the effective date of the appraisal, September 13, 2025, in its "as is" condition, based on a six to twelve month market period, and subject to the assumptions and limiting conditions set forth in the report, the subject property has a market value of:

FOUR HUNDRED FIFTY-EIGHT THOUSAND DOLLARS
($458,000)

Extraordinary Assumption – According to a deed recorded with Pima County with sequence number 20190110002, dated January 11, 2019, which is an update to a deed with recorded docket 11754, page 2682 in July 2002, a portion of the subject property, with that portion being the conservation easement, appears to have transferred ownership to Pima County. This would reduce the size of the subject property approximately 5.95 acres. The Pima County assessor does not currently show this transfer of ownership, but does reflect a conservation easement. This appraisal is based on the extraordinary assumption that Pima County does not have fee ownership of the conservation easement area and that the size of the subject property listed on the Pima County assessor site is accurate. If it is found that Pima County does own this land area of the conservation easement, then the value in this report would be reduced by the reduction in size of the parcel. Per USPAP, use of this extraordinary assumption may have affected the assignment results.

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

Respectfully submitted,

Thomas A. Baker, MAI, SRA
Certified General Real Estate Appraiser
Certificate Number 30139
Designated Supervisory Appraiser
Registration Number DS0007

C258682B

TABLE OF CONTENTS

APPRAISAL ABSTRACT - PART I

CLIENT
Mr. Bill Schumacher

APPRAISER
Thomas A. Baker, MAI, SRA

Baker, Peterson, Baker & Associates, Inc.
4547 East Fort Lowell Road, Suite 401
Tucson, Arizona 85712

SUBJECT PROPERTY
A parcel of vacant land designated as open space, located on the south side of Honey Bee Canyon Park, east of Rancho Vistoso Boulevard, Town of Oro Valley, Pima County, Arizona.

LAND AREA
65.44 acres (per Pima County Assessor's records)

ZONING
Planned Area Development (PAD): Rancho Vistoso, Town of Oro Valley

LEGAL DESCRIPTION
A portion of the Northwest Quarter of the Northeast Quarter and a portion of the East Half of the Northwest Quarter of Section 25, Township 11 South, Range 13 East, G&SRB&M, Pima County, Arizona.

OWNERSHIP
According to public records of the Pima County Assessor, title to the subject property is in the name of Vistoso Holdings LLC according to a deed with sequence number 20122340749 dated August 21, 2012. The subject was transferred along with other parcels involved in the transfer.

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

TAX PARCEL NUMBER
219-21-627X

FULL CASH VALUE
$5,701,406 (2025)
$5,701,406 (2026)

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

LIMITED CASH VALUE
$5,701,406 (2025)
$5,701,406 (2026)

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

REAL ESTATE TAXES
$119,481.55 (2025)

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

DELINQUENT TAXES
As of the date of value, September 13, 2025, there were $1,007,114.91 in delinquent tax payments and interest due on the subject property. This is considered to be a liability against the subject property and, if passed on to a potential purchaser of the property, it would have the effect of decreasing the value of the property by an equal amount. This has ***not*** been taken into consideration in estimating the market value of the subject property; thus, the appraisal assumes that all delinquent taxes (and interest) are paid in full.

SPECIAL ASSESSMENTS
None

LIMITING CONDITIONS
Subject to those assumptions and limiting conditions contained in the "*Assumptions and Limiting Conditions*" section of this report.

PURPOSE OF THE APPRAISAL
The purpose of this appraisal is to provide the appraiser's opinion of the market value of the subject real property as of the effective date of the appraisal, September 13, 2025.

MARKET VALUE DEFINITION

Market value, as utilized in this appraisal, and as defined in The Appraisal of Real Estate, 15th Edition, published by the Appraisal Institute, 2020, page 48, is:

> The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress.

INTENDED USE AND USER OF REPORT

The intended user of this report is Mr. Bill Schumacher. Use of this report by others is not intended by the appraiser. This report is intended only for use in estimating the market value of the subject property for tax appeal purposes. It is not intended for any other use.

INTEREST VALUED

Fee simple interest in the total property. *Fee Simple Interest*, as defined in The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, 2022, page 73, is "absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."

REPORT SPECIFICATIONS

This report is prepared in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of The Appraisal Foundation, and the Code of Ethics and the Standards of Professional Practice of the Appraisal Institute.

EXTRAORDINARY ASSUMPTION

According to a deed recorded with Pima County with sequence number 20190110002, dated January 11, 2019, which is an updated to a deed with recorded docket 11754, page 2682 in July 2002, a portion of the subject property, with that portion being the conservation easement, appears to have transferred ownership to Pima County. This would reduce the size of the subject property approximately 5.95 acres. The Pima County assessor does not currently show this transfer of ownership, but does reflect a conservation easement. This appraisal is based on the extraordinary assumption that Pima County does not have fee ownership of the conservation easement area and that the size of the subject property listed on the Pima County assessor site is accurate. If it is found that Pima County does own this land area of the conservation easement, then the value in this report would be reduced by the reduction in size of the parcel. Per USPAP, use of this extraordinary assumption may have affected the assignment results.

EFFECTIVE DATE OF APPRAISAL

September 13, 2025

DATE OF INSPECTION

September 13, 2025

SCOPE OF THE APPRAISAL - PART II

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

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

This appraisal assignment has been completed in response to authorization by Mr. Bill Schumacher, in a contract executed by Mr. Thomas A. Baker, MAI, SRA, for Baker, Peterson, Baker and Associates, Inc. The assignment includes appraisal of the property herein described, and the preparation of a report which describes the property being appraised, analyzes appropriate data, and offers an opinion of the market value of the property as of the effective date specified in the report. The appraisal is prepared and reported according to the Uniform Standards of Professional Appraisal Practice of The Appraisal Foundation, the Code of Ethics, and the Standards of Professional Practice of the Appraisal Institute, and to those specifications provided by Pima County.

The intended user of this report is Mr. Bill Schumacher. Use of this report by others is not intended by the appraiser. This report is intended only for use in estimating the market value of the subject property for tax appeal purposes. It is not intended for any other use. The purpose of the appraisal is to provide the appraiser's opinion of the market value in fee simple interest of a specific property which has been previously identified in this report, and is referred to as the subject property, the subject, or the property.

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

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

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

The cost approach is not applicable in this analysis as the subject property is vacant land dedicated as open space. The income approach is not applicable in this analysis. Vacant land similar to the subject property is typically not purchased for their income producing ability. Therefore, the income approach is not applicable in this analysis.

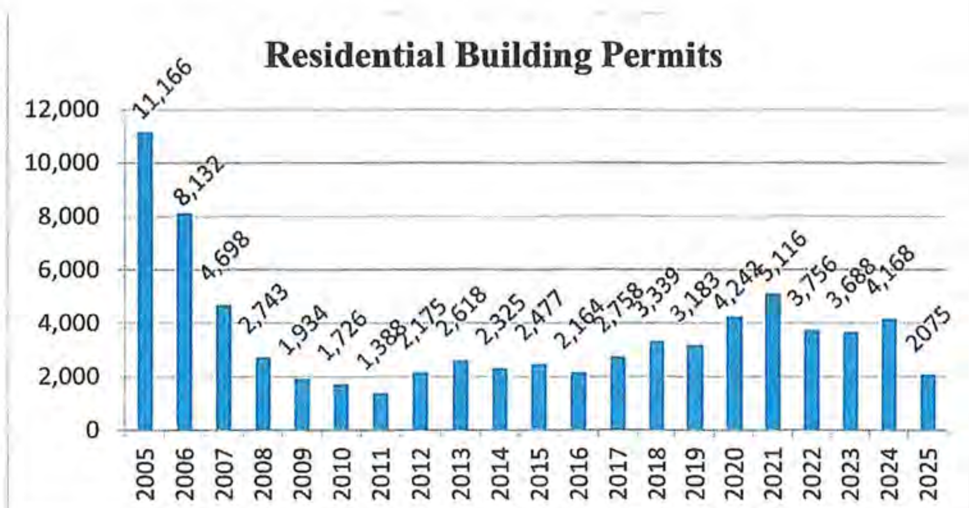
The sales comparison approach to value provided an opinion of market value of the subject property. To develop the opinion of value, the appraiser performed an appraisal process as defined by the Uniform Standards of Professional Appraisal Practice. This appraisal report is a brief recapitulation of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

Extraordinary Assumption – According to a deed recorded with Pima County with sequence number 20190110002, dated January 11, 2019, which is an updated to a deed with recorded docket 11754, page 2682 in July 2002, a portion of the subject property, with that portion being the conservation easement, appears to have transferred ownership to Pima County. This would reduce the size of the subject property approximately 5.95 acres. The Pima County assessor does not currently show this transfer of ownership, but does reflect a conservation easement. This appraisal is based on the extraordinary assumption that Pima County does not have fee ownership of the conservation easement area and that the size of the subject property listed on the Pima County assessor site is accurate. If it is found that Pima County does own this land area of the conservation easement, then the value in this report would be reduced by the reduction in size of the parcel. Per USPAP, use of this extraordinary assumption may have affected the assignment results.

DESCRIPTION OF REAL ESTATE APPRAISED - PART III

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

Starting in 2006, fewer single-family residential permits were issued due to the oversupply of lots and residential homes on the market at that time. According to the United States Census Bureau, Building Permits Survey, the Building permit activity declined steadily in the Tucson Metropolitan area declined from a peak in 2005 of 11,166 to a low of 1,388 in 2011 for all new single-family residential construction residential building permits. The number of permits remained mostly stable starting in 2013, and increased slightly in 2017 and again in 2018. The number of permits was mostly stable in 2019 but increased somewhat in 2020 and 2021 due to strong demand. During this time there was strong demand for residential properties due to low inventory; however, as interest rates rose during 2022, the number of permits declined in 2022 and again slightly in 2023. Due to higher interest rates, increase construction costs, and low inventory, residential demand has slowed compared to mid-2020 through mid-2022, with fewer sales and more limited construction. Construction remained more limited in 2023 and increased slightly in 2024. The 2025 data is through June 2025.



Office Market
Overall, the Tucson *office market* experienced net negative absorption of 21,257 square feet in the Second Quarter 2025, according to *CoStar*. This compares to net negative absorption of 55,831 square feet in the First Quarter 2025, net negative absorption of 6,089 square feet in the Fourth Quarter 2024, net positive absorption of 38,761 square feet in the Third Quarter 2024, net negative absorption of 60,874 square feet in the Second Quarter 2024, net negative absorption of 359,445 square feet in the First Quarter 2024, net positive absorption of 12,778 square feet in the Fourth Quarter 2023, net positive absorption of 93,522 square feet in the Third Quarter 2023, net positive absorption of 246,456 square feet in the Second Quarter 2023, net negative absorption of 57,614 square feet in the First Quarter 2023, net negative

absorption of 196,147 square feet in the Fourth Quarter 2022, net positive absorption of 147,587 square feet in the Third Quarter 2022, net negative absorption of 202,366 square feet in the Second Quarter 2022, net positive absorption of 177,312 square feet in the First Quarter 2022, net positive absorption of 101,715 square feet in the Fourth Quarter 2021, net positive absorption of 49,654 square feet in the Third Quarter 2021, net negative absorption of 117,324 square feet in the Second Quarter 2021, and net positive absorption of 40,331 square feet in the First Quarter 2021.

The following figure shows trends in the vacancy rates for office properties in Pima County through the Second Quarter 2025. The vacancy rate peaked in late 2013 and then declined through 2017. The vacancy rate remained mostly stable in 2018 and 2019 before increasing from early 2020 through mid-2021. The vacancy rate has fluctuated slightly since that time and most recently has remained mostly stable from mid-2024 through mid-2025, and was 10.7% in Second Quarter 2025.

Office Vacancy Rate

No new buildings were completed in Second Quarter 2025, First Quarter 2025 or Fourth Quarter 2024. This compares to one new building containing 8,019 square feet in the Third Quarter 2024, one new building containing 4,000 square feet in the Second Quarter 2024, no new buildings in the First Quarter 2024 and Fourth Quarter 2023, four new buildings containing 42,138 square feet in Third Quarter 2023, no new buildings in Second Quarter 2023, two new buildings containing 22,000 square feet in First Quarter 2023, two new buildings containing 27,988 square feet in Fourth Quarter 2022, one new building containing 18,462 square feet in Third Quarter 2022, two new buildings containing 50,945 square feet in the Second Quarter 2022, and three new buildings containing 168,216 in the First Quarter 2022.

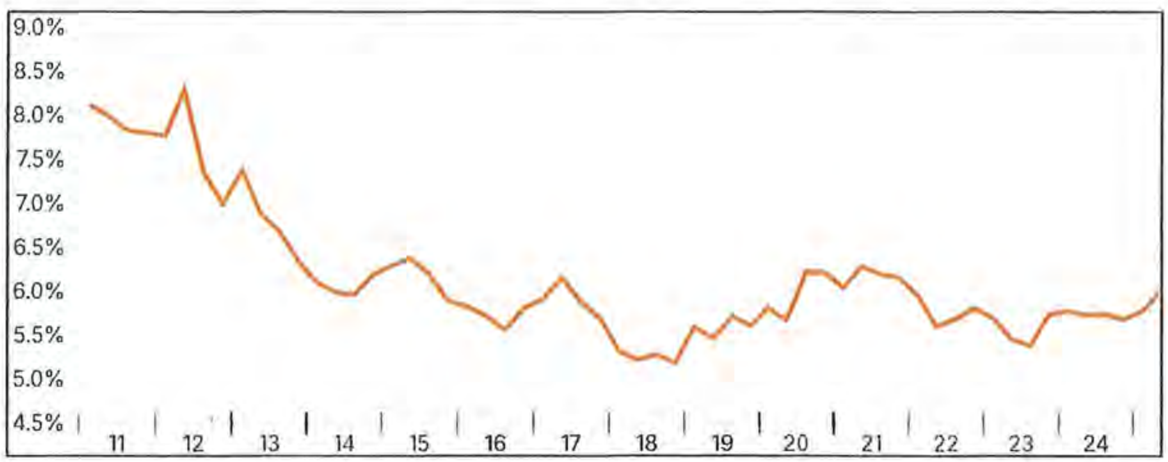
Market conditions for office properties stabilized around 2013 and remained slow but stable through 2019. Market conditions for office properties had started to slowly improve, primarily for office properties in high demand areas, smaller suites or buildings in many areas of Tucson, and newer office buildings in good condition. Demand remains limited for older and obsolete office buildings in particular. Covid-19 impacted work from home trends with changes in office demand with some offices returning to office in 2024 and the first half of 2025, while others continue to work from home. It is not yet known to what extent recent work from home trends will permanently impact office demand.

Retail Market

Retail space had maintained more constant levels of growth and absorption, with decreasing vacancy rates observed prior to mid-2007. In general, the market turned down starting at the end of 2007, and later remained stable and then slowly improved. In recent years, demand had increased for many types of retail properties and remained stable for less desirable retail uses. In March 2020, the Covid-19 pandemic impacted the world. After pausing in the immediate emergence of Covid-19, demand again increased for many retail property types and remained more stable for other property types. More recently demand remained stronger for some property types and more stable for others due to factors such as higher inflation and interest rates.

The following shows trends in the vacancy rate for retail properties in the Tucson market through the Second Quarter 2025, according to *Costar.*

Retail Vacancy Rate



This chart shows that the vacancy rate for retail properties increased through mid-2012. The retail vacancy rate declined from that time through 2018. The retail vacancy rate increased slightly from late 2018 through mid-2021 and then declined slightly in late 2022. The vacancy rate has remained generally stable in 2024 and increased slightly from 5.8% to 6.0% in the Second Quarter 2025.

There was net negative absorption of 93,204 square feet in the Second Quarter 2025, according to CoStar. This compares to net negative absorption of 53,297 square feet in the First Quarter 2025, net positive absorption of 192,760 square feet in the Fourth Quarter 2024, net positive absorption of 675 square feet in the Third Quarter 2024, net positive absorption of 63,887 square feet in the Second Quarter 2024, net negative absorption of 35,788 square feet in the First Quarter 2024, net negative absorption of 200,328 square feet in the Fourth Quarter 2023, net positive absorption of 72,185 square feet in the Third Quarter 2023, net positive absorption of 198,076 square feet in the Second Quarter 2023, net positive absorption of 163,532 square feet in the First Quarter 2023, net negative absorption of 98,625 square feet in the Fourth Quarter 2022, net positive absorption of 28,697 in the Third Quarter 2022, net positive absorption of 192,357 in the Second Quarter 2022, net positive absorption of 132,992 in the First Quarter 2022, net positive absorption of 13,656 square feet in the Fourth Quarter 2021, net negative absorption of 458 square feet in the Third Quarter 2021, net negative absorption of 114,076 square feet in the Second Quarter 2021, and net positive absorption of 129,326 square feet in the First Quarter 2021.

In the Second Quarter 2025, nine new retail buildings containing 41,248 square feet were completed. This compares to six new buildings containing 17,898 square feet in the First Quarter 2025, six new buildings containing 169,541 square feet in the Fourth Quarter 2024, two new buildings containing 4,056 square feet in the Third Quarter 2024, seven new buildings containing 45,918 feet in the Second Quarter 2024, eight new buildings containing 76,208 square feet in the First Quarter 2024, three new buildings containing 10,311 square feet in the Fourth Quarter 2023, ten new buildings containing 35,166 square feet in Third Quarter 2023, twelve new buildings containing 122,250 square feet in Second Quarter 2023, 17 new buildings containing 119,111 square feet in the First Quarter 2023, nine new buildings containing 35,788 square feet in Fourth Quarter 2022, 13 new buildings containing 86,137 square feet in Third Quarter 2022, five new buildings containing 20,933 square feet in Second Quarter 2022, and 12 new buildings containing 42,569 square feet in the First Quarter 2022.

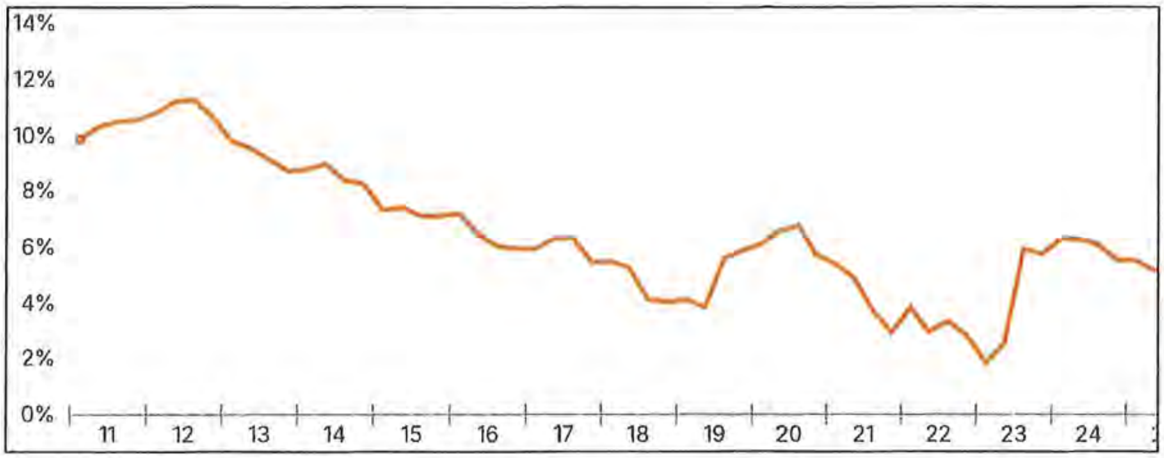
Prices and rents are stable or increasing in high demand areas or for high demand property types, although there remains limited demand for older retail properties in low demand areas. Since mid-2022, market conditions have remained increased slightly or remained generally stable for many properties as interest rates have risen and inflation increased.

Industrial Market

Tucson experienced rapid industrial growth from the late 70's to the mid-80s. Since then, there has been more limited new industrial development with a recent increase in mid-2020 through mid-2024. Most recently in Tucson, no new industrial buildings were completed in the Second Quarter 2025, according to CoStar. This compares to one new building containing 24,984 square feet in the First Quarter 2025, one new building containing 50,000 square feet in the Fourth Quarter 2024, no new buildings in the Third Quarter 2024, one new building containing 12,500 square feet in the Second Quarter 2024, four new buildings containing 40,000 square feet in the First Quarter 2024, one new building containing 244,889 square feet in the Fourth Quarter 2023, six new buildings containing 1,567,034 square feet in Third Quarter 2023, two new buildings containing 36,324 square feet in Second Quarter 2023, one new building containing 4,200 square feet in First Quarter 2023, three new buildings containing 329,539 square feet in the Fourth Quarter 2022, two new buildings containing 305,545 square feet in Third Quarter 2022, one new building containing 60,437 square feet in Second Quarter 2022, and one new building containing 50,000 square feet in the First Quarter 2022. Many of the buildings constructed in recent years are larger buildings.

The following chart shows trends in the industrial vacancy rate in Tucson through Second Quarter 2025, according to CoStar. The vacancy rate increased starting in mid-2023 but has remained generally stable since that time with a slight decline since mid-2024, and was 5.2% in the second quarter of 2025.

Industrial Vacancy Rate



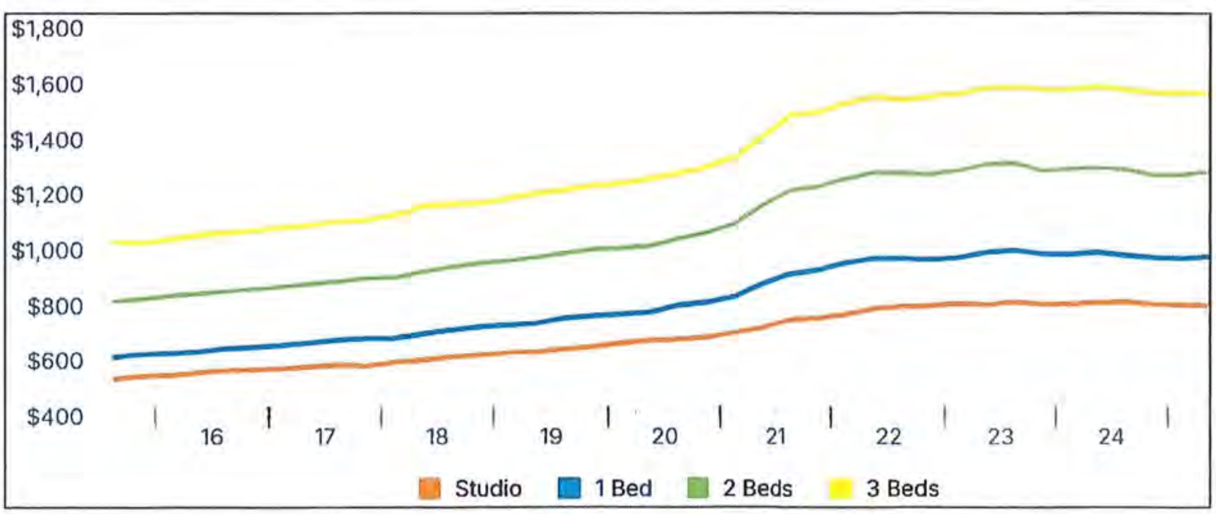
There was net positive absorption of 144,382 square feet in the Second Quarter 2025. This compares to net positive absorption of 31,201 square feet in the First Quarter 2025, net positive absorption of 272,554 square feet in the Fourth Quarter 2024, net positive absorption of 81,126 square feet in the Third Quarter 2024, net positive absorption of 18,240 square feet in the Second Quarter 2024, net negative absorption of 191,497 square feet in the First Quarter 2024, net positive absorption of 301,143 square feet in the Fourth Quarter 2023, net positive absorption of 144,909 square feet in Third Quarter 2023, net negative absorption of 234,128 square feet in Second Quarter 2023, net positive absorption of 391,361 square feet in the First Quarter 2023, net positive absorption of 515,844 square feet in the Fourth Quarter 2022, net positive absorption of 151,151 square feet square feet in the Third Quarter 2022, net positive absorption of 376,723 square feet in the Second Quarter 2022, net negative absorption of 284,298 square feet in the First Quarter 2022, net positive absorption of 501,223 square feet in the Fourth Quarter 2021, net positive absorption of 808,926 square feet in the Third Quarter 2021, net positive absorption of 216,162 square feet in the Second Quarter 2021, and net positive absorption of 135,293 square feet in the First Quarter 2021, according to *CoStar*.

Overall, the industrial vacancy rate increased through mid-2012. The vacancy rate declined from late 2012 through the first part of 2019 before increasing somewhat through mid-2020 before declining again through late 2021 with a general decline though 2022. In March 2020, the Covid-19 pandemic led to a shutdown of many businesses; however, the industrial market experienced strong demand during that time with changes in supply chains leading to increased demand for industrial properties. From mid-2020 through mid-2022 there were rising prices and rental rates, with limited available supply of modern space, and new construction started during that time. Demand has recent slowed somewhat and become more stabilized due to rising interest rates and construction costs, as well as the overall uncertainty in the market.

Multi-Family Market

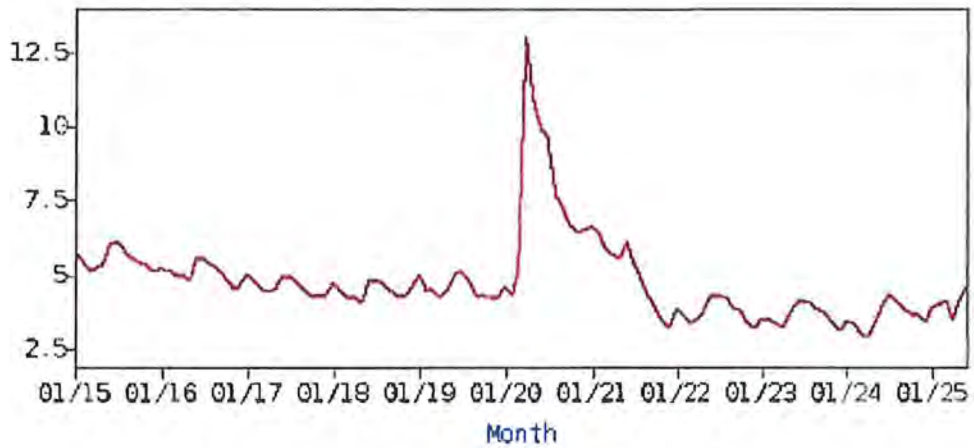
The following is the overall and stabilized vacancy rate for apartments in Tucson through the Second Quarter 2025. Vacancy rates for apartment properties in the Tucson Metropolitan area gradually declined through 2019 and then declined more quickly in 2020. The vacancy rate has increased since late 2021 and have been stable since mid-2024, and was 10.1% for stabilized properties and 10.8% for overall vacancy in Second Quarter 2025.

The following is the average effective rental rate per unit type for apartment properties through the Second Quarter 2025 in the Tucson market, according to CoStar. There was a significant increase in rents for all unit types in the first three quarters of 2021 followed by a general stabilization. The average rent was generally stable with minimal fluctuations through Second Quarter 2025.



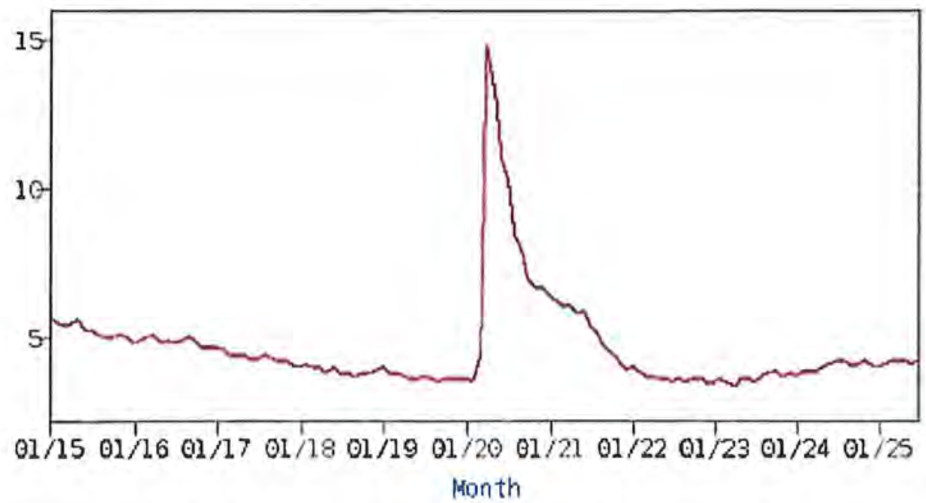
Market conditions for multi-family properties has increased significantly since mid-2020, with rapidly increasing rents, decreasing vacancy rates, and increased sales prices, with new construction and renovations during that time due to strong demand for apartments. Demand has slowed since mid-2022 recently due to increased interest rates as well as stabilization of rents and increasing vacancy rates.

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



This data shows that the unemployment rate in the Tucson metropolitan area had slowly been declining since early 2011. There was a slow steady decline in the unemployment rate over several years. However, the unemployment rate (not seasonally adjusted) was stable in 2019 with an increase early in the year. Due to the shutdown of many businesses due to Covid-19, unemployment began to increase significantly in mid-March 2020. The unadjusted unemployment rate was 4.3% in February 2020 and 5.2% in March 2020. This increased to a peak of 13% in April 2020, then declined slightly to 10.9% in May 2020 and 9.6% in July 2020. The unemployment rate declined to 7.7% in August 2020 and 6.6% in October 2020. The unemployment rate declined to 5.4% in July 2021, 3.2% in December 2021, and 3.2% in March 2022. The unemployment rate was 4.2% in August 2022, 3.3% in January 2023, 4.0% in August 2023, 3.3% in February 2024, 3.9% in January 2025, and 4.2% in May 2025.

According to the United States Department of Labor, Bureau of Labor Statistics, the national seasonally adjusted unemployment rate also increased through late 2009. The unemployment rate remained high and started to decline slowly in late 2010. The unemployment rate has declined and is below 2007 levels. The seasonally adjusted unemployment rate was 3.5% in February 2020 and 4.4% in March 2020. This increased to a peak of 14.8% in April 2020, then declined slightly to 13.2% in May 2020 and 10.2% in July 2020. The unemployment rate declined to 8.4% in August 2020 and 6.9% in October 2020. The unemployment rate declined to 6.4% in January 2021, 3.9% in December 2021, and 3.7% in March 2022. The unemployment rate was 3.6% in August 2022, 3.5% in December 2022, 3.7% in August 2023, 3.9% in February 2024, and 4.2% in May 2025.



Overall, the commercial real estate markets reveal that in early to mid-2020, most investors held a cautionary outlook due to the uncertainty of the government conditions and Covid-19. Market conditions have improved for many property types since that time, starting as early as mid-2020. Market conditions in early to mid-2020 were uncertain for some commercial property types, while demand remained for many other property types that are less impacted by Covid-19. Market conditions for single-family and multi-family properties has increased significantly starting at that time, while demand for many commercial uses, particularly those most impacted by Covid-19, were uncertain and stable for longer but increased for many other commercial uses. Demand remained strong for most property types, particularly single family residential, multi-family residential, and industrial uses. As interest rates increased starting in mid-2022, demand slowed and market conditions became more uncertain for most property types, with more stable demand through mid-2025. There remains limited supply on the market for most property types. The long-term result should be a more balanced level of supply and demand - more conducive to steady long-term development. Factors such as climate, health and educational facilities, and the availability of housing are positive influences which will result in long-term economic growth for metropolitan Tucson.

MARKET AREA

The market area is that area known as the northwest side, located in the town of Oro Valley, an incorporated township which is situated north of the Tucson city limits. The neighborhood incorporates the planned unit development area known as Rancho Vistoso, west of State Highway 77, north of Tangerine Road, east of La Cholla Boulevard, and south of Honey Bee Canyon, where multi-million dollar homes on large parcels have been constructed. Existing property types in the neighborhood include single family residences on large parcels, planned unit developments, some limited multi-family residential use, patio homes, and master-planned communities such as Rancho Vistoso.

The market area contains the Rancho Vistoso Center and several medical and related type improved properties. Between Rancho Vistoso Boulevard on the north and Tangerine Road on the south is the Innovation Park development, including Ventana Medical Systems, the Northwest Medical Center Hospital, and a considerable number of projects in process. Major retail development has occurred in the Oro Valley Marketplace at Tangerine and Oracle Roads and along Oracle Road in the area of First Avenue. Some of the main stores at Oro Valley Marketplace opened in the fall of 2008. This includes a Walmart Supercenter and other national chain stores, with vacant land and pads available for additional construction. The Oro Valley Marketplace has recently received approvals for changes to allow development that will now include hotels and apartments within the development. There has been additional retail development along Oracle Road, with significant development at Oracle Road and First Avenue. North of that is Steam Pump Village, a commercial development on the west side of Oracle Road.

There was an increase in recent years of development of medical facilities in the general area in connection with the Oro Valley Hospital. This includes private medical and specialty doctor and dental offices. East of Oracle Road is government-owned land in the Coronado National Forest. There is ample vacant land in the general area for continued growth in the foreseeable future. Demand for vacant land had slowed significantly after 2008 during the recession but has increased again in recent years as market conditions continue to improve. Improve. There is limited vacant land in the area for new residential development, with strong demand for residential uses.

SITE DESCRIPTION

The site is an irregular shaped interior property with a length of 2,980.43 feet along the northern property line. The south, east, and western property lines zig-zag with various lengths. Generally, the site has a maximum north/south depth of about 1,780 feet which is in the western portion of the site. The site contains a total area of 65.44 acres (2,850,566 square feet), per the Pima County Assessor. There is no vehicle access to the site. Access to the site is through hiking trials that are located on the property and connect with adjacent properties. The topography is rolling with very steep portions and overall sloping in a southeasterly direction. The most gently sloping portion of the site is the western portion where an unnamed wash traverses through the site. Soil conditions appear to be typical of the area. Properties bordering the subject property include; high density residential uses to the west, and a combination of both vacant residential land designated as open space and medium density residential uses to the north, south, and east.

Utilities available to the property include electric (Tucson Electric Power Company), which is in close proximity to the site, and telephone (CenturyLink). Water with the Town of Oro Valley, and sewer with Pima County Waste Water Management are located in Rancho Vistoso Boulevard to the north and east. There is no known easements for bringing any utilities to the site, therefore, there are no utilities to the property. Any development of the site would require an engineering study to determine the availability and adequacy of utilities.

According to FEMA Flood Insurance Rate Map 04019C1080L, dated June 16, 2011, and LOMR Revision 20-09-2035P completed in the southern portion of the site and dated August 15, 2019, the majority of the site is located in Zone X (unshaded) which are areas determined to be outside the 0.2 percent annual chance floodplain (see Exhibits). A smaller portion of the site on the eastern end is located in Zone A which is a Special Flood Hazard Area subject to inundation by the 1% annual chance flood with no base flood elevations determined. There is an unnamed wash which traverse through the western portion of the site and has an erosion hazard setback area of 25 feet. The property is in a seismic zone which is considered to have a low probability of seismic activity. There are no known easements or encumbrances that adversely affect the subject property.

ZONING

Zoning for the subject property is Rancho Vistoso PAD (Planned Area Development), Town of Oro Valley. The subject property is located within the Rancho Vistoso Development consisting of land uses for low, medium, and high density residential uses, along with commercial, recreational, and open space uses.

LAND USE DESIGNATION

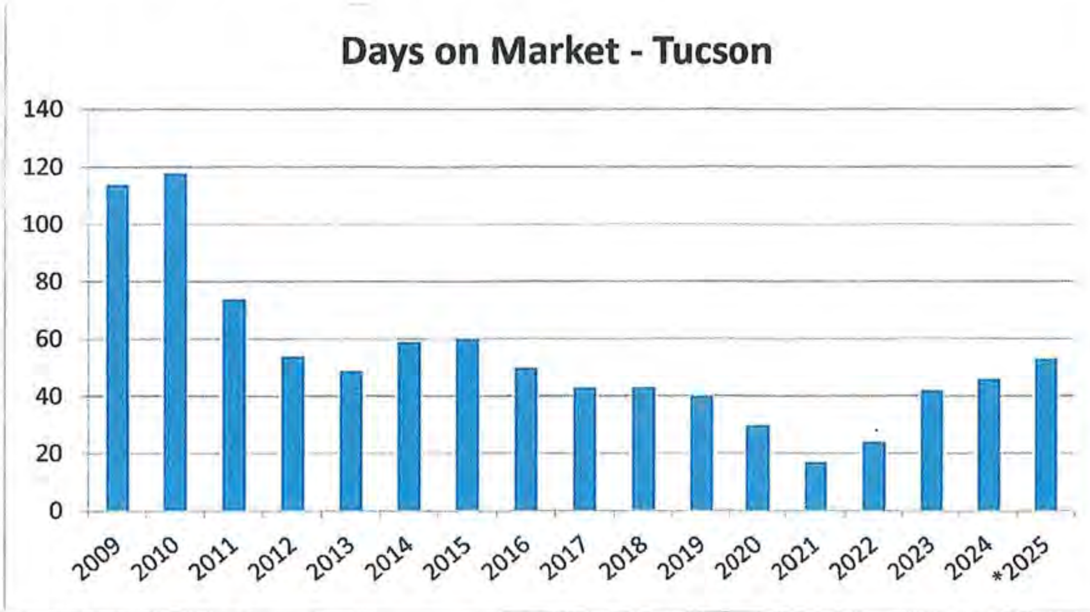
The subject property is designated as Open Space within the Rancho Vistoso Planned Area Development, according to the Town of Oro Valley. The Rancho Vistoso Planned Area Development designates land for Open Space that are designed to preserve natural and undisturbed areas such as washes, drainages, and other natural features, and provide passive recreational opportunities such as trails for pedestrians, equestrians, and cyclist. Land, such as the subject property, is required by the Town of Oro Valley to be designated and set aside as open space in a Planned Area Development, such as Rancho Vistoso.

