

APPRAISAL REPORT

**A 2.398 Acre Tract of Vacant Excess Land
Located at the Northwest Corner Of
Arcosanti Road and South Cross L Road
Cordes Junction, Arizona 86333**

ADOT Parcel No. L-P-036

APPRAISAL COVER SHEET

PARCEL NO.: L-P-036

OWNER NAME: Arizona Department of Transportation

ADDRESS: 205 South Seventeenth Avenue

Phoenix, Arizona 85007

**LOCATION
OF PROPERTY:** NW Corner of Arcosanti and South Cross L Roads

Cordes Junction, Arizona 86333

PROJECT: M513901X

HIGHWAY: PHOENIX-CORDES JUNCTION

SECTION: Cordes Junction TI

CONTRACT NUMBER: [REDACTED]

DATE OF APPRAISAL: September 12, 2016

**DATE OF
VALUATION:** August 24, 2016

APPRAISER: [REDACTED]

[REDACTED]

September 12, 2016

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 a 2.398 acre parcel of excess land located at the northwest corner of Arcosanti Road and South Cross L Road in Cordes Junction, Arizona.

Dear Mr. Troxel:

At your request we have completed an appraisal of the above-referenced tract of excess land. The property is 2.398 acres in size and is zoned for residential use by Yavapai County. The tract is slightly irregular in shape and has some utility services to it. The land was previously purchased by the Arizona Department of Transportation (ADOT) to construct a new interchange at Arcosanti Road. This tract is a remnant piece from that project and is now excess land. ADOT is in process of disposing of the property as excess land and as a result has had it appraised. There are no improvements on the site.

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 as well as the Federal Highway Administration (FHWA). This report is not to be used by any other party or for any other purpose without the written consent of [REDACTED]. This report is written in narrative form.

The property was inspected and analyzed for the purpose of estimating market value, as defined in this report, as of August 24, 2016. The report is prepared to conform to the 2016-2017 Edition of 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 values of the fee simple interest in the subject parcel, as of August 24, 2016, is as follows:

NINETY THOUSAND DOLLARS
(\$90,000)

Data used to support this value conclusion is presented and analyzed in the accompanying report. It is noted that no environmental hazards were noted to be influencing the subject property at the time of inspection, nor were there any underground site improvements identified.

The underlying assumptions and limiting conditions pertaining to this report are contained in the "Certificate of Appraiser" immediately following the Auditing Breakdown section of this report and 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.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Type of Property: Vacant rural land.

Location: The northwest corner of Arcosanti Road and South Cross L Road Cordes Junction, Arizona 86333

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.

Extraordinary Assumptions: None.

Legal Description: The legal description provided by the client for the property is shown on the legal description identified as “Exhibit A” in Exhibit 3 of the Addenda.

Tax Parcel Numbers: Portions of Yavapai County APN’s 500-05-030, 500-05-031 and all of parcel 800-10-046J.

Site Area: 2.398 gross acres or 104,460 square feet, according to the detailed legal description provided by the client and shown in Exhibit 8.

Zoning: RCU-2A residential; single family; rural, 2-acre minimum lot size, by Yavapai County.

Site Improvements: None.

Highest & Best Use: Hold for future commercial development.

Estimated Value Of Subject Parcel: \$90,000

Date of Valuation: August 24, 2016.

Date of Inspection: August 24, 2016.



**Appraisal Reporting
Standards:**

This report is drafted to adhere to the 2016-2017 edition of the Uniform Standards of Professional Appraisal Practice (USPAP) plus the appraisal standards and specifications of the Arizona Department of Transportation and the Federal Highway Administration as I understand them.

Appraiser:

[REDACTED]

[REDACTED]

TABLE OF CONTENTS

INTRODUCTION

SUMMARY OF SALIENT FACTS AND CONCLUSIONS	v
TABLE OF CONTENTS	vii
AERIAL PHOTO OF SUBJECT PROPERTY	1
INTRODUCTION	2
PROPERTY IDENTIFICATION	2
DEFINITION OF VALUE	4
PROPERTY RIGHTS APPRAISED	4
APPRAISAL PROCESS	5
Extent of Data Collection Process	5

PRESENTATION OF FACTUAL DATA

REGIONAL SUMMARY	6
NEIGHBORHOOD SUMMARY	7
SITE DATA	11
Subject Aerial	12
ZONING DISCUSSION	14

ANALYSIS OF DATA

HIGHEST AND BEST USE	16
VALUATION	18
SALES COMPARISON APPROACH TO VALUE	18
Land Sales Summary	19
Conclusion of Site Value	26
CERTIFICATION	27/28



AERIAL PHOTO OF SUBJECT PROPERTY



INTRODUCTION

The property that is the subject of this report is a 2.398 acre parcel of vacant land located at the northwest corner of Arcosanti Road and South Cross L Road in Cordes Junction, Arizona. It is irregular in shape and was acquired by the Arizona Department of Transportation (ADOT) to construct the interchange at Arcosanti Road over Interstate 17 in 2010. This 2.398 acre remnant that was created after the project was complete is now excess land. ADOT is preparing to market the site as excess land and as a result they have had it appraised. An aerial photo of the property outlined in red is shown on the previous page.

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.

Scope of Work

The purpose of this appraisal is to estimate market value of the fee simple interest in the subject property, as of the date of valuation. The intended user is the client as well as the Federal Highway Administration (FHWA). The intended use is to assist ADOT in disposition of the site as excess land. No hypothetical conditions or extraordinary assumptions are made for the report. 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

The subject property consists of all of Yavapai County assessor's parcel numbers 500-05-030, 500-05-031 and 800-10-046J.

Legal Description

The legal description for this parcel provided by the client is shown in Exhibit 8 of the addenda.

Owner of Record

The owner of record of the property, according to the title report provided by the owner, is:

[REDACTED]

[REDACTED]

The difference between exposure period and marketing period is subtle. Exposure time is the estimated length of time required to have listed and marketed the property for sale prior to the date of valuation. Marketing time is the estimated time required to market the property were it listed for sale today. Given the availability of competing properties that were observed in the neighborhoods that are available for sale at the time of inspection, the estimated marketing period to sell the property today is also six to twelve months. 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 title report dated November 11, 2014 was provided by the client. No schedule B is included that may show easements and exceptions. However, the right of way map provided by the client shows 33 foot wide BLM rights of way along the north and east borders. An overhead power line and underground telephone line were also observed along the east border and it is assumed that they are located within the BLM easement along the east border. The BLM right of way that runs along the north border dead ends at the freeway and appears to serve no purpose and likely could be abandoned, although this is not certain.

It is assumed that none of these easements impact the utility or marketability of the property. Further, it is assumed that there are no unknown adverse restrictions or easements which would affect the utility or marketability of the property. In the event that an updated title report shows adverse restrictions or easements, the appraiser reserves the right to review the value indicated in this appraisal and to alter the value conclusion, if necessary.

Hazardous Wastes

No toxic waste or contaminant has been identified on the site. However, it does not mean that such materials do not exist either on or under the property. The appraiser is without the expertise to identify or detect such substances. Because of the liability generated if toxic wastes or contaminants are found on the site or in any structures, it is strongly recommended that a specialist in the detection of toxic waste be retained and the property checked for possible contamination. If a toxic waste or contaminant is detected, the value estimates concluded in this report are no longer valid. If a reappraisal is required, it will be made at an additional charge and upon receipt of any additional information requested, including descriptions of the toxic waste or contaminant and the cost of removal.

PURPOSE AND INTENDED USE OF THE APPRAISAL

The purpose of this appraisal is to estimate market value of the fee simple interest in the subject property, as of the date of valuation. The intended use is to assist the client in disposition of the site as excess land. The intended user is ADOT and the Federal Highway Administration.



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 adapted and for which it was capable."

PROPERTY RIGHTS APPRAISED

The **fee simple estate** of the parcel is appraised, subject to the limitations and restrictions shown on schedule B of the title report in the addenda. The fee simple estate 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."³

Division of Personalty and Realty

It is noted that no personal property, business value or going concern values are considered in the subject value estimate. There are no known items of personal property attached to the site.

Tenant Information

No leasehold interests are known to exist on the property.

Date of Inspection and Valuation

The property was inspected on August 24, 2016. This is also the date of valuation.

APPRAISAL PROCESS

An appraisal involves a specific process in order to form an opinion of the market value of the 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 and interviews with public officials 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) interviews with market participants including confirmation of relevant data for analysis of the sales and to identify those sales that are 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.

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 region were gathered from many sources including the regional multiple listing service, Forest Service maps and publications and State of Arizona economic data published for Yavapai County and nearby towns. 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 description section were based upon personal inspection of the property. All sales data applied in this report were confirmed from one or more of the following data sources:

[REDACTED]

[REDACTED]

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 discusses broad economic and real estate market trends influencing the subject property. The subject neighborhood and site are described subsequently.

AREA DESCRIPTION

Location

The subject property is located in the small roadside community of Cordes Junction, Arizona, in southeastern Yavapai County. It is located approximately 70 miles north of metropolitan Phoenix and about thirty five miles drive south of Prescott, a medium sized town that is the county seat of Yavapai County. Prescott was formed as the first territorial capital of Arizona in 1864. Yavapai County is mainly a mountainous, relatively undeveloped region of the state. In fact, most of the county lies within the Coconino and Prescott National Forests and cannot easily be developed to urban uses. The town of Prescott lies just southeast of Chino Valley, a mainly flat area that bisects the county running northwest to southeast. Chino Valley is home to three smaller rural communities including Prescott valley, a small but rapidly growing town due east of Prescott, the town of Chino Valley ten miles northeast of Prescott, and Paulden, eleven miles north of Chino Valley. The latter two communities are mainly agriculturally oriented, primarily based upon cattle grazing.

Prescott and the Chino Valley communities may be reached by car via Interstate 17, which runs north from metropolitan Phoenix to Flagstaff, then west via Highway 69 from Cordes Junction into Prescott Valley and on to Prescott. Highways 89 and 89A run north from Prescott into neighboring communities and counties to the north and northeast. Highway 89 runs north through Chino Valley and Paulden as far north as I-40 at Ash Fork in Coconino County. Highway 89A runs northeast from Prescott along the northern fringe of Prescott Valley, then through the Black Hills mountain range into the old mining town of Jerome and onward into the Verde River valley and the small rural communities of Clarkdale, Cottonwood and Camp Verde. The area may also be reached by air. Prescott's Love Field is located six miles northeast of Prescott and about five miles northwest of Prescott Valley. It is also home to the Embry Riddle School of Aeronautics.

The current estimated population of Prescott, as of July 1, 2015, is 40,989 residents according to the Arizona Department of Economic Security. Prescott Valley has a population of 41,415 and Chino Valley has a total of 10,895 residents. Total population for the county is 214,991, again as of July 1, 2015.

