

APPRAISAL COVER SHEET

TYPE OF APPRAISAL:	Appraisal Report for Disposition Market Value of the Fee Simple Interest
PARCEL NO.:	L-Y-016
OWNER'S NAME:	The State of Arizona by and through its Department of Transportation
LOCATION OF PROPERTY:	East side of Avenue 3E, North of 24 <sup>th</sup> Street and adjacent South of the UPRR main line, Yuma, Yuma County, Arizona
PROJECT NUMBER:	M697501X
HIGHWAY:	Avenue 3E Highway
SECTION:	U.S. Highway 80 – Interstate 8
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-Y-016

Dear Mr. O'Connell:

At your request, I have developed an opinion of market value for the 1.654-acre parcel located on the east side of Avenue 3E, north of 24<sup>th</sup> Street and adjacent south of the UPRR main line in Yuma, Yuma County, Arizona. The property is owned by the Arizona Department of Transportation and slated for disposal. The effective date of the appraisal is February 1, 2022 and coincides with my 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:

**\$30,000**

**Extraordinary Assumption:** Physical access to the subject property is via a curb cut along the east side of Avenue 3E just north of the BOR B-3.7 lateral canal. This curb cut connects to a dirt road that lies between Avenue 3E and the UPRR spur and continues north to the southernmost apex of the subject property. Absent a survey, it is unclear whether ADOT and/or a prospective buyer has the legal right to use this road to access the subject property. This appraisal is made based on the uncertainty surrounding legal access.

**Hypothetical Conditions:** None

**The use of this extraordinary assumption could affect the assignment results.**

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

Thank you for this opportunity to be of service.

Weissenborn Appraisal, LLC



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

Overlooking subject property from embankment along Avenue 3E.





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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 Assumption:** Physical access to the subject property is via a curb cut along the east side of Avenue 3E just north of the BOR B-3.7 lateral canal. This curb cut connects to a dirt road that lies between Avenue 3E and the UPRR spur and continues north to the southernmost apex of the subject property. Absent a survey, it is unclear whether ADOT

and/or a prospective buyer has the legal right to use this road to access the subject property. This appraisal is made based on the uncertainty surrounding legal access.

**Hypothetical Conditions:** None

**The use of this extraordinary assumption could affect the assignment results.**

**Summary of Salient Facts**

<b>Parcel:</b>	L-Y-066
<b>Larger Parcel:</b>	1.654-acres of excess land
<b>Property Location:</b>	East side of Avenue 3E, north of 24 <sup>th</sup> Street and adjacent south of the UPRR main line, Yuma, Yuma County, Arizona.
<b>Assessor Parcel No.:</b>	Not assigned
<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> 1.654 acres</p> <p><i>Shape:</i> Triangular</p> <p><i>Topography:</i> Generally level.</p> <p><i>Access:</i> Physical access is via a curb cut on the east side of Avenue 3E and then immediately north on a dirt road which is sandwiched between Avenue 3E and the UPRR spur line. It is unclear from the information provided by the client whether ADOT has the legal right to use this road.</p> <p><i>Vegetation:</i> Native – Lower Colorado River Desert Scrub</p>

*Utilities:* All utilities are nearby but development of the property will require the extension of water from the west side of Avenue 3E, which is needed for landscape requirements and fire regulations. This will be extremely costly.

*Improvements:* None

**Flood Hazard:** FEMA Panel No.: 04027C1540E which is not printed.

Zone X – Areas determined to be outside the 0.2% annual chance floodplain.

**Zoning:** City of Yuma: H-I; Heavy Industrial  
MCAS/Yuma International Airport: Accident Potential Zone APZ-2; Noise Zone: 70db

**Highest and Best Use:** Low intensity industrial use.

**Exposure Time:** 12 months or less

**Opinion of Value:** \$30,000

**Extraordinary Assumption:** Physical access to the subject property is via a curb cut along the east side of Avenue 3E just north of the BOR B-3.7 lateral canal. This curb cut connects to a dirt road that lies between Avenue 3E and the UPRR spur and continues north to the southernmost apex of the subject property. Absent a survey, it is unclear whether ADOT and/or a prospective buyer has the legal right to use this road to access the subject property. This appraisal is made based on the uncertainty surrounding legal access.