A portion of the subject property is subject to a conservation easement that is located in the northeast corner of the site, adjacent to Honey Bee Canyon Park. The appraiser has estimated the easement area using the Pima County GIS. The conservation easement has an area of approximately 5.95 acres (259,010 square feet). This conservation easement does not adversely affect the subject property (see ***Extraordinary Assumption***).

MARKET PROFILE – RESIDENTIAL

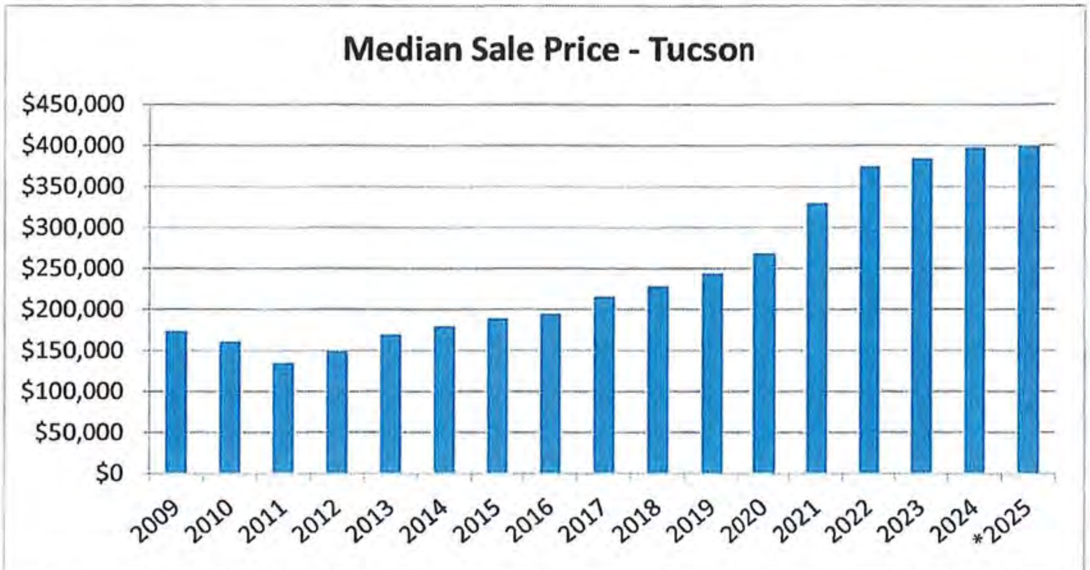
Starting in mid-2006, the market began to slow, and this trend continued into 2007, with a further slowdown in 2008 through 2010. Prices for residential properties leveled off and then decreased in all market areas. The demand for homes began to decline and fewer homes were purchased. The median price for homes also declined during this time. From 2011, there has been a steady recovery in the residential housing market, in all market areas. Market conditions for single-family residences increased significantly starting in mid-2020 due to largely in part to low interest rates and extremely limited inventory.

The following are the average number of days on the market for sold single-family residences in the Tucson Market from 2009 through the second quarter of 2025, according to Multiple Listing Service (MLS). This data indicates that the average days on the market for single-family residences increased from 2009 and peaked in 2010. Beginning in 2011, the number of days on market dropped significantly and was mostly stable from 2012 through 2019. The number of days on market decreased in 2020 and 2021, with a substantial reduction in 2021. The days on market have generally been trending slightly upwards from 2022 through the second quarter of 2025. While inventory of homes is still low, the effect of interest rate increases has led to an increase in marketing time from the prior years when interest rates were at historically low levels.



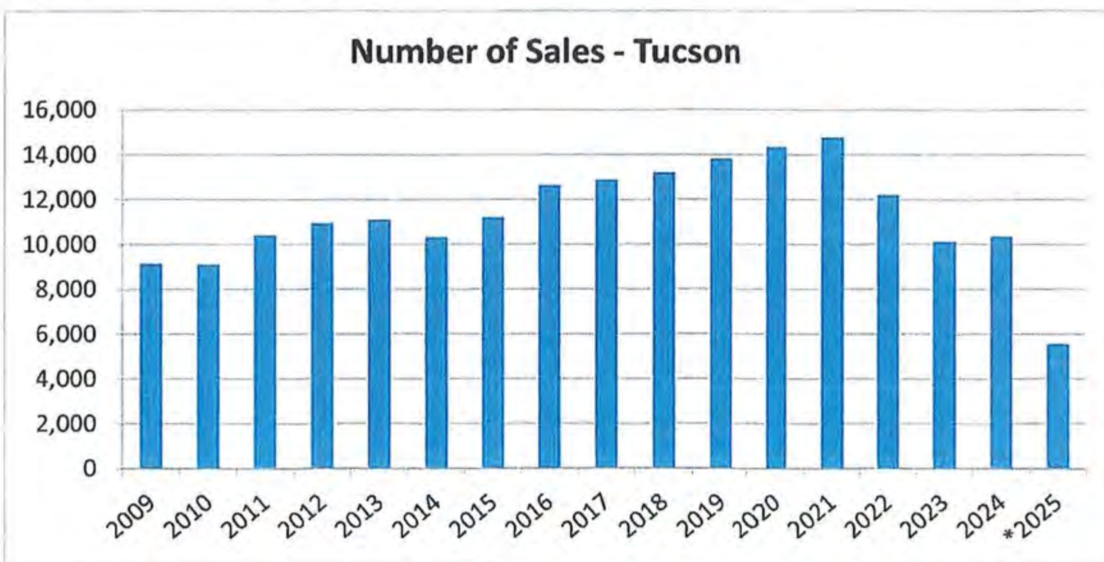
***through second quarter**

The following is the median sale price for single-family residences for the Tucson market from 2009 through the second quarter of 2025, according to MLS. Beginning in 2012, the median sales price for single family residences in the Tucson market gradually increased on a year over year basis, continuing through the year end of 2023, with the rate of increase slowing from 2022 to 2023 compared to the previous years. Median sale prices from 2024 through the second quarter of 2025 have remained relatively stable.



***through second quarter**

The following is the number of sales of single-family residences in the Tucson Market from 2009 through the second quarter of 2025, according to MLS. The number of sales overall trended upwards from 2010 through 2021. Sales dropped in 2022 and 2023, with sales remaining generally stable in 2024. The 2025 data is for the first half of the year and is generally consistent with the prior year.



***through second quarter**

The following is the median sale price for single-family residences from 2009 through the first half of 2025 in the subject sector, Northwest, according to MLS. This data indicates that the median sale price in the sector declined from 2009 through 2011. Beginning in 2012, the median sales price has steadily increased every year in the subject sector through the first half of 2025. The rate of increase was higher from 2020 through 2022, followed by a slower rate of increase from 2023 through the first half of 2025

***first half 2025**

The following is the number of sales of single-family residences from 2009 through the first half of 2025 in the subject sector, Northwest, according to MLS. This data indicates that the number of sales overall increased from 2009 through 2016, with a slight decline in 2014. The number of sales dropped in 2017 and overall was relatively stable through 2021. The number of sales have more recently experienced an over decline from 2022 through 2024.

***first half 2025**

Prices for some types of homes, particularly in homes priced below $300,000 had increased slowly starting in 2013. Starting in mid-2020, there was increased demand for residential uses due to low interest rates, the increase in available "remote" occupations, and a generally low amount of inventory for homes priced below $300,000 placing upward pressure on home prices. Home prices had increased significantly, and at a rapid pace, from mid-2020 through mid-2022. At this time, there was strong demand by builders for finished lots or residential land that could be developed with a subdivision, with many land purchases. There was a preference by builders for finishes or platted lots, although some land was purchased by builders or investors for development of future subdivisions. However, interest rates increased starting in 2022, which has slowed some of the housing activity as potential market participants wait to see how the market reacts before listing or purchasing a home. There are indications of slightly longer marketing period. Prices appear to have become more stable with the previous rapid increase in prices having slowed dramatically. The long-term result should be a more balanced level of supply and demand - more conducive to steady long-term development.

Exposure/Marketing Time

Marketing time in this appraisal, is defined as: "An opinion of the amount of time it might take to sell a property interest at the concluded market value level or at a benchmark price during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which precedes the effective date of an appraisal." [1]

The reasonable *exposure time* is the period a property is on the market until a sale is consummated and as utilized in this appraisal, is defined as: "The time a property remains on the market; An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal." [2]

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

Highest and Best Use

The Seventh edition of The Dictionary of Real Estate Appraisal (Appraisal Institute; 2022, p. 88), defines highest and best use as: "The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity."

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

Highest and Best Use as Vacant

Legal Considerations

The subject property is designated as Open Space within the Rancho Vistoso Planned Area Development, according to the Town of Oro Valley. The Rancho Vistoso Planned Area Development designates land for Open Space that are designed to preserve natural and undisturbed areas such as washes, drainages, and other natural features, and provide passive recreational opportunities such as trails for pedestrians, equestrians, and cyclist. Land, such as the subject property, is required by the Town of Oro Valley to be designated and set aside as open space in a Planned Area Development, such as Rancho Vistoso.

The subject property is subject to a conservation easement that is located in the northeast corner of the site, adjacent to Honey Bee Canyon Park. The appraiser has estimated the easement area using the Pima County GIS. The conservation easement has an area of approximately 5.95 acres (259,010 square feet).. This conservation easement does not adversely affect the subject property (see ***Extraordinary Assumption***).

Therefore, the subject property can legally only be utilized as open space.

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1. The Dictionary of Real Estate Appraisal (Appraisal Institute, Seventh Edition, 2022), p. 116

2. Ibid, p. 67

Physical Considerations
The site is an irregular shaped interior property with a length of 2,980.43 feet along the northern property line. The south, east, and western property lines zig-zag with various lengths. Generally, the site has a maximum north/south depth of about 1,780 feet which is in the western portion of the site. The site contains a total area of 65.44 acres (2,850,566 square feet), per the Pima County Assessor. There is no vehicle access to the site. Access to the site is through hiking trials that are located on the property and connect with adjacent properties. The topography is rolling with very steep portions and overall sloping in a southeasterly direction. The most gently sloping portion of the site is the western portion where an unnamed wash traverses through the site. Soil conditions appear to be typical of the area. Properties bordering the subject property include; high density residential uses to the west, and a combination of both vacant residential land designated as open space and medium density residential uses to the north, south, and east. Utilities available to the property include electric (Tucson Electric Power Company), which is in close proximity to the site, and telephone (CenturyLink). Water with the Town of Oro Valley, and sewer with Pima County Waste Water Management are located in Rancho Vistoso Boulevard to the north and east. There is no known easements for bringing any utilities to the site, therefore, there are no utilities to the property. Any development of the site would require an engineering study to determine the availability and adequacy of utilities.

According to FEMA Flood Insurance Rate Map 04019C1080L, dated June 16, 2011, and LOMR Revision 20-09-2035P completed in the southern portion of the site and dated August 15, 2019, the majority of the site is located in Zone X (unshaded) which are areas determined to be outside the 0.2 percent annual chance floodplain. A smaller portion of the site on the eastern end is located in Zone A which is a Special Flood Hazard Area subject to inundation by the 1% annual chance flood with no base flood elevations determined. There is an unnamed wash which traverse through the western portion of the site and has an erosion hazard setback area of 25 feet. The property is in a seismic zone which is considered to have a low probability of seismic activity. There are no known easements or encumbrances that adversely affect the subject property.

The subject property is designated as open space within Rancho Vistoso and can only be developed with passive recreational uses such as trails for pedestrians, equestrians, and cyclist.

Financial Feasibility
Open space is typically more desirable for interior properties as they are used to support the surrounding development and are better positioned for passive recreational uses that can connect with adjacent properties. The subject property could be developed with passive recreational uses, such as trails for pedestrians, equestrians, and cyclist. This is the only legally and physically possible use of the site.

Maximally Productive
Therefore, the maximally productive highest and best use of the subject is to be utilized as open space.

SUMMARY OF ANALYSIS AND VALUATION - PART IV

SALES COMPARISON APPROACH

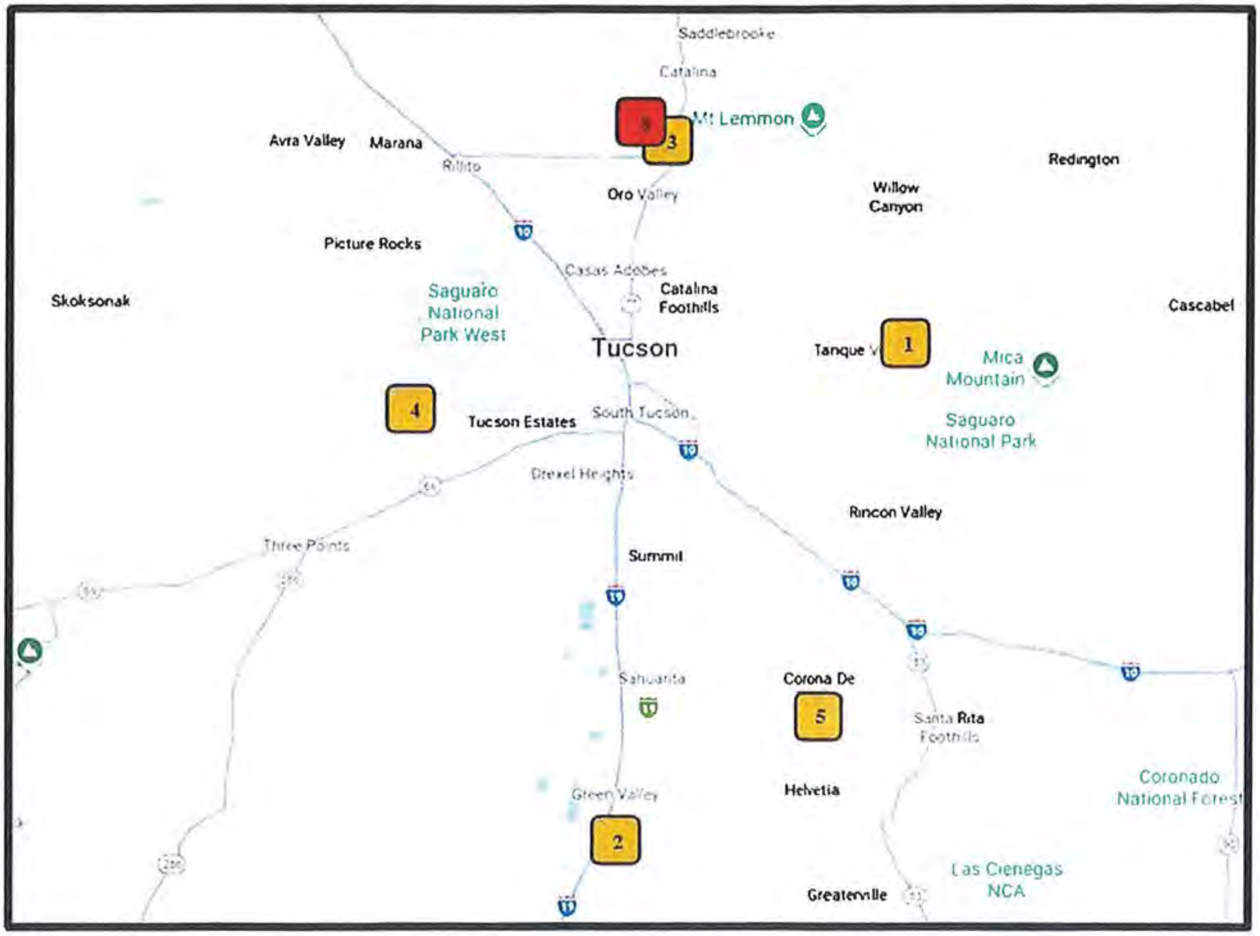
The sales comparison approach to value considers what a typical well-informed purchaser would pay for a property, based on an analysis of similar properties. This approach reflects the application of the principle of substitution, which affirms that when a property can be replaced, its value tends to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

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

Table of Comparable Land Sales

Sale No.	Sale Date	Property Location	Sale Price	Site Size (Acres)	Price/ Acre	Zoning
1.	05/21	North of Redington Road, east of El Camino Rinconado	$975,000	141.36	$6,897	SR
2.	08/21	East and west side of Camino De La Canoa, and the north side of Camino De Rondo	$852,250	136.36	$6,250	RH
3.	08/23	Northwest corner of Oracle Road and Tangerine Road	$300,000	22.31	$13,447	PAD
4.	04/25	East of Sandario Road, north of the Bopp Road alignment	$209,000	40.90	$5,110	RH
6.	Escrow	East side of Canyon Edge Trail alignment, south of Trailblazer Way	$285,000	39.53	$7,210	RH
		Subject Property		**65.44**		**PAD**

COMPARABLE LAND SALES LOCATION MAP



Subject:	**South side of Honey Bee Canyon Park, east of Rancho Vistoso Boulevard**
Sale 1:	North of Redington Road, east of El Camino Rinconado
Sale 2:	East and West side of Camino De La Canoa, and the north side of Camino De Rondo
Sale 3:	Northwest corner of Oracle Road and Tangerine Road
Sale 4:	East of Sandario Road, north of the Bopp Road alignment
Sale 5:	The east side of the Canyon Edge Trail alignment, south of Trailblazer Way, Pima County

COMPARABLE LAND SALES

LAND COMPARABLE NUMBER ONE (SALE)	ID: SR 0791 8195
LOCATION:	North of Redington Road, east of El Camino Rinconado
LEGAL DESCRIPTION:	Lots 1-42 and Common Areas A and B, Estates at El Sereno, Pima County, Arizona
STATE TAX PARCEL:	205-39-0380 through -0810
RECORD DATA:	Fee number 20211480478
DATE OF SALE:	May 28, 2021
SELLER:	Title Security Agency, LLC
BUYER:	Pima County Flood Control District
CONFIRMED BY:	Jeff Teplitsky, Pima County (520-724-6306) TAB; June, 2022
LAND DESCRIPTION:	The site is an irregular shaped property consisting of 42 platted lots with two common areas. The property contains a total land area of 141.363 acres, according to the subdivision plat. The subdivision has access from Camino Cascabel, which provides access from Redington Road to the south to the southwest corner of the subdivision. Camino Cascabel is a private/public street near Redington Road and then becomes a private ingress/egress/utility easement roadway. Camino Cascabel is paved south of the site but has a width of only 20 feet, narrowing to 15 feet. This pavement will need to be widened in this area in order to meet subdivision street requirements. The last approximately 1,600 linear feet of Camino Cascabel up to the property line is a dirt roadway. This roadway will need to be paved to provide paved access to the subdivision. The subdivision plat includes a subdivision street that has not yet been developed but would need to be constructed to provide access to each of the lots. The individual lots range in size from approximately one acre to approximately 100,000 square feet or 2.30 acres. The topography is generally sloping in a southerly direction. The topography of the subdivision varies, with some areas more level. There are more elevated

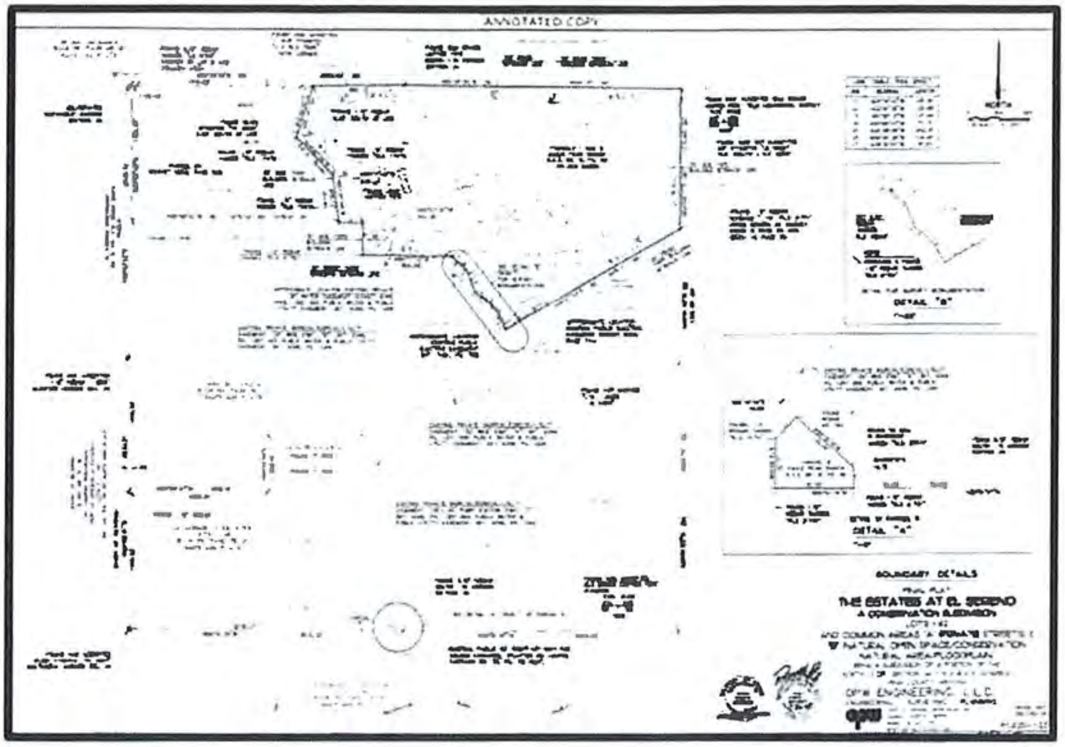
areas with more sloping topography. Because of this, some lots are lower in elevation. The easternmost lots are lower in elevation, with an elevated area to the west of this area. Views vary depending on location and elevation, with some lots being lower and having some mountain views, with other lots more elevated and having both mountain views and valley views as well.

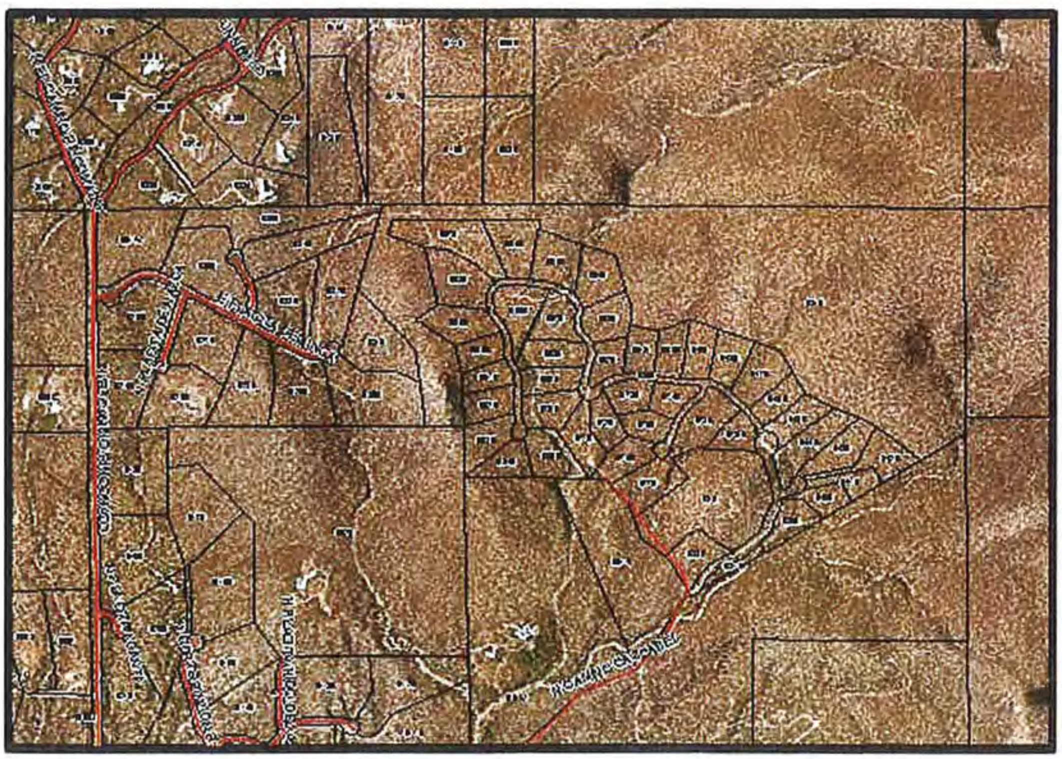
Electric and telephone are available near the property line, with various utility easements. Public water is located to the south at Redington Road. It is proposed that a water line be brought approximately 4,200 feet from Redington Road to the property adjacent to the Camino Cascabel Road. Due to the elevation of the lots above the land to the south, a pump station would have to be constructed to the south, with this pump station adjacent to Camino Cascabel. This pump station would be need to be maintained by the homeowner's association in the future. Public sewer is not available to the area, and the lots would be developed with private septic systems.

According to FEMA Flood Insurance Rate Map 04019C1740ML, dated September 28, 2012, the land is located in Zone X (unshaded) which are areas determined to be outside the 0.2 percent annual chance floodplain. The Old Grandad Wash crosses the western portion of the property. There is an unnamed wash along the eastern property line and another unnamed wash in the central-east portion of the subdivision. These washes all cross multiple lots. Development of 18 of the lots requires regional flood control district review and approval, per the subdivision plat. Some local floodplain and erosion hazard setback area is located within the common area.

NUMBER OF LOTS:	42 lots
LAND AREA:	141.363 acres (42 lots and 2 common areas)
ZONING:	SR - Pima County (see comments)
REPORTED SALE PRICE:	$975,000
PRICE PER LOT:	$23,214

PRICE PER ACRE:	$6,884
MARKETING TIME:	About 1 year
TERMS OF SALE:	Trade with Pima County obtaining this property and the seller obtaining a property owned by Pima County having a similar value.
PRIOR SALE:	This property sold at a below market price. The property had been in escrow at $1,300,000 until that deal fell through. It went into another escrow in early 2020 at $1,075,000 but then subsequently fell out of escrow again. The seller decided after this escrow fell through to sell off the property at a quick sale price in order to complete a quick sale of the parcel. The property sold below market at a price of $600,000 on July 15, 2020.
CONDITIONS OF SALE:	This sale is reported to have occurred under normal market conditions involving a trade after appraisals completed on the two properties involved in the trade.
INTENDED USE:	Open Space
COMMENTS:	According to the subdivision plat, the subdivision is subject to the Hillside Development Overlay Zone. The property is a platted residential subdivision. This has been developed with the conservation subdivision development option that allows for development at the density allowed under the existing zoning, with the lots clustered into smaller lots than would typically be allowed under the zoning and the remaining land conserved as open space areas. Based upon high off site and on-site development costs, it was not economically feasible to develop this property as a subdivision. The only potential development of this property would be to abandon the subdivision plat and develop under the existing SR zoning. Due to the sloping topography, the property would probably not be developed with more than 15 large homesites. This transaction involved a trade where this property was appraised at $975,000 by Pima County and a parcel of land owned by Pima County was appraised at $950,000. Based upon similar values, a trade for the 2 properties was completed.


ANNOTATED COPY
THE ESTATES AT EL SERENO
A CONSERVATION SUBDIVISION
DETAIL "A"
DETAIL "B"



LAND COMPARABLE NUMBER TWO (SALE) ID: RH 0453 8031

LOCATION:	East and West side of Camino De La Canoa, and the north side of Camino De Rondo
LEGAL DESCRIPTION:	Lots 1, 4, and 5, Continental Farm-G, Pima County, Arizona
STATE TAX PARCEL:	304-18-9550; -9560; -9570
RECORD DATA:	20212160519
DATE OF SALE:	August 4, 2021
SELLER:	DD GV 136 LLC (50%) & APBP GV 136 LLC (50%)
BUYER:	Pima County Flood Control District
CONFIRMED BY:	Jeff Teplitsky, Pima County (520-724-6306) TFH; August, 2021
LAND DESCRIPTION:	The site is a mostly rectangular shaped interior property with a total length of 3,637.87 feet along the southern property line, a width of about 1,300 feet along the western property line, and a maximum width of 1,967.61 feet along the eastern property line, according to Pima County Assessor's map and GIS information (see Exhibits). It contains a total area of 136.36 acres, per Pima County Assessor's records. It is located on the east and west sides of Camino De La Canoa and the north side of Camino De Rondo. Camino De La Canoa bisects the property in a north-south direction and then turns to the east along the southern property line, becoming Camino De Rondo. Both Camino De La Canoa and Camino De Rondo are rough graded dirt roads at the subject property. Camino De La Canoa is a two-lane, asphalt paved street to the north of the subject with the pavement ending north of Silver Sky Place, approximately 800 feet to the north of the subject property's northern property line. Any subdivision that would be developed on the property would require the developer to pave Camino De La Canoa from the end of the existing pavement to the subject property.

The topography of the property ranges from level, rolling to steeply sloping, with the highest point at the southeast corner. The mostly level areas are at the westerly portion of the site. Any residential lots developed on the property would require extra development costs due to this topography. The property slopes down from this ridgetop to the northwest. Soil conditions appear to be typical of the area. Properties bordering the subject property include vacant land to the south and east, Union Pacific Railroad tracks followed by a pecan farm to the west, and low density single family residences followed by vacant land with a planned subdivision to the north.

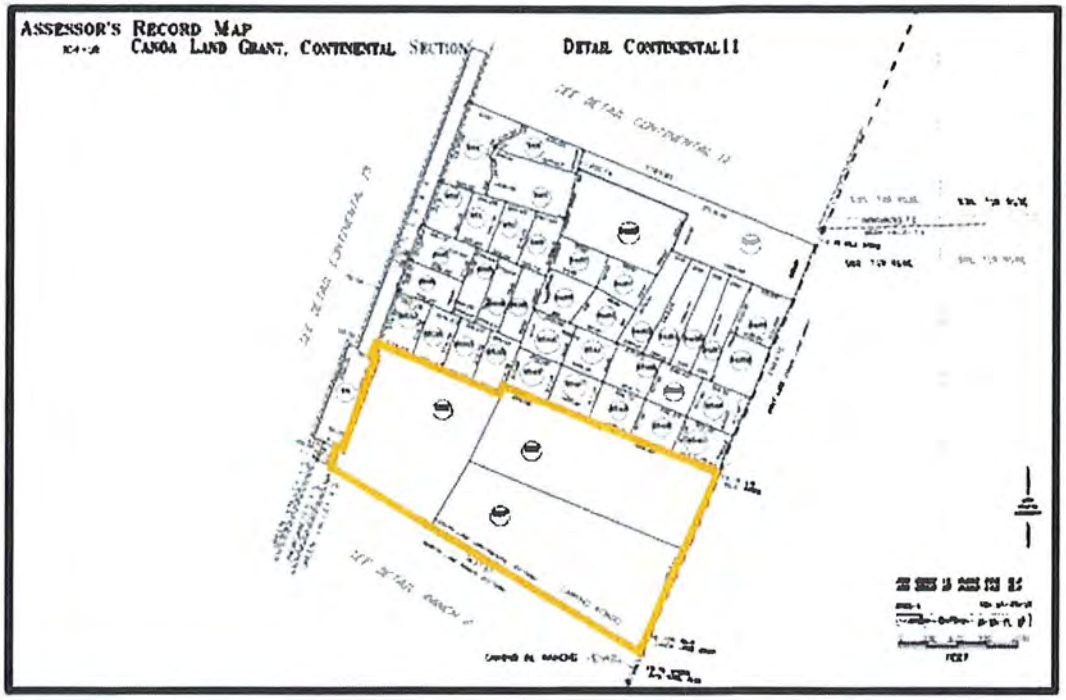
Utilities available in the area include electric (Tucson Electric Power Company) and telephone (CenturyLink) and are located about 500 feet to the north of the subject's northern property line. The property is not currently served by the Pima County Wastewater Department. The property is located within the obligated service district for Farmers Water Company. The nearest water lines to the subject consist of a 6 inch diameter water line location along Camino De La Canoa, approximately 500 feet from the subject's northern property line. There are no public sewer system services in the vicinity of the subject property. The property would be developed with private septic systems.

According to FEMA Flood Insurance Rate Map 04019C3965L, dated June 16, 2011, the subject property is identified as being located in Special Flood Hazard Area Zone X which are areas determined to be outside the 0.2 percent annual chance floodplain (see Exhibits). There is an unnamed wash that transverses the subject land in the northern portion of the site that mostly goes in an east-westerly direction that has a 50 foot erosion hazard setback. This portion of the subject that this wash transverses is also located in a Flood Control Resource Area. There are also two smaller washes with 25 foot erosion hazard setbacks; one is located in the southwest portion of the site and the other is to the north of the larger wash and runs in a parallel direction. The area of the larger wash is located in a riparian area identified as Xeroriparian C which matches the area designated as a Flood Control

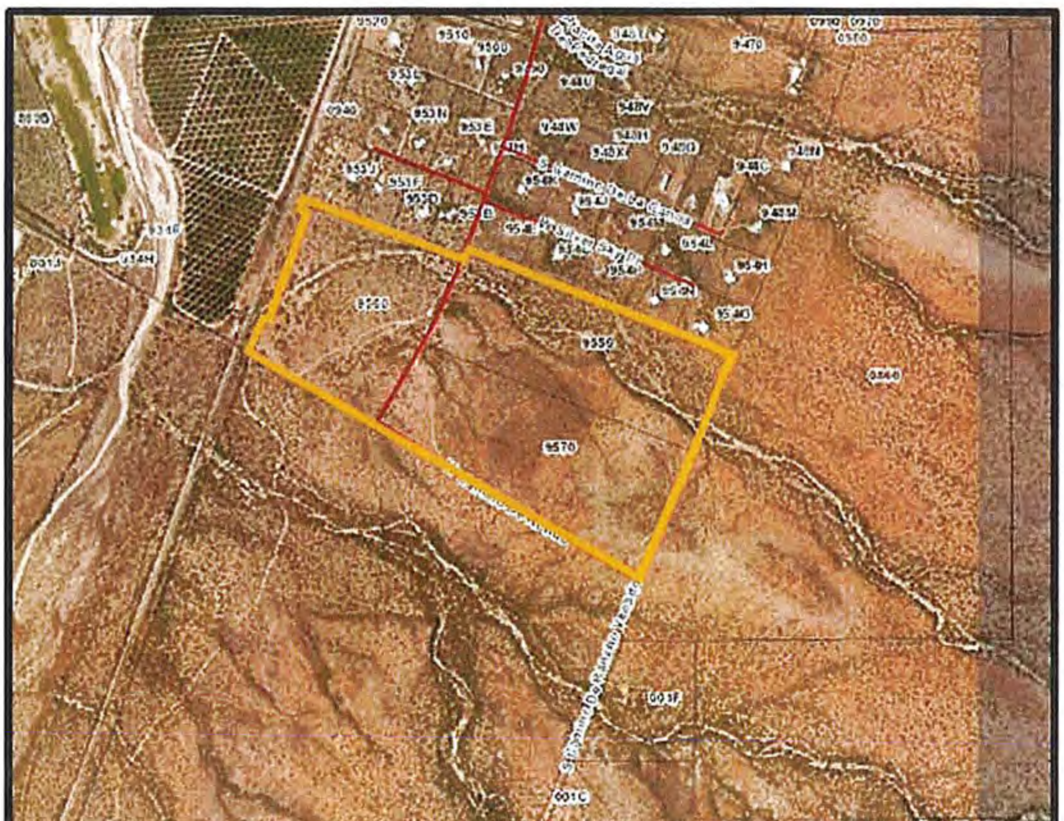
Resource Area. The property is in a seismic zone which is considered to have a low probability of seismic activity.

A biological survey by Pima County indicates the property falls under two categories of the Pima County Conservation Land System (CLS) for environmentally-sensitive lands. The majority of the subject property (84%, or 114.44 acres) is within a Biological Core Management Area which are areas designated for their potential to support high value habitat for 5 or more priority vulnerable species. A portion of the site (16%, or 21.69 acres) is within a Multiple Use Land Management Area which are areas designated for their potential to support high value habitat for three to four priority vulnerable species.