Prescott is the primary urban center in the area, but Prescott Valley also provides abundant goods and services to the area residents. Combined with those available in the Prescott area, residents have virtually all of the typical goods and services available for a community of this size. Those that are not are available in the Phoenix metropolitan area 1.75 hours drive to the south.

The state of Arizona has been active in its economic development through its state Commerce Department, with a constant effort to lure employers into the state. This has impacted the larger metropolitan areas most, but it has had some indirect impact on outlying communities as well. The state government is also a leader in State's rights and in fighting federal regulation on businesses in the state. It is fiscally sound and its income tax rate is relatively low compared to some states in the region, including California and Texas.

Yavapai County is mainly mountainous and there are no large metropolitan areas to speak of. As a result, the nature of the county government lends itself to providing services suited to its rural nature. It provides a sheriff's office, county judicial system, and other municipal services. The regional government, through joint efforts of the communities within Maricopa County, have also taken a strong, favorable stance toward more economic development and has a coordinated effort to improve economic and transportation conditions in the area. Prescott Valley is an incorporated city and provides water, sewer, fire and police services. Electrical, gas and telephone services are also provided, as well as cellular telephone service.

The state population is provided with an excellent transportation system. Interstates 8, 10 and 40 traverse the state from east to west and Interstate 17 runs north from Phoenix to Flagstaff, connecting the northern portion of the state with its capitol. There is also extensive network of federal and state highways that connect Phoenix to all areas in the west and mid-western United States. There is a municipal airport in Cottonwood that provides ground services for small aircraft but the nearest major hub airport providing commercial airline service throughout the country is Phoenix's Sky Harbor International Airport, two hours to the south.

The Prescott area is served by numerous public elementary schools, middle schools, and two high schools. Yavapai Community College and Prescott College are both located in Prescott, while Northern Arizona University is located in Flagstaff, about one hour drive to the north. In addition, there are 7 community colleges within the metropolitan Phoenix area as well as Arizona State University (ASU), and several private universities. The University of Arizona is located in Tucson, about 200 miles south.

Neighborhood Description Summary

The subject property lies adjacent to the interchange of Interstate 17 and Highway 69, which runs west from the freeway in the communities of central Yavapai County, namely Prescott, Prescott Valley, Chino Valley and Paulden. The community surrounding this interchange is called Cordes Junction and is made up of several unincorporated areas including Cordes Lakes, Cordes Junction and Arcosanti.



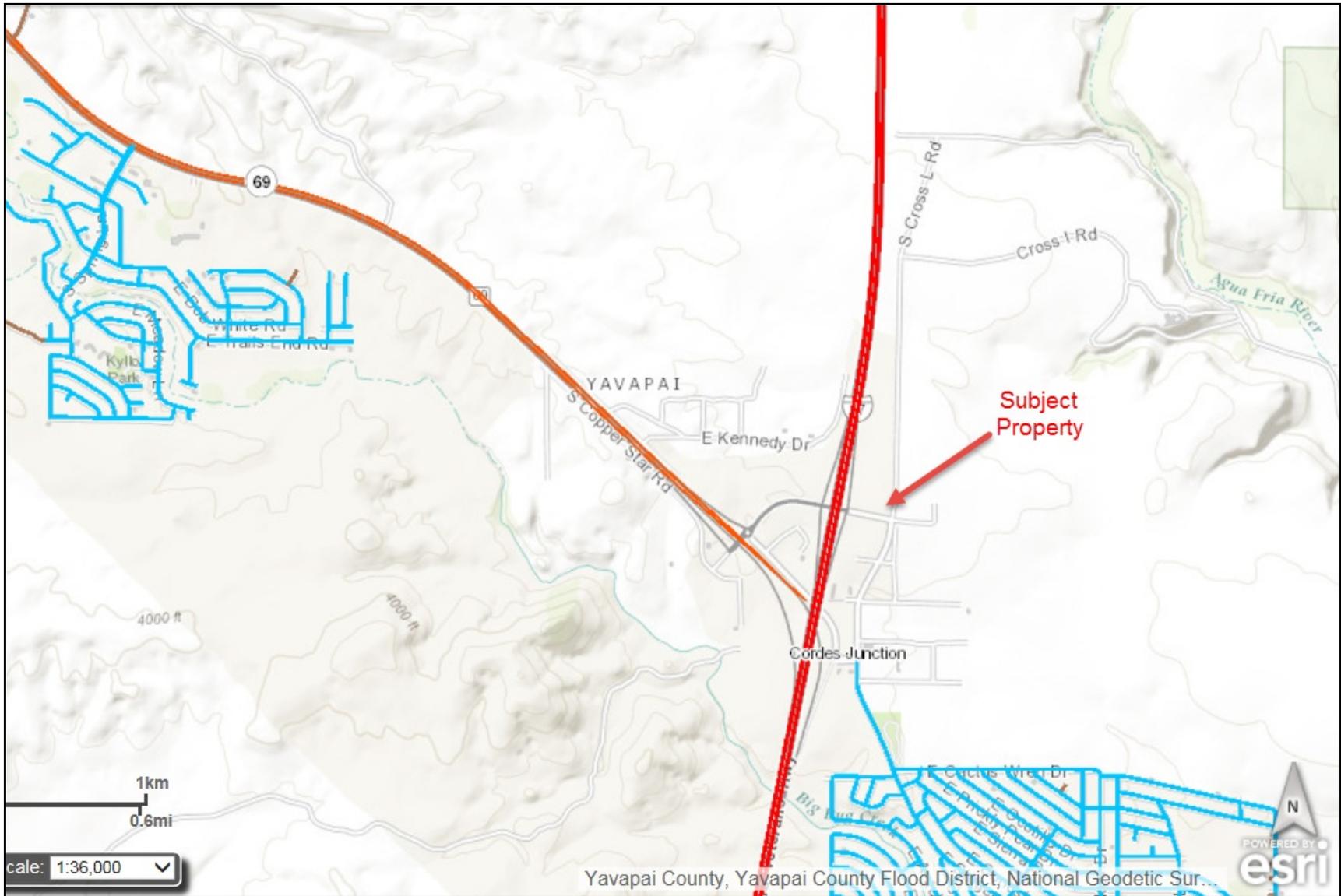
The Cordes Junction interchange is one of only a few interchanges between Anthem, 35 miles to the south, and Flagstaff, 80 miles to the north, that offer roadside services including fast food, service stations and a motel. It consists of three bridge crossings of I-17 for Highway 69 to run west into the central and most populated areas of Yavapai County. The single original bridge crossing was replaced in 2010-2012 with a complex series of three bridges and traffic circles that allows traffic to still access the businesses adjacent to the original bridge crossing, which was replaced with two bridges, and a third bridge crossing was constructed one half mile to the north. The subject property is located adjacent to the new north bridge interchange.

Other competing interchanges along I-17 in the general area include Camp Verde, 26 miles to the north, and Munds Park, 62 miles to the north. Specifically, businesses at the Highway 69 interchange include a McDonald's restaurant at the immediate corner, a Chevron station just east of that, a Shell travel center with a truck stop that includes restaurants and a convenience store, and an RV park and motel just east of the interchange. All of these businesses depend on the freeway traffic that stops at this location for goods and services.

Just south of the interchange on the east side of the freeway is Cordes Lakes, a medium-sized residential subdivision that includes small lots and a common water company. The water company also serves some of the businesses at the interchange. South and east of Cordes Lakes the land is held by the Federal government, limiting the amount of development in the area. North of the original interchange there is some private land that consists mainly of 5-10 acre tracts of rural residential land, although most of it remains undeveloped. To the north of that is Arcosanti, an experimental community on 860 acres that is designed to combine and optimize rural and urban influences. Spring Valley is another subdivision but it is located about two miles west of the freeway along the south side of Highway 69. It has a school, a church and a small store and gas station.

Based upon the scattered nature of the population, the center of the community is considered to be the original interchange, where nearly all of the development has occurred on the east side of the freeway. The road running east from the freeway is known as Cordes Lakes Road and runs a very short distance where it "T"s into Stagecoach Trail. Stagecoach Trail is paved for about 600 feet running north where it reverts to gravel, but continues on for several miles. To the south it is paved into the community of Cordes Lakes. Other roads in the area are mainly gravel.

NEIGHBORHOOD MAP



AERIAL PHOTO OF NEIGHBORHOOD



ADOT's Recent Interchange Project

In 2010 ADOT reconstructed the interchange of I-17 and Highway 69. The old interchange was reconstructed and two flyover bridges were added at that location and traffic circles were added along the east and west sides of the overpass, allowing autos coming north to exit prior to crossing the bridge and turning into the area east of the freeway. The project also involved construction of a new interchange, a freeway underpass, about one quarter mile north of the existing overpass, adjacent to where the subject property is located. A new access road between the two interchanges was also constructed that runs along the existing Stagecoach Trail north of Cordes Lakes Road for a short distance, then bends northeast for a short distance, then bends north again where it connects with the east end of the new underpass, then runs north as South Cross L Road. The new underpass include a full diamond interchange and west of the freeway there is a new access road that runs west to connect with a traffic circle along Highway 69 west of I-17.

SITE DATA

Assessor's Parcel Numbers

The subject property is identified by Yavapai County as assessor's parcel numbers 500-05-030, 500-05-031 and 800-10-046J.

Location

The subject site is located at the northwest corner of Arcosanti Road and South Cross L Road.

Site Size, Dimensions and Shape

According to the legal description provided by the client, ADOT parcel number L-P-036 has a gross area of 104,460 square feet, or 2.398 acres. The site is irregular in shape and is approximately 453 feet wide along its north border and varies in depth from about 147 feet to the west facing the freeway to 247 feet at its deepest point. It has about 406 feet of frontage on Arcosanti Road to the south and about 240 feet of frontage on South Cross L Road to the east. There is also a panhandle strip that runs north of the main usable area that provides it access from the north. This strip is 50 feet wide and runs a distance of about 192 feet. The plat is shown on the following page along with an aerial photo of the site provided by the Yavapai County GIS website.

Topography and Cover

Topography of the site is gently sloping downward to the north and east. Cover is rocks and native grass. Drainage for the area is rated average. There are no known soil or subsurface conditions which would adversely affect the development of the site.



SUBJECT PROPERTY AERIAL PHOTO AND ASSESSOR'S PLAT MAP



Assessor's Parcel No. 500-05-030, 500-05-031 and 800-10-046J



Access

Although the site fronts on Arcosanti Road to the south and South Cross L Road to the east, the freeway interchange construction project also placed access control restrictions along these two frontages as well as along the freeway frontage. As a result, the only access point is from the north. The panhandle segment of the property dead-ends northbound at an existing right of way that runs east-west and provides the subject with legal access to the east to South Cross L Road. Therefore, the most direct route of access to the property from the freeway interchange is driving east on Arcosanti Road to the stop sign at South Cross L Road, then north to the north end of the subject panhandle, then west to the north end of the panhandle, then south along the panhandle to the usable portion of the subject property

Roadway Improvements

Arcosanti Road is a new road resulting from the ADOT project. South Cross L Road reverts to old pavement just north of Arcosanti Road and to gravel further north. The subject panhandle has no grading or any other roadway improvements.

