

APPRAISAL REPORT

**A 3.828-Acre Tract of Vacant Land
Located at the Southwest Corner of
90th Street and Adler Avenue
Mesa, Arizona 85208**

ADOT Parcel No.: L-M-483

APPRAISAL COVER SHEET

PARCEL NO.: L-M-483

OWNER NAME: Arizona Department of Transportation

ADDRESS: 205 South 17th Avenue

Phoenix, Arizona 85007

LOCATION

OF PROPERTY: Southwest Corner of 90th Street and Adler Avenue

Mesa, Arizona

PROJECT: H089301R

HIGHWAY: RED MOUNTAIN FREEWAY

SECTION: Higley Road - US 60

CONTRACT NUMBER: AD14-052958 # JW-16-006

DATE OF APPRAISAL: September 14, 2015

DATE OF VALUATION: September 8, 2015

APPRAISER: 

September 14, 2015

Mr. Steve Troxel
Right of Way Operations
Arizona Department of Transportation
205 South 17th Avenue, Mail Drop 612 E
Phoenix, Arizona 85007

RE: Appraisal of ADOT Parcel No. L-M-483, a vacant tract of excess land located in Mesa, Arizona.

Dear Mr. Troxel:

At your request we have completed an appraisal of a 3.828-acre vacant tract of excess land located at the southwest corner of 90th Street and Adler Avenue, Mesa, Arizona. The property is triangular in shape and zoned RU-43, rural residential by Maricopa County. However, it does have single-family residential development potential given its General Plan designation by the City of Mesa.

The purpose of the appraisal is to estimate the market value of the subject property. The intended use of this report is to assist the Arizona Department of Transportation (ADOT) in disposing of the site as excess land. The intended user is ADOT and potential buyers of the site. This report is not to be used by any other party or for any other purpose without the written consent of [REDACTED]

The property was inspected and analyzed for the purpose of estimating its market value, as defined in this report, as of September 8, 2015. The report is prepared to conform to the Uniform Standards of Professional Appraisal Practice (USPAP) and the appraisal standards and specifications of ADOT, as I understand them. It contains a description of the property appraised and the analysis of the data leading to the value stated. The data, opinions, and conclusions discussed are subject to the assumptions and limiting conditions contained in the addenda of this report.

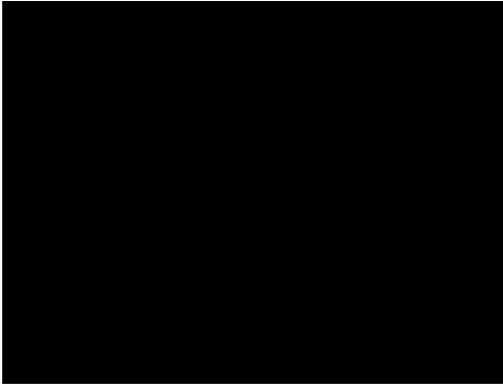
As a conclusion of the analysis, the estimated value of the fee simple interest in the property as of September 8, 2015, is:

THREE HUNDRED EIGHTY THREE THOUSAND DOLLARS
(\$383,000)

Data used to support the value conclusion is presented and discussed in the accompanying report. It is noted that no environmental hazards were noted to be influencing the subject property at the time of inspection.

The underlying assumptions and limiting conditions pertaining to this report are contained in the first exhibit in the Addenda. These assumptions and limiting conditions are an integral part of the report and are only placed at the end to facilitate reading of the report, not to minimize their importance.

Respectfully,



SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Type of Property:	Vacant land with single-family residential development potential.
Location:	Southwest corner of 90 th Street and Alder Avenue Mesa, Arizona
Purpose of Appraisal:	Estimate market value of the fee simple interest in the subject property.
Intended Use Of the Appraisal:	To assist in disposition of the property as excess land.
Hypothetical Conditions:	None.
Legal Description:	The legal description is lengthy and found in the Addenda; a brief description is a portion of the Northwest quarter of the Southeast quarter of Section 21, Township 1 North, Range 7 East, Maricopa County
Tax Parcel Numbers:	218-41-278C and a portion of 218-41-279
Site Data:	
Site Area:	3.828 net acres or 166,761 square feet per ADOT
Shape/Dimensions:	Irregular; see site plan
Frontage:	Approximately 670 feet along 90 th Street
Access:	90 th Street
Zoning:	RU-43, rural residential district, Maricopa County
Flood Plain:	Zone X; flood insurance is not required
Easements:	Per the provided site survey and the legal description shown in the title report, a 14-foot wide ingress/egress easement exists along the subject's southern boundary, a 5,047-square foot drainage easement lies at its southwest corner and a 15 foot wide easement for maintenance of the sound wall along the west border.
Building Improvements:	None
Site Improvements:	Small concrete drainage channel along the south border.
Hazardous Substance Issues:	The client has provided a letter of environmental clearance on the property, shown in Exhibit 10 of the addenda. Conclusions reached in this report are based upon the conclusion that the site is free of all substances or conditions that could negatively affect the subject's utility or marketability.



Highest and Best Use: Annex, rezone and develop with a residential subdivision.

Date of Value Estimate: September 8, 2015.

Date of Inspection: September 8, 2015.

Date of Report: September 14, 2015.

Estimated Market Value: \$383,000

**Appraisal Reporting
Standards:**

This report is drafted to adhere to the Uniform Standards of Professional Appraisal Practice (USPAP) plus the appraisal standards and specifications of ADOT as I understand them.

Appraiser:

A large black rectangular redaction box covers the signature of the appraiser.A small black rectangular redaction box is located at the bottom left of the page.

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INTRODUCTION

The property that is the subject of this report is a 3.828-acre vacant parcel located at the southwest corner of 90th Street and Adler Avenue, Mesa, Arizona. The site was originally acquired by ADOT as part of the Loop 202 freeway construction project and now is excess land. The property is described in greater detail later in this report.

The property and related market influences are discussed later in this report. Maps and exhibits are shown throughout the text of this report. Subject photos and other exhibits are shown in the Addenda. Much of the information discussed above is repeated or defined specifically on following pages in more technical style to meet the requirements of the Uniform Standards of Professional Appraisal Practice.

The scope of this appraisal involves a specific process in order to form an opinion of the market value of fee simple interest in the property. The process includes the following steps: 1) inspection of the subject property to identify the physical, locational and economic characteristics of the property relative to competing properties; 2) research and investigation of public records relating to the property and competing properties to identify legally permitted uses and availability of public amenities; 3) performing a search of public records to identify sales of competing property in the market; 4) analysis of the sales data to identify the sales most similar to the subject property; 5) formulating an opinion of the highest and best use of the subject property, and; 6) analysis of the sales comparison approach to conclude the market value of the parcel.

Since the cost and income approaches apply to improved properties, they are not applicable in this case. The sales comparison approach is discussed in the Valuation section of this report.

No hypothetical conditions or extraordinary assumptions are necessary to complete this report. It is noted that this report is an update of a previous appraisal completed for ADOT dated April 25, 2014. Aside from that report in April 2014, I have not performed any services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

PROPERTY IDENTIFICATION

Tax Parcel Numbers

218-41-278C and a portion of 218-41-279

Legal Description

The legal description is lengthy and found in the Addenda. A brief description is a portion of the Northwest quarter of the Southeast quarter of Section 21, Township 1 North, Range 7 East, Maricopa County

Owner of Record

The owner of record of the property is:

Arizona Department of Transportation
205 S. Seventeenth Avenue
Phoenix, Arizona 85007

Development History

The subject site is a tract of excess land that resulted from acquiring land used to construct the Loop 202/Red Mountain Freeway in the 2000's. Currently, the site is vacant.

Five Year Chain of Title

The property has been under the ownership of ADOT for at least five years.

Current Listing Price and Offerings

The property is currently listed for sale on the ADOT website with a comment that the “minimum bid is under review”. According to Ms. Shirley Seeley of the property management division of ADOT, the site has been listed for sale at \$402,000 through August 5, 2015. There has been no interest in the property thus far.

Owner Contact and Site Inspection

The owner is also the client and therefore owner contact was unnecessary. The site was inspected for this assignment on September 8, 2015. This is also the date of valuation.



Exposure Period

Based upon information seen in the market, the projected exposure time required to sell the subject property on the open market is six to nine months based upon analysis of current market conditions, discussions with market participants and observers, and by comparison with marketing periods of the sales included in this report, where available. This conclusion is based upon the assumption that the property is properly marketed by a professional brokerage specializing in this type of property and at a price that is equal to or near the value concluded in this appraisal.

Marketing Period

Given the availability of competing properties that were observed in the market that are available for sale around the time of the date of valuation, the estimated time required to market the property today is six to nine months. Again, this conclusion is based upon the assumption that the property is properly marketed by a professional brokerage specializing in this type of property and at a price that is equal to or near the value concluded in this appraisal.

Easements and Encumbrances

A recent title report was provided by the client and is shown in the Addenda. In Exhibit A that legally describes the property, it also shows three easements worthy of note. They include 1) a 14-foot wide ingress/egress easement along the subject's southern boundary; 2) a 5,047-square foot drainage easement that lies at its southwest corner, and; 3) a 15-foot wide wall maintenance easement also runs along the entire west side. No other known restrictions or easements which would affect the utility or marketability of the property were discovered within the title report or upon inspection.

Hazardous Wastes

The client has provided a letter of environmental clearance on the property, shown in Exhibit 10 of the addenda. Conclusions reached in this report are based upon the conclusion that the site is free of all substances or conditions that could negatively affect the subject's utility or marketability.

PURPOSE AND INTENDED USE OF THE APPRAISAL

The purpose of this appraisal is to estimate the market value of the subject property, as of the date of appraisal. The intended use is to assist ADOT in disposing of the site as excess land.



DEFINITION OF MARKET VALUE

The definition of market value applied in this assignment, pursuant to the Arizona Revised Statute 28-7091, is as follows:

"...'Market Value' means the most probable price estimated in terms of cash in United States dollars or comparable market financial arrangements which the property would bring if exposed for sale in an open market, with reasonable time allowed in which to find a purchaser, buying with knowledge of all of the uses and purposes to which it was adopted and for which it was capable."

PROPERTY RIGHTS APPRAISED

The fee simple estate of the subject property is appraised, which is defined as:

"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.¹

Division of Personalty and Realty

No personal property, business value or going concern values are considered in the value estimate.

Tenant Information

The property is vacant land and is not currently leased.

APPRAISAL PROCESS

The scope of this appraisal involves a specific process in order to form an opinion of the market value of fee simple interest in each subject property. The process includes the following steps: 1) inspection of the subject property to identify the physical, locational and economic characteristics of the property relative to competing properties; 2) research and investigation of public records relating to the property and competing properties to identify legally permitted uses and availability of public amenities; 3) performing a search of public records and other sources to identify sales of competing property in the market; 4) analysis of the sales data to identify those sales most similar to the subject property; 5) formulating an opinion of the highest and best use of the subject property, and; 6) analysis of the sales comparison approach. Since the cost and income approaches apply to improved properties, they are not applicable in this case. The sales comparison approach is discussed in the Valuation section of this report.

¹ *The Dictionary of Real Estate Appraisal*, 4th Edition, (Chicago: Appraisal Institute, 2002), p.113.

Extent of Data Collection Process

In order to analyze the forces affecting the subject market and the property's competitive position within the market, a number of independent investigations were conducted. Regularly updated data from published data services pertaining to the subject market and competing properties was referenced to gain current information on market conditions. Current sales data was gathered on numerous comparable properties in the subject market area and recorded affidavits of property value were checked to verify preliminary information. From this data search, the most comparable properties were selected for use supporting a value estimate for the site.

Data used in the discussion of the Arizona and Phoenix metro area was gathered from many sources including Phoenix daily newspapers, publications by Arizona State University and the University of Arizona, and from other sources. Neighborhood data was collected by driving the area and making observations on location, nature, and condition of surrounding improvements and features.

Observations discussed in the site and improvement description sections as well as observations on quality and condition is based upon personal inspection of the property. All sales data applied in this report was confirmed from one or more of the following data sources:

Costar Real Estate Data Service
Xceligent Real Estate Market Data Service
Arizona Regional Multiple Listing Service (ARMLS)
Affidavits of Property Value
RealQuest Real Estate Data Service
Owners or their representatives
Maricopa County Records

The data collected and employed in the analysis is referenced throughout the report and typically includes the source of the data, degree of reliability, and overall significance of the data. From these investigations and data sources, the most relevant information was selected for analysis in supporting an estimate of value for the subject property. The next section summarizes economic and real estate market trends influencing the subject property. The subject neighborhood and site are described subsequently.

REGIONAL DESCRIPTION

Since all parties concerned with this report are familiar with general conditions in the Phoenix area, most of the area description is omitted. Only a summary of conditions is included.

Overall, Arizona and the Phoenix metropolitan area offer many positive attributes. The area's favorable location within the sunbelt, affordable housing, cultural and recreational amenities and economic diversity are expected to result in continued population growth. This is demonstrated by past increases in annual population and employment growth rate statistics and a low unemployment rate relative to other regions and to the nation. These conditions are expected to continue as the market slowly emerges from the recession of 2009.

Overview of Real Estate Markets

The Phoenix residential home market tends to have broad swings in its growth cycle. After a period of record-setting growth in 2003-2005, the residential home market languished in a period of over-supply that started in early 2007 and appeared to bottom out in late 2011. As a result, new home construction had ground to nearly a halt by all of the major production home builders during this period. However, as demand has begun to catch up with supply, new home construction began to recover in late 2012 and into 2013, with many submarkets showing signs of strength. Appreciation figures published in the media in 2013 indicated macro appreciation rates of over 20%, however these figures are somewhat misleading since they are skewed heavily by prices at the low end of the market that have seen extremely strong appreciation due to the severe previous declines in value in this market segment that are now being overcome.

Home builders reacted by purchasing lots and vacant land on which to develop residential subdivisions and started paying a much higher price for raw land in areas where all needed utilities for development are readily available. By early 2014, however, the residential home market leveled off somewhat and as a result the purchase of lots and land by home builders slowed again as the anticipated surge in new home demand failed to materialize to the level many builders were anticipating. The residential market is now seeing a moderate and fairly steady absorption of new homes, mainly on in-fill tracts and on the outer fringes of the metropolitan area similar to the subject location. This rate of growth is expected to be maintained through the end of 2015 and start to see some increases in 2016-2018 according to local economists.

The retail and office markets also suffered significant decline over the same period, with similar root causes. Although their vacancy rates are declining in many areas, rents have not begun to rise again, making new construction unfeasible in most areas, especially in the west valley. These submarkets are also starting to show signs of early recovery in the strongest areas, while others are expected to remain over-supplied for at least another year before they recover to the point where widespread new construction resumes.

The industrial market has seen the strongest recovery of the commercial/industrial market area. Although smaller spaces are still suffering from high vacancy, there has been strong enough demand for spaces larger than 200,000 square feet to see several large complexes be developed, mainly in the southwest Phoenix submarket. Land values have begun to see appreciation in the largest tracts and the pace and number of industrial land acquisitions has quickened, all indicating a return to healthier conditions in this market segment.

The speculative development land market experienced a tremendous run up in values during the period from 2004 through 2007 in part as a result of strong profits created by the home builders who sought new sites for future subdivisions. Another key component of this run up was a large amount of buyers from Las Vegas who were cashing out of developments in Nevada where available new developable land was drying up. These buyers created rapid appreciation in several future development areas including land surrounding Surprise, Buckeye and Maricopa. However, this upward trend in value came to an abrupt halt somewhere between September 2005 and June 2006, depending on the location and upon the reliability of sales data that can be used to draw a conclusion on the change in the trend.

It is widely agreed that the market had stopped appreciating sometime in 2006 and experienced a strong decline in value after that, with an increase in the rate of decline starting in late 2008, then slowing again in 2010. Overall most of the speculative land market saw a decline of between 70% and 90% in areas where the trend could be measured between late 2007 and early 2012. Virtually all markets have begun to recover, however, showing at least modest gains in most areas through the end of 2013. However, recently most outlying areas have again leveled off due to uncertainty that remains in the minds of land buyers and developers.

Summary of Regional Description

The Phoenix metropolitan area has grown into a center for government, transportation, and commerce for most of the southwestern United States. Its warm climate, affordable housing, cultural and recreational amenities, and economic diversity are expected to result in continued population and employment growth over the next several years once the national recession is weathered. Each of the segments of its real estate market are in varying stages of recovery after having suffered through a period of dramatic correction between 2007 and 2012 that followed a period of rapid growth and appreciation. Uncertainty remains in most areas, although the residential land and industrial land markets are showing stability in most areas, and some appreciation in the best market locations.

NEIGHBORHOOD DESCRIPTION

The subject property is located within a unique residential neighborhood in northeast Mesa. The area included within the neighborhood is a combination of vacant land, single-family residences, larger rural residential tracts and numerous manufactured home parks. It is located about 25 miles southeast of the central business district of Phoenix.

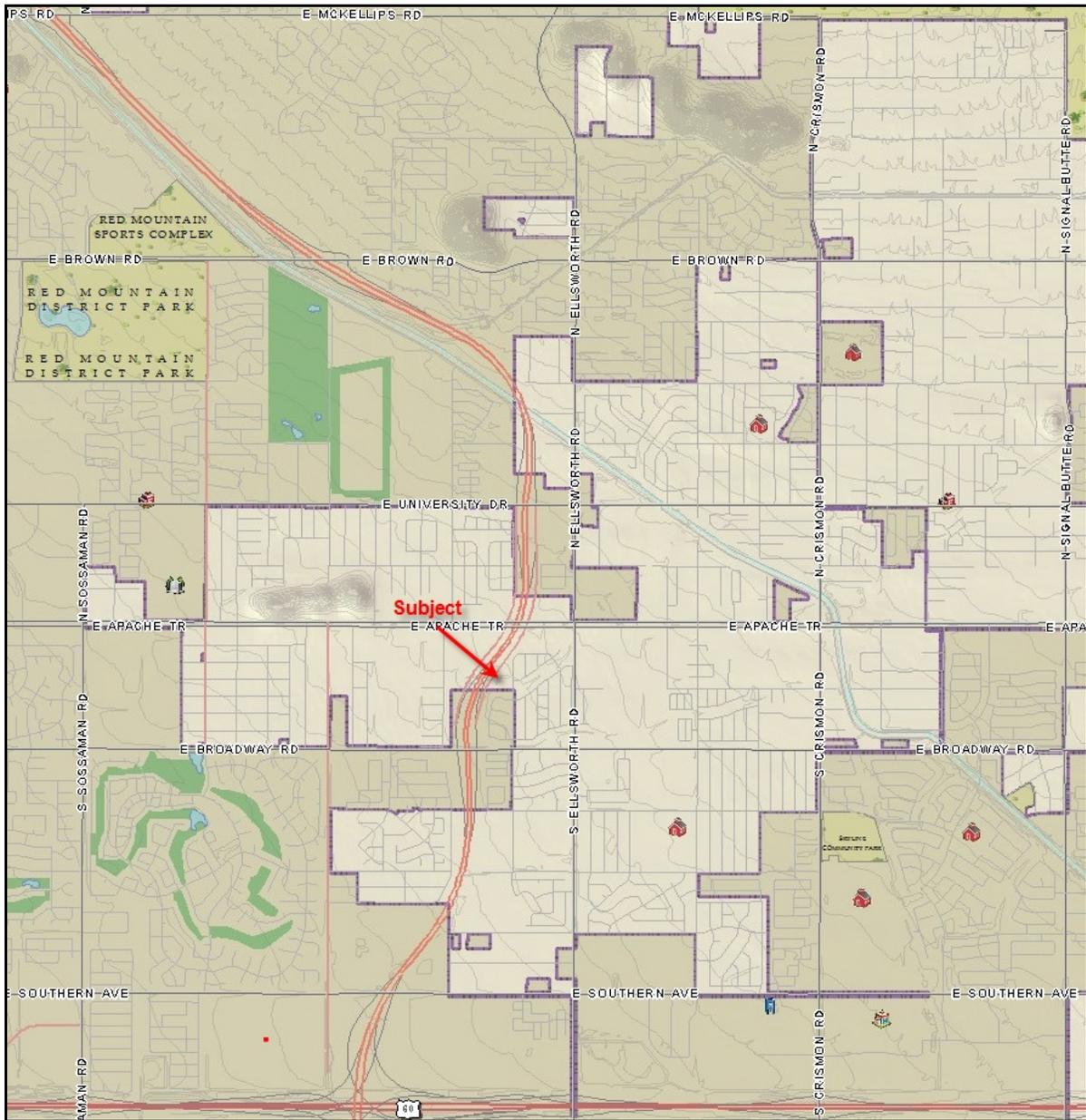
Boundaries

Neighborhood boundaries have been identified which enclose these consistent uses. The area is generally rectangular in shape, as seen on the neighborhood map and aerial photos on the following pages. Meridian Road forms the eastern boundary where the city limits of Apache Junction and Mesa meet, as well as the boundary between Maricopa and Pinal Counties. McKellips Road and the Utey Mountains form the northern boundary, while US60 forms the southern boundary. Sossaman Road separates the newer, denser development influenced by Power Road from the subject's lower intensity of development.