LAND SIZE:	136.36 acres
ZONING:	RH (Pima County)
REPORTED SALE PRICE:	$852,250
PRICE PER ACRE:	$6,250
TERMS OF SALE:	This was an all cash to the seller transaction.
PRIOR SALE:	Records of the Pima County Assessor indicate that no transaction has occurred within three years of the date of valuation.
CONDITIONS OF SALE:	This sale is reported to have occurred under normal market conditions.
INTENDED USE:	Open Space
COMMENTS:	The majority of this property was part of a biological core management area, which is a category under conservation land systems.



ASSESSOR'S RECORD MAP
CANOA LAND GRANT, CONTINENTAL SECTION
DETAIL CONTINENTAL II

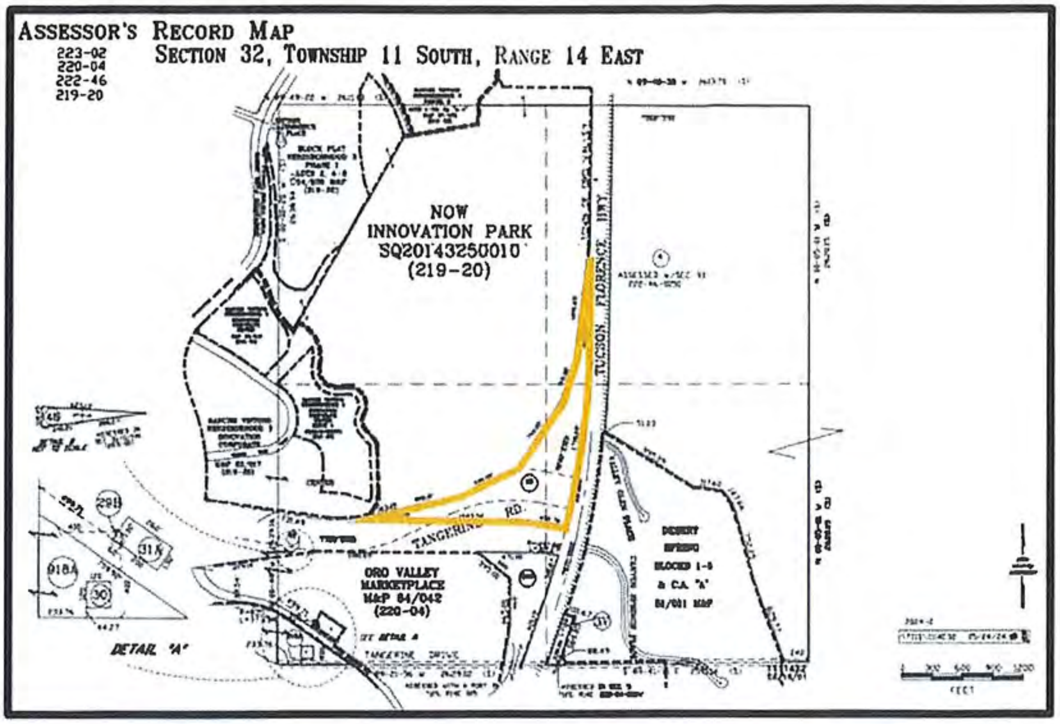


LAND COMPARABLE NUMBER THREE (SALE) ID: ORO 0228 8549

LOCATION:	Northwest corner of Oracle Road and Tangerine Road
LEGAL DESCRIPTION:	A portion of Lot 1, Rancho Vistoso Neighborhood 3, Innovation Corporate Center, Block 4, Pima County, Arizona
STATE TAX PARCEL:	222-46-0180
RECORD DATA:	Fee number 2023-2220818
DATE OF SALE:	August 10, 2023
SELLER:	Arizona Department of Transportation
BUYER:	VWI/Vistoso Partners, LLC
CONFIRMED BY:	Karen Farrel, buyer's representative (520-392-8832) DFO; December, 2024 Donna Bentley, seller's representative (602-712-8808) DFO; December, 2024
LAND DESCRIPTION:	This site is a somewhat triangular shaped property with approximately 1,940 feet of frontage on Tangerine Road along the southern border and approximately 2,750 feet of frontage on Oracle Road along the eastern border. There is no current access points from either Tangerine Road or Oracle Road, however, there is access from the both Tangerine Road and Oracle Road to the subject property from the adjacent parcels to the north and west of the that are under the same ownership. Tangerine Road is a four-lane, asphalt-paved roadway with a center median, bike lanes, but no concrete curbs, sidewalks, or streetlights in the vicinity of this property. Tangerine Road has a 2023 traffic count of 11,050 vehicles per day in the vicinity of this property according to the Pima County Associations of Government information. Oracle Road is a six-lane, asphalt-paved roadway with a center median, bike lanes, but no concrete curbs, sidewalks, or streetlights in the vicinity of this property. Oracle Road (SR-77) has a 2023 traffic count of 33,817 vehicles per day in the vicinity of this property according to the Arizona Department of Transportation information. The

intersection of Oracle Road and Tangerine Road is a traffic light controlled intersection. The topography is rolling hilly terrain, with various steeply sloping hillsides with very little level areas on the site. There is public sewer, electricity, and telephone available to the property line; however, public water is located on the south side of Tangerine Road from the property and also along Innovation Road to the west of the property and would need to be extended to reach the property. According to FEMA Flood Insurance Rate Maps 04019C1090L and 04019C1095L , dated June 16, 2011, the property is identified as being located in Zone X (unshaded) which are areas determined to be outside the 0.2 percent annual chance floodplain. There are several local washes running through the central portion of the site. The narrow and irregular shape of the site along with steeply sloping terrain limit the types of uses that can be developed on the property.

LAND SIZE:	22.31 acres, or 971,687 square feet
ZONING:	PAD (Rancho Vistoso), Oro Valley
REPORTED SALE PRICE:	\$300,000
PRICE PER ACRE:	\$13,447
MARKETING TIME:	Not available
TERMS OF SALE:	This was reported to be an all cash to the seller transaction.
PRIOR SALE:	Records of the Pima County Assessor indicate that no market transaction has occurred within three years of the date of valuation.
CONDITIONS OF SALE:	This sale is reported to have occurred under normal market conditions as the property was purchased at an auction with multiple bidders per the listing representative.
INTENDED USE:	Due to the irregular shape, road setbacks, and steeply rolling topography of the site, the purchaser is utilizing the site for signage for their adjacent "Innovation Park" development and as open space.


ASSESSOR'S RECORD MAP
223-02
220-04
222-46
219-20
SECTION 32, TOWNSHIP 11 SOUTH, RANGE 14 EAST
NOW
INNOVATION PARK
SQ20143250010
(219-20)
TUCSON FLORENCE HWY.
TANGERINE RD.
ORO VALLEY
MARKETPLACE
M&P 64/042
(220-04)
DESERT
SPRING
BLOCKS 1-5
& C.A. "A"
DETAIL "A"
TANGERINE DRIVE
FEET

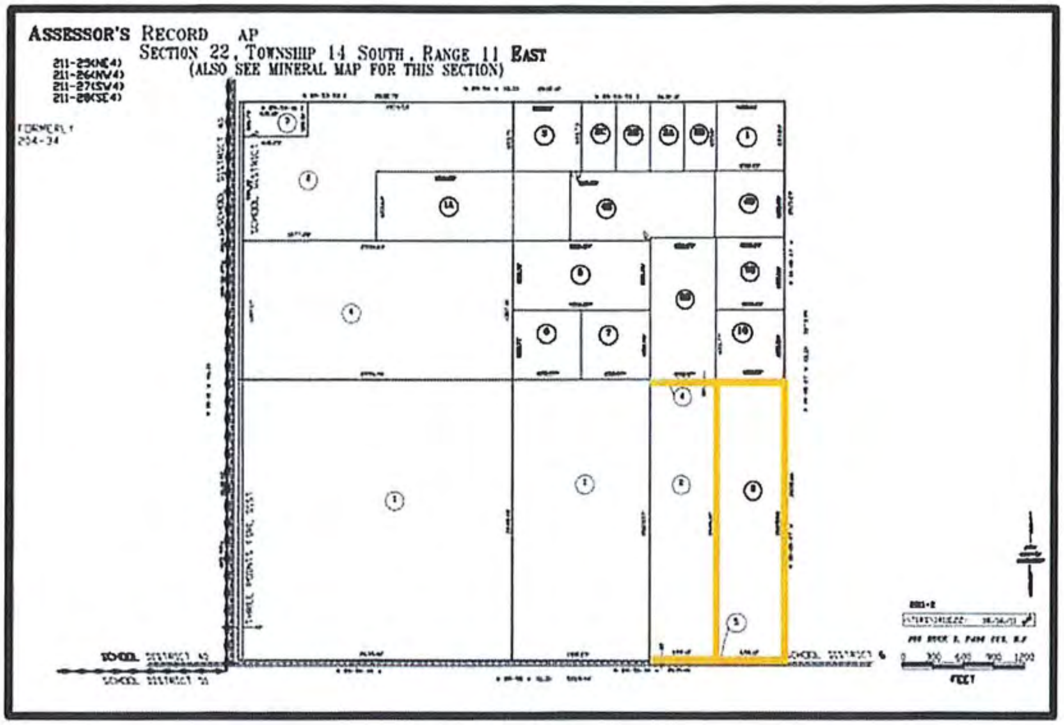

N ORACLE RD
E TANGERINE RD

LAND COMPARABLE NUMBER FOUR (SALE) ID: RH 0608 8688A

LOCATION:	East of Sandario Road, north of the Bopp Road alignment
LEGAL DESCRIPTION:	The East Half of the East Half of the Southeast Quarter of Section 22, Township 14 South, Range 11 East, G&SRB&M, Pima County, Arizona
STATE TAX PARCEL:	211-28-0030; -0040; -0050
RECORD DATA:	Fee number 20251190022
DATE OF SALE:	April 28, 2025
SELLER:	Leber Family Trust
BUYER:	Pima County
CONFIRMED BY:	Thomas Kral, buyer's rep (520-724-6307) TFH; August, 2025
LAND DESCRIPTION:	This site is a mostly rectangular shaped backage property (which has two small 30 foot wide strips along the northern and southern boundaries of the site) with mostly a width of about 658 feet, and a length of about 2,628 feet on the eastern and western property lines. The property has access from Sandario Road to the west with rough graded easements across the adjacent properties. The topography is level to sloping. No public utilities are available to the property. Electric is located in the vicinity of the property. Water would be by a well and waste removal would be by private septic systems. According to FEMA Flood Insurance Rate Map 04019C2250L, dated June 16, 2011, a majority of the land (totaling about 89%) is identified as being located in Zone AO (Depths of 1 to 2 feet) which is a Special Flood Hazard Area subject to inundation by the 1% annual chance flood with flood depths of 1 to 3 feet (usually sheet flow on sloping terrain); average depths determined. For areas of alluvial fan flooding, velocities also determined. A small portion of the southwestern portion of the site (about 4%) is located in

Zone A which is a Special Flood Hazard Area subject to inundation by the 1% annual chance flood with no base flood elevations determined. The northeastern portion of the site (about 7%) is located in Zone X (unshaded) which are areas determined to be outside the 0.2 percent annual chance floodplain. There are three branches of the Arastor Wash that transverse the site in an east-west direction. The northern and southernmost washes have 100 foot erosion hazard setbacks. The middle wash has a 75 foot erosion hazard setback. No homes may be developed within the erosion hazard setback areas. The wash areas in the middle of the site and the southern portion of the land (totaling about 24% of the site) are within an Important Riparian Area identified as Hydromesoriparian or Mesoriparian H.

LAND SIZE:	40.9 acres
ZONING:	RH, Pima County
REPORTED SALE PRICE:	\$209,000
PRICE PER ACRE:	\$5,110
MARKETING TIME:	N/A
TERMS OF SALE:	This was an all cash to the seller transaction.
PRIOR SALE:	Records of the Pima County Assessor indicate that no market transaction has occurred within three years of the date of valuation.
CONDITIONS OF SALE:	This sale is reported to have occurred under normal market conditions.
INTENDED USE:	Flood mitigation
COMMENTS:	The property was purchased by Pima County as part of its floodplain mitigation program.



ASSESSOR'S RECORD AP
SECTION 22, TOWNSHIP 14 SOUTH, RANGE 11 EAST
(ALSO SEE MINERAL MAP FOR THIS SECTION)
211-25(NE4)
211-26(NW4)
211-27(SW4)
211-28(SE4)
FORMERLY
204-34
FEET

001A
004E
004D
0050
009B
0040
008B
0060
0070
0100
0040
001A
0010
0010
0020
0030
0050
0010

LAND COMPARABLE NUMBER FIVE (ESCROW) ID: RH 0609 8682

LOCATION:	The east side of the Canyon Edge Trail alignment, south of Trailblazer Way, Pima County
LEGAL DESCRIPTION:	A portion of the Northwest quarter of the Northwest quarter of Section 35, Township 17 South, Range 15 East, G&SRB&M, Pima County, Arizona.
STATE TAX PARCEL:	305-38-0120
RECORD DATA:	N/A (Escrow)
DATE OF ESCROW:	September, 2025
SELLER:	Arizona State Land Department
BUYER:	Copper World
CONFIRMED BY:	Arizona State Land Department & Arizona State Board of Appeals

LAND DESCRIPTION:

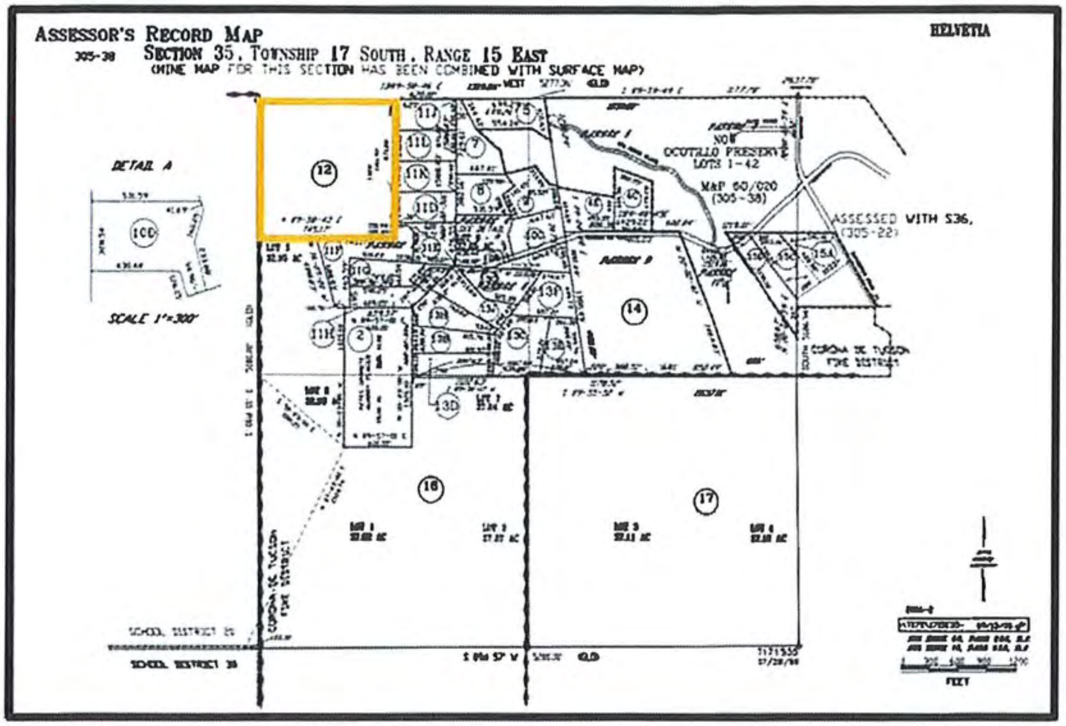
The subject property contains 39.53 acres, per information provided by the client, and is located on the east side of the Canyon Edge Trail alignment, south of Trailblazer Way, Pima County, Arizona, adjacent to the Santa Rita Experimental Range (to the west). Physical access to the parcel is generally by roughly graded ranch roads, which includes a rough graded ranch road that runs in a north-south direction across land area owned by Copper World Inc. Access is available from the north by way of a dirt graded roadway that provides access to subdivisions to the north. The site is a rectangular shaped interior property with about 1,320 feet along the southern and northern property boundaries. The site also has a length of about 1,320 feet along the eastern and western property boundaries. Physical access is from Canyon Edge Trail, which legally ends at the northwest corner of the site. This roughly graded ranch road continues onto the subject parcel, mostly in a southeasterly direction.

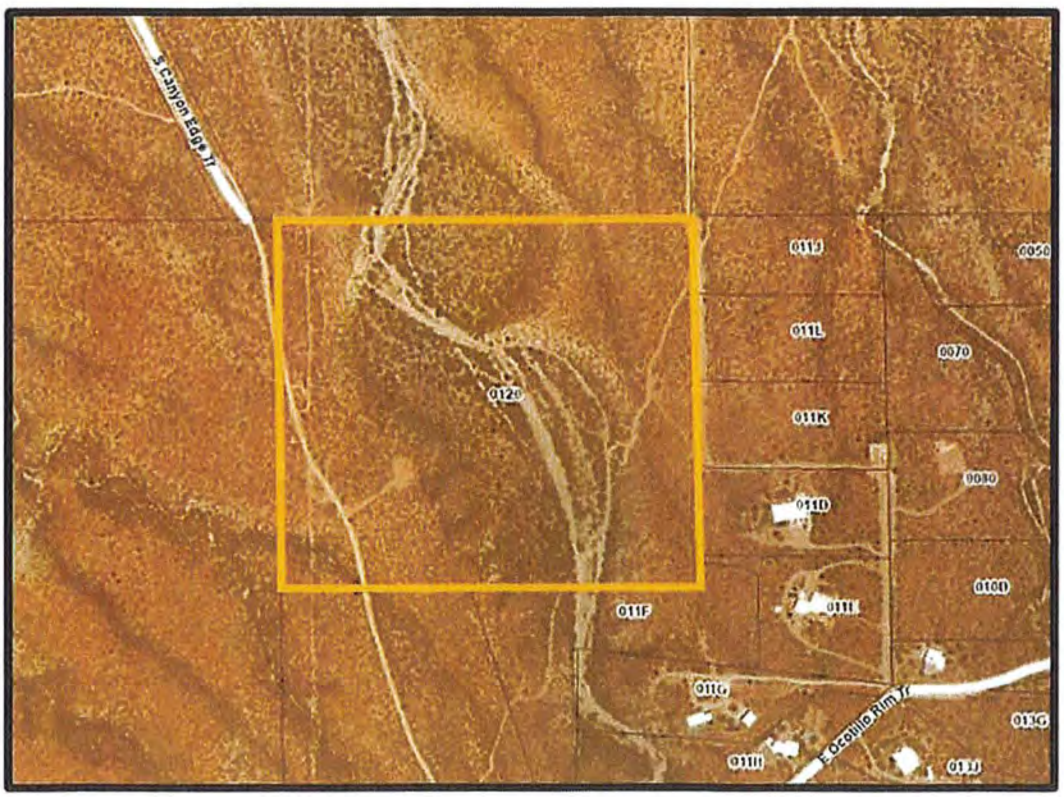
The site is overall slopping in a northernly direction. The topography ranges from level (mostly on the west end and some on the east side) to steep. There are two ridgelines near the middle of the site and a very steep drop-off to a lower level valley between the ridgelines that is a drainageway for the Sycamore Wash, which runs in a northernly direction. There are no known protected peaks or ridges on the subject property, however, there are areas on the property within the hillside development overlay zone, which is land area with an average cross slope of 15% or greater. The site is covered in natural desert vegetation. The site has average mountain views for this area. Soil conditions appear to be typical of the area. The subject property is located within the Buffer Overlay zone for the adjacent National Park/Forest land areas. About 88% of the site is located in the Conservation Lands System Category designated as Biological Core Management Areas and about 10% of the parcel is designated as Important Riparian Areas. Properties bordering the subject property include the Santa Rita Experimental Range to the west, single family residences on larger acreage to the east, with a portion to the south, conservation land followed by a residential subdivision to the north, and vacant land owned by Copper World Inc. to the south.

Utilities available in the area of the parcel include electric (Trico Electric) and telephone (CenturyLink). There is no public water or sewer available in the vicinity of the subject and the parcel is not in a public water obligated service area. Water would be provided by development of a shared well or individual wells. Waste removal would be by private septic systems. This is typical for properties in this vicinity due to the remoteness of the area. Any development of the site would require an engineering study to determine the availability and adequacy of utilities.

According to FEMA Flood Insurance Rate Map 04019C3500L, dated June 16, 2011, the land is located in Zone X (unshaded) which are areas determined to be outside the 0.2 percent annual chance floodplain (see Exhibits). There is a larger wash identified as Sycamore Wash which traverses the middle of the site (effectively bisecting it), mostly in a north-south direction. This wash has a 100 foot Erosion Hazard Setback from the bank of the wash. About 24% of the parcel is identified as being in the Erosion Hazard Setback area. The area

	surrounding this wash (totaling about 10%) is identified as a riparian habitat area, with a designation of Xeroriparian D.
LAND SIZE:	39.53 acres, or about 1,721,927 square feet
ZONING:	RH, Pima County
REPORTED ESCROW PRICE:	$285,000
PRICE PER ACRE.:	$7,210
TERMS OF SALE:	This is expected to be an all cash to the seller transaction
PRIOR SALE:	Records of the Pima County Assessor indicate that no market transaction has occurred within three years of the date of valuation.
CONDITIONS OF SALE:	This sale is reported to have occurred under normal market conditions.
INTENDED USE:	Open Space
COMMENTS:	The buyer intend to purchase the land as mitigation land to meet open space requirements for future development.


ASSESSOR'S RECORD MAP
305-38
SECTION 35, TOWNSHIP 17 SOUTH, RANGE 15 EAST
(MINE MAP FOR THIS SECTION HAS BEEN COMBINED WITH SURFACE MAP)
HELVETIA
DETAIL A
SCALE 1"=300'
NOW
OCOTILLO PRESERVE
LOTS 1-42
MAP 60/020
(305-38)
ASSESSED WITH S36,
(305-22)
CORONA DE TUCSON
FIRE DISTRICT
SCHOOL DISTRICT 20
SCHOOL DISTRICT 39
FEET


S Canyon Edge Tr
011J
0050
011L
0070
0120
011K
0080
011D
011E
010D
011F
011G
E Ocotillo Rim Tr
013G
011H
011J

COMPARABLE SALES ADJUSTMENT GRID

	Subject	*Comp 1*	*Comp 2*	*Comp 3*	*Comp 4*	*Comp 5*
Sale Date		05/2021	08/2021	08/2023	04/2025	Escrow
Site Size (Acres)	65.440	141.36	136.36	22.31	40.90	39.53
Zoning	PAD	SR	RH	PAD	RH	RH
Site Utility	Average	Superior	Superior	Superior	Inferior	Superior
Sale Price		$975,000	$852,250	$300,000	$209,000	$285,000
Price per Acre		$6,897	$6,250	$13,447	$5,110	$7,210
Summary of Adjustments						
Unadjusted Price / Acre		$6,897	$6,250	$13,447	$5,110	$7,210
Property Rights	Fee Simple	0%	0%	0%	0%	0%
Adjusted Price		$6,897	$6,250	$13,447	$5,110	$7,210
Financing		0%	0%	0%	0%	0%
Adjusted Price		$6,897	$6,250	$13,447	$5,110	$7,210
Conditions of Sale		0%	0%	0%	0%	0%
Adjusted Price		$6,897	$6,250	$13,447	$5,110	$7,210
Date/Market Conditions		12%	10%	0%	0%	0%
Adjusted Price		$7,725	$6,875	$13,447	$5,110	$7,210
Physical Adjustments (%)						
Location		0	30	10	30	30
Access		-10	-10	-10	-5	-10
Zoning		0	0	0	0	0
Site Size		15	15	-15	-5	-5
Site Utility		-25	-25	-10	10	-10
Net Adjustment		-20%	10%	-25%	30%	5%
Indicated Value / Acre		**$6,180**	**$7,563**	**$10,085**	**$6,643**	**$7,570**

This analysis compares five sales of similar vacant land open space parcels to the subject property on a price per acre basis. This is the sale price divided by the acreage of the site. Sales prices range from $5,110 to $13,447 per acre before adjustment. The adjustment grid on the previous page reflects the adjustments. An upward adjustment indicates that the comparable is inferior to the subject; a downward adjustment indicates that the comparable is superior to the subject; and no adjustment (0) indicates the comparable is similar or equal to the subject.

Comparable Sale One requires an upward adjustment for date and market conditions as market conditions for this type of property have improved between the date of this sale and the date of value.

Physical adjustments include a downward adjustment for access as this sale has better physical access compared to the subject property. This sale warrants an upward adjustment for site size as this sale is larger than the subject property. Larger properties tend to sell for less on a price per acre basis compared to smaller properties, all else being equal. This sale warrants a downward adjustment for site utility as this sale has better utility with potential homes sites that can be developed. Overall, this sale price per acre indicates a downward adjustment in comparison to the subject property.

Comparable Sale Two requires an upward adjustment for date and market conditions as market conditions for this type of property have improved between the date of this sale and the date of value.

Physical adjustments include an upward adjustment for location as this sale is located in an area with less demand and a location that is less desirable for open space compared to the subject property. There is a downward adjustment for access as this sale has better physical access compared to the subject property. This sale warrants an upward adjustment for site size as this sale is larger than the subject property. Larger properties tend to sell for less on a price per acre basis compared to smaller properties, all else being equal. There is a downward adjustment for site utility as this sale has better utility with potential homes sites that can be developed Overall, this sale price per acre indicates an upward adjustment in comparison to the subject property.

Comparable Sale Three does not require an adjustment for date and market conditions, as market conditions for this type of property did not change between the date of this sale and the date of value.

Physical adjustments include an upward adjustment for location as this sale is located in a location that is less desirable compared to the subject property. This sale warrants a downward adjustment for access as this sale has better physical access compared to the subject property. There is a downward adjustment for site size as this sale is smaller than the subject property. Smaller properties tend to sell for more on a price per acre basis compared to larger properties, all else being equal. There is a downward adjustment for site utility as this sale has better utility with less rolling topography compared to the subject property.

Overall, this sale price per acre indicates a downward adjustment in comparison to the subject property.

Comparable Sale Four does not require an adjustment for date and market conditions, as market conditions for this type of property did not change between the date of this sale and the date of value.

Physical adjustments include an upward adjustment for location as this sale is located in an area with less demand compared to the subject property. This sale warrants a downward adjustment for access as this sale has slightly better physical access compared to the subject property. There is a downward adjustment for site size as this sale is smaller than the subject property. Smaller properties tend to sell for more on a price per acre basis compared to larger properties, all else being equal. There is an upward adjustment for site utility as this sale has less utility with being more flood prone compared to the subject property. Overall, this sale price per acre indicates an upward adjustment in comparison to the subject property.

Comparable Sale Five is currently in escrow and does not require an adjustment for date and market conditions.

Physical adjustments include an upward adjustment for location as this sale is located in an area with less demand and a location that is less desirable for open space compared to the subject property. This sale warrants a downward adjustment for access as this sale has better physical access compared to the subject property. There is a downward adjustment for site size as this sale is smaller than the subject property. Smaller properties tend to sell for more on a price per acre basis compared to larger properties, all else being equal. This sale warrants a downward adjustment for site utility as this sale has more utility with less rolling topography compared to the subject property. Overall, this sale price per acre indicates an upward adjustment in comparison to the subject property.

Sales Comparison Approach Summary

	Sale 1	Sale 2	Sale 3	Sale 4	Escrow 5
Adjusted Sale Price / Acre	$6,180	$8,594	$10,085	$12,102	$8,652

These five comparable sales indicate a price range of $6,180 to $10,085 per acre after adjustment. Most weight is given to the larger sales which are comparable sales One, Two, Four, and Five, which provide a tighter range of value from $6,180 to $7,571 per acre. After analyzing the comparable sales, the conclusion of market value of the subject property by the sales comparison approach, as of September 13, 2025, is $7,000 per acre, times 65.44 acres, equaling $458,080, rounded to $458,000.

MARKET VALUE CONCLUSION

Therefore, based on the above analysis and subject to the assumptions and limiting conditions contained in this report, the opinion of market value of the subject property, as of the effective date of the appraisal, September 13, 2025, is $7,000 per acre, times 65.44 acres, equaling $458,080 rounded to $458,000.

OPINION OF MARKET VALUE OF SUBJECT PROPERTY,
AS OF SEPTEMBER 13, 2025:

FOUR HUNDRED FIFTY-EIGHT THOUSAND DOLLARS
($458,000)

ASSUMPTIONS AND LIMITING CONDITIONS - PART V

1. ***Type of Report.*** This is an appraisal report which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. As such, it might not include full discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.

2. ***Definitions***. "Appraisal", as herein defined, is the process of completing a service; namely, a valuation assignment. "Subject property" refers to the property which is the subject of the assignment. "Appraisers" are those persons, whether one or more, who have accepted the assignment and who have participated in the analyses, opinions, and conclusions formed in the appraisal. "Company" refers to Baker, Peterson, Baker & Associates, Inc. "Report" refers to this written document containing the analyses, opinions, and conclusions which constitute the appraisal.

3. ***Liability***. The liability of Baker, Peterson, Baker & Associates, Inc., including any or all of its employees, and including the appraiser responsible for this report, is limited to the Client only, and to the fee actually received by the Company. Further, there is no accountability, obligation or liability to any third party. If this report is placed in the hands of any person other than the Client, the Client is responsible for making such party aware of all assumptions and limiting conditions related thereto. The appraiser is in no way responsible for any costs incurred to discover or correct any deficiencies of any type present in the subject property, whether physical, financial, or legal.

4. ***Title***. No opinion as to title is rendered. Data related to ownership and legal description was provided by the Client or was obtained from available public records and is considered reliable. Unless acknowledged in this report, no title policy or preliminary title report were provided. Title is assumed to be marketable and free and clear of all liens, encumbrances, and restrictions except those specifically discussed in the report. The property is appraised assuming responsible ownership, competent management and ready availability for its highest and best use.

5. ***Survey or Engineering***. No survey or engineering analysis of the subject property has been made by the appraiser. It is assumed that the existing boundaries are correct and that no encroachments exist. The appraiser assumes no responsibility for any condition not readily observable from customary investigation and inspection of the premises which might affect the value thereof, excepting those items which are specifically mentioned in the report.

6. ***Data Sources***. The report is based, in part, upon information assembled from a wide range of sources and, therefore, the incorporated data cannot be guaranteed. An impractical and uneconomic expenditure of time would be required in attempting to furnish unimpeachable verification in all instances, particularly as to engineering and market-related information. It is suggested that the Client consider independent verification within these categories prior to any transaction involving a sale, lease, or other significant commitment of the subject property, and that such verification be performed by appropriate recognized specialists.

7. ***Subsequent Events***. The date of valuation to which the conclusions and opinions expressed in this report apply is set forth in the letter of transmittal. The appraiser assumes no responsibility for economic or physical factors occurring after the date of valuation which may affect the opinions in this report. Further, in any prospective valuation assignment, the appraiser cannot be held responsible for unforeseeable events that alter market conditions prior to the date of valuation. Such prospective value estimates are intended to reflect the expectations and perceptions of market participants along with available factual data, and should be judged on the market support for the forecasts when made, not whether specific items in the forecasts are realized.

8. ***Adjustments***. 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 which may become available subsequent to issuance of the report.

9. ***Special Rights***. No opinion is expressed as to the value of any subsurface (oil, gas, mineral) or aerial rights or whether the property is subject to surface entry for the exploration or removal of materials except where expressly stated in the report.

10. ***Value Distribution***. The distribution of total value in this report between land and improvements applies only under the specified highest and best use of the subject property as herein described. The allocations of value among the land and improvements do not apply to any other property other than the property which is the subject of this report.

11. ***Legal or Special Opinions***. No opinion is intended to be expressed for matters which require legal expertise, specialized investigation, or a level of professional or technical knowledge beyond that customarily employed by real estate appraisers.

12. ***Personal Property***. Unless expressly stated within this report, no consideration has been given as to the value of any personal property located on the premises, or to the cost of moving or relocating such personal property. Only the real property has been considered.

13. ***Soil Conditions***. Unless expressly stated within this report, 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 in a manner consistent with its highest and best use without extraordinary foundation or soil remedial expense. Further, it is assumed that there are no hidden or unapparent matters (hazardous materials, toxic substances, etc.) related to the soil or subsurface which would render the subject more or less valuable by knowledge thereof.

14. ***Court Testimony***. Testimony or attendance in court or at any other hearing (including depositions) is not required by reason of rendering this appraisal or issuing this report, unless such arrangements have previously been made and are part of a contract for services.

15. ***Exhibits***. Maps, floor plans, photographs, and any other exhibits contained in this report are for illustration only, and are provided as an aid in visualizing matters discussed within the report. They should not be considered as surveys or scale renderings, or relied upon for any other purpose.

16. ***Statute, Regulation, and License***. Unless otherwise stated within the report, the subject property is assumed to be in full and complete compliance with all applicable federal, state, and local laws related to zoning, building codes, fire, safety, permits, and environmental regulations. Further, it is assumed that all required licenses, certificates of occupancy, consents or other legislative or administrative authorizations have been, or can be, readily obtained or renewed as related to any use of the subject property on which the value estimate contained herein is based.

17. ***Hidden or Unapparent Conditions***. It is assumed that there are no hidden or unapparent conditions which, if known, would affect the analyses, opinions or conclusions contained in this report. This includes, but is not limited to, electrical, mechanical, plumbing, and structural components.

18. ***Hazardous/Toxic Substances***. In this appraisal assignment, no observation was made of the existence of potentially hazardous material used in the construction and/or maintenance of the improvements, or from any other source, whether borne by land or air, including, but not limited to, asbestos, lead, toxic waste, radon, and urea formaldehyde. While not observed, and while no information was provided to confirm or deny the existence of such substances (unless expressly stated herein), it is emphasized that the appraiser is not qualified to detect or analyze such substances. Unless otherwise stated, no consideration has been given to the presence of, nature of, or extent of such conditions, nor to the cost to "cure" such conditions or to remove any toxic or hazardous substances which could potentially affect the value or marketability of the property. Any such conclusions must be based upon the professional expertise of persons qualified to make such judgments. Thus, any person

or other entity with an interest in the subject property is urged to retain an expert if so desired. This value estimate assumes that there is no such material on or in the property.

19. *Americans with Disabilities Act of 1990*. The ADA became effective on January 26, 1992. I 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 I have no direct evidence relating to this issue, I did not consider possible noncompliance with the requirements of ADA in estimating the value of the property.

20. *Disclosure*. Disclosure of the contents of this report is governed by the By-Laws and Regulations of the Appraisal Institute. Neither all nor any part of the contents of this report, including the value estimate, the identity of the appraisers or their professional designations, or the company with which the appraisers are associated, shall be used for any purpose by anyone other than the Client as herein stated, without the prior written consent of the appraisers. Nor shall it be conveyed, in whole or in part, in the public through advertising, news, sales, listings, or any other media without such prior written consent. Possession of this report does not carry with it any right of public distribution.

21. *Endangered and Threatened Species*. The appraisers have not made a specific survey of the subject property to determine whether or not it has any plant or wildlife which are identified as an endangered or threatened species by the U. S. Fish and Wildlife Service. While not observed and while no information was provided to confirm or deny the existence of any endangered or threatened species on the subject property (unless expressly stated herein), it is emphasized that the appraisers are not qualified to detect or analyze such plants or wildlife. Any such conclusions must be based upon the professional expertise of persons qualified to make such judgments. Thus, any person or other entity with an interest in the subject property is urged to retain an expert if so desired. It is possible that a survey of the property could reveal that the site contains endangered or threatened plants or wildlife. If so, this fact could have a negative effect on the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible endangered or threatened species in estimating the value of the property.

22. *Acceptance of Report*. Acceptance and/or use of this report by the Client or any third party constitutes acceptance of all of the above conditions.

CERTIFICATION - PART VI

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

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

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

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

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

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

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

7. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice* (USPAP) of The Appraisal Foundation, the Code of Ethics and Standards of Professional Practice of the Appraisal Institute, and any other specifications submitted by the Client, including Title XI, FIRREA.

8. The use of this report is subject to the requirements of the Appraisal Institute, relating to review by its duly authorized representatives.

9. In accord with the Uniform Standards of Professional Appraisal Practice, I have the experience and knowledge to complete this assignment in a credible and competent manner.

10. As of the date of this report, I have completed requirements of the continuing education program of the Appraisal Institute.

11. The effective date (date of valuation) of this appraisal is September 13, 2025.

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

13. Our firm has not appraised the subject property within three years prior to this assignment.

14. It is noted that Timothy Hale (CGA-1023143) assisted significantly with this report by performing the following tasks under the direction of the appraiser: Researched the subject and comparable sale information, inspected the subject property, provided analysis and value conclusion input based on research, and developed the report. The final analysis and value conclusion is that of Thomas A. Baker, MAI, SRA.