**Hypothetical Conditions:** None

**The use of this extraordinary assumption could affect the assignment results.**



## **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 triangular shape parcel of land consisting of 1.654 acres. The north boundary is a straight line that runs a distance of approximately 465 feet adjacent to the UPRR right of way and main line tracks. The west boundary adjoins the Avenue 3E right of way and steep embankment, a distance of about 577 feet. The southeast boundary of the triangle is curved and concave to the adjoining UPRR spur which separates the property from the irrigated farmland to the south and east.

According to the legal description in the Right of Way Disposal Report provided by ADOT, the property is legally described as follows.

### **Legal Description**

That portion of the Northwest quarter of the Northwest quarter (NW'ANW'A) of Section 1, Township 9 South, Range 23 West, Gila and Salt River Meridian, Yuma County, Arizona, that is within the operating right of way of State Route 280, lying southerly of the Union Pacific Railroad (formerly Southern Pacific Railroad) right of way and northwesterly of the Union Pacific Railroad (formerly Southern Pacific Railroad) Spur right of way, and easterly of the following described line:

Commencing at the Northwest corner of said Section 1, being North 00°24'51" West 2656.22 feet from the West quarter corner of said section 1; thence along the West line of said Section 1, South 00°24'51" East 301.28 feet to the southerly right of way line of the Union Pacific Railroad; thence along said southerly right of way line of the Union Pacific Railroad South 74°13'41" East 156.19 feet to the POINT OF BEGINNING; thence South 12°26'21" West 262.51 feet; thence South 77°08'02" East 15.00 feet;

thence South 12°26'21" West 200.00 feet;  
thence North 77°08'02" West 15.00 feet;  
thence South 12°26'21" West 211.79 feet to the POINT OF ENDING on the West line of said Section 1, being North 00°24'51" West 1654.00 feet from said West quarter corner of Section 1.

EXCEPT any portion lying within the West 33.00 feet of said Section 1.  
72,066 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.

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.

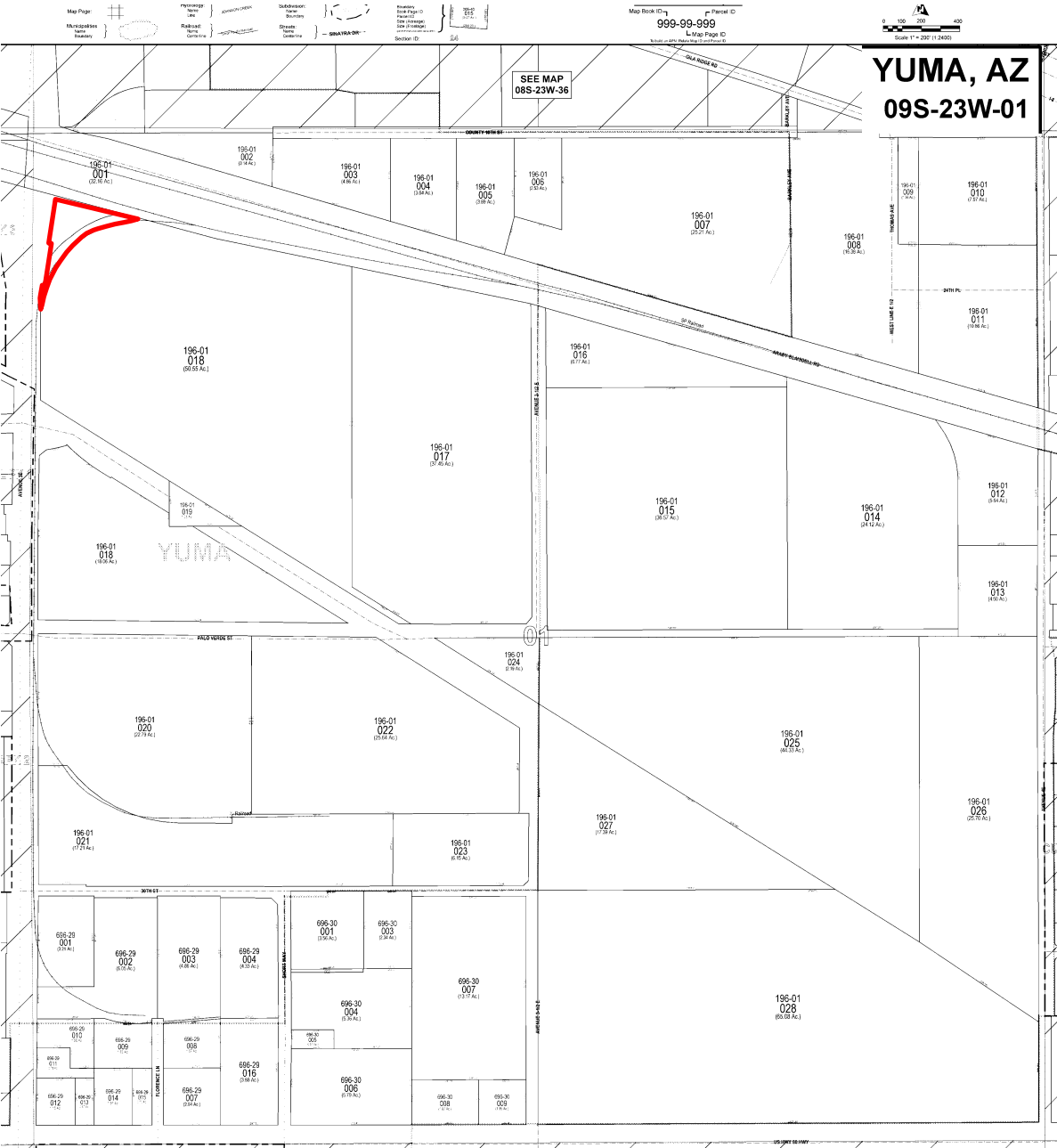
Likewise, a fee interest in one parcel and a leasehold interest in an abutting parcel can operate as one larger parcel for the remaining term of the lease.

