

APPRAISAL COVER SHEET

TYPE OF APPRAISAL:	Disposition Market Value of the Fee Simple Interest
PARCEL NO.:	L-SW-006
OWNER'S NAME:	Arizona Highway Department Arizona Department of Transportation
LOCATION OF PROPERTY:	Between Old U.S. 80 and County 11 <sup>th</sup> Street, West of the Avenue 26E Alignment, Yuma County, Arizona
PROJECT NUMBER:	M697501X
HIGHWAY:	Old Highway 80
SECTION:	Wellton Maintenance Camp
DATE OF REPORT:	March 22, 2022
EFFECTIVE DATE OF VALUE:	February 1, 2022
APPRAISER:	Beverly Weissenborn, MAI Arizona Certified General Real Estate Appraiser #CGA-30125



March 22, 2022

Mr. Timothy F. O'Connell, Jr.  
Appraisal Section Supervisor  
Right of Way Project Management Section  
ADOT Mail Drop 612E  
1655 W. Jackson Street  
Phoenix, AZ 85007

RE: Appraisal Assignment No. TO-22-025  
Parcel No.: L-SW-006

Dear Mr. O'Connell:

At your request, I have developed an opinion of market value for the 3.88-acre parcel located on the north side of Old Highway 80, just west of the Avenue 26E alignment, in Yuma County, Arizona. The property is owned by the Arizona Department of Transportation and is slated for disposal. The effective date of the appraisal is February 1, 2022 and coincides with our most recent visit to the property.

The purpose of this appraisal was to develop an opinion of market value for the fee simple interest. Pursuant to Arizona Revised Statute 28-7091, the definition of market value 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 the 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."

The intended user of the appraisal is the State of Arizona Department of Transportation (ADOT). The intended use of the appraisal report is to utilize the opinion of value to assist in decisions regarding the disposition of the property.

The appraisal is intended to comply with:

- ADOT Department of Transportation Contract ID CTR054976;
- ADOT Right of Way Procedures Manual, Project Management Section, Chapters 3 and 4;
- Federal Highway Administration (FHWA) Uniform Act, 49 CFR Part 24;
- current edition of the *Uniform Standards of Professional Appraisal Practice (USPAP)*;
- the scope of work for this assignment.

Mr. Timothy F. O'Connell, Jr.  
March 22, 2022  
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Based upon the data, analysis and discussions contained in this report, it is my opinion that the market value of the subject property, as of the February 1, 2022 effective date of value, was:

**\$51,500**

**Extraordinary Assumptions:** None

**Hypothetical Conditions:** None

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

Thank you for this opportunity to be of service.



Beverly Weissenborn, MAI  
*Arizona Certified General*  
*Real Estate Appraiser #CGA-30125*

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### **Contingent and Limiting Conditions**

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

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

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

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

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

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

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

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

The Appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, potential flooding hazards, hydrology or structures which would render it more or

less valuable. The Appraiser assumes no responsibility for such conditions or for engineering which might be required to discover such factors. To the extent that published data from public agencies is available on the above, the Appraiser has made an effort to consult this information.

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

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

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

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

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

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

**Extraordinary Assumptions:** None

**Hypothetical Conditions:** None

**Summary of Salient Facts**

<b>Parcel:</b>	L-SW-006
<b>Larger Parcel:</b>	3.88-acre vacated highway maintenance camp.
<b>Property Location:</b>	North side of Old U.S. 80, just west of the Avenue 26E alignment, Yuma County, Arizona. The property is west of the incorporated Town of Wellton.
<b>Assessor Parcel No.:</b>	200-10-006
<b>Purpose of the Appraisal:</b>	To develop an opinion of market value of the fee simple interest.
<b>Intended Use:</b>	To utilize the opinion of value to assist in decisions regarding the disposition of the property.
<b>Client and Intended User:</b>	State of Arizona Department of Transportation (ADOT).
<b>Effective Date of Value:</b>	February 1, 2022
<b>Date of the Report:</b>	March 22, 2022
<b>Owner of Record:</b>	State of Arizona Department of Transportation (ADOT).
<b>Interest Appraised:</b>	Fee Simple.
<b>Scope of the Appraisal:</b>	<p>Work on the appraisal was not limited in scope and was intended to comply with the Statement of Work for this assignment, the ADOT Procedures Manual Project Management Section Chapters Three and Four, The Federal Highway Administration (FHWA) Uniform Act, 49CFR Part 24, and the current edition of the Uniform Standards of Professional Appraisal Practice (USPAP).</p> <p>Our findings are conveyed via a Real Property Appraisal Report per USPAP.</p>
<b>Site Description:</b>	<p><i>Size:</i> 3.88 acres</p> <p><i>Shape:</i> Generally rectangular.</p> <p><i>Topography:</i> Generally level.</p> <p><i>Access:</i> From Old U.S. 80 on the south and County 11<sup>th</sup> Street on the north.</p> <p><i>Vegetation:</i> The site has been cleared of most native vegetation</p> <p><i>Utilities:</i> Electric and telephone available. Monitoring well abandoned in 1997. Irrigation water available from Wellton-Mohawk Irrigation and</p>

Drainage District. to farm 3.5 acres. No sewer service. There may be an old non-compliant septic system on the property.

*Improvements:* Remnants remain of the prior use as an ADOT maintenance facility.

**Flood Hazard:** FEMA Panel No.: 04027C1615F dated January 16, 2014  
Zone X – Areas determined to be outside the 0.2% annual chance floodplain.

**Zoning:** Yuma County RA-40 – legal nonconforming.  
RA-40 is a rural holding category that provides for a broad range of agricultural, residential, accessory and supporting occupancies on a minimum lot size of 40 acres.

**Highest and Best Use:** Investment, based on the potential for conversion to agricultural production.

**Exposure Time:** 3 to 6 months

**Opinion of Value:** \$51,500

**Extraordinary Assumptions:** None

**Hypothetical Conditions:** None



## Valuation Process

An appraisal includes the development and reporting of an opinion of value that is based upon research and analysis of factors influencing real property values. When organized properly, the appraisal process runs through a series of steps that leads to a well-founded and soundly supported opinion of market value that is credible, reliable and accurate.

The Arizona Department of Transportation (ADOT) Project Management Section Right of Way Procedure Manual lays out the preferred process for the development and reporting of appraisals made for ADOT operations. This report is structured on those guidelines.

The first sections of this report cover factual data that define the appraisal problem. Those include *Property Identification - Larger Parcel*, the *Purpose of the Appraisal*, the *Scope of the Appraisal process*, *Neighborhood Data*, and *Subject Property Data and Description*. The second portion of the appraisal includes the analyses and conclusions on which the opinion of value is based. This follows logically through the appraisal process, beginning with the *Highest and Best Use* analysis, which is followed by the *Comparable Sales Overview*, and in turn by the *Valuation Analysis*.

The three traditional approaches to value are considered. Since the subject site is vacant, the only applicable approach to value is the Sales Comparison Approach. In the Sales Comparison Approach, recent sales of similar properties, known as "comparables," are analyzed and adjusted to the subject property. This approach best represents the actions of buyers and sellers in the market for this type of property.

## Property Identification – Larger Parcel

The subject property is a 3.88-acre parcel located on the north side of Old U.S. Highway 80, just west of the Avenue 26E alignment. County 11<sup>th</sup> Street forms the north property boundary.

## Legal Description

That portion of the West half of the Northeast quarter of the Northeast quarter of the Northeast quarter (W $\frac{1}{2}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ ) of Section 10, Township 9 South, Range 19 West, Gila and Salt River Meridian, Yuma County, Arizona, which lies northerly of the existing northerly right of way line of Old Highway 80 (YUMA-PHOENIX HIGHWAY), said existing northerly right of way line being 100.00 feet northerly of and parallel with the existing centerline of said Old Highway 80.

**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.

The **Larger Parcel** concept finds its foundation in condemnation appraisal, when an organization with condemnation authority acquires a partial interest in a property through an eminent domain action. It is useful for other types of partial acquisitions as well, such as road and utility rights of way, or for conservation easements.

According to the ADOT Right of Way Procedures Manual, the “larger parcel” may be all of one parcel, part of a parcel, or several parcels combined, depending on the following:

a. Unity of use: Unity of use is considered the most predominate test. This does not necessarily mean the existence or non-existence of a current unity of use, but rather unity of Highest and Best Use. Thus, even though a parcel may be under one ownership and contiguous, there may be more than one existing or economic use of the site. In this case there may be more than one “larger parcel” to be considered.

b. Unity of title/ownership: Acquisition of parts of a whole at different times does not destroy unity of title, nor, in some cases, does the fact that one parcel is owned by an individual and the second is owned by a corporation under the control of that individual.

Likewise, a fee interest in one parcel and a leasehold interest in an abutting parcel can operate as one larger parcel for the remaining term of the lease.

c. Contiguity: Although typically a prime factor in determination of the larger parcel, contiguity is also not always mandatory. For example, a site located several parcels away, which provides necessary overflow parking may be considered as part of a larger parcel. Another example would be the taking of a processing plant for items produced on a non-contiguous site.

In this case, disposition of the subject is a voluntary action and includes all interests in the property held by ADOT. Though ADOT controls other lands in this locale, most through linear rights of way, the subject is segregated from those in terms of configuration and highest and best use. The subject is not reliant on any other property, or property rights, in achieving its highest and best use.

Thus, the subject property, as described above, represents a single economic unit, or Larger Parcel.

### Yuma County Assessor Map



### Aerial Map of the Property



## **Purpose of the Appraisal**

The purpose of this appraisal is to develop an opinion of market value for the fee simple interest, subject to reservations and encumbrances as reported in the ADOT Disposal Report. Pursuant to Arizona Revised Statute 28-7091, the definition of market value 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 the 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.*

Fee Simple is defined in the Dictionary of Real Estate Appraisal, 7<sup>th</sup> Edition, published by the Appraisal Institute, 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.*

In addition to the fee simple estate, the interest appraised includes the rights to a 3.5-acre "water buy" from the Welton-Mohawk Irrigation and Drainage District. This entitles the property owner with the right to irrigate 3.5 acres of land within the boundaries of the subject property. These rights are tied to the land and not transferable.

Per the ADOT Procedure Manual:

*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. 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.*

## **Intended User**

The intended user of the appraisal is the State of Arizona Department of Transportation (ADOT).

## **Intended Use of the Appraisal**

The intended use of the appraisal report is to utilize the opinion of value to assist in decisions regarding the disposition of the property.

## **Owner Contact and Site Inspection Information:**

The property is owned by the Arizona Department of Transportation, which has commissioned Weissenborn Appraisal, LLC to perform this appraisal. Much communication between ADOT representatives has taken place throughout the appraisal process.

Beverly Weissenborn, MAI and Barry Weissenborn met at the subject property with two representatives of ADOT on February 1, 2022. Those representatives were Donna Bentley, Senior Right of Way Agent, and James Walcutt, Review Appraiser. I walked most of the

property, noting boundaries and important features. During that visit, Ms. Bentley and Mr. Walcutt shared important details on the property and its history.

**Effective Date of Value**

The effective date of this appraisal is February 1, 2022, which coincides with that property visit.

**Date of the Appraisal**

This report was completed for use by the client on March 22, 2022.

**Ownership & Five-Year Chain of Title:**

The Right of Way Disposal Report provided to me by the client indicates that the subject property was Quit-Claimed to ADOT's predecessor, the Arizona Highway Department, by Jack and Clare Russell, husband and wife, on October 30, 1931. The property had been used by the highway department, and later ADOT, as a maintenance yard. ADOT finds they no longer have an operational need for the property and has designated it for disposal.

There are no recent leases, rental agreements or similar arrangements that have a bearing on the current market value of the property. The property is not currently listed for sale and has not been offered for sale in the recent past.

ADOTM-1-V-4042-9-14

APPRAISALS EXHIBIT 9-14 July 1, 1992

**CONTACT REPORT**

DATE: January 25, 2022

PARTIES CONTACTED: An email was sent to Timothy O'Connell on January 25, 2022 notifying him of our intent to visit the subject property on February 1, 2022. The appraiser visited the property at about 10:30 am on February 1, 2022. Those present at the inspection included Beverly Weissenborn, MAI, Barry Weissenborn, Jim Walcutt, ADOT, and Donna Bentley, ADOT.



Appraisal Services Contract No. CTR054976 Appraisal Assign. No.: TO-22-025

Project: N/A Highway: Old Highway 80 Section: Wellton Maintenance Camp  
Parcel No. L-SW-006

### **Scope of the Project**

The appraisal is not being made for a highway project. Rather, ADOT no longer has an operational need for the property, and it has been designated for disposal. This is an appraisal of the fee simple interest, subject to the reservation for utility easements that is included in the legal description.

**Arizona State Transportation Board Resolution Data:** Not Applicable

**Right-of-Way Plan Drawing Number:** Not Applicable

### **Scope of Work Performed**

Our work on this appraisal was not limited in scope and included a thorough application of appropriate appraisal methodology. It was made subsequent our inspection of the subject property and investigation of relevant market data. The appraisal and report were intended to comply with:

- ADOT Department of Transportation Contract ID CTR054976;
- ADOT Right of Way Procedures Manual, Project Management Section Chapters 3 and 4;
- Federal Highway Administration (FHWA) Uniform Act, 49 CFR Part 24;
- current edition of the *Uniform Standards of Professional Appraisal Practice (USPAP)*;
- the scope of work written specifically for this assignment.

There are three generally accepted approaches to the valuation of real property, the cost approach, the income approach and the sales comparison approach. The applicability of each varies with the valuation task at hand and the nature of market data available.

In the **sales comparison approach**, value is indicated through analysis of sales that include properties that are competitive with the subject property in the given marketplace. This approach is generally recognized as the most reliable in the valuation of properties like the subject and is the only approach used in this appraisal. What follows is a discussion of the process used in the development of the sales comparison approach for this assignment.

The subject property includes a 3.88-acre property on the north side of Old Highway 80, just west of Avenue 26E in Yuma County, AZ. The property is just outside of the Town of Wellton's corporate limits and flanked on either side by irrigated farmland. Wellton is a small, rural farm community located along Interstate 8, about 14 miles east of Foothills Boulevard, at Yuma.

Our search for sales was focused on the area between Ligurta, at the base of Telegraph Pass about nine miles west of Wellton; and Tacna, about seven miles east of Wellton. It was further focused on the Old Highway 80 corridor. An effort was made to include only sales that took place over the past two years. A total of ten sales and one listing were found that are relevant to this appraisal. Of those, three are redundant sales of adjoining properties. That dataset was further narrowed to form a refined set of four sales and one listing that are believed to represent the full range of properties with which the subject must compete in a sale situation.

Information on the individual sales was gathered through a number of sources including commercial data companies, County Assessor's and Recorder's records, buyers, sellers,

brokers, appraisers and other real estate professionals. I have personally inspected each of the sales in the core dataset and, to the extent possible, have verified the details of each sale with a party to the transaction. Individual data sheets for each of those sales are included in the section titled *Comparable Sales Overview* on sheets titled *Real Property Transaction Data*. Those data sheets are accompanied by a comparable sale location map and by individual maps and photos of each sale property.

Verification of some of the data used in the supplemental analysis was limited, but appropriate for the level of analysis. Confirmations have, at a minimum, included a review of MLS and Yuma County records related to the sales and properties included. I have personally visited all of those properties.

The valuation analysis is divided into two broad categories. The first includes factors pertaining to the individual sale transactions, such as the property rights conveyed, the conditions under which the sale took place, the terms of financing, and the market conditions at the time of the sale. The second category includes factors related to the property traded, such as locational appeal and availability of supporting infrastructure, physical characteristics such as terrain/vegetative cover that may affect the suitability for use as projected, and property size or magnitude of the sale.

Where supported by the data, quantified adjustments are developed to reflect important differences between the subject and comparable sales. Where market activity suggests adjustments are warranted, but data is lacking in support of quantified adjustments, qualitative adjustments are applied. At all points in the analysis, the reasoning and methodology used in developing the adjustments is laid out clearly.

At the end of the analysis, the relative merits of each sale—after appropriate adjustment for identifiable differences—are weighed against those of the others and a sound opinion of value is developed. The result of this process is a well-grounded and credible opinion of value that, to the best extent possible, properly places the subject property within the context of the current market for properties of its class.

In the **cost approach**, value is typically estimated as the sum of the contributions provided by the land and the property improvements. The improvement valuation includes an estimate of the current cost of reproducing or replacing site improvements, minus the loss in value from depreciation. This approach is best suited for application where property improvements are new or nearly new. There are no improvements of note at the subject property. Thus, the cost approach is not applicable to this assignment.

In the **income approach**, value is indicated by a property's earning power, as estimated via the discounting or capitalization of income generated. This approach is most reliable when income producing potential is the primary market driver and market-based data is available for use in construction of the valuation model. There is little indication that the market places significant emphasis on income methodology in establishing the prices paid for properties of this class. Accordingly, application of income-based valuation methodology is also omitted.



## REGIONAL AND NEIGHBORHOOD SETTING

### State of Arizona

Arizona is the sixth largest state in the U.S. geographically, with a total land area of 295,146 square miles. Regional governance within the state is performed by 15 counties which vary in size from 792,000 acres to nearly 12,000,000 acres. About 35% of the land area in the State is controlled by federal agencies including the USDA Forest Service, the USDI Bureau of Land Management and various branches of the military. Another 27.7% is within the boundaries of Indian reservations and nearly 13% is controlled by the State of Arizona. Approximately 8% is controlled by the USDI National Park Service or local governments. Only 16.5% of the total land area in the state is held by individuals or corporations.

In recent years, Arizona has been one of the fastest growing states in the nation. The 2020 US Census placed Phoenix as the fifth largest city in the country. Roughly 65% of the state's population growth has been in Maricopa County, where Phoenix is located. Sixty percent of the State's population resides in Maricopa County.

Over the past several years, Arizona added jobs, population, and income at solid rates. Statewide job growth rose by 2.9% in 2019 and was forecast to increase by 2.3% in 2020, and 1.7% in 2021. Those forecasts were well above the expected national rate of 1.7%. However, in late 2019, COVID-19 broke out in China and began to spread throughout the world. On March 11, 2020, the World Health Organization (WHO) declared COVID-19 a pandemic. This caused an economic recession and resulted in increased unemployment throughout the state.

According to statistics published by the University of Arizona, Arizona lost 331,500 jobs from February to April 2020. As of October 2021, the state had replaced 98.5% of non-farm jobs, lagging the prior peak by only about 6,100 jobs. Most metro areas had employment levels above the February 2020 peak; but two outliers, Tucson and Flagstaff, lagged the earlier figures, at 77.5% and 84.9%, respectively, of pre-pandemic employment levels.

The state was projected to regain the pre-pandemic peak in late 2021, well before the U.S. as a whole, which is expected to reach that benchmark in the spring of 2022. The largest net gains have been in those industries most affected by the pandemic. Only the Government sector has had additional job losses since the recovery started.


The baseline forecast from the University of Arizona's Economic and Business Research Center projects continued gains in employment through 2022, with unemployment at the 4.1% level later in the year. Inflation is expected to continue but drop in 2023. Population gains are expected to accelerate through 2022, driving continued high permitting demand, with an anticipated deceleration as interest rates increase. And finally, larger federal income support programs that drove income gains in 2020 and 2021 are expected to dissipate, resulting in decreased gains in retail sales.

The following table summarizes the EBRC's outlook for the state's economy.