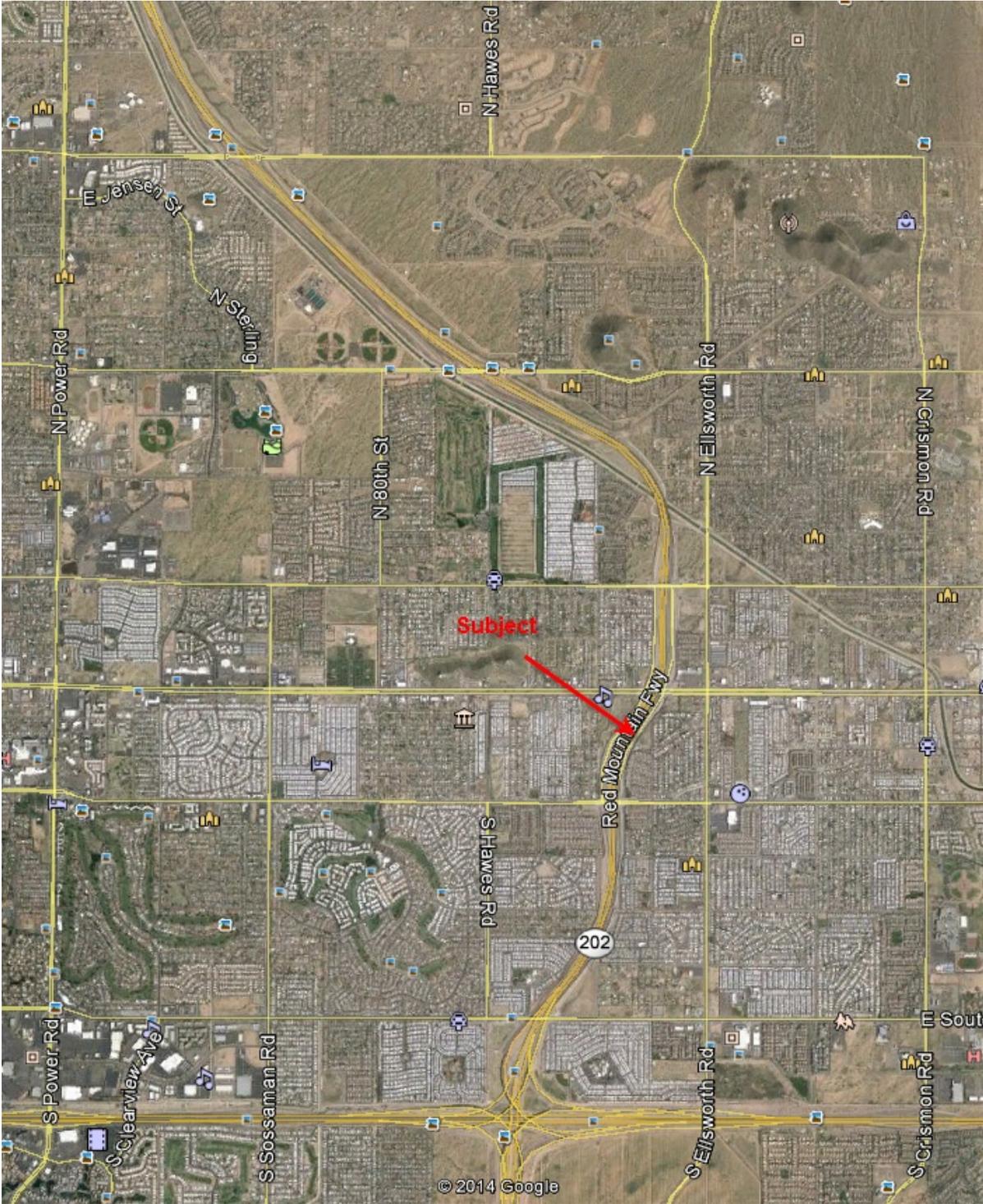
Access Routes and Arterial Streets

The metropolitan Phoenix street system is laid out on a grid, with arterial streets and roadways running north-south and east-west on section lines, one mile apart. This is also the case in this neighborhood. East-west section line roads include McKellips Road, Brown Road, University Drive, Apache Trail, Broadway Road and Southern Avenue. North-south section line roads include Sossaman, Ellsworth, Crismon, Signal Butte and Meridian Roads.

NEIGHBORHOOD MAP



NEIGHBORHOOD AERIAL



Regional transportation is provided by the Superstition Freeway (US60) which is the neighborhood's southern boundary. This heavily-traveled freeway runs east-west through the East Valley. It begins in Tempe at Interstate 10 and continues through Mesa and Apache Junction to the east. Prior to the construction of the outer loop freeway system, it was the only alternative into Phoenix from the east that avoided local or arterial streets.

The neighborhood also benefits from the new Loop 202/Red Mountain Freeway. It begins at the intersection of Interstate 10 and SR51 to the west continues east through the neighborhood. At Power Road it turns north/south to its terminus at the Superstition Freeway. The entire Red Mountain-Santan loop system was completed in 2008.

Topographic and Man-Made Features

The area described is mainly flat and level. Besides roadways and highways, the only other significant man-made feature within the neighborhood is the CAP canal which runs diagonally through the area to the southeast.

Amenities

The subject neighborhood benefits from many amenities within its boundaries as well as a variety just outside its borders. Adequate schools, commercial shopping, churches and parks are included. Additionally, all public utilities are available throughout the neighborhood. Fire and police protection are provided by the City of Mesa and Maricopa County.

Land Uses

Primarily, the neighborhood consists of older residential communities and manufactured housing parks. As is typical of metro Phoenix, existing development has commercial uses, such as neighborhood shopping centers located at the major arterial corners, while homes, schools and churches are found towards the middle of each square-mile section.

Market Conditions

The single-family residential land market in this portion of metropolitan Phoenix is finally starting to show signs of recovery. As a result of increased values of existing homes, new construction is again profitable. New single-family home construction is evident in many areas and several of the sales analyzed in the valuation section of this report were purchased for such development. Multi-family development is not showing as strong a recovery, however, and many of the sites that were previously approved for multi-family uses are being developed instead with single-family product. This appears to be the likely scenario for the subject parcel as well. It is expected that new multi-family uses will be developed within the next one to two years however.

Neighborhood Summary

The neighborhood is a residential area of older homes, large rural residences and manufactured housing parks. Sufficient amenities are within and just outside of neighborhood boundaries. It is located within an area of the East Valley that has benefitted greatly from completion of the Loop 202/Red Mountain Freeway. Given these characteristics, the neighborhood is desirable for its affordability and access.



SITE DATA

Assessor's Parcel Numbers

218-41-278C and a portion of 218-41-279

Location

The subject site is located at the southwest corner of 90th Street and Adler Avenue in Mesa, Arizona.

Site Dimensions and Shape

Per the client, the net area of the site is 166,761 square feet, or 3.828 acres. The site is generally triangular in shape with approximate dimensions of 670 feet by 461 feet by 890 feet. It is illustrated on the plat map on the following page.

Topography

The site is level and at grade with adjoining properties. The freeway to the west is below grade. Drainage for the area is rated average. There are no known soil or sub-surface conditions which would adversely affect the development of the site.

Access

All of the freeway frontage is access-controlled by ADOT and is separated from the subject by a tall sound wall. The 90th Street frontage provides access to the site.

Street Improvements

90th Street has one asphalt-paved lane in each direction. The subject's frontage has curb and gutter.

Traffic Counts

Not available.

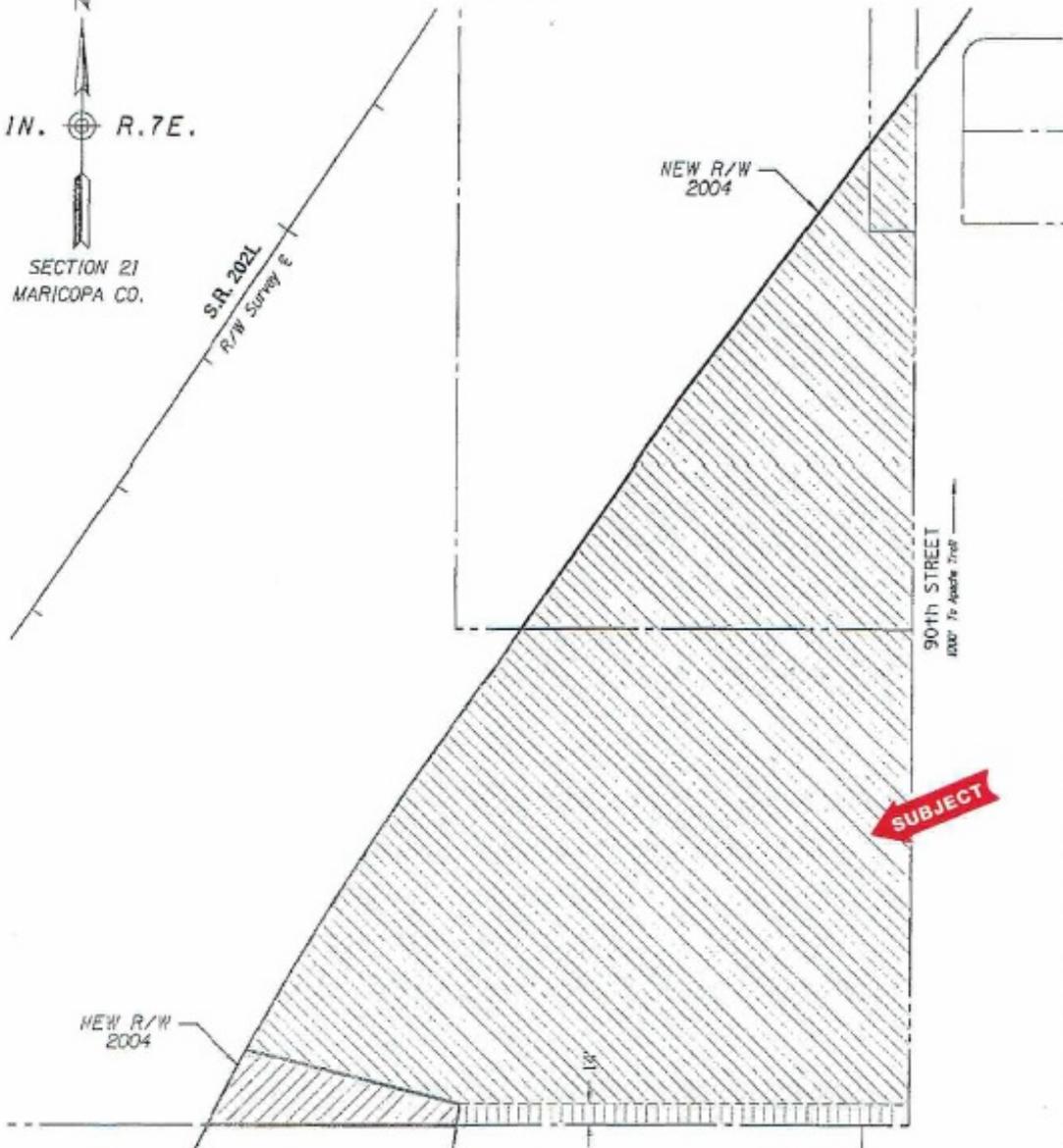
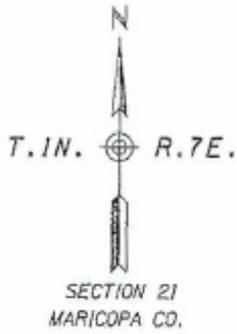
Utilities

Currently, all utilities are available to the subject site. City of Mesa water and sewer are to the site would be available if the site is annexed. Electricity and telephone are provided by Salt River Project and CenturyLink Communications, respectively.



EXCESS LAND EXHIBIT

L-M-483



UNENCUMBERED AREA: 157,572±
DRAINAGE EASEMENT: 5,047±
14' INGRESS/EGRESS EASEMENT: 4,142±

EXCESS LAND PARCEL L-M-483
AREA: 166,761±

HIGHWAY: RED MOUNTAIN FREEWAY SECTION: Higley Rd. - U.S.60

TRACS: 202L IMA 000 H5401 01R FED ID: RAM 600-8-804

DRAW/DATE: bgurney 1-14-08

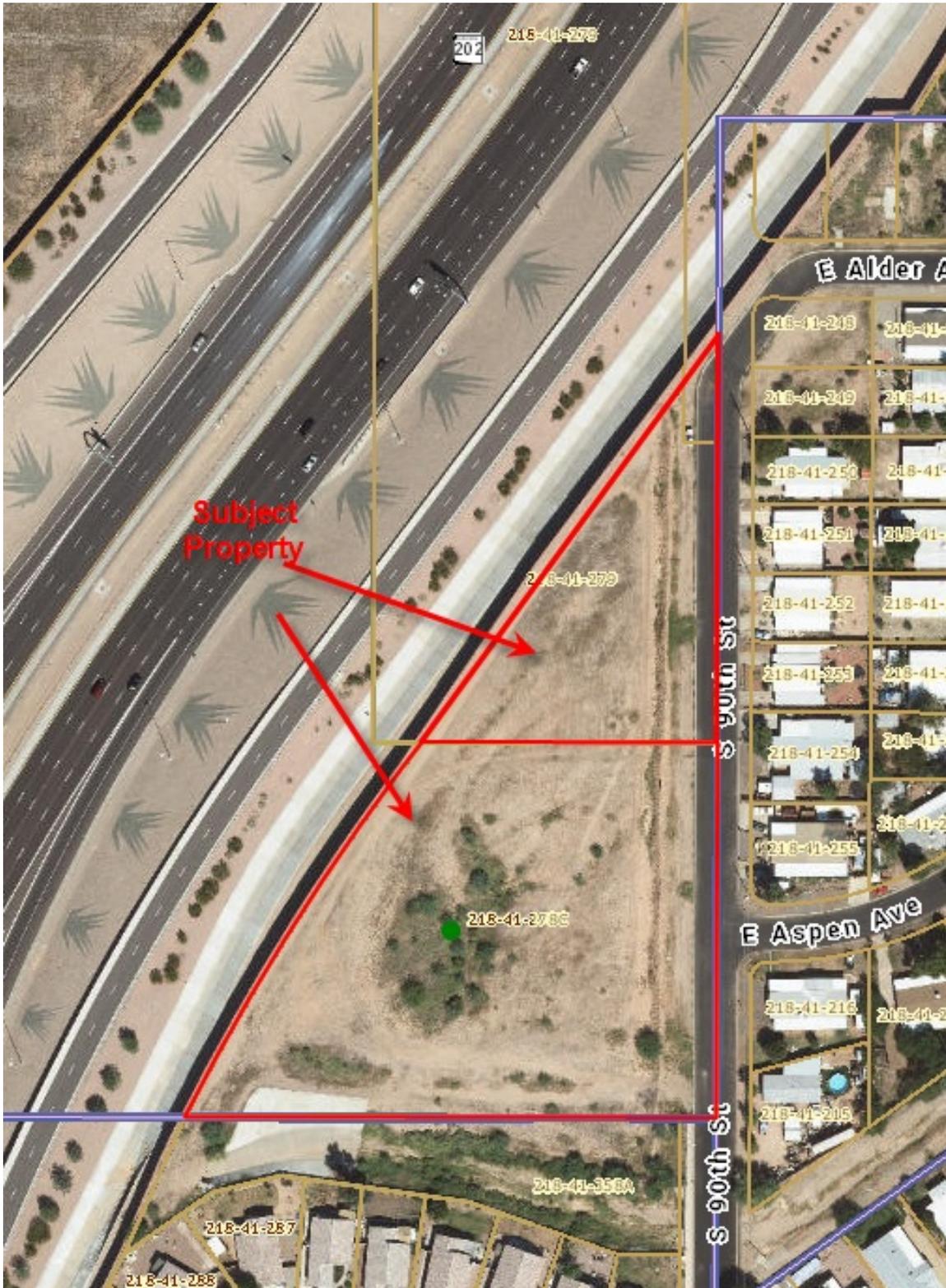
RIGHT OF WAY
PLANS SECTION

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Sheet 1 of 1



Easements and Encumbrances

A recent title report was provided by the client and is shown in the Addenda. In Exhibit A that legally describes the property, it also shows three easements worthy of note. They include 1) a 14-foot wide ingress/egress easement along the subject's southern boundary; 2) a 5,047-square foot drainage easement that lies at its southwest corner, and; 3) a 15-foot wide wall maintenance easement also runs along the entire west side. No other known restrictions or easements which would affect the utility or marketability of the property were discovered within the title report or upon inspection.

Flood Zone

FEMA maps for the area denote the site as being in a Zone X flood rate area. The "X" designation indicates "Areas of 0.2% annual chance flood; areas of 1% annual chance flood with average depths of less than 1 foot or with drainage areas of less than one mile; and areas protected by levees from 1% annual chance flood". Flood insurance is not required in this flood zone. A copy of the flood panel showing the subject is shown in the addenda of this report under Exhibit 6.

Site Improvements

The only site improvements identified upon our inspection is a concrete lined drainage channel at the site's southwest corner. It is part of a larger drainage improvement located south of the subject.

Environmental Hazards

The client has provided a letter of environmental clearance on the property, shown in Exhibit 10 of the addenda. Conclusions reached in this report are based upon the conclusion that the site is free of all substances or conditions that could negatively affect the subject's utility or marketability.

Relation of Site to Surroundings

Surrounding land uses include 90th Street, then numerous mobile homes to the east. To the west and north is Loop 202/Red Mountain Freeway. To the south are a drainage ditch and various single-family homes.

Summary of Site Analysis

The subject site is located at the southwest corner of 90th Street and Adler Avenue in Mesa, Arizona. It is triangular in shape and level. Three easements impact the usable area of the site, but likely these areas can be incorporated into plans for developing the site for landscaping and open space. No other adverse easements are known. All utilities are available, assuming annexation, and it is not within a floodplain. It has a total area of 3.828 acres.



ZONING

The purpose of zoning is to provide for the orderly growth and compatible development of land uses. It is intended to provide a basis for a consistent application of land use between public and private interests where both public and private objectives can be satisfied. Zoning ordinances outline the uses allowed for a particular property. Zoning can have a significant impact on property value if zoning is different from the highest and best use that would otherwise be appropriate for the site.

The subject site is zoned RU-43, Rural zoning district, by Maricopa County. The purpose of this district is “to conserve and protect farms and other open land uses, foster orderly growth in rural and agricultural areas, and prevent urban and agricultural land use conflicts.” Permitted uses include, but are not limited to, farm and non-farm residential uses, farms and recreational and institutional uses. A copy of a complete list of permitted uses is included in the Addenda.

Rural zoning district (RU-43) is also considered a holding district prior to rezoning to a higher intensity. Typically, land within the county is annexed into surrounding towns or cities and then rezoned to fit with the municipality’s general plan. The subject is within the planning area of the City of Mesa. It lies within the “suburban neighborhood” use designation, as shown on the map on the following page.

This designation allows a variety of uses. Under the heading of “Form and Guidelines” for the neighborhood suburban designation discussed on page 101 of the current Mesa land use plan, uses and densities are described as follows” “Density is generally between two to twelve units per acre, but higher densities may occur along the arterial street and at major intersections; changes in density should be gradual”. Given the adjacent subdivisions to the south and east where lots are about 6,000 to 8,500 square feet in size, a similar density is expected given the comment that “changes in density should be gradual.” A discussion with Mesa planner Mike Gildenstern did not reveal any more specific conclusion than this.