Utilities

Public utilities available to the subject site include power and telephone services provided by APS and CenturyLink Communications, respectively. No water or sewer services are developed in this rural area.

Site Improvements

The property is entirely unimproved.

Flood Zone

FEMA maps for the area denote the subject site as lying within an "X" flood hazard area, as shown on Flood Insurance Rate Map Panel 2878 of 3925 dated March 2, 2015. The "X" designation indicates "Areas of minimal flooding". No flood insurance is required in this flood rate area.

Easements and Encumbrances

A title report dated October 9, 2014 was provided by the client. No schedule B is included that would show easements and exceptions. However, the survey sketch provided by the client shows a 33-foot wide BLM right of way off of the property to the north that provides access to this site. An overhead power line and underground telephone line were also observed along the east border and it is assumed that they are located within the public right of way.



It is assumed that there are no unknown adverse restrictions or easements which would affect the utility or marketability of the property. In the event that an updated title report shows adverse restrictions or easements, the appraiser reserves the right to review the value indicated in this appraisal and to alter the value conclusion, if necessary.

Environmental Hazards

As mentioned previously, no toxic waste or contaminant has been identified on the site. However, it does not mean that such materials do not exist either on or under the property. The appraiser is without the expertise to identify or detect such substances. Because of the liability generated if toxic wastes or contaminants are found on the site or in any structures, it is strongly recommended that a specialist in the detection of toxic waste be retained and the property checked for contamination.

Relation of Site to Surroundings

North: Vacant land
South: Arcosanti Road, then vacant land
West: Interstate 17
East: South Cross L Road, then an old residence and vacant land

Summary of Site Analysis

The subject site is a gently sloping 2.398 acre tract of vacant land. It is irregular in shape and has lengthy access from the freeway interchange at Arcosanti Road. It has potential for rural residential as well as possibly commercial use given its freeway interchange proximity. It has power and phone to the site but no water or sewer amenities. The site is completely undeveloped.

ZONING AND LAND USE RESTRICTIONS

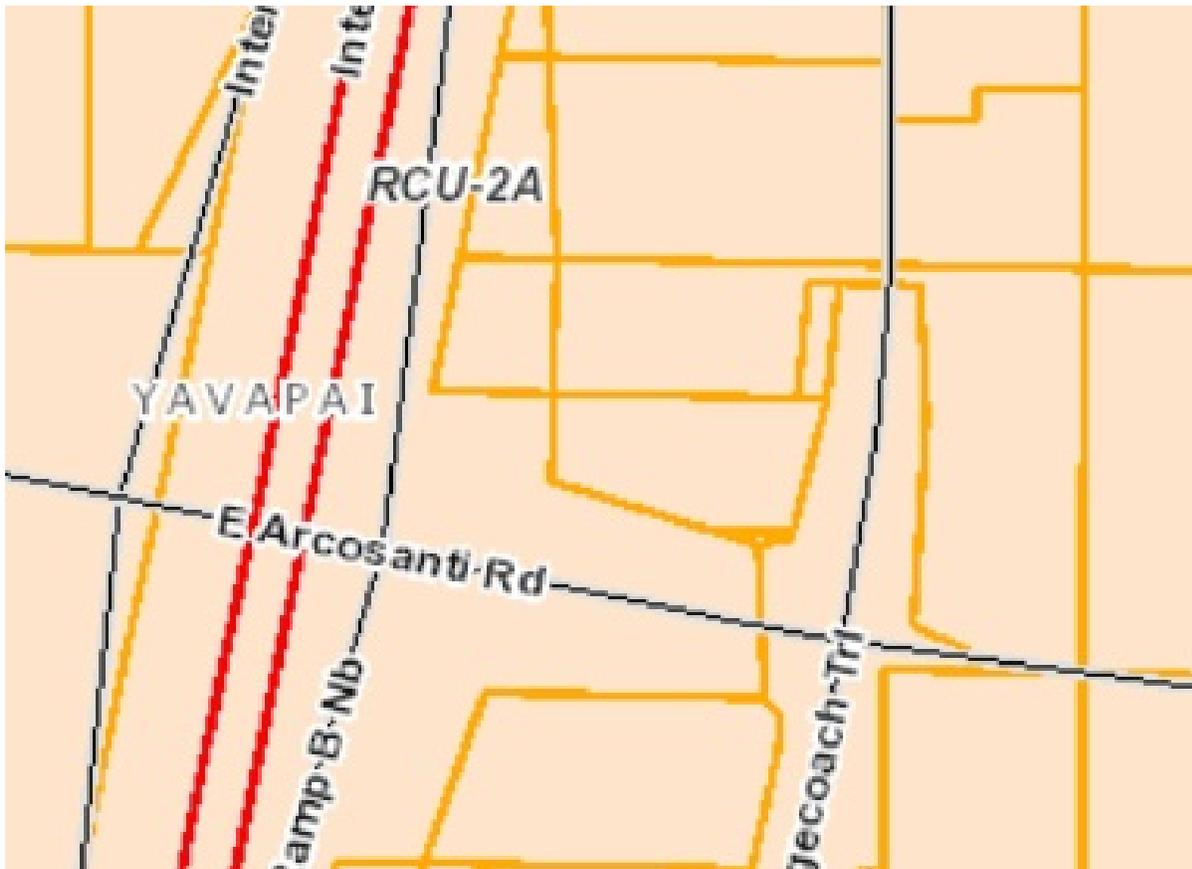
The purpose of zoning is to provide for the orderly growth and compatible development of land uses. It is intended to provide a basis for a consistent application of land use between public and private interests where both public and private objectives can be satisfied. Zoning ordinances outline the 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.

Current Zoning

The subject property is currently zoned RCU-2A, or residential; single family; rural, with a minimum lot size of two acres. This is a minimum or default zoning for rural areas and is typical of large tracts of rural land. Development to any use other than its current use would very likely require rezoning, likely to a commercial use in keeping with the area plan such as C-1 or C-2. These zoning categories allow a wide variety of commercial uses consistent with adjoining parcels and the uses needed at a rural freeway interchange location such as this.



SUBJECT AREA ZONING MAP



A description of the RCU-2A, C-1 and C-2 zonings are found in the addenda. The zoning map for the area is shown above. It is noted that Mr. Mike Kelly, planner with Yavapai County indicated that the land use plan for the Cordes Junction area indicates commercial uses for all of the land around the interchange and along the highway to the west. As a result, it is likely that were a zoning change requested that it would be allowed.

ASSESSED VALUE AND TAX DATA

The State of Arizona currently employs a dual structure for real estate taxation, as the result of Senate Bill 1001, voted into law in July 1980. Arizona Revised Statutes require that all property be valued annually at market value. In addition, each property also has a "limited" value that cannot exceed full cash value. Limited value is based on the previous year's limited value increased by either 10%, or 25% of the difference between the full cash value of the current year and the limited value of the preceding year, whichever is greater, unless the property has been changed, as defined in ARS 42-201.02 C and D since the previous year.

Tax Assessment and Annual Taxes

The subject property is assessed by Yavapai County under tax parcel number 500-05-030, 500-05-031 and 800-10-046J. Tax and assessment data as of the date of valuation are shown as follows:

Parcel No.	2017 Assessed Full Cash Value	2016 Assessed Full Cash Value	2015-2017 Tax
500-05-030	\$23,940	\$25,536	\$0
500-05-031	\$25,926	\$23,131	\$0
800-10-046J	N/Av	N/Av	N/Av

It is noted that since the land is state-owned it is not assessed any taxes. Further, the assessed values shown appear to reflect the prior larger areas of these parcels before the ADOT acquisition.

SIGNS

Inspection of the property revealed no commercial billboard signs on the site.

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.”⁴

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 as it applies to the subject parcel.

Legally Permissible

The most significant legal constraint that controls use of the subject site is its current RCU-2A zoning. It allows rural residences on lots as small as two acres, making the subject parcel suited to

[REDACTED]

[REDACTED]

a single residential lot. As mentioned previously, rezoning to a C-2 or similar commercial zoning is considered reasonable based upon the general plan designation for the entire area. The C-2 zoning allows a wide variety of commercial uses including restaurants, storage, offices, motels, service stations, and others. Other uses are also allowed with a conditional use permit including auto and RV sales lots and contractor yards, to name a few. Given the subject parcel's general proximity to a freeway interchange there is potential for one of these uses on this site, likely in the future.

Physically Possible

The possible uses of the subject site are restricted only by the physical constraints of the site, namely its size. Shape, topography, soils, and other physical factors of the site are suited to the uses specified in the RCU and C-2 zoning categories described above. The site is physically capable of development to a single residence or a commercial use that fits on the site. Such commercial uses could include a restaurant, retail or office building or perhaps a motel, to name a few. The main detriments to development of the site are its lack improved access and its lack of municipal water and sewer service. However, wells and septic systems have been developed on nearby sites, demonstrating that these remedies are physically possible. Only the lack of improved access is considered a significant physical deterrent to development. Its lengthy access from the freeway via Arcosanti Road, South Cross L Road and the panhandle of the subject are noted as limitations but not to the point where it restricts most uses. The panhandle, however, is not considered to add utility or value to the site, leaving the balance of 2.00 acres that is usable.

Financially Feasible

Of the physically possible and legally permissible uses, residential development appears to be a financially feasible use as a single rural residential lot. As far as commercial development is concerned, although there is not an abundance of evidence in the market on which to base a conclusion of financial feasibility, there does not appear to be enough demand for a commercial use in this area at the present time to warrant development of the subject site. There are numerous similar sites listed for sale nearby this freeway interchange and none have been developed. As the economy slowly improves after the lingering impacts of the recession of 2009, market conditions are improving to the point where a commercial use at this location may be viable within the next few years. However, at the present time, there is not market evidence that new development is financially feasible at this location.

Maximally Productive and Highest and Best Use

Given the size of the site, its good freeway interchange proximity and therefore its future commercial potential, combined with weak demand at this stage of the economic recovery, it is concluded that developing the site with a commercial use at the present time will be too risky to be feasible. Holding the site until conditions in the real estate market improve to the point where commercial development is feasible on the 2.00 usable acre portion of the site is considered the most valuable option for this site. It is therefore concluded to be the maximally productive, and therefore the highest and best use of the property.