## Fourth Quarter 2021 Baseline Scenario Economic Forecast – Arizona

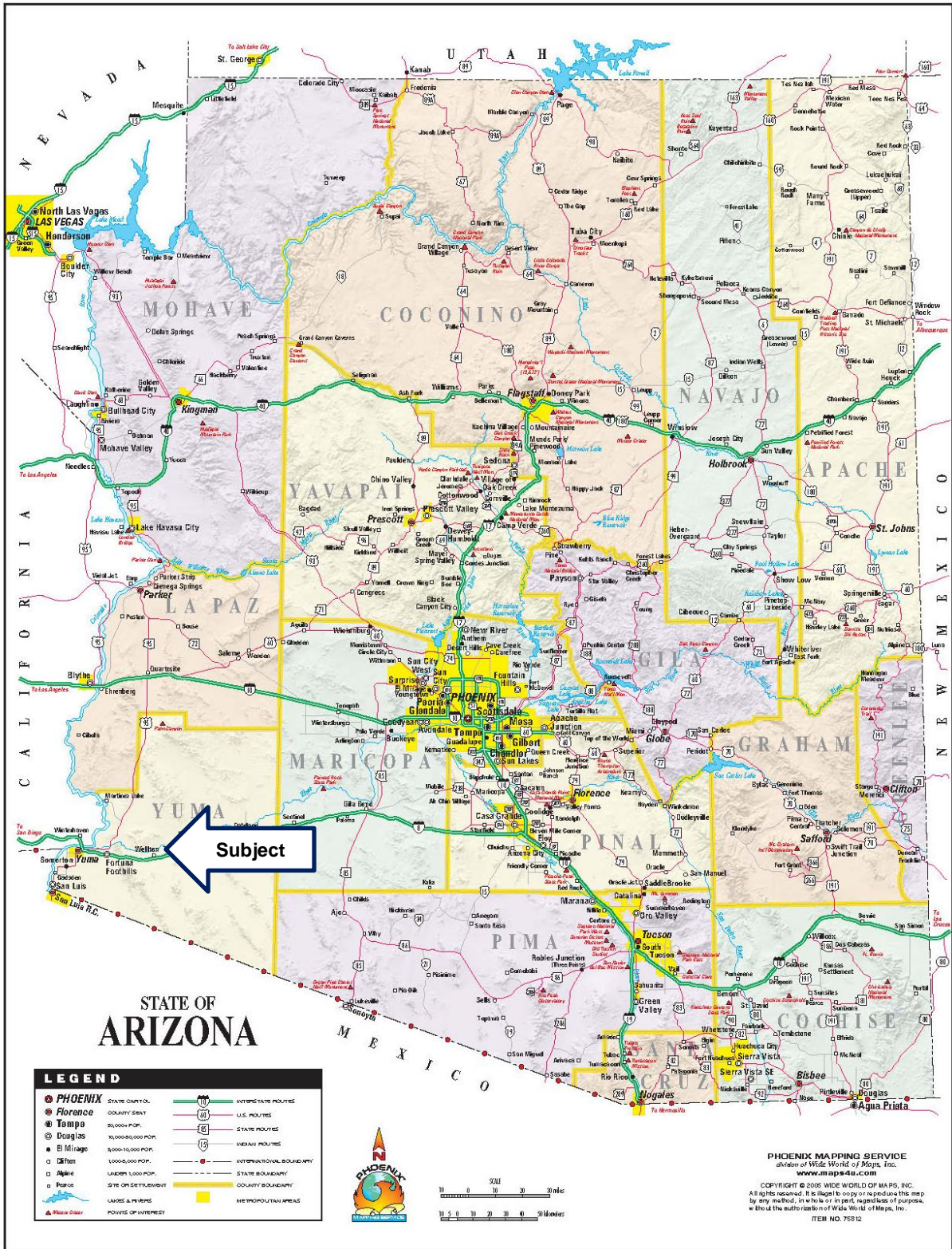
Arizona Forecast*	2020	2021	2022	2023	2024
Personal Income (\$ mil)	368,458.6	389,928.6	395,317.6	418,583.8	443,844.4
% Chg from Year Ago	10.3%	5.8%	1.4%	5.9%	6.0%
Retail Sales (\$mil)	122,190.0	145,833.0	148,008.0	153,560.0	160,373.0
% Chg from Year Ago	6.8%	19.3%	1.5%	3.8%	4.4%
Total Nonfarm Employment (000s)	2,849.4	2,955.1	3,082.4	3,165.6	3,225.6
% Chg from Year Ago	-3.2%	3.7%	4.3%	2.7%	1.9%
Population (000s), July 1st estimates	7,161.1	7,263.1	7,388.0	7,507.8	7,617.5
% Chg from Year Ago	1.3%	1.4%	1.7%	1.6%	1.5%
Residential Building Permits (units)	60,342.0	65,399.4	64,575.1	54,021.2	47,870.6
% Chg from Year Ago	29.5%	8.4%	-1.3%	-16.3%	-11.4%

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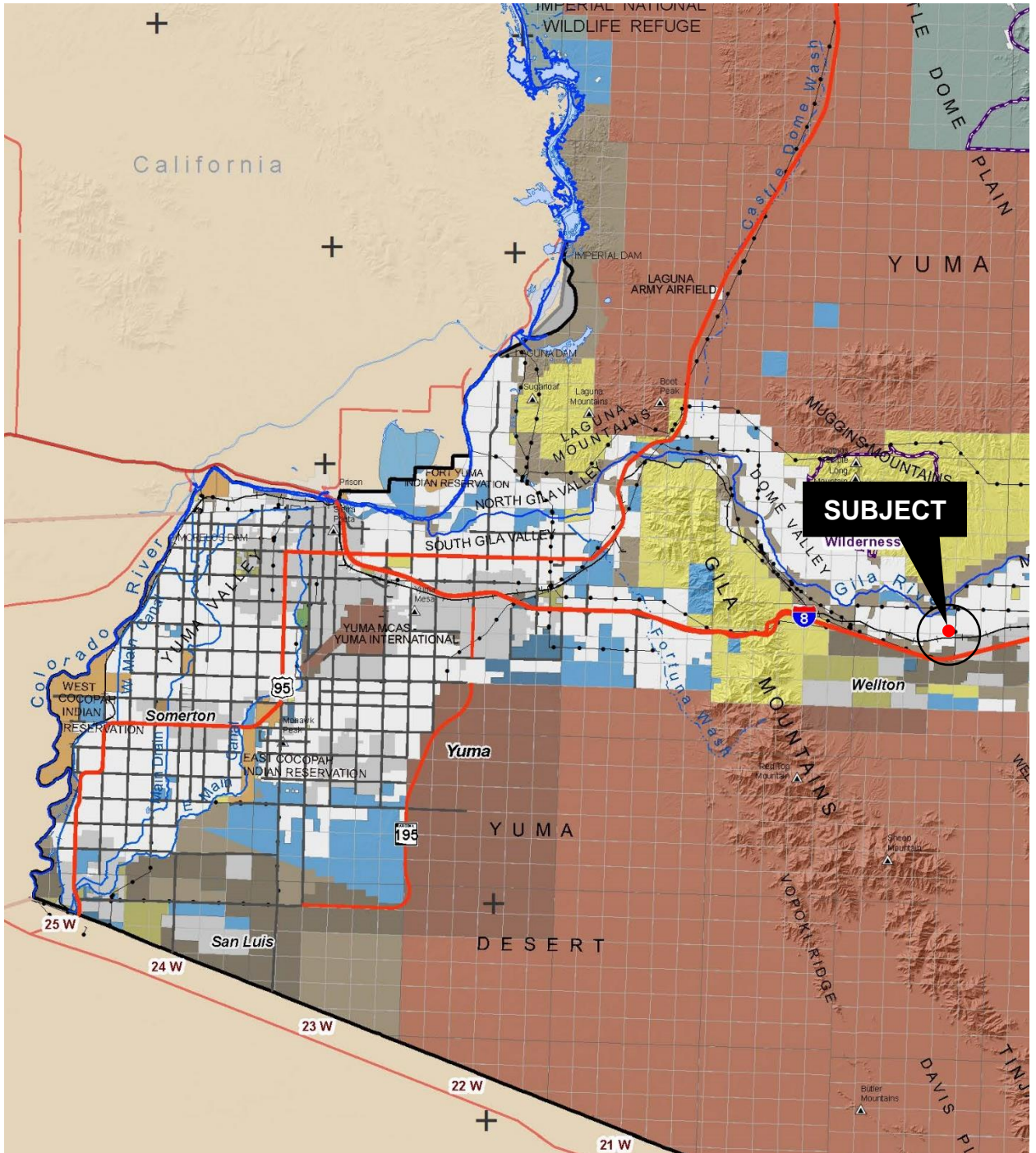
Published by  Economic and Business Research Center, The University of Arizona. Powered by dataZoo

Overall, the economic outlook for the state is good. But all projections assume that COVID will be effectively dealt with, and questions remain as to the political will to do so.

State Location Map



### REGIONAL LOCATION MAP



## **Yuma County**

Yuma County is located in the southwest corner of Arizona. The state of California lies across the Colorado River to the west and the international border with Mexico forms the south county boundary. Yuma is one of the four counties originally designated by the first Territorial Legislature. In 1983, citizens voted to split the county in two, creating the new county of La Paz out of the northern portion. The southern part, including the city of Yuma, which remains the county seat, retained the name of Yuma.

Following is a summary of relevant information about the county.<sup>1</sup>

### **Landforms**

Yuma County is located on the international boundary with Mexico, not far north of the historic terminus of the Colorado River at the Sea of Cortez. Terrain in the region is characteristic of the basin and range physiographic province and consists primarily of northwest-southeast trending mountain ranges, separated by low desert valleys. The city of Yuma is located within Yuma Valley at around 300 feet elevation. The nearby Laguna Mountains, to the northeast, cap out at 1,082 feet. The taller Gila Mountains, to the east, reach 3,006 feet at Sheep Mountain, and Raven Butte, at the north end of the Tinajas Altas Mountains to the southeast reaches 2,734 feet.

What is unique about the county is that it is also crossed by two large river systems. The Colorado River forms the western boundary; the Gila River cuts east to west across the county. The confluence of the two is just northeast of the City of Yuma. The lower reaches of the Gila, through the Mohawk and Dome Valleys, and the Colorado, from Bard to San Luis, on the Mexican border, support vibrant agricultural systems that are among the most productive in the nation, particularly for winter produce.

### **History/Cultural Resources**

Local members of the Quechan and Cocopah Tribes are descendants of indigenous people who preexisted European settlement that began in 1540, when Hernando de Alarcon first visited the site of what is now the City of Yuma. He and subsequent settlers over the years recognized the importance of the location on the Colorado River as a river crossing and trade center.

In the mid-1800's, thousands of fortune hunters passed through the area, using the river crossing to reach the goldfields of California. In 1852, the US Army established Fort Yuma, which overlooked the river crossing.

The river served as a transportation corridor from the 1850's through 1870's, as steamboats carried passengers and goods to mines, settlements and military outposts including Yuma, Laguna, Castle Dome, Norton's Landing, Ehrenberg, Aubry, Ft. Mohave and Hardyville. The first railroad bridge across the Colorado River was built in 1877, thus permitting rail traffic between California and Arizona. Yuma grew in importance as a gateway to economic growth in California.

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<sup>1</sup> Sources: Yuma County Government Home Page, Yuma County Development Services Dept., Arizona Commerce Authority, US Census Bureau.

The Laguna Dam was completed in 1909, bringing an end to steamship travel on the river and, with the establishment of reliable irrigation infrastructure, marking the beginning for irrigated agriculture in the valley.

After Pearl Harbor, the Yuma area became a hubbub of military activity. The Yuma Army Air Base was one of the busiest flight schools in the country. Lands around Yuma were included in the Desert Training Center, which was established by Major-General George S. Patton in 1942. The Yuma Test Branch, at the present-day site of Yuma Proving Ground, was operational by 1943.

With the end of World War II, military activity trailed off considerably and many facilities were left unattended. But the Yuma Airfield was reactivated in 1951 and has remained active since. The Yuma Test Branch also reopened the same year, with an expanded operational mission, under the moniker of Yuma Proving Ground.

Those foundational underpinnings remain in place today, as trade, tourism, agriculture and the military remain key components to modern local economy.

Important historic and cultural attractions in the Yuma area include the Yuma Territorial Prison State Park, the Colorado River State Historic Park, the Yuma Art Center and Historic Theater, and numerous murals and galleries throughout the city. There are also numerous festivals and community events, generally between November and March, when the weather is most inviting.

## **Climate**

Yuma County is a popular destination for winter visitors and seasonal homeowners, including RV enthusiasts. The population surges by about a third during those months. But those visitors flee as temperatures begin to climb, and the town regains its hometown character.

Weather data for the Yuma Proving Ground<sup>2</sup> indicates that the average (overall) daily high temperature is 87.5 degrees and that the average daily low is 60.6 degrees. July is the hottest month, with an average daily high of 106.7 degrees and low of 80.8 degrees. December is the coolest, with an average daily high of 67.8 degrees and low of 42.7 degrees.

The average annual precipitation is 3.64 inches, though the desert can sometimes receive that much in a single storm.

## **Transportation Infrastructure**

As will be seen, much of the land within the county lies within restricted military ranges and wildlife refuges and is largely inaccessible by the public. However, the existing road network provides good quality access to those portions that are open to public travel.

Interstate 8 is the main travel corridor through Yuma County, providing west-to-east access between the California state line, near Yuma, to Interstate 10, at Casa Grande. US Highway 95 provides north-south access between Yuma and Interstate 40, passing through Quartzite, Parker and Lake Havasu City on the way. US 95 also runs south from Yuma,

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<sup>2</sup> Arizona State Climate Office YPG 1955-2016

through Somerton and on to San Luis, on the Mexican border. A series of County maintained paved and gravel roads provides access to smaller river and farm communities.

The Union Pacific Railroad provides commercial rail service through Yuma on its southern continental route. Amtrack provides thrice weekly passenger service in both directions on the Sunset Limited (& Texas Eagle) route.

Passenger and air cargo service are available through the Yuma International Airport. American Airlines provides five daily round-trip flights to Phoenix Sky Harbor Airport and one daily round-trip flight to Dallas Fort Worth Airport.

A number of companies provide intrastate and cross-country passenger ground transportation and there are numerous freight companies that serve the area.

**Land Tenure**

The majority of settlement in Yuma County has taken place in the four incorporated cities and towns and in the agricultural valleys along the Gila and Colorado River corridors. The County’s 2020 Comprehensive Plan indicates that there are approximately 472 square miles of privately owned land within unincorporated areas of the county. That amounts to under nine percent of the total (unincorporated) land area.

The majority of the total land area is controlled by the United States military and falls within either the Barry M. Goldwater Range or the Yuma Proving Ground. Those two account for just over 40% of the total. The Kofa National Wildlife Refuge and the Cabeza Prieta National Wildlife Refuge account for just under 30%; federal land administered by the Bureau of Land Management takes up about 10%; the State of Arizona controls about six percent and less than one percent is within Indian reservations. The following table summarizes land tenure for the county.

<u>Ownership</u>	<u>Acres</u>	<u>Square Miles</u>	<u>% of Total</u>
Total Land Area	3,403,938	5,318.7	100.00%
Unincorporated	3,208,650	5,013.5	94.26%
Barry M. Goldwater Range	928,263	1,450.4	27.27%
Yuma Proving Ground	448,244	700.4	13.17%
Kofa National Wildlife Refuge	527,316	823.9	15.49%
Cabeza Prieta National Wildlife Refuge	449,530	702.4	13.21%
Bureau of Land Management	341,581	533.7	10.03%
State of Arizona	203,399	317.8	5.98%
Indian Reservations	8,063	12.6	0.24%
Privately Owned	302,254	472.3	8.88%

Once again, private lands in the county are concentrated along the Gila and Colorado River corridors. They are sandwiched between federally controlled wildlife refuges and military reservations.

The Barry M. Goldwater Air Force Range is located south of the Gila River/Interstate 8 corridor and extends eastward into Maricopa and Pima Counties. The Cabeza Prieta National Wildlife Refuge is situated in the southeast corner of the county, between the Goldwater Range and the Mexican border. It too extends eastward into Pima County.

The private lands within the Gila River/Interstate 8 corridor are interspersed among Bureau of Land Management and State of Arizona holdings. There is a large block of private land in the southwestern part of the county, surrounding the city of Yuma, Somerton, San Luis and other settlements in the area. Lesser blocks of state and federal land lie between that private block and the Goldwater Range. And there are small patches of Cocopah Indian land along the Colorado River and near Somerton.

**Population**

Yuma County’s year-round population stands at almost 214,000. But that number grows by about 90,000 every winter when visitors, RV enthusiasts and seasonal homeowners pour into the county for the warm, dry respite from colder climes.

While most of the year-round residents live in the four incorporated cities/towns, there is a substantial number that live in unincorporated rural neighborhoods and farm communities. Following is a breakdown of population trends in the county over the past 20 years.

	<u>2000</u>	<u>2010</u>	<u>2019 (est.)</u>	<u>2020</u>
Arizona:	5,130,632	6,401,569	7,151,502	
Yuma County:	160,026	196,160	213,787	NA
Yuma:	77,515	93,275	98,285	
San Luis:	15,322	25,614	34,778	
Somerton:	7,266	14,329	16,554	
Wellton:	1,829	2,884	3,007	
Unincorporated County:	58,094	60,058	61,163	

Source: Arizona Commerce Authority

**Economy**

The industries that formed the community over the years remain at the core of economic activity in Yuma County. Farming, cattle raising and the two military installations—the US Marine Air Corps Station and the Yuma Proving Ground—all fuel local business and commercial activity. Tourism further boosts local economic activity, while Government and public services also play an important role.

**Agriculture:** By far the leading private industry, agriculture’s roots run deep, so to speak, in Yuma County. The rich soils laid down by the Colorado River over centuries, the relative abundance of farm labor, the willingness to advance progressive farming techniques, sound support infrastructure systems and availability of senior rights to irrigation water form the basis for a rock-solid agricultural economy.

Local production amounts to roughly \$3.4 billion and growers are responsible for roughly 90% of the U.S. supply of winter vegetables. Lettuce is the largest winter crop, but a wide variety of other agricultural products are also grown in the area. Among the other crops are alfalfa, Bermuda grass seed, cotton and wheat. Roughly two-thirds of the Desert Durum grown in Yuma is exported to Italy for production of premium pastas.



Historically a large citrus producing area, Yuma remains Arizona's leader for lemons, tangelos and tangerines. Local production also includes watermelon. Yuma County has long been a leading U.S. producer of Medjool dates, another important local product, which thrives in 100-plus degree temperatures.

As a major agricultural community, seasonal farmworkers are a significant component of the labor force. Campesinos Sin Fronteras estimates that between 40,000 and 50,000 farmworkers are in Yuma County at the peak of the season. Many travel seasonally between Yuma and Salinas, California or travel daily from Mexico. Another sector of the workforce is federally authorized H2A workers who are contracted from other countries to live and work in Yuma for a specific period of time. Transportation and housing are provided by the labor contractor.

**Military:** Yuma County is home to two important military installations: the Yuma Proving Ground and Marine Corps Air Station–Yuma (MCAS)

**The Yuma Proving Ground (YPG)** is one of the main economic drivers for the area. It covers approximately 870,000 acres or 1,300 square miles. Of that, 700 square miles are within Yuma County and 600 square miles in La Paz County, to the north. YPG provides a location and adequate land area for the US Army to test, among other things, long-range artillery, missile firing aircraft, cargo and personnel carrying parachutes, direct fire weapons, unmanned aerial systems, and technologies to defeat roadside bombs.

In 2009, General Motors opened a new hot weather vehicle testing facility on a 2,400-acre portion of the installation. As part of the lease agreement, the Army has gained access to 40 miles of track and test roads constructed by GM, thus enhancing the test capabilities of YPG.

More than 3,000 people, mostly civilians, work at the proving ground, which is the largest employer in Yuma County. And about 23,000 people visit the facility annually to conduct testing and training each year. About 450 employees reside in housing located within YPG. The General Motors test facility is said to employ another 75 people.