ASSESSED VALUE AND TAX DATA

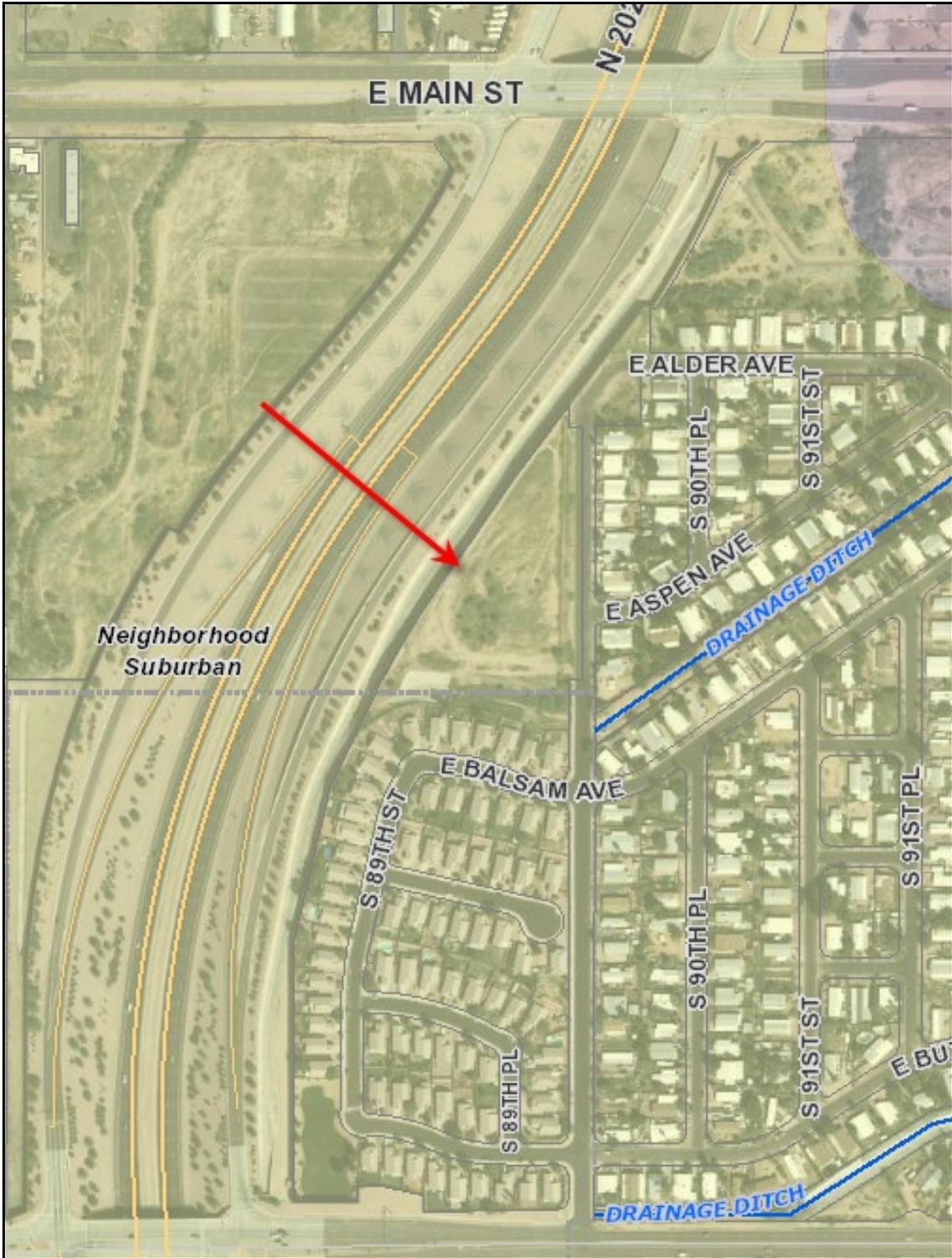
The subject is owned by a department of the State of Arizona; therefore, property taxes are not collected.

SIGNS

Inspection of the property did not reveal any billboard signs located on the subject property.



GENERAL PLAN MAP EXCERPT



HIGHEST AND BEST USE

In order to conclude the highest price a buyer is willing to pay for a property, the highest and best use of that property must first be estimated. Highest and best use is defined as follows:

“The reasonably probable and legal use of vacant land or an improved property, that is physically possible, appropriately supported, financially feasible, and that results in the highest value.”²

The highest and best use of a property must be legally permissible, physically possible, financially feasible, and maximally productive. Applying these four tests to all of the possible uses identifies the single use that maximizes value of the property.

To test highest and best use, all logical, feasible alternatives for which the site may be used are considered. Eliminating uses which are not legally permissible or physically possible reduces the alternatives significantly. These uses can be reduced by eliminating those uses that are not financially feasible. Of the uses considered financially feasible, only one use can be maximally productive, or most profitable. This process is discussed below for the subject property.

Legally Permissible

The most significant legal constraint that controls use of the subject site is its specific zoning, RU-43 by Maricopa County. The RU-43 district encourages development primarily of low-density residential or agricultural uses. However, review of Mesa’s current General Plan and a discussion with city planner Mike Gildenstern revealed that the subject most likely has potential as a low to medium-density single-family residential subdivision site. Therefore, the legally permissible uses of the site include ; 1) holding the site as an investment; 2) splitting the site to allow development with up to three single-family residences under existing zoning, and; 3) a more intensive low to medium density residential subdivision use, after annexation and rezoning. The areas encumbered by the various easements could easily be incorporated into any of these three options with adequate planning, even the subdivision option, for landscape and open space requirements.

Physically Possible

The possible use of the subject site is dictated by the physical aspects of the site itself. The size, shape, accessibility and location are determinants of value. The size of the site has considerable influence on its development. The subject site consists of 3.828 acres which is a limiting factor to its development. The shape of the site is generally triangular and has adequate length and depth that permits efficient development. The site is level and easily developable and all necessary utilities are available in the area and to the site, assuming annexation. No significant physical constraints limit the possible land uses at the subject site.

²Appraisal Institute, *The Appraisal of Real Estate*, 13th Edition, p. 280

It is noted that this appraisal does not take into consideration the possibility of the existence of toxic, hazardous or contaminated substances or problems relating to underground storage tanks or the cost of their encapsulation or removal.

Financially Feasible

Of the legally permissible and physically possible uses, both investment and rezoning and annexation to allow single-family development are considered financially feasible. Development with one to three single-family residences would also be feasible, although not prudent given its higher density potential.

Maximally Productive and Highest and Best Use

Based upon market activity observed for the assignment, and demonstrated by the sales data presented in the next section, annexation and rezoning to medium density single-family residential use is considered to be the maximally productive use of the site. There is adequate demand for new residential units in the area and the medium density residential use is considered the most logical given the surrounding uses to the south and east. Further, there are active buyers who are developing small residential subdivisions on sites similar to the subject in this area, demonstrating demand for this type of use. Therefore, the concluded highest and best use of the site is concluded to be to annex it into the City of Mesa and rezone it to a medium density residential use to allow a small single-family residential subdivision on the site with a target density of 3-5 units per acre.

VALUATION

Estimates of value are formulated by applying three different analyses the cost, sales comparison, and income capitalization approaches. The cost and income approaches apply to improved properties and do not apply in this situation, as the existing improvements do not contribute to value. Therefore, only the sales comparison approach is analyzed. The sales comparison approach is described briefly below, followed by analysis as it applies to the subject property.



SALES COMPARISON APPROACH

The sales comparison approach is a method of estimating value that examines transfers of land that are similar to the subject site, both physically and in terms of utility and highest and best use. By comparing the sales on a common unit basis, a trend in values can usually be identified. By analyzing the most similar sales and making adjustments for factors that effect value, a value is indicated from each. Since these are the most likely alternative sites that would be considered by a potential buyer of the subject site, they are the most logical indications of its market value. The value indications are then reconciled into a single value estimate based upon the relative strengths of each adjusted sale. This process is applied below to the subject property.

Valuation of Subject Tract

In order to support a value estimate for the subject land use type, a search in the market area was made for vacant land sales with similar use potential to the subject parcel. The next discussion analyzes the five sales discovered that are most comparable to the subject site. The sales are analyzed on the basis of price per acre. Numerous factors that potentially affect value have been considered for the subject tract and for each sale, including location, date of sale, financing conditions, site utility, level of site improvements, availability of utilities, topography and other factors. The factors that require adjustment are discussed below as they apply to the subject. From these analyses, adjusted unit prices are used to indicate of value for the subject site.

Significant details from each sale are summarized on the chart on the following page. A map showing the location of the subject site and each of the sales is shown on following page. A discussion of the sales and their related adjustments then follows the map. Complete data on each sale is displayed on data sheets in the final exhibit of the addenda. The adjusted prices per acre are used as indicators of value for the subject site.



SUMMARY OF COMPARABLE LAND SALES						
Sale No.	Contract Date	Price	Acres	\$/Acre	Zoning	Remarks
1	6-14	\$400,000	2.25	\$177,778	RS-9 Mesa	Arterial corner at NW corner of University and Val Vista Drives, 6 miles SW of subject. Finished site. Old house (1943) on site of no value. Purchased by church.
2	12-13	\$1,000,000	10.60	\$94,340	CR5/PD Apache Junction	Platted for a 90 lot subdivision NW of Ironwood Road and Southern Ave in Apache Jct. Finished site.
3	1-14	\$1,880,000	13.01	\$144,504	R-6 Mesa	Located at SEC of Broadway and Signal Butte Roads in east Mesa. Seller had recently gotten approvals for 61 lot subdivision on the site. Finished site with all needed utilities.
4	10-14	\$768,987	4.58	\$167,901	RS-35 Mesa	Located east of NEC of Brown Road and Val Vista Drive. Purchased for investment. Mature citrus orchard on the property. All utilities to site.
5	5-13	\$1,300,000	8.430	\$154,211	RS-15 Mesa	NEC of McKellips Road and 76t St in NE Mesa. Purchased by production home builder. Finished lot approved for 20 lot subdivision.
Subj.			3.828		R 43 County	Irregular in-fill tract with water and sewer site if annexed. Medium density residential development potential.

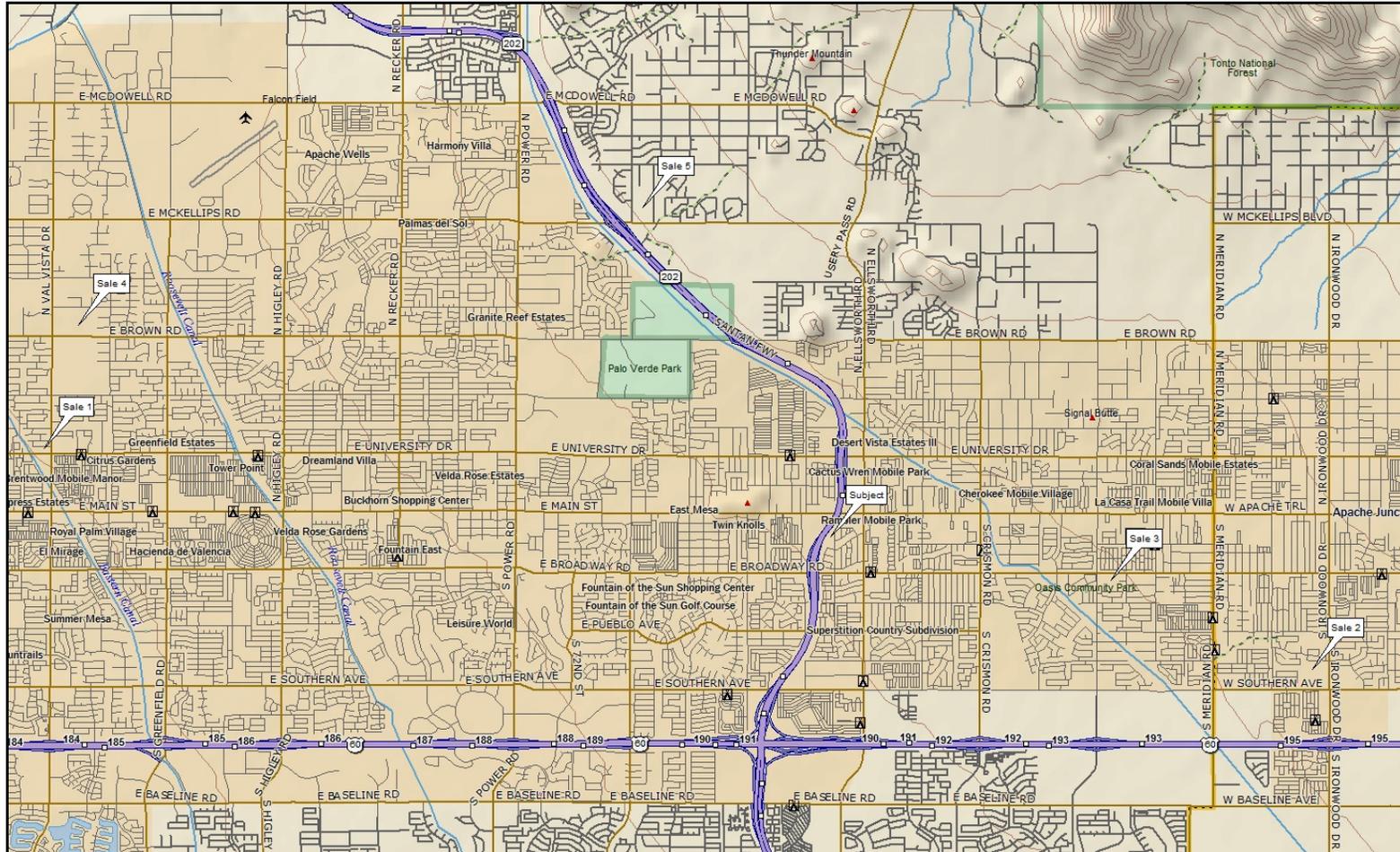
Discussion of Sales

The five sales considered most indicative are discussed below. All five are from the east Mesa or Apache Junction areas, both of which are considered similar in many ways to the subject location. Each sale is discussed below.

Sale No. 1 is located at the northwest corner of Val Vista Drive and University Drive in Mesa. It is a 2.25 acre tract of land with a residence and miscellaneous structures on it of no value. In June 2014 the tract sold for \$400,000, cash, or \$177,778 per acre. It is zoned RS-9, residential 9,000 square foot minimum lot size, and has residential or commercial potential. It is a finished lot with all needed utilities at a signalized arterial corner. The property was marketed by Realty One Group.



COMPARABLE LAND SALES MAP



Sale No. 2 is a vacant tract of single-family residential development land located southwest of Ironwood Road and Renaissance Avenue in Apache Junction, about four miles southeast of the subject. It has a total area of 10.600 acres that sold in December 2013 for \$1,000,000, or \$94,340 per acre. It is zoned CR5/PD and the buyer will develop a 90 lot single-family residential subdivision on the site that was already approved prior to the sale. The property was marketed by Lee & Associates.

Sale No. 3 is a 13.011 acre parcel of vacant subdivision land that is located at 10919 Broadway Road in Mesa, two miles east of the subject. It sold in January 2014 for \$1,880,000, or \$144,504 per acre. It is zoned R-6 by the City of Mesa and the buyer plans to hold the site as an investment. The fee simple estate sold for cash under normal conditions of sale. The property was marketed by City to City Commercial.

Sale No. 4 is a 4.58 acre parcel of citrus orchard located one mile north of Sale No. 1 along the north side of Brown Road. It sold in October 2014 for \$768,987, or \$167,901 per acre. It is zoned RS-35 by the City of Mesa. The fee simple estate sold under normal conditions of sale. The buyer assumed a \$748,879 loan on the property from the seller at unknown terms, assumed to be cash equivalent.

Sale No. 5 is located at the northeast corner of 76th Street and McKellips Road, 3.25 miles northwest of the subject property. It is an 8.430 acre tract that sold in May 2013 for \$1,300,000, or \$154,211 per acre. It is zoned RS-15 by the City of Mesa and is a finished site that is approved for development with a 20 lot subdivision. The buyer is a production home builder. The fee simple estate sold for cash, under normal conditions of sale. The property was marketed by Nathan & Associates, Inc.

Discussion of Adjustments

In order to properly estimate value through the adjustment of sales, the following categories of adjustment must be considered:

1. Property Rights Transferred
2. Terms of Sale
3. Conditions of Sale
4. Market Conditions
5. Location
6. Physical Features
7. Non-Realty Items

Each of these factors are discussed in order as they apply to each sale.

Unit of Comparison

Both the price per acre and the price per square foot of land area are used in this price and size range of the land market. The price per acre is applied here.

Factors Not Requiring Adjustment

Each of the sales involved transfer of the fee simple interest, similar to the subject site and no adjustment is estimated. All of the sales involved cash, or terms assumed to be equivalent to cash, and no adjustment is required. All five sales were arm's length transactions and no adjustment is required for conditions of sale. Finally, none of the sales were reported to include any personal property or other non-realty items. Adjustment is not required for any of these categories.

Market Conditions

The five sales occurred between May 2013 and October 2014. Although there was a period of strong appreciation during 2013, brokers interviewed during several recent assignments report that the market cooled off rather abruptly at the beginning of 2014 and has not seen any significant recovery since then in terms of activity or in terms of appreciation. As a result, no adjustment for market conditions is considered warranted during the period between January 2014 and the date of valuation. The only sale that occurred prior to this is Sale No. 5, that went under contract in May 2013. An upward adjustment of one percent per month is applied to the seven months that elapsed in 2013.

Location

The subject is located at the southwest corner of 90th Street and Adler Avenue. It is just south of the southwest corner of Apache Trail and Loop 202/Red Mountain Freeway in Mesa. However, its access is remote and its freeway frontage is diminished by a tall sound wall. There is no freeway visibility or access.

Sale No. 1 is located at the northwest corner of Val Vista Drive and University Drive, a dual arterial corner, which gives the site commercial potential as well. However the site was zoned for residential use and was purchased by a church, which is a residential use. Overall, however, its location is considered superior due to the dual arterial corner and a downward adjustment is made for this factor as well as for nicer surrounding uses relative to the subject.

Sale No. 4 is located one mile north of Sale No. 1 in the citrus area of northeast Mesa. This location is also considered superior to the subject given the superior quality of residential uses in this area and a downward adjustment is estimated for its superior location compared to the subject.

Sale No. 2 is located in Apache Junction, within an existing neighborhood like the subject. Due to its further distance from the urban core, an upward adjustment is indicated. Sale No. 3 is located at an arterial corner, at the southeast corner of Signal Butte Road and Broadway in east Mesa. The arterial corner makes this location superior to the subject location and a downward adjustment is made.



Lastly, Sale No. 5 is located less than a block east of the Loop 202 freeway interchange at McKellips Road in northeast Mesa. This proximity to the freeway, combined with superior surrounding uses and many properties in the area that offer views, this location is considered superior to the subject and a downward adjustment is made.

Zoning

The subject site is zoned RU-43 which primarily allows low-density rural residential uses. However, according to the City of Mesa, it is highly likely that annexation and rezoning to a higher density residential zoning district would be allowed. Four of the five sales have residential zoning in place that would allow low to medium-density residential development. Since the subject will require annexation and rezoning to achieve its most valuable density, a downward adjustment is estimated to each of these four sales. Sale No. 4, on the other hand, has RE-35 zoning, allowing estate lots of 35,000 square feet each, minimum. This is generally similar to the subject and no adjustment is made.

Physical Features

Physical characteristics that are considered for adjustment to these sales when compared to the subject site include size, level of development, shape and topography. The subject is a finished site, as are all five of the sales, and no adjustment is made. All of the sales have a normal topography like the subject and no adjustment is needed. The only factors requiring adjustment then are size and shape.

In terms of size, the subject is much smaller than four of the five sales. Sale No. 4 is almost the same size at 4.58 acres and does not require adjustment. Since larger parcels tend to sell for a lower unit price than do otherwise comparable properties, an upward adjustment is made to Sales No. 1, 2 3 and 5 for this difference.

All five of the sales have basically normal shape. The subject triangular shape, combined with the additional planning requirements of the easements, will be harder to develop and a small downward adjustment is made to all five sales.

No other adjustments are noted. The adjustments discussed are summarized on the chart on the following page.