15. I am a Certified General Real Estate Appraiser in the State of Arizona.

Thomas A. Baker, MAI, SRA
Certified General Real Estate Appraiser
Certificate Number 30139
Designated Supervisory Appraiser
Registration Number DS0007

EXHIBITS - PART VII

Exhibit A	Subject Plat Map
Exhibit B	Aerial Photograph
Exhibit C	Zoning Map
Exhibit D	FEMA Flood Plain Map
Exhibit E	Topographical Map
Exhibit F	General Plan Land Use Map (Town of Oro Valley)
Exhibit G	Conservation Easement
Exhibit H	Subject Photographs
Exhibit I	Qualifications

EXHIBIT A - SUBJECT PLAT MAP

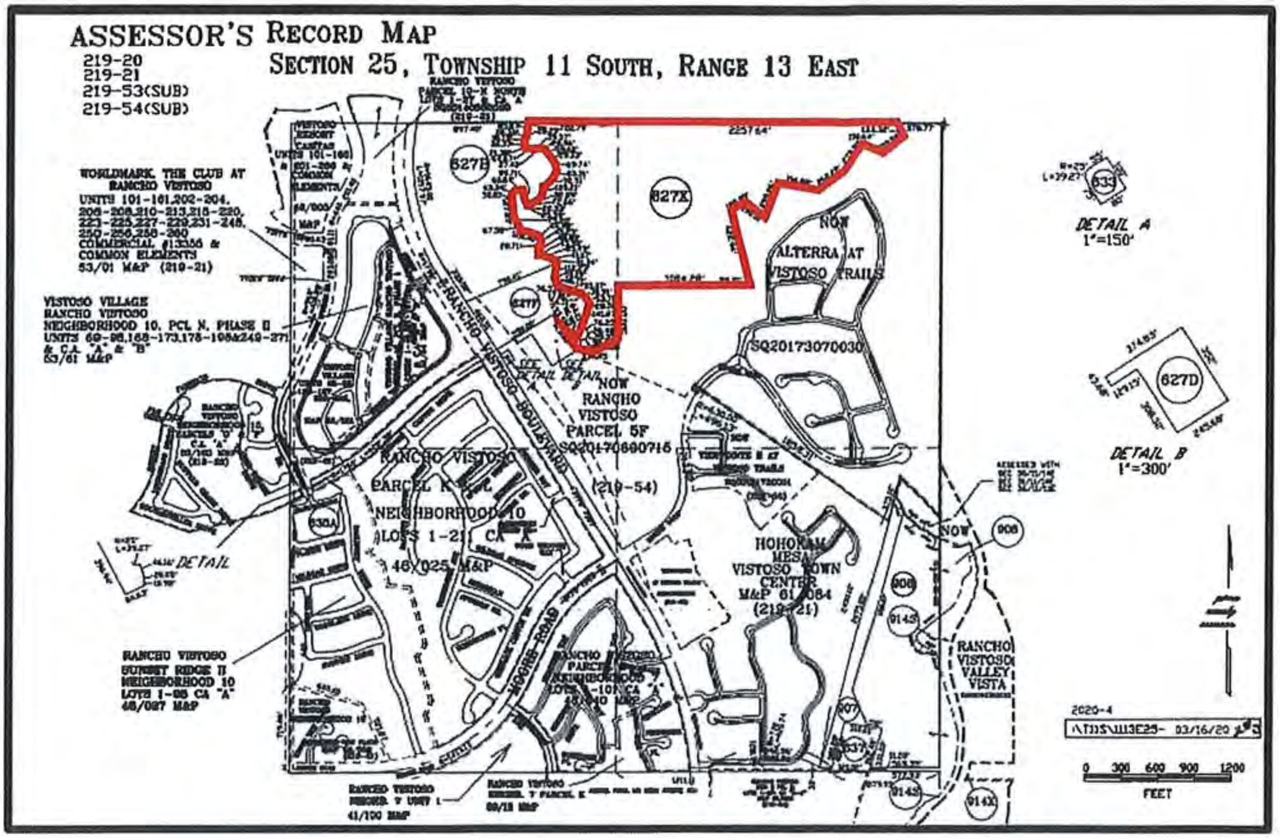


EXHIBIT B - AERIAL PHOTOGRAPH

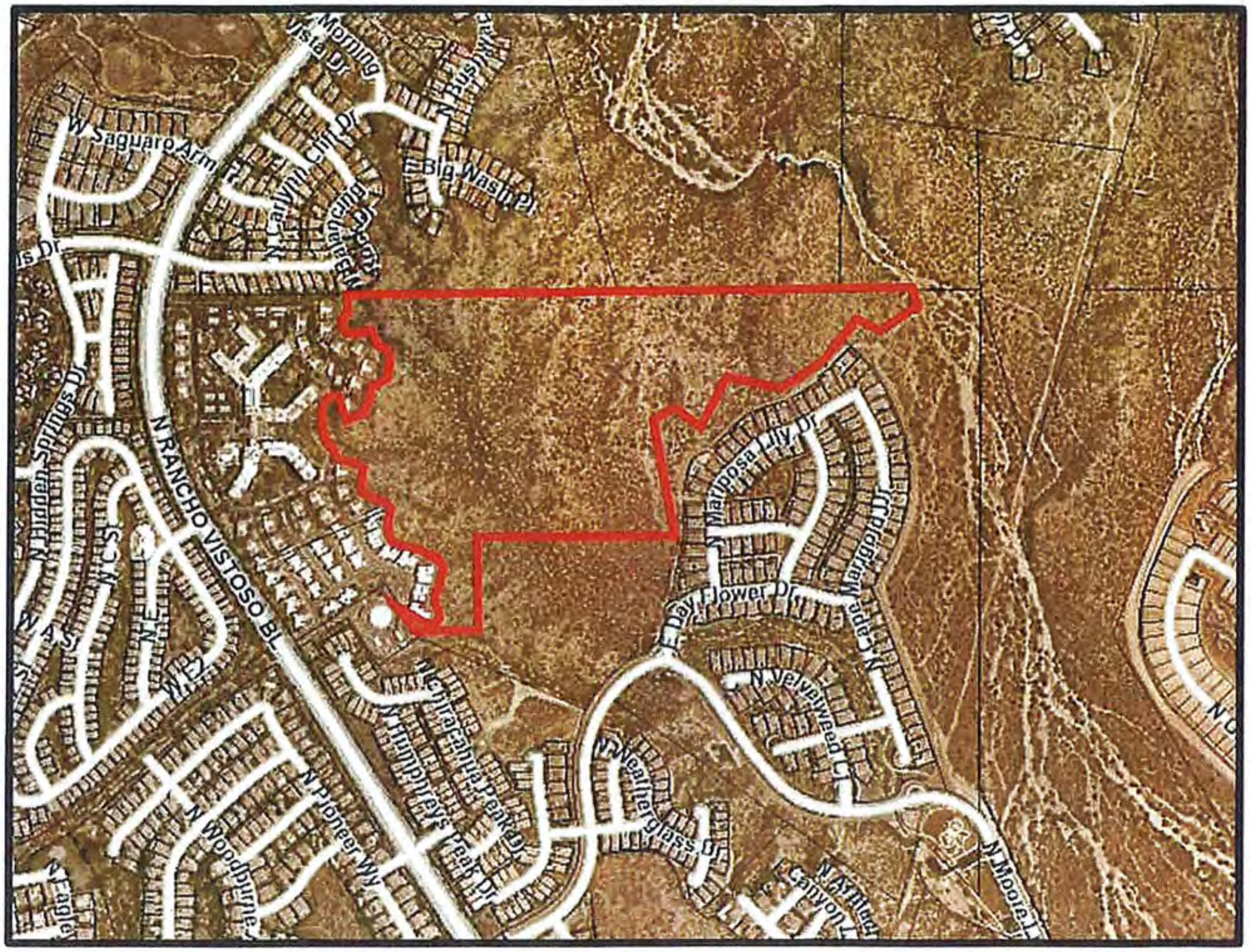


EXHIBIT C - ZONING MAP

(Town of Oro Valley)

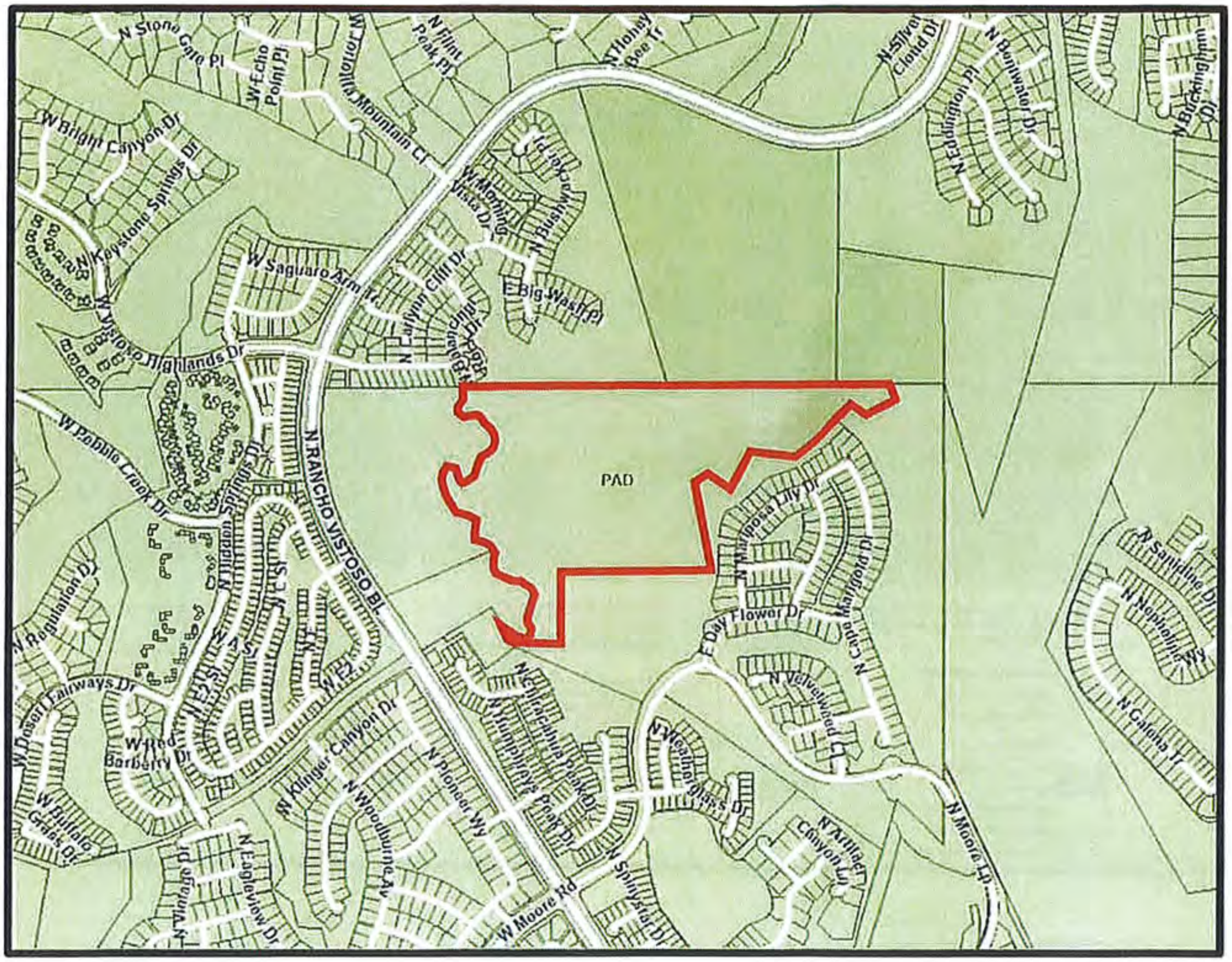


EXHIBIT D - FEMA FLOOD PLAIN

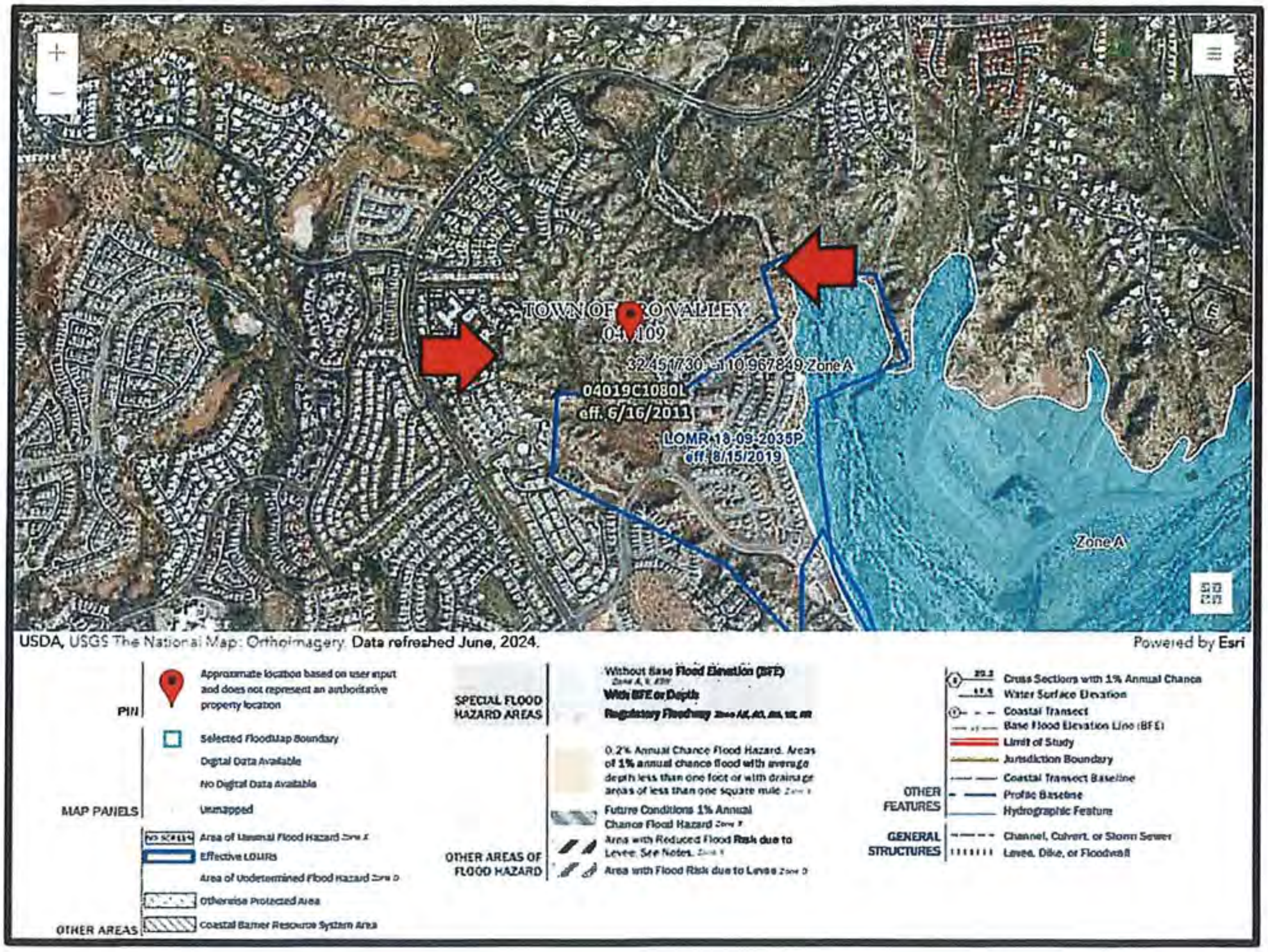


EXHIBIT E - TOPOGRAPHICAL MAP

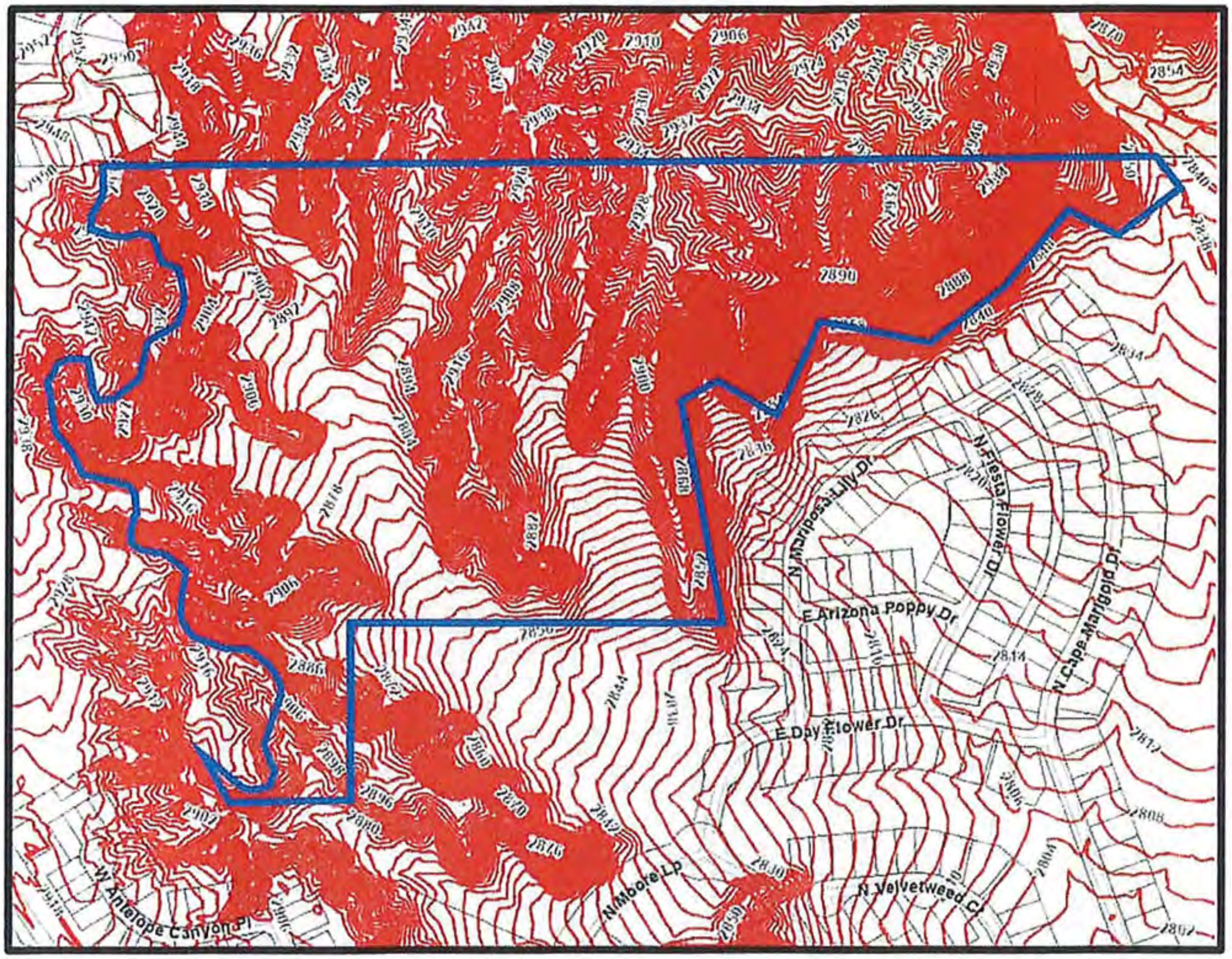
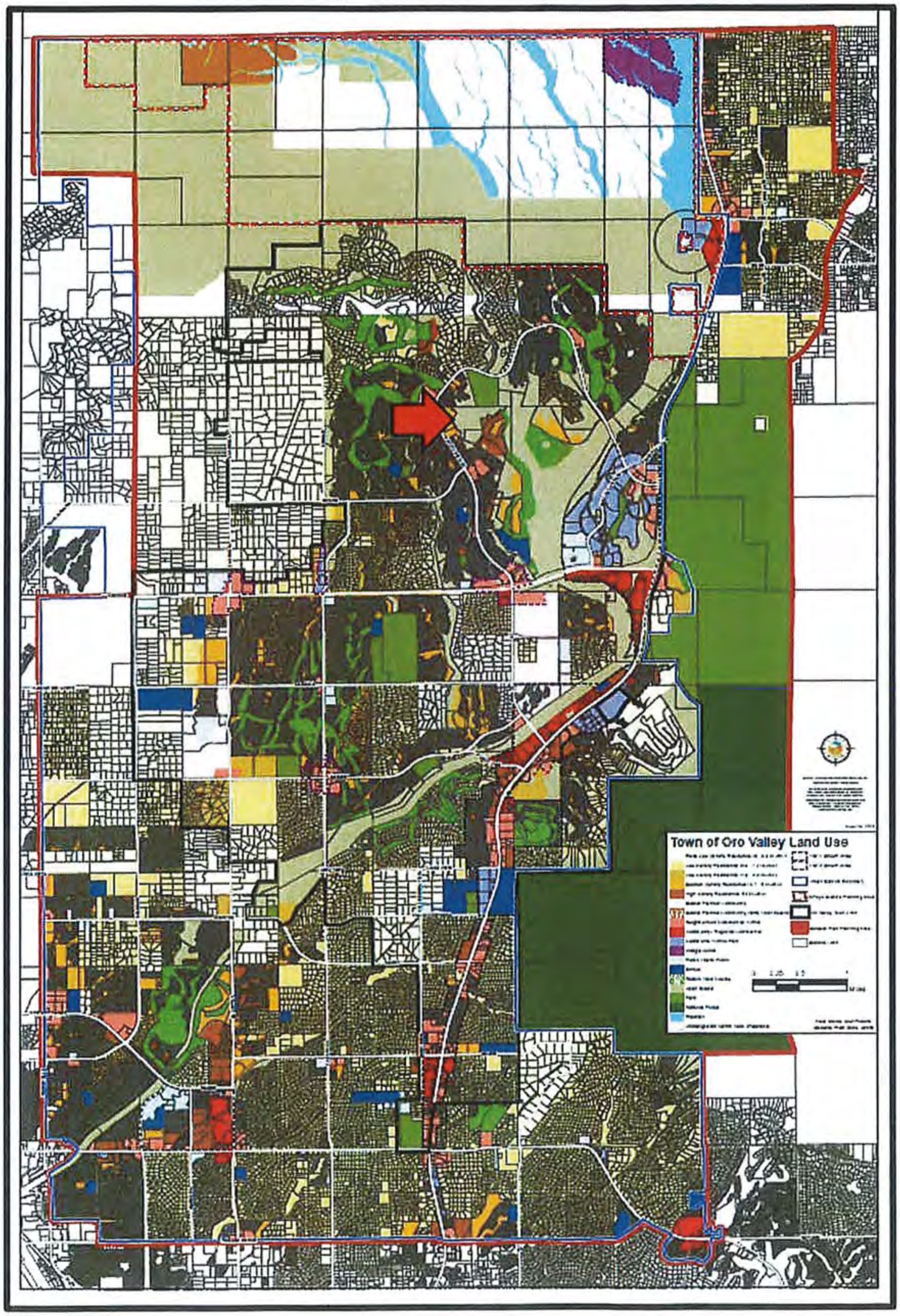
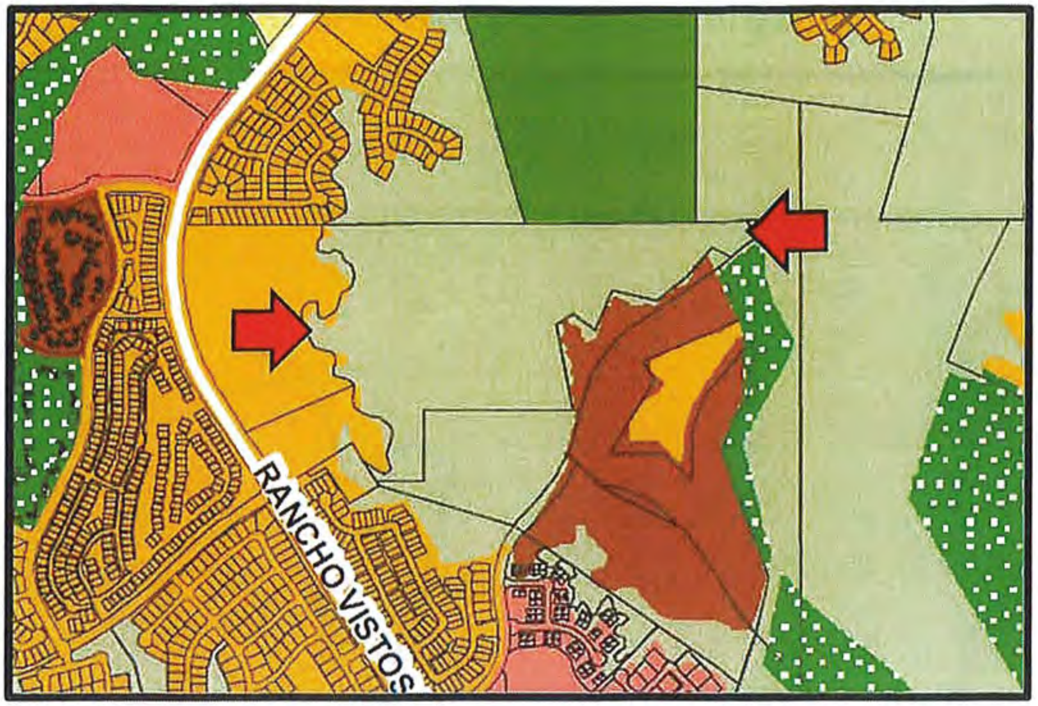


EXHIBIT F - GENERAL PLAN LAND USE MAP

(Town of Oro Valley)




RANCHO VISTOSO

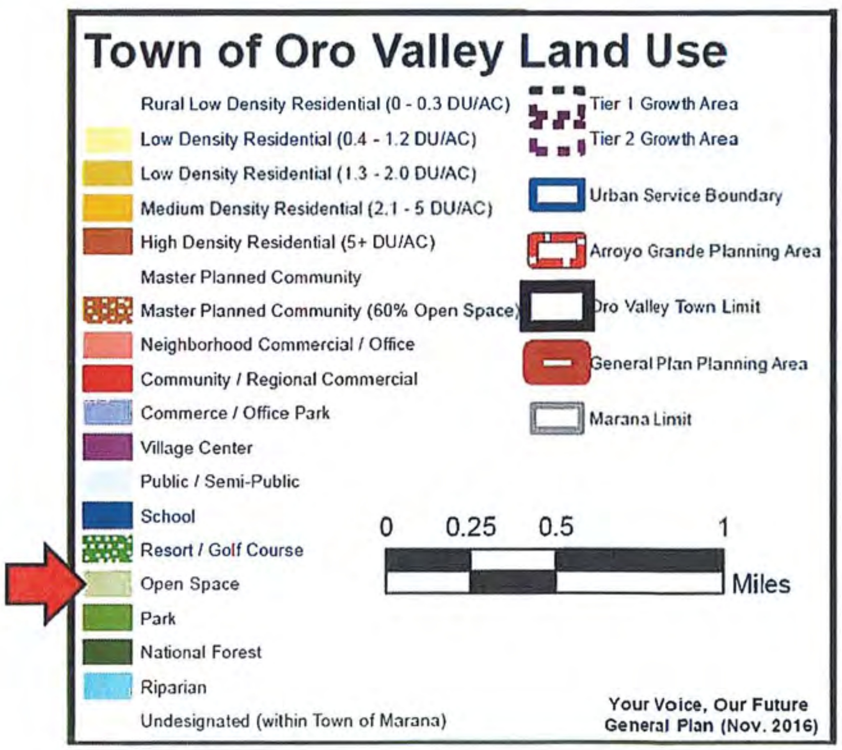

Town of Oro Valley Land Use
Rural Low Density Residential (0 - 0.3 DU/AC)
Low Density Residential (0.4 - 1.2 DU/AC)
Low Density Residential (1.3 - 2.0 DU/AC)
Medium Density Residential (2.1 - 5 DU/AC)
High Density Residential (5+ DU/AC)
Master Planned Community
Master Planned Community (60% Open Space)
Neighborhood Commercial / Office
Community / Regional Commercial
Commerce / Office Park
Village Center
Public / Semi-Public
School
Resort / Golf Course
Open Space
Park
National Forest
Riparian
Undesignated (within Town of Marana)
Tier 1 Growth Area
Tier 2 Growth Area
Urban Service Boundary
Arroyo Grande Planning Area
Oro Valley Town Limit
General Plan Planning Area
Marana Limit
0 0.25 0.5 1
Miles
Your Voice, Our Future
General Plan (Nov. 2016)

EXHIBIT G - CONSERVATION EASEMENT

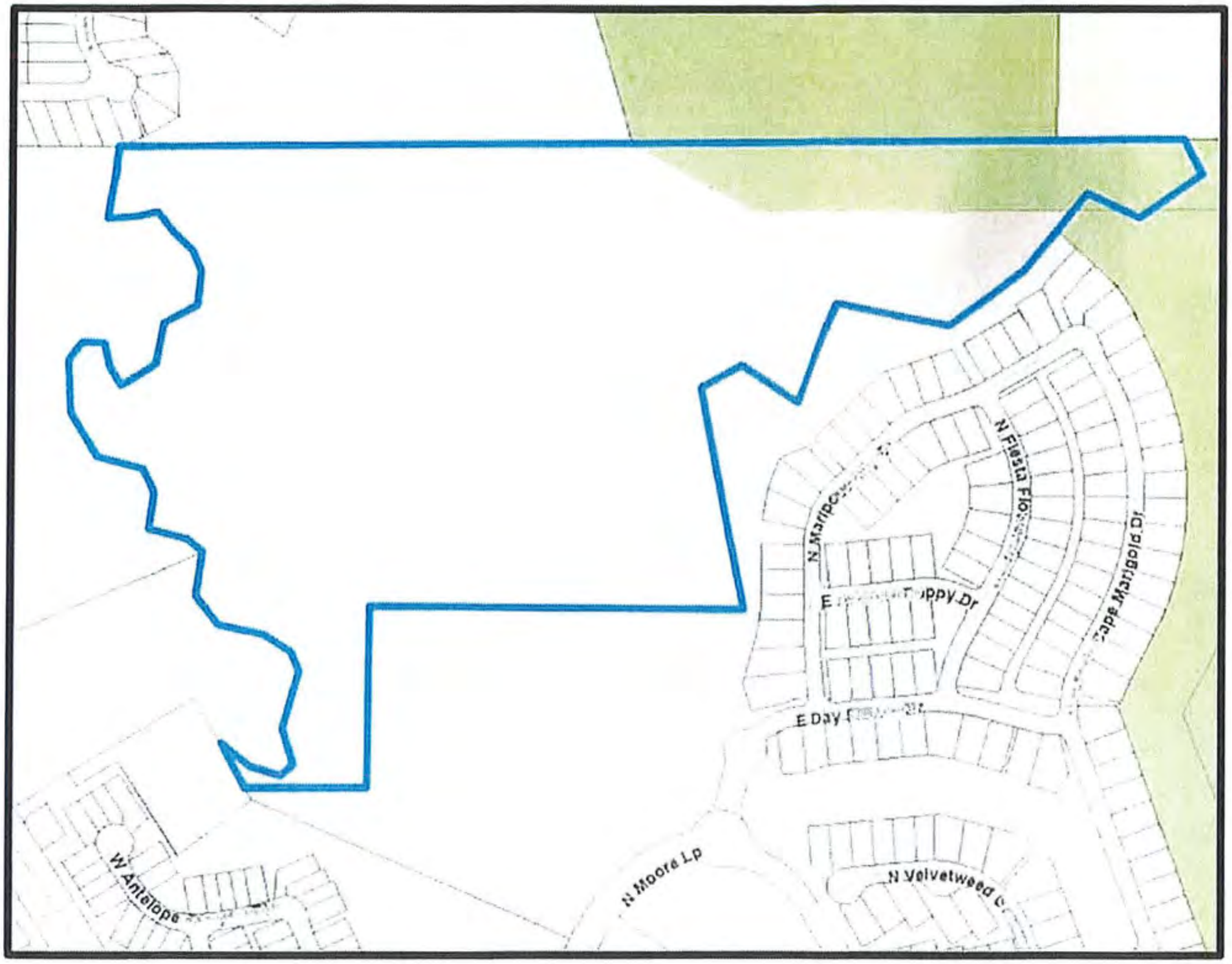


EXHIBIT H - SUBJECT PHOTOGRAPHS

PHOTO 1 – SUBJECT PROPERTY FACING EAST

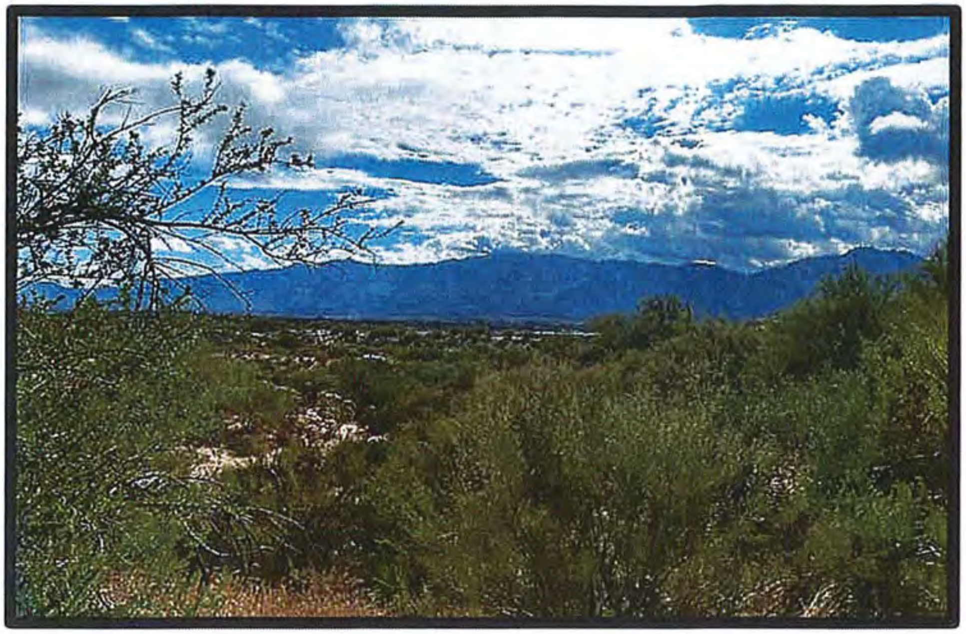


PHOTO 2 – SUBJECT PROPERTY FACING WEST

PHOTO 3 – SUBJECT PROPERTY FACING NORTHEAST

PHOTO 4 – SUBJECT PROPERTY FACING WEST

PHOTO 5 – SUBJECT PROPERTY FACING SOUTHWEST

PHOTO 6 – SUBJECT PROPERTY FACING SOUTH

EXHIBIT I - QUALIFICATIONS

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

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

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

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

TIM HALE is a staff appraiser specializing in valuation and consultation services related to commercial and income-producing properties. He is a Certified General Real Estate Appraiser in the State of Arizona (Certificate 1023143). He graduated from Arizona State University with a Bachelor's Degree in Justice Studies.

VALENTIN MINCHEV is an appraiser trainee in commercial valuation. He graduated from the Berlin School of Economics and Law, Berlin, Germany with a Bachelor's Degree in International Business Management.

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

Pima County Board of Supervisors

COMPROMISING TAXES, INTEREST AND PENALTIES
Pursuant to A.R.S. §42-18124

Name and Address of Applicant: Date: 09/18/2025

Sonoran HW Solutions LLC (Member - William Schumacher)
Last Name First Name

6655 E Placita Alhaja Tucson AZ 85750
Address City State Zip

520-609-1678 bill.schumacher@comcast.net
Phone Number Email Address

Is the Petitioner: (select one) [ ] Property Owner [x] Certificate Holder (Bidder number required)

Bidder Number: 1382

Parcel Address: No address given

Parcel Number: 219-20-9150 State Code: 219-20-9150

Certificate of Purchase No.: 2200232

Please complete the following questions:

1. Total due on Parcel: $455,294.06 2. Estimated market value: $138,000

3. How was market value determined: Appraisal by: Baker, Peterson, Baker & Associates, Inc.

4. Assessor's full cash value (if using a different value, provide documentation): $1,718,880

5. If you are not the property owner indicate why you are requesting the compromise:
Reducing the total deliquent taxes down to the property value would encourage the property owner to redeem the delinquent property taxes rather than face a tax lien foreclosure.