VALUATION

In order to identify the value of the property to be acquired, the value of the entire larger parcel of which the right of way is a part is estimated first, then a proportionate value is allocated to the area to be acquired. 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. 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

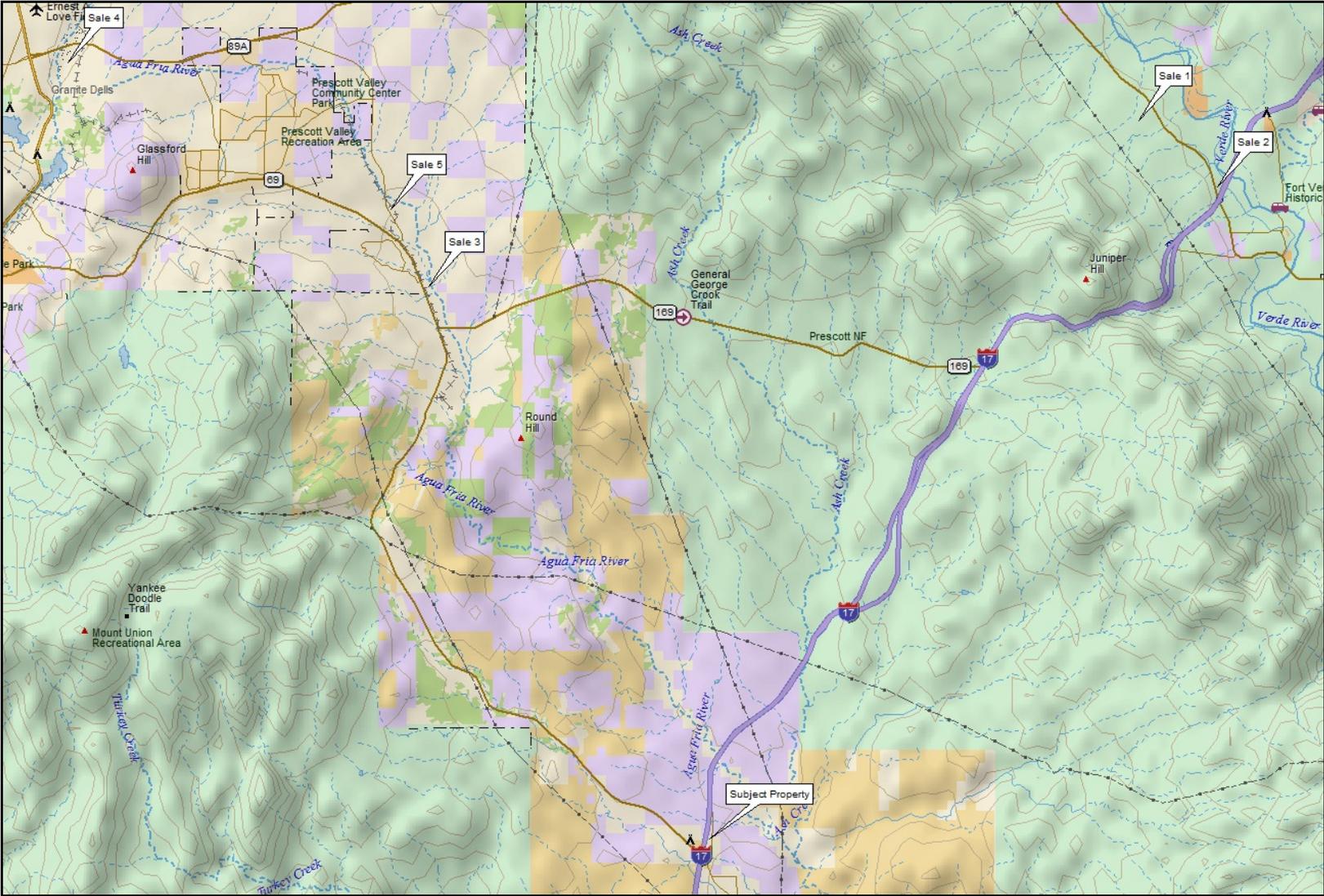
In order to support a value estimate for the subject site, a search in the market area was made for vacant land sales similar to the subject. Four recent sales that are considered most comparable to the subject site have been selected for this analysis. The sales are analyzed on the basis of price paid 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 2.00 usable acre portion of 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 the page following the chart. A discussion of the sales and their related adjustments follows the map. Complete data on each sale is displayed on data sheets in the final exhibit of the addenda. The adjusted prices are used as indicators of value for the subject site.

SUMMARY OF COMPARABLE LAND SALES

Sale No.	Date	Price	Site Area In Acres & SF	Price/Ac	Zoning	Remarks
1	4-16	\$50,000	0.63 27,443	\$79,365	C-3 Camp Verde	Flag lot adjacent to county complex bldg on Cherry Creek Road west of Camp Verde. Buyer is adjoining owner. Water to site, no sewer.
2	4-15	\$68,250	4.45 193,841	\$15,337	C-2/C-3 Camp Verde	Two long narrow parcels located along NE side of Hwy 260 just west of I-17 in Camp Verde. Water, power, no sewer. Purchased for investment. Mostly below grade.
3	7-14	\$670,000	22.84	\$29,335	C-2 Prescott Valley	Old farm property with improvements of no value. Highway frontage, water to site. Located on east side of Hwy 69 in Dewey at south end of Prescott Valley. Future corner location, signal along frontage. REO sale.
4	1-14	\$306,921	4.91	\$62,509	IL Prescott	Long narrow tract within Centerpointe East industrial park in Prescott. Purchased for development with warehouse building that is now complete. Finished lot. REO sale.
5	5-15	\$300,000	5.00	\$60,000	M-1 Prescott valley	Located in Santa Fe Industrial Park east of Fain Road in PV. Purchased for investment and outdoor storage. Paved road access, water, remains vacant.
Subj			2.398 104,460 2.00 87,120 usable		RCU-2A County	Freeway frontage, future commercial potential. No improved access, no well or septic system in place. Panhandle makes about 0.398 acre unusable.

LAND SALES MAP



Discussion of Sales

Two of the sales are from the Camp Verde area while the other three are from the Prescott and Prescott Valley markets. Each sale is discussed below.

Sale No. 1 is a flag lot located along the west side of Cherry Creek Road in Camp Verde, about 22 miles northeast of the subject. It is a 0.63 acre tract of land that has a flag shape to accommodate a long driveway. In April 2016 this tract sold for \$50,000, or \$79,365 per acre. The site was purchased by the adjacent owner thereby minimizing the impact of the narrow portion of the flag lot. The buyer will expand its industrial building onto this site.

Sale No. 2 is made up of two long narrow strips of land along the northeast side of Highway 260, just west of Interstate 17 in Camp Verde. This location is about 22 miles northeast of the subject. Both tracts are zoned for commercial use but were purchased for investment. In April 2015 these two properties, totaling 4.45 acres, sold for \$68,250 cash, which equates to \$15,367 per acre. Both sites front on the highway, and have secondary access to the rear of the property. Water is available but no sewer. Most of the site is below the grade of the highway.

Sale No. 3 is located along the east side of Highway 69 in Dewey, about 16 miles northwest of the subject. It is a 22.84 acre tract of land zoned for commercial use. It is improved with several old buildings of no value. In July 2014 this tract sold for \$670,000, cash, or \$29,335 per acre and \$0.67 per square foot. It was purchased as an investment and the seller was a bank selling this tract as REO property, taken back through foreclosure. Municipal water lines are available to the site but rights to the water not guaranteed per the broker.

Sale No. 4 is an industrial lot located at 2980 Centerpointe East Drive, 26 miles northwest of the subject property near the north end of Prescott. It is a 4.910 acre tract that sold in August 2014 for \$306,921, or \$1.44 per square foot. It is zoned LI and it had no improvements at the time of sale. The buyer built a large warehouse building on the property reportedly to be occupied by Federal Express. The fee simple estate sold for cash under normal conditions of sale.

Sale No. 5 is a 5.00 acre parcel of industrial land that is located east of Prescott Valley near the north end of Santa Fe Loop, about sixteen miles northwest of the subject. It sold in May 2015 for \$300,000, which calculates to \$60,000 per acre and \$1.38 per square foot. It is zoned M-1, light industrial, by Prescott Valley and the buyer is now using the site for outdoor storage. The fee simple estate sold with seller financing that was not disclosed but is assumed to be cash equivalent. The site has municipal water to it but no sewer. Buildings in this area appear to utilize septic systems for sewer disposal.

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.

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 involved cash or terms considered equivalent to cash. 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.

Conditions of Sale

Three of the five sales appear to have occurred under normal conditions of sale and no adjustment for conditions of sale is necessary. Sales No. 3 and 4 were each REO sales, with financial institutions as the seller, having taken back these properties as a result of a failed loan. In some cases institutions sell these types of properties at a discount in order to get them off of their books. In such a case an adjustment may be necessary to more closely reflect market value. In the case of Sale No. 4, the sale price was reported to reflect market value and no adjustment is needed. In the case of Sale No. 3, however, the selling broker reported that the price was discounted for this purpose. Therefore, Sale No. 3 is adjusted upward to reflect this.

Market Conditions

The five sales occurred between January 2014 and April 2016. The brokers interviewed during the confirmation process reported an erratic but relatively flat trend. As a result, no adjustment is applied for changes in market conditions.



Location

The subject is located along the east side of I-17, near the newly completed freeway interchange. It has visibility from the freeway but lengthy access from it. Sales No. 1 and 2 are located west of I-17 in Camp Verde, more than 20 miles to the north but the nearest freeway interchange that is similar to the subject. This location is considered superior to the subject due to a larger surrounding community which has allowed a stronger commercial area to develop. Conversely, Sale No. 2 is located away from the freeway, which is inferior to the subject. Overall these locations are considered superior to the subject and a downward adjustment is made to each .

Sale No. 3 is located along Highway 69 in Dewey, at the very south end of the incorporated area of Prescott Valley. It is predominantly a rural area with some commercial uses developed along the highway. It is a future corner parcel, and is slightly below grade of the highway. Considering all of these factors, this location is considered superior to the subject and a downward adjustment is estimated.

Sale No. 4 is located within the Centrepointe East business park in northern Prescott. As such it does not have nearly the volume of drive-by traffic but it does offer an environment focused on commerce. Compared to the subject freeway interchange location, this location is considered inferior and an upward adjustment is warranted.

Sale No. 5 is located in an industrial park in a rural fringe area of Prescott Valley. Its location is on a dead-end street and has industrial surrounding uses. The location of Sale No. 5 is considered inferior to the subject location due to its fringe location and an upward adjustment is indicated.

Zoning

The subject is zoned RCU-2A by Yavapai County, with potential to be rezoned to commercial use. All of the sales are zoned for either commercial or industrial use and a small downward adjustment is made in each case.

Physical Features

A variety of physical characteristics can impact property value for this type of rural future commercial site. The factors that require discussion in this case include size, shape, topography, and availability of utilities. Each is discussed as follows. It is noted that other physical factors have been considered such as topography, access, flood plain issues, shape, soils, etc. However, after analysis of the data and discussions with market participants who are knowledgeable in this area, no other adjustments are warranted.

Size

The subject parcel is 2.398 gross acres of which 2.00 acres are considered usable. Sale No. 1 is smaller than the subject, while Sales No. 2, 4 and 5 are just over double this size. Sale No. 3 is more than ten times the size of the subject. A downward adjustment is made to Sale No. 1 since larger tracts tend to sell for a lower unit price than do otherwise comparable smaller tracts. Upward adjustments are made to the other sales for the same reasoning.