A 2017 study commissioned by the State of Arizona concluded that the total direct, indirect and induced economic impact of YPG operations was \$1.1 billion annually. Of the nearly \$700 million direct impact, nearly \$250 million was in wages paid to +/- 2,000 civilian workers. The overall impact on the Yuma County economy is estimated to be about \$425 million annually.

**Marine Corps Air Station – Yuma (MCAS)** shares facilities with the Yuma International Airport and is located south of Interstate 8, between US Highway 95 on the west and State Highway 195 on the east. The MCAS mission is to “provide aviation ranges, support facilities and services that enable their tenants, other Marine Corps commands, visiting military and interagency forces to enhance their mission capabilities and combat readiness.”

The base covers roughly five square miles and has access to YPG, as well as the 1.9-million-acre Barry M. Goldwater Air Force Range to the east. It is home to Marine Aviation Weapons and Tactics Squadron 1 (MAWTS-1), Marine Operational Test and Evaluation Squadron 1 (VMX-1), Marine Aircraft Group 13 (MAG-13), Marine Air Control Squadron 1 (MACS-1), Marine Fighter Training Squadron 401 (VMFT-401), and Combat Logistics Company 16 (CLC-16).

Some 4,000 active-duty marines and sailors are stationed at MCAS, which attracts an average of 70 aviation units, bringing 600 aircraft and 14,000 personnel for training each year. Air Station has an annual economic impact of \$877 million and is responsible for 7,819 jobs.


**Tourism:** The tourism industry, which ranks third in terms of overall contribution to the Yuma County economy, has a higher level of sensitivity to larger economic occurrences. A 2019 study by Dean Runyan Associates found that direct travel spending amounted to \$667 million. Visitor spending at hotels/motels alone totaled \$171.4 million. Local tax receipts generated by tourism were estimated at \$24.6 million.

With the advent of the COVID-19 pandemic in 2020, those figures dropped significantly. Direct spending was down 29.7%, to \$468.9 million. In 2020, travel-supported employment was down 23% from the 2019 figure. Much of that decline was due to the closure of our northern border and the drop in Canadian visitors. With the opening of borders and a general increase in economic activity across all sectors, expectations are for a continued return to more typical levels of activity.

**Employment Summary:** The following table provides a broader perspective on employment in the county. It lists the various employment sectors in order of the number employed, in thousands, and shows the percentage of the total contributed by each. The reader is cautioned, however, that these reflect 2018 figures, which are the last reported by the Arizona Department of Commerce.

Education, health care & social assistance	14.5	19.8 %
Retail trade	9.3	12.7 %
Agriculture, forestry, fishing, hunting, & mining	8.0	11.0 %
Public administration	7.9	10.9 %
Arts, entertainment, food & recreation services	7.8	10.7 %
Professional, scientific, & administrative services	6.0	8.2 %
Construction	4.2	5.8 %
Other services, except public administration	3.8	5.2 %
Manufacturing	3.1	4.2 %
Transportation, warehousing, & utilities	2.7	3.7 %
Finance, insurance & real estate	2.6	3.5 %
Wholesale trade	2.1	2.9 %
Information	0.8	1.1 %

The following table summarizes relevant economic information for Yuma County over the past six years.

Personal Income, Per Capita Personal Income, Population Yuma County, Arizona Yuma MSA	2015	2016	2017	2018	2019	2020
<i>Bureau of Economic Analysis</i>						
Personal income (thousands of dollars)	6,465,271	6,623,263	7,013,854	7,112,947	7,510,265	8,887,228
% Chg from Year Ago	7.00% ↑	2.44% ↑	5.90% ↑	1.41% ↑	5.59% ↑	18.33% ↑
Population (persons) 1/	205,187	207,162	209,244	211,245	214,182	217,824
% Chg from Year Ago	0.55% ↑	0.96% ↑	1.01% ↑	0.96% ↑	1.39% ↑	1.70% ↑
Per capita personal income (dollars) 2/	31,509	31,971	33,520	33,672	35,065	40,800
% Chg from Year Ago	6.41% ↑	1.47% ↑	4.85% ↑	0.45% ↑	4.14% ↑	16.36% ↑
1/ Census Bureau midyear population estimates. 2/ Per capita personal income was computed using Census Bureau midyear population estimates.						
Published by  Economic and Business Research Center.						

**Wellton:** The Town of Wellton is a farming community located along Interstate 8 about 29 miles east of Yuma. The town was founded in 1878 and incorporated in 1970. It was originally named Well Town from the time water wells were drilled to service the Southern Pacific Railroad (now Union Pacific Railroad) by providing water to the steam-powered engines. Eventually the railroad gave way to the automobile. Though rail service is still maintained through the Wellton-Mohawk Valley, the current economic livelihood is based on agriculture.

The incorporated town limits encompass 28.8 square miles. The town and surrounding valley are set at an elevation of 246 feet bound on the west by the Gila Mountains, the Mohawk Mountains to the east and the Muggins Mountains and Castle Dome Mountains to the north. The Barry M. Goldwater Range is to the south. The 2020 year-round population is estimated to be 3,197 which increases significantly with visitors and retirees during the milder winter months.

Wellton has its own water utility, sanitation service, fire protection, police department, municipal court, medical facilities, library, community center, two parks, community swimming pool and golf course. The education system consists of an elementary school and high school. Arizona Western College has a satellite campus at the Wellton Learning Center. The town is zoned for residential, commercial, industrial, and agricultural uses. The majority of the town is zoned for 6,750 square foot lots with one house permitted per lot.

The community has adequate road infrastructure. There are full diamond interchanges along I-8 at Avenue 25e, Williams Street and Highway 80 at Ligurta. Old Highway 80 passes east-west through the commercial district with several north-south arterials facilitating access to neighborhoods and community services.

The Town of Wellton is surrounded by irrigated farmland with water supplied by the Wellton-Mohawk Irrigation and Drainage District (WMIDD), whose water source is the Colorado River. Flow is diverted at Imperial Dam, into the Gila Canal, a joint-use facility shared by five Yuma-area irrigation districts. The WMIDD share of the flow is delivered at the Gila Canal Mile 15 into the Wellton-Mohawk Canal.

The District was originally established to serve a maximum of 75,000 irrigable acres, or to consumptively use 300,000 acre-feet of Colorado River water. However, voluntary participation in the Salt River-Pima-Maricopa Indian Community Water Rights Settlement

of 1988 reduced the allowable consumptive use by the District to 278,000 acre-feet per year. At this time, following periods of adjustment, the District is comprised of 58,200 irrigable acres in the valley and 4,550 acres on the mesa.

The District assesses a basis, non-refundable per-acre Operation and Maintenance charge, which includes payment for the first 4 acre-feet of water. All on-farm water use above the minimum is charged at an increasing rate per acre foot. The intent of the graduated rate schedule is to discourage careless irrigation practices. The District's "water right" is one of the most secure on the lower Colorado River.

The District has approximately 378 miles of main canals, laterals, and return flow channels. There are 3 major pumping plants, 4 minor pump stations and various other delivery improvements. The original water delivery structure was for each 160 acres, or each individually owned smaller parcel. All turnouts were constructed with flow measurement capabilities. There are no storage or regulating reservoirs within the District.

There are hundreds of individual domestic turnouts providing untreated canal water to individual residences. It is the responsibility of the user to provide adequate treatment of water prior to domestic or residential use. The District provides treated, potable water only to the residential areas adjacent to its headquarters, and to several outlying District-owned residences.

In conclusion, agriculture is expected to remain the backbone of the Wellton economy in the foreseeable future with a slow but increasing economic impact from seasonal residents and visitors.

## **Site Description**

### **Property Location, Assessor Parcel Number, Legal Description**

The subject property is located just west of Avenue 26E, between Old Highway 80 and County 11<sup>th</sup> Street, near Wellton, in Yuma County, Arizona. It is identified by the Yuma County Assessor as tax parcel number 200-10-006. A complete legal description for the property is included on page 5.

### **General Location and Surrounding Uses**

Wellton is a small, rural farm community located about 30 miles east of Yuma, situated at the west end of the Mohawk Valley. Land use in the valley is comprised largely of irrigated agriculture, some of which supports a large feedlot about four miles east of downtown Wellton. The valley is historically important for production of row crops and alfalfa, but winter vegetable production is becoming increasingly common. Winter tourism and seasonal residency are also important to the local economy.

The subject is surrounded on the north, west and east by agricultural fields that, at the time of our site visit, had been placed into vegetable and/or seed production. Old Highway 80 forms the south boundary. Beyond that is the Union Pacific Railroads southern transcontinental main line. There is vacant desert land south of the railroad corridor.

### **Size and Shape**

The subject property is generally rectangular in shape, with the north, west and east boundaries comprised of straight lines intersecting at right angles. Old Highway 80 cuts a gentle southwest-northeast diagonal off the southern end and the northern right of way line for that highway forms the south property boundary.

Data provided by the client indicates that the property includes 169,037.48 square feet, or 3.88 acres.

### **Visibility, Streets and Access**

The subject property has frontage on and direct access to Old Highway 80 at the south boundary. In addition, County 11<sup>th</sup> Street, which is a good quality, bi-directional gravel/dirt road, runs along the northern boundary.

The property lies slightly lower than highway grade at the north and is separated from the highway by a Mohawk-Wellton Irrigation District irrigation ditch that runs parallel the highway, but there is a syphon at the southeast corner that provides ground-level access across the canal. The property is at-grade with County 11<sup>th</sup> Street.

### **Topography**

Terrain at the property is generally level.

### **FEMA Floodplain**

The property is included on the area covered by FEMA FIRM Map # 04027C1615F, which was last revised on January 16, 2014. It is within the area identified by FEMA as Zone X,

which is generally defined as: an area of minimal flood hazard, located outside of the elevation of the 0.2-percent-per-annual-chance flood zone.

### **Soil and Subsoil Conditions**

A review of the NRCS Web Soil Survey site indicates the property includes two soil groups.

The area north of the irrigation ditch, which comprises most of the property, is in Indio silt loam, 0 to 1 percent slopes. The soil group is common to floodplains and has a parent material of mixed stream alluvium derived from igneous, metamorphic and sedimentary rock. The soil is well suited for irrigated farming. The NRCS site also rates the soils as Class 1 for irrigated farming. Based on the similar soil type of the surrounding irrigated farmland, this soil is suitable for growing produce and leafy vegetables.

The area from the irrigation ditch southward is identified as Antho sandy loam. This soil is also common to floodplains, as well as terraces. It has a parent material of mixed alluvium and is generally well suited for irrigated farming. It is rated by NRCS as Class 2. The area including this soil group includes local transportation and irrigation infrastructure and is not likely to be farmed any time soon.

The NRCS soils site rates the Indio silt loam as very limited for construction of local roads and houses without basements. The main limiting factor is the potential for flooding. The same area is rated as very limited for septic tank absorption fields because of the potential for flooding and slow water movement. It is noteworthy, however, that there are a number of residences on similar soils in this locale.

The NRCS site rates the Antho sandy loam as not limited for construction related factors. But, once again, that area includes local transportation and irrigation infrastructure and is not likely to be farmed any time soon.

### **Utilities**

Electricity is provided locally by the Wellton-Mohawk Irrigation and Drainage District. A distribution line runs along County 11<sup>th</sup> Street, which runs along the north property boundary.

Telephone service is by CenturyLink and a number of cellular providers. CenturyLink has an underground line at County 11<sup>th</sup> Street.

The Irrigation District also provides irrigation water and non-potable water for domestic use. The ditch at the south end of the property appears to be serviceable and there is an existing irrigation turnout near the southwest property corner. A ditch along the west property boundary has not been used for many years and its condition is unknown. Though no recorded documentation has been provided to the appraiser, the subject property includes a 3.5 acre "water buy". As confirmed with the Wellton-Mohawk Irrigation and Drainage District (WMIDD), the District will supply sufficient water to irrigate 3.5 acres of land at the subject. The base cost for Operations and Management is \$144 per irrigable acre per year or a total of \$399 for the subject property, payable semi-annually.

Potable water is by well locally. The Arizona Department of Water Resources has records for seven well registrations at the subject property. One is for a core sample taken in August 1993. The other six are related to monitoring wells drilled between 1991 and 1993. And among that set, there appears to be at least some level of duplication. At any rate, all the

wells appear to have been grouted and abandoned. There are no active wells at the property.

Sewage disposal is accommodated by on-site septic systems. There may be an old inoperable septic tank in place that would need to be replaced with a modern functioning system if the site were developed with a residential use.

Propane delivery is available by individual contract.

### **Easements, Restrictions and Encroachments**

Property documentation provided to me has been minimal. That documentation includes an ADOT-provided legal description to be used in future conveyance of the subject property. The verbiage in that legal description is as follows:

*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.*

Known utilities at the subject include the overhead electric distribution line along County 11<sup>th</sup> Street, at the north end of the property, an underground telephone line, also along County 11<sup>th</sup> Street, at the north end, and the Wellton-Mohawk irrigation ditch situated between Old Highway 80 and the former highway maintenance yard. All are potentially beneficial to the property and in that sense, no detrimental impact is noted.

### **Environmental Considerations**

A Phase I Environmental Site Assessment has not been provided. During our inspection of the subject property, I did not observe any environmental hazards. However, it is noted that the subject property was previously an ADOT fleet maintenance facility. There are six concrete structures that appear to have been used to support an above-ground fuel storage tank. In addition, there may be an old septic tank on the property that supported the prior use but there is no documentation to support this claim. Also, the adjoining properties are irrigated fields planted in winter vegetables that may be sprayed periodically for pest control.

There is no other apparent environmental contamination. But, as outlined in the Limiting Conditions of this appraisal, the appraiser is not qualified to detect the presence of hazardous wastes, mold and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment. The appraiser has inspected the subject property only with the due diligence extent of a professional real estate appraiser. The appraiser's value conclusions are predicated on the assumption that there are no environmental problems.

No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraiser's descriptions and resulting comments are based on routine observations made during the appraisal process.

## **Improvements**

There are no functional improvements at the property. Those in place are relics of the past use as a highway fleet maintenance yard. They include the remnant of a concrete washing station; an old, disconnected electrical service; a non-functional yard light; a six-pillar concrete tank stand; and several small concrete slabs. None of the remnants has significant value.

The Wellton-Mohawk irrigation ditch at the south end of the property appears to be functional, or nearly so, as does the irrigation turnout in the ditch at the southwest property corner. Those, however, are the property of the Irrigation district. There is also an irrigation ditch/culvert along the west property boundary that is of unknown condition. According to representatives with the WMIDD, those District-owned facilities of questionable condition would be repaired at the District's expense should service from the District be needed.

## **Division of Realty and Personalty**

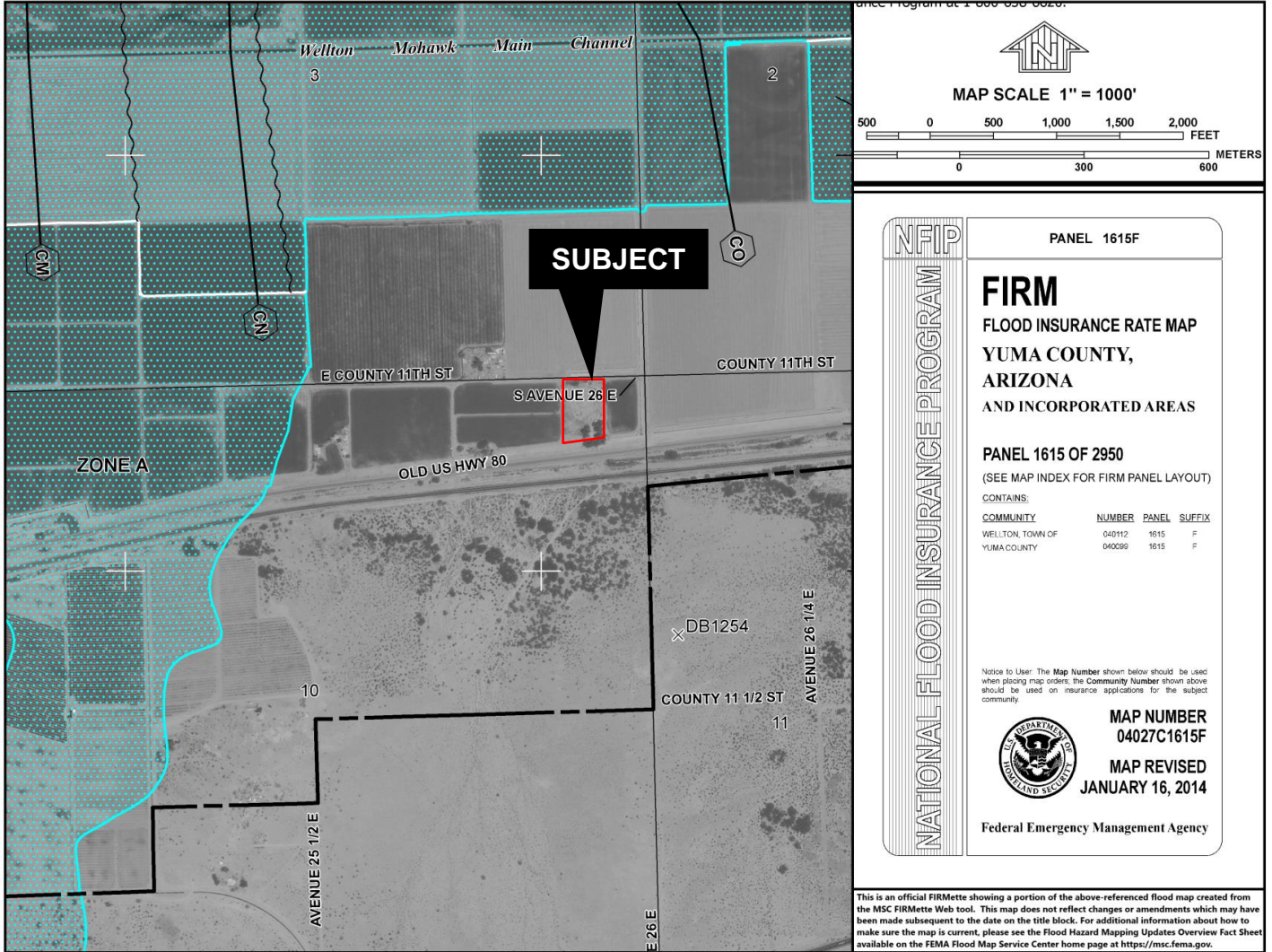
There is no functional personal property included with the subject.

## **Conclusion**

The subject site is mostly vacant land situated within an active farming area. Residential activity in similar locations is generally related to ongoing farm operations, but there is active settlement in and around Wellton. To be placed into either class of use, the remnants of past occupancy as a highway maintenance yard will need to be cleared.



FEMA Map



**Northwesterly view across the subject property from the southeast corner.**



**Northerly view across eastern portion of subject property. Tamarisk recently removed.**



Westerly view along south boundary of subject property from southeast corner.



Northeasterly view across subject property from the southwest corner.



Northerly view along the west boundary. Tractor is on adjacent farmland.



Easterly view on the irrigation canal at the south boundary.



**Westerly view of the irrigation canal and turnout at the southwest property corner.**



**Electric service at west boundary. Meter removed.**



**Southeasterly view across subject property from the northwest corner.**



**Easterly view along north boundary of subject property, County 11<sup>th</sup> Street to the left.**



**Southerly view on the west boundary, from the northwest corner.**



**Southwesterly view across subject property from the northeast corner.**



Westerly view along north boundary of subject property.



Former wash station.





Concrete supports for above ground tank.



Box culvert under old US Highway 80.



Westerly view along Old US Highway 80, subject property to the right.



Easterly view on Old US Highway 80, subject property to the left.



### **Tax Data and Assessed Valuation**

The subject property is assessed as Yuma County Assessor Parcel Number 200-10-006. And while information provided by ADOT indicates that the subject includes 169,037.45 square feet, or 3.88 acres, the Assessor's records indicate that the site contains 4.16 acres.