EM

Signed,

Please return this form and any documentation to:
Pima County Clerk of the Board of Supervisors
130 W. Congress St., 1st Floor
Tucson, AZ 85701
or
Email to: COB_mail@pima.gov

AN APPRAISAL REPORT

OF

13.15 ACRES OF VACANT LAND DESIGNATED AS OPEN SPACE

LOCATED ON

THE NORTH SIDE OF TANGERINE ROAD, EAST OF RANCHO VISTOSO BOULEVARD, TOWN OF ORO VALLEY PIMA COUNTY, ARIZONA

FOR

MR. BILL SCHUMACHER
6655 EAST PLACITA ALHAJA
TUCSON, ARIZONA 85750

OWNERSHIP: VISTOSO GATEWAY LLC
TAX PARCEL NUMBER: 219-20-9150
SECTION 31, TOWNSHIP 11 SOUTH, RANGE 14 EAST

EFFECTIVE DATE OF APPRAISAL
SEPTEMBER 13, 2025

DATE OF REPORT
SEPTEMBER 22, 2025

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

BAKER, PETERSON, BAKER & ASSOCIATES, INC.
REAL ESTATE APPRAISERS - CONSULTANTS
4547 E. FT. LOWELL ROAD $ SUITE 401 $ TUCSON, AZ 85712
520.881.1700 $ 1.800.204.1700
FAX 520.325.3108
www.bakerpeterson.com

Over 50 Years of Service

September 22, 2025

Mr. Bill Schumacher
6655 East Placita Alhaja
Tucson, Arizona 85750

RE: An appraisal report of 13.15 acres of vacant land designated as open space located on the north side of Tangerine Road, east of Rancho Vistoso Boulevard, Town of Oro Valley , Pima County, Arizona

Tax Parcel Code:	219-20-9150
Ownership:	Vistoso Gateway LLC
Effective Date of Appraisal:	September 13, 2025
Date of Report:	September 22, 2025

Dear Mr. Schumacher:

In response to your authorization, I have conducted the required inspection, gathered the necessary data, and made certain analyses that have enabled me to form an opinion of the market value of the fee simple interest in the above-named property. The intended user of this report is Mr. Bill Schumacher. Use of this report by others is not intended by the appraiser. This report is intended only for use in estimating the market value of the subject property for tax appeal purposes. It is not intended for any other use.

I have formed the opinion that, as of the effective date of the appraisal, September 13, 2025, in its "as is" condition, based on a six to twelve month market period, and subject to the assumptions and limiting conditions set forth in the report, the subject property has a market value of:

ONE HUNDRED THIRTY-EIGHT THOUSAND DOLLARS
($138,000)

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

Respectfully submitted,

Thomas A. Baker, MAI, SRA
Certified General Real Estate Appraiser
Certificate Number 30139
Designated Supervisory Appraiser
Registration Number DS0007

C258682A

TABLE OF CONTENTS

APPRAISAL ABSTRACT - PART I

CLIENT
Mr. Bill Schumacher

APPRAISER
Thomas A. Baker, MAI, SRA

Baker, Peterson, Baker & Associates, Inc.
4547 East Fort Lowell Road, Suite 401
Tucson, Arizona 85712

SUBJECT PROPERTY
A parcel of vacant land designated as open space located on the north side of Tangerine Road, east of Rancho Vistoso Boulevard, Town of Oro Valley, Pima County, Arizona.

LAND AREA
13.15 acres (per Pima County Assessor's records)

ZONING
Planned Area Development (PAD): Rancho Vistoso, Town of Oro Valley

LEGAL DESCRIPTION
A portion of the West Half of the Southwest Quarter of Section 31, Township 11 South, Range 14 East, G&SRB&M, Pima County, Arizona.

OWNERSHIP
According to public records of the Pima County Assessor, title to the subject property is in the name of Vistoso Gateway LLC, according to a Deed recorded with Docket 10274, at Page 1028, dated April 16, 1996.

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

TAX PARCEL NUMBER
219-20-9150

FULL CASH VALUE
$1,718,880 (2025)
$1,718,880 (2026)

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

LIMITED CASH VALUE
$1,718,880 (2025)
$1,718,880 (2026)

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

REAL ESTATE TAXES
$36,021.73 (2025)

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

DELINQUENT TAXES
As of the date of value, September 13, 2025, there were $455,294.06 in delinquent tax payments and interest due on the subject property. This is considered to be a liability against the subject property and, if passed on to a potential purchaser of the property, it would have the effect of decreasing the value of the property by an equal amount. This has ***not*** been taken into consideration in estimating the market value of the subject property; thus, the appraisal assumes that all delinquent taxes (and interest) are paid in full.

SPECIAL ASSESSMENTS
None

LIMITING CONDITIONS
Subject to those assumptions and limiting conditions contained in the "*Assumptions and Limiting Conditions*" section of this report.

PURPOSE OF THE APPRAISAL
The purpose of this appraisal is to provide the appraiser's opinion of the market value of the subject real property as of the effective date of the appraisal, September 13, 2025.

MARKET VALUE DEFINITION

Market value, as utilized in this appraisal, and as defined in The Appraisal of Real Estate, 15th Edition, published by the Appraisal Institute, 2020, page 48, is:

> The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress.

INTENDED USE AND USER OF REPORT

The intended user of this report is Mr. Bill Schumacher. Use of this report by others is not intended by the appraiser. This report is intended only for use in estimating the market value of the subject property for tax appeal purposes. It is not intended for any other use.

INTEREST VALUED

Fee simple interest in the total property. *Fee Simple Interest*, as defined in The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, 2022, page 73, is "absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."

REPORT SPECIFICATIONS

This report is prepared in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of The Appraisal Foundation, and the Code of Ethics and the Standards of Professional Practice of the Appraisal Institute.

EFFECTIVE DATE OF APPRAISAL

September 13, 2025

DATE OF INSPECTION

September 13, 2025

SCOPE OF THE APPRAISAL - PART II

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

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

This appraisal assignment has been completed in response to authorization by Mr. Bill Schumacher, in a contract executed by Mr. Thomas A. Baker, MAI, SRA, for Baker, Peterson, Baker and Associates, Inc. The assignment includes appraisal of the property herein described, and the preparation of a report which describes the property being appraised, analyzes appropriate data, and offers an opinion of the market value of the property as of the effective date specified in the report. The appraisal is prepared and reported according to the Uniform Standards of Professional Appraisal Practice of The Appraisal Foundation, the Code of Ethics, and the Standards of Professional Practice of the Appraisal Institute, and to those specifications provided by Pima County.

The intended user of this report is Mr. Bill Schumacher. Use of this report by others is not intended by the appraiser. This report is intended only for use in estimating the market value of the subject property for tax appeal purposes. It is not intended for any other use. The purpose of the appraisal is to provide the appraiser's opinion of the market value in fee simple interest of a specific property which has been previously identified in this report, and is referred to as the subject property, the subject, or the property.

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

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

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

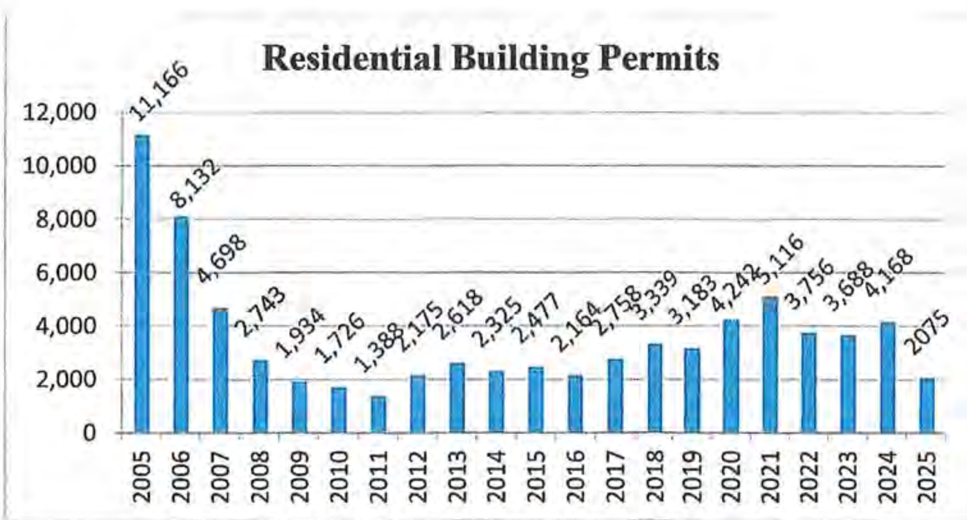
The cost approach is not applicable in this analysis as the subject property is vacant land dedicated as open space. The income approach is not applicable in this analysis. Vacant land similar to the subject property is typically not purchased for their income producing ability. Therefore, the income approach is not applicable in this analysis.

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

DESCRIPTION OF REAL ESTATE APPRAISED - PART III

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

Starting in 2006, fewer single-family residential permits were issued due to the oversupply of lots and residential homes on the market at that time. According to the United States Census Bureau, Building Permits Survey, the Building permit activity declined steadily in the Tucson Metropolitan area declined from a peak in 2005 of 11,166 to a low of 1,388 in 2011 for all new single-family residential construction residential building permits. The number of permits remained mostly stable starting in 2013, and increased slightly in 2017 and again in 2018. The number of permits was mostly stable in 2019 but increased somewhat in 2020 and 2021 due to strong demand. During this time there was strong demand for residential properties due to low inventory; however, as interest rates rose during 2022, the number of permits declined in 2022 and again slightly in 2023. Due to higher interest rates, increase construction costs, and low inventory, residential demand has slowed compared to mid-2020 through mid-2022, with fewer sales and more limited construction. Construction remained more limited in 2023 and increased slightly in 2024. The 2025 data is through June 2025.

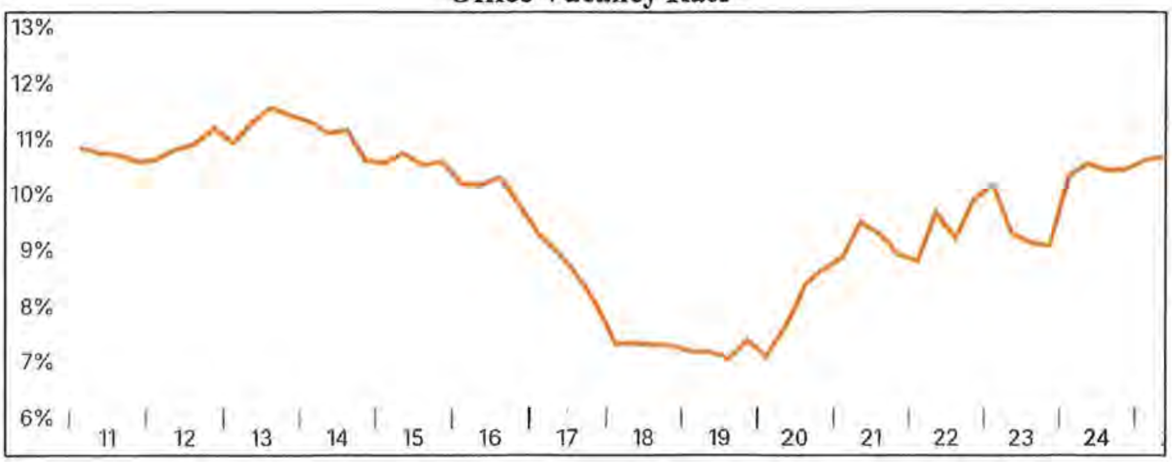


Office Market
Overall, the Tucson *office market* experienced net negative absorption of 21,257 square feet in the Second Quarter 2025, according to *CoStar*. This compares to net negative absorption of 55,831 square feet in the First Quarter 2025, net negative absorption of 6,089 square feet in the Fourth Quarter 2024, net positive absorption of 38,761 square feet in the Third Quarter 2024, net negative absorption of 60,874 square feet in the Second Quarter 2024, net negative absorption of 359,445 square feet in the First Quarter 2024, net positive absorption of 12,778 square feet in the Fourth Quarter 2023, net positive absorption of 93,522 square feet in the Third Quarter 2023, net positive absorption of 246,456 square feet in the Second Quarter 2023, net negative absorption of 57,614 square feet in the First Quarter 2023, net negative

absorption of 196,147 square feet in the Fourth Quarter 2022, net positive absorption of 147,587 square feet in the Third Quarter 2022, net negative absorption of 202,366 square feet in the Second Quarter 2022, net positive absorption of 177,312 square feet in the First Quarter 2022, net positive absorption of 101,715 square feet in the Fourth Quarter 2021, net positive absorption of 49,654 square feet in the Third Quarter 2021, net negative absorption of 117,324 square feet in the Second Quarter 2021, and net positive absorption of 40,331 square feet in the First Quarter 2021.

The following figure shows trends in the vacancy rates for office properties in Pima County through the Second Quarter 2025. The vacancy rate peaked in late 2013 and then declined through 2017. The vacancy rate remained mostly stable in 2018 and 2019 before increasing from early 2020 through mid-2021. The vacancy rate has fluctuated slightly since that time and most recently has remained mostly stable from mid-2024 through mid-2025, and was 10.7% in Second Quarter 2025.

Office Vacancy Rate



No new buildings were completed in Second Quarter 2025, First Quarter 2025 or Fourth Quarter 2024. This compares to one new building containing 8,019 square feet in the Third Quarter 2024, one new building containing 4,000 square feet in the Second Quarter 2024, no new buildings in the First Quarter 2024 and Fourth Quarter 2023, four new buildings containing 42,138 square feet in Third Quarter 2023, no new buildings in Second Quarter 2023, two new buildings containing 22,000 square feet in First Quarter 2023, two new buildings containing 27,988 square feet in Fourth Quarter 2022, one new building containing 18,462 square feet in Third Quarter 2022, two new buildings containing 50,945 square feet in the Second Quarter 2022, and three new buildings containing 168,216 in the First Quarter 2022.

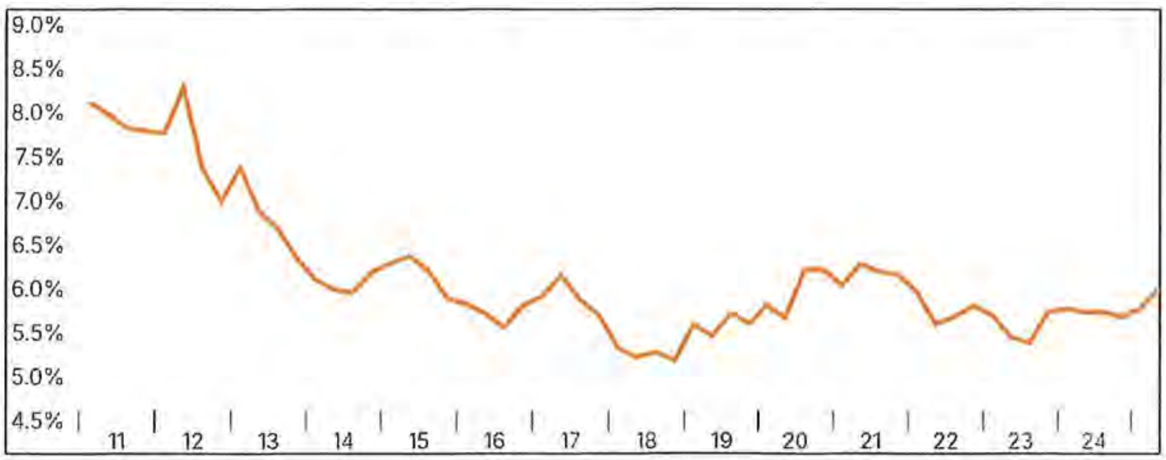
Market conditions for office properties stabilized around 2013 and remained slow but stable through 2019. Market conditions for office properties had started to slowly improve, primarily for office properties in high demand areas, smaller suites or buildings in many areas of Tucson, and newer office buildings in good condition. Demand remains limited for older and obsolete office buildings in particular. Covid-19 impacted work from home trends with changes in office demand with some offices returning to office in 2024 and the first half of 2025, while others continue to work from home. It is not yet known to what extent recent work from home trends will permanently impact office demand.

Retail Market

Retail space had maintained more constant levels of growth and absorption, with decreasing vacancy rates observed prior to mid-2007. In general, the market turned down starting at the end of 2007, and later remained stable and then slowly improved. In recent years, demand had increased for many types of retail properties and remained stable for less desirable retail uses. In March 2020, the Covid-19 pandemic impacted the world. After pausing in the immediate emergence of Covid-19, demand again increased for many retail property types and remained more stable for other property types. More recently demand remained stronger for some property types and more stable for others due to factors such as higher inflation and interest rates.

The following shows trends in the vacancy rate for retail properties in the Tucson market through the Second Quarter 2025, according to *Costar*.

Retail Vacancy Rate



This chart shows that the vacancy rate for retail properties increased through mid-2012. The retail vacancy rate declined from that time through 2018. The retail vacancy rate increased slightly from late 2018 through mid-2021 and then declined slightly in late 2022. The vacancy rate has remained generally stable in 2024 and increased slightly from 5.8% to 6.0% in the Second Quarter 2025.

There was net negative absorption of 93,204 square feet in the Second Quarter 2025, according to CoStar. This compares to net negative absorption of 53,297 square feet in the First Quarter 2025, net positive absorption of 192,760 square feet in the Fourth Quarter 2024, net positive absorption of 675 square feet in the Third Quarter 2024, net positive absorption of 63,887 square feet in the Second Quarter 2024, net negative absorption of 35,788 square feet in the First Quarter 2024, net negative absorption of 200,328 square feet in the Fourth Quarter 2023, net positive absorption of 72,185 square feet in the Third Quarter 2023, net positive absorption of 198,076 square feet in the Second Quarter 2023, net positive absorption of 163,532 square feet in the First Quarter 2023, net negative absorption of 98,625 square feet in the Fourth Quarter 2022, net positive absorption of 28,697 in the Third Quarter 2022, net positive absorption of 192,357 in the Second Quarter 2022, net positive absorption of 132,992 in the First Quarter 2022, net positive absorption of 13,656 square feet in the Fourth Quarter 2021, net negative absorption of 458 square feet in the Third Quarter 2021, net negative absorption of 114,076 square feet in the Second Quarter 2021, and net positive absorption of 129,326 square feet in the First Quarter 2021.

In the Second Quarter 2025, nine new retail buildings containing 41,248 square feet were completed. This compares to six new buildings containing 17,898 square feet in the First Quarter 2025, six new buildings containing 169,541 square feet in the Fourth Quarter 2024, two new buildings containing 4,056 square feet in the Third Quarter 2024, seven new buildings containing 45,918 feet in the Second Quarter 2024, eight new buildings containing 76,208 square feet in the First Quarter 2024, three new buildings containing 10,311 square feet in the Fourth Quarter 2023, ten new buildings containing 35,166 square feet in Third Quarter 2023, twelve new buildings containing 122,250 square feet in Second Quarter 2023, 17 new buildings containing 119,111 square feet in the First Quarter 2023, nine new buildings containing 35,788 square feet in Fourth Quarter 2022, 13 new buildings containing 86,137 square feet in Third Quarter 2022, five new buildings containing 20,933 square feet in Second Quarter 2022, and 12 new buildings containing 42,569 square feet in the First Quarter 2022.

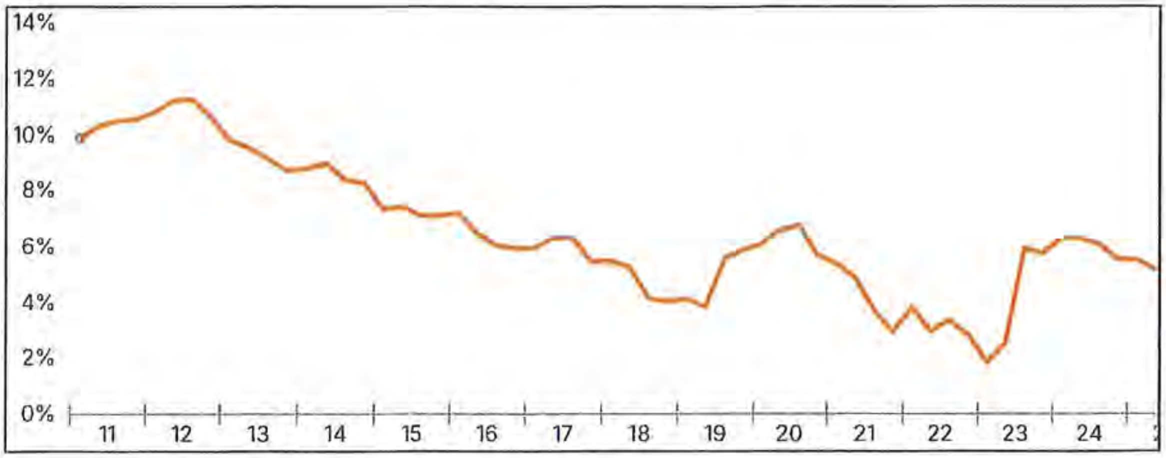
Prices and rents are stable or increasing in high demand areas or for high demand property types, although there remains limited demand for older retail properties in low demand areas. Since mid-2022, market conditions have remained increased slightly or remained generally stable for many properties as interest rates have risen and inflation increased.

Industrial Market

Tucson experienced rapid industrial growth from the late 70's to the mid-80s. Since then, there has been more limited new industrial development with a recent increase in mid-2020 through mid-2024. Most recently in Tucson, no new industrial buildings were completed in the Second Quarter 2025, according to CoStar. This compares to one new building containing 24,984 square feet in the First Quarter 2025, one new building containing 50,000 square feet in the Fourth Quarter 2024, no new buildings in the Third Quarter 2024, one new building containing 12,500 square feet in the Second Quarter 2024, four new buildings containing 40,000 square feet in the First Quarter 2024, one new building containing 244,889 square feet in the Fourth Quarter 2023, six new buildings containing 1,567,034 square feet in Third Quarter 2023, two new buildings containing 36,324 square feet in Second Quarter 2023, one new building containing 4,200 square feet in First Quarter 2023, three new buildings containing 329,539 square feet in the Fourth Quarter 2022, two new buildings containing 305,545 square feet in Third Quarter 2022, one new building containing 60,437 square feet in Second Quarter 2022, and one new building containing 50,000 square feet in the First Quarter 2022. Many of the buildings constructed in recent years are larger buildings.

The following chart shows trends in the industrial vacancy rate in Tucson through Second Quarter 2025, according to CoStar. The vacancy rate increased starting in mid-2023 but has remained generally stable since that time with a slight decline since mid-2024, and was 5.2% in the second quarter of 2025.

Industrial Vacancy Rate



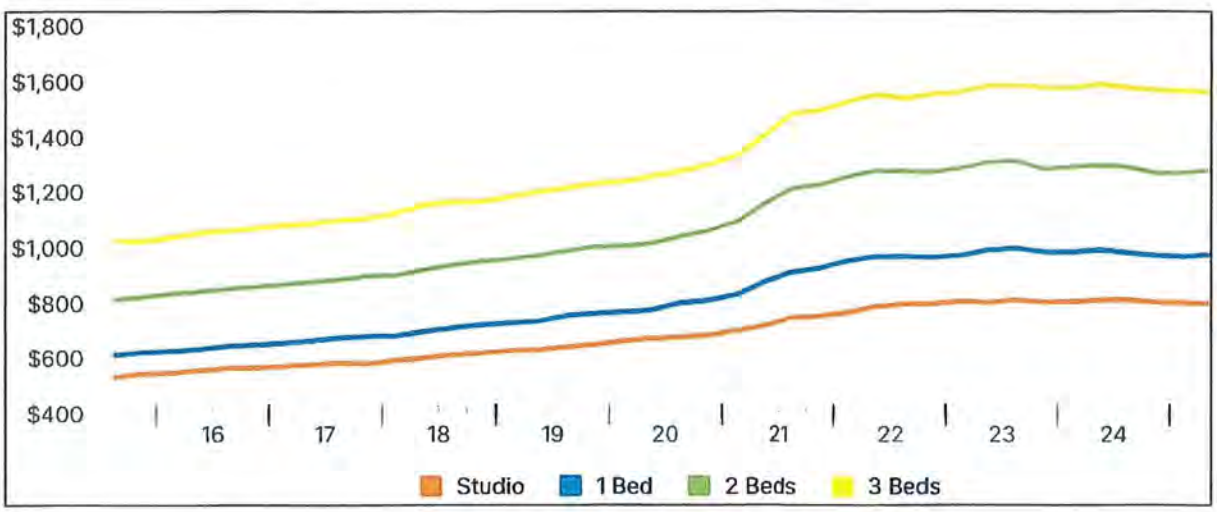
There was net positive absorption of 144,382 square feet in the Second Quarter 2025. This compares to net positive absorption of 31,201 square feet in the First Quarter 2025, net positive absorption of 272,554 square feet in the Fourth Quarter 2024, net positive absorption of 81,126 square feet in the Third Quarter 2024, net positive absorption of 18,240 square feet in the Second Quarter 2024, net negative absorption of 191,497 square feet in the First Quarter 2024, net positive absorption of 301,143 square feet in the Fourth Quarter 2023, net positive absorption of 144,909 square feet in Third Quarter 2023, net negative absorption of 234,128 square feet in Second Quarter 2023, net positive absorption of 391,361 square feet in the First Quarter 2023, net positive absorption of 515,844 square feet in the Fourth Quarter 2022, net positive absorption of 151,151 square feet square feet in the Third Quarter 2022, net positive absorption of 376,723 square feet in the Second Quarter 2022, net negative absorption of 284,298 square feet in the First Quarter 2022, net positive absorption of 501,223 square feet in the Fourth Quarter 2021, net positive absorption of 808,926 square feet in the Third Quarter 2021, net positive absorption of 216,162 square feet in the Second Quarter 2021, and net positive absorption of 135,293 square feet in the First Quarter 2021, according to *CoStar*.

Overall, the industrial vacancy rate increased through mid-2012. The vacancy rate declined from late 2012 through the first part of 2019 before increasing somewhat through mid-2020 before declining again through late 2021 with a general decline though 2022. In March 2020, the Covid-19 pandemic led to a shutdown of many businesses; however, the industrial market experienced strong demand during that time with changes in supply chains leading to increased demand for industrial properties. From mid-2020 through mid-2022 there were rising prices and rental rates, with limited available supply of modern space, and new construction started during that time. Demand has recent slowed somewhat and become more stabilized due to rising interest rates and construction costs, as well as the overall uncertainty in the market.

Multi-Family Market

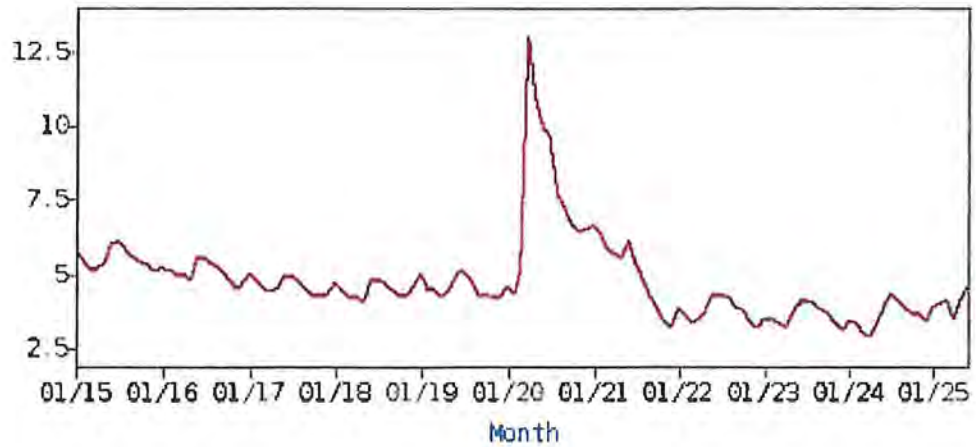
The following is the overall and stabilized vacancy rate for apartments in Tucson through the Second Quarter 2025. Vacancy rates for apartment properties in the Tucson Metropolitan area gradually declined through 2019 and then declined more quickly in 2020. The vacancy rate has increased since late 2021 and have been stable since mid-2024, and was 10.1% for stabilized properties and 10.8% for overall vacancy in Second Quarter 2025.

The following is the average effective rental rate per unit type for apartment properties through the Second Quarter 2025 in the Tucson market, according to CoStar. There was a significant increase in rents for all unit types in the first three quarters of 2021 followed by a general stabilization. The average rent was generally stable with minimal fluctuations through Second Quarter 2025.



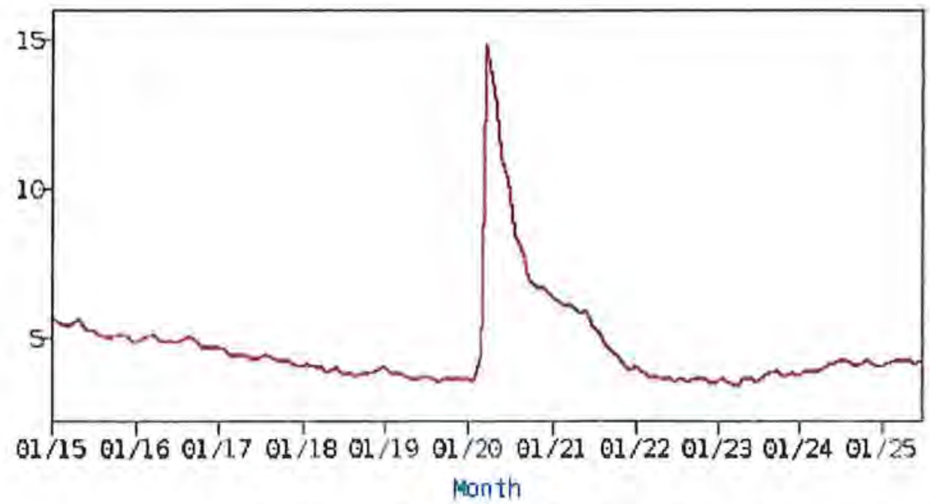
Market conditions for multi-family properties has increased significantly since mid-2020, with rapidly increasing rents, decreasing vacancy rates, and increased sales prices, with new construction and renovations during that time due to strong demand for apartments. Demand has slowed since mid-2022 recently due to increased interest rates as well as stabilization of rents and increasing vacancy rates.

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



This data shows that the unemployment rate in the Tucson metropolitan area had slowly been declining since early 2011. There was a slow steady decline in the unemployment rate over several years. However, the unemployment rate (not seasonally adjusted) was stable in 2019 with an increase early in the year. Due to the shutdown of many businesses due to Covid-19, unemployment began to increase significantly in mid-March 2020. The unadjusted unemployment rate was 4.3% in February 2020 and 5.2% in March 2020. This increased to a peak of 13% in April 2020, then declined slightly to 10.9% in May 2020 and 9.6% in July 2020. The unemployment rate declined to 7.7% in August 2020 and 6.6% in October 2020. The unemployment rate declined to 5.4% in July 2021, 3.2% in December 2021, and 3.2% in March 2022. The unemployment rate was 4.2% in August 2022, 3.3% in January 2023, 4.0% in August 2023, 3.3% in February 2024, 3.9% in January 2025, and 4.2% in May 2025.

According to the United States Department of Labor, Bureau of Labor Statistics, the national seasonally adjusted unemployment rate also increased through late 2009. The unemployment rate remained high and started to decline slowly in late 2010. The unemployment rate has declined and is below 2007 levels. The seasonally adjusted unemployment rate was 3.5% in February 2020 and 4.4% in March 2020. This increased to a peak of 14.8% in April 2020, then declined slightly to 13.2% in May 2020 and 10.2% in July 2020. The unemployment rate declined to 8.4% in August 2020 and 6.9% in October 2020. The unemployment rate declined to 6.4% in January 2021, 3.9% in December 2021, and 3.7% in March 2022. The unemployment rate was 3.6% in August 2022, 3.5% in December 2022, 3.7% in August 2023, 3.9% in February 2024, and 4.2% in May 2025.



Overall, the commercial real estate markets reveal that in early to mid-2020, most investors held a cautionary outlook due to the uncertainty of the government conditions and Covid-19. Market conditions have improved for many property types since that time, starting as early as mid-2020. Market conditions in early to mid-2020 were uncertain for some commercial property types, while demand remained for many other property types that are less impacted by Covid-19. Market conditions for single-family and multi-family properties has increased significantly starting at that time, while demand for many commercial uses, particularly those most impacted by Covid-19, were uncertain and stable for longer but increased for many other commercial uses. Demand remained strong for most property types, particularly single family residential, multi-family residential, and industrial uses. As interest rates increased starting in mid-2022, demand slowed and market conditions became more uncertain for most property types, with more stable demand through mid-2025. There remains limited supply on the market for most property types. The long-term result should be a more balanced level of supply and demand - more conducive to steady long-term development. Factors such as climate, health and educational facilities, and the availability of housing are positive influences which will result in long-term economic growth for metropolitan Tucson.

MARKET AREA

The market area is that area known as the northwest side, located in the town of Oro Valley, an incorporated township which is situated north of the Tucson city limits. The neighborhood incorporates the planned unit development area known as Rancho Vistoso, west of State Highway 77, north of Tangerine Road, east of La Cholla Boulevard, and south of Honey Bee Canyon, where multi-million dollar homes on large parcels have been constructed. Existing property types in the neighborhood include single family residences on large parcels, planned unit developments, some limited multi-family residential use, patio homes, and master-planned communities such as Rancho Vistoso.

The market area contains the Rancho Vistoso Center and several medical and related type improved properties. Between Rancho Vistoso Boulevard on the north and Tangerine Road on the south is the Innovation Park development, including Ventana Medical Systems, the Northwest Medical Center Hospital, and a considerable number of projects in process. Major retail development has occurred in the Oro Valley Marketplace at Tangerine and Oracle Roads and along Oracle Road in the area of First Avenue. Some of the main stores at Oro Valley Marketplace opened in the fall of 2008. This includes a Walmart Supercenter and other national chain stores, with vacant land and pads available for additional construction. The Oro Valley Marketplace has recently received approvals for changes to allow development that will now include hotels and apartments within the development. There has been additional retail development along Oracle Road, with significant development at Oracle Road and First Avenue. North of that is Steam Pump Village, a commercial development on the west side of Oracle Road.

There was an increase in recent years of development of medical facilities in the general area in connection with the Oro Valley Hospital. This includes private medical and specialty doctor and dental offices. East of Oracle Road is government-owned land in the Coronado National Forest. There is ample vacant land in the general area for continued growth in the foreseeable future. Demand for vacant land had slowed significantly after 2008 during the recession but has increased again in recent years as market conditions continue to improve. Improve. There is limited vacant land in the area for new residential development, with strong demand for residential uses.

SITE DESCRIPTION

The site is an irregular shaped property with 370 feet of frontage on Tangerine Road along the southern property line, a length of about 1,667 feet along the eastern property line, and a length of 232.18 feet along the northern property line. The western property line has various "zigzags" with various lengths that overall run parallel with the eastern property line. The site contains a total area of 13.15 acres (572,960 square feet), per the Pima County Assessor. Tangerine Road is a four-lane, asphalt-paved roadway with a center median, a concrete bike path along the southern end of the right-of-way, and no concrete curbs, sidewalks, or streetlights in the vicinity of this property. Tangerine Road has a 2024 traffic count of 19,179 vehicles per day in the vicinity of this site, according to the Arizona Department of Transportation traffic count. The topography is rolling, steeply sloping, and above grade from Tangerine Road adjacent to the southern property line. The most level portion of the site is a small portion of the property located in the southwestern portion of the site. Overall the site is steeply sloping in an easterly direction towards the drainage way for the Big Wash that is east of the subject property. Soil conditions appear to be typical of the area. Properties bordering the subject property include commercial uses to the west, vacant land designated for residential uses to the north, and vacant land designated for open space to the south and to the east.

Utilities available to the property include electric (Tucson Electric Power Company), telephone (CenturyLink), and potentially water (Town of Oro Valley). There is a water line that runs across the south portion of the subject, but it is unknown if this line can be tapped for usage. There are sewer lines from Pima County Waste Water Management that are located in Rancho Vistoso Boulevard, west of the subject property. Any development of the site would require an engineering study to determine the availability and adequacy of utilities.

According to FEMA Flood Insurance Rate Map 04019C1090L, dated June 16, 2011, and LOMR Revision 20-09-1126P completed on a northern portion of the site dated November 19, 2020, the land is located in Zone X (unshaded) which are areas determined to be outside the 0.2 percent annual chance floodplain (see Exhibits). The property is in a seismic zone which is considered to have a low probability of seismic activity. There are no known easements or encumbrances that adversely affect the subject property, other than the previously discussed water line easement.

ZONING

Zoning for the subject property is Rancho Vistoso PAD (Planned Area Development), Town of Oro Valley. The subject property is located within the Rancho Vistoso Development consisting of land uses for low, medium, and high density residential uses, along with commercial, recreational, and open space uses.