SUMMARY OF ADJUSTMENTS

Characteristic	Subject	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5
\$ per Acre		\$177,778	\$94,340	\$144,506	\$167,901	\$154,211
Property Rights Transferred	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Terms of Sale	Cash	Cash	Cash	Cash	Cash	Cash
Conditions of Sale	Arm's Length	Arm's Length	Arm's Length	Arm's Length	Arm's Length	Arm's Length
Date of Sale Market Conditions	9-15 Stable	6-14 -0-	12-13 -0-	1-14 -0-	10-14 -0-	5-13 + 7%
Adjusted Price/ SF		\$177,778	\$94,340	\$144,506	\$167,901	\$165,006
Location	Loop 202 South of Apache Trail	NW C Val Vista & University Superior -30%	Apache Jct. Inferior + 5%	SEC Signal Butte and Broadway Superior -20%	Brown Rd east of Val Vista Superior -30%	McKellips & 76 th St Superior -25%
Zoning	RU 43 County	R3 Mesa -10%	CR5/PD Apache Jct. Subdiv Plat -10%	R6 Mesa Approved Plat -10%	RE-35 Mesa -0-	RS15 Mesa 20 lots approved -10%
Physical Features Size	3.828 ac.	9.40 ac. + 10%	10.60 ac. + 10%	13.01 ac. + 10%	4.58 ac. -0-	8.43 ac. + 10%
Site Imps	Finished Site	Similar -0-	Similar -0-	Similar -0-	Similar -0-	Similar -0-
Shape/Utility	Triangular	Normal -5%	Normal -5%	Normal -5%	Normal -5%	Normal -5%
Non-Realty Items	None	Similar	Similar	Similar	Similar	Similar
Combined Adj. for Location and Physical Factors		-35%	-0-	-25%	-35%	-30%
Indicated Value of Subject		\$115,556	\$94,340	\$109,825	\$109,135	\$115,504

Conclusion of Value

After adjustment, the five sales indicate a range of value of \$94,340 per acre to \$115,556 per acre. Of the five sales, the best indicators are considered to be from Sales No. 2 and 4. Sale No. 4 is the most current of the four and is closest in size and location to the subject. Although Sale No. 2 dates back to December 2013, it is similar in terms of use and development potential. The other three sales bracket the indicated values from these two indicators.

Another consideration is the fact that the property has been listed for sale at \$383,000, or \$105,000 per acre, for more than a year without any interest. Although a small factor of this may be directly related to its not being marketed through a private brokerage, its location is also likely a large factor in this result as well.

Considering all of these factors, and the relative strengths and weaknesses of the market data, the final estimated value of the subject property is concluded at \$100,000 per acre. Applying this to the total net site area of 3.828 acres leads to a final value estimate of \$382,800, rounded to \$383,000.

In conclusion, the final estimated value of the subject property, as of September 8, 2015, is:

THREE HUNDRED EIGHTY THREE THOUSAND DOLLARS
(\$383,000)

AUDITING BREAKDOWN

The value conclusions reached for the subject property are summarized as follows:

Land	\$383,000	
Improvements	<u> \$0</u>	
Total		\$383,000



ADOT CERTIFICATION OF APPRAISER

Project Number: H089301R

Parcel Number: L-M-483

I hereby certify:

That I have personally inspected the property herein appraised, and that I have afforded the property owner the opportunity to accompany me at the time of inspection. I also made a personal field inspection of each comparable sale relied upon in making said appraisal. The subject and the comparable sales relied upon in making the appraisal were as represented by the photographs contained in the appraisal.

That I have given consideration to the value of the property as well as the damages and benefits to the remainder, if any; I accept no liability for matters of title or survey. That to the best of my knowledge and belief, the statements contained in said appraisal are true, and the opinions, as expressed therein, are based upon correct information; subject to the limiting conditions therein set forth.

That no hidden or un apparent conditions of the property, subsoil, or structures were found or assumed to exist which would render the subject more or less valuable; and I assume no responsibility for such conditions, or for engineering which might be required to discover such factors. That, unless otherwise stated in this report, the existence of hazardous material, which may or may not be present in the property, was not observed by myself or acknowledged by the owner. I am not, however, qualified to detect such substances, the presence of which may affect the value of the property. No responsibility is assumed for any conditions, or for any expertise or engineering knowledge required to discover them.

That my analysis, opinions, and conclusions were developed, and this report has been prepared, in conformance with the Uniform Standards of Professional Appraisal Practice.

That this appraisal has further been made in conformity with the appropriate State and Federal laws, regulations, policies, and procedures applicable to appraisal of right of way for such purposes; and that to the best of my knowledge, no portion of the value assigned to such property consists of items which are non-compensable under the established laws of said State.

That I understand this appraisal may be used in connection with that acquisition of right of way for a highway to be constructed by the State of Arizona with the assistance of Federal aid highway funds or other Federal funds.

That neither my employment nor my compensation for making the appraisal and report are in any way contingent upon the values reported herein.

That I have no direct or indirect present or contemplated future personal interest in the property that is the subject of this report, or any benefit from the acquisition of the property appraised herein.

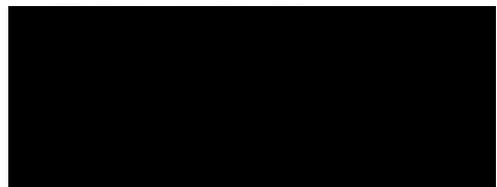
That I have not revealed the findings and result of such appraisal to anyone other than proper officials of the Arizona Department of Transportation or officials of the Federal Highway Administration, and I will not do so unless so authorized by proper State officials, or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.

That my opinion of the MARKET VALUE of the subject property, as of September 8, 2015, is \$383,000, based upon my independent appraisal and the exercise of my professional judgement.

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

Date: September 8, 2015

Signature:



CERTIFICATION OF VALUE

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

- That the statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and have no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent on 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.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Practice.
- I have made a personal inspection of the property that is the subject of this report.
- No one provided significant professional assistance in preparation of this report.
- It is noted that this report is an update of a previous appraisal completed for ADOT dated April 25, 2014. Other than that assignment, I have not performed any services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- As of the date of this report, I have completed the continuing education program for Designated Members of the Appraisal Institute.
- That the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

ADDENDA

EXHIBIT 1

Assumptions and Limiting Conditions

EXHIBIT 2

Appraiser's Qualifications

EXHIBIT 3

ADOT Purchase Order for Assignment
Appraiser License

EXHIBIT 4

Subject Property Title Report

EXHIBIT 5

Zoning Map and Zoning Description

EXHIBIT 6

Flood Plain Map

EXHIBIT 7

Excess Land Exhibit Sheet

EXHIBIT 8

Photographs of Subject

EXHIBIT 9

Market Data Sheets for Land Sales

EXHIBIT 10

Environmental Planning Disposal Checklist

EXHIBIT 1

Assumptions and Limiting Conditions

ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal is subject to the following assumptions and limiting conditions:

1. That the title to the property is marketable and free of all liens and encumbrances, except as noted in the report.
2. That no responsibility is assumed for the legal description or for matters including legal or title considerations.
3. That the descriptions and plats furnished are correct.
4. That information furnished by others is believed to be reliable. No warranty is made as to its accuracy, however.
5. That all engineering is assumed to be correct. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
6. That there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
7. That there is full compliance with all applicable federal, state, and local environmental regulations and laws unless non-compliance is stated, defined, and considered in the appraisal report.
8. That all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in the appraisal report.
9. That all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be renewed for any use on which the value estimate contained in this report is based.
10. That the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.
11. That the distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
12. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without written consent of the appraiser, and in any event only with proper written qualification and only in its entirety.

13. That neither all nor any part of the contents of this report, especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected, shall be disseminated to the public through advertising media, public relations media, news media, sales media, or any other public means of communication without the prior written consent and approval of the appraiser.
14. This appraisal report has been made in conformity with and is subject to the requirements of the Code of Professional Ethics of the Appraisal Institute.
15. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of any such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, petroleum contaminants, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

EXHIBIT 2

Appraiser's Qualifications



Formal Education:

Bachelor of Science from the University of California, Davis, with a degree in Agricultural and Managerial Economics, 1985.

Professional Education:

Successful completion of the following American Institute of Real Estate Appraisers Courses:

- | | |
|--|-------------------------------------|
| Appraisal Principles | Advanced Capitalization Theory |
| Valuation Procedures | Case Studies in R. E. Valuation |
| Capitalization Theory | Standards of Professional Practice |
| Ranch Appraisal | Report Writing & Valuation Analysis |
| Comprehensive Examination | Demonstration Appraisal Report |
| Feasibility Analysis and Highest & Best Use | Subdivision Analysis Seminar |
| Advanced Condemnation Appraisal | Land Valuation Adjustments |
| Seminar on the <i>Uniform Appraisal Stds for Federal Land Acquisitions</i> (Yellow Book) | |

Professional Affiliations:

Member of the Appraisal Institute, MAI.

- Continuing education requirements are current through December, 2016
- Admissions Committee Member, 1992 - 1998
- Chairman, Admissions Committee, 1995, 1996
- Ethics Review Committee Member, 1999-2004
- President Elect, Phoenix Chapter, 2006
- President, Phoenix Chapter, 2007
- Past President, Phoenix Chapter, 2008
- Member of the National Leadership Development and Advisory Council, 2006, 2007

Real Estate and Appraisal Experience:

Leasing Agent/ Property Manager, Equitec Properties Company, Sacramento, California, 1986. Involved in leasing and managing 550,000 square feet of light industrial and commercial space.

Real Estate and Appraisal Experience, Continued:

Appraiser, [REDACTED]
[REDACTED]

[REDACTED], January 1991 - Present. Involved in appraisal of commercial, industrial, multifamily and special purpose properties as well as development land and rural lands.

Litigation Experience:

Qualified as an Expert Witness in Superior Court and Bankruptcy Court, Phoenix, Arizona as well as in Mohave County Superior Court, Kingman, Arizona, Yavapai County Superior Court, Camp Verde, Arizona and Navajo County Superior Court, Holbrook, Arizona

Geographic Market Area:

Throughout Arizona

Scope of Work:

Eminent Domain Acquisition
Subdivision Land
Agricultural and Recreational Land
Highest and Best Use Studies
Office Buildings
Industrial Buildings

Easement Valuation
Vacant Development Land
Master Planned Communities
Valuation and Land Use Consultation
Retail Centers
Special Purpose Properties

Partial Client List:

Arizona Department of Transportation
Arizona State Land Department
Arizona State Parks Department
Arizona Department of Corrections

Arizona Game & Fish Department
Arizona Department of Administration
Arizona Schools Facilities Board

Maricopa County Department of Transportation
Maricopa County Attorney's Office

Maricopa County Flood Control District

City of Phoenix
City of Mesa
City of Peoria
Town of Prescott Valley

City of Glendale
City of Chandler
City of Surprise

EXHIBIT 3

ADOT Purchase Order for Assignment
Appraiser License



Seller

Seller Administrator

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September 3, 2015 12:37:59 PM MST


[Home](#) [POs](#) [Bids](#) [Contracts](#) [Quotes](#)

Release Purchase Order ADSP014-052969:15

[General](#) [Items](#) [Attachments\(1\)](#) [Notes](#) [Change Orders](#) [Subcontractors](#) [Summary](#)

Header Information

Purchase Order Number:	ADSP014-052969	Release Number:	15	Short Description:	L-M-483/H089301r/ORIGINAL APPRAISAL
Status:	3PS - Sent	Purchaser:	STEVE TROXEL	Receipt Method:	Quantity
Fiscal Year:	2016	PO Type:	Release	Minor Status:	
Department:	DT4ROW - RIGHT OF WAY	Location:	T4945 - RIGHT OF WAY	Type Code:	
Alternate ID:	PO0000023454	Entered Date:	09/02/2015 08:51:02 AM	Control Code:	
Days ARO:	0	Retainage %:	0.00%		
Required By Date:		Promised Date:			
Contact Instructions:	Contact STEVE TROXEL at (602)712-7053	Tax Rate:		Actual Cost:	\$1,950.00
Ship-to Address:	CARRIE MCCLURE ARIZONA DEPARTMENT OF TRANSPORTATION 205 S 17TH AVE MD 612E RM 331 PHOENIX, AZ 85007-3212 US Email: CMCCLURE@AZDOT.GOV Phone: (602)712-7912	Bill-to Address:	CARRIE MCCLURE ARIZONA DEPARTMENT OF TRANSPORTATION 205 S 17TH AVE MD 612E RM 331 PHOENIX, AZ 85007-3212 US Email: CMCCLURE@AZDOT.GOV Phone: (602)712-7912		

Attachments

Agency Files: [jw-16-006.rtf](#)
Agency Forms:
Vendor Files:
Vendor Forms:

PO Terms

Preferred Delivery Method: Email

Remit-to Address:

Payment Terms: Net 30

Shipping Method: Best Way

[REDACTED]

Payments

There are no payments.

[REDACTED]

[REDACTED]																			
[REDACTED]																			

[REDACTED]

[REDACTED] Periscope Holdings, Inc. - All Rights Reserved. AZ-PAS1

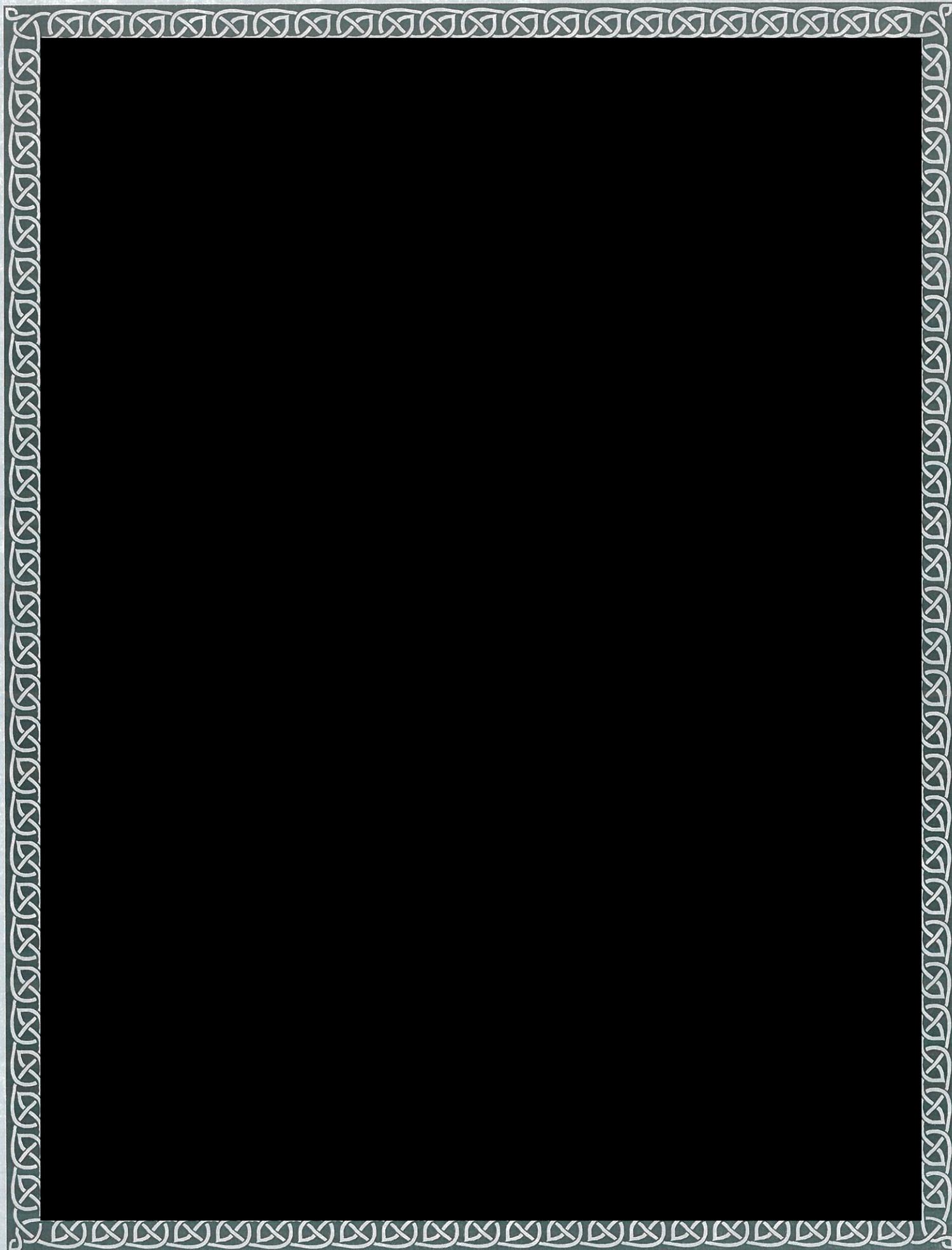


EXHIBIT 4

Subject Property Title Report

ARIZONA DEPARTMENT OF TRANSPORTATION

RIGHT OF WAY GROUP

RIGHT OF WAY DISPOSAL REPORT

Project: RAM 600-8-804/202L MA 000 H5401 01R

Section: Higley Rd-US 60

Excess Land: L-M-483

Parcel No: 7-8994; 7-8997

The undersigned has examined the title to the property described in EXHIBIT "A" and the FEE owner is:
STATE OF ARIZONA by and through its Department of Transportation

Owner Address:
205 S. 17th Ave, Mail Drop 612E, Phoenix, Arizona 85007

The undersigned has examined the title to the property described in EXHIBIT "A" and the Easement owner is:
Not Applicable

Owner Address:
Not Applicable

Please see the attached forms containing vesting information and the requirements required for this parcel to be disposed of:

SEE ATTACHED FORMS

SCHEDULE A-1:
SEE EXHIBIT "A" ATTACHED

REMARKS:
ADOT records only searched
Schedule B items not searched at this time

Search Date: 7-22-15

Examiner: Shirley Seeley

Reviewer:

Assessor's #: 218-41-278C; 279

County: Maricopa

See Requirements attached!!

SECURITY TITLE AGENCY, INC.
3636 North Central Avenue, 3rd Floor
Phoenix, AZ 85012
Phone: (602) 230-6271 FAX: (602) 230-6256

on behalf of
TICOR TITLE INSURANCE COMPANY

COMMITMENT FOR TITLE INSURANCE

SCHEDULE A

Escrow Officer: Karen Roswell
Title Officer: Diane Boardman/DW
Address Reference: , Gilbert, AZ

Order Number: 150837269
Amended

1. Commitment Date: January 17, 2008, at 7:50 AM

2. Policy (or Policies) to be issued:

a) ALTA Owner's Policy (6/17/06) (Standard Coverage)
Proposed Insured:

Amount: \$

3. A Fee interest in the land described in this Commitment is owned, at the Commitment Date, by STATE OF ARIZONA, by and through its Department of Transportation.

4. The Land referred to in the Commitment is situated in the County of Maricopa, State of Arizona, and is described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

EXHIBIT "A"

That portion of the property that is described in the following PROPERTY DESCRIPTION located in the Northwest quarter of the Southeast quarter of Section 21, Township 1 North, Range 7 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, which lies East of the following described EXISTING EASTERLY RIGHT OF WAY LINE of State Route 202L (Red Mountain Freeway):

PROPERTY DESCRIPTION:

That portion of the Northwest quarter of the Southeast quarter of Section 21, Township 1 North, Range 7 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

Commencing at the Northwest corner of the Southeast quarter of said Section 21, also known as the center of said Section 21;

Thence North 89 degrees 56 minutes 58 seconds East, 165.82 feet, along the East-West center section line of said Section 21, to the Northeast corner of the West half of the West half of the Northwest quarter of the Northwest quarter of the Southeast quarter of said Section 21, said point being the Point of Beginning;

Thence continuing North 89 degrees 56 minutes 58 seconds East 1159.31 feet, along the North line of the Southeast quarter of said Section 21 to the Northeast corner of the Northwest quarter of the Southeast quarter of said Section 21;

Thence South 00 degrees 03 minutes 03 seconds West, 1320.20 feet along the East line of the Northwest quarter of the Southeast quarter of said Section 21, to the Southeast corner of the Northwest quarter of the Southeast quarter of said Section 21;

Thence South 89 degrees 56 minutes 44 seconds West, 1325.18 feet along the South line of the Northwest quarter of the Southeast quarter of said Section 21, to the Southwest corner of the Northwest quarter of the Southeast quarter of said Section 21;

Thence North 00 degrees 03 minutes 44 seconds East, 660.18 feet, along the North-South center section line of said Section 21, to the Southwest corner of the West half of the West half of the Northwest quarter of the Northwest quarter of the Southeast quarter of said Section 21;

Thence North 89 degrees 56 minutes 51 seconds East, 165.63 feet, to the Southeast corner of the West half of the West half of the Northwest quarter of the Northwest quarter of the Southeast quarter of said Section 21;

Thence North 00 degrees 03 minutes 39 seconds East, 660.14 feet, to the Point of Beginning.