Shape

The subject parcel has an irregular shape due to its panhandle created for access. However, when considering only the usable area of 2.00 acres, its shape is not really considered an issue other than an increased cost of constructing a driveway. The shape of each of the sales is considered normal. Given the slightly negative impact of the long driveway of the subject a small downward adjustment is made to all five sales.

Topography

the subject has fairly typical topographic conditions for the area. This is similar to Sales No. 1, 3, 4 and 5 and no adjustment is made. Sale No. 2 is rolling and is below grade of the highway over the southern portion, greatly reducing its visibility from the highway. This is considered inferior to the subject and a large upward adjustment is made.

Site Improvements

The subject has power and phone but now water or sewer service. Further, there are no plans to bring water or sewer to this area and it has been reported that the area has difficulty percolating due to rocky soil and water levels are at a depth of at least 500 feet. All of the sales have power and phone, and water available and Sale No. 4 also has sewer service. Downward adjustment is made to each of the sales for these factors.

No other adjustments are made. 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		\$79,365	\$15,337	\$29,335	\$62,509	\$60,000
Property rights Transferred	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Terms of Sale	Cash	Cash	Cash	Cash	Cash	Assumed Cash Equiv.
Conditions of Sale	Arm's Length	Arm's Length	Arm's Length	REO Sale +25%	REO Sale Arm's Length	Arm's Length
Adjusted Price per Acre		\$79,365	\$15,337	\$36,669	\$62,509	\$60,000
Date of Sale Market Conditions	8-16 Flat	4-16 -0-	4-15 -0-	7-14 -0-	1-14 -0-	5-15 -0-
Location	Fwy intchange in Rural Area	Cherry Creek Rd Camp Verde Superior -5%	Just west of Hwy 260/I-17 Intchange in Camp Verde -5%	Hwy 69 Dewey Superior -10%	CentrePt Bus Park Inferior +5%	Santa Fe Loop Inferior +5%
Zoning	RCU-2A Possible C-2	C-3 -5%	C-2/C-3 -5%	C-2 -5%	IL -5%	M-2 -5%
Physical Features						
Size	2.00 ac.	0.63 ac. -15%	4.45 ac. +10%	22.84 Ac. +30%	4.91 ac. +10%	5.00 ac. +10%
Shape	Irregular	Superior -5%	Superior -5%	Superior -5%	Superior -5%	Superior -5%
Site Improvements	Power, Phone	Power, phone, water -20%	Power, phone, water -20%	Power, phone, water -20%	Finished lot Superior -30%	Power, phone, water -20%
Topography	Normal	Similar -0-	Inferior +25%	Similar -0-	Similar -0-	Similar -0-
Non-Realty Items	None	Similar	Similar	Similar	Similar	Similar
Combined Adj. for Loc. and Physical Factors		-45%	-0-	-10%	-20%	-15%
Indicated Value of Subj.		\$43,650	\$15,337	\$33,002	\$50,007	\$51,000

Conclusion Of Value

The adjusted sales indicate a range of value between \$15,337 and \$51,000 per acre. Considering the limited number of land sales in a community of this size, the data set is fairly reasonable. Excluding the indication of Sale No. 2 tightens the range considerably to between \$33,002 and \$51,000 per acre. As such, this indication is considered an outlier and not given any real weight in the final value conclusion.

Sale No. 1 is the 0.63 acre tract near the county complex in Camp Verde. It is much smaller than the subject and has a different potential use, but given the lack of sales available, it is considered a generally reliable indicator after adjustment.

Sale No. 3 is the 22.84 acre parcel in Dewey. Although it required a large adjustment for conditions of sale and another for size, other adjustments were cumulatively not very large. Overall it is considered a very strong indicator of value.

Sales No. 4 and 5 are the industrial zoned tracts from near Prescott/Prescott Valley. Sale No. 5 is very current, from May 2015, and both are generally similar to the subject in ways other than size. Sale No. 5 is considered one of the stronger indicators of value.

Of the five sales, Sale No. 3 and 5 are considered the strongest indicators of value, followed by Sales No. 2 and 4. Based upon the adjustments made and the relative comparability of each of the sales, the final concluded unit value of the subject is \$45,000 per acre. Applying this to the net usable site area site area of 2.00 acres leads to a total value of \$90,000.



ADOT CERTIFICATION OF APPRAISER

Project Number: M513901X

Parcel Number: L-P-036

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 some of the comparable sales 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 August 24, 2016, is \$90,000, 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 12, 2016

Signature: _____




USPAP 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.
- 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.

[REDACTED]

[REDACTED]

[REDACTED]

ADDENDA

EXHIBIT 1

Assumptions and Limiting Conditions

EXHIBIT 2

Appraiser's Qualifications

EXHIBIT 3

ADOT Purchase Order for Assignment

EXHIBIT 4

Appraiser License

EXHIBIT 5

Subject Property Title Report

EXHIBIT 6

Zoning Map and Zoning Description

EXHIBIT 7

Flood Plain Map

EXHIBIT 8

Subject Property Legal Description

EXHIBIT 9

Photographs of Subject

EXHIBIT 10

Market Data Sheets for Land Sales

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

[REDACTED]

Formal Education:

[REDACTED]

Professional Education:

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

[REDACTED]

Professional Affiliations:

[REDACTED]

[REDACTED]

Real Estate and Appraisal Experience:

[REDACTED]

Real Estate and Appraisal Experience, Continued:



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



Seller Seller Administrator

NIGP Code Browse | My Account | Customer Service | About

August 20, 2016 8:54:22 AM MST



- Home
- POs
- Bids
- Contracts
- Quotes

Release Purchase Order [REDACTED]

- General
- Items
- Attachments(2)
- Notes
- Change Orders
- Subcontractors
- Summary

Header Information

Purchase Order Number:	[REDACTED]	Release Number:	27	Short Description:	L-P-036/M519301X/EXCESS LAND APPRAISAL
Status:	3PS - Sent	Purchaser:	STEVE TROXEL	Receipt Method:	Quantity
Fiscal Year:	2017	PO Type:	Release	Minor Status:	
Department:	DT4ROW - RIGHT OF WAY	Location:	T4945 - RIGHT OF WAY	Type Code:	
Alternate ID:	PO0000144115	Entered Date:	08/12/2016 01:30:15 PM	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:	\$2,950.00
Ship-to Address:	CARRIE DROST ARIZONA DEPARTMENT OF TRANSPORTATION 205 S 17TH AVE MD 612E RM 331 PHOENIX, AZ 85007-3212 US Email: CMCCCLURE@AZDOT.GOV Phone: (602)712-7912	Bill-to Address:	CARRIE DROST ARIZONA DEPARTMENT OF TRANSPORTATION 205 S 17TH AVE MD 612E RM 331 PHOENIX, AZ 85007-3212 US Email: CMCCCLURE@AZDOT.GOV Phone: (602)712-7912		

Attachments

Agency Files: [Purchase Order Terms and Conditions, Waytne Harding Excess Land Parcel L-P-036.pdf](#)

Agency Forms:

Vendor Files:

Vendor Forms:

PO Terms

Preferred Delivery Method: Email

Remit-to Address: [REDACTED] **Payment Terms:** Net 30 **Shipping Method:** Best Way

[Redacted]

Shipping Terms:

F.O.B., Destination

Freight Terms:

Freight Prepaid

PO Mailing Address:

[Redacted]

Payments

There are no payments.

Item Information

Item #	Print Sequence	Blanket /Contract # /Line #	Item Description								Total Cost
			Quantity	Minimum Order Quantity	Catalog Price/ Unit Cost	Net Unit Cost	UOM	Total Discount Amt.	Tax Rate	Tax Amount	
1	1.0	[Redacted]	(946 - 15) Complete an Appraisal in accordance with the Scope of Work provided in the Bid Request dated August 2, 2016. Parcel: ... View Detail								\$2,950.00
			2,950.0	0.0	\$1.00	\$1.00	EA - Each	\$0.00		\$0.00	

Exit

Print

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EXHIBIT 4

Appraiser License

STATE OF ARIZONA
BOARD OF APPRAISAL

BE IT KNOWN THAT

[REDACTED]

HAS MET ALL THE REQUIREMENTS AS A
Certified General Real Estate Appraiser

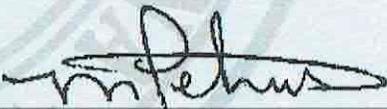
In accordance with Arizona Revised Statutes and on authority of the Board of Appraisal, State of Arizona.

This registration shall remain evidence thereof unless or until the same is suspended, revoked or expires in accordance with provisions of law.

CERTIFICATE NUMBER

EXPIRATION DATE

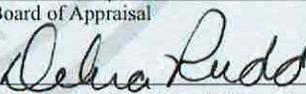
In witness whereof the Arizona Board of Appraisal caused to be signed by the Chair of the Board and the Executive Director



Chair, Board of Appraisal

11-19-2014

Date Issued



Executive Director of the Board of Appraisal

11-19-2014

Date Issued

SHALL REMAIN PROPERTY OF ARIZONA BOARD OF APPRAISAL

EXHIBIT 5

Subject Property Title Report

ARIZONA DEPARTMENT OF TRANSPORTATION
RIGHT OF WAY GROUP
RIGHT OF WAY DISPOSAL REPORT

The undersigned has examined vestings described in SCHEDULE A-1 and the Fee owner is:

The State of Arizona, by and through its Department of Transportation

Address: 205 S 17th Ave, Mail Drop 612E, Phoenix, AZ 85007

By virtue of that certain: See attached Right of Way Vesting and Resolutions Section.

Upon compliance with REQUIREMENTS herein, satisfactory title will vest in proposed buyer(s).

SCHEDULE A-1

SEE ATTACHED EXHIBIT "A"

REMARKS: See Requirements Attached. Schedule B Items not considered. ADOT records considered.

Date of Search: October 9, 2014

Examiner: [REDACTED]

Reviewer: [REDACTED]

Update to:

Examiner:

Reviewer:

Update to:

Examiner:

Reviewer:

Update to:

Examiner:

Reviewer:

County: Yavapai

Assr. No.: 500-05-029, 030, 031, 032

Disposal: N/A

Tracs No.: 017YV262H426901R

Highway: PHOENIX - CORDES JUNCTION Excess Land: L-P-036

Fed. No.: I-17-2-805

Section: Cordes Junction T.I.

Parcel No.: 13-1101

13-1102

13-1103

13-1104

Not a part of this request

ARIZONA DEPARTMENT OF TRANSPORTATION
RIGHT OF WAY GROUP
RIGHT OF WAY DISPOSAL REPORT

The undersigned has examined vestings described in **SCHEDULE A-1** and the Fee owner is:

The State of Arizona, by and through its Department of Transportation

Address: 205 S 17th Ave, Mail Drop 612E, Phoenix, AZ 85007

By virtue of that certain: See attached Right of Way Vesting and Resolutions Section.