As State property, there are no taxes due for the subject and, apparently, as a result, the assessed value, primary assessed value and secondary assessed values are quite low. The Assessor reports a Full Cash Value of \$1,040, a Primary Assessed Value of \$156, and a Secondary Assessed Value of \$156. If the combined primary and secondary tax rates for vacant land, which is 0.115591, is applied to either, the indicated tax obligation for the property is \$18.03. This is well below the taxes charged on similar properties in the area.

The only assumption made here is that, if privately held, the Full Cash Value, Primary Assessed Value, and Secondary Assessed Value for the subject property, and the resulting tax obligation, would be in line with other reasonably competitive properties in the marketplace.

### **Irrigation District Costs**

The state has maintained a "water buy" status on the property for 3.5 acres annually. The O&M Assessment for 2022 is \$114/ac or \$399 total, payable in two equal installments, December 1, 2021 and June 1, 2022. The O&M Assessment entitles the landowner to the first four acre-feet. Use greater than that is charged at an increasing rate (per acre-foot).

### **Signs**

There are no signs on the subject property.

### **Zoning and General Plan**

**Yuma County 2020 Comprehensive Plan:** The subject property is located within the Dome Valley Planning Areas of Yuma County's 2020 Comprehensive Plan. It falls within the Suburban Density Residential (R-SD) Land Use Designation of the comprehensive plan.

The R-SD designation is intended to create a style of development that can serve as a transition between agricultural and rural residential uses and a more urban style of development. It allows for the keeping of a limited number of horses and farm animals on appropriately sized parcels. Residential development can take the form of site-built homes or manufactured homes. Target densities range from three dwelling units per acre to one dwelling unit per three acres.

**Yuma County Zoning Ordinance:** The subject property falls within the RA-40 district of the Yuma County Zoning Ordinance. The purpose of the RA district, as stated in the ordinance is:

*... to conserve and preserve farms, agricultural related resources, continued agricultural use and other open space land uses fostering orderly growth in rural areas, preventing urban and agricultural land use conflicts, and allowing rural lot development with emphasis on preserving the character of farming communities. Principle uses permitted in this zoning district include residential uses on large*

*parcel sizes, farms, agricultural-related land uses, and open space or recreational uses. These regulations apply to all four (4) of the Rural Area districts: Rural Area-40 Acre Minimum (RA-40), Rural Area-20 Acre Minimum (RA-20), Rural Area-10 Acre Minimum (RA-10), and Rural Area-5 Acre Minimum (RA-5).*

The RA District provides for a broad range of agricultural, residential, accessory and supporting uses including, but not limited to single family dwellings, farms, ranches, ranch/farm headquarters office, farm labor housing, home occupations, plant nurseries, kennels, seasonal produce stands, ag equipment storage and ag warehousing.

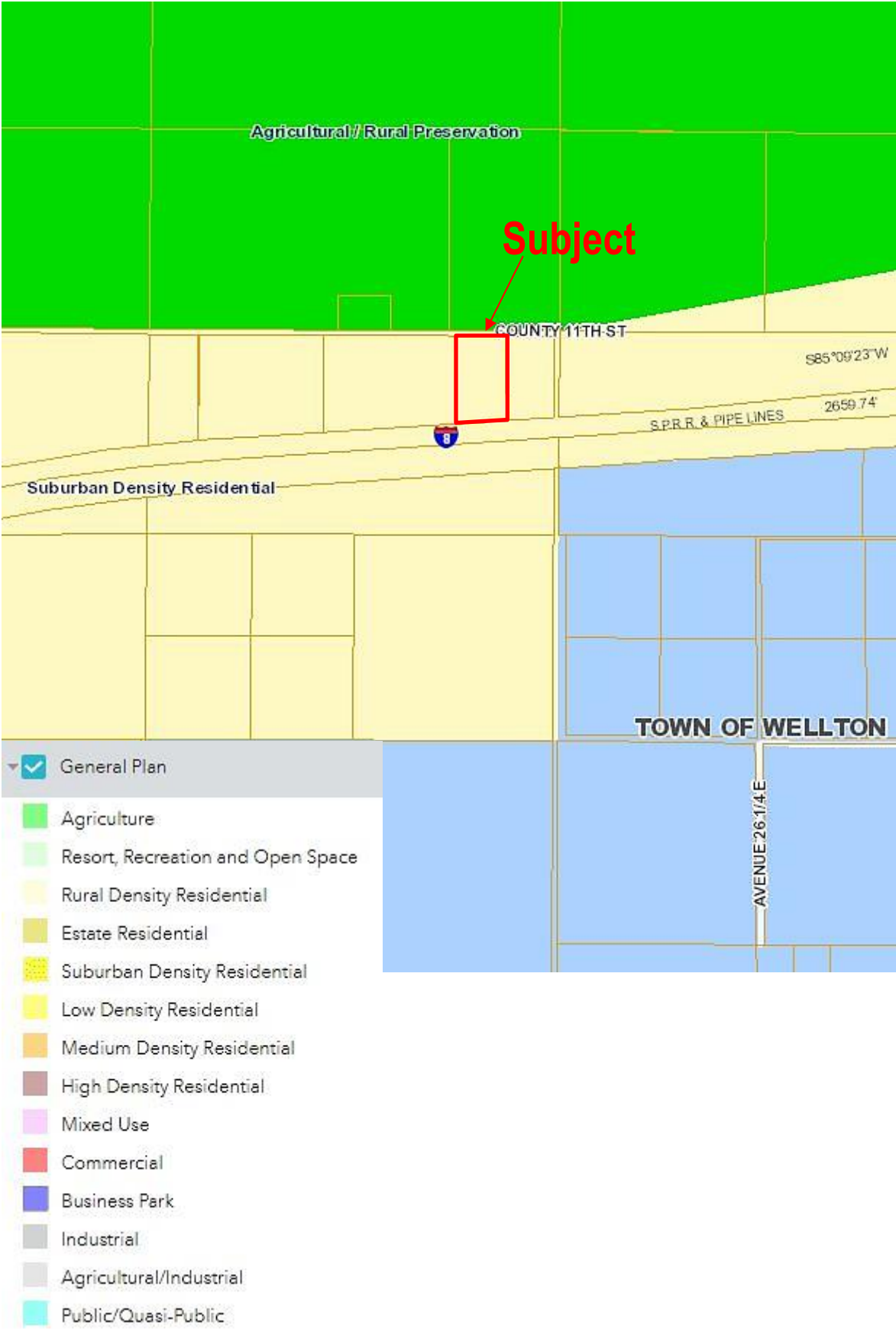
Among possible “Special Uses” are agricultural processing facilities, cemeteries, churches, dude ranches, game preserves, golf courses, hospitals, libraries, museums, art galleries, private clubs, private airstrips, private charter schools, utility installations, public schools, parks or buildings, wireless communications facilities, and biofuel production facilities.

As indicated, the minimum lot size for RA-40 zoned properties is 40 acres. The minimum lot width is 660 feet. Required setbacks include 50 feet for the front yard, 50 feet for side yards and 34 feet for the back yard. The maximum building height is 60 feet, except as provided for chimneys, church steeples, refrigeration coolers or ventilating fans, elevator bulkheads, fire towers, ornamental towers or spires, mechanical appurtenances necessary to operate and maintain the building, and other uninhabited space. The maximum height for those is 100 feet, as long as they are set back at least one foot for each foot of additional height above 60 feet.

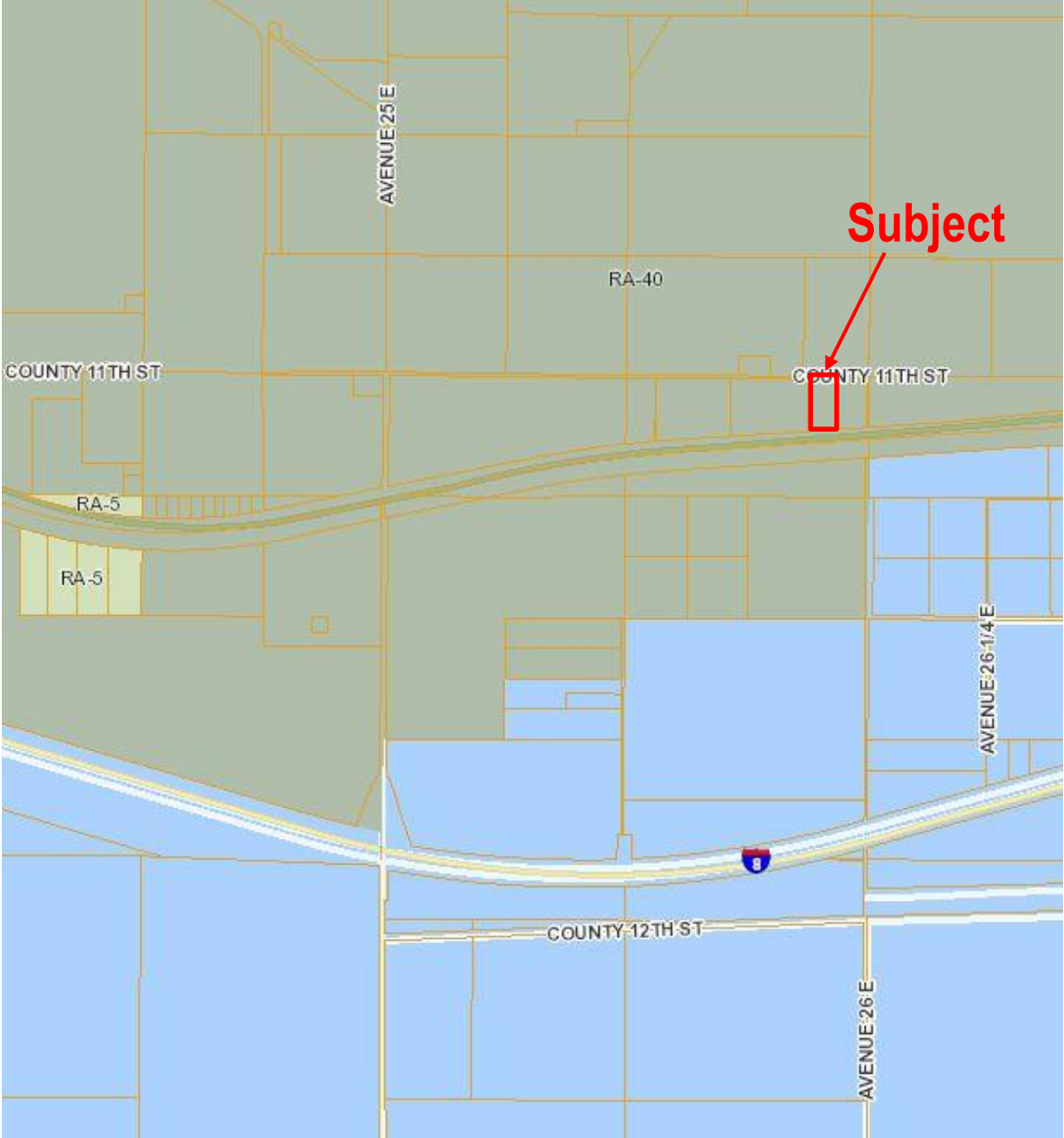
The subject, at 3.88 acres (4.16 acres per the County Assessor), represents a legally non-conforming parcel, which was created prior to enactment of the Zoning Ordinance. It is noted that the size is consistent with the stated densities of the Comprehensive Plan.

On the whole, the type of use encouraged by the comprehensive plan and zoning ordinance is appropriate for the rural/transitional location of the subject.

### Yuma County General Plan



Zoning Map



## **Highest and Best Use**

Highest and best use is defined in the 15th Edition of The Appraisal of Real Estate, published by the Appraisal Institute, as:

"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. The four criteria the highest and best use must meet are physical possibility, legal permissibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property – specific with respect to the user and timing of the use – that is adequately supported and results in the highest present value." (Page 306)

### **Physical Possibility**

The subject property includes 3.88 acres of generally level terrain that is situated outside of any FEMA-identified flood hazard areas.

Access is good via Old US 80, Avenue 26E and County 11<sup>th</sup> Street. An overhead electric distribution line and an underground telephone line run along the north property boundary. There is no potable water at the subject property. The Wellton-Mohawk Irrigation and Drainage District (WMIDD) has a canal at the south boundary and the subject is eligible for delivery of irrigation and domestic water from that facility. For potable water, area residents rely on private wells or water from WMIDD which requires treatment for domestic use.

Development at any level will require the clearing of relic improvements from past use as a fleet maintenance facility. Those improvements include an old concrete wash station in the south-central part of the property, an electric service in the west-central portion, six concrete tank-stand pillars and several small concrete slabs in the east-central part.

Agriculture is the local economic mainstay and the subject is surrounded on three sides by irrigated farmland. The fourth, southern boundary abuts the WMIDD canal and Old US 80. For the most part, lands to the south of the highway are native desert and support dispersed residential activity. There are also a number of residential sites scattered through the farmlands to the north, sometimes in small neighborhood clusters. Downtown Wellton is about 3.2 miles to the east on Old Highway 80. Yuma is about 30 miles west on Interstate 8.

### **Legally Permissible**

At 3.88 acres, the subject property is a legal, non-conforming parcel within Yuma County's RA-40 zoning District. The RA-40 zoning at the subject provides for a broad range of agricultural, residential, accessory and supporting uses, typically at a minimum lot size of 40 acres.

Despite the non-conforming size, County officials indicate that development to the class of use intended under the district is not problematic, as long as the property meets use-specific standards laid out in the zoning ordinance.

Allowable uses include, but are not limited to single family dwellings, farms, ranches, ranch/farm headquarters office, farm labor housing, home occupations, plant nurseries, kennels, seasonal produce stands, ag equipment storage and ag warehousing.

Potential "Special Uses" include agricultural processing facilities, cemeteries, churches, dude ranches, game preserves, golf courses, hospitals, libraries, museums, art galleries, private clubs, private airstrips, private charter schools, utility installations, public schools, parks or buildings, wireless communications facilities and biofuel production facilities.

As indicated, the minimum lot size for RA-40 zoned properties is 40 acres. The minimum lot width is 660 feet. Required setbacks include 50 feet for the front yard, 50 feet for side yards and 34 feet for the back yard. The maximum building height is 60 feet, except as provided for chimneys, church steeples, refrigeration coolers or ventilating fans, elevator bulkheads, fire towers, ornamental towers or spires, mechanical appurtenances necessary to operate and maintain the building, and other uninhabited space. The maximum height for those is 100 feet, as long as they are set back at least one foot for each foot of additional height above 60 feet.

The 3.88-acre size of the subject is consistent with the stated densities of the R-SD Land Use Designation in the County's Comprehensive Plan, which sets out target densities that range from three dwelling units per acre to one dwelling unit per three acres.

I am aware of no private or other restrictions that significantly impact the likely use of the subject property going forward.

### **Financially Feasible**

Perhaps the best evidence of the financial feasibility of any use is the presence, or absence of that use in a given marketplace. In this regard, a brief review of surrounding and nearby land uses that was presented at the beginning of this discussion is informative.

With the exception of the Gila River channel(s) and floodway, the great majority of land lying north of Old Highway 80 and south of the Muggins Mountains supports irrigated agriculture and the subject property is surrounded on three sides by irrigated farmland.

There is also dispersed residential settlement incorporated into the farmland areas, some of which is in small, clustered neighborhoods. Existing residential settlement, at intervals, along the highway and among the farm properties, demonstrate demand for use at that level.

Commercial activity is generally limited to sites within "downtown" Wellton. Industrial activity is lightly represented and clustered within the town limits.

Given the neighborhood and economic settings, it appears that financially feasible uses of the property are limited to farming, or farm support, and residential occupancy.

### **Maximum Productivity**

Ultimately, the use to which the property is put depends on the personal perspective of the owner. But a review of local market activity, including that believed to be most relevant to this appraisal, brings two potential uses to the forefront: farming and residential occupancy. In both cases, significant preparatory work will be necessary. What separates the subject from more traditional residential sites is the availability of 3.5 acres of water from the Mohawk-Wellton Irrigation and Drainage District for conversion to agricultural use. A review of the data shown on page 46 indicates that, while there is a certain amount of overlap, agricultural properties tend to sell at a significantly higher unit price than residential sites.



Given the considerations presented here, the highest and best use of the subject property, as of the February 1, 2022 effective date of this appraisal, is for investment, based on the potential for conversion to agricultural production. Due to the small size, conversion to irrigated farmland would likely result in the incorporation into an existing nearby farming operation.

**Highest and Best Use Conclusion:** Investment, based on the potential for conversion to agricultural production.

### **Sales Comparison Approach**

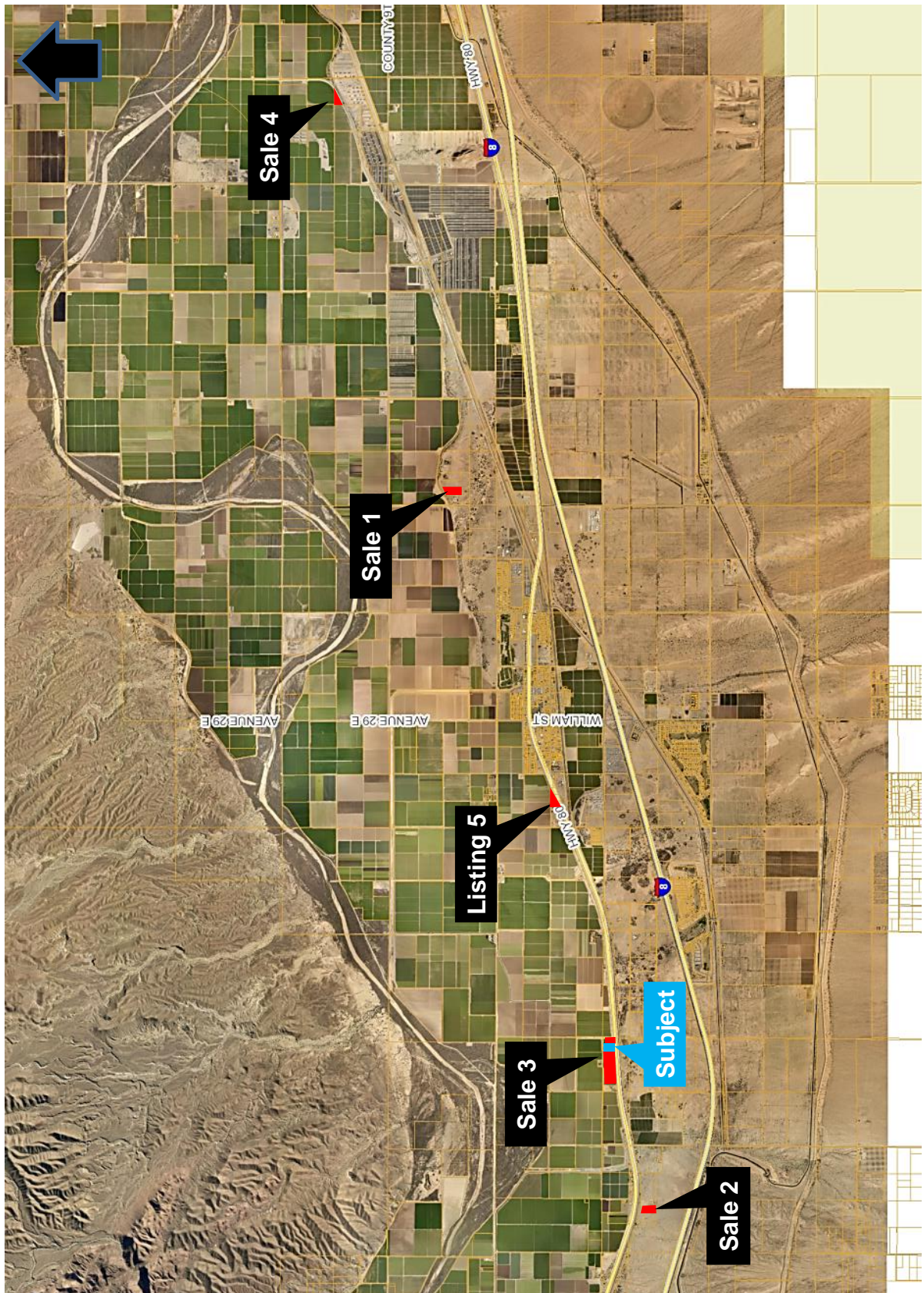
The Sales Comparison Approach is used to form an opinion of market value of the subject property. In the Sales Comparison Approach, sales of similar properties in the subject area are compared and adjusted to the subject property. This approach applies the principle of substitution which affirms that when a property can be replaced, its value tends to be set by the cost of acquiring an equally desirable substitute property without undue or costly delay.