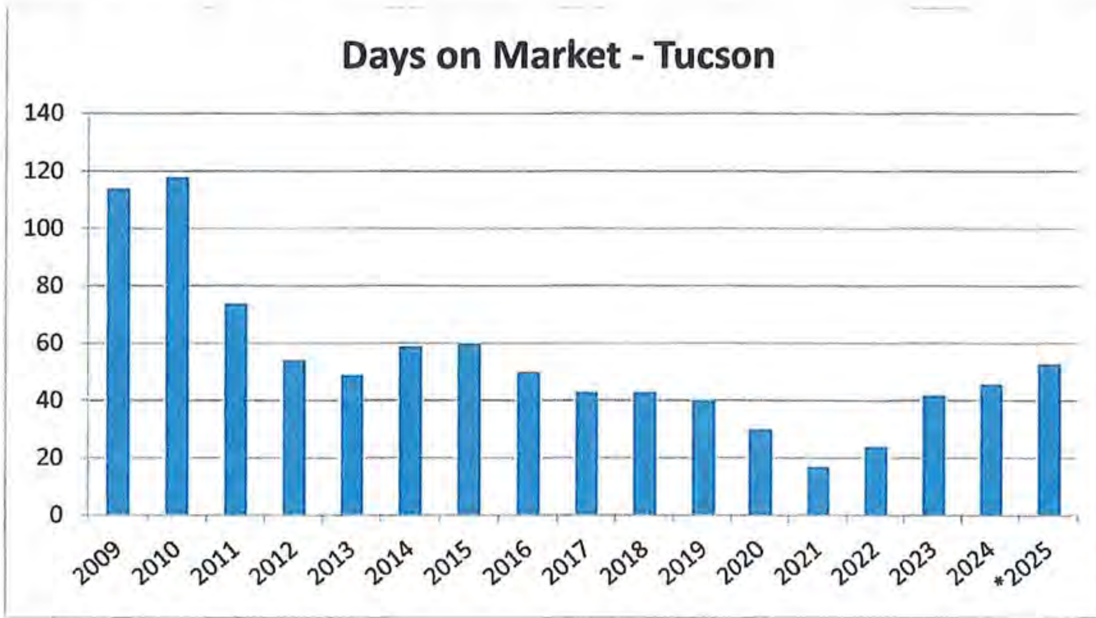
LAND USE DESIGNATION

The subject property is designated as Open Space within the Rancho Vistoso Planned Area Development, according to the Town of Oro Valley. The Rancho Vistoso Planned Area Development designates land for Open Space that are designed to preserve natural and undisturbed areas such as washes, drainages, and other natural features, and provide passive recreational opportunities such as trails for pedestrians, equestrians, and cyclist. Land, such as the subject property, is required by the Town of Oro Valley to be designated and set aside as open space in a Planned Area Development, such as Rancho Vistoso.

MARKET PROFILE – RESIDENTIAL

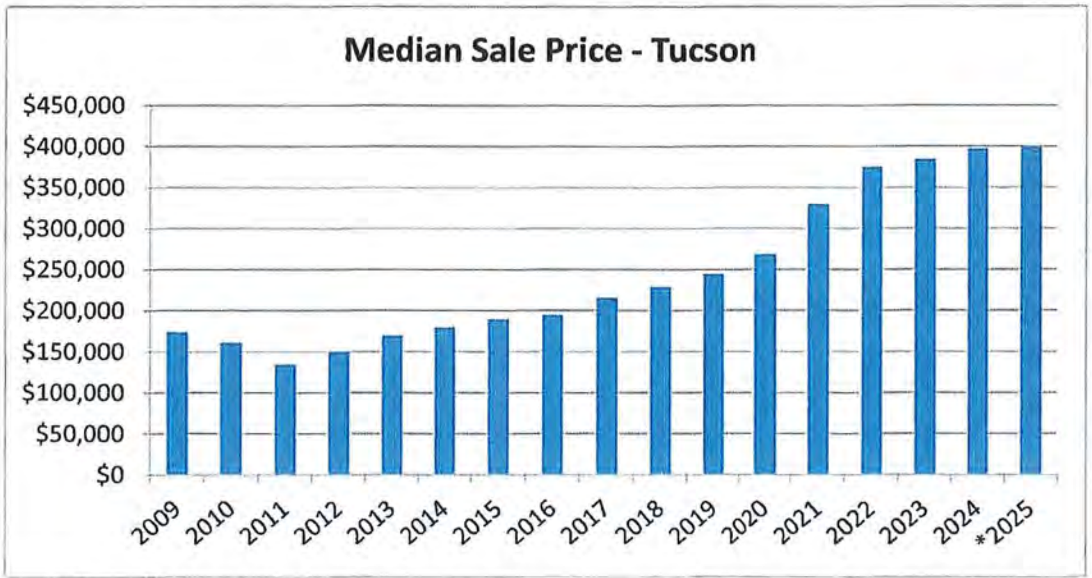
Starting in mid-2006, the market began to slow, and this trend continued into 2007, with a further slowdown in 2008 through 2010. Prices for residential properties leveled off and then decreased in all market areas. The demand for homes began to decline and fewer homes were purchased. The median price for homes also declined during this time. From 2011, there has been a steady recovery in the residential housing market, in all market areas. Market conditions for single-family residences increased significantly starting in mid-2020 due to largely in part to low interest rates and extremely limited inventory.

The following are the average number of days on the market for sold single-family residences in the Tucson Market from 2009 through the second quarter of 2025, according to Multiple Listing Service (MLS). This data indicates that the average days on the market for single-family residences increased from 2009 and peaked in 2010. Beginning in 2011, the number of days on market dropped significantly and was mostly stable from 2012 through 2019. The number of days on market decreased in 2020 and 2021, with a substantial reduction in 2021. The days on market have generally been trending slightly upwards from 2022 through the second quarter of 2025. While inventory of homes is still low, the effect of interest rate increases has led to an increase in marketing time from the prior years when interest rates were at historically low levels.



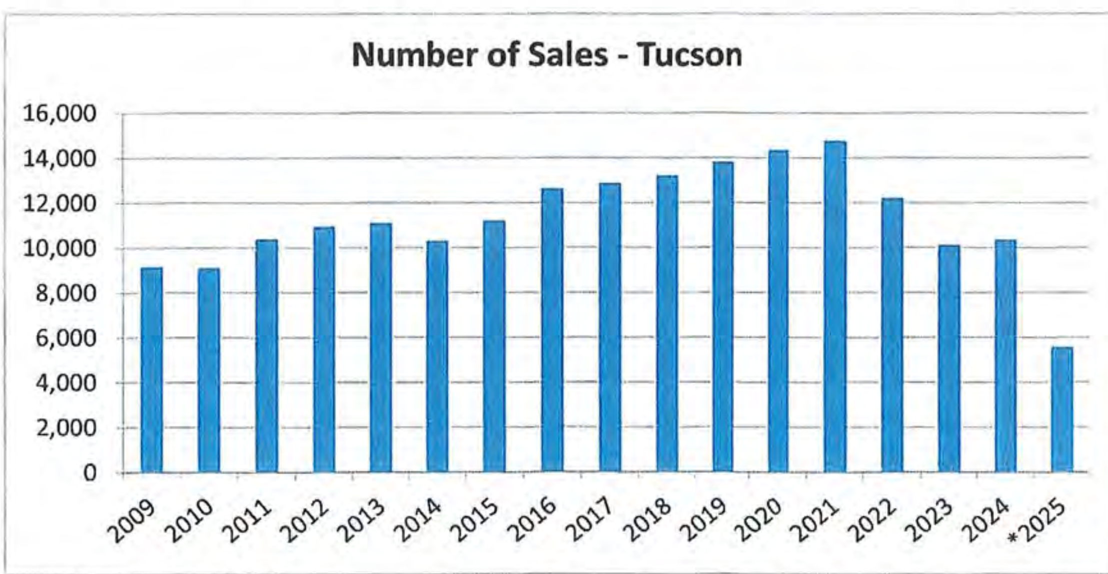
***through second quarter**

The following is the median sale price for single-family residences for the Tucson market from 2009 through the second quarter of 2025, according to MLS. Beginning in 2012, the median sales price for single family residences in the Tucson market gradually increased on a year over year basis, continuing through the year end of 2023, with the rate of increase slowing from 2022 to 2023 compared to the previous years. Median sale prices from 2024 through the second quarter of 2025 have remained relatively stable.



***through second quarter**

The following is the number of sales of single-family residences in the Tucson Market from 2009 through the second quarter of 2025, according to MLS. The number of sales overall trended upwards from 2010 through 2021. Sales dropped in 2022 and 2023, with sales remaining generally stable in 2024. The 2025 data is for the first half of the year and is generally consistent with the prior year.

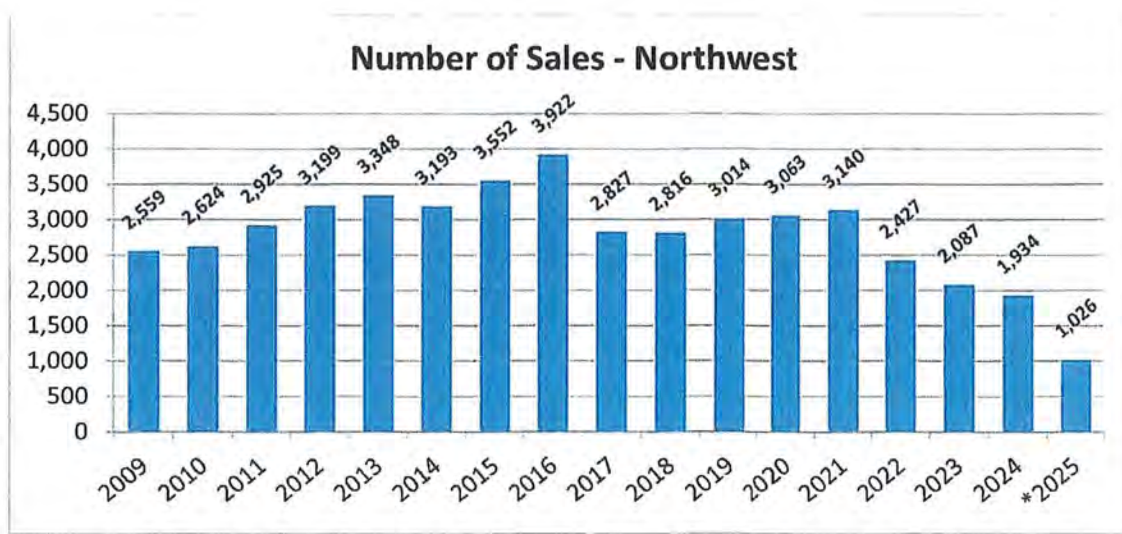


***through second quarter**

The following is the median sale price for single-family residences from 2009 through the first half of 2025 in the subject sector, Northwest, according to MLS. This data indicates that the median sale price in the sector declined from 2009 through 2011. Beginning in 2012, the median sales price has steadily increased every year in the subject sector through the first half of 2025. The rate of increase was higher from 2020 through 2022, followed by a slower rate of increase from 2023 through the first half of 2025

***first half 2025**

The following is the number of sales of single-family residences from 2009 through the first half of 2025 in the subject sector, Northwest, according to MLS. This data indicates that the number of sales overall increased from 2009 through 2016, with a slight decline in 2014. The number of sales dropped in 2017 and overall was relatively stable through 2021. The number of sales have more recently experienced an over decline from 2022 through 2024.



***first half 2025**

Prices for some types of homes, particularly in homes priced below $300,000 had increased slowly starting in 2013. Starting in mid-2020, there was increased demand for residential uses due to low interest rates, the increase in available "remote" occupations, and a generally low amount of inventory for homes priced below $300,000 placing upward pressure on home prices. Home prices had increased significantly, and at a rapid pace, from mid-2020 through mid-2022. At this time, there was strong demand by builders for finished lots or residential land that could be developed with a subdivision, with many land purchases. There was a preference by builders for finishes or platted lots, although some land was purchased by builders or investors for development of future subdivisions. However, interest rates increased starting in 2022, which has slowed some of the housing activity as potential market participants wait to see how the market reacts before listing or purchasing a home. There are indications of slightly longer marketing period. Prices appear to have become more stable with the previous rapid increase in prices having slowed dramatically. The long-term result should be a more balanced level of supply and demand - more conducive to steady long-term development.

EXPOSURE/MARKETING TIME

Marketing time in this appraisal, is defined as: "An opinion of the amount of time it might take to sell a property interest at the concluded market value level or at a benchmark price during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which precedes the effective date of an appraisal." [1]

The reasonable *exposure time* is the period a property is on the market until a sale is consummated and as utilized in this appraisal, is defined as: "The time a property remains on the market; An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal." [2]

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

HIGHEST AND BEST USE

The Seventh edition of The Dictionary of Real Estate Appraisal (Appraisal Institute; 2022, p. 88), defines highest and best use as: "The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity."

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

Highest and Best Use as Vacant

Legal Considerations

Zoning for the subject property is Rancho Vistoso PAD (Planned Area Development), Town of Oro Valley. The subject property is located within the Rancho Vistoso Development consisting of land uses for low, medium, and high density residential uses, along with commercial, recreational, and open space uses.

The subject property is designated as Open Space within the Rancho Vistoso Planned Area Development, according to the Town of Oro Valley. The Rancho Vistoso Planned Area Development designates land for Open Space that are designed to preserve natural and undisturbed areas such as washes, drainages, and other natural features, and provide passive recreational opportunities such as trails for pedestrians, equestrians, and cyclist. Land, such as the subject property, is required by the Town of Oro Valley to be designated and set aside as open space in a Planned Area Development, such as Rancho Vistoso.

Therefore, the subject property can legally only be utilized as open space.

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1. The Dictionary of Real Estate Appraisal (Appraisal Institute, Seventh Edition, 2022), p. 116

2. Ibid, p. 67

Physical Considerations
The site is an irregular shaped property with 370 feet of frontage on Tangerine Road along the southern property line, a length of about 1,667 feet along the eastern property line, and a length of 232.18 feet along the northern property line. The western property line has various "zigzags" with various lengths that overall run parallel with the eastern property line. The site contains a total area of 13.15 acres (572,960 square feet), per the Pima County Assessor. Tangerine Road is a four-lane, asphalt-paved roadway with a center median, a concrete bike path along the southern end of the right-of-way, and no concrete curbs, sidewalks, or streetlights in the vicinity of this property. Tangerine Road has a 2024 traffic count of 19,179 vehicles per day in the vicinity of this site, according to the Arizona Department of Transportation traffic count. The topography is rolling, steeply sloping, and above grade from Tangerine Road adjacent to the southern property line. The most level portion of the site is a small portion of the property located in the southwestern portion of the site. Overall the site is steeply sloping in an easterly direction towards the drainage way for the Big Wash that is east of the subject property. Soil conditions appear to be typical of the area. Properties bordering the subject property include commercial uses to the west, vacant land designated for residential uses to the north, and vacant land designated for open space to the south and to the east.

Utilities available to the property include electric (Tucson Electric Power Company), telephone (CenturyLink), and potentially water (Town of Oro Valley). There is a water line that runs across the south portion of the subject, but it is unknown if this line can be tapped for usage. There are sewer lines from Pima County Waste Water Management that are located in Rancho Vistoso Boulevard, west of the subject property. Any development of the site would require an engineering study to determine the availability and adequacy of utilities. According to FEMA Flood Insurance Rate Map 04019C1090L, dated June 16, 2011, and LOMR Revision 20-09-1126P completed on a northern portion of the site dated November 19, 2020, the land is located in Zone X (unshaded) which are areas determined to be outside the 0.2 percent annual chance floodplain. The property is in a seismic zone which is considered to have a low probability of seismic activity. There are no known easements or encumbrances that adversely affect the subject property, other than the previously discussed water line easement.

The subject property is designated as open space within Rancho Vistoso and can only be developed with passive recreational uses such as trails for pedestrians, equestrians, and cyclist.

Financial Feasibility
The subject property could be developed with passive recreational uses, such as trails for pedestrians, equestrians, and cyclist. This is the only legally and physically possible use of the site.

Maximally Productive
Therefore, the maximally productive highest and best use of the subject is to be utilized as open space.

SUMMARY OF ANALYSIS AND VALUATION - PART IV

SALES COMPARISON APPROACH

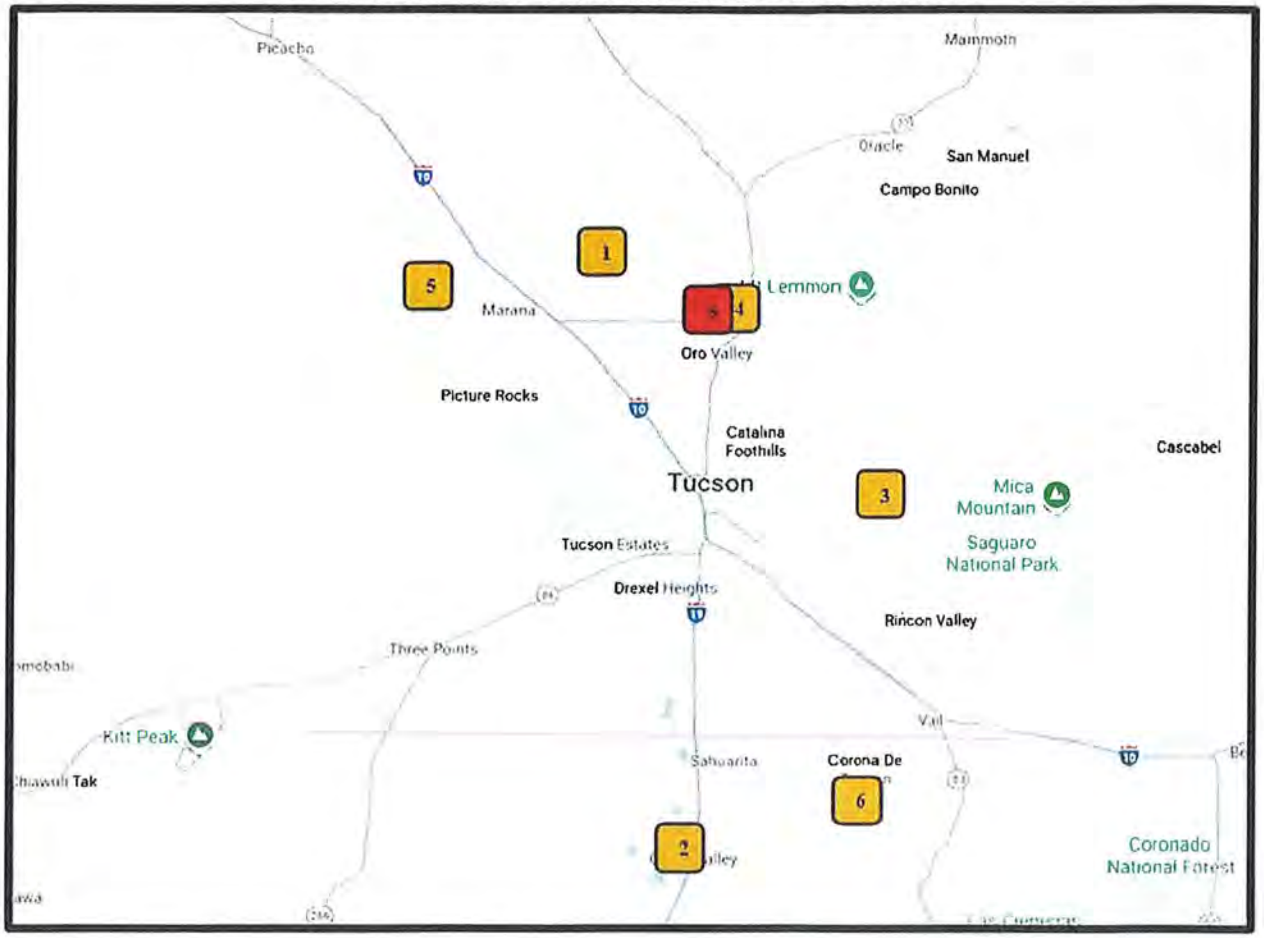
The sales comparison approach to value considers what a typical well-informed purchaser would pay for a property, based on an analysis of similar properties. This approach reflects the application of the principle of substitution, which affirms that when a property can be replaced, its value tends to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

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

Table of Comparable Land Sales

Sale No.	Sale Date	Property Location	Sale Price	Site Size (Acres)	Price/ Acre	Zoning
1.	08/18	Southeast side of Cochie Canyon Trail, north of Desperado Trail	$229,295	15.427	$14,863	RH
2.	09/18	North side of Esperanza Boulevard, west of La Canada Drive	$136,481	12.33	$11,069	CB-1
3.	12/20	Northeast corner of Speedway Boulevard and Houghton Road	$100,000	12.42	$8,052	SR
4.	08/23	Northwest corner of Oracle Road and Tangerine Road	$300,000	22.31	$13,447	PAD
5.	02/23	South of Silverbell Road, east of Cocio Road	$27,500	4.13	$6,659	RH
6.	Escrow	East side of Canyon Edge Trail alignment, south of Trailblazer Way	$285,000	39.53	$7,210	RH
		Subject Property		**13.15**		**PAD**

COMPARABLE LAND SALES LOCATION MAP

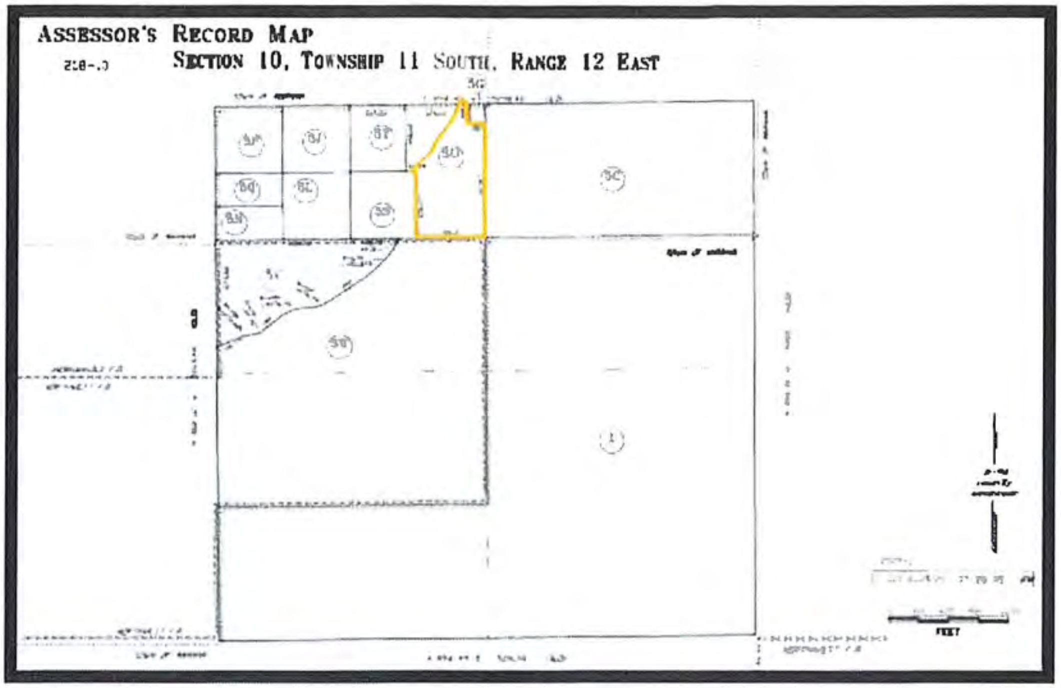


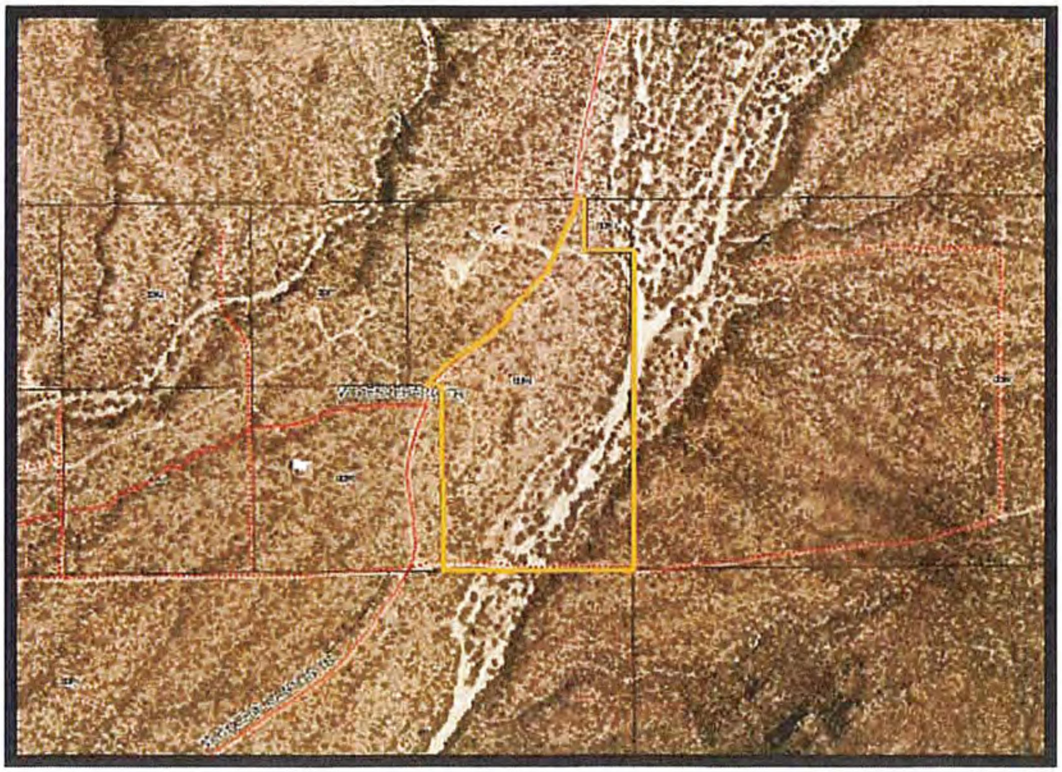
Subject:	**North side of Tangerine Road, east of Rancho Vistoso Boulevard**
Sale 1:	Southeast side of Cochie Canyon Trail, north of Desperado Trail
Sale 2:	North side of Esperanza Boulevard, west of La Canada Drive
Sale 3:	Northeast corner of Speedway Boulevard and Houghton Road
Sale 4:	Northwest corner of Oracle Road and Tangerine Road
Sale 5:	South of Silverbell Road, east of Cocio Road
Sale 6:	The east side of the Canyon Edge Trail alignment, south of Trailblazer Way, Pima County

COMPARABLE LAND SALES

LAND COMPARABLE NUMBER ONE (SALE)	ID: RH 0405 7646
LOCATION:	Southeast side of Cochie Canyon Trail, north of Desperado Trail
LEGAL DESCRIPTION:	A portion of the Northeast Quarter of the Northwest Quarter of Section 10, Township 11 South, Range 12 East, G&SRB&M, Pima County, Arizona
STATE TAX PARCEL:	218-10-005U (portion)
RECORD DATA:	Fee number 2018-2200468
DATE OF SALE:	August 8, 2018
SELLER:	Michael and Kelly McCully Revocable Trust
BUYER:	Meritage Homes
CONFIRMED BY:	Ben Becker; buyer's agent (520-323-5100) TAB; November, 2018
LAND DESCRIPTION:	15.427 acres. This site is an irregularly shaped interior property with approximately 820 feet of frontage on Cochie Canyon Trail. The site has a depth of 1,317.67 feet along the eastern property line. Cochie Canyon Trail is a one-lane, dirt road alignment with no concrete curbs, sidewalks or streetlights in the vicinity of this property. The Pima Association of Governments has no traffic count information for Cochie Canyon Trail in the vicinity of this site. The topography is sloping in a southerly direction. Utilities are not available to the site. According to FEMA Flood Insurance Rate Map 04019C1051L, dated June 16, 2011, portions of this property are within Zone X (unshaded) which are areas determined to be outside the 0.2 percent annual chance floodplain. Approximately 37 percent of the property is within FEMA Flood Zone: AO which are areas of 1 percent shallow flooding where average depths are between 1 and 3 feet. The South Cochie Canyon Wash runs through the southeast portions of the property. This wash has a 50 foot erosion hazard setback, with approximately 14.6 percent of the property in erosion hazard setback. This area is within a riparian habitat with a designation of Xeroriparian C.

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

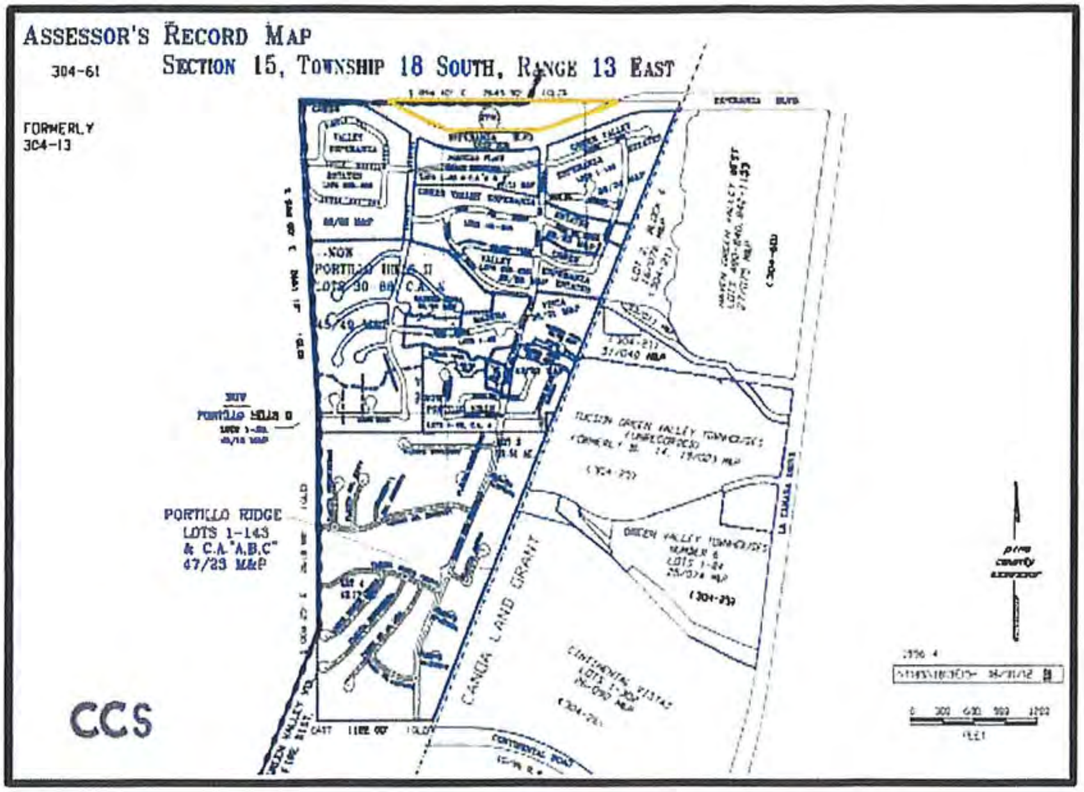

ASSESSOR'S RECORD MAP
SECTION 10, TOWNSHIP 11 SOUTH, RANGE 12 EAST



LAND COMPARABLE NUMBER TWO (SALE) ID: CB1 0144 7642

LOCATION:	North side of Esperanza Boulevard, west of La Canada Drive
LEGAL DESCRIPTION:	A portion of the North half of the North half of the North half of Section 15, Township 18 South, Range 13 East, G&SRB&M, Pima County, Arizona
STATE TAX PARCEL:	304-61-274C
RECORD DATA:	Fee number 2018-2500659
DATE OF SALE:	September 7, 2018
SELLER:	William L. Pippin and Teresa A. Pippin
BUYER:	Las Campanas Community Association
CONFIRMED BY:	Mary Moore; project manager for buyer (520-648-6730) EWV; November, 2018
LAND DESCRIPTION:	537,095 square feet or 12.33 acres. This site is an irregularly shaped property with approximately 2,370 feet of frontage on Esperanza Boulevard along the southern property line. The site has a length of approximately 2,140 feet along the northern property line. Esperanza Boulevard is a two-lane, asphalt-paved roadway with no concrete curbs, sidewalks or streetlights in the vicinity of this property. Esperanza Boulevard has a 2014 traffic count of 5,022 vehicles per day east of this site, according to the Pima Association of Governments. The topography is sloping in an easterly direction. All utilities are available to the site. According to FEMA Flood Insurance Rate Map 04019C3935L, dated June 16, 2011, the land is located in Zone X (unshaded) which are areas determined to be outside the 0.2 percent annual chance floodplain. An unknown local regulated wash runs along the northern and center portions of the property. The wash has an erosion hazard setback of 25 feet on the western portion of the property, and 50 feet in the northeast corner of the property. The area of the wash is within a riparian habitat with a designation of Hydromesoriparian.

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


ASSESSOR'S RECORD MAP
304-61
SECTION 15, TOWNSHIP 18 SOUTH, RANGE 13 EAST
FORMERLY
304-13
PORTILLO RIDGE
LOTS 1-143
& C.A."A,B,C"
47/23 M&P
CANOA LAND GRANT
CCS

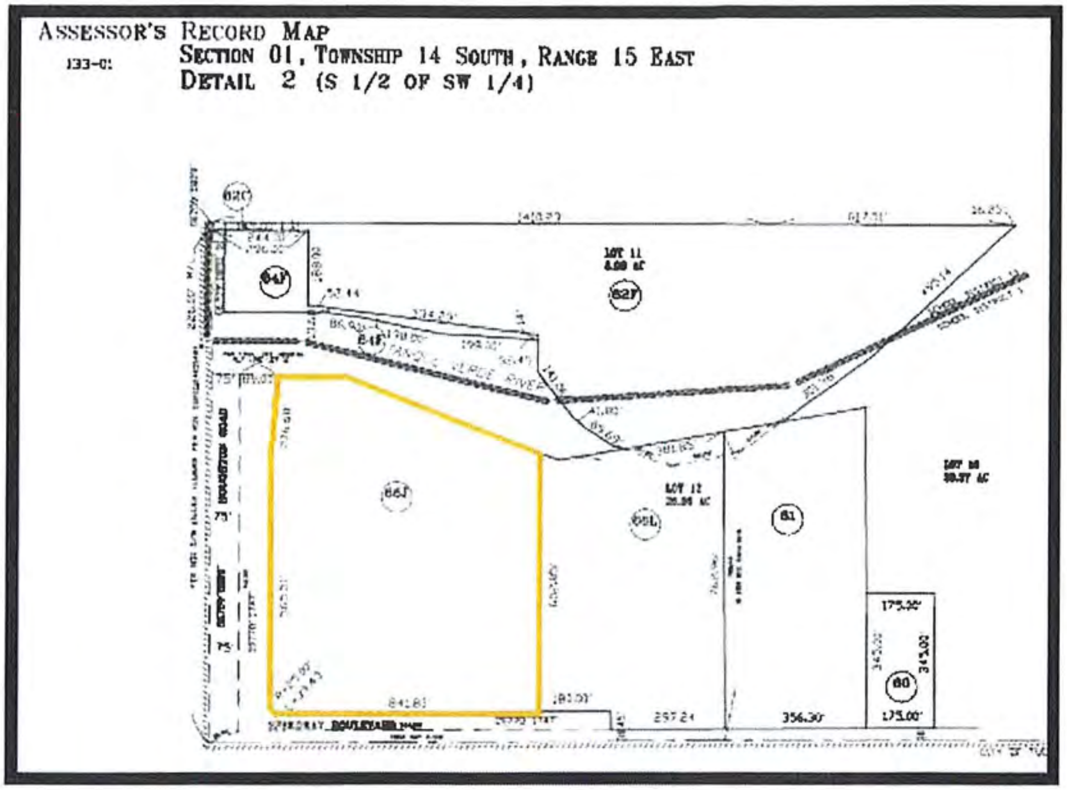
LAND COMPARABLE NUMBER THREE (SALE) ID: SR 0768 7932I

LOCATION:	Northeast corner of Speedway Boulevard and Houghton Road
LEGAL DESCRIPTION:	Lot 12, excepting the South 75' and the West 164' and the East 477.84' thereof, located in the South half of the Southwest quarter of Section 1, Township 14 South, Range 15 East, G&SRB&M, Pima County, Arizona
STATE TAX PARCEL:	133-01-066J
RECORD DATA:	Sequence Number 20203510779
DATE OF SALE:	December 16, 2020
SELLER:	76 Trust
BUYER:	Pima County
CONFIRMED BY:	Jeff Teplitsky, buyer's representative (520-724-6306) TAB; November 17, 2020
LAND DESCRIPTION:	This site is a mostly rectangular shaped corner property with about 867 feet of frontage on Speedway Boulevard along the southern property boundary and about 867 feet of frontage on Houghton Road along the western property boundary. The property is at the northeast corner of Speedway Boulevard and Houghton Road, which is a fully signalized intersection. Speedway Boulevard is a four-lane, asphalt-paved roadway tapering to two lanes to the east of this site with some concrete curbs and no sidewalks or streetlights in the vicinity of this property. Speedway Boulevard has a 2019 traffic count of 4,802 vehicles per day in the vicinity of this site, according to the Pima Association of Governments. Houghton Road is a two-lane, asphalt-paved roadway with concrete curbs and no sidewalks or streetlights in the vicinity of this property. Houghton Road has a 2019 traffic count of 11,951 vehicles per day in the vicinity of this site, according to the Pima Association of Governments. The topography is mostly level, sloping in a northerly direction and below the existing street grades. The site is covered with heavy vegetation, especially along the wash areas. Utilities available to the site include electric and telephone.