Upon compliance with REQUIREMENTS herein, satisfactory title will vest in proposed buyer(s).

SCHEDULE A-1

SEE ATTACHED EXHIBIT "A"

REMARKS: See Requirements Attached. Schedule B Items not considered. ADOT records considered.
AMENDMENT - on 11/11/14 Amended to correct Lot number in No. 4 Vesting on next page. S.L.H.

Date of Search: October 9, 2014	Examiner: [REDACTED]	Reviewer: [REDACTED]
Update to:	Examiner:	Reviewer:
Update to:	Examiner:	Reviewer:
Update to:	Examiner:	Reviewer:

County: Yavapai	Assr. No.: 500-05-029, 030, 031, 032	Disposal: N/A
Tracs No.: 017YV262H426901R	Highway: PHOENIX - CORDES JUNCTION	Excess Land: L-P-036
Fed. No.: I-17-2-805	Section: Cordes Junction T.I.	Parcel No.: 13-1101 13-1102 13-1103 13-1104

AMENDMENT

EXHIBIT A RIGHT OF WAY VESTINGS

1. Warranty Deed from Maxine Willis, a widow to The State of Arizona, by and through its Department of Transportation dated July 16, 2003, recorded November 12, 2003 in Docket 4093, page 37, described as: Lot 31 in Section 14. Project: I-17-2-805/017YV262H426901R. (Parcel 13-1102)
Note: Repurchase rights do not apply, as option was not chosen.
2. Warranty Deed from Roy Ohlinger, a married man as his sole and separate property to The State of Arizona, by and through its Department of Transportation dated February 26, 2009, recorded May 8, 2009 in Docket 4667, page 2, described as: Lot 32 in Section 14. Project: I-17-2-805/017YV262H426901R. (Parcel 13-1101)
Note: Repurchase rights DO apply, as option WAS chosen.
3. Final Order of Condemnation, in Civil Case No. CV2005-0050, Yavapai County Superior Court, entitled State of Arizona, ex rel., Director, Department of Transportation, Plaintiff, vs William Price Revocable Trust, Defendant, dated October 13, 2009, recorded October 26, 2009 in Docket 4703, page 23, described as: Lot 30 in Section 14, Project I-17-2-805, 017 YV 262 H4269 01R. (Parcel 13-1103)
Note: Repurchase rights do not apply, as taking was a condemnation.
4. Warranty Deed from Dorothy A. Rouse, a widow to The State of Arizona, by and through its Department of Transportation dated November 4, 2009, recorded December 21, 2009 in Docket 4714, page 75, described as: Lot 29 in Section 14. Project: I-17-2-805/017YV262H426901R. (Parcel 13-1104)
Note: Repurchase rights do not apply, as option was not chosen.

END OF RIGHT OF WAY VESTINGS

RESOLUTIONS

- I. Resolution No. 2003-04-A-019, by the Arizona Department of Transportation, dated April 18, 2003 and recorded April 25, 2003 in Book 4025, page 278, for the establishment and Acquisition of additional right of way for the improvement of a portion of Interstate Route 17; Project I-17-2-805/ 017YV262H426901R.
- II. Resolution # 2008-04-A-015 by the Arizona State Transportation Board dated April 18, 2008, recorded April 29, 2008, in Docket 4590, page 767 for acquisition and establishment as a controlled access State Route.
- III. Resolution # 2008-12-A-067 by the Arizona State Transportation Board dated December 19, 2008, recorded December 30, 2008, in Docket 4640, page 548. Amends Resolution 2008-04-A-015 due to design change to modify the area to be acquired.
- IV. Resolution # 2009-04-A-024 by the Arizona State Transportation Board dated April 17, 2009, recorded April 27, 2009, in Docket 4664, page 274. Amends Resolution 2008-12-A-067 due to design change to add to the area to be acquired.
- V. Resolution # 2010-03-A-024 by the Arizona State Transportation Board dated March 19, 2010, recorded April 1, 2010, in Docket 4732, page 374 for acquisition and establishment as a controlled access State Route and State Highway.
- VI. Resolution # 2011-02-A-012 by the Arizona State Transportation Board dated February 18, 2011, recorded March 14, 2011, in Docket 4800, page 205. Amends Resolution 2010-03-A-024 due to design change to modify the area to be established.

END OF RESOLUTIONS

REQUIREMENTS

1. Provide the names of all the heirs and devisees of the estate of Roy E. Ohlinger, deceased.
(Necessary for the completion of Requirement No. 2.)
2. Record Waiver of Right of First Refusal by the heirs and devisees of the estate of Roy E. Ohlinger, deceased, due to the choice of the option to repurchase on the Warranty Deed dated February 26, 2009, recorded May 8, 2009 in Docket 4667, page 2. (Parcel 13-1101)
3. Record Deed from the State of Arizona, by and through its Department of Transportation to the proposed buyer(s).
Note: Repurchase rights do not apply to the properties other than Parcel 13-1101 as noted above.

END OF REQUIREMENTS

EXHIBIT 6

Zoning Map and Zoning Description

SECTION 410 R1L DISTRICT

R1L DISTRICT (Residential; Single Family Limited to site built structures only) Permitted Uses:

Where no Zoning/Density District has been combined, then all provisions of Density District 10 shall prevail. (See Section 516 (Density Districts), most common ones shown in attached chart.)

- A. Dwelling unit (site built) for one (1) family on any one (1) lot.
- B. Religious institutions (in permanent site built buildings) upon Conditional Use Permit approval.
- C. Educational institutions (publicly funded) as defined in Section 301 (Definitions) (in site-built buildings), except that a charter school may not operate in a single-family residence that is located on property of less than an acre.
- D. Community parks, playgrounds or centers when part of a community plan.
- E. Public utility facilities (but not business offices nor repair or storage facilities) when necessary for serving the surrounding territory on one (1) acre or less following Administrative Review with Comment Period.
- F. When in conjunction with an approved development plan, golf courses with accessory uses such as pro shops, shelters, restrooms, etc. (but not commercial driving ranges or miniature putting courses). Subject to the performance standards set out in Section 534 (Golf Course Standards).
- G. Accessory uses and structures (concurrent with and located on the same lot with the principal uses and structures and including the following):
 - 1. Farm animals on lots of no less than seventy thousand (70,000) square feet for the convenience and pleasure of the lot occupants, not to exceed the number allowed as per the Allowed Animal Chart (Section 501 E.) except swine shall not exceed five (5) total per parcel. Stables, barns, or structures for sheltering or feeding animals must observe the same setbacks or yards as the dwelling unit.
 - 2. Swimming pools in other than the front yard primary use setback area.
 - 3. Quarters for servants and/or non-paying guests attached to the dwelling (facilities for preparation of food are prohibited).
 - 4. Temporary construction offices and construction sheds and yards incidental to a recorded subdivision development or other on-site construction project for a period not exceeding twenty-four (24) months from date of plat recordation or date of issuance of construction project permit with no permits (other than electrical permits) required to install same (prohibited closer to lot boundary than is allowed for a principal building in the District).
 - 5. Open land carnival and recreation facilities accessory to educational institutions (confined to same lot).
 - 6. Temporary on-site sales (real estate) facility only as defined in Section 301 (Definitions) in compliance with the regulations and performance standards outlined under Section 570 (Real Estate Offices - Temporary).
 - 7. Household pets.
 - 8. Fences and free-standing walls.

YAVAPAI COUNTY PLANNING AND ZONING ORDINANCE

- 9. Parking facilities to meet no less than the minimum requirements as provided under Section 602 (Parking and Off-Street Loading).
- 10. Solar installations and wind turbines for on-site use only (including NET METERING as adopted by the Arizona Corporation Commission) in all zoning districts. Solar proposals that exceed the district building height limitations above average natural grade and principal setback requirements are subject to Administrative Review with Comment Period per Section 504 (Administrative Review with Comment Period) in all zoning districts. Wind turbine installations are subject to Administrative Review with Comment Period per Section 504 (Administrative Review with Comment Period) in all zoning districts.
- H. Occupancy of temporary housing, including travel trailers, recreational vehicles, park models and single-wide manufactured homes during the construction of a permanent dwelling is allowed during the twenty-four (24) month period after the issuance of a building permit (and the building permit remains valid). A permit must be obtained prior to occupancy of the temporary housing. One (1) extension of time for use of a recreational vehicle, travel trailer, park model or single-wide manufactured home as temporary housing may be granted at the discretion of the Development Services Director for a period not to exceed twelve (12) months. Further extensions will require a Use Permit.
- I. Bed & Breakfast Homestays as defined under Section 301 (Definitions), subject to performance standards set out in Section 507 (Bed and Breakfasts) for Homestays with Administrative Review with Comment Period.
- J. Detached guest homes as defined under Section 301 (Definitions), subject to the performance standards set out in Section 537 (Guest Home - Detached): with a minimum parcel size of seventy thousand (70,000) square feet.
- K. Home Occupations as defined under Section 301 (Definitions), subject to approval by the Development Services Director; home occupation shall comply with the regulations and standards set out in Section 543 (Home Occupation).
- L. Secondary Medical Dwelling Variance for medical hardships as defined under Section 301 (Definitions), subject to performance criteria found in Section 525 (Dwelling – Secondary Medical) and dwelling unit to conform to applicable zoning district performance criteria.

Zoning/Density Regulations (in feet unless otherwise noted)

Dist.	Min Lot Size in Sq. Ft. per dwelling	Min Lot Width and Depth	Min Yard Setbacks Min Building Spacing is 10 Feet all classes				Max Building Height Stories / feet		Max Lot Coverage Percent
			Front	Rear	Interior	Exterior			
7.5	7,500	75	20	25	7	10	2	30	50
10	10,000	80	20	25	7	10	2	30	40
12	12,000	90	20	25	7	10	2	30	40
18	18,000	100	30	30	10	15	2	30	25
25	25,000	130	30	30	10	15	2	30	20
35	35,000	145	40	40	20	20	2	30	15
70	70,000	200	50	50	25	30	2	30	15
2A	87,120	225	50	50	25	30	2	30	10
175	175,000	300	50	50	30	50	2	30	10
5A	217,800	325	50	50	40	50	2	30	10
10A	435,600	500	50	50	50	50	2	30	5
36A	1,568,160	500	50	50	50	50	2	30	5

SECTION 411 RMM DISTRICT

RMM (Residential; Single Family; site built, factory built and Multi-Sectional Manufactured Homes, no single-wide manufactured homes) Permitted Uses:

Where no Zoning/Density District has been combined, then all provisions of Density District 10 shall prevail. (See Section 516 (Density Districts), most common ones shown in attached chart.)