The following tabulation summarizes the comparable sales. Write-ups and photographs of the sales follow.

**Land Sales Tabulation**

SALE	DATE DOCUMENT	SELLER / BUYER LOCATION ASSESSOR PARCEL NUMBER	SALE PRICE TERMS	SITE SIZE (ACRES)	SALE PRICE PER ACRE	COMMENTS	ZONING
1	11/30/20 2020-36495	Vandersnick / Fullmer E of Ave. 31E, about 3/4 mile N of US 80 185-34-010	\$75,000 \$15,000 Dn private lender	6.80	\$11,029	Residential lot; Electric, well & septic Prior sale 10/2017 for \$75,000	RA-5 Yuma Cty
2	8/20/2021 2021-31770	Woltman / Boyd S of US 80, W of Ave 25E 200-09-025	\$56,900 Cash	6.45	\$8,822	South of SPRR tracks Decent access, power next door No developed water source	RA-5 Yuma Cty
3	3/5/2021 2021-08612	Marlatt / Rovey NWc US 80 & Ave 26E 200-10-004, -005, -007	\$550,000 Cash	26.40	\$20,833	3 non-contiguous parcels flanking subject Actively farmed - vegetables Has WMIDD water buy - 24.9 acres	RA-40 Yuma Cty
4	10/2/2019 2019-25338	Hodges, as Court Apptee. / Jones Northwest corner US 80 and Avenue 35E 186-31-008	\$110,000 \$90,000 Cash	8.70	\$12,644 gross \$10,345 net	Ag 5+ years ago, 8.7-acre water buy status \$20,000 allocated to older buildings	LI Yuma Cty
5	Current Listing	CA Trust 1 1-1-2001 / NA NEc of Hwy 80 & Avenue 28E 201-06-043 -044, -045	\$245,700 Negotiable	15.45	\$15,903	4 contiguous parcels of vacant land Incl. 11.4-acre water buy status.	C-2 Wellton
<b>Other Sales Considered</b>							
A	4/21/2020 2020-11968	Double CK / Ware Farms N of Hwy 80, W of Tacna 684-22-001 & -004	\$301,500 Cash	20.10	\$15,000	Multiple small basins Fallow at time of inspection	RA-10
B	4/23/2020 2020-12149	Nickerson / Saint Isidore's LLC Pumphouse Ave, W of Ave 23E, S of Co 10th 200-06-005	\$24,100 Unknown	2.41	\$10,000	Adj E of Ligurta Creek floodway. Wedge shape bought by Pasquelli Produce for tenure control / access. No water buy	SR-1
C	1/4/2022 2022-00337	Halstead / Charlton Gila Vista St, W of Ave 23E, S of Co 10th 706-12-001	\$25,000 Cash	1.34	\$18,657	Homesite on benchland with low lying acreage with farmland encroachment on east boundary Electric. No developed water source	SR-1
D	09/10/21 2021-34166	Vessey / Lakey S of US 80, W of Avenue 25E 200-09-023	\$35,000 Cash	6.43	\$5,443	South of SPRR tracks Poor access, distant from power. Buyer son of Sale D	RA-5 Yuma Cty
E	9/30/2021 2021-36613	Vessey / Lakey S of US 80, W of Avenue 25E 200-09-024	\$36,500 Unknown	6.45	\$5,659	South of SPRR tracks Fair access, power two properties over	RA-5 Yuma Cty
F	12/18/2020 2020-39187	Valley Consulting / Baker-Toma Trust E. sd Ave 26 1/4 E, just N of I-8 200-11-034	\$24,300 Cash	2.51	\$9,681	Desert RV site alongside the freeway. Electric pedestal on site.	AG Wellton
G	9/24/2021 2021-35752	Barker / Alvarez N sd Co 11 1/2 St, W of Ave 27E 200-11-009 & -010	\$64,000 10% Dn SCB	4.00	\$16,000	Two neighboring residential lots in developing neighborhood of custom homes South of Old US 80 and UPRR	AG Wellton
Subject	2/1/2022 DOV	ADOT / N/A N sd of US 80, 1 lot west of Ave 26E 200-10-006	N/A	3.88	N/A	Former ADOT maintenance yard, Misc impmts of no value. Incl. 3.5 acre water buy status	RA-40 Yuma Cty

**Overall Land Sales Map**



REAL PROPERTY TRANSACTION DATA			Sale No.: 1
DESCRIPTION	<b>Location:</b> East of Ave 31E, about 3/4 mile north of US 80	<b>County:</b> Yuma County <b>State:</b> Arizona	<b>Size:</b> 6.8 acres
	<b>Parcel No.:</b> 185-34-010	<b>Township:</b> 8S	<b>Range:</b> 18W <b>Section:</b> 34
	<b>Description:</b> N 780.69 FT TH NELY 93.93 FT TH NELY 304.68 FT TH S 995.84 FT TH W 333.45 FT TO POB AKA PARCEL C BARKER (AVENUE 31E) PARCEL SPLIT (LDP11-04)		
<b>Maps:</b> BLM: N/A <b>USFS:</b> N/A <b>USGS 7.5':</b> N/A			
TRANSACTION DATA	<b>Recording Date:</b> 11/30/2020	<b>Instrument Date:</b> 11/27/2020	
	<b>Fee#:</b> 2020-36495	<b>Docket:</b>	<b>Type of Instrument:</b> WD <b>Page:</b>
	<b>Sale Price:</b> \$75,000	<b>Terms:</b> \$15,000 down (20%); private lender for balance	
	<b>Unit Price:</b> \$11,029 per acre		
	<b>Seller:</b> James E. Vandersnick and Loree L. Vandersnick	<b>Address:</b> 9500 S. Avenue 31E Wellton, AZ 85356	
	<b>Buyer:</b> Tobias Fullmer and Julie Fullmer	<b>Address:</b> 11553 S. Sandra Ave Yuma AZ 85367	
<b>Confirmation By:</b> Tobias Fullmer	<b>Title:</b> Buyer	<b>Date:</b> 3/1/2022	
<b>Inspection:</b> BW 2/1/2022			
<b>Outstanding Rights:</b> Typical utility easements.			
<b>Restrictions/Zoning:</b> RA-5, Rural Area; 5 acre minimum lot size.			
<b>Highest and Best Use:</b> Residential			
<b>Improvements:</b> None			
<b>Access:</b> Via a dirt easement off Avenue 31E			
<b>Utilities:</b> Electric, phone & septic			
<b>Water:</b> Domestic well			
<b>Minerals:</b> N/A			
<b>Terrain:</b> Level			
<b>Vegetation:</b> Creosote			
<b>Remarks:</b> This is a residential homesite. The property previously sold on October 27, 2017, for \$75,000.			
ANALYSIS	<b>Sale Allocation:</b>		
	N/A		

Sale ID: 03-2021-20-L

Ref:

Date Entered: 3/3/2022

Entered by: LMB

Complete:

Sale 1 Photo



Sale 1 Aerial



REAL PROPERTY TRANSACTION DATA			Sale No.: 2
DESCRIPTION	<b>Location:</b> South side of US 80, west of Ave 25E, south of the railroad tracks	<b>County:</b> Yuma <b>State:</b> Arizona	<b>Size:</b> 6.45 acres
	<b>Parcel No.:</b> 200-09-025	<b>Township:</b> 9S	<b>Range:</b> 19W <b>Section:</b> 9
	<b>Description:</b> Subdivision: MONJE SPLIT Lot: 4 Section: 09 Township: 09S Range: 19W		
<b>Maps:</b> BLM: N/A <b>USFS:</b> N/A <b>USGS 7.5':</b> N/A			
TRANSACTION DATA	<b>Recording Date:</b> 8/20/2021	<b>Instrument Date:</b> 8/20/2021	
	<b>Fee#:</b> 2021-31770	<b>Docket:</b>	<b>Type of Instrument:</b> WD <b>Page:</b>
	<b>Sale Price:</b> \$56,900	<b>Terms:</b> Cash	
	<b>Unit Price:</b> \$8,822 per acre		
	<b>Seller:</b> Clyde M. Woltman and Despina A. Woltman Trustees under The Woltman Family Trust dated 7-5-2011	<b>Address:</b> 1027 Delf Drive Mc Lean, VA 22101	
	<b>Buyer:</b> Keith Boyd, Kelly J. Boyd, Trustee of the Keith Boyd, Kelly J. Boyd Living Trust dated June 24, 2008, as amended, and restated	<b>Address:</b> 7884 E. 38th Place Yuma, AZ 85365	
	<b>Confirmation By:</b> Kelly S. Boyd	<b>Title:</b> Buyer	<b>Date:</b> 3/1/2022
<b>Inspection:</b> BW 2/1/2022			
PROPERTY DATA	<b>Outstanding Rights:</b> Typical utility easements		
	<b>Restrictions/Zoning:</b> RA-5; residential, 5 ac. minimum.		
	<b>Highest and Best Use:</b> Residential		
	<b>Improvements:</b> None		
	<b>Access:</b> Dirt road access off Ave 25E		
	<b>Utilities:</b> Power next door		
	<b>Water:</b> None; buyer has since drilled a well.		
	<b>Minerals:</b> N/A		
	<b>Terrain:</b> Flat, on mesa.		
	<b>Vegetation:</b> Scattered creosote.		
<b>Remarks:</b> The property was on the market for many years. Buyer plans to install manufactured home for owner occupancy.			
ANALYSIS	<b>Sale Allocation:</b>		
	N/A		

Sale ID: 03-2021-20-L

Ref:

Date Entered: 2/28/2022

Entered by: LMB

Complete:

Sale 2 Photo



Sale 2 Aerial



REAL PROPERTY TRANSACTION DATA			Sale No.: 3
DESCRIPTION	<b>Location:</b> Northwest corner of US 80 and Avenue 26E	<b>County:</b> Yuma <b>State:</b> Arizona	<b>Size:</b> 26.4 acres
	<b>Parcel No.:</b> 200-10-004, -005, -007	<b>Township:</b> 9S	<b>Range:</b> 19W <b>Section:</b> 10
	<b>Description:</b> Portion of the NW¼ NE¼		
<b>Maps:</b> BLM: N/A			<b>USFS:</b> N/A <b>USGS 7.5':</b> N/A
TRANSACTION DATA	<b>Recording Date:</b> 3/5/2021	<b>Instrument Date:</b> 3/5/2021	
	<b>Fee#:</b> 2021-08612	<b>Docket:</b>	<b>Type of Instrument:</b> WD <b>Page:</b>
	<b>Sale Price:</b> \$550,000	<b>Terms:</b> Cash	
	<b>Unit Price:</b> \$20,833 per acre		
	<b>Seller:</b> Marvin Marlatt and Lisa Vouaux-Marlatt, et al.	<b>Address:</b> 27290 E. County 10th St. Wellton, AZ 85356	
	<b>Buyer:</b> Larry D. Rovey and Linda L. Rovey	<b>Address:</b> 8383 W. Cotton Blossom Trail Glendale, AZ 85305	
	<b>Confirmation By:</b> Marvin Marlatt Larry Rovey	<b>Title:</b> Seller Buyer	<b>Date:</b> 3/2/2022 3/2/2022
<b>Inspection:</b> BW 2/1/2022			
PROPERTY DATA	<b>Outstanding Rights:</b> Typical utility easements; WMIDD water rights.		
	<b>Restrictions/Zoning:</b> RA-40		
	<b>Highest and Best Use:</b> Agricultural		
	<b>Improvements:</b> Old house and trees. No value; since removed.		
	<b>Access:</b> Access from Old Hwy 80 and County 11th Street		
	<b>Utilities:</b> Electric and phone.		
	<b>Water:</b> WMIDD rights to 24.9 acres		
	<b>Minerals:</b> N/A		
	<b>Terrain:</b> Flat		
	<b>Vegetation:</b> Irrigated farmland planted in produce.		
<b>Remarks:</b> Three noncontiguous parcels flanking the subject. Active vegetable farm. Two prior sales: 1/27/12 \$91,500 or \$7,982/ac. for 11.40 ac. irrigated 7/22/13 \$105,000 or \$7,000/ac. for 15 ac. irrigated			
ANALYSIS	<b>Sale Allocation:</b>		
	N/A		

Sale ID: 03-2021-20-L

Ref:

Date Entered: 2/28/2022

Entered by: LMB

Complete:



**Sale 3 Photo East Parcel**



**Sale 3 Photo West Parcels**



Sale 3 Aerial



REAL PROPERTY TRANSACTION DATA			Sale No.: 4
DESCRIPTION	<b>Location:</b> Northwest corner of Old US Highway 80 and Avenue 35E	<b>County:</b> Yuma <b>State:</b> Arizona	<b>Size:</b> 8.7 acres
	<b>Parcel No.:</b> 186-31-008	<b>Township:</b> 8S	<b>Range:</b> 17W <b>Section:</b> 31
	<b>Description:</b> Portion of the SE¼ of the SE¼ northerly of the SPRR ROW less highway ROW		
<b>Maps:</b> BLM: N/A <b>USFS:</b> N/A <b>USGS 7.5':</b> N/A			
TRANSACTION DATA	<b>Recording Date:</b> 10-2-2019	<b>Instrument Date:</b> 9/30/2019	
	<b>Fee#:</b> 2019-25338	<b>Docket:</b>	<b>Type of Instrument:</b> WD <b>Page:</b>
	<b>Sale Price:</b> \$110,000 Value of improvements allocated \$20,000 per Mr. Pat Hodges	<b>Terms:</b> Cash	
	<b>Unit Price:</b> \$12,644 gross; \$10,345 net imps		
	<b>Seller:</b> Patrick K. Hodges, Jr., as the Court Appointed Commissioner in the matter of Alexandria Abadie vs. Estate of James P. Simpson, Deceased, et al.	<b>Address:</b> Yuma County Superior Court	
	<b>Buyer:</b> Jessica Ann Jones and Curtis Wayne Jones	<b>Address:</b> N/A	
	<b>Confirmation By:</b> Pat Hodges	<b>Title:</b> Pancrazi Real Estate	<b>Date:</b> 3/2/2022
<b>Inspection:</b> BW Feb 2022			
PROPERTY DATA	<b>Outstanding Rights:</b> Typical utility easements. WMIDD water rights.		
	<b>Restrictions/Zoning:</b> LI, Light Industrial, Yuma County		
	<b>Highest and Best Use:</b> Agriculture / Residential		
	<b>Improvements:</b> 1440 sf double-wide MH built in 1984, metal Quonset hut and storage shed (2,400 sf and 320 sf, respectively) built in 1981; very poor condition. Improvements allocated \$20,000 per Pat Hodges.		
	<b>Access:</b> At street grade with US Highway 80 and Ave 35E.		
	<b>Utilities:</b> Electric, phone, septic and domestic well		
	<b>Water:</b> Located in WMIDD with 8.7-acre water buy.		
	<b>Minerals:</b> N/A		
	<b>Terrain:</b> Level		
	<b>Vegetation:</b> Mostly cleared fallow farmland. Planted in alfalfa 5± years ago. Non-native trees near improvements.		
<b>Remarks:</b> Near Five Rivers Feed Yard. 8.7-acre water buy. Produce not possible due to sanitation concerns.			
ANALYSIS	<b>Sale Allocation:</b>		
	8.7 ac.	@ \$10,345/ac.	\$90,000
	Improvements		\$20,000

Sale ID: 03-2021-20-L

Ref:

Date Entered: 2/28/2022

Entered by: LMB

Complete:

Sale 4 Photo



Sale 4 Aerial



## **Land Sales Analysis**

To develop an opinion of market value of the subject property, I searched for recent land sales that are similar in terms of location, size, and potential use. The search focused on sales along the U.S. Highway 80 corridor in the Wellton area from Lagurta to Tacna. An attempt was made to find those undeveloped land sales similar in size to the subject with “water buy” privileges but not yet placed into production. There are few properties of this type and virtually no recent sales. Lacking recent sale data, the parameters of the search were expanded to include sales of residential land outside the Wellton Mohawk Irrigation and Drainage District (WMIDD), and sales of irrigated farmland.

The search revealed a number of recent residential land sales but few sales of irrigated land that are as small as the subject. Production farmland commonly found in the WMIDD is typically much larger from about 100 acres to nearly 500 acres. Despite the lack of data, two relevant sales were found, including the recent sale of two parcels that abut the subject. Collectively, the residential land sales, irrigated sales or sales with water buy privileges will be used to bracket a valuation conclusion for the subject property.

### **Unit of Comparison:**

The sale price per acre is the appropriate unit of comparison. This is equal to the sale price divided by the total number of acres of the sale. Depending on available data, these adjustments have been quantified. But the reader should note that there is not strong support for several of the adjustments and the appraiser has relied on judgement and information gained in the confirmation process in applying some of the adjustments.

### **Comparable Sales Overview:**

The first four sales tabulated on page 46 are included in the primary dataset. These include two sales purchased for residential use and two sales with “water buy” privileges one of which was irrigated at the time of sale. Comparable Five is a current listing. Sales A through G are other recent, nearby land sales that were found and considered. These sales are not compared directly to the subject but included to help develop adjustments and to lend support to the reconciled value conclusion.

**Sale One** is a 6.8-acre residential lot located on the mesa overlooking the irrigated farmland along Gila River valley. The site is about three-quarters of a mile north of U.S. 80, one lot east of Avenue 31E which is northeast of the Town of Wellton. It is zoned RA-5, which is a residential zoning with a 5-acre minimum size. The property has electric and phone to the property boundaries, a well for potable water and a septic system.

This site sold November 30, for \$75,000 or \$11,029 per acre.

**Sale Two** is also a residential lot consisting of 6.45 acres. It is located just south of US Highway 80, south of the UPRR tracks and about ½ mile west of Avenue 25E. It is roughly 1.5 miles southwest of the subject property. Electric and phone are nearby but require extension to the building pad at a cost of \$8,000 to the buyer. At the time of sale there was no developed water source and no septic system in place. Both have subsequently been installed at the buyer’s expense in anticipation of placing a manufactured home on the property.

Sale Two sold in August 2021 for \$56,900 or \$8,822 per acre, cash.

**Sale Three** is the March 2021 sale of the farmland adjacent east and west of the subject property. In total, the buyer acquired 26.4 acres of land planted in produce with water buy privileges to irrigate 24.9 acres. At the time of sale, there was a dilapidated house and trees at the southwest corner of the middle parcel. The previous owner used the tree cover for beehives and bees that were used to pollinate plants that produce seed. The buyer considered the improvements and vegetation more of a nuisance to his operation and has since removed them.

Sale Three sold for \$550,000, cash or \$20,833 per acre. The property traded between farmers and was not actively listed for sale.

**Sale Four** is located at the northwest corner of US Highway 80 and Avenue 35E, between the communities of Wellton and Tacna. The property consists of 8.7 acres with “water buy” privileges. At the time of sale, the irrigated land was vacant and had not been farmed in about five years. At the east end of the property is a 1,440 square foot double-wide mobile home, Quonset hut and storage shed. According to the sales agent/court appointed commissioner assigned to sell the property, the improvements were in very poor condition contributing nominally, about \$20,000, to the purchase price. They have since been fixed up and now occupied by the buyer. The farmable portion of the property is still vacant. Due to the proximity to the Five Rivers Feed Yard, crops are limited to alfalfa and cotton. Produce is not acceptable due to sanitation concerns.