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

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

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


ASSESSOR'S RECORD MAP
133-01
SECTION 01, TOWNSHIP 14 SOUTH, RANGE 15 EAST
DETAIL 2 (S 1/2 OF SW 1/4)
LOT 11
LOT 12
175.00'
356.30'
175.00'
345.00
841.81'
SPEEDWAY BOULEVARD

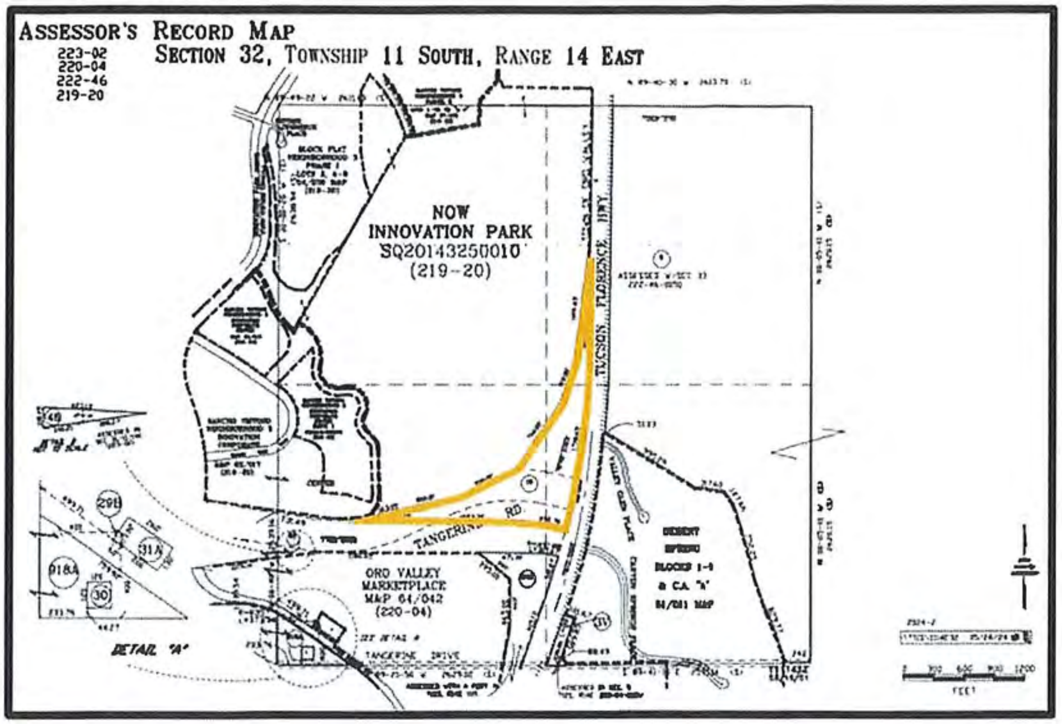

N HOUGHTON RD
E SPEEDWAY BL

LAND COMPARABLE NUMBER FOUR (SALE) ID: ORO 0228 8549

LOCATION:	Northwest corner of Oracle Road and Tangerine Road
LEGAL DESCRIPTION:	A portion of Lot 1, Rancho Vistoso Neighborhood 3, Innovation Corporate Center, Block 4, Pima County, Arizona
STATE TAX PARCEL:	222-46-0180
RECORD DATA:	Fee number 2023-2220818
DATE OF SALE:	August 10, 2023
SELLER:	Arizona Department of Transportation
BUYER:	VWI/Vistoso Partners, LLC
CONFIRMED BY:	Karen Farrel, buyer's representative (520-392-8832) DFO; December, 2024 Donna Bentley, seller's representative (602-712-8808) DFO; December, 2024
LAND DESCRIPTION:	This site is a somewhat triangular shaped property with approximately 1,940 feet of frontage on Tangerine Road along the southern border and approximately 2,750 feet of frontage on Oracle Road along the eastern border. There is no current access points from either Tangerine Road or Oracle Road, however, there is access from the both Tangerine Road and Oracle Road to the subject property from the adjacent parcels to the north and west of the that are under the same ownership. Tangerine Road is a four-lane, asphalt-paved roadway with a center median, bike lanes, but no concrete curbs, sidewalks, or streetlights in the vicinity of this property. Tangerine Road has a 2023 traffic count of 11,050 vehicles per day in the vicinity of this property according to the Pima County Associations of Government information. Oracle Road is a six-lane, asphalt-paved roadway with a center median, bike lanes, but no concrete curbs, sidewalks, or streetlights in the vicinity of this property. Oracle Road (SR-77) has a 2023 traffic count of 33,817 vehicles per day in the vicinity of this property according to the Arizona Department of Transportation information. The

intersection of Oracle Road and Tangerine Road is a traffic light controlled intersection. The topography is rolling hilly terrain, with various steeply sloping hillsides with very little level areas on the site. There is public sewer, electricity, and telephone available to the property line; however, public water is located on the south side of Tangerine Road from the property and also along Innovation Road to the west of the property and would need to be extended to reach the property. According to FEMA Flood Insurance Rate Maps 04019C1090L and 04019C1095L , dated June 16, 2011, the property is identified as being located in Zone X (unshaded) which are areas determined to be outside the 0.2 percent annual chance floodplain. There are several local washes running through the central portion of the site. The narrow and irregular shape of the site along with steeply sloping terrain limit the types of uses that can be developed on the property.

LAND SIZE:	22.31 acres, or 971,687 square feet
ZONING:	PAD (Rancho Vistoso), Oro Valley
REPORTED SALE PRICE:	\$300,000
PRICE PER ACRE:	\$13,447
MARKETING TIME:	Not available
TERMS OF SALE:	This was reported to be an all cash to the seller transaction.
PRIOR SALE:	Records of the Pima County Assessor indicate that no market transaction has occurred within three years of the date of valuation.
CONDITIONS OF SALE:	This sale is reported to have occurred under normal market conditions as the property was purchased at an auction with multiple bidders per the listing representative.
INTENDED USE:	Due to the irregular shape, road setbacks, and steeply rolling topography of the site, the purchaser is utilizing the site for signage for their adjacent "Innovation Park" development and as open space.


ASSESSOR'S RECORD MAP
223-02
220-04
222-46
219-20
SECTION 32, TOWNSHIP 11 SOUTH, RANGE 14 EAST
NOW
INNOVATION PARK
SQ20143250010
(219-20)
TUCSON FLORENCE HWY.
TANGERINE RD
ORO VALLEY
MARKETPLACE
MAP 64/042
(220-04)
TANGERINE DRIVE
DESERT
SPRING
BLOCKS 1-9
& C.A. "A"
DETAIL "A"
FEET

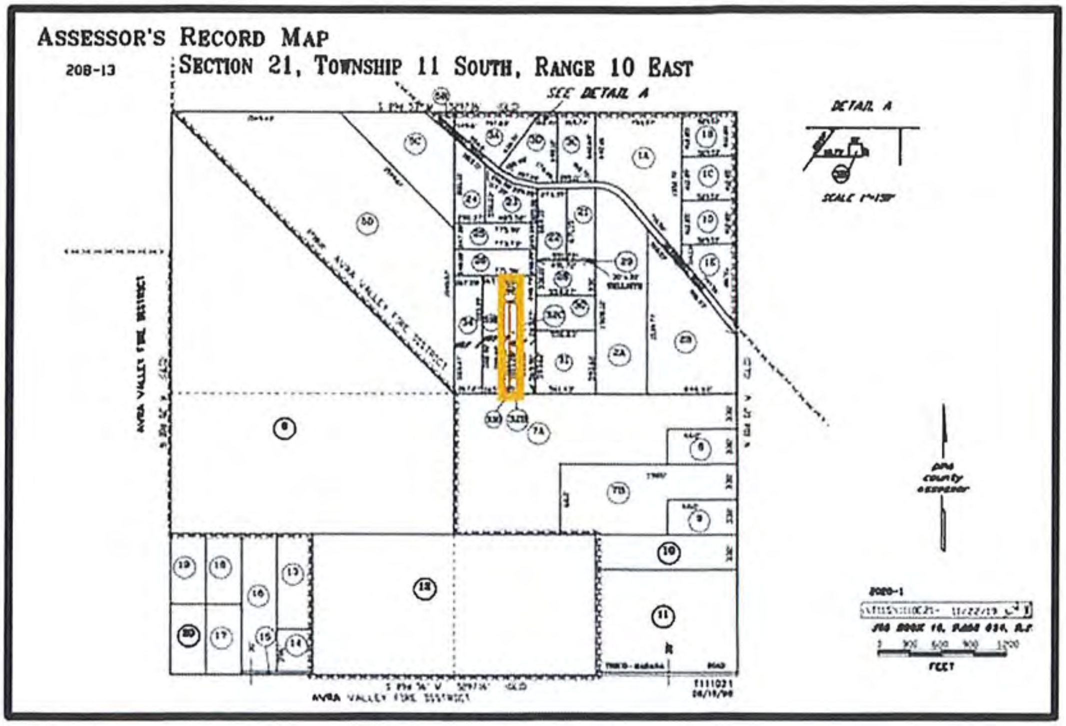

N ORACLE RD
E TANGERINE RD

LAND COMPARABLE NUMBER FIVE (SALE) ID: RH 0592 8543

LOCATION:	South of Silverbell Road, east of Cocio Road
LEGAL DESCRIPTION:	A portion of Southwest quarter of the Northeast quarter of Section 21, Township 11 South, Range 10 East, G&SRB&M, Pima County, Arizona
STATE TAX PARCEL:	208-13-027C, -032B and -033D
RECORD DATA:	Fee number 20233470075
DATE OF SALE:	December 13, 2023
SELLER:	Nancy Havlik
BUYER:	William Jenkins and Shawnna Jenkins
CONFIRMED BY:	Katilynn Sierra Black, selling agent (520-367-1980) TAB; November 4, 2024
LAND DESCRIPTION:	This site is a rectangular shaped interior property with access by an easement which provides access to Silverbell Road to the north of the site. The parcel has a width of 165 feet along the southern and northern property boundaries and a length of about 1,103 feet along the eastern and western property boundaries. The easement is a graded dirt roadway leading to Silverbell Road. Silverbell Road is a two-lane, asphalt-paved roadway with no concrete curbs, sidewalks or streetlights in the vicinity of this property. Silverbell Road has a 2023 traffic count of 835 vehicles per day in the vicinity of this site, according to the Pima Association of Governments. The topography is mostly level, sloping in a southeasterly direction. Public utilities available to the site include electric and telephone. Water is provided by a well share and waste removal would be by septic system.

According to FEMA Flood Insurance Rate Map 04019C1005L, LOMR dated August 18, 2023, the site is located in Zone AE which is a Special Flood Hazard Area subject to innundation by the 1% annual chance flood with Base Flood Elevations determined. The Los Robles Wash transverses the southern portion of the site. The Los Robles Wash has a 250 foot erosion hazard setback. There is also a smaller wash with a 25 foot erosion hazard setback transversing the property to the north of the larger wash. The entire southern half of the site is located in an Important Riparian Area identified as Xeroriparian C.

LAND SIZE:	4.13 acres
ZONING:	RH (Pima County)
REPORTED SALE PRICE:	$27,500
PRICE PER ACRE:	$6,659
MARKETING TIME:	3 days
TERMS OF SALE:	This was an all cash to the seller transaction.
PRIOR SALE:	Records of the Pima County Assessor indicate that no transaction has occurred within three years of the date of valuation.
CONDITIONS OF SALE:	This sale is reported to have occurred under normal market conditions.
INTENDED USE:	Investment, with potential to develop a residential use in the future.
COMMENTS:	The flood prone nature of the site restricts development and would add to development costs.


ASSESSOR'S RECORD MAP
208-13
SECTION 21, TOWNSHIP 11 SOUTH, RANGE 10 EAST
SEE DETAIL A
DETAIL A
AVRA VALLEY FIRE DISTRICT


0270
0300
0340
033B
032C
0330
032
0310

LAND COMPARABLE NUMBER SIX (ESCROW) ID: RH 0609 8682

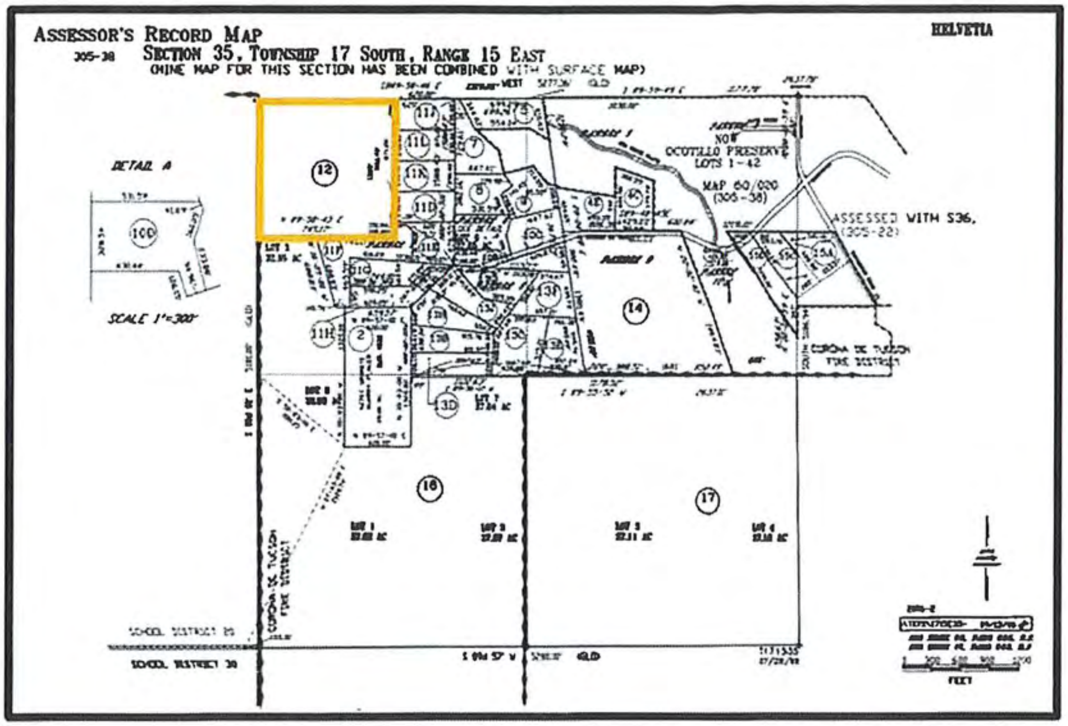
LOCATION:	The east side of the Canyon Edge Trail alignment, south of Trailblazer Way, Pima County
LEGAL DESCRIPTION:	A portion of the Northwest quarter of the Northwest quarter of Section 35, Township 17 South, Range 15 East, G&SRB&M, Pima County, Arizona.
STATE TAX PARCEL:	305-38-0120
RECORD DATA:	N/A (Escrow)
DATE OF ESCROW:	September, 2025
SELLER:	Arizona State Land Department
BUYER:	Copper World
CONFIRMED BY:	Arizona State Land Department & Arizona State Board of Appeals TFH, September 2025
LAND DESCRIPTION:	The subject property contains 39.53 acres, per information provided by the client, and is located on the east side of the Canyon Edge Trail alignment, south of Trailblazer Way, Pima County, Arizona, adjacent to the Santa Rita Experimental Range (to the west). Physical access to the parcel is generally by roughly graded ranch roads, which includes a rough graded ranch road that runs in a north-south direction across land area owned by Copper World Inc. Access is available from the north by way of a dirt graded roadway that provides access to subdivisions to the north. The site is a rectangular shaped interior property with about 1,320 feet along the southern and northern property boundaries. The site also has a length of about 1,320 feet along the eastern and western property boundaries. Physical access is from Canyon Edge Trail, which legally ends at the northwest corner of the site. This roughly graded ranch road continues onto the subject parcel, mostly in a southeasterly direction.

The site is overall slopping in a northernly direction. The topography ranges from level (mostly on the west end and some on the east side) to steep. There are two ridgelines near the middle of the site and a very steep drop-off to a lower level valley between the ridgelines that is a drainageway for the Sycamore Wash, which runs in a northernly direction. There are no known protected peaks or ridges on the subject property, however, there are areas on the property within the hillside development overlay zone, which is land area with an average cross slope of 15% or greater. The site is covered in natural desert vegetation. The site has average mountain views for this area. Soil conditions appear to be typical of the area. The subject property is located within the Buffer Overlay zone for the adjacent National Park/Forest land areas. About 88% of the site is located in the Conservation Lands System Category designated as Biological Core Management Areas and about 10% of the parcel is designated as Important Riparian Areas. Properties bordering the subject property include the Santa Rita Experimental Range to the west, single family residences on larger acreage to the east, with a portion to the south, conservation land followed by a residential subdivision to the north, and vacant land owned by Copper World Inc. to the south.

Utilities available in the area of the parcel include electric (Trico Electric) and telephone (CenturyLink). There is no public water or sewer available in the vicinity of the subject and the parcel is not in a public water obligated service area. Water would be provided by development of a shared well or individual wells. Waste removal would be by private septic systems. This is typical for properties in this vicinity due to the remoteness of the area. Any development of the site would require an engineering study to determine the availability and adequacy of utilities.

According to FEMA Flood Insurance Rate Map 04019C3500L, dated June 16, 2011, the land is located in Zone X (unshaded) which are areas determined to be outside the 0.2 percent annual chance floodplain (see Exhibits). There is a larger wash identified as Sycamore Wash which traverses the middle of the site (effectively bisecting it), mostly in a north-south direction. This wash has a 100 foot Erosion Hazard Setback from the bank of the wash. About 24% of the parcel is identified as being in the Erosion Hazard Setback area. The area surrounding this wash (totaling about 10%) is identified as a riparian habitat area, with a designation of Xeroriparian D.

LAND SIZE:	39.53 acres, or about 1,721,927 square feet
ZONING:	RH, Pima County
REPORTED ESCROW PRICE:	$285,000
PRICE PER ACRE.:	$7,210
TERMS OF SALE:	This is expected to be an all cash to the seller transaction
PRIOR SALE:	Records of the Pima County Assessor indicate that no market transaction has occurred within three years of the date of valuation.
CONDITIONS OF SALE:	This sale is reported to have occurred under normal market conditions.
INTENDED USE:	Open Space
COMMENTS:	The buyer intend to purchase the land as mitigation land to meet open space requirements for future development.


ASSESSOR'S RECORD MAP
305-38 SECTION 35, TOWNSHIP 17 SOUTH, RANGE 15 EAST
(MINE MAP FOR THIS SECTION HAS BEEN COMBINED WITH SURFACE MAP)
HELVETIA
DETAIL A
SCALE 1"=300'
NOW OCOTILLO PRESERVE LOTS 1-42
MAP 60/020 (305-38)
ASSESSED WITH S36, (305-22)
CORONA DE TUCSON FIRE DISTRICT
SCHOOL DISTRICT 39
SCHOOL DISTRICT 30
FEET


S Canyon Edge Tr
011J
005C
011L
007C
0120
011K
008C
011D
011E
010D
011F
011G
013G
011H
013J
E Ocotillo Rim Tr

COMPARABLE SALES ADJUSTMENT GRID

	Subject	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Comp 6
Sale Date		08/2018	09/2018	12/2020	08/2023	12/2023	Escrow
Site Size (Acres)	13.15	15.43	12.33	12.42	22.31	4.13	39.53
Zoning	PAD	RH	CB-1	SR	PAD	RH	RH
Site Utility	Average	Superior	Superior	Similar	Superior	Similar	Superior
Sale Price		$229,295	$136,481	$100,000	$300,000	$27,500	$285,000
Price per Acre		$14,863	$11,069	$8,052	$13,447	$6,659	$7,210
Summary of Adjustments							
Unadjusted Price / Acre		$14,863	$11,069	$8,052	$13,447	$6,659	$7,210
Property Rights	Fee Simple	0%	0%	0%	0%	0%	0%
Adjusted Price		$14,863	$11,069	$8,052	$13,447	$6,659	$7,210
Financing		0%	0%	0%	0%	0%	0%
Adjusted Price		$14,863	$11,069	$8,052	$13,447	$6,659	$7,210
Conditions of Sale		0%	0%	0%	0%	0%	0%
Adjusted Price		$14,863	$11,069	$8,052	$13,447	$6,659	$7,210
Date/Market Conditions		18%	18%	15%	0%	0%	0%
Adjusted Price		$17,539	$13,061	$9,259	$13,447	$6,659	$7,210
Physical Adjustments (%)							
Location		10	0	0	0	30	20
Access		0	0	0	0	0	0
Zoning		0	0	0	0	0	0
Site Size		0	0	0	0	-10	10
Site Utility		-50	-10	0	-10	10	-10
Net Adjustment		-40%	-10%	0%	-10%	30%	20%
Indicated Value / Acre		**$10,523**	**$11,755**	**$9,259**	**$12,102**	**$8,656**	**$8,652**

This analysis compares six sales of similar vacant land open space parcels to the subject property on a price per acre basis. This is the sale price divided by the acreage of the site. Sales prices range from $6,659 to $14,863 per acre before adjustment. The adjustment grid on the previous page reflects the adjustments. An upward adjustment indicates that the comparable is inferior to the subject; a downward adjustment indicates that the comparable is superior to the subject; and no adjustment (0) indicates the comparable is similar or equal to the subject.

Comparable Sale One requires an upward adjustment for date and market conditions as market conditions for this type of property have improved between the date of this sale and the date of value.

Physical adjustments include an upward adjustment for location as this sale is located in an area with less demand compared to the area of the subject property. This sale warrants a downward adjustment for site utility as this sale has better utility with more usability and less rolling topography. Additionally, there is a potential for a home or two to be developed on this site compared to the subject property. Overall, this sale price per acre indicates a downward adjustment in comparison to the subject property.

Comparable Sale Two requires an upward adjustment for date and market conditions as market conditions for this type of property have improved between the date of this sale and the date of value.

Physical adjustments include a downward adjustment for site utility as this sale has better utility with less rolling topography. Overall, this sale price per acre indicates an upward adjustment in comparison to the subject property.

Comparable Sale Three requires an upward adjustment for date and market conditions as market conditions for this type of property have improved between the date of this sale and the date of value.

There are no physical adjustments in comparison to the subject property. Overall, this sale price per acre indicates an upward adjustment in comparison to the subject property.

Comparable Sale Four does not require an adjustment for date and market conditions, as market conditions for this type of property did not change between the date of this sale and the date of value.

Physical adjustments include a downward adjustment for site utility as this sale has better utility with less rolling topography. Overall, this sale price per acre indicates a downward adjustment in comparison to the subject property.

Comparable Sale Five does not require an adjustment for date and market conditions, as market conditions for this type of property did not change between the date of this sale and the date of value.

Physical adjustments include an upward adjustment for location as this sale is located in an area with less demand compared to the subject property. There is a downward adjustment for site size as this sale is smaller than the subject property. Smaller properties tend to sell for more on a price per acre basis compared to larger properties, all else being equal. This sale warrants an upward adjustment for site utility as this sale has less utility with being more flood prone compared to the subject property. Overall, this sale price per acre indicates an upward adjustment in comparison to the subject property.

Comparable Sale Six is currently in escrow and does not require an adjustment for date and market conditions.

Physical adjustments include an upward adjustment for location as this sale is located in an area with less demand compared to the subject property. There is an upward adjustment for site size as this sale is larger than the subject property. Larger properties tend to sell for less on a price per acre basis compared to smaller properties, all else being equal. This sale warrants a downward adjustment for site utility as this sale has more utility with less rolling topography compared to the subject property. Overall, this sale price per acre indicates an upward adjustment in comparison to the subject property.

Sales Comparison Approach Summary

	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5	Escrow 6
Adjusted Sale Price / Acre	$10,523	$11,755	$9,259	$12,102	$8,656	$8,652

These six comparable sales indicate a price range of $8,652 to $12,102 per acre after adjustment. Comparable Sale Three is given the most weight as this sale required the least amount of physical adjustments and is similar in size to the subject property. Comparable Sale Two is given secondary weight as this sale is similar in size and required slightly more adjustments relative to Comparable Sale Three as this is an older sale. Comparable Sale Four is given less weight than Comparable Sales Three and Two as this sale was purchased by the adjacent property owner who potentially paid an above market price per acre. The remaining sales receive less weight as these sales required more adjustments. All of the comparable Sales are similar to the subject property and provide a reliable range of value for the subject property. After analyzing the comparable sales, the conclusion of market value of the subject property by the sales comparison approach, as of September 13, 2025, is $10,500 per acre, times 13.15 acres, equaling $138,075, rounded to $138,000.

MARKET VALUE CONCLUSION

Therefore, based on the above analysis and subject to the assumptions and limiting conditions contained in this report, the opinion of market value of the subject property, as of the effective date of the appraisal, September 13, 2025, is $10,500 per acre, times 13.15 acres, equaling $138,075, rounded to $138,000.

OPINION OF MARKET VALUE OF SUBJECT PROPERTY,
AS OF SEPTEMBER 13, 2025:

ONE HUNDRED THIRTY-EIGHT THOUSAND DOLLARS
($138,000)

ASSUMPTIONS AND LIMITING CONDITIONS - PART V

1. ***Type of Report.*** This is an appraisal report which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. As such, it might not include full discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.

2. ***Definitions.*** "Appraisal", as herein defined, is the process of completing a service; namely, a valuation assignment. "Subject property" refers to the property which is the subject of the assignment. "Appraisers" are those persons, whether one or more, who have accepted the assignment and who have participated in the analyses, opinions, and conclusions formed in the appraisal. "Company" refers to Baker, Peterson, Baker & Associates, Inc. "Report" refers to this written document containing the analyses, opinions, and conclusions which constitute the appraisal.

3. ***Liability.*** The liability of Baker, Peterson, Baker & Associates, Inc., including any or all of its employees, and including the appraiser responsible for this report, is limited to the Client only, and to the fee actually received by the Company. Further, there is no accountability, obligation or liability to any third party. If this report is placed in the hands of any person other than the Client, the Client is responsible for making such party aware of all assumptions and limiting conditions related thereto. The appraiser is in no way responsible for any costs incurred to discover or correct any deficiencies of any type present in the subject property, whether physical, financial, or legal.

4. ***Title.*** No opinion as to title is rendered. Data related to ownership and legal description was provided by the Client or was obtained from available public records and is considered reliable. Unless acknowledged in this report, no title policy or preliminary title report were provided. Title is assumed to be marketable and free and clear of all liens, encumbrances, and restrictions except those specifically discussed in the report. The property is appraised assuming responsible ownership, competent management and ready availability for its highest and best use.

5. ***Survey or Engineering.*** No survey or engineering analysis of the subject property has been made by the appraiser. It is assumed that the existing boundaries are correct and that no encroachments exist. The appraiser assumes no responsibility for any condition not readily observable from customary investigation and inspection of the premises which might affect the value thereof, excepting those items which are specifically mentioned in the report.

6. ***Data Sources***. The report is based, in part, upon information assembled from a wide range of sources and, therefore, the incorporated data cannot be guaranteed. An impractical and uneconomic expenditure of time would be required in attempting to furnish unimpeachable verification in all instances, particularly as to engineering and market-related information. It is suggested that the Client consider independent verification within these categories prior to any transaction involving a sale, lease, or other significant commitment of the subject property, and that such verification be performed by appropriate recognized specialists.

7. ***Subsequent Events***. The date of valuation to which the conclusions and opinions expressed in this report apply is set forth in the letter of transmittal. The appraiser assumes no responsibility for economic or physical factors occurring after the date of valuation which may affect the opinions in this report. Further, in any prospective valuation assignment, the appraiser cannot be held responsible for unforeseeable events that alter market conditions prior to the date of valuation. Such prospective value estimates are intended to reflect the expectations and perceptions of market participants along with available factual data, and should be judged on the market support for the forecasts when made, not whether specific items in the forecasts are realized.

8. ***Adjustments***. 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 which may become available subsequent to issuance of the report.

9. ***Special Rights***. No opinion is expressed as to the value of any subsurface (oil, gas, mineral) or aerial rights or whether the property is subject to surface entry for the exploration or removal of materials except where expressly stated in the report.

10. ***Value Distribution***. The distribution of total value in this report between land and improvements applies only under the specified highest and best use of the subject property as herein described. The allocations of value among the land and improvements do not apply to any other property other than the property which is the subject of this report.

11. ***Legal or Special Opinions***. No opinion is intended to be expressed for matters which require legal expertise, specialized investigation, or a level of professional or technical knowledge beyond that customarily employed by real estate appraisers.

12. ***Personal Property***. Unless expressly stated within this report, no consideration has been given as to the value of any personal property located on the premises, or to the cost of moving or relocating such personal property. Only the real property has been considered.

13. ***Soil Conditions***. Unless expressly stated within this report, 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 in a manner consistent with its highest and best use without extraordinary foundation or soil remedial expense. Further, it is assumed that there are no hidden or unapparent matters (hazardous materials, toxic substances, etc.) related to the soil or subsurface which would render the subject more or less valuable by knowledge thereof.

14. ***Court Testimony***. Testimony or attendance in court or at any other hearing (including depositions) is not required by reason of rendering this appraisal or issuing this report, unless such arrangements have previously been made and are part of a contract for services.

15. ***Exhibits***. Maps, floor plans, photographs, and any other exhibits contained in this report are for illustration only, and are provided as an aid in visualizing matters discussed within the report. They should not be considered as surveys or scale renderings, or relied upon for any other purpose.

16. ***Statute, Regulation, and License***. Unless otherwise stated within the report, the subject property is assumed to be in full and complete compliance with all applicable federal, state, and local laws related to zoning, building codes, fire, safety, permits, and environmental regulations. Further, it is assumed that all required licenses, certificates of occupancy, consents or other legislative or administrative authorizations have been, or can be, readily obtained or renewed as related to any use of the subject property on which the value estimate contained herein is based.

17. ***Hidden or Unapparent Conditions***. It is assumed that there are no hidden or unapparent conditions which, if known, would affect the analyses, opinions or conclusions contained in this report. This includes, but is not limited to, electrical, mechanical, plumbing, and structural components.

18. ***Hazardous/Toxic Substances***. In this appraisal assignment, no observation was made of the existence of potentially hazardous material used in the construction and/or maintenance of the improvements, or from any other source, whether borne by land or air, including, but not limited to, asbestos, lead, toxic waste, radon, and urea formaldehyde. While not observed, and while no information was provided to confirm or deny the existence of such substances (unless expressly stated herein), it is emphasized that the appraiser is not qualified to detect or analyze such substances. Unless otherwise stated, no consideration has been given to the presence of, nature of, or extent of such conditions, nor to the cost to "cure" such conditions or to remove any toxic or hazardous substances which could potentially affect the value or marketability of the property. Any such conclusions must be based upon the professional expertise of persons qualified to make such judgments. Thus, any person

or other entity with an interest in the subject property is urged to retain an expert if so desired. This value estimate assumes that there is no such material on or in the property.

19. ***Americans with Disabilities Act of 1990***. The ADA became effective on January 26, 1992. I 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 I have no direct evidence relating to this issue, I did not consider possible noncompliance with the requirements of ADA in estimating the value of the property.

20. ***Disclosure***. Disclosure of the contents of this report is governed by the By-Laws and Regulations of the Appraisal Institute. Neither all nor any part of the contents of this report, including the value estimate, the identity of the appraisers or their professional designations, or the company with which the appraisers are associated, shall be used for any purpose by anyone other than the Client as herein stated, without the prior written consent of the appraisers. Nor shall it be conveyed, in whole or in part, in the public through advertising, news, sales, listings, or any other media without such prior written consent. Possession of this report does not carry with it any right of public distribution.

21. ***Endangered and Threatened Species***. The appraisers have not made a specific survey of the subject property to determine whether or not it has any plant or wildlife which are identified as an endangered or threatened species by the U. S. Fish and Wildlife Service. While not observed and while no information was provided to confirm or deny the existence of any endangered or threatened species on the subject property (unless expressly stated herein), it is emphasized that the appraisers are not qualified to detect or analyze such plants or wildlife. Any such conclusions must be based upon the professional expertise of persons qualified to make such judgments. Thus, any person or other entity with an interest in the subject property is urged to retain an expert if so desired. It is possible that a survey of the property could reveal that the site contains endangered or threatened plants or wildlife. If so, this fact could have a negative effect on the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible endangered or threatened species in estimating the value of the property.

22. ***Acceptance of Report***. Acceptance and/or use of this report by the Client or any third party constitutes acceptance of all of the above conditions.

CERTIFICATION - PART VI

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

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

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

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

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

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

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

7. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice* (USPAP) of The Appraisal Foundation, the Code of Ethics and Standards of Professional Practice of the Appraisal Institute, and any other specifications submitted by the Client, including Title XI, FIRREA.

8. The use of this report is subject to the requirements of the Appraisal Institute, relating to review by its duly authorized representatives.

9. In accord with the Uniform Standards of Professional Appraisal Practice, I have the experience and knowledge to complete this assignment in a credible and competent manner.

10. As of the date of this report, I have completed requirements of the continuing education program of the Appraisal Institute.

11. The effective date (date of valuation) of this appraisal is September 13, 2025.

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

13. Our firm has not appraised the subject property within three years prior to this assignment.

14. It is noted that Timothy Hale (CGA-1023143) assisted significantly with this report by performing the following tasks under the direction of the appraiser: Researched the subject and comparable sale information, inspected the subject property, provided analysis and value conclusion input based on research, and developed the report. The final analysis and value conclusion is that of Thomas A. Baker, MAI, SRA.