EXISTING EASTERLY RIGHT OF WAY LINE DESCRIPTION:

Commencing at a brass cap marking the East quarter corner of said Section 21 being North 89 degrees 58 minutes 48 seconds East 2649.71 feet from a pipe marking the Center of said Section 21;

Thence along the East-West mid section line of said Section 21 South 89 degrees 58 minutes 48 seconds West 702.62 feet to the Point of Beginning;

Thence South 00 degrees 01 minutes 12 seconds East 50.00 feet to the intersection of said existing easterly right of way line of State Route 202L and the existing South right of way line of Apache Trail;

Thence along said existing easterly right of way line, South 00 degrees 01 minutes 12 seconds East 10.00 feet;

Thence continuing along said existing easterly right of way line, South 89 degrees 58 minutes 48 seconds West 203.00 feet;

Thence continuing along said existing easterly right of way line, South 50 degrees 13 minutes 10 seconds West 105.56 feet;

Thence continuing along said existing easterly right of way line, South 24 degrees 58 minutes 48 seconds West 89.63 feet;

Thence continuing along said existing easterly right of way line, along a curve to the right having a radius of 2039.86 feet, a length of 275.70 feet;

Thence continuing along said existing easterly right of way line, South 89 degrees 58 minutes 48 seconds West 31.19 feet;

Thence continuing along said existing easterly right of way line, South 36 degrees 44 minutes 28 seconds West 488.59 feet;

Thence continuing along said existing easterly right of way line, South 34 degrees 01 minutes 59 seconds West 211.60 feet to a point hereinafter referred to as Point "A";

Thence continuing along said existing easterly right of way line, from a Local Tangent Bearing of South 36 degrees 44 minutes 28 seconds West, along a curve to the Left having a radius of 2072.70 feet, a length of 399.76 feet;

Thence continuing along said existing easterly right of way line, South 24 degrees 05 minutes 10 seconds West 90.49 feet;

Thence continuing along said existing easterly right of way line, South 25 degrees 41 minutes 26 seconds West 141.63 feet;

Thence continuing along said existing easterly right of way line, South 13 degrees 04 minutes 19 seconds West 382.22 feet;

Thence continuing along said existing easterly right of way line, South 00 degrees 06 minutes 39 seconds West 596.95 feet;

Thence South 00 degrees 01 minutes 59 seconds East 103.22 feet to the Point of Ending on the South line of said Section 21 being South 89 degrees 58 minutes 01 seconds West 1989.89 feet from a brass cap in a handhole marking the Southeast corner of said Section 21.

END OF EXHIBIT "A"

TICOR TITLE INSURANCE COMPANY

SCHEDULE B - SECTION I

REQUIREMENTS

The following requirements must be met:

1. Pay the agreed amounts for the interest in the land and/or the mortgage to be insured.
2. Pay us the premiums, fees and charges for the policy.
3. Documents satisfactory to us creating the interest in the land and/or the mortgage to be insured must be signed, delivered and recorded.

NOTE: Pursuant to Arizona Revised Statutes 11-480, effective January 1, 1991, the County Recorder may not accept documents for recording that does not; (a) Contain print at least ten-point type (pica) or larger, (b) Have margins of at least one-half inch along the left and right sides, one-half inch across the bottom and at least two inches on top for recording and return address information, and (c) Each instrument shall be no larger than 8-1/2 inches in width and 14 inches in length.

4. You must tell us in writing the name of anyone not referred to in this Commitment who will get an interest in the land or who will make a loan on the land. We may then make additional requirements or exceptions.

- A. Proper disposition of Real Estate Taxes on land being insured herein.
NOTE: SEE TAX SHEET ATTACHED

The right is reserved to make additional exceptions and/or requirements upon examination of all documents submitted in satisfaction of Requirement No. A.

- B. Furnish names of parties to be insured. The right is reserved to make additional exceptions or requirements upon examination of names submitted.
- C. Record Deed from STATE OF ARIZONA, by and through its Department of Transportation to
_____.

TICOR TITLE INSURANCE COMPANY
SCHEDULE B - SECTION II
EXCEPTIONS

In addition to the conditions and/or exclusions, you are not insured against loss or damage (and the Company will not pay costs, attorney's fees or expenses) that arise by reason of:

NOTE: Part One of Schedule B Section II will be eliminated from any ALTA Extended Coverage Policy, ALTA Plain Language Policy, ALTA Homeowner's Policy, ALTA Expanded Coverage Residential Loan Policy and any short form versions thereof. However, the same or similar exceptions may be made in Schedule B of those policies in conformity with Schedule B, Section II Part Two, of this Commitment

Part One:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.

TICOR TITLE INSURANCE COMPANY
SCHEDULE B - SECTION II
EXCEPTIONS

Any policy we issue will have the following exceptions unless they are taken care of to our satisfaction.

1. 2008 taxes, a lien, but not yet due and payable.
2. Liabilities and Obligations imposed upon said land by reason of its inclusion within the following District(s) and/or Association(s):
 - a) Electrical District No. 5
 - b) East Valley Institute of Technology
3. Right of way for Federal Highway under the Act of November 9, 1921, (42-Stat, 212) as reserved in Book 242 of Deeds, page 526.
4. Roadway as shown on Map recorded in Book 3 of Road Maps, page 2, over the North 50 feet.
5. Right of way for Red Mountain Freeway (S.R. 216) as set forth in Document No. 87-578095.
6. Easement for highway, and rights incident thereto as set forth in Document No. 88-423164.
7. All matters shown on plat recorded in Book 513 of Maps, page 16.

EXHIBIT "A"

That portion of the property that is described in the following PROPERTY DESCRIPTION located in the Northwest quarter of the Southeast quarter (NW¼SE¼) of Section 21, Township 1 North, Range 7 East, Gila and Salt River Meridian, Maricopa County, Arizona, which lies East of the following described EXISTING EASTERLY RIGHT OF WAY LINE of State Route 202L (RED MOUNTAIN FREEWAY):

PROPERTY DESCRIPTION:

(A portion of Instrument No. 2007-963892, records of Maricopa County, Arizona)

That portion of the Northwest quarter of the Southeast quarter of Section 21, Township 1 North, Range 7 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Northwest corner of the Southeast quarter of said Section 21, also known as the center of said Section 21;

thence North 89 degrees 56 minutes 58 seconds East, 165.82 feet, along the East-West center section line of said Section 21, to the Northeast corner of the West half of the West half of the Northwest quarter of the Northwest quarter of the Southeast quarter of said Section 21, said point being the Point of Beginning;

thence continuing North 89 degrees 56 minutes 58 seconds East 1159.31 feet, along the North line of the Southeast quarter of said Section 21 to the Northeast corner of the Northwest quarter of the Southeast quarter of said Section 21;

thence South 00 degrees 03 minutes 03 seconds West, 1320.20 feet along the East line of the Northwest quarter of the Southeast quarter of said Section 21, to the Southeast corner of the Northwest quarter of the Southeast quarter of said Section 21;

thence South 89 degrees 56 minutes 44 seconds West, 1325.18 feet along the South line of the Northwest quarter of the Southeast quarter of said Section 21, to the Southwest corner of the Northwest quarter of the Southeast quarter of said Section 21;

(continued)

PAGE 1

thence North 00 degrees 03 minutes 44 seconds East, 660.18 feet, along the North-South center section line of said Section 21, to the Southwest corner of the West half of the West half of the Northwest quarter of the Northwest quarter of the Southeast quarter of said Section 21;

thence North 89 degrees 56 minutes 51 seconds East, 165.63 feet, to the Southeast corner of the West half of the West half of the Northwest quarter of the Northwest quarter of the Southeast quarter of said Section 21;

thence North 00 degrees 03 minutes 39 seconds East, 660.14 feet, to the Point of Beginning.

EXISTING EASTERLY RIGHT OF WAY LINE DESCRIPTION:

COMMENCING at a brass cap marking the East quarter corner of said Section 21 being North 89°58'48" East 2649.71 feet from a pipe marking the Center of said Section 21;

thence along the East – West mid section line of said Section 21 South 89°58'48" West 702.62 feet to the POINT OF BEGINNING;

thence South 0°01'12" East 50.00 feet to the intersection of said existing easterly right of way line of State Route 202L and the existing South right of way line of Apache Trail;

thence along said existing easterly right of way line, South 0°01'12" East 10.00 feet;

thence continuing along said existing easterly right of way line, South 89°58'48" West 203.00 feet;

thence continuing along said existing easterly right of way line, South 50°13'10" West 105.56 feet;

thence continuing along said existing easterly right of way line, South 24°58'48" West 89.63 feet;

thence continuing along said existing easterly right of way line, along a curve to the Right having a radius of 2039.86 feet, a length of 275.70 feet;

thence continuing along said existing easterly right of way line, South 89°58'48" West 31.19 feet;

thence continuing along said existing easterly right of way line, South 36°44'28" West 488.59 feet;

(continued)

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thence continuing along said existing easterly right of way line, South 34°01'59" West 211.60 feet to a point hereinafter referred to as Point "A";

thence continuing along said existing easterly right of way line, from a Local Tangent Bearing of South 36°44'28" West, along a curve to the Left having a radius of 2072.70 feet, a length of 399.76 feet;

thence continuing along said existing easterly right of way line, South 24°05'10" West 90.49 feet;

thence continuing along said existing easterly right of way line, South 25°41'26" West 141.63 feet;

thence continuing along said existing easterly right of way line, South 13°04'19" West 382.22 feet;

thence continuing along said existing easterly right of way line, South 0°06'39" West 596.95 feet;

thence South 0°01'59" East 103.22 feet to the POINT OF ENDING on the South line of said Section 21 being South 89°58'01" West 1989.89 feet from a brass cap in a handhole marking the Southeast corner of said Section 21.

166,761 square feet, more or less.

The parcel of land herein conveyed shall have no right or easement of access to said State Route 202L.

GRANTOR RESERVES unto the public and various utility companies, easements for existing utilities, if any, within the above described property, in accordance with Arizona Revised Statute 28-7210. Access to the existing utilities will be by way of what exists at the time of this conveyance and shall be the responsibility of the Grantee herein and of the public or utility companies to show where that access is located.

ALSO RESERVING UNTO the Grantor, their successors and/or assigns, a 15.00 foot wide easement along the existing sound wall, for the purpose of ingress and egress and maintenance of said sound wall.

ALSO RESERVING UNTO GRANTOR and its successors or assigns, that portion of the existing Drainage Easement lying within said Northwest quarter of the Southeast quarter (NW¼SE¼) of Section 21, described as follows:

(continued)

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PROJECT: RAM 600-8-804

SECTION: Higley Road – US 60

PARCEL: L-M-483

202L MA 000 H5401 01R

sw 10/24/2013

COMMENCING at Point "A" described above;

thence from a Local Tangent Bearing of South 36°44'28" West along a curve to the Left having a radius of 2072.70 feet, a length of 302.24 feet to the POINT OF BEGINNING;

thence from a Local Tangent Bearing of South 28°23'10" West continuing along a curve to the Left having a radius of 2072.70 feet, a length of 97.52 feet;

thence South 24°05'10" West 90.49 feet;

thence North 54°51'14" East 94.79 feet;

thence North 76°22'20" East 62.70 feet;

thence South 82°06'40" East 72.95 feet;

thence North 8°05'22" East 75.82 feet;

thence North 75°57'11" West 144.44 feet to the POINT OF BEGINNING.

FURTHER RESERVING UNTO GRANTOR and its successors or assigns, an easement for ingress and egress over the South 14.00 feet of said Northwest quarter of the Southeast quarter (NW¼SE¼) of Section 21 between the easterly line of the above described drainage easement and the West right of way line of North 90th Street.

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PROJECT: RAM 600-8-804
202L MA 000 H5401 01R

SECTION: Higley Road – US 60

PARCEL: L-M-483
sw 10/24/2013

REQUIREMENTS FOR DISPOSAL REPORT L-M-483

1. PARCEL NO. 7-8994 REPURCHASE DO APPLY DUE TO THE PARCEL BEING ACQUIRED June 26, 2000. Certified letters were mailed 12/18/07. Repurchase declined
2. PARCEL NO. 7-8997 repurchase rights do not apply due to the parcels being a total take by F.O.C. #CV2005-014932
3. Reserve easement unto ADOT for drainage & ingress & egress as shown on the R/W plans.
4. No signs are permitted on this parcel due to being too close to residential property.*
5. Reserve 15' sound wall maintenance easement.

Include in Purchase Contract and deed:

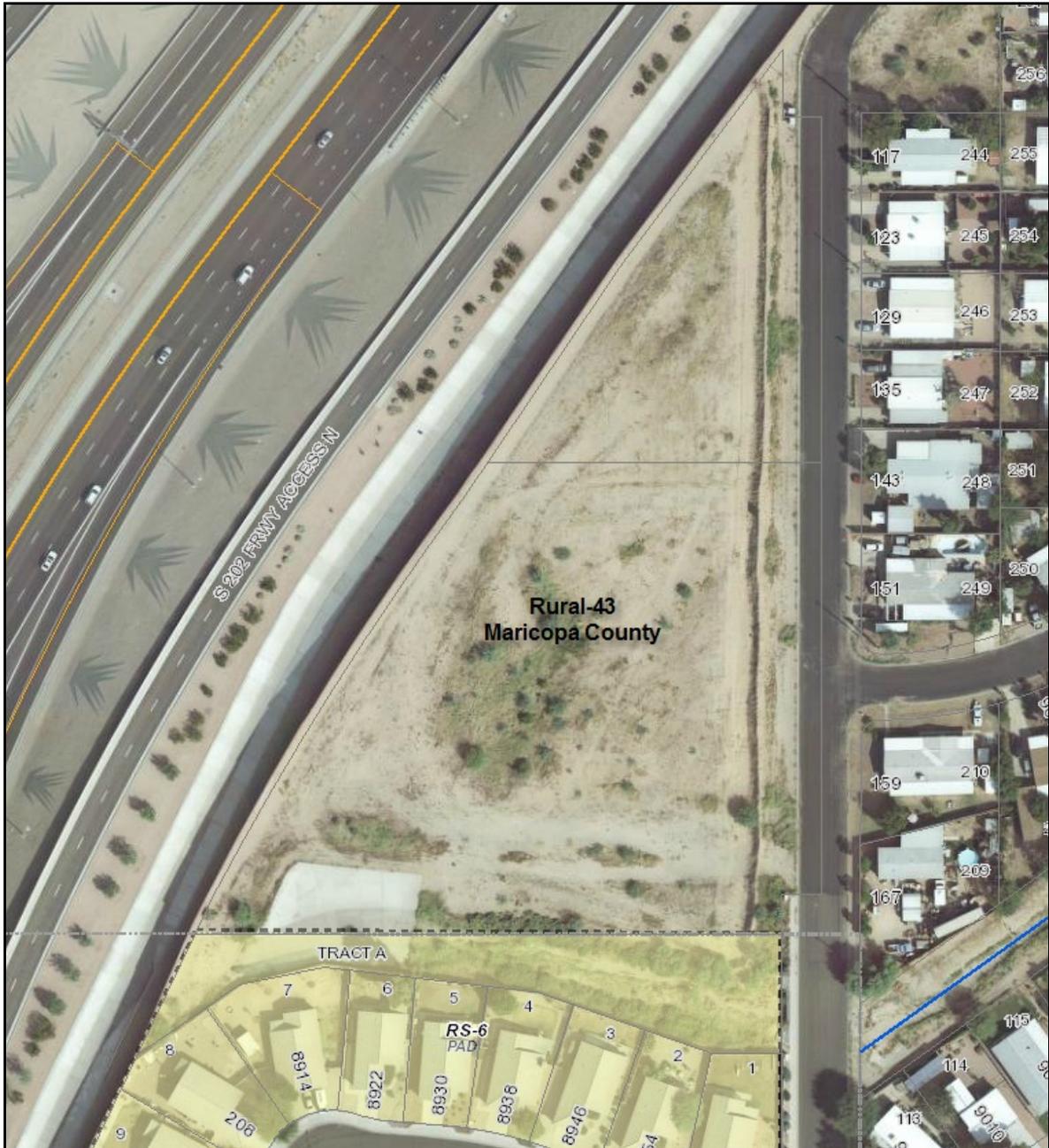
To provide for future maintenance of the Noise Wall, Grantee shall allow ADOT rights-of-entry to Grantee's adjacent land as required to facilitate any necessary maintenance. Any such maintenance activities shall be done in a manner to cause as little disruption to Grantee's property as reasonably possible. ADOT agrees to give Grantee not less than twenty-four (24) hours notice when access is needed for maintenance purposes. In the event of an emergency, and upon notification by ADOT, Grantee agrees to grant ADOT immediate rights-of-entry.

* may be A city requirement.

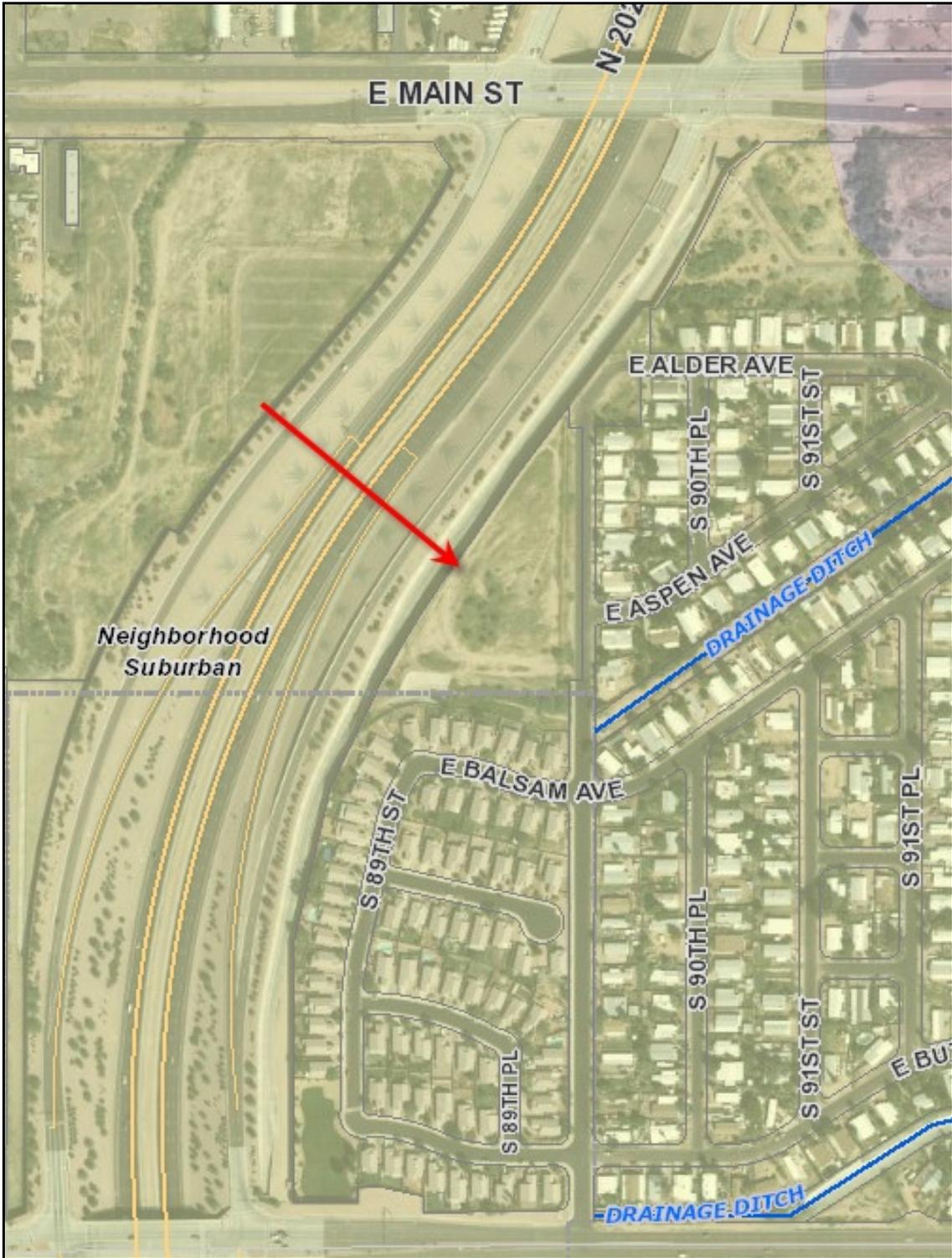
EXHIBIT 5

Zoning Map and Zoning Description

ZONING MAP



GENERAL PLAN MAP EXCERPT



MARICOPA COUNTY ZONING ORDINANCE

Chapter 5 – Rural Zoning Districts

SECTION 501. RURAL-190 (Rural Zoning District - 190,000 Square Feet Per Dwelling Unit)

ARTICLE 501.1. PURPOSE: The principal purpose of this zoning district is to conserve and protect farms and other open land uses, foster orderly growth in rural areas, prevent urban and agricultural land use conflicts, and encourage sustainable development. The primary purpose of requiring large minimum lots of not less than **190,000 square feet** in area is to discourage small lot or residential subdivisions where public facilities such as water, sewage disposal, parks and playgrounds, and governmental services such as police and fire protection are not available or could not reasonably be made available. Principal uses permitted in this zoning district include both farm and non-farm residential uses, farms, and recreational and institutional uses.
*26

ARTICLE 501.2. USE REGULATIONS: A building or premises shall be used only for the following purposes:

1. **One single-family dwelling** per lot of record.*5
2. One multi-sectional manufactured home per lot of record with the following standards: *12, *20
 - a. If a permanent foundation wall is not installed, all sides of the multi-sectional manufactured home shall extend to meet the surrounding ground, or a facade shall be used on all sides of the manufactured home that would appear to have a foundation wall similar in appearance and kind to those used in conventional site built homes.
 - b. Re-roofing, residing and structural additions shall conform to the Maricopa County Comprehensive Building Codes.
3. Churches, including accessory columbariums provided that the building area of the columbarium shall not exceed **10%** of the total building area of the church building(s). *8
4. Farms, as defined in Chapter 2.
5. Group homes for not more than **ten persons**, subject to the following performance criteria: *11, *16

MARICOPA COUNTY ZONING ORDINANCE

Chapter 5 – Rural Zoning Districts

- a. Dispersal: No such home shall be located on a lot with a property line within **1,320 feet**, measured in a straight line in any direction, of the lot line of another such group home.
 - b. If licensing is required by the State of Arizona, for the use, proof of such licensure shall be available to the Department of Planning and Development prior to the use being established.
6. Public and charter schools, elementary and high.^{*19 *27}
 7. Private schools as long as the following standards are met: ^{*27}
 - a. The lot shall be a minimum of **five acres** in size or larger.
 - b. All structures must setback a minimum of **100 feet** from all property lines and shall be screened from adjacent rural and residential zoned properties by a **six foot** high fence.
 - c. The lot shall have frontage along a paved road that has been accepted as a public right-of-way by the Maricopa County Department of Transportation.
 - d. The site shall include on-site drop-off and pick-up of students. All on-site drop-off and pick-up and other parking must be setback at least **50 feet** from all property lines, excluding ingress and egress, and meet requirements as outline in Chapter 11, Section 1102.1.2.1.
 - e. All other standards of the Zoning District shall apply. A zoning clearance must be obtained prior to construction of any school.