- A. All principal and accessory uses and structures permitted in the R1L Zoning District.
- B. Multi-Sectional Manufactured Homes, as defined under Section 301 (Definitions). To be permitted, Multi-Sectional Manufactured Homes must conform to all provisions set out in Section 301 (Definitions) and Section 552 (Manufactured Housing/Multi-Sectional Manufactured Housing Standards).
- C. Factory Built dwelling as defined under Section 301 (Definitions).
- D. Steel storage containers to meet the minimum requirements as provided under Section 564 (Outside Storage).
- E. Educational institutions (publicly funded) as defined in Section 301 (Definitions) (in any permitted buildings), except that a charter school may not operate in a single-family residence that is located on property of less than an acre.
- F. Religious Institutions (in any permitted buildings) upon Conditional Use Permit approval.

Zoning/Density Regulations (in feet unless otherwise noted)

Dist.	Min Lot Size in Sq. Ft. per dwelling	Min Lot Width and Depth	Min Yard Setbacks Min Building Spacing is 10 Feet all classes				Max Building Height Stories / feet		Max Lot Coverage Percent
			Front	Rear	Interior	Exterior			
7.5	7,500	75	20	25	7	10	2	30	50
10	10,000	80	20	25	7	10	2	30	40
12	12,000	90	20	25	7	10	2	30	40
18	18,000	100	30	30	10	15	2	30	25
25	25,000	130	30	30	10	15	2	30	20
35	35,000	145	40	40	20	20	2	30	15
70	70,000	200	50	50	25	30	2	30	15
2A	87,120	225	50	50	25	30	2	30	10
175	175,000	300	50	50	30	50	2	30	10
5A	217,800	325	50	50	40	50	2	30	10
10A	435,600	500	50	50	50	50	2	30	5
36A	1,568,160	500	50	50	50	50	2	30	5

SECTION 412 R1 DISTRICT

R1 DISTRICT (Residential; Single Family; site built, multi-sectional and manufactured) Permitted Uses:

Where no Zoning/Density District has been combined, then all provisions of Density District 10 shall prevail. (See Section 516 (Density Districts), most common ones shown in attached chart.)

- A. All principal and accessory uses and structures permitted in the R1L and RMM Districts.
- B. Manufactured Homes and Park Models are permitted as a dwelling unit for a single family on an individual lot or parcel as set forth in Section 301 (Definitions) and subject to Section 552 (Manufactured Housing/Multi-Sectional Manufactured Housing Standards) or Section 565 (Park Model Standards).
- C. Additional accessory uses and structures (concurrent with and located on the same lot with the principal uses and structures and including the following):
 - 1. Roomers or boarders, not to exceed two (2) for any one (1) dwelling unit.
 - 2. Farm animals on lots of no less than thirty-five thousand (35,000) square feet for the convenience and pleasure of the lot occupants, not to exceed the number allowed as per the Allowed Animal Chart (Section 501 E.) except swine shall not exceed five (5) total per parcel. Stables, barns or structures for sheltering or feeding animals must observe the same setbacks or yards as the dwelling unit.

Zoning/Density Regulations (in feet unless otherwise noted)

Dist.	Min Lot Size in Sq. Ft. per dwelling	Min Lot Width and Depth	Min Yard Setbacks				Max Building Height Stories / feet		Max Lot Coverage Percent
			Min Building Spacing is 10 Feet all classes						
			Front	Rear	Interior	Exterior			
7.5	7,500	75	20	25	7	10	2	30	50
10	10,000	80	20	25	7	10	2	30	40
12	12,000	90	20	25	7	10	2	30	40
18	18,000	100	30	30	10	15	2	30	25
25	25,000	130	30	30	10	15	2	30	20
35	35,000	145	40	40	20	20	2	30	15
70	70,000	200	50	50	25	30	2	30	15
2A	87,120	225	50	50	25	30	2	30	10
175	175,000	300	50	50	30	50	2	30	10
5A	217,800	325	50	50	40	50	2	30	10
10A	435,600	500	50	50	50	50	2	30	5
36A	1,568,160	500	50	50	50	50	2	30	5

SECTION 413 RCU DISTRICT

RCU DISTRICT (Residential; Single-Family; Rural) Permitted Uses:

This RCU District is intended to provide a zoning classification for all areas of the County not presently characterized by urban uses. Notwithstanding any other provision of this Ordinance, including any density designation, no lot or parcel zoned RCU shall have a density less than two (2) acres.

- A. All Uses allowed in the R1L, RMM and R1 Districts.
- B. Temporary occupancy of one (1) recreational vehicle or travel trailer as defined in Section 301 (Definitions) and subject to Section 571 (RVs and Travel Trailers Temporary Camping).

Zoning/Density Regulations (in feet unless otherwise noted)

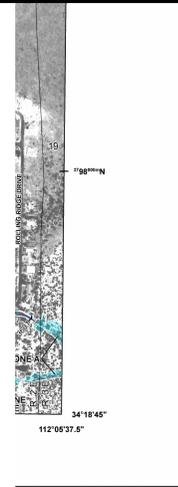
Dist.	Min Lot Size in Sq. Ft. per dwelling	Min Lot Width and Depth	Min Yard Setbacks Min Building Spacing is 10 Feet all classes				Max Building Height Stories / feet		Max Lot Coverage Percent
			Front	Rear	Interior	Exterior			
2A	87,120	225	50	50	25	30	2	30	10
175	175,000	300	50	50	30	50	2	30	10
5A	217,800	325	50	50	40	50	2	30	10
10A	435,600	500	50	50	50	50	2	30	5
36A	1,568,160	500	50	50	50	50	2	30	5

EXHIBIT 8

Excess Land Exhibit Sheet



NATIONAL FLOOD INSURANCE PROGRAM FLOOD INSURANCE RATE MAP



NATIONAL FLOOD INSURANCE PROGRAM
FLOOD INSURANCE RATE MAP

PAI COUNTY,
DNA
Unpopulated Areas
2878 of 3900



FEMA

UNITY	NUMBER	PANEL	SUFFIX
COUNTY	040093	2878	II

VERSION NUMBER
2.3.2.3

MAP NUMBER
04025C2878H

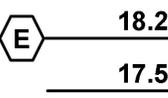
MAP REVISED
March 2, 2015

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

FLOOD HAZARD INFORMATION

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

THE INFORMATION DEPICTED ON THIS MAP AND SUPPORTING DOCUMENTATION ARE ALSO AVAILABLE IN DIGITAL FORMAT AT [HTTP://MSC.FEMA.GOV](http://MSC.FEMA.GOV)

SPECIAL FLOOD HAZARD AREAS		Without Base Flood Elevation (BFE) <i>Zone A, V, A99</i>
		With BFE or Depth <i>Zone AE, AO, AH, VE, AR</i>
		Regulatory Floodway
OTHER AREAS OF FLOOD HAZARD		0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile <i>Zone X</i>
		Future Conditions 1% Annual Chance Flood Hazard <i>Zone X</i>
		Area with Reduced Flood Risk due to Levee See Notes <i>Zone X</i>
OTHER AREAS	NO SCREEN	Areas of Minimal Flood Hazard <i>Zone X</i>
		Area of Undetermined Flood Hazard <i>Zone D</i>
GENERAL STRUCTURES	-----	Channel, Culvert or Storm Sewer
	=====	Accredited or Provisionally Accredited Levee, Dike or Floodwall
		Non-accredited Levee, Dike or Floodwall
		Cross Sections with 1% Annual Chance Water Surface Elevation (BFE)
		Coastal Transect
	-----	Coastal Transect Baseline

NOTE

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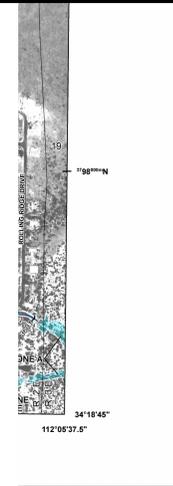
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NATIONAL FLOOD INSURANCE PROGRAM

FLOOD INSURANCE RATE MAP



NATIONAL FLOOD INSURANCE PROGRAM
FLOOD INSURANCE RATE MAP

PAI COUNTY,
DNA
Unpopulated Areas
2878 of 3900



Contains:
UNITY NUMBER PANEL SUFFIX
COUNTY 040093 2878 II

VERSION NUMBER
2.3.2.3
MAP NUMBER
04025C2878H
MAP REVISED
March 2, 2015

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EXHIBIT 7

Flood Plain Map and Cover Page

EXHIBIT "A"

That portion of Lot 29, Lot 30, and Lot 31 of Section 14, Township 11 North, Range 2 East, Gila and Salt River Meridian, Yavapai County, Arizona, described as follows:

Commencing at a 3 inch BLM cap marking the East quarter corner of said Section 14, being South 88°46'29" East 2643.15 feet from a 3 inch BLM cap marking the center quarter corner of said Section 14;

thence along the East – West midsection line of said Section 14, North 88°46'29" West 1181.75 feet to the existing easterly right of way line of South Cross L Road;

thence along said existing easterly right of way line of South Cross L Road North 01°13'31" East 33.00 feet;

thence continuing along said existing easterly right of way line North 64°49'41" West 99.96 feet;

thence continuing along said existing easterly right of way line North 03°41'14" East 349.86 feet;

thence continuing along said existing easterly right of way line North 02°46'33" West 219.04 feet;

thence North 88°49'06" West 60.02 feet to the easterly line of said Lot 29;

thence North 88°51'54" West 75.00 feet to the POINT OF BEGINNING on the existing westerly right of way line of said South Cross L Road;

thence continuing along said existing westerly right of way line of South Cross L Road South 06°00'48" West 192.51 feet;

thence along said existing westerly right of way line of said South Cross L Road South 14°25'16" West 242.73 feet to the existing northerly right of way line of Arcosanti Road;

thence along said existing northerly right of way line of Arcosanti Road South 80°15'18" West 54.91 feet;

thence continuing along said existing northerly right of way line of Arcosanti Road North 72°41'18" West 415.64 feet to the existing easterly right of way line of Interstate Highway 17 (PHOENIX – CORDES JUNCTION HIGHWAY);

(continued)

PAGE 1

thence along said existing easterly right of way line of Interstate Highway 17 North 01°20'50" East 131.07 feet to the North line of said Lot 30;

thence along said North line of Lot 30 South 88°50'06" East 457.03 feet to the existing westerly right of way line of an ingress/egress corridor that was purchased for the benefit of said Lot 30;

thence along said existing westerly right of way line of the ingress/egress corridor North 14°25'16" East 18.14 feet;

thence continuing along said existing westerly right of way line of the ingress/egress corridor North 05°32'34" East 174.65 feet to the South line of the North 33.00 feet of said Lot 29;

thence along said South line South 88°51'54" East 50.15 feet to the POINT OF BEGINNING.

104,460 square feet, more or less.

There shall be no right or easement of access to said Interstate Highway 17, to said Arcosanti Road, or to said South Cross L Road.

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.