15. I am a Certified General Real Estate Appraiser in the State of Arizona.

Thomas A. Baker, MAI, SRA
Certified General Real Estate Appraiser
Certificate Number 30139
Designated Supervisory Appraiser
Registration Number DS0007

EXHIBITS - PART VII

Exhibit A	Subject Plat Map
Exhibit B	Aerial Photograph
Exhibit C	Zoning Map
Exhibit D	FEMA Flood Plain Map
Exhibit E	Topographical Map
Exhibit F	General Plan Land Use Map (Town of Oro Valley)
Exhibit G	Subject Photographs
Exhibit H	Qualifications

EXHIBIT A - SUBJECT PLAT MAP

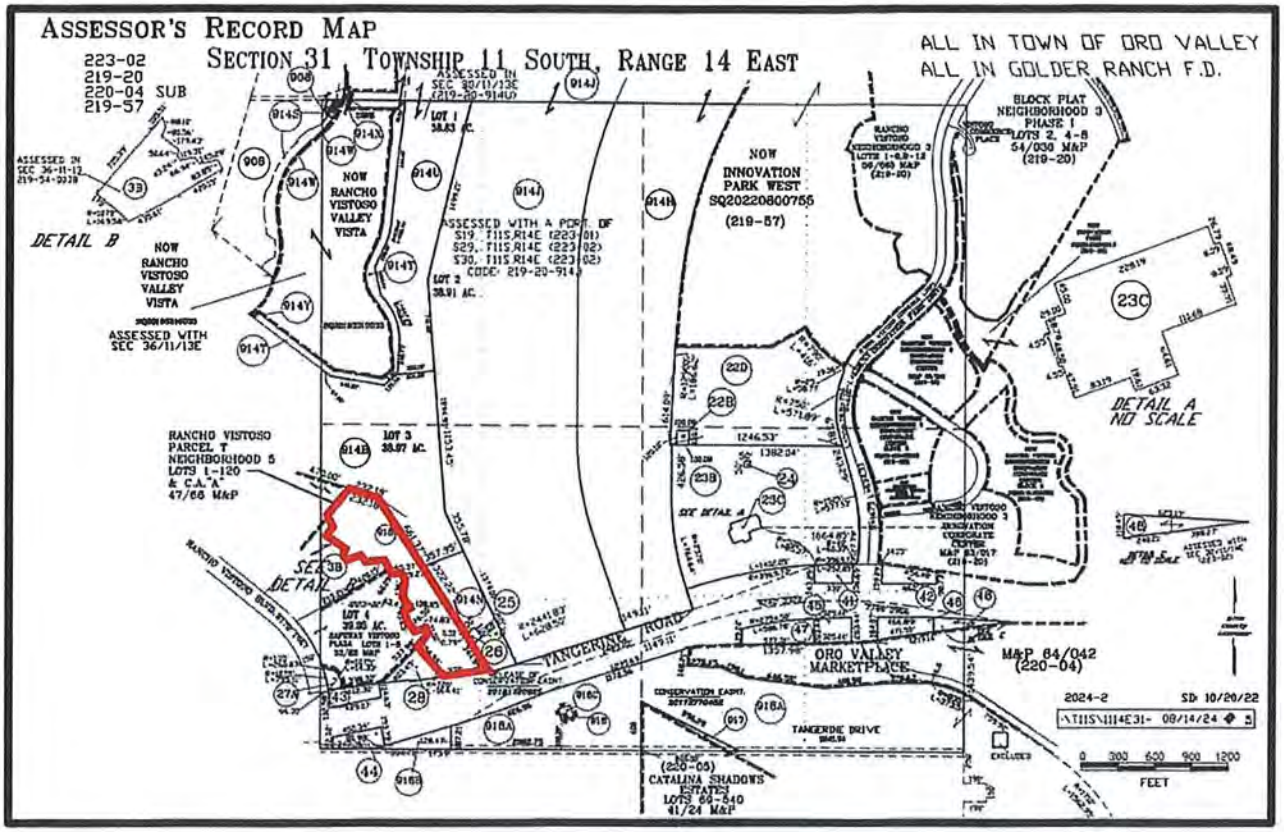


EXHIBIT B - AERIAL PHOTOGRAPH

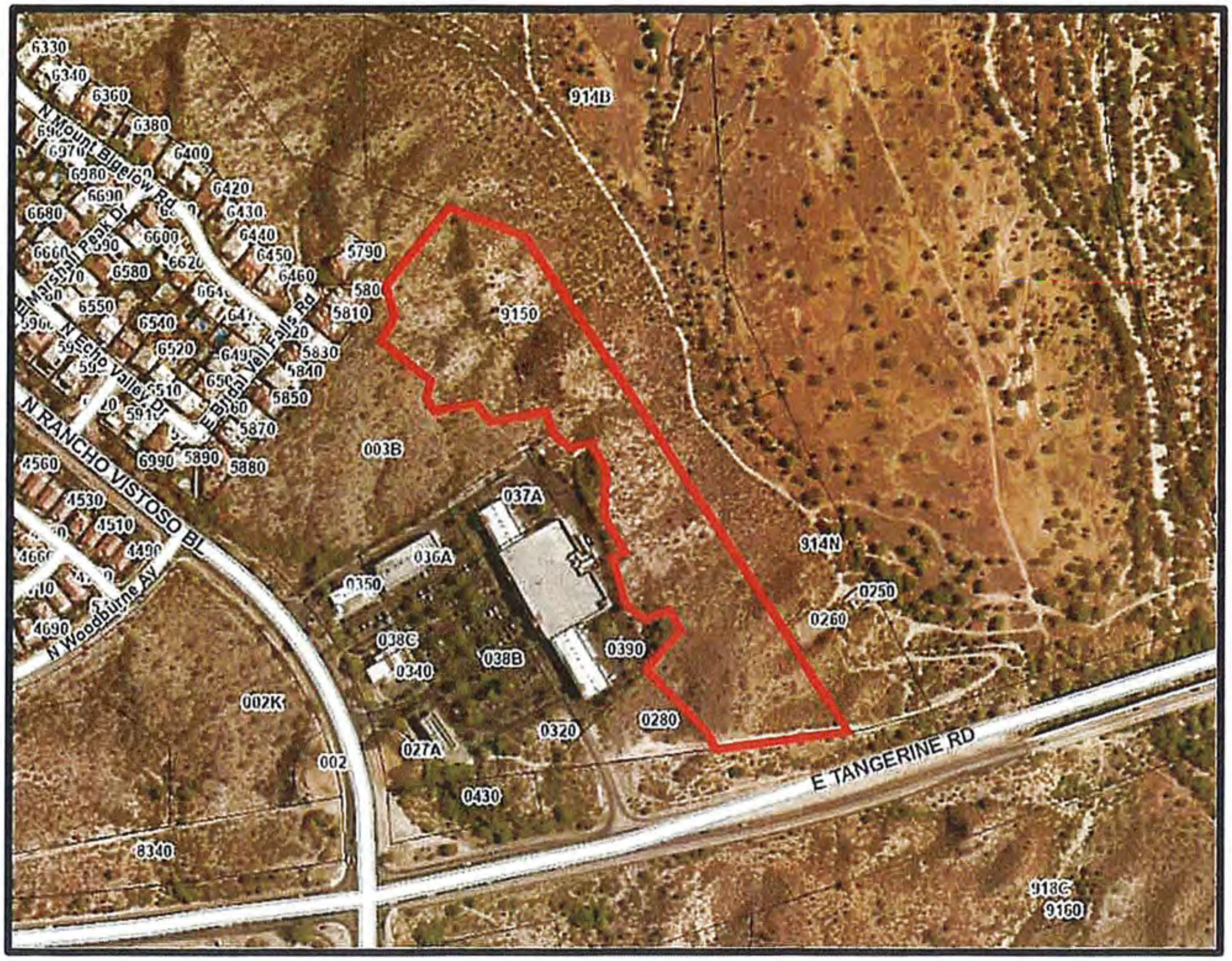


EXHIBIT C - ZONING MAP
(Town of Oro Valley)

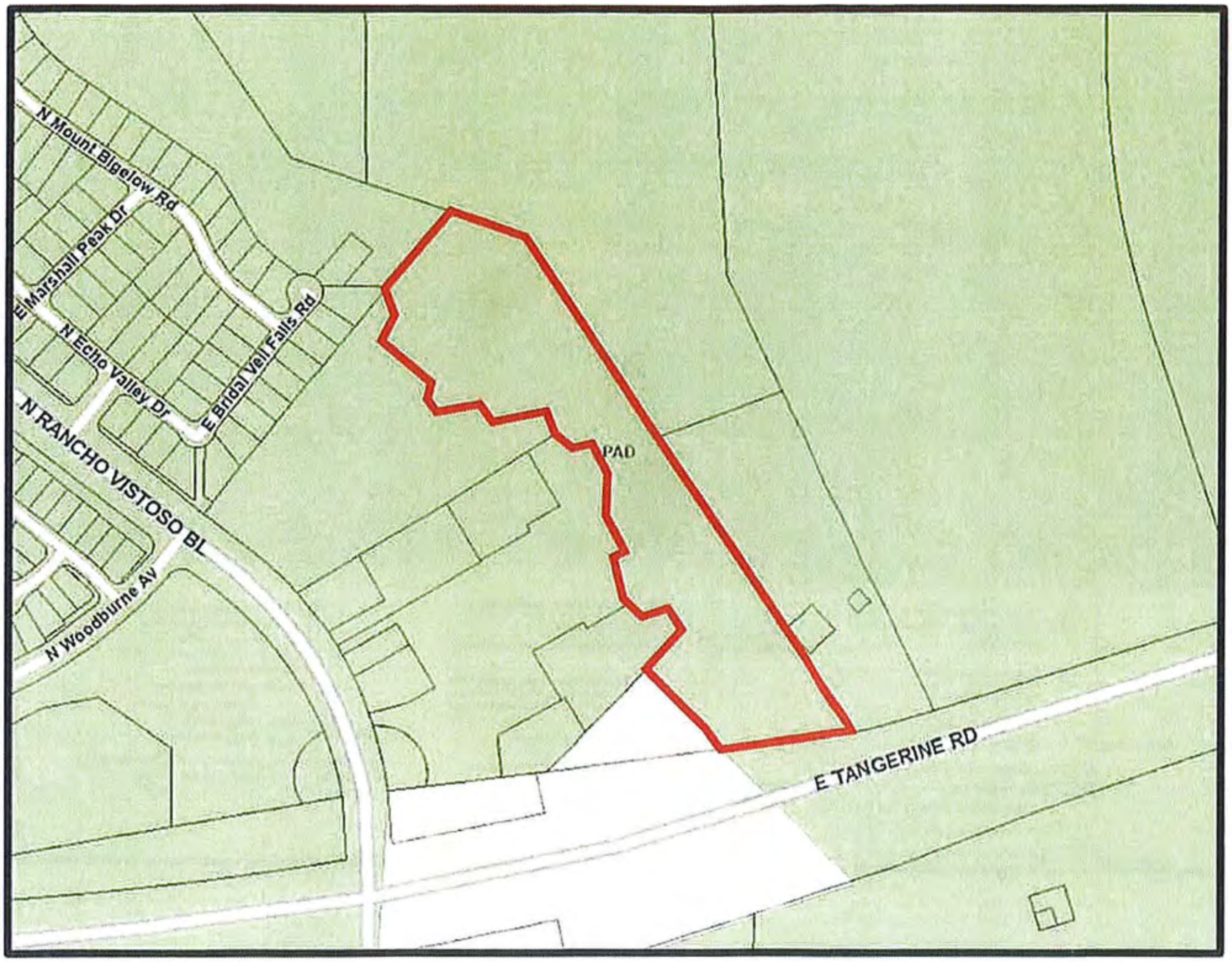


EXHIBIT D - FEMA FLOOD PLAIN

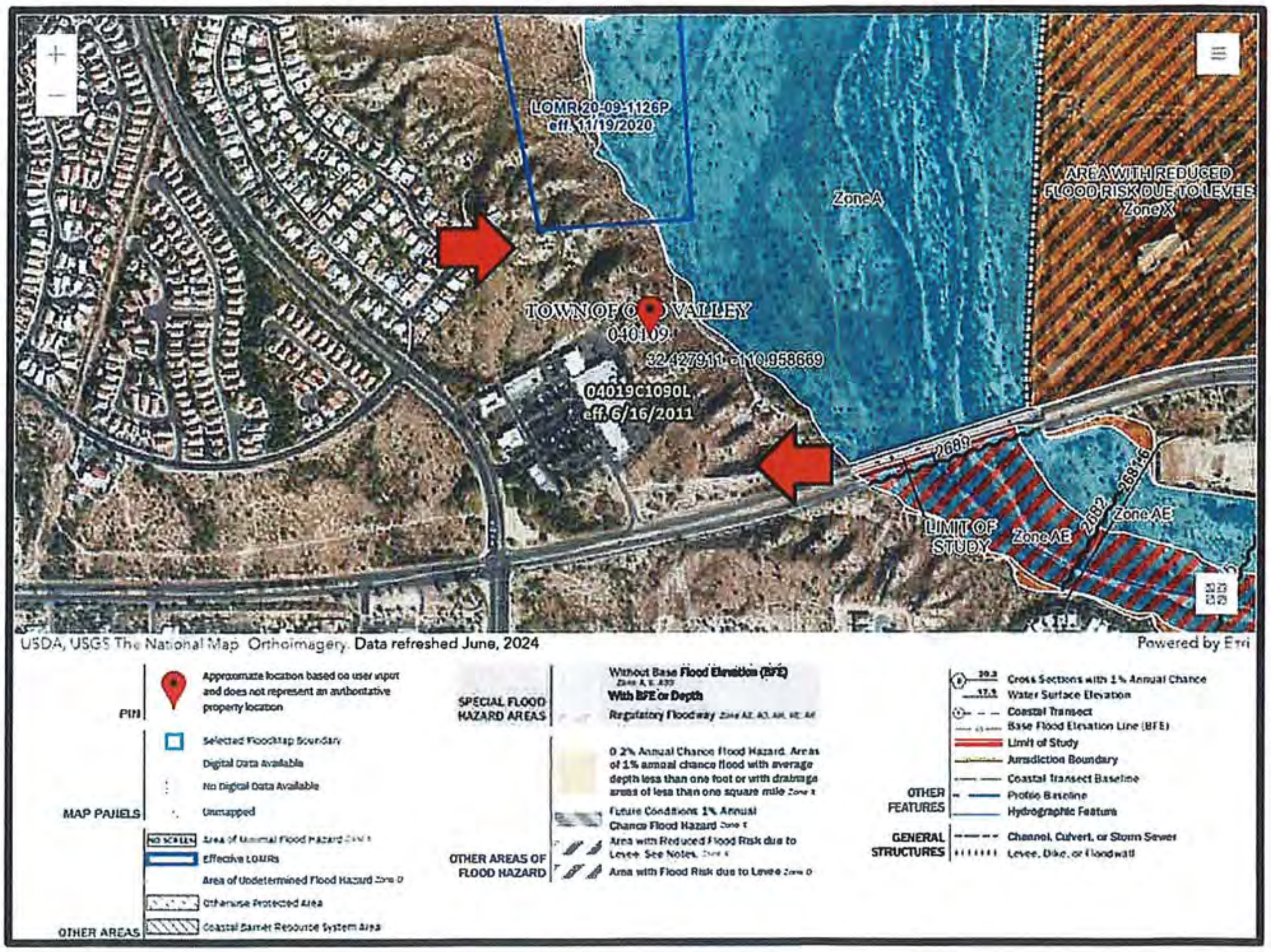


EXHIBIT E - TOPOGRAPHICAL MAP

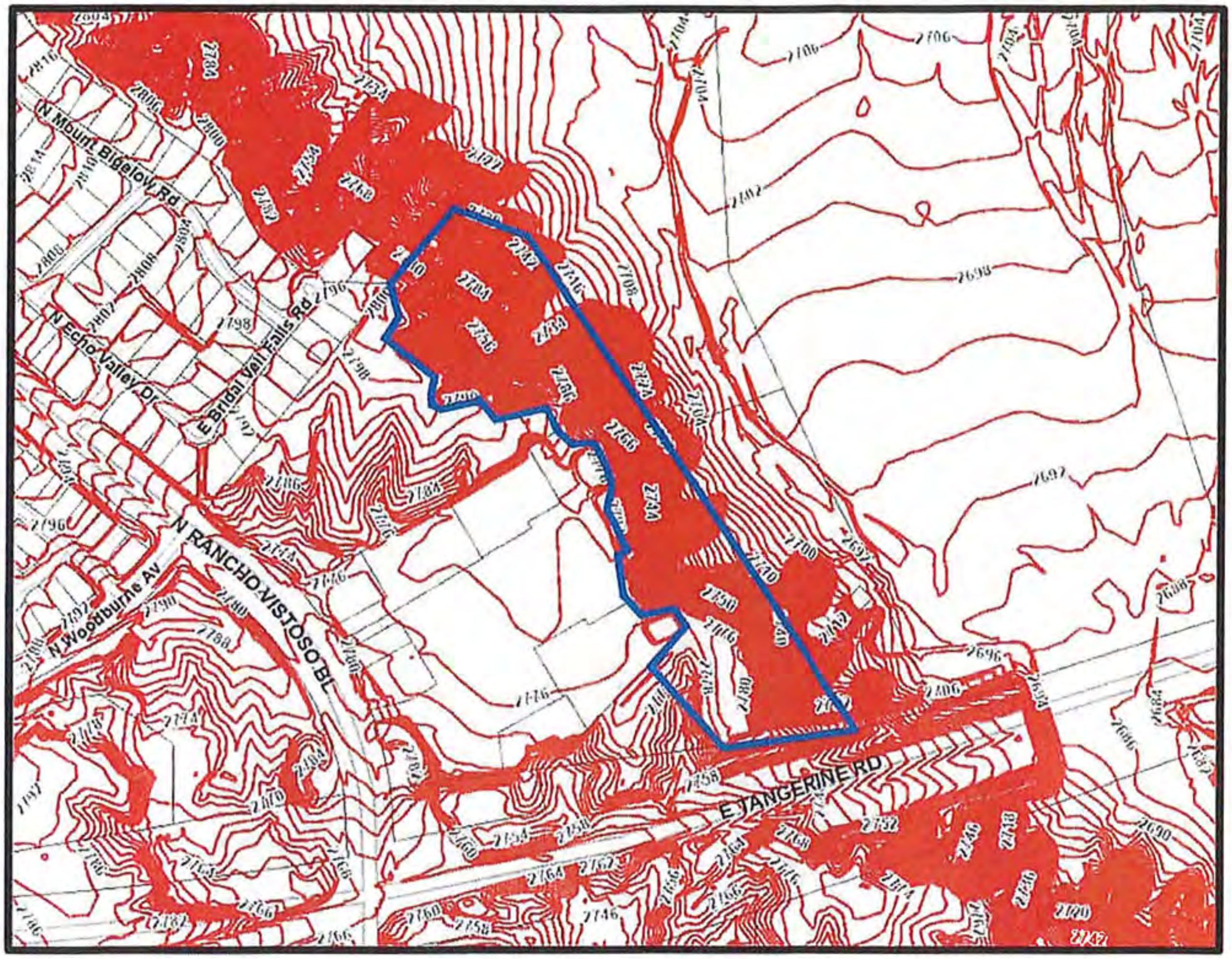
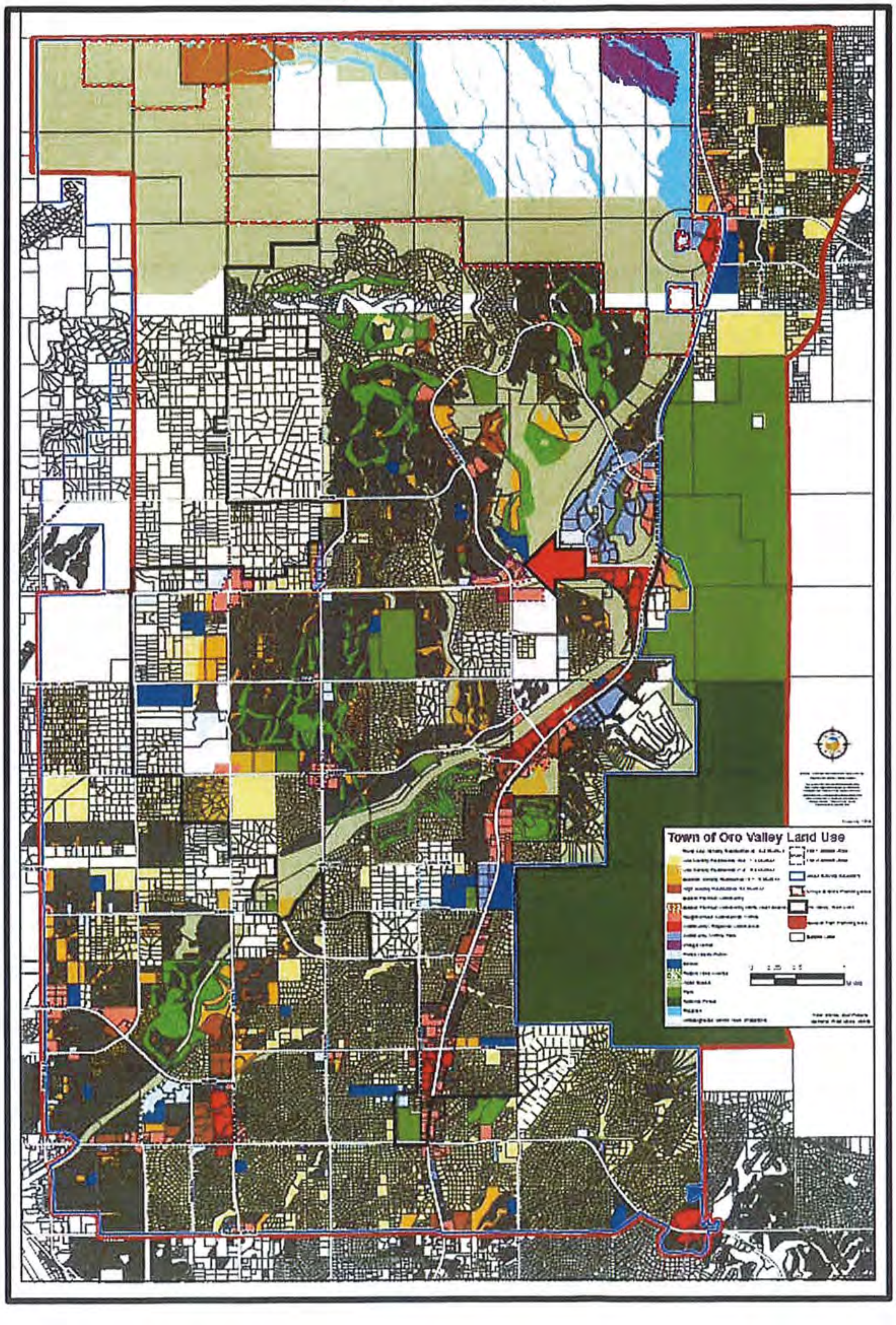
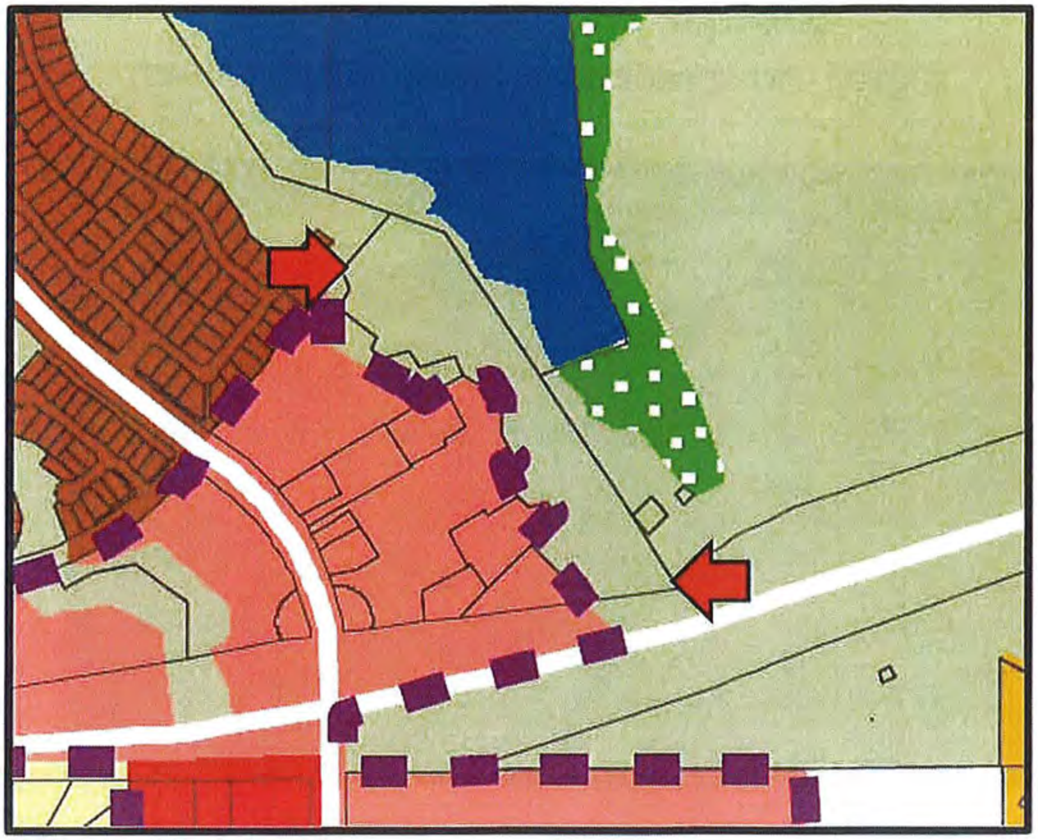


EXHIBIT F - GENERAL PLAN LAND USE MAP

(Town of Oro Valley)





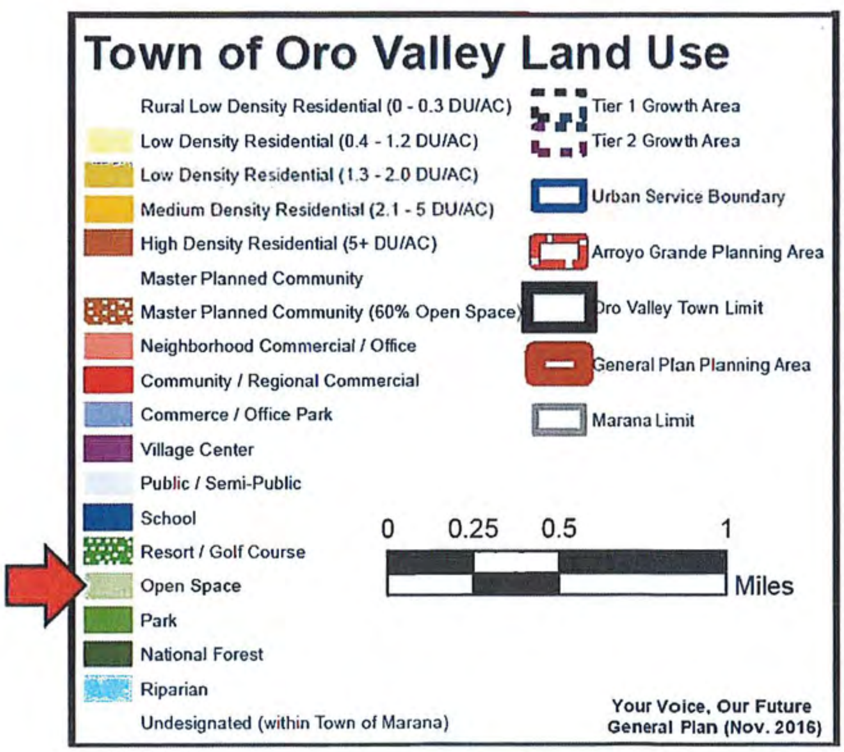

Town of Oro Valley Land Use
Rural Low Density Residential (0 - 0.3 DU/AC)
Low Density Residential (0.4 - 1.2 DU/AC)
Low Density Residential (1.3 - 2.0 DU/AC)
Medium Density Residential (2.1 - 5 DU/AC)
High Density Residential (5+ DU/AC)
Master Planned Community
Master Planned Community (60% Open Space)
Neighborhood Commercial / Office
Community / Regional Commercial
Commerce / Office Park
Village Center
Public / Semi-Public
School
Resort / Golf Course
Open Space
Park
National Forest
Riparian
Undesignated (within Town of Marana)
Tier 1 Growth Area
Tier 2 Growth Area
Urban Service Boundary
Arroyo Grande Planning Area
Oro Valley Town Limit
General Plan Planning Area
Marana Limit
0 0.25 0.5 1
Miles
Your Voice, Our Future
General Plan (Nov. 2016)

EXHIBIT G - SUBJECT PHOTOGRAPHS

PHOTO 1 – WEST PROPERTY LINE FACING NORTHEAST

PHOTO 2 – WEST PROPERTY LINE FACING EAST

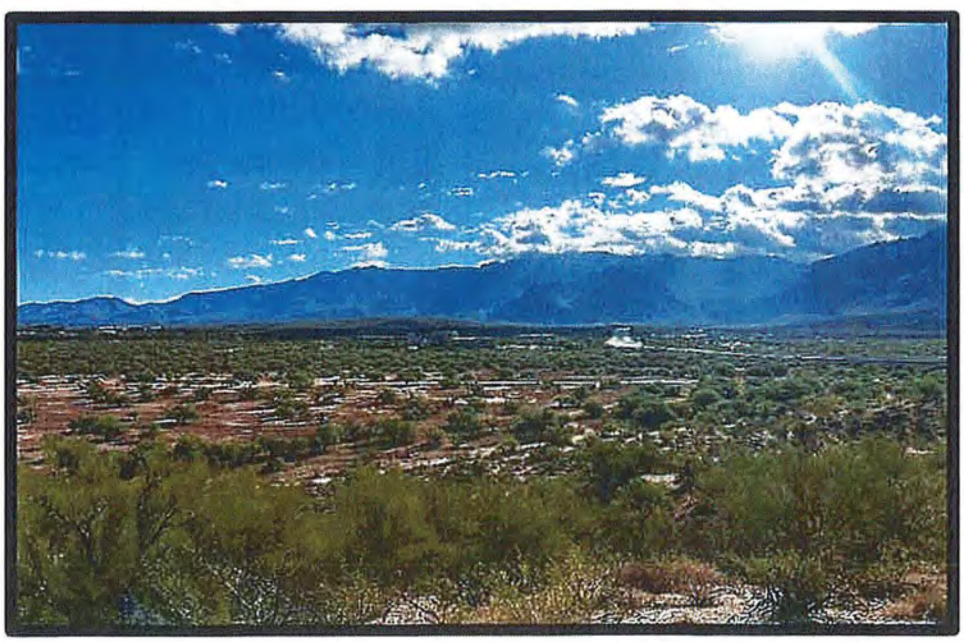


PHOTO 3 – WEST PROPERTY LINE FACING SOUTHEAST

PHOTO 4 – WEST PROPERTY LINE FACING NORTH

PHOTO 5 – EAST PROPERTY LINE FACING WEST

PHOTO 6 – EAST PROPERTY LINE FACING SOUTH

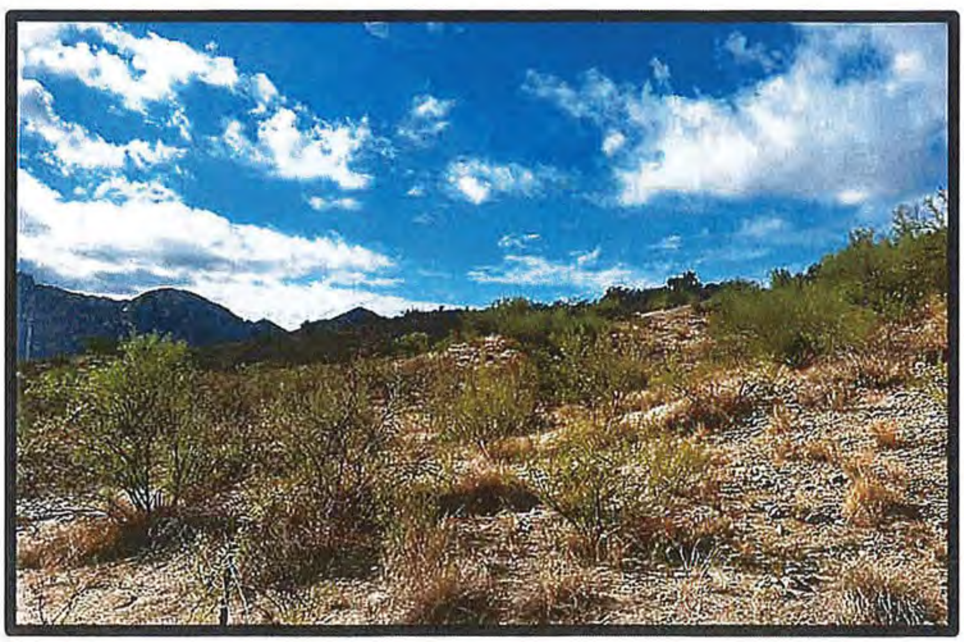


PHOTO 7 – EAST PROPERTY LINE FACING SOUTHWEST

PHOTO 8 – VIEW FROM NORTH BEHIND SAFEWAY

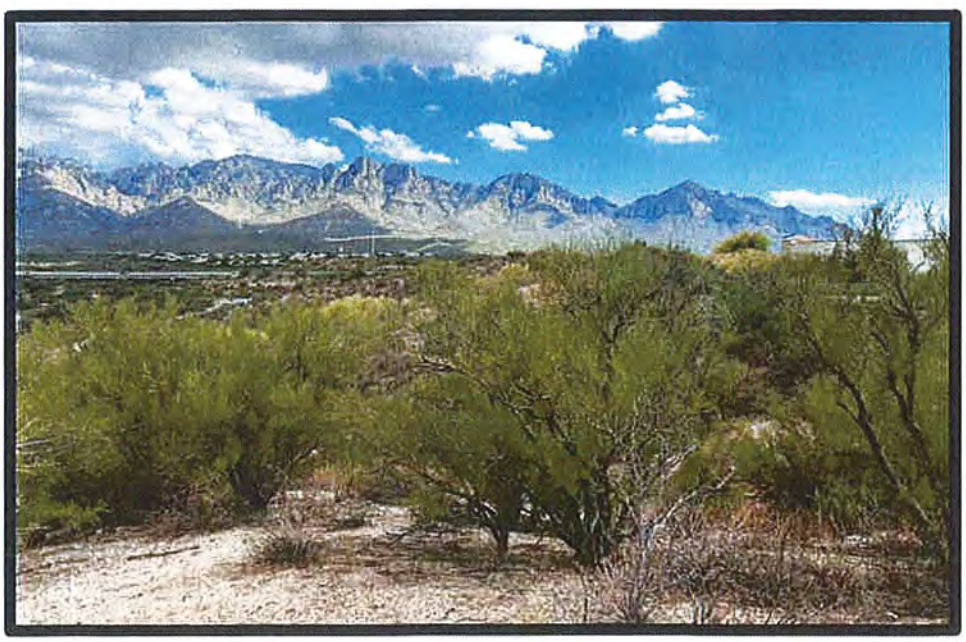


PHOTO 9 – VIEW FROM NORTH

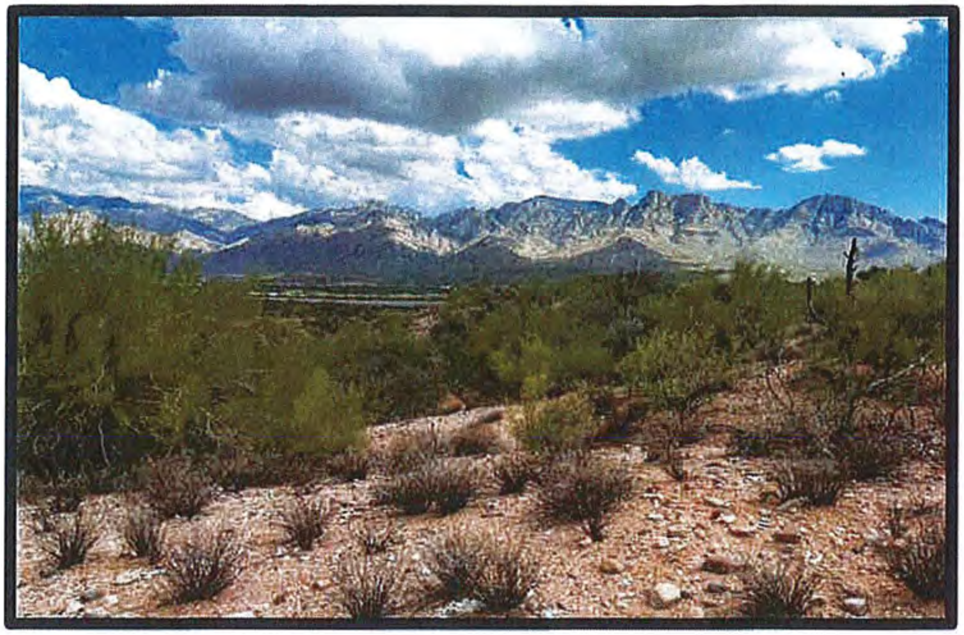


PHOTO 10 – VIEW FROM NORTH

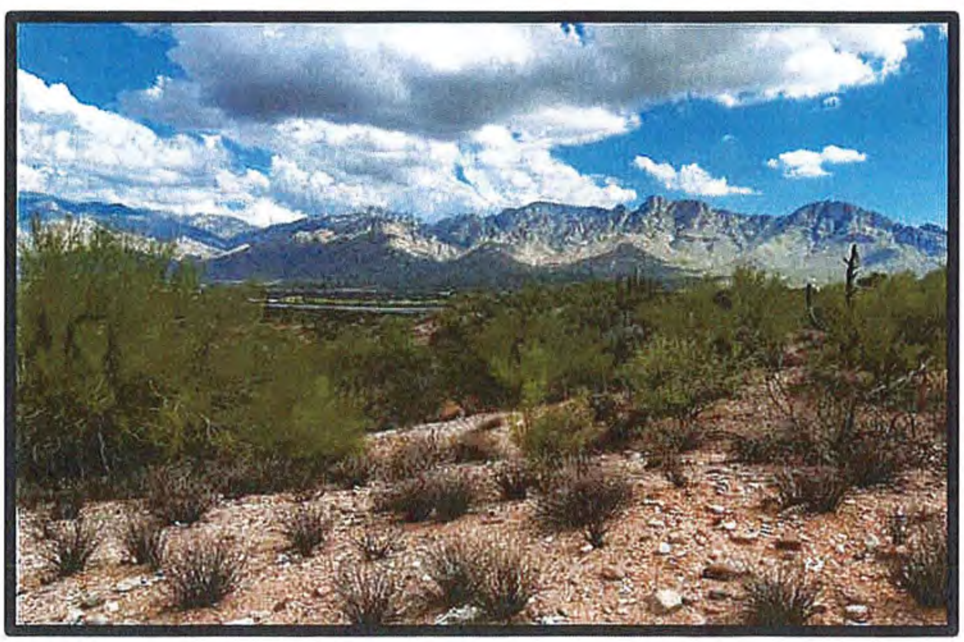


EXHIBIT H - QUALIFICATIONS

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

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

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

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

TIM HALE is a staff appraiser specializing in valuation and consultation services related to commercial and income-producing properties. He is a Certified General Real Estate Appraiser in the State of Arizona (Certificate 1023143). He graduated from Arizona State University with a Bachelor's Degree in Justice Studies.

VALENTIN MINCHEV is an appraiser trainee in commercial valuation. He graduated from the Berlin School of Economics and Law, Berlin, Germany with a Bachelor's Degree in International Business Management.

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