Sale Four sold on October 2, 2019 for \$110,000 or \$12,644 per acre, gross, or \$10,345 per acre net of the improvements.

**Listing Five** is a triangular shape, 15.45-acre parcel of land located on the north side of US Highway 80 at Avenue 28E. The property is at the western boundary of the Wellton town limits about three miles east of the subject. It is zoned for commercial use but includes 11.6 acres of “water buy” privileges. The site has been on the market for several years. The most recent asking price was \$295,700 and included a 2.6+/- acre parcel across the street. The 2.6-acre parcel sold in December 2020 for \$50,000 which suggests the current asking price is \$245,700 for the remaining 15.45 acres. This is equal \$15,903 per acre. It remains to be seen what the eventual use will be for this property.

The next set of sales are those that were considered but for a variety of reasons not compared directly to the subject.

**Sale A** includes 20 acres of farmland divided into 10 basins. The property is located roughly 15 miles east of the subject property, just north of US Highway 80 near the Tacna interchange. At the time of inspection, the land was fallow. The property is outside the WMIDD and appears to be irrigated with groundwater.

Sale A sold April 21, 2020 for \$301,500, cash or \$15,000 per acre. Due to the distant location outside the WMIDD and the larger size, Sale A was not compared directly to the subject but will be used to help develop a location adjustment applied to Sale Four.

**Sales B and C** are adjacent parcels located approximately ½ mile north of US Highway 80 just east of Lagurta Wash. Both parcels are within or part of Lagurta Foothills subdivision. Sale A consists of 2.41 acres and sold in April 2020 for \$24,100. This is a long narrow parcel that includes benchland overlooking lower lying farmland. The buyer is Saint Isidore’s LLC, Pasquinelli Produce, owner/operator of the farmland to the northeast. It appears the motivation for purchase was tenure control, access or farm-support. This parcel is outside the WMIDD.

Sale C, adjacent east of Sale B, is a very similar parcel though, at 1.34 acres, it is smaller but has a more usable shape. It too is outside the WMIDD, yet it appears the Pasquinelli farm is encroaching at the northeast corner. The buyer purchased the property for residential use in January 2022 for \$25,000, cash.

The total prices of these two sales are very similar but because of the size difference, the per acre prices vary significantly. Sale B is much larger, but the triangular shape relegates the parcel to a single homesite. Sale C is smaller with a much more usable shape. Zoning restricts the use to a single homesite. Since these sales are best viewed on the total price paid rather than the price per acre, neither has been compared directly to the subject.

**Sales D and E** are two lots located adjacent west of Sale Two described above. These two lots were sold by the same seller to a mother and son each taking title to the two different parcels. The prices were \$5,443 and \$5,659 per acre, respectively. The difference between these two prices reflects the quality of access and distance to electric. Relative to Sale Two, both are further from electric and have inferior access. Of the three adjoining sales, Sale Two is more similar in terms of access and utilities and, therefore, it has been selected for inclusion in the primary data set.

**Sale F** is a 2.51-acre lot located on the east side of Avenue 26¼E, just north of I-8. It is in the southwest portion of Wellton, southeast of the subject property. There is an electric meter on the property that appears to have been connected to an RV at one time. It is no longer in use. The site is open desert with creosote. Access is via a series of dirt roads off Avenue 27E. It was considered as a primary sale but could not be confirmed.

Sale F sold in December 2020 for \$24,300, cash, or \$9,681 per acre.

**Sale G** is located in the same general area as Sale F, but closer to the commercial services in Wellton and in a neighborhood of custom home development. Sale G consists of 4 acres and sold in September 2021 for a substantially higher price of \$16,000 per acre. This is the highest price of all the residential sales which is believed to be attributable to the location. However, I was unsuccessful in my attempts to contact either the buyer or seller. Since Sale G is substantially above the range indicated by most of the other residential data and the sale could not be confirmed, it was omitted from the primary dataset.

The elements of value are segregated into two general categories. The first includes factors related to the sale transaction. These are:

- Property Rights Conveyed
- Financing Terms
- Conditions of Sale
- Expenditures Made Immediately After Purchase
- Market Conditions
- 

The second category includes factors related to the property. Those are:

- Location
- Physical Characteristics
- Economic Characteristics
- Legal Characteristics
- Non-realty Components of Value Included in the Sale

**Transactional Characteristics:**

The first five sections of the analysis consider *transaction*-related factors that may have impacted the prices paid for the comparable sales.

***Property Rights Conveyed:***

The sale price of a property is always predicated on the property rights conveyed. The interest appraised is the fee simple estate subject to known reservations and encumbrances.

Property documentation provided to me has been minimal. That documentation includes an ADOT-provided legal description to be used in future conveyance of the subject property. The verbiage in that legal description is as follows:

*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.*

Known utilities at the subject include the overhead electric distribution line along County 11<sup>th</sup> Street, at the north end of the property, an underground telephone line, also along County 11<sup>th</sup> Street, at the north end, and the Wellton-Mohawk irrigation ditch situated between Old Highway 80 and the old highway maintenance yard. All are potentially beneficial to the property and thus there is no detrimental impact.

Reportedly, the subject property includes a 3.5-acre "water buy". Once again, no documentation of this right was provided by ADOT. However, representatives with the Wellton Mohawk Irrigation and Drainage District (WMIDD) confirmed this right which allows the property to be converted to irrigated farmland. Since most properties with irrigation water rights are planted and actively being farmed it is difficult to isolate the value attributed directly to this right. However, once adjustments are made for other differences, it will become clearer as to the value attributed to this right. Rather than applying an adjustment under property rights conveyed, this adjustment will be made later in the analysis.

Excluding any consideration for differences between the sales and the subject for "water buy" status, there are no known easements or encumbrances that significantly impact the development of any of the sales. Standard utility easements exist along the property boundaries of the sales, but where these exist the benefit of utilities far outweighs any negative impact from the easement encumbrance.

No adjustments are made to any of the sales for property rights conveyed.

***Financing Terms:***

In accordance with the definition of market value, adjustments for financing terms are made on an all-cash basis or cash plus institutional financing at the prevailing market interest rate. All sales sold for cash or cash to the seller with the buyer obtaining outside financing. No adjustments are necessary.

***Conditions of Sale:***

The definition of market value requires that the resulting value opinion reflect "... a competitive and open market under all conditions requisite to a fair sale, the buyer and seller



*each acting prudently, knowledgeably and assuming that the price is not affected by undue stimulus.”*

The definition continues to include the following conditions:

- 1. buyer and seller are typically motivated;*
- 2. both parties are well informed or well advised, and each acting in what he or she considers his or her best interest;*
- 3. a reasonable time is allowed for exposure in the open market;*

An adjustment for conditions of sale considers any unusual circumstances that may have affected the sale price. Examples include the purchase by an adjacent property owner, a seller under duress, or a related buyer and seller.

To the best of my knowledge, Sales One and Two were actively listed and negotiated under conditions requisite of a market transaction.

Sale Three was not actively listed. The buyer's son-in-law leases nearby farmland and became aware of the seller's (Marlatt) interest in divesting of his property. He alerted his father-in-law (Rovey) who had recently sold property in Glendale and was looking for a like-kind parcel to place his proceeds to complete a 1031 Exchange. Both buyer and seller are farmers in the Wellton area and familiar with local pricing for farmland. Each believes a fair price was negotiated. No adjustment is made.

Sale Four was listed and sold by Pat Hodges, a local agricultural real estate agent who was a court appointed commissioner for the deceased property owner. According to Mr. Hodges, the property has a “wicked” past involving a divorce and murder. But, despite its tainted history, there were several interested parties and the property sold “rather quickly”. No adjustment is necessary.

***Expenditures Made Immediately After Purchase:***

A knowledgeable buyer considers expenditures that will have to be made upon purchase of a property because these costs affect the price the buyer agrees to pay.

The buyer of Sale Two indicated she has since extended electric, drilled a well and installed a septic system in anticipation of moving a manufactured home onto the property. While these potential costs likely factored into the price they were willing to pay for the land, the differences in availability of utilities will be addressed later in the analysis. Thus, no adjustment is developed or applied here.

Sale Three had an old, dilapidated house surrounded by trees. The house and trees have since been removed. According to the buyer, the expense was nominal. Since the buyer/owner of the subject property will incur expense to remove the existing improvements and level the land, this difference in cost is addressed later in this analysis.

No other adjustments are needed.

***Market Conditions:***

An adjustment for changes in market conditions may be appropriate when there are changes in property values that occur between the date of the oldest sale and the valuation date of the subject property. The effective date of value for the subject property is February 1, 2022. The sales span a time period from October 2, 2019 to August 20, 2021. Three sales sold after March 11, 2020, which is the date of declaration by the WHO of a global pandemic from COVID-19. During the pandemic, certain sectors of the real estate market,

particularly residential and industrial, have thrived, while others, like office and commercial, have struggled. For farmers, the pandemic was disruptive initially, but operations have since stabilized.

Over the past two years, period winter plantings were down 5% to 10%. But industry participants view disruption in market conditions as short term. According to Mr. Bill Moody, with Moody Appraisers in Yuma, the demand for farmland “for lease” is stable without much increase in rent rates. The volume of sales is down, but there are fewer listings. Buyers for irrigated land include operators purchasing land they had been leasing and increased interest from investment groups seeking a safe investment in farmland and cooling facilities. Prices paid exhibit modest appreciation. In the Wellton area, Mr. Moody reports sale prices for irrigated farmland of \$20,000 to 28,000 per acre and trending upward. Prices on the Wellton Mesa are \$10,000 to \$15,000 per acre and stable.

To measure a change, if any, the sale and resale of the same property over the time period in question often provides the best indication of changes in market conditions over time. Two sales represent a sale and resale.

Sale One is a residential lot that sold November 30, 2020 for \$75,000 or \$11,029 per acre. It previously sold on October 17, 2017 at the same price of \$75,000. This suggests no increase up to late 2020.

Sale Three, which sold in March 2021 for \$20,833 per acre, was acquired in 2012 and 2013 in two separate transactions. In January 2012, 11.4 acres sold for \$7,982 per acre. In July 2013, 15 acres sold for \$7,000 per acre. According to Mr. Marlatt, the buyer in the first sales and the seller of Comparable Three, no significant changes or improvements were made during his tenure. He indicated that the substantially lower prices of the earlier sales were due to the sluggish nature of the market in 2012-13 time period in which there was little demand. It is further reported that the 15-acre sale at \$7,000 per acre was distressed.

Comparing the two earlier sales to the most recent sales suggests the following:

Sale 3:	28.4 Acres	03/05/2021	\$20,833/ac.
Sale 2012:	11.4 Acres	01/27/2012	\$ 7,982/ac.
Difference:			(\$12,851)/ac./\$7,982/ac. = (161%)

Compounded Annual Increase: 12.57%

Sale 3:	28.4 Acres	03/05/2021	\$20,833/ac.
Sale 2013:	15.0 Acres	07/22/2013	\$ 7,000/ac.
Difference:			(\$13,833)/ac./\$7,000/ac. = (198%)

Compounded Annual Increase: 15.25%

The difficulty with these comparisons is they span a broad time frame that may not truly reflect the change in property values over the time period in question. Nonetheless based on the market evidence, an upward adjustment of 10% is applied to Sale Four which is the oldest sale having occurred in October 2019 prior to the pandemic. Upward adjustments of 5% are applied to the other three sales which sold between November 2020 and August 2021.

**Property Characteristics:**

The next five sections of the analysis consider *property*-related factors that may have impacted the prices paid for the comparable sales.

**Location/Access:**

The subject is located on the north side of Old Highway 80, one lot west of Avenue 26E, west of the Town of Wellton. Eleventh Street, a gravel/dirt road extends along the north boundary. The irrigation canal separates the subject site from Old Highway 80 but there is a syphon at the southeast corner of the property that allows for direct access to the highway. Eleventh Street also provides access and connects to Avenue 26E a short distance to the east.

Sale One is about ¾ mile north of Old Highway 80 northeast of Wellton, about five miles east of the subject property. It is one lot east of Avenue 31E with access via a graded a graded dirt easement.

Sale Two is an interior lot, located about 1.5 miles southwest of the subject property. It is about ½ mile west of Avenue 25E with access via a graded dirt road.

Sales One and Two do not have highway visibility or direct access. However, these two sales are residential lots that may be better positioned away from traffic noise. Both are a similar distance from Wellton as the subject and both have reasonably good access to paved streets and I-8. No adjustments are made for location or access.

Sale Three is comprised of two non-contiguous parcels on either side of the subject. The location and access are the same as the subject. Again, no adjustment is made.

Sale Four is at the northwest corner of Old Highway 80 and Avenue 35E about 9 miles east of the subject property. Though access from Highway 80 is similar to access for the subject property, the Sale Four property is within one mile of the Five Rivers feed yard. Due to sanitation concerns, cultivated crops are limited to non-produce varieties such as alfalfa and cotton. These are generally lower value crops and, as a result, rents and sale prices are typically lower.

To measure the difference in land values, Sale Three which is adjacent to the subject, is compared to Sale A located a short distance east of Sale Four, just north of Old Highway 80. At the time of inspection, the Sale A property was fallow but most recently planted in alfalfa. Sale A consists of 20.1 acres and sold in April 2020 for \$15,000 per acre, cash. Sale Three, a 26.4-acre parcel, sold in March 2021 for \$20,833 per acre, cash.

Sale 3:	26.40 Acres	03/05/2021	\$20,833/ac.
Sale A:	20.1 Acres	04/21/2020	\$15,000/ac.
Difference:			\$5,833/ac./\$15,000/ac. = +39%

This comparison suggests an upward adjustment of 39% is appropriate for the difference in location between Sale Four and the subject property. It is noted, however, that Sale Three is a more recent sale that occurred in an upward trending market. For this reason, a smaller upward adjustment of 35% is applied to Sale Four for location.

**Size/Shape:**

The subject property consists of a 3.88-acre, rectangular shaped parcel of land. The sales range in size from 6.45 to 26.4 acres. All of the sales are rectangular in shape, but Sale Three is non-contiguous separated by the subject property.

Typically, a smaller site will sell for a higher price on a per acre basis than a larger parcel, all else being equal. Conversely, a larger parcel will usually sell for a lower price. All sales selected for direct comparison to the subject are larger. There are virtually no sales with "water buy" status that are as small as the subject. Sales of similar sized properties are generally purchased for residential purposes.

With a highest and best use of the subject for conversion to irrigated farmland, the smaller size would not necessarily yield a higher unit price. With 3.5-acre "water buy" privileges, the most likely use is for conversion to irrigated farmland. But the subject property is too small to be economically viable by itself. For economic feasibility it would have to be incorporated into an existing operation. For this reason, an adjustment for the smaller size of the subject in comparison to the sales does not necessary warrant an upward adjustment.

Sales One, Two and Four range in size from 6.45 acres to 8.9 acres and are reasonably similar in size to the subject. No adjustments are made. Sale Three is much larger, consisting of 26.4 acres. It is comprised of two non-contiguous parcels, split by the subject property. Yet, despite the larger size and lack of contiguity, Sale Three sold for the highest price of all sales considered. When it comes to irrigated farmland, the larger size simply allows for better economy of scale, though in the case of Sale Three, this is partially offset by the lack of contiguity.

Lacking any definitive data from which to develop an adjustment, no adjustments are developed or applied to any of the sales for differences in size and shape.

**Floodplain/Topography:**

The subject property is generally level with the center portion slightly elevated. It is in FEMA Zoned X, outside the 100-year floodplain.

Like the subject, each of the sales is level and outside the 100-year floodplain. No adjustments are necessary.

**Utilities/Improvements:**

Electric and phone are available to the subject property, but there is no municipal water or sewer service at the property boundaries. The 3.5-acres of "water buy" status is addressed separately.

All of the sales have electric and telephone at the property boundaries or nearby. In addition, Sale One had a well and septic. To develop an adjustment, the costs incurred by the buyer of Sale Two subsequent the sale are considered.

Sale Two had electric nearby but no developed water source or waste disposal system. Since the sale, the buyer installed a well for \$12,000 and a septic system for about \$8,000. To develop the adjustment to Sale One, the total cost of \$20,000 is divided by the size of 6.8 acres which equals \$2,941 per acre, rounded up to an adjustment of (\$3,000) per acre. No adjustment is necessary to Sale Two, which like the subject, had no developed water source or septic system at the time of sale.

Likewise, Sale Three did not have domestic water or waste disposal. No adjustment is made.

Sale Four had a dilapidated house with some infrastructure. The seller/sales agent attributed \$20,000 or \$2,300 per acre to the improvements and infrastructure. A downward adjustment is applied.

The subject property has site improvements that are relics of its past use as a fleet maintenance facility. The cost to remove these improvements and laser level the land for farming are deducted at the end of this analysis.

**Water:**

As discussed throughout this report, the subject property has 3.5 acres of “water buy” status through the Wellton-Mohawk Irrigation and Drainage District (WMIDD). Sales One and Two are residential properties without “water buy” privileges. Upward adjustments are appropriate. Sales Three and Four have “water buy” status. No adjustments are necessary to these two sales.

The difficulty here is measuring the premium of the availability of irrigation water. Below is a summary of the adjustments that have been made to the sales for all characteristics before consideration of the availability of irrigation water.

LAND SALES ADJUSTMENT GRID					
	Subject Property 3.88 Acres	Sale 1 6.80 Ac.	Sale 2 6.45 Ac.	Sale 3 26.4 Ac.	Sale 4 8.7 Ac.
Sale Price / Acre		\$11,029	\$8,822	\$20,833	\$12,644
<b>Transactional Adjustments</b>					
Property Rights	Fee Simple	\$0	\$0	\$0	\$0
Financing Terms	Assume Cash	\$0	\$0	\$0	\$0
Conditions of Sale	Market	\$0	\$0	\$0	\$0
Expenditures After Purchase	N/A	\$0	\$0	\$0	\$0
Market Conditions	2/1/2022	\$551	\$441	\$1,042	\$1,264
<b>Subtotal</b>		\$11,580	\$9,263	\$21,875	\$13,908
<b>Property Adjustments</b>					
Location/Access		\$0	\$0	\$0	\$4,868
Size/Shape	3.88 ac. Rect.	\$0	\$0	\$0	\$0
Floodplain /Topography	Zone X, Level	\$0	\$0	\$0	\$0
Utilities / Improvements	Electric & phone	(\$3,000)	\$0	\$0	(\$2,300)
<b>Subtotal Value / Acre</b>		<b>\$8,580</b>	<b>\$9,263</b>	<b>\$21,875</b>	<b>\$16,476</b>

Comparing Sales One and Two, the two residential properties to Sales Three and Four, the two sales with “water buy” status suggests the following.

Sale 3:	26.40 Acres	03/05/2021	\$21,875/ac.
Sale 1:	6.80 Acres	11/30/2020	\$ 8,580/ac.
Difference:			\$13,295/ac./\$8,580/ac. = +155%

Sale 3:	26.40 Acres	03/05/2021	\$21,875/ac.
Sale 2:	6.45 Acres	08/20/2021	\$ 9,263/ac.
Difference:			\$12,612/ac./\$9,263/ac. = +136%

Sale 4:	8.70 Acres	10/02/2019	\$16,476/ac.
Sale 1:	6.80 Acres	11/30/2020	\$ 8,580/ac.
Difference:			\$ 7,896/ac./\$8,580/ac. = +92%

Sale 4:	8.70 Acres	10/02/2019	\$16,476/ac.
Sale 2:	6.45 Acres	08/20/2021	\$ 9,263/ac.
Difference:			\$7,213/ac./\$9,263/ac. = +78%

The preceding comparisons suggest an upward adjustment of 78% to 155% to Sales One and Two is appropriate for the “water buy” status. Applying a 100% adjustment to Sales One and Two results in total adjustments of \$11,580 and \$9,263 per acre, respectively. The seller of Comparable Sale Three believed the availability of irrigation water added about \$10,000 per acre. According to information provide by Mr. Bill Moody at the 2022 Ag Forum, irrigated farmland in the WMIDD, sells between \$20,000 and \$29,000 per acre. Irrigated farmland on the Wellton Mesa sells between \$10,000 and \$15,000. The difference is attributed to soil quality. Residential land in Wellton ranges in price from about \$5,000 to \$9,000 per acre. Based on this information, the adjustment developed from the sales data appears reasonable.