If these standards cannot be met, a Special Use Permit may be applied for.

8. Public and private forests and wildlife reservations.
9. Service to the public of water, gas, electricity, telephone and cable television. The foregoing shall be deemed to include without limitation, distribution, collector and feeder lines, pumping or booster stations along pipelines, and substations along electric transmission lines. Public utility treatment and generating plants,

MARICOPA COUNTY ZONING ORDINANCE

Chapter 5 – Rural Zoning Districts

offices and attendant facilities to the above uses may be allowed with a Special Use Permit.^{*5, *18}

10. Publicly or privately owned or operated fire stations, and publically owned or operated police stations and post offices.^{*4}
11. Golf courses including clubhouses located thereon, but not including miniature courses or practice driving tees operated for commercial purposes.
12. Libraries, museums, parks, playgrounds and community buildings, provided such uses are conducted on a nonprofit basis.^{*1}
13. Home occupations, residential, subject to the following:^{*10}
 - a. The entrepreneur of a home occupation shall reside in the dwelling in which the business operates.
 - b. No one other than the residents of the dwelling shall be employed in the conduct of the home occupation.
 - c. The business shall be conducted entirely within a completely enclosed dwelling.
 - d. The total area used in the conduct of the business shall not exceed **15%** or **250 square feet** of the habitable dwelling area, whichever is less.
 - e. There shall be no signs, advertising, display or other indications of the home occupation on the premises.
 - f. The residential address of the business shall not be listed in any business directory or in any advertising.
 - g. Direct sales of products, from display shelves or racks, is prohibited. However, a customer may pick up an order previously made by telephone or at a sales meeting.
 - h. The home occupation shall not interfere with the delivery of utilities or other services to the area.
 - i. The business shall not generate any noise, vibration, smoke, dust, odors, heat, glare, or electrical interference with radio or television transmission in the area that would exceed that

MARICOPA COUNTY ZONING ORDINANCE

Chapter 5 – Rural Zoning Districts

- normally produced by a dwelling unit in a zoning district used solely for residential purposes.
- j. No mechanical equipment or power tools shall be used, except that used for normal household purposes.
 - k. No toxic, explosive, flammable, radioactive, or other similar material shall be used, sold, or stored on the site.
 - l. There shall be no change to the residential appearance of the premises, including the creation of separate or exclusive business entrance(s).
 - m. No more than **one vehicle** used in commerce shall be permitted in connection with the home occupation. Said vehicle shall be stored in an enclosed garage at all times and shall have no more than **two axles**.
 - n. The number of clients or students on the premises shall not exceed **one** at any time.
 - o. No clients or students shall be permitted on the premises for business purposes between the hours of **10:00 p.m.** and **7:00 a.m.**
 - p. Deliveries from commercial suppliers shall not occur more than once a month, shall not restrict traffic circulation, and shall occur between **8:00 a.m.** and **5:00 p.m.**, Monday through Friday.
 - q. Any outdoor display or storage of materials, goods, supplies, or equipment shall be prohibited.
 - r. If the home occupation requires that any clients or students visit the property, **one parking space** shall be provided per Chapter 11, Section 1102. of this Ordinance. For the purpose of providing said parking space, tandem parking is permissible.
14. Home occupations, cottage industry subject to securing a Special Use Permit. ^{**10}

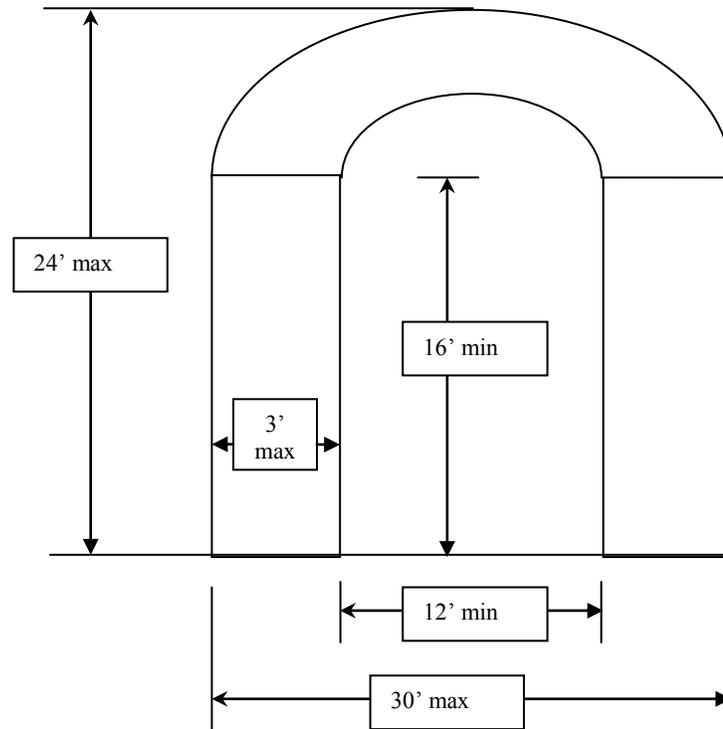
MARICOPA COUNTY ZONING ORDINANCE

Chapter 5 – Rural Zoning Districts

15. Roadside stands offering for sale only farm products produced on the premises.^{***10}
16. DELETED – Public riding stables and boarding stables. (See Chapter 13, Section 1301.1., Article 1301.1., Item 1301.1.20.^{**3}
17. Plant nurseries and greenhouses for the propagation, cultivation and wholesale distribution of plants produced on the premises, provided such uses do not include retail sales. Open storage is limited to plants or packaged fertilizer, and the buildings and structures used in connection therewith set back from all lot lines a distance of not less than **50 feet**.
18. Corrals for the keeping of horses.
19. Fences or freestanding walls not to exceed a height of **six feet** outside of the lot's buildable area, except for entry feature structures to a residence, ranch or farm, subject to the following:^{*24}
 1. The entry feature shall be over a driveway, and limited to one entry feature per parcel;
 2. The entry feature shall not contain lighting fixtures.
 3. The entry feature shall observe a maximum height of 24', a maximum width of 30', and the structural support components shall be no greater than 3' in diameter or 3' square.
 4. The entry feature shall observe a minimum opening of 12' in width and 16' in height;
 5. Any signage incorporated into the entry feature shall be a maximum of 24 square feet, shall be contained within the exterior dimensions of the entry feature, and shall not obstruct the minimum opening dimensions prescribed in Article 501.2.19.4 above.

MARICOPA COUNTY ZONING ORDINANCE

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Note: Those utility companies which are regulated by the Arizona Corporation Commission may be allowed increased fence heights due to national, state or local safety standards.*7

20. Accessory dwelling unit (ADU)/Guest House.*22,*23
- Only one ADU/guest house shall be permitted where at least one, but no more than one, single family residence exists on the property.*23
 - An ADU/guest house may not be rented or leased separate from the primary structure.*23
 - The addition of an ADU/guest house shall not cause the property to exceed the allowed maximum lot coverage.*23
 - New construction of a detached ADU/guest house or conversion of an existing detached structure to an ADU/guest house shall not encroach into the approved front, side, or rear yard setback. An ADU/guest house shall not be allowed in the required rear yard.*23

MARICOPA COUNTY ZONING ORDINANCE

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- e. An ADU/guest house shall not have a separate address or mailbox from the principal dwelling.^{*23}
21. Accessory buildings and uses customarily incidental to the above uses, including:^{*11 *31}
- a. Private swimming pool along with incidental installations, such as pumps and filters, provided the following standards, and those in the current County Building Code^{*21}, are met and maintained:
 1. Such pool and incidental installations are located in other than the required front yard.
 2. Such pools are set back from all lot lines a distance of not less than **three feet**.
 3. All fish ponds and other contained bodies of water, either above or below ground level, with the container being **18 inches** or more in depth and/or wider than **eight feet** at any point measured on the long axis shall conform to the location and enclosure requirements for swimming pools as provided in the current County Building Code.^{*21}
 4. Irrigation and storm water retention facilities and the water features in public parks and golf courses are exempt from the fencing requirements for swimming pool barriers as provided in the current County Building Code.^{*21}
 5. It is the responsibility of the property owner to ensure that any pool enclosure fence and its appurtenances (e.g., gates, latching devices, locks, etc.) are maintained in safe and good working order. No person shall alter or remove any portion of a swimming pool enclosure except to repair, reconstruct or replace the enclosure in compliance with provisions of swimming pool barriers as provided in the current County Building Code.^{*6,*7,*9,*11,*12,*17*21}
 - b. Private tennis court, provided that such court is not constructed within **20 feet** of any adjoining property under

MARICOPA COUNTY ZONING ORDINANCE

Chapter 5 – Rural Zoning Districts

- other ownership, and provided that tennis court fences or walls shall not exceed **12 feet** in height.^{*2}
- c. Servant's quarters with kitchen facilities provided that the servant's quarters are integral to the primary dwelling unit and does not exceed **35%** of its area.^{**11}
 - d. Accessory use lights provided that a permitted accessory use exists. The lights must be located on the property so as not to direct or reflect light upon adjoining land, shall not be constructed within **20 feet** of any adjoining property under other ownership, and shall not exceed **20 feet** in height.
 - e. Public equestrian uses accessory to a single-family residence limited to the following:^{*25}
 - 1. The boarding of up to five (5) horses and/or other equine not owned by the private property owner and/or resident. Documentation of ownership shall be maintained when more than five (5) horses and/or other equine are kept on the property.
 - 2. Non-commercial public activities (no admission fee shall be charged) involving up to a maximum of 24 persons (including staff, participants and spectators).
 - 3. All structures shall meet minimum setback requirements and the maximum lot coverage requirement. All parcels must meet minimum lot area and width requirements.
 - 4. Any public equestrian use that cannot meet these conditions will require a Special Use Permit in accordance with Article 1301.1.20 of this ordinance.
 - f. Renewable energy systems as set forth in Section 1206 of this Ordinance. Where renewable energy systems involve the generation of storage of electricity, only grid-connected or off-grid systems are permitted.^{*26}
22. Emergency housing: Temporary shelter required due to a natural disaster or fire or other circumstances determined to constitute an emergency by the zoning inspector.^{**11, *15}

MARICOPA COUNTY ZONING ORDINANCE

Chapter 5 – Rural Zoning Districts

23. Deleted 07-07-06. (TA2003005)
24. Temporary uses may be allowed on any lot in this district as authorized in Chapter 13, Section 1302. ^{**11*21}
25. Special uses may be allowed on any lot in this district as authorized in Chapter 13, Section 1301. ^{**11}
26. Temporary model home sales complex - a model home sales complex as part of an approved, recorded subdivision provided that the following conditions are met:
 - A. The uses are only associated with the developer/owner and subdivision or project in which they are located. Model homes must be located on-site.
 - B. Upon sale of the development, cessation of the need for the use (**95% buildout**), or cessation of the use, all structures, modifications to structures and uses related to the model home sales complex shall be removed. Cessation of use shall be deemed to have occurred if there have been no active building permits for a one (1) year period of time.
 - C. Those uses of structures allowed shall meet all building code requirements.
 - D. All necessary permits must be issued prior to placement on the site.
 - E. Temporary flagpoles of up to 60 feet in height are allowed for model home sales complexes. These temporary flagpoles must be removed at the cessation of use as outlined in 501.2.24.b above.
 - F. If these requirements cannot be met, the request shall be processed through the board of adjustment as a temporary use permit.
27. Temporary construction office/yard complex – construction yard and construction office complex which may include a security office or residence for a security guard provided that the following conditions are met:

MARICOPA COUNTY ZONING ORDINANCE

Chapter 5 – Rural Zoning Districts

- A. The uses are only associated with the developer/owner and subdivision or project in which they are located. Off-site construction office/yard complexes may be allowed subject to approval by the Board of Adjustment.
 - B. Upon sale of the development, cessation of the need for the use (95% buildout), or cessation of the use, all structures, modifications to structures and uses related to the construction office/yard complex shall be removed.
 - C. Those uses of structures allowed shall meet all building code requirements.
 - D. All items stored on site shall only be those required for the construction on site.
 - E. The allowed uses may encroach into setback areas.
 - F. All necessary permits must be issued prior to placement on the site.
 - G. If these requirements cannot be met, the request shall be processed through the Board of Adjustment as a Temporary Use Permit.^{*21}
28. Home daycare for up to four (4) children with the following stipulations:
- a. A land use permit from Maricopa County is required establishing the use of the residence as day-care.
 - b. The permit holder of the daycare shall reside in the dwelling unit in which the daycare operates.
 - c. The rear and/or side yard is enclosed and provides a minimum of 75 sq. ft. per each child occupying the outdoor activity area.
 - d. There shall be no signs, advertising, display or other indications of the daycare on the premises.

MARICOPA COUNTY ZONING ORDINANCE

Chapter 5 – Rural Zoning Districts

- e. The total number of children under compensated care shall not exceed **four (4)** at any one time.
- f. The residential address of the business shall not be listed in any business directly or in any advertising.
- g. There shall be no change to the residential appearance of the premises, including the creation of separate or exclusive business entrance(s).
- h. No pick-up or drop off of children shall be permitted on the premises between the hours of 10:00 p.m. and 6:00 a.m.^{*29}

ARTICLE 501.3. HEIGHT REGULATIONS: The height of buildings shall not exceed **30 feet.**^{*30}

ARTICLE 501.4. YARD REGULATIONS: The required yards are as follows:

- 1. **Front Yard:**
 - a. There shall be a front yard having a depth of not less than **60 feet.**
 - b. For through lots, a front yard shall be provided along both front lot lines.
 - c. Yards along each street side of corner lots shall have a width equal to not less than **one half** the depth of the required front yard. Yards along each street side of corner lots shall otherwise conform with regulations applicable to front yards.
- 2. **Side Yard:** There shall be a side yard on each side of a building having a width of not less than **30 feet.**
- 3. **Rear Yard:** There shall be a rear yard having a depth of not less than **60 feet.**

ARTICLE 501.5. INTENSITY OF USE REGULATIONS: The intensity of use regulations are as follows:

- 1. **Lot Area:** Each lot shall have a minimum lot area of **190,000** square feet.
- 2. **Lot Width:** Each lot shall have a minimum width of **300 feet.**

MARICOPA COUNTY ZONING ORDINANCE

Chapter 5 – Rural Zoning Districts

3. **Rear Yard:** There shall be a rear yard having a depth of not less than **60 feet**.

ARTICLE 502.5. INTENSITY OF USE REGULATIONS: The intensity of use regulations are as follows:

1. **Lot Area:** Each lot shall have a minimum lot area of **70,000 square feet**.
2. **Lot Width:** Each lot shall have a minimum width of **250 feet**.
3. **Lot Area per Dwelling Unit:** This minimum lot area per dwelling unit shall be **70,000 square feet**.
4. **Lot Coverage:** The maximum lot coverage shall be **10%** of the lot area.
5. **Distance between Buildings:** The minimum distance between buildings on the same lot shall be **15 feet**.

ARTICLE 502.6. PARKING REGULATIONS: The parking regulations are as provided in Chapter 11, Section 1102. ^{*2}

ARTICLE 502.7. SIGN REGULATIONS: The sign regulations are as provided in Chapter 14, Section 1401. ^{*2}

SECTION 503. RURAL-43(Rural Zoning District - One Acre Per Dwelling Unit)

ARTICLE 503.1. PURPOSE: The principal purpose of this zoning district is to conserve and protect farms and other open land uses, foster orderly growth in rural and agricultural areas, prevent urban and agricultural land use conflicts, and encourage sustainable development, but when governmental facilities and services, public utilities and street access are available, or can reasonably be made available, applications for change of this zoning district to any single-family residential zoning district will be given favorable consideration. Principal uses permitted in this zoning district include both farm and non-farm residential uses, farms and recreational and institutional uses. ^{*2}

ARTICLE 503.2. USE REGULATIONS: The use regulations are the same as those in the **Rural-190** Zoning District.

MARICOPA COUNTY ZONING ORDINANCE

Chapter 5 – Rural Zoning Districts

ARTICLE 503.3. HEIGHT REGULATIONS: The height of buildings shall not exceed **30 feet.**^{*3}

ARTICLE 503.4. YARD REGULATIONS: The required yards are as follows:

1. **Front Yard:**
 - a. There shall be a front yard having a depth of not less than **40 feet.**
 - b. For through lots, a front yard shall be provided along both front lot lines.
 - c. Yards along each street side of corner lots shall have a width equal to not less than **one half** the depth of the required front yard. Yards along each street side of corner lots shall otherwise conform with regulations applicable to front yards.
2. **Side Yard:** There shall be a side yard on each side of a building having a width of not less than **30 feet.**
3. **Rear Yard:** There shall be a rear yard having a depth of not less than **40 feet.**

ARTICLE 503.5. INTENSITY OF USE REGULATIONS: The intensity of use regulations are as follows:

1. **Lot Area:** Each lot shall have a minimum lot area of **one acre.**
2. **Lot Width:** Each lot shall have a minimum width of **145 feet.**
3. **Lot Area per Dwelling Unit:** This minimum lot area per dwelling unit shall be **one acre.**
4. **Lot Coverage:** The maximum lot coverage shall be **15%** of the lot area.
5. **Distance Between Buildings:** The minimum distance between buildings on the same lot shall be **15 feet.**

ARTICLE 503.6. PARKING REGULATIONS: The parking regulations are as provided in Chapter 11, Section 1102.^{*2}

MARICOPA COUNTY ZONING ORDINANCE

Chapter 5 – Rural Zoning Districts

ARTICLE 503.7. SIGN REGULATIONS: The sign regulations are as provided in Chapter 14, Section 1401. ^{*2}

Date of Revisions			
*1	Revised 10-13-70		
*2	Effective 11-19-10 TA2010009		
*3	Effective 3-16-11 TA2010022		

EXHIBIT 6

Flood Plain Map and Cover Page

LEGEND



SPECIAL FLOOD HAZARD AREAS (SFHAs) SUBJECT TO INUNDATION BY THE 1% ANNUAL CHANCE FLOOD

The 1% annual chance flood (100-year flood), also known as the base flood, is the flood that has a 1% chance of being equaled or exceeded in any given year. The Special Flood Hazard Area is the area subject to flooding by the 1% annual chance flood. Areas of Special Flood Hazard include Zones A, AE, AH, AO, AR, A99, V and VE. The Base Flood Elevation is the water-surface elevation of the 1% annual chance flood.