PAGE 2

PROJECT: 017 YV 262 H4269

LOCATION: Cordes Jet. TI

PARCEL: L-P-036A

I-17-2-805

cg 07-08-20164

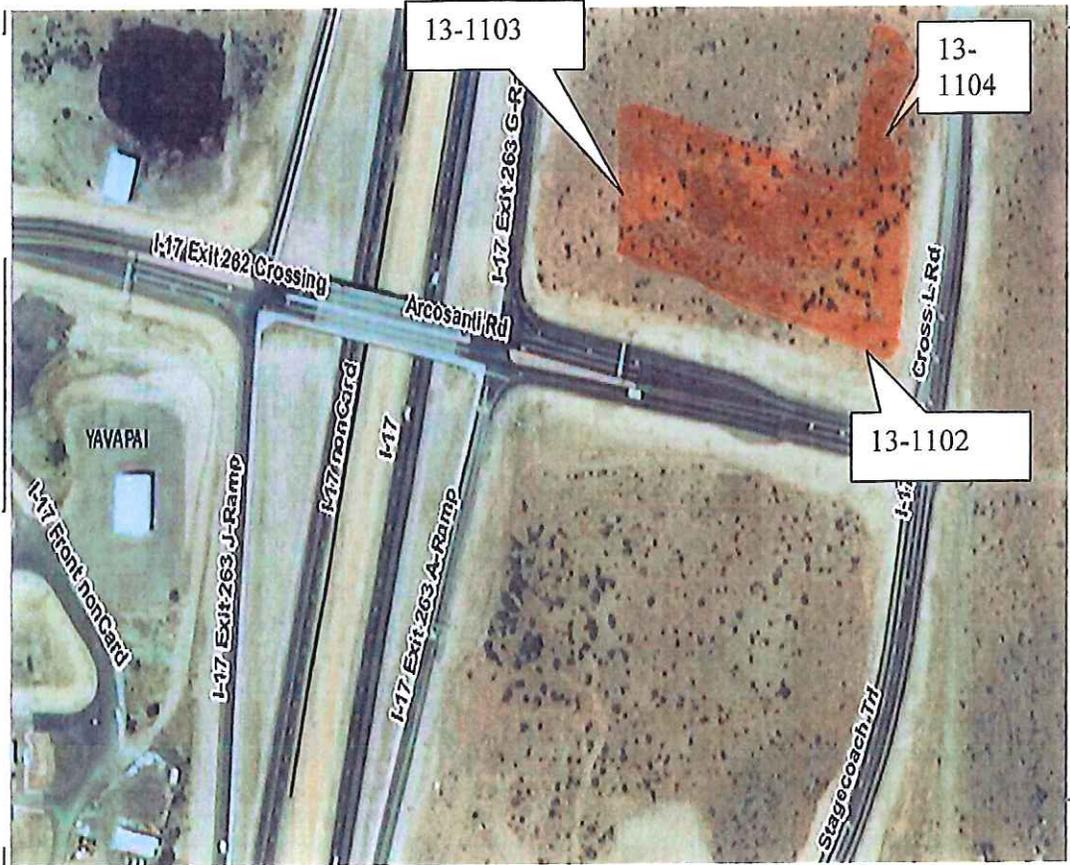


EXHIBIT 9

Photographs of Subject



Looking east over center of property.



Looking south on Cross L Road with subject at right.





Looking south over panhandle from north end.



Looking north up Cross L Road frontage with subject at left.





View to south along west border of property.



View to west from property toward freeway.



Looking east over the main usable portion of the property.



Looking northeast over middle of property.





Looking north along west border.



Looking west along Arcosanti Road frontage.





View to north from SE corner of property.



Looking southeast at the intersection at SE corner of property.



EXHIBIT 10

Market Data Sheets for Land Sales

LAND SALE NO. 1

PROPERTY TYPE: Vacant land

ADDRESS: 3826 Cherry Creek Road Camp Verde, AZ

LEGAL DESCRIPTION: Lengthy; flag lot

ASSESSOR NO.: 403-23-155E

GRANTOR: Arizona Energy Industries, LLC

GRANTEE: Packaging LLC

DOCUMENT NO.: 22028

DOCUMENT TYPE: Warranty Deed

DATE OF SALE: May 2016

RECORD DATE: May 9, 2016

SALE PRICE: \$50,000

FINANCING: Cash

UNIT PRICE: \$79,365 per acre

PROPERTY RIGHTS CONVEYED: Fee Simple

CONDITIONS OF SALE: Arm's Length Transaction

VERIFICATION: Inspection, county records, affidavit of value

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

SITE DATA:

Shape/Dimensions: Irregular; flag lot

Area: 0.63 acre, 27,443 square feet

Topography/Cover: Gently sloping, desert cover

Zoning: C-3, heavy commercial, Camp Verde

Frontage: Cherry Creek Road

Access: Cherry Creek Road

Utilities: Power and phone, city water but no sewer

Intended Use: Develop with RV and camper dealership

COMMENTS: Flag lot in commercial/industrial area near county court complex.

LAND SALE NO. 1



A. P. No. 403-23-155E



LAND SALE NO. 2

PROPERTY TYPE: Vacant land

ADDRESS: NEC Highway 260 and Wilshire Road Camp Verde, AZ

LEGAL DESCRIPTION: Lengthy

ASSESSOR NO.: 403-21-015H, -015J and -019B

GRANTOR: Henry M. Shill Trust

GRANTEE: Randon Lee Miller

DOCUMENT NO.: 2015-17078

DOCUMENT TYPE: Warranty Deed

DATE OF SALE: April 2015

RECORD DATE: April 17, 2015

SALE PRICE: \$68,250

FINANCING: Cash

UNIT PRICE: \$15,337 per acre

PROPERTY RIGHTS CONVEYED: Fee Simple

CONDITIONS OF SALE: Arm's Length Transaction

VERIFICATION: Inspection, county records, affidavit of value

PRIOR SALES: No prior sales known within last five years

SITE DATA:

Shape/Dimensions: 3 irregular tracts along NE side of Hwy 260

Area: 4.45 acres per assessor

Topography/Cover: Level to sloping, desert and dirt cover

Zoning: C-2/C-3, camp Verde

Frontage: Highway 260, Wilshire Road

Access: Wilshire Road

Utilities: Power and phone, water, no sewer

Intended Use: Hold for investment

COMMENTS: Three separate but nearby parcels of commercial land located along the northeast side of Highway 260 just west of I-17. Topography slopes down from highway but is visible from I-17.

LAND SALE NO. 2



A. P. No. 403-21-015H and -015J



LAND SALE NO. 3

PROPERTY TYPE: Commercial land

ADDRESS: 265 Highway 69 Dewey AZ 86327

LEGAL DESCRIPTION: Lengthy; four parcels

ASSESSOR NO.: 402-02-047, -048, -257D and -257E

GRANTOR: DHB Real Estate, LLC

GRANTEE: Jack & Linette Risner

DOCUMENT NO.: 2014-34134

DOCUMENT TYPE: Special Warranty Deed

DATE OF SALE: July 2014

RECORD DATE: July 30, 2014

SALE PRICE: \$670,000

FINANCING: Cash

UNIT PRICE: \$29,335 per acre
\$0.67 per square foot

PROPERTY RIGHTS CONVEYED: Fee Simple

CONDITIONS OF SALE: REO sale, distressed.

VERIFICATION: Inspection, county records, affidavit of value, Jack Fowler, Fowler Commercial Real Estate, listing broker (928-775-4227)

PRIOR SALES: The property previously sold on 10/3/2012 for \$1,288,000 likely as a foreclosure. No other prior sales known within the last five years

SITE DATA:

Shape/Dimensions: Irregular

Area: 22.84 acres

Topography/Cover: Level to gently sloping; farm land

Zoning: C-2, general commercial, Prescott Valley

Frontage: Highway 69

Access: Highway 69

Utilities: Power and phone; municipal water in street, sewer 1,000' away

Intended Use: Hold for investment

COMMENTS: Included several old building in poor condition and of no value. Buyer purchased for investment.

LAND SALE NO. 5

PROPERTY TYPE: Vacant Land with residential development potential

ADDRESS: 3425 West Route 66 Flagstaff, Arizona 86001

LEGAL DESCRIPTION: Lengthy

ASSESSOR NO.: 112-01-020 and 112-01-021

GRANTOR: Landmark Capital & Investment Company et al

GRANTEE: VP 66 & Woody Mountain LLC

DOCUMENT NO.: 3700792

DATE OF SALE: August 5, 2014

RECORD DATE: September 2, 2014

SALE PRICE: \$5,700,000

FINANCING: Cash to the seller

UNIT PRICE: \$28,934 per acre
\$0.66 per square foot

PROPERTY RIGHTS CONVEYED: Fee Simple

CONDITIONS OF SALE: Public auction of REO parcels. Arm's length transaction

VERIFICATION: Affidavit of Value, Inspection, county records, press reals by auction company, Mark Ortman, buyer (602-626-8992)

PRIOR SALES: None in prior three years per Realquest; Prior sale in 2009 for \$6,000,000 was trustees deed.

SITE DATA:

Shape/Dimensions: Irregular

Area: 197.00 acres per buyer and press release

Topography: Level to gently sloping

Zoning: G, general, county, RR, Flagstaff

Frontage: Route 66 and Woody Mountain Road

Access: Both frontages

Utilities: Power and phone, Flagstaff municipal water and sewer nearby

Intended Use: Hold for future residential development per buyer

COMMENTS: Large tract of pine forest and meadow land purchased at auction for investment and future residential and mixed use development. Excellent access, power and phone to site, municipal water and sewer nearby. Portion is in county and portion in Flagstaff.

LAND SALE NO. 4

PROPERTY TYPE: Industrial Land

ADDRESS: SWC of Enterprise Parkway and Superior Lane Prescott Valley, AZ

LEGAL DESCRIPTION: Lengthy

ASSESSOR NO.: 402-14-230W and 402-14-230X

GRANTOR: Fain Signature Group LLC

GRANTEE: Superior Industries, Inc.

DOCUMENT NO.: 2015-41697

DATE OF SALE: August 2015

RECORD DATE: August 31, 2015

SALE PRICE: \$757,144

FINANCING: All Cash

UNIT PRICE: \$97,070 per acre

PROPERTY RIGHTS CONVEYED: Fee Simple

CONDITIONS OF SALE: Arm's Length Transaction; purchased by adjacent owner

VERIFICATION: Ron Fain, listing broker and seller, (928-772-8810) affidavit of value, county records, inspection

PRIOR SALES: None known in prior five years per Realquest

SITE DATA:

Shape/Dimensions: Irregular

Area: 7.80 acres

Topography: Mainly level to rolling

Zoning: M-1, light industrial, Prescott Valley

Frontage: Enterprise Parkway and Superior Lane

Access: Enterprise Parkway and Superior Lane

Utilities: Power and phone, water, sewer, natural gas

Intended Use: Hold for near-term expansion of manufacturing plant.

COMMENTS: Buyer owns warehouse building on adjacent parcel to west. The buyer will hold the site for near-term expansion of adjacent warehouse parcel.

LAND SALE NO. 5



A. P. No. 402-14-060K