**Economic Characteristics:**

Economic characteristics include all the attributes of a property that directly affect its income. This element of comparison is usually applied to income-producing properties. Since the subject property is vacant and none of the sales were leased at the time of sale, no adjustments are made.

**Zoning/Use/Other Restrictions:**

The subject property is zoned RA-40 according to the Yuma County Zoning Ordinance. The purpose of the RA district, as stated in the ordinance is

*... to conserve and preserve farms, agricultural related resources, continued agricultural use and other open space land uses fostering orderly growth in rural areas, preventing urban and agricultural land use conflicts, and allowing rural lot development with emphasis on preserving the character of farming communities. Principle uses permitted in this zoning district include residential uses on large parcel sizes, farms, agricultural-related land uses, and open space or recreational uses. These regulations apply to all four (4) of the Rural Area districts: Rural Area-40 Acre Minimum (RA-40), Rural Area-20 Acre Minimum (RA-20), Rural Area-10 Acre Minimum (RA-10), and Rural Area-5 Acre Minimum (RA-5).*

The RA District provides for a broad range of agricultural, residential, accessory and supporting uses including, but not limited to single family dwellings, farms, ranches, ranch/farm headquarters office, farm labor housing, home occupations, plant nurseries, kennels, seasonal produce stands, ag equipment storage and ag warehousing. The minimum lot size for RA-40 zoned properties is 40 acres.

At 3.88 acres, the subject represents a legally non-conforming parcel, which was created prior to enactment of the Zoning Ordinance. It is noted that the size is consistent with the stated densities of the Comprehensive Plan. Despite the non-conforming size, residential and irrigated farmland are allowed under the existing zoning.

Sale One and Two are zoned RA-5 which is a rural area zoning with a minimum lot size of 5.0 acres for a residential use. Both parcels were purchased for single family residential development.

Sale Three like the subject is zoned RA-40. At 26.40 acres it too is a legal, non-conforming property.

Sale Four is zoned LI- Light Industrial. The property is used for a mix of residential and irrigated farmland. Once again, the use is grandfathered. The LI zoning is likely stems from the nearby Five Rivers feed yard.

Since none of the sales will require rezoning for their intended uses, no adjustments are developed or applied for zoning.

**Non-Realty Components:**

Adjustments for non-realty components are necessary when a sale includes chattel, business concerns or other items that do not constitute real property but are included in either the sale price of the comparable property or in the ownership interest of the subject property. Since the subject and none of the sales included non-realty components of value, no adjustments are made.

Here follows an Adjustment Grid summarizing the adjustments.

<b>LAND SALES ADJUSTMENT GRID</b>					
	<b>Subject Property 3.88 Acres</b>	<b>Sale 1 6.80 Ac.</b>	<b>Sale 2 6.45 Ac.</b>	<b>Sale 3 26.4 Ac.</b>	<b>Sale 4 8.7 Ac.</b>
Sale Price / Acre		\$11,029	\$8,822	\$20,833	\$12,644
<b>Transactional Adjustments</b>					
Property Rights	Fee Simple	\$0	\$0	\$0	\$0
Financing Terms	Assume Cash	\$0	\$0	\$0	\$0
Conditions of Sale	Market	\$0	\$0	\$0	\$0
Expenditures After Purchase	N/A	\$0	\$0	\$0	\$0
Market Conditions	2/1/2022	\$551	\$441	\$1,042	\$1,264
<b>Subtotal</b>		<b>\$11,580</b>	<b>\$9,263</b>	<b>\$21,875</b>	<b>\$13,908</b>
<b>Property Adjustments</b>					
Location/Access		\$0	\$0	\$0	\$4,868
Size/Shape	3.88 ac. Rect.	\$0	\$0	\$0	\$0
Floodplain /Topography	Zone X, Level	\$0	\$0	\$0	\$0
Utilities / Improvements	Electric & phone	(\$3,000)	\$0	\$0	(\$2,300)
Water	3.5 Ac water buy	\$11,580	\$9,263	\$0	\$0
Economic Characteristics	None	\$0	\$0	\$0	\$0
Zoning / Restrictions	RA-40 / None	\$0	\$0	\$0	\$0
Non-realty Components	None	\$0	\$0	\$0	\$0
<b>Indicated Value Before Deduction for Cost to Clear</b>		<b>\$20,161</b>	<b>\$18,526</b>	<b>\$21,875</b>	<b>\$16,476</b>

**Conclusion:**

After adjustments, the sales suggest a range in value from \$16,476 to \$21,875 per acre. However, these conclusions assume all relic site improvements from the prior use as an ADOT maintenance yard have been removed and the property has been leveled and ready to be farmed.

Under this scenario, greatest weight must be given to Sale Three the recent sale of the irrigated farmland adjacent to the subject property with an indicated value of \$21,875 per acre.

Sale Four, a property with “water buy” status that is not actively being farmed, suggests a market value of \$16,476 per acre which represents the low end of the range. Though similar to the subject, this is the oldest sale with an inferior location.

Sales One and Two are residential lots that required substantial upward adjustments for the “water buy” privileges of the subject.

Based on this discussion, the market value of the subject property would be \$21,000 per acre or \$81,480 assuming the property is cleared of improvements, leveled and ready to be planted. However, there are relic improvements associated with the past use as an ADOT maintenance yard. These include a concrete wash station; an old, disconnected electrical service; a non-functional yard light; a six-pillar concrete tank stand; and several small concrete slabs. All would have to be removed for the property to achieve its highest and best use. In addition, the irrigation turnouts would have to be repaired and the ground would need to be laser leveled.

To understand how a potential buyer would view the improvements needed to ready the site for farming, I have consulted with Larry Rovey, the buyer of Sale Three, the adjacent property owner who has an interest in acquiring the subject property. Though Mr. Rovey owns the adjacent property, the farm is operated by his son-in-law. The son-in-law recently cleared and leveled another similar parcel to be placed into production. Based on those costs and his knowledge of the subject, he estimates a cost of \$30,000 to \$35,000 to clear and level the subject property plus another \$15,000 to repair the turnouts.

Admittedly, these are rough estimates from an adjacent property owner, but they represent a potential buyer’s anticipated costs. I consulted with Elston Grubaugh at WMIDD regarding the costs to repair the turnout. Mr. Grubaugh said these improvements are owned by WMIDD and the would be repaired by the District at their expense if the subject property were put into production. Thus, the estimate of \$15,000 would not be incurred.

Based on the information provided, a deduction of \$30,000 is made from the estimated value of \$81,480. This results in an “as is” market value of \$51,480 rounded to \$51,500 or \$13,273 per acre. Appropriately, the reconciled value, on a per acre basis, is greater than the two residential lot sales, before adjustments, and substantially lower than the pre-adjusted sale price of Comparable Three which is irrigated farmland. In addition, the reconciled value is reasonably similar to Sale Four, a property with “water buy” status that has not been farmed in 5+/- years and lower than the list price of \$15,903 per acre of a 15.45-acre parcel with 11.4 acres of “water buy” status that is zoned for commercial use.

In conclusion, the market value of the subject property is estimated to be \$51,500.

**OPINION OF MARKET VALUE OF THE  
SUBJECT PROPERTY ..... \$51,500**



**Exposure Time / Marketing Time**

Exposure time is the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. Exposure time is a retrospective opinion based on an analysis of past events assuming a competitive and open market.

The exposure times of the sales ranged from not actively being listed to one year. Based on supply and demand statistics and the upward trend in pricing, the exposure time for the subject property is estimated to be 3 to 6 months.

Marketing time differs from exposure time. It is defined as “the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal.” In a market that is trending downward, the marketing time is often longer than the exposure time. Given the water buy status of the subject property and the proximity to active irrigated farmland the exposure time is also estimated to be 3 to 6 months.

**Project Influence**

Any influence in valuation caused by the project prior to the date of valuation is considered by the appraiser. In this case, there is no project. The subject property is surplus land owned by ADOT that has been designated for disposal.

**Auditing Breakdown**

Market Value of the Subject Property for Disposal ..... \$51,500

**Certificate of Appraiser**

Project Number: N/A

Parcel Number: L-SW-006

I hereby certify:

That I personally inspected the property herein appraised, and that I have afforded the property owner the opportunity to accompany me at the time of inspection. Beverly Weissenborn made a personal field inspection of each 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 the damages and benefits to the remainder, if any; and 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 unapparent conditions of the property, subsoil, or structures were found or assumed to exist which would render the subject property 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. This appraiser, however, is not qualified to detect such substances, the presence of which may affect the value of the property. No responsibility is assumed for any such 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 conformity 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 performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.


That I have not revealed the findings and result of such appraisal to anyone other than the property officials of the Arizona Department of Transportation or officials of the Federal Highway Administration, and I will not do so unless so authorized by property 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 I am Certified General Real Estate Appraiser #30125 in the State of Arizona and meet the requirements of A.R.S. 32-3603.

That my opinion of the MARKET VALUE of the subject property as of the 1st day of February 2022, based upon my independent appraisal and the exercise of my professional judgment, is as follows:

**OPINION OF MARKET VALUE OF THE  
SUBJECT PROPERTY ..... \$51,500**

Date: 3/22/2022

Signature:   
Beverly Weissenborn, MAI  
Certified General Real  
Estate Appraiser #30125

**Certification**

THE APPRAISER CERTIFIES TO THE BEST OF MY KNOWLEDGE AND BELIEF:

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

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, 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 I 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 appraisal assignment was not contingent upon developing or reporting predetermined results.

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

My analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation.

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

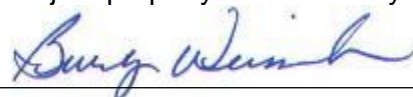
No one other than Barry Weissenborn provided significant professional assistance to the person(s) signing this report. All conclusions and opinions concerning the real estate that are set forth in the appraisal report were prepared by the Appraiser whose signature appears on the appraisal report, unless indicated as "Review Appraiser."

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 the Standards of Professional Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice (USPAP).

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

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

I have not provided appraisal services on the subject property within three years prior to accepting this assignment.



Beverly Weissenborn, MAI  
Certified General Real  
Estate Appraiser #30125

**Qualifications of Beverly Weissenborn, MAI**

**Formal Education:**

Bachelor of Science Degree in Business Administration, Northern Arizona University.  
Concentration: Finance.

**Professional Affiliations:**

Member of the Appraisal Institute, (MAI), Certification Number 8972. I have completed the requirements under the continuing education program of the Appraisal Institute. Currently certified through December 31, 2026.

Arizona Certified General Real Estate Appraiser Number 30125. Currently certified through August 31, 2022.

President, Southern Arizona Chapter of the Appraisal Institute, 2004

Member, Board of Directors, Southern Arizona Chapter of the Appraisal Institute, 2005-07 and 2021-2023

Appointment to the Arizona State Board of Equalization; March 2007 to current

Current Member of IRWA (International Right-of-Way Association), Saguaro Chapter #73

**Professional Experience:**

2014 to current: Co-Owner, Weissenborn Appraisal, LLC  
2005 – 2013: Partner, Burke Weissenborn, LLC  
1982 – 2005: Associate Appraiser with Southwest Appraisal Associates, Inc.

Experience includes valuation of most types of real property: vacant land, subdivisions, multi-family residential, commercial and industrial. Experience also includes valuation of complex properties, flood prone properties, easements, leased fee and leasehold estates. Geographical areas of experience include Southern Arizona, specifically Pima, Pinal, Santa Cruz, Cochise, Graham, Greenlee, La Paz and Yuma Counties. Areas of experience also outside of Southern Arizona include Gila County, Navajo County, Apache County, Coconino County and rural Maricopa County.

**Professional Education:**

Successful completion of all courses related to the MAI designation given by the American Institute of Real Estate Appraisers or The Appraisal Institute between 1982 and 1991. Successful completion of the Comprehensive Examination for the MAI Designation, February 1991.

Recently attended courses and seminars given by the Appraisal Institute:

Subdivision Analysis, March 1996  
Highest and Best Use Applications, June 1996  
Litigation Skills for the Appraiser: An Overview, April 1997  
Acquisitions & Appraisals of State Lands, April 1998  
Attacking & Defending an Appraisal in Litigation, January 2000  
Partial Interest Valuation – Undivided, March 2000  
Conservation Easements – June 2001  
Appraisal Consulting – October 2003  
Reappraising, Readdressing and Reassigning Appraisals – May 2005  
Scope of Work – May 2005  
Case Studies in Commercial Highest and Best – May 2007  
Condemnation Appraising: Advanced Topics & Applications - March 2008  
Appraisal Curriculum Overview - January 2009  
Litigation Appraising; Specialized Topics and Applications, April 2011  
Fundamentals of Separating Real Property, Personal Property & Intangible  
Business Assets – March 2012  
Appraising the Appraisal; Appraisal Review-General – September 2012  
Complex Litigation Appraisal Case Studies – March 2013  
Business Practices and Ethics – August 2016 and June 2020  
Advanced Land Valuation: Sound Solutions to Perplexing Problems – August 2017  
  
Uniform Standards of Professional Appraisal Practice – 15 Hours, January 2004  
Uniform Standards of Professional Appraisal Practice – 7 Hours, December 2021  
Uniform Appraisal Standards for Federal Land Acquisitions (Yellow Book),  
15 hours: April 2007, May 2017

Recently attended courses and seminars:

International Right of Way Association (IRWA):  
Eminent Domain & Right-of-Way Symposium, October 2010  
Ethics and the Right-of-Way Profession, April 2011  
  
Gallagher & Kennedy / Jennings, Strouss Salmon:  
Commendation Summit XXII, October 2019  
Commendation Summit XXV, May 2018  
Condemnation Summit XXVI, October 2021  
  
American Society of Farm Managers and Rural Appraisers:  
Spring Ag Forum, annually 2010 through 2022

**Expert Witness:**

*State of Arizona v. Guwnig Investment Group Limited Partnership, Commerce Bank of Arizona, Cool Car Wash, Pima County Treasurer, Superior Court of the State of Arizona*  
Testimony in Order to Show Cause Case No. C20182502, June 2018

*United States v. 400 acres of land in Lincoln County, State of Nevada, and Jessie J. Cox, et al.*, Deposition, June 2018; Expert Witness testimony February 2020, United States District Court for the District of Nevada

*Goodeagle, et al., vs. United States of America; Bear, et al., vs. United States of America; and Quapaw Tribe of Oklahoma vs. United States of America*; Deposition, July 2016

*The Chickasaw Nation and The Choctaw Nation vs. The Department of Interior*, Deposition, April 2015

**Department of Insurance and Financial Institutions**  
**State of Arizona**

**CGA - 30125**

This document is evidence that: **Beverly Klein Weissenborn** has complied with the provisions of Arizona Revised Statutes, relating to the establishment and operation of a:

**Certified General Real Estate Appraiser**

and that the Superintendent of Financial Institutions of the State of Arizona has granted this license to transact the business of a:

**Certified General Real Estate Appraiser**

**Beverly Klein Weissenborn**

This license is subject to the laws of Arizona and will remain in full force and effect until surrendered, revoked or suspended as provided by law.

Expiration Date : **August 31, 2022**

## ADDENDA



DocuSign Envelope ID: CC73497D-0008-42A4-A58A-A6F58EA8903A

**ADOT** RIGHT OF WAY GROUP  
**RECOMMENDATION FOR DISPOSAL OF REAL PROPERTY**

To: **PAULA GIBSON** FROM: **PAUL V. PATANE**  
 RIGHT OF WAY ADMINISTRATOR DISTRICT ENGINEER  
 For: RIGHT OF WAY GROUP DISTRICT: SOUTHWEST DISTRICT

HIGHWAY:	OLD U.S.-80 WELLTON MAINTENANCE CAMP	COUNTY:	Yuma
SECTION:	Wellton Maintenance Camp	DISPOSAL ACTION TO BE TAKEN:	
PROJECT No.:	N-810-602	<input checked="" type="checkbox"/>	SALE
CONSTRUCTION No.:		<input type="checkbox"/>	ABANDONMENT
TRACS NUMBER(s):		<input type="checkbox"/>	EXTINGUISHMENT / RELINQUISHMENT
MILEPOST LIMITS:	33.0		
ENGINEERING STATION LIMITS:			
ASSESSOR'S PARCEL NUMBER(s):	200-10-006		
ADOT PARCEL NUMBER(s):	1-8		
ROUTE NUMBER(s)		SECTION(s)	TOWNSHIP(s)
OLD:	Old US 80		
CURRENT:		10	T.9S R.19W

**THE FOLLOWING ARE SUBMITTED IN SUPPORT OF THIS REQUEST:**

A.  A specific memorandum stating and supporting the reason for the request  
 B.  General description, mile post designations, legal descriptions and/or engineer's stationing  
 C.  Highlighted R/W Plans and Record Drawings defining the area of disposal  
 D.  Statement to the receiving jurisdiction, and/or  From JPA #(s)

*Paul V. Patane*  
 DISTRICT ENGINEER SIGNATURE      12-13-19  
 DATE

**— REVIEW PROCESSING —**  
 SIGN AND DATE IN THE APPROPRIATE COLUMNS. — ATTACH JUSTIFICATION MEMO IF "NOT RECOMMENDED".

REVIEWED BY:	RECOMMENDED	NOT RECOMMENDED	DATE
RIGHT OF WAY ADMINISTRATOR			
RIGHT OF WAY PLANS MANAGER			
RIGHT OF WAY PROJECT MANAGEMENT MANAGER			
UTILITIES - IRRIGATION LANGUAGE? YES <input type="checkbox"/> NO <input type="checkbox"/>			
PROJECT MANAGEMENT GROUP MANAGER			
ASSISTANT STATE ENGINEER, ROADWAY GROUP			
ASSISTANT STATE ENGINEER, MAINTENANCE GROUP			
MULTIMODAL PLANNING GROUP MANAGER			
RESOLUTION / DISPOSAL UNIT - TITLES SECTION			
RIGHT OF WAY WATER RIGHTS / WELL UNIT			

Form 60 - 3311  
 Rev. 05/31/2018 - DocuSign

DISPOSAL No.: L-SW-006

DocuSign Envelope ID: CC73497D-0008-42A4-A58A-A6F59EA8903A

— THIS SIDE TO BE COMPLETED BY THE — ADOT RIGHT OF WAY GROUP —		
Irrigation language if applicable:	<i>If Irrigation District water is to be supplied to the within described property, all costs of extending service to this property shall be at the sole expense of the Grantee herein.</i>	(This language is to be added to the conveying document.)