- ZONE A** No Base Flood Elevations determined.
- ZONE AE** Base Flood Elevations determined.
- ZONE AH** Flood depths of 1 to 3 feet (usually areas of ponding); Base Flood Elevations determined.
- ZONE AO** 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.
- ZONE AR** Special Flood Hazard Area formerly protected from the 1% annual chance flood by a flood control system that was subsequently decertified. Zone AR indicates that the former flood control system is being restored to provide protection from the 1% annual chance or greater flood.
- ZONE A99** Area to be protected from 1% annual chance flood by a Federal flood protection system under construction; no Base Flood Elevations determined.
- ZONE V** Coastal flood zone with velocity hazard (wave action); no Base Flood Elevations determined.
- ZONE VE** Coastal flood zone with velocity hazard (wave action); Base Flood Elevations determined.



FLOODWAY AREAS IN ZONE AE

The floodway 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.



OTHER FLOOD AREAS

- ZONE X** Areas of 0.2% annual chance flood; areas of 1% annual chance flood with average depths of less than 1 foot or with drainage areas less than 1 square mile; and areas protected by levees from 1% annual chance flood.

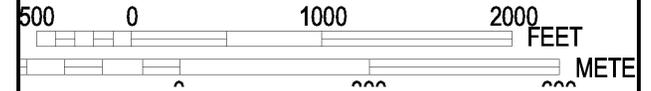


OTHER AREAS

- ZONE X** Areas determined to be outside the 0.2% annual chance floodplain.
- ZONE D** Areas in which flood hazards are undetermined, but possible.



MAP SCALE 1" = 1000'



IN FIRM

PANEL 2295L

NATIONAL FLOOD INSURANCE PROGRAM

FIRM

FLOOD INSURANCE RATE MAP

MARICOPA COUNTY, ARIZONA

AND INCORPORATED AREAS

PANEL 2295 OF 4425

(SEE MAP INDEX FOR FIRM PANEL LAYOUT)

CONTAINS:

COMMUNITY	NUMBER	PANEL	SUFFIX
MARICOPA COUNTY	040037	2295	L
MESA, CITY OF	040048	2295	L

Notice to User: The **Map Number** shown below should be used when placing map orders; the **Community Number** shown above should be used on insurance applications for the subject community.



MAP NUMBER
04013C2295L
MAP REVISED
OCTOBER 16, 2013

Federal Emergency Management Agency

This is an official copy of a portion of the above referenced flood map. It was extracted using F-MIT On-Line. This map does not reflect changes or amendments which may have been made subsequent to the date on the title block. For the latest product information about National Flood Insurance Program flood maps check the FEMA Flood Map Store at www.msc.fema.gov

EXHIBIT 7

Excess Land Exhibit Sheet

EXCESS LAND EXHIBIT

L-M-483



SECTION 21
MARICOPA CO.

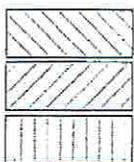
S.R. 202L
R/W Survey E

NEW R/W
2004

90th STREET
1000' To Apache Trail

SUBJECT

NEW R/W
2004



UNENCUMBERED AREA: 157,572 ±

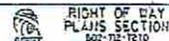
DRAINAGE EASEMENT: 5,047 ±

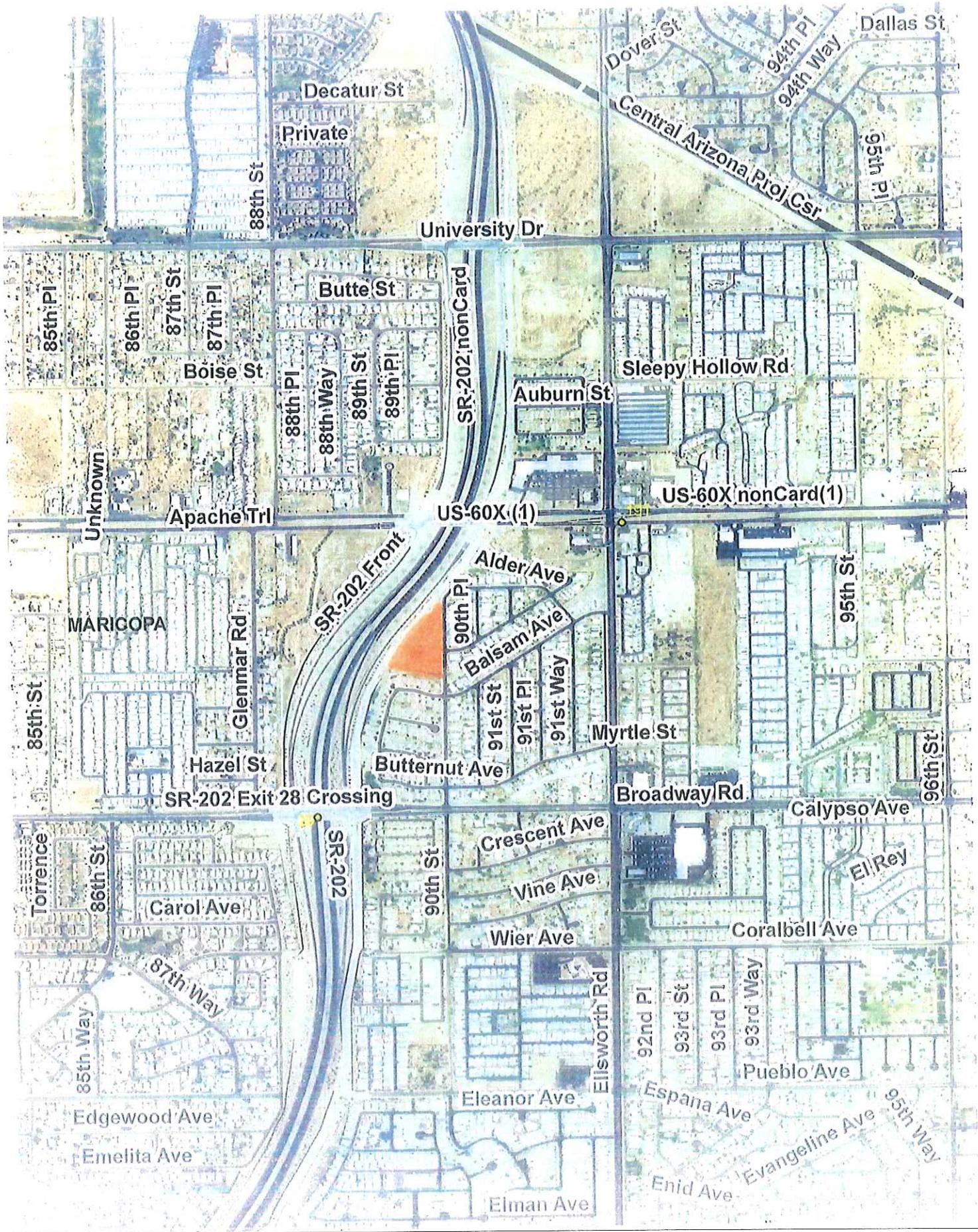
14' INGRESS/EGRESS EASEMENT: 4,142 ±

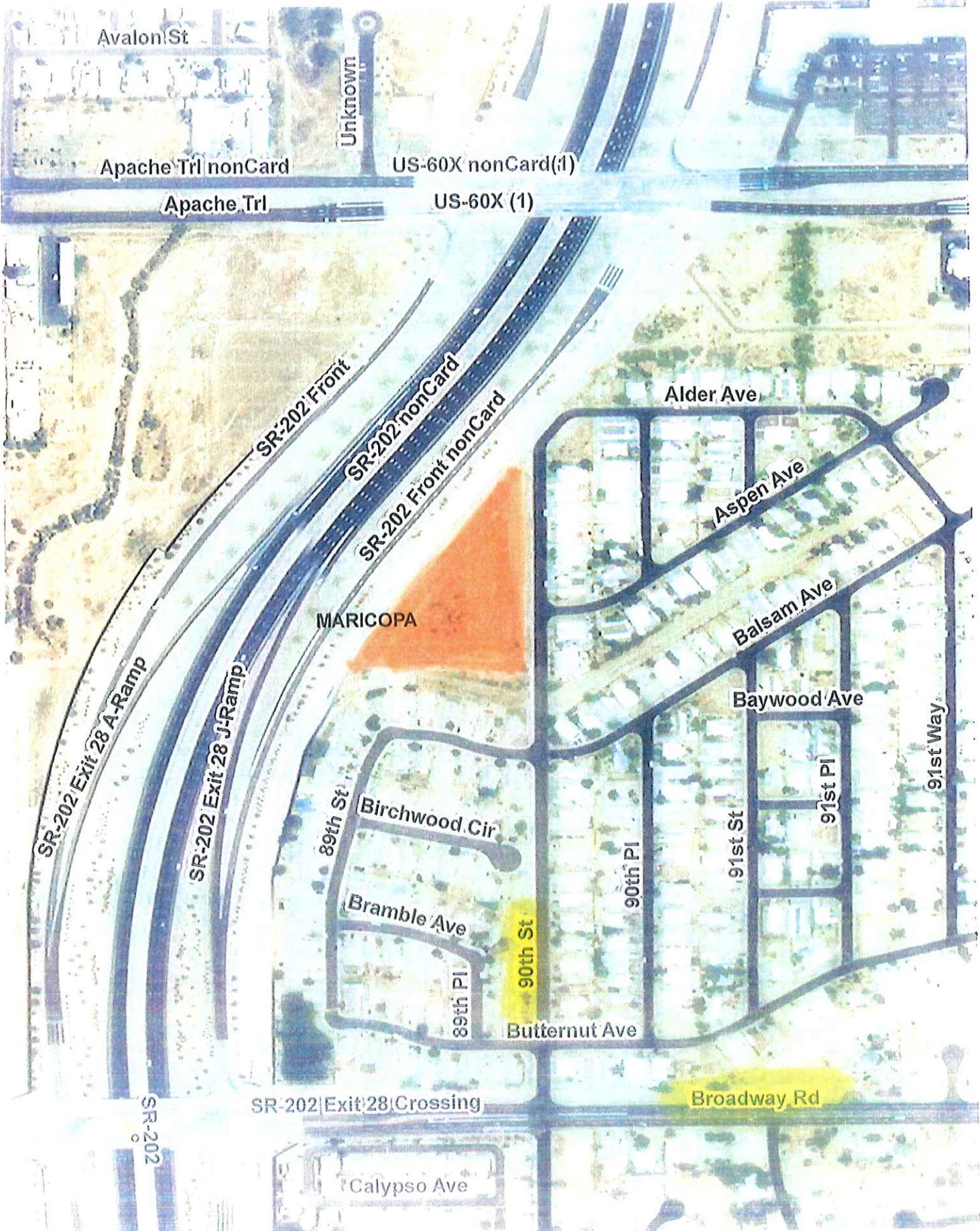
EXCESS LAND PARCEL L-M-483
AREA: 166,761 ±

HIGHWAY: RED MOUNTAIN FREEWAY SECTION: Higley Rd. - U.S.60

TRACS: 202L MA 000 H5401 OIR FED ID: RAM 600-8-804 DRAW/DATE: bgurney 1-14-08







Avalon St

Unknown

Apache Trl nonCard

US-60X nonCard(1)

Apache Trl

US-60X (1)

SR-202 Front

SR-202 nonCard

SR-202 Front nonCard

Alder Ave

Aspen Ave

MARICOPA

Balsam Ave

Baywood Ave

SR-202 Exit 28 A-Ramp

SR-202 Exit 28 J-Ramp

89th St

Birchwood Cir

91st St

91st Pl

91st Way

Bramble Ave

89th Pl

90th St

90th Pl

Butternut Ave

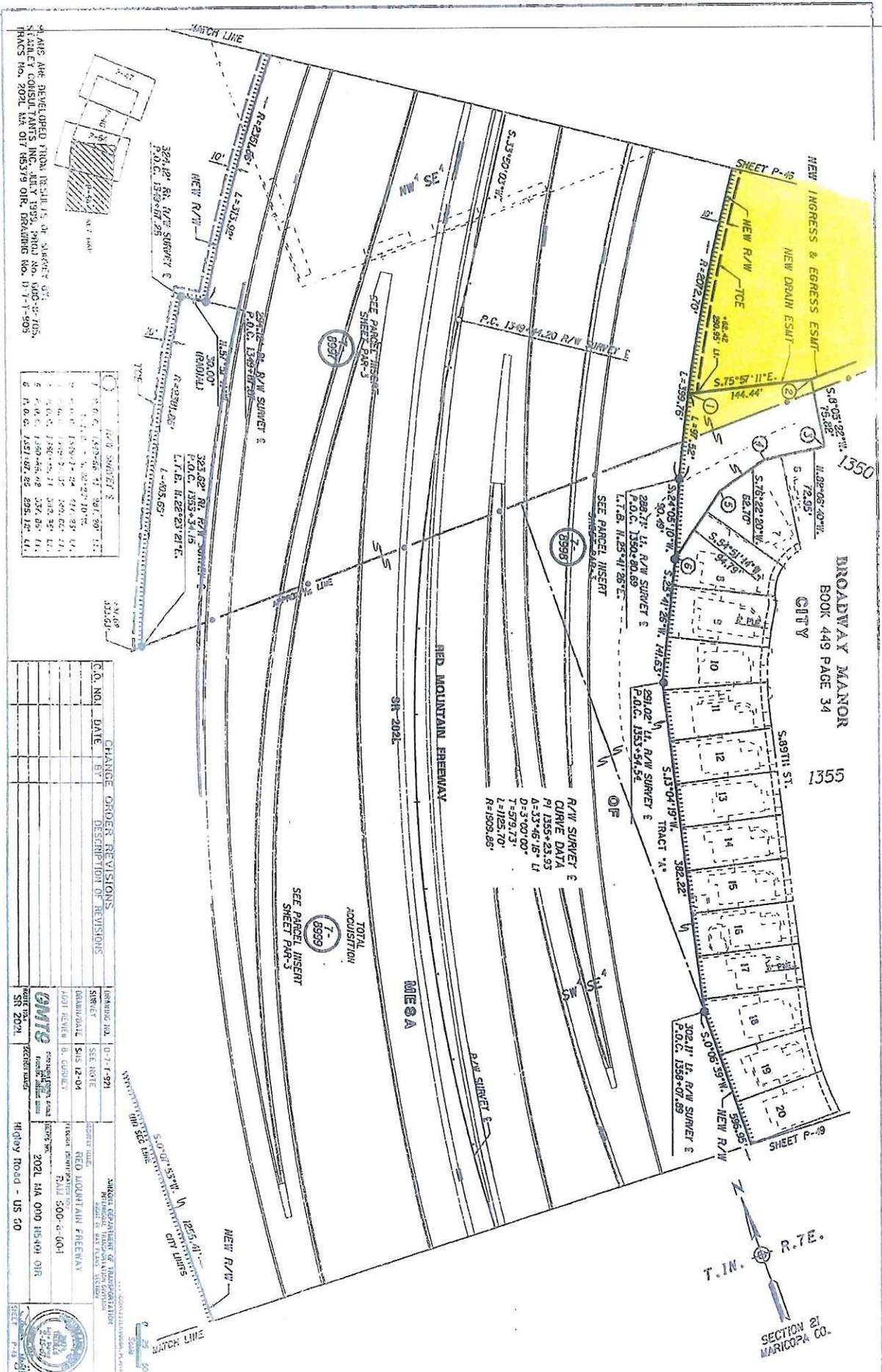
Butternut Ave

Broadway Rd

SR-202

SR-202 Exit 28 Crossing

Calypso Ave



THIS MAP DEVELOPED FROM RESULTS OF SURVEY AND
 NEAREST CONSULTANT OF 1957/1958, PLAT NO. 100-3-105,
 PLAT NO. 2001, AND 1957/19 OIR, DRAWING NO. D-1-1-503

NO.	DATE	DESCRIPTION OF REVISIONS
1	10/1/01	ADDED SURVEY & CURVE DATA
2	10/1/01	ADDED SURVEY & CURVE DATA
3	10/1/01	ADDED SURVEY & CURVE DATA
4	10/1/01	ADDED SURVEY & CURVE DATA
5	10/1/01	ADDED SURVEY & CURVE DATA
6	10/1/01	ADDED SURVEY & CURVE DATA

NO.	DATE	DESCRIPTION OF REVISIONS
1	10/1/01	ADDED SURVEY & CURVE DATA
2	10/1/01	ADDED SURVEY & CURVE DATA
3	10/1/01	ADDED SURVEY & CURVE DATA
4	10/1/01	ADDED SURVEY & CURVE DATA
5	10/1/01	ADDED SURVEY & CURVE DATA
6	10/1/01	ADDED SURVEY & CURVE DATA

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1	10/1/01	ADDED SURVEY & CURVE DATA
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3	10/1/01	ADDED SURVEY & CURVE DATA
4	10/1/01	ADDED SURVEY & CURVE DATA
5	10/1/01	ADDED SURVEY & CURVE DATA
6	10/1/01	ADDED SURVEY & CURVE DATA



T. W. R. T. E.
 SECTION 21
 MARICOPA CO.

EXHIBIT 8

Photographs of Subject



Looking west along the south property border.



Looking north along subject's 90th Street frontage with subject at left.





Looking west over the north end of the site.



View to southwest along the subject's southwest border.





Looking south along the 90th Street frontage from near the north end.



Another view of the 90th Street improvements and power boxes.





Looking north from near the south border of the property.



Looking west over the drainage channel that runs west just south of the subject property.

██████████

EXHIBIT 9

Market Data Sheets for Land Sales

LAND SALE NO. 1

PROPERTY TYPE: Development Land with old Residence
ADDRESS: 406 North Val Vista Drive Mesa, AZ 85213
LEGAL DESCRIPTION: Lengthy
ASSESSOR NO.: 140-12-008A
GRANTOR: Elliott Road Baptist Church
GRANTEE: Dave Johnson
DOCUMENT NO.: 14-0405994
DOCUMENT TYPE: Special Warranty Deed

DATE OF SALE: June 2014
RECORD DATE: June 25, 2014

SALE PRICE: \$400,000
FINANCING: Cash
UNIT PRICE: \$177,778 per acre

PROPERTY RIGHTS CONVEYED: Fee Simple
CONDITIONS OF SALE: Arm's Length Transaction
VERIFICATION: County records, affidavit of value, Zachary Peeler, Realty One Group, listing broker (480-390-4542)
PRIOR SALES: No prior sales within the last five years per Realquest

SITE DATA:

Shape/Dimensions: Rectangular; 553 feet wide by 159 feet deep
Area: 2.25 acres or 97,958 square feet
Topography/Cover: Level, grass and some trees
Zoning: RS-9, Mesa
Frontage: Val Vista Drive and University Drive
Access: Val Vista Drive and University Drive
Utilities: Power and phone, municipal water and sewer; finished site
Intended Use: Hold for development.

COMMENTS: Old residence on the site is of no value. Dual arterial corner with signal. Seller received the property as a donation and sold it for cash.

LAND SALE NO. 2

PROPERTY TYPE: Vacant residential land

ADDRESS: Ironwood Road and Renaissance Avenue Apache Junction, AZ

LEGAL DESCRIPTION: Por N1/2 SE4 SE4 sec 30 T1N R8E G&SRB&M

ASSESSOR NO.: 102-11-003E (Pinal County)

GRANTOR: Centurion Service Corp

GRANTEE: Ironwood Heights, LLC

DOCUMENT NO.: 13-95071

DOCUMENT TYPE: Special Warranty Deed

DATE OF SALE: December 2013

RECORD DATE: December 11, 2013

SALE PRICE: \$1,000,000

FINANCING: Cash

UNIT PRICE: \$94,340 per acre
\$94,340 per net acre

PROPERTY RIGHTS CONVEYED: Fee Simple

CONDITIONS OF SALE: Arm's Length Transaction

VERIFICATION: Inspection, county records, affidavit of value, Marc Pierce, Lee & Associates, listing broker

PRIOR SALES: No prior sales within the last five years per Realquest

SITE DATA:

Shape/Dimensions: Irregular

Area: 10.600 acres or 461,736 square feet

Topography/Cover: Level, dirt

Zoning: CR5/PD, Apache Junction

Frontage: Renaissance Avenue

Access: Renaissance Avenue

Utilities: Power and phone, municipal water and sewer

Intended Use: Single Family Development

COMMENTS: In-fill tract located west of Ironwood Road and north of Southern Avenue. Platted for a 90 lot subdivision. Marketing time was 118 days.