— FEDERAL AID PARTICIPATION —			
A. PARTICIPATING IN R/W ACQUISITION: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	B. PARTICIPATING IN CONSTRUCTION: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		

DISPOSITION: Sale According to State Law

WHO IS TO RECEIVE JURISDICTION? \_\_\_\_\_

FHWA CONCURRENCE REQUIRED: Yes <input type="checkbox"/> No <input type="checkbox"/>  DATE SUBMITTED:     ___/___/___  CONCURRENCE RECEIVED:     Yes <input type="checkbox"/> No <input type="checkbox"/>	The Administrator will provide final recommendation here once all disposal tasks are completed prior to a sale or action by the Arizona State Transportation Board.  <input type="checkbox"/> APPROVED <input type="checkbox"/> DISAPPROVED  <div style="text-align: right;">           _____            RIGHT OF WAY ADMINISTRATOR     DATE         </div>
--	--

— RESOLUTION DETAILS —		
BOARD APPROVAL:	RESOLUTION NUMBER:	BOARD MEETING DATE:
Yes <input type="checkbox"/> No <input type="checkbox"/>		MONTH _____ DAY _____, YEAR _____

— RECORDING INFORMATION —		
DOCKET / DOCUMENT No.:	COUNTY:	RECORDED DATE:
		MONTH _____ DAY _____, YEAR _____

INSTRUCTIONS: This form is used to initiate disposal proceedings of all real property that is no longer required by the Arizona Department of Transportation. It is to be initiated by the appropriate District Engineer, and must bear his or her signature.

\* All supporting data must accompany this form to ensure complete, accurate and rapid processing of your request. \*

Form 60-3311  
 Rev. 05/31/2018 - DocuSign

DISPOSAL No.: L-SW-006

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

The undersigned has examined the title to the property described in SCHEDULE A-1 herein, and the fee owner is:

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

**Address:** 205 South 17th Avenue, Mail Drop 612E, Phoenix, Arizona 85007-3212

**By virtue of that certain:** See Right of Way / Vesting Section.

Upon compliance with REQUIREMENTS herein, satisfactory title will vest in the proposed buyers.

**LEGAL DESCRIPTION**

SEE SCHEDULE A-1 ATTACHED

**REMARKS:** The Schedule B Items shown, if any, reflect only those matters that have occurred subsequent to the acquisition of the subject property.

<b>Date of Search:</b> July 30, 2020	<b>Examiner:</b> Jim Gregg	<b>Reviewer:</b>
<b>Update to:</b>	<b>Examiner:</b>	<b>Reviewer:</b>
<b>Update to:</b>	<b>Examiner:</b>	<b>Reviewer:</b>
<b>Update to:</b>	<b>Examiner:</b>	<b>Reviewer:</b>
<b>Update to:</b>	<b>Examiner:</b>	<b>Reviewer:</b>

<b>County:</b> Yuma	<b>Tax Arb:</b> 200-10-006	<b>Disposal:</b> L-SW-006
<b>Tracs No.:</b> N-810-602 M6972	<b>Highway:</b> OLD U.S. 80	<b>Excess Land:</b> N/A
<b>Fed. No.:</b> N/A	<b>Section:</b> Wellton Maintenance Camp	<b>Parcel No.:</b> 1-8

**SCHEDULE A-1  
LEGAL DESCRIPTION**

That portion of the West  $\frac{1}{2}$ , of the NE  $\frac{1}{4}$ , of the NE  $\frac{1}{4}$ , of the NE  $\frac{1}{4}$ , of Section 10, Township 9 South, Range 19 West as depicted on ADOT Drawing 1-8, the Right of Way Plans of OLD U.S. 80, WELLTON MAINTENANCE CAMP HIGHWAY, Section Wellton Maintenance Camp, Project N-810-602 M6972 01X / Parcel 1-8.

**NOTE: The legal description of the area to be disposed will be produced by the ADOT Right of Way Delineation Unit.**

**END OF SCHEDULE A-1**

- 2 -

**RIGHT OF WAY / VESTING**

- 1.) Quit Claim Deed from Jack Russell and Clare Russell, husband and wife, to the Arizona Highway Department, dated July 20, 1929, recorded October 20, 1931, in Book of Deeds 70, page 44.  
[Parcel 1-8, Project N-810-602 M6972 01X]

**END OF RIGHT OF WAY / VESTING**

**REQUIREMENTS**

1. Record Deed from the State of Arizona, by and through its Department of Transportation who acquired title as the Arizona Highway Department to the proposed buyer(s).

**NOTE:** Repurchase rights do not apply due to the property being acquired more than eight years prior to this transaction.

**END OF REQUIREMENTS**

**SCHEDULE B**

1. None.

**END OF SCHEDULE B**

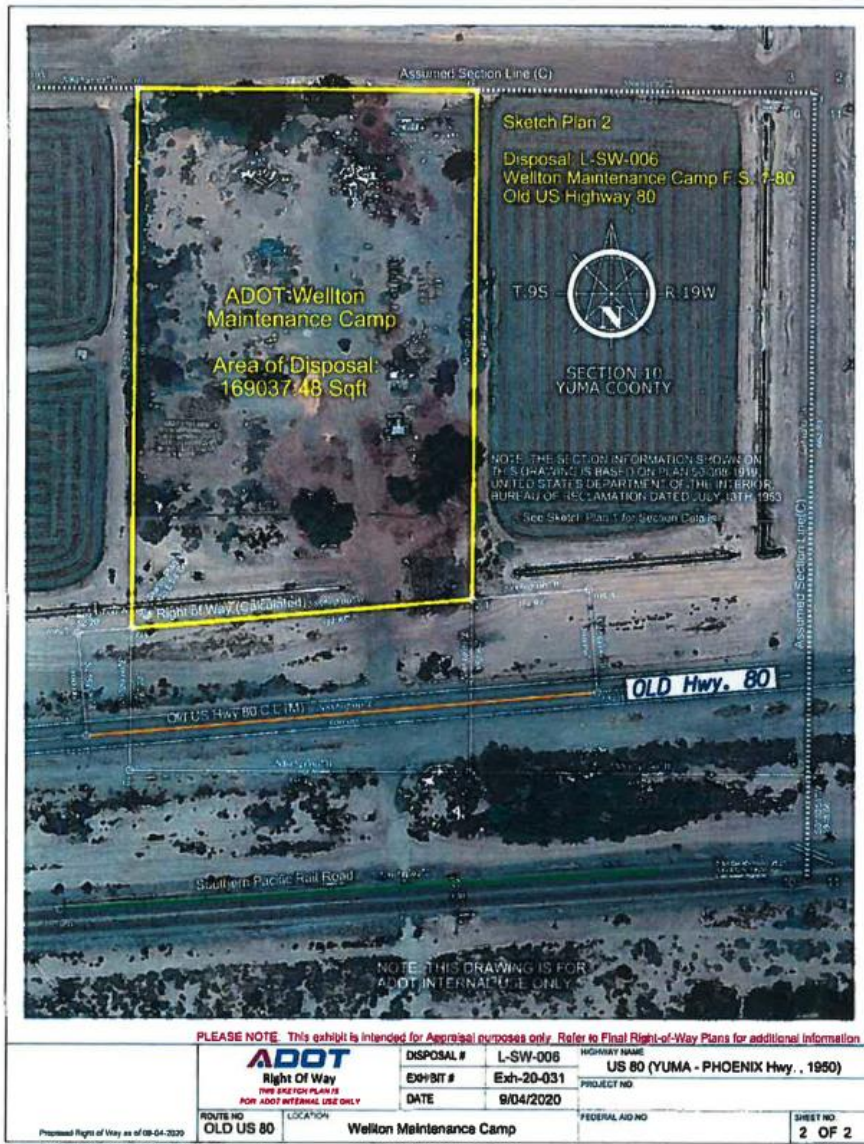


PLEASE NOTE: This exhibit is intended for Appraisal purposes only. Refer to Final Right-of-Way Plans for additional information.

 <b>ADOT</b> Right Of Way <small>THIS SKETCH PLAN IS FOR ADOT INTERNAL USE ONLY</small>	DISPOSAL #	L-SW-006	ROUTEWAY NAME	US 80 (YUMA - PHOENIX Hwy., 1950)
	EXHIBIT #	Exh-20-031	PROJECT NO.	
	DATE	9/04/2020	FEDERAL AID NO.	
ROUTE NO.	LOCATION		SHEET NO.	1 OF 2
OLD US 80	Wellton Maintenance Camp			

Proposed Right of Way No. of 09-09-2019  
 G:\3448\Exhibit\2020 Request\Exh-20-031\Exh-20-031.rpt





**EXHIBIT "A"**

That portion of the West half of the Northeast quarter of the Northeast quarter of the Northeast quarter (W½NE¼NE¼NE¼) of Section 10, Township 9 South, Range 19 West, Gila and Salt River Meridian, Yuma County, Arizona, which lies northerly of the existing northerly right of way line of Old Highway 80 (YUMA - PHOENIX HIGHWAY), said existing northerly right of way line being 100.00 feet northerly of and parallel with the existing centerline of said Old Highway 80.

169,037 square feet, more or less.

**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.

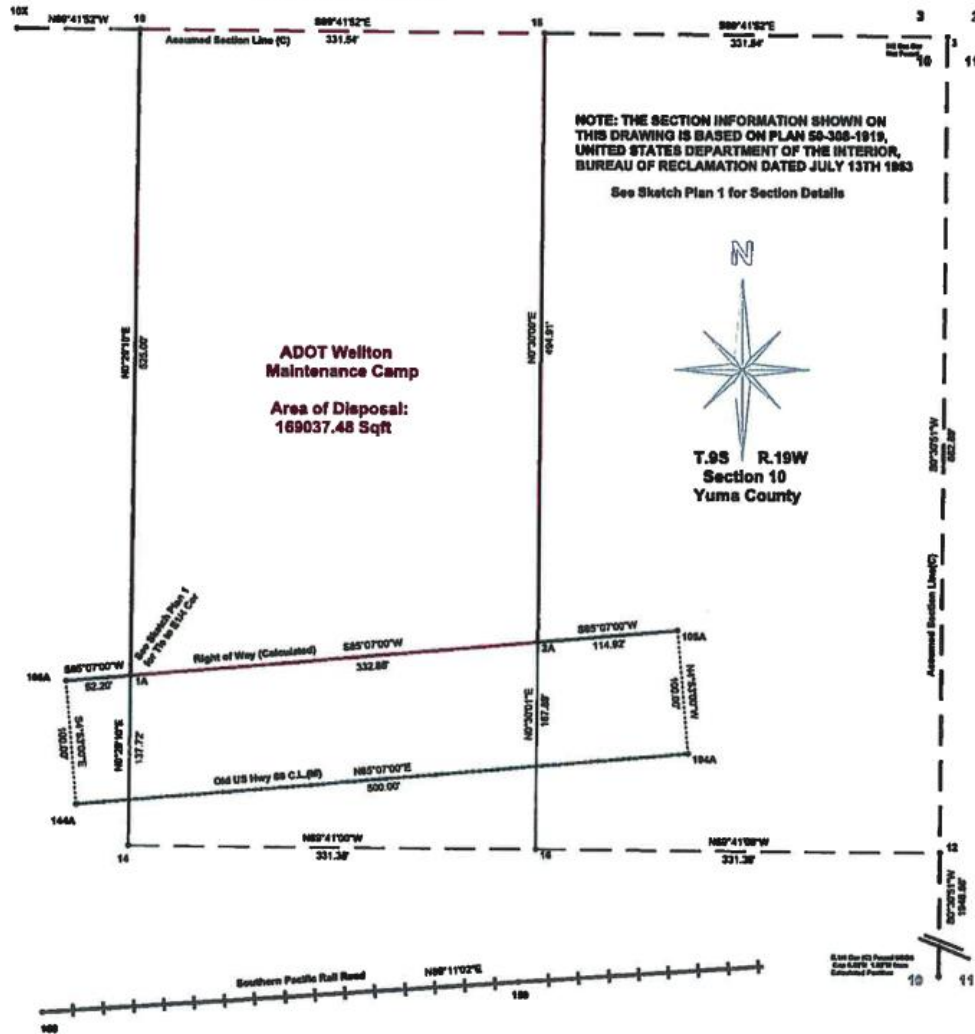
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<b>PROJECT:</b> N-810-602	<b>LOCATION:</b> Old US 80 Wellton Maintenance Camp Site	<b>PARCEL:</b> L-SW-006
M5914	Disposal	cg 09-17-2020



Sketch Plan 2

Disposal: L-SW-006  
 Wellton Maintenance Camp F.S. 1-80  
 Old US Highway 80





**PURCHASE ORDER**

PHOENIX, on 12/14/2021  
 CTR054976/ TO-22-025/ M697501X/ L-Y-016, L-Y-020, L-SC-006/ Appraisals due 2/28/22 \$ 3/11/22-  
 WEISSENBORN APPRAISAL LLC

**SUPPLIER**  
**WEISSENBORN APPRAISAL LLC**  
**Attn: BEVERLY WEISSENBORN**  
**Address:** Legal Address  
 326 S CONVENT AVE  
 UNITED STATES  
 TUCSON, Arizona 85701  
**Phone:** 5207928200  
**E-mail:** BEV@WEISSENBORNAPPRAISAL.COM

**ORDER No. PO000387312**  
*(please refer to this number on all documents)*  
**Amendment:**  
**Requestor:** ESTHER VALENCIA  
**Agency:** Department of Transportation  
**Division:** Infrastructure Delivery & Operations  
 Division Construction  
**Department:** Right Of Way  
**Site:** RIGHT OF WAY  
**Phone:** 6027128793  
**Email:** EVALENCIA@AZDOT.GOV

**DELIVER TO**  
*(unless specified differently per item)*  
**Address:** RIGHT OF WAY  
 205 S 17TH AVE  
 MD 612E RM 331  
 UNITED STATES  
 PHOENIX, Arizona 85007-3212  
**Deliver To:**  
**Requested Delivery Date:**  
*(Unless specified differently per item in section delivery details)*

**BILL TO**  
**Address:** RIGHT OF WAY  
 205 S 17TH AVE  
 MD 612E RM 331  
 UNITED STATES  
 PHOENIX, Arizona 85007-3212  
**Payment Terms:** Net 30

ITEM	CONTRACT ID	CODE/SKU	REFERENCE AND DESCRIPTION	QTY	UNIT	UNIT PRICE (USD)	TOTAL (USD)
1	CTR054976	464319-1	CTR054976/ TO-22-025/ M697501X/ L-Y-016, L-Y-020, L-SC-006/ Appraisals due 2/28/22 \$ 3/11/22 Commentaire : L-Y-016, L-Y-020, L-SC-006	1.0000	Total Cost	9,000.0000	9,000.0000

**Total before Tax** 9,000.0000 USD  
 Non-Taxable - 0 % 0.0000 USD  
**Total after Tax** 9,000.0000 USD





**PURCHASE ORDER**

**DELIVERY CONDITIONS**

Delivery Conditions	Date	Type	%	Amount	Item





## PURCHASE ORDER

### PURCHASE ORDER TERMS AND CONDITIONS

Revised January 10, 2011

- 1. Modification.** No modification of the purchase order shall bind Buyer unless Buyer agrees to the modification in writing.
- 2. Packing and Shipping.** Seller shall be responsible for industry standard packing which conform to requirements of carriers' tariffs and ICC regulations. Containers must be clearly marked as to lot number, destination address and purchase order number.
- 3. Title and Risk of Loss.** The title and risk of loss of the goods shall not pass to Buyer until Buyer actually received the goods at the point of delivery.
- 4. Invoice and Payment.** A separate invoice shall be issued for each shipment. No invoice shall be issued prior to shipment of goods and no payment will be made prior to receipt of goods and correct invoice. Payment due dates, including discount periods, will be computed from date of receipt of goods or date of receipt of correct invoice (whichever is later) to date Buyer's warrant is mailed. Unless freight and other charges are itemized, any discount provided will be taken on full amount of invoice. Payment shall be subject to the provisions of Title 35 of Arizona Revised Statutes. The Buyer's obligation is payable solely from funds appropriated for the purpose of acquiring the goods or services referred to in this Purchase Order.
- 5. Inspection.** All goods are subject to final inspection and acceptance by Buyer. Material failing to meet the requirements of this Purchase Order will be held at Seller's risk and may be returned to Seller. If so returned, the cost of transportation, unpacking, inspection, repacking, reshipping or other like expenses are the responsibility of the Seller.
- 6. No Replacement of Defective Tender.** Every tender of goods must fully comply with all provisions of Purchase Order as the time of delivery, quantity, quality and the like. If a tender is made which does not fully conform, it shall constitute a breach and Seller shall not have the right to substitute a conforming tender.
- 7. Force Majeure.** Neither party shall be held responsible for any losses resulting if the fulfillment of any terms or conditions of the Purchase Order are delayed or prevented by any cause not within the control of the party whose performance is interfered with and which, by the exercise of reasonable diligence, that party is unable to prevent.
- 8. Gratuities.** The Buyer may, by written notice to the Seller, cancel this Purchase Order if it is found by Buyer that gratuities, in the form of entertainment, gifts or otherwise, were offered or given by the Seller, or any agent or representative of the Seller, to any officer or employee of the State of Arizona with a view toward securing an order or securing favorable treatment with respect to the awarding or amending, or the making of any determinations with the respect to the performing, of such order. In the event this Purchase Order is cancelled by Buyer pursuant to this provision, Buyer shall be entitled in addition to any other rights and remedies to recover or withhold from the Seller the amount of the gratuity.
- 9. Warranties.** Seller warrants that all goods delivered under this Purchase Order will conform to the requirements of this Purchase Order (including all applicable descriptions, specifications, drawings and samples) will be free from defects in material and workmanship and will be free from defects in design and fill for the intended purposes. Any inspection or acceptance of the goods by Buyer shall not alter or affect the obligations of Seller or the right of Buyer under the foregoing warranties.
- 10. Assignment – Delegation.** No right or interest in this Purchase Order shall be assigned by Seller without the written permission of Buyer, and no delegation of any duty of Seller shall be made without permission of Buyer.
- 11. Interpretation – Parole Evidence.** This Purchase Order is intended by the parties as a final expression of their agreement and is intended also as a complete and exclusive statement of the terms of their agreement. No course of prior dealings between the parties and no usage of the trade shall be relevant to supplement or explain any term used in this Purchase Order. Acceptance or acquiescence in a course of performance rendered under this Purchase Order shall not be relevant to determine the meaning of this Purchase Order even though the accepting or acquiescing party has knowledge of the nature of the performance and opportunity for objection. Whenever a term defined by the Uniform Commercial Code is used in the Purchase Order the definition contained in the Code is to control.
- 12. Non-Discrimination.** Seller agrees not to discriminate against any employee or applicant for employment in violation of the terms of Federal Executive Order 11246, State Executive Order No. 2009-09 and A.R.S. Section 41-1461 et seq.





## PURCHASE ORDER

**13. Indemnity.** Seller agrees to indemnify and save the Buyer harmless from any loss, damage or expense whatsoever resulting to the Buyer from any and all claims and demands on account of infringement or alleged infringement of any patent in connection with the manufacture or use of any product included in this Purchase Order and upon written request Seller will defend at its own cost the expense any legal action or suit against the Buyer involving any such alleged patent infringement, and will pay and satisfy any and all judgments or decrees rendered in any against such legal actions or suits. Seller will indemnify Buyer against all claims for damages to person or property resulting from defects in materials or workmanship.

**14. Liens.** All goods delivered and labor performed under this Purchase Order shall be free of all liens, and if Buyer requests, a formal release of all liens will be delivered to Buyer.

**15. Contract Number.** If an Arizona contract number appears on the face of this Purchase Order, the terms of that contract are incorporated herein by this reference.

**16. Taxes.** The State of Arizona is exempt from Federal Excise Tax.

**17. Conflict of Interest.** Pursuant of A.R.S. Section 38-511 this Purchase Order is subject to cancellation by the Buyer if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the state is, at any time while the contract is in effect, an employee of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract.

**18. Remedies and Applicable Law.** This Purchase Order shall be governed by, and Buyer and Seller shall have all remedies afforded each by, the Uniform Commercial Code as adopted in the State of Arizona except as otherwise provided in this Purchase Order or in statutes pertaining specifically to the State. This Purchase Order shall be governed by the law of the State of Arizona, and suits pertaining to this Purchase Order may be brought only in the courts of the State of Arizona.

**19. Arbitration.** The parties must use arbitration as required by A.R.S. Section 12-1518.