LAND SALE NO. 3

PROPERTY TYPE: Vacant residential land

ADDRESS: 10919 Broadway Road Mesa, AZ

LEGAL DESCRIPTION: N2 of W2 of NW4 NW4 of Sec25, T1N, R7E of GSRBM

ASSESSOR NO.: 220-73-001A, 220-73-002 and 330-73-001A

GRANTOR: Intravest Development LLC (Mason Cave)

GRANTEE: KB Home Phoenix Inc.

DOCUMENT NO.: 14-139092

DOCUMENT TYPE: Special Warranty Deed

DATE OF SALE: January 2014

RECORD DATE: February 27, 2014

SALE PRICE: \$1,880,000

FINANCING: Cash

UNIT PRICE: \$144,504 per gross acre
\$149,801 per net acre

PROPERTY RIGHTS CONVEYED: Fee Simple

CONDITIONS OF SALE: Arm's Length Transaction

VERIFICATION: Inspection, county records, affidavit of value, Jim Frazey, City to City Commercial, listing broker, 480-355-2222

PRIOR SALES: Seller purchased site on June 26, 2013 for \$1,300,000 (Doc # 13-0586870) No other sales within the last five years per Realquest

SITE DATA:

Shape/Dimensions: Rectangular

Area: 13.01 acres or 566,715 square feet

Topography/Cover: Level, dirt

Zoning: R-6, Mesa

Frontage: Broadway and Signal Butte Roads

Access: Broadway and Signal Butte Roads

Utilities: Power and phone, municipal water and sewer

Intended Use: Develop subdivision

COMMENTS: Located at the SEC of Broadway and Signal Butte Road. The buyer is a production home builder who will develop a 61 lot subdivision on the site.

LAND SALE NO. 4

PROPERTY TYPE: Vacant residential land (citrus orchard)
ADDRESS: 3700 East Brown Road Mesa, AZ 85205
LEGAL DESCRIPTION: Por Lot 13 Oasis Citrus Groves Inc Trt 1 bk 24 pg 1
ASSESSOR NO.: 141-31-016D
GRANTOR: Djordjevich Milevoje
GRANTEE: 3700 Brown Partners, LLC
DOCUMENT NO.: 14-0738843
DOCUMENT TYPE: Special Warranty Deed

DATE OF SALE: October 2014
RECORD DATE: November 6, 2014

SALE PRICE: \$768,987
FINANCING: Buyer assumed loans totaling \$748,879; without confirmation the terms are assumed to be cash equivalent at market terms
UNIT PRICE: \$144,504 per gross acre

PROPERTY RIGHTS CONVEYED: Fee Simple
CONDITIONS OF SALE: Arm's Length Transaction
VERIFICATION: Inspection, county records, affidavit of value, Costar.
PRIOR SALES: No sales known within the last five years per Realquest

SITE DATA:

Shape/Dimensions: Rectangular; 321.51 feet by 620.03 feet
Area: 4.58 acres
Topography/Cover: Level, dirt
Zoning: RE-35, Mesa
Frontage: Brown Road
Access: Brown Road
Utilities: Power and phone, municipal water and sewer
Intended Use: Investment

COMMENTS: This parcel is located east of the northeast corner of Brown Road and Val Vista Drive in Mesa. It was purchased for investment. It has a mature citrus orchard on the property. It is a finished site.

LAND SALE NO. 5

PROPERTY TYPE: Vacant residential land

ADDRESS: NE corner of 76th Street and McKellips Road Mesa, AZ

LEGAL DESCRIPTION: Pors sec 5 T1N R7E , Gila and Salt River Base and Meridian.

ASSESSOR NO.: 219-26-096P

GRANTOR: Foresight Group LLC

GRANTEE: Mesa 20, LLC

DOCUMENT NO.: 13-1092306

DOCUMENT TYPE: Special Warranty Deed

DATE OF SALE: May 2013

RECORD DATE: December 30, 2013

SALE PRICE: \$1,300,000

FINANCING: Cash

UNIT PRICE: \$154,211 per gross acre

PROPERTY RIGHTS CONVEYED: Fee Simple

CONDITIONS OF SALE: Arm's Length Transaction 1031 Exchange

VERIFICATION: Inspection, county records, affidavit of value, Rob Fabrizio, seller, (480-951-5920)

PRIOR SALES: No prior sales within the last five years per Realquest

SITE DATA:

Shape/Dimensions: Rectangular;

Area: 8.430 acres or 367,210 square feet

Topography/Cover: Level, dirt

Zoning: RS-15, Mesa

Frontage: 76th Street and McKellips Road

Access: 76th Street

Utilities: Power and phone, municipal water and sewer

Intended Use: Single Family Development

COMMENTS: Vacant tract of land near the freeway. The buyer is a production home builder who will develop 20 lots on the site.

LAND SALE NO. 1



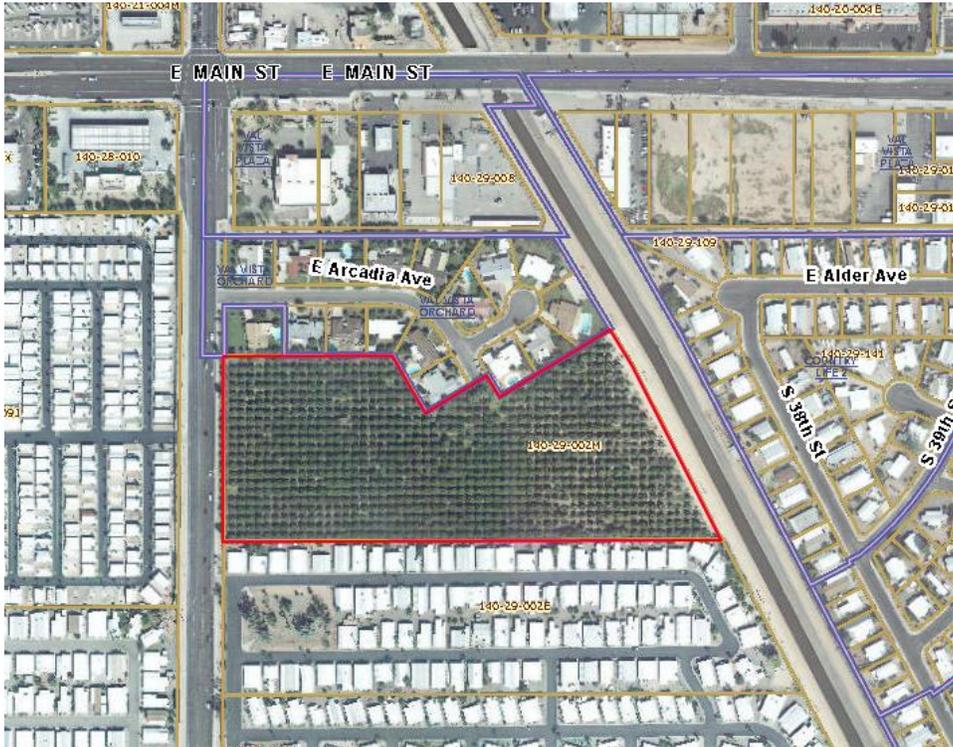
A. P. No. 140-12-008A



LAND SALE NO. 2



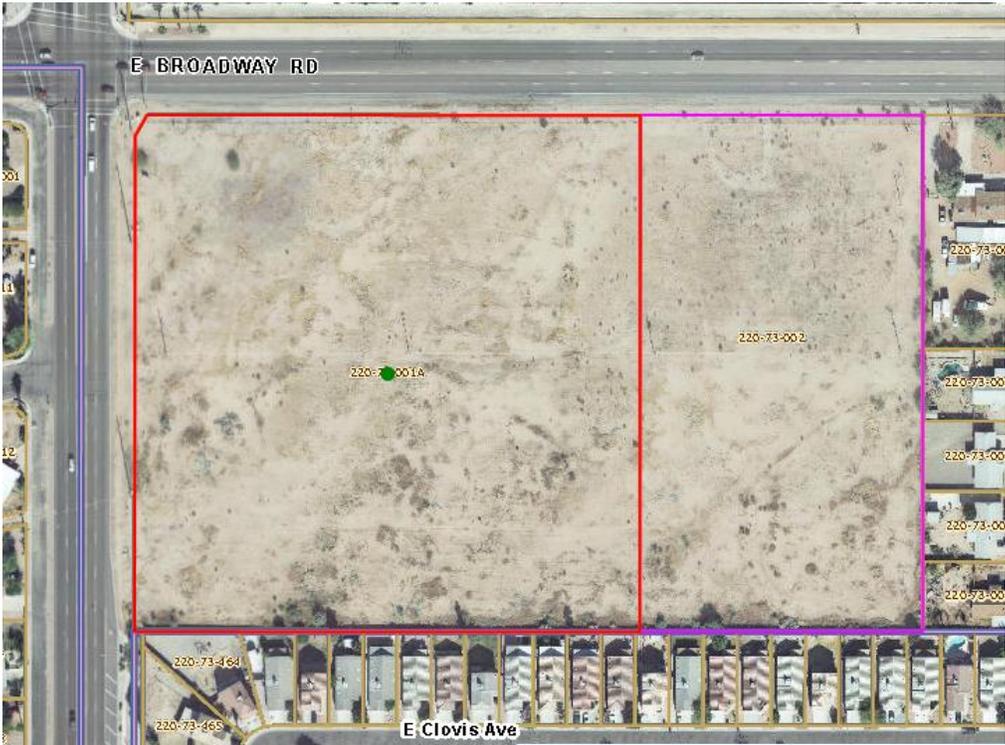
A. P. No. 140-29-002M



LAND SALE NO. 3



A. P. No. 330-73-001A, 220-73-002, 220-73-001A



LAND SALE NO. 4



A. P. No. 141-31-016D



EXHIBIT 10

Environmental Planning Disposal Checklist

TRANSMITTAL

Date: 1/11/08

Environmental Planning Group

Arizona Department of Transportation
Mail Drop EM02
1611 W. Jackson
Phoenix AZ 85007

Phone: (602)712-7767

Fax: (602)712-3066

Disposal Number: L-M-483

Disposal Name:

Deliver To:

Sent From:

Paul Chubinsky, Manager

Thor Anderson

Right-of-Way Titles

Environmental Planning Group

Attached

Under Separate Cover

Action:

<input type="checkbox"/>	For your approval
<input type="checkbox"/>	For your information
<input type="checkbox"/>	As you requested
<input type="checkbox"/>	

<input checked="" type="checkbox"/>	For your use
<input type="checkbox"/>	For your response
<input type="checkbox"/>	For review and comment
<input type="checkbox"/>	

Description:

Remarks:

Distribution:

Reading File

Project File

Signed: Thor Anderson

Title: Environmental Planning Group Manager

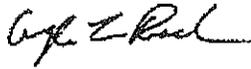
**Arizona Department of Transportation
Environmental Planning Group
Disposal Checklist**

Disposal Number: L-M-483

Disposal Name: Parcels # 7-8994 and 7-8997

Disposal Address: Parcel is located east of SR 202 between Alder Ave and Balsam Ave (south of Apache Trail) in East Mesa.

Clearance



Prepared By: _____ Date: 1/11/08
Angela Roach
Hazardous Materials Planner

Approved By:  _____ Date: 1-11-08
Thor Anderson
Manager

TA:alr

I. PROJECT DESCRIPTION

- A. The Arizona Department of Transportation (ADOT) proposes to dispose of property L-M-483. This consists of ADOT Parcels # 7-8994 and 7-8997.
- B. Location: Parcel is located east of the SR 202 between Alder Ave and Balsam Ave (south of Apache Trail) in East Mesa.
- C. Purpose: The property will be sold in accordance with State law.

II. IMPACT EVALUATION

A. Natural Environment

This disposal property was acquired for the construction of SR 202.

Land Use Characteristics

	Current Condition	Former Use	Surrounding Area
Vacant	x	<input type="checkbox"/>	<input type="checkbox"/>
Residential	<input type="checkbox"/>	<input type="checkbox"/>	x
Commercial	<input type="checkbox"/>	x	<input type="checkbox"/>
Industrial	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Agricultural	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Natural	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Endangered Species Act Listed Species

	Yes	No	If Yes, List Species.	Comments.
Critical Habitat	<input type="checkbox"/>	x		
Suitable Habitat	<input type="checkbox"/>	x		

The disposal property is located in an area designated Zone X according to the FEMA Flood Insurance Rate Map dated September 30, 2005.

B. Physical/Construction

This type of action does not require any construction-related activities. No construction-related impacts will result from this disposal activity.

A PISA was performed by the ADOT Environmental Planning Group. The property has been subject to minor household dumping including used automotive oil. This represents a de minimis impact to the property. No further hazardous materials investigation is recommended.

Due to the lack of construction-related activities and impacts, this project is exempt from air quality conformity regulations.

The Arizona Department of Transportation's Noise Abatement Policy was written to conform to the federal policy and guidelines as stated in Title 23 of the Code of Federal Regulations Part 772. No analysis of traffic noise impacts is required for this project as it does not significantly alter the horizontal or vertical alignment of the existing highway nor does it increase capacity of transportation facilities.

C. Socioeconomic

Title VI of the Civil Rights Act of 1964 and related statutes assure that individuals are not excluded from participation in, denied the benefit of, or subject to discrimination on the basis of Race, Color, National Origin, Age, Sex, and Disability. Executive Order 12898 on Environmental Justice directs that programs, policies and activities not have a disproportionately high and adverse human health and environmental effect on minority and low-income populations. This disposal project will not result in new impacts on the surrounding area. Sale of this property will not result in any residential or business relocation. This disposal will not have a disproportionately high or adverse impact on minority or low-income communities.

D. Cultural Resources

This disposal project will have no effect on historic properties. No significant historic properties were identified for the site in a cultural resources survey. We have discussed these types of projects with the State Historic Preservation Office, and they agree that our in-house reviews are adequate to address this type of situation.

III. PUBLIC INVOLVEMENT

This disposal action does not require a public involvement plan.

IV. ACTION REQUIRED

Federal-Aid Projects	
Categorical Exclusion Group 2	<input type="checkbox"/>
Programmatic	<input type="checkbox"/>
Non-Programmatic	<input type="checkbox"/>
State-Funded Projects	
Environmental Clearance	X

EXHIBIT "A"

That portion of the property that is described in the following PROPERTY DESCRIPTION located in the Northwest quarter of the Southeast quarter (NW¼SE¼) of Section 21, Township 1 North, Range 7 East, Gila and Salt River Meridian, Maricopa County, Arizona, which lies East of the following described EXISTING EASTERLY RIGHT OF WAY LINE of State Route 202L (RED MOUNTAIN FREEWAY):

PROPERTY DESCRIPTION:

(A portion of Instrument No. 2007-963892, records of Maricopa County, Arizona)

That portion of the Northwest quarter of the Southeast quarter of Section 21, Township 1 North, Range 7 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Northwest corner of the Southeast quarter of said Section 21, also known as the center of said Section 21;

thence North 89 degrees 56 minutes 58 seconds East, 165.82 feet, along the East-West center section line of said Section 21, to the Northeast corner of the West half of the West half of the Northwest quarter of the Northwest quarter of the Southeast quarter of said Section 21, said point being the Point of Beginning;

thence continuing North 89 degrees 56 minutes 58 seconds East 1159.31 feet, along the North line of the Southeast quarter of said Section 21 to the Northeast corner of the Northwest quarter of the Southeast quarter of said Section 21;

thence South 00 degrees 03 minutes 03 seconds West, 1320.20 feet along the East line of the Northwest quarter of the Southeast quarter of said Section 21, to the Southeast corner of the Northwest quarter of the Southeast quarter of said Section 21;

thence South 89 degrees 56 minutes 44 seconds West, 1325.18 feet along the South line of the Northwest quarter of the Southeast quarter of said Section 21, to the Southwest corner of the Northwest quarter of the Southeast quarter of said Section 21;

(continued)

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thence North 00 degrees 03 minutes 44 seconds East, 660.18 feet, along the North-South center section line of said Section 21, to the Southwest corner of the West half of the West half of the Northwest quarter of the Northwest quarter of the Southeast quarter of said Section 21;

thence North 89 degrees 56 minutes 51 seconds East, 165.63 feet, to the Southeast corner of the West half of the West half of the Northwest quarter of the Northwest quarter of the Southeast quarter of said Section 21;

thence North 00 degrees 03 minutes 39 seconds East, 660.14 feet, to the Point of Beginning.

EXISTING EASTERLY RIGHT OF WAY LINE DESCRIPTION:

COMMENCING at a brass cap marking the East quarter corner of said Section 21 being North 89°58'48" East 2649.71 feet from a pipe marking the Center of said Section 21;

thence along the East – West mid section line of said Section 21 South 89°58'48" West 702.62 feet to the POINT OF BEGINNING;

thence South 0°01'12" East 50.00 feet to the intersection of said existing easterly right of way line of State Route 202L and the existing South right of way line of Apache Trail;

thence along said existing easterly right of way line, South 0°01'12" East 10.00 feet;

thence continuing along said existing easterly right of way line, South 89°58'48" West 203.00 feet;

thence continuing along said existing easterly right of way line, South 50°13'10" West 105.56 feet;

thence continuing along said existing easterly right of way line, South 24°58'48" West 89.63 feet;

thence continuing along said existing easterly right of way line, along a curve to the Right having a radius of 2039.86 feet, a length of 275.70 feet;

thence continuing along said existing easterly right of way line, South 89°58'48" West 31.19 feet;

thence continuing along said existing easterly right of way line, South 36°44'28" West 488.59 feet;

(continued)

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thence continuing along said existing easterly right of way line, South 34°01'59" West 211.60 feet to a point hereinafter referred to as Point "A";

thence continuing along said existing easterly right of way line, from a Local Tangent Bearing of South 36°44'28" West, along a curve to the Left having a radius of 2072.70 feet, a length of 399.76 feet;

thence continuing along said existing easterly right of way line, South 24°05'10" West 90.49 feet;

thence continuing along said existing easterly right of way line, South 25°41'26" West 141.63 feet;

thence continuing along said existing easterly right of way line, South 13°04'19" West 382.22 feet;

thence continuing along said existing easterly right of way line, South 0°06'39" West 596.95 feet;

thence South 0°01'59" East 103.22 feet to the POINT OF ENDING on the South line of said Section 21 being South 89°58'01" West 1989.89 feet from a brass cap in a handhole marking the Southeast corner of said Section 21.

166,761 square feet, more or less.

The parcel of land herein conveyed shall have no right or easement of access to said State Route 202L.

GRANTOR RESERVES unto the public and various utility companies, easements for existing utilities, if any, within the above described property, in accordance with Arizona Revised Statute 28-7210. Access to the existing utilities will be by way of what exists at the time of this conveyance and shall be the responsibility of the Grantee herein and of the public or utility companies to show where that access is located.

ALSO RESERVING UNTO the Grantor, their successors and/or assigns, a 15.00 foot wide easement along the existing sound wall, for the purpose of ingress and egress and maintenance of said sound wall.

ALSO RESERVING UNTO GRANTOR and its successors or assigns, that portion of the existing Drainage Easement lying within said Northwest quarter of the Southeast quarter (NW¼SE¼) of Section 21, described as follows:

(continued)

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COMMENCING at Point "A" described above;

thence from a Local Tangent Bearing of South 36°44'28" West along a curve to the Left having a radius of 2072.70 feet, a length of 302.24 feet to the POINT OF BEGINNING;

thence from a Local Tangent Bearing of South 28°23'10" West continuing along a curve to the Left having a radius of 2072.70 feet, a length of 97.52 feet;

thence South 24°05'10" West 90.49 feet;

thence North 54°51'14" East 94.79 feet;

thence North 76°22'20" East 62.70 feet;

thence South 82°06'40" East 72.95 feet;

thence North 8°05'22" East 75.82 feet;

thence North 75°57'11" West 144.44 feet to the POINT OF BEGINNING.

FURTHER RESERVING UNTO GRANTOR and its successors or assigns, an easement for ingress and egress over the South 14.00 feet of said Northwest quarter of the Southeast quarter (NW¼SE¼) of Section 21 between the easterly line of the above described drainage easement and the West right of way line of North 90th Street.

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