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.

The subject represents excess land from an earlier acquisition by ADOT that included road improvements along Avenue 3E, the right of way of which has since been conveyed to the City of Yuma. The property is a physically isolated parcel bound on the north, east and south by the UPRR tracks and right of way and on the west by Avenue 3E. In this case, the disposition of the subject property is a voluntary action and includes all interests in the property held by ADOT.

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 was to develop an opinion of market value for the fee simple interest, subject to reservations and encumbrances of record. 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.*

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. We walked 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 by the client indicates the subject property was acquired by virtue of a Final Order of Condemnation in Civil Case No. 38323 of the Arizona Superior Court, Yuma County, entitled the State of Arizona, ex rel., W.A., Ordway, Director, Department of Transportation, Plaintiff, vs. Glen G. Curtis and Elena O. Curtis, h/w, Defendants, dated June 7, 1978, recorded June 21, 1978, in Docket 1043, at page 886 (Parcel 14-288, Project S-491-701).

There are no recent leases, rental agreements or similar encumbrances that have a bearing on the current market value of the property.

According to Donna Bentley with ADOT, the property has been listed for sale since 2018. The initial asking price was \$94,000 (\$1.30/sf) based on an appraisal dated May 1, 2018. In September 2019 the price was reduced to \$80,000 (\$1.11/sf). In 2020 the price was reduced again to \$75,000 (\$1.04/sf) which is the asking price as of February 1, 2022.

During the exposure time there have been 9 inquiries and two offers. The first offer came in September 2019 when the asking price was \$80,000. The second offer was submitted in February 2021 when the asking price was \$75,000.

One buyer planned a storage use which was presented to the City of Yuma Development Services for approval. Reportedly, the City of Yuma will require landscaping and fire protection which in turn requires the extension of municipal water. The closest water is a 12" pvc line along the west side of Avenue 3E. To extend service to the site a potential user would have to bore under Avenue 3E or negotiate with UPRR to secure an easement under the viaduct across railroad property. Inquiries from these potential buyer(s) revealed the cost to extend service is significant and, at asking prices of \$75,000 to \$80,000, development is not economically feasible. Thus, the two prior sales fell through.



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: M697501X    Highway: Avenue 3E Highway    Section: US 80 – Interstate 8:  
Parcel No. L-Y-016

### **Scope of the Project**

The appraisal is not being made for a specific highway project. Rather, the subject is excess property resulting from a condemnation of land that occurred in 1978 when road improvements were made to Avenue 3E. Since ADOT has no use for the land, the property has been designated for disposal. This is an appraisal of the fee simple interest, subject to the reservation for utility easements 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 1.654-acre parcel of vacant land on the east side of Avenue 3E, just north of 24<sup>th</sup> Street in Yuma, Yuma County, Arizona. The property is a triangular shaped parcel sandwiched between Avenue 3E on the west, the UPRR main line on the north and a UPRR spur line which forms the curved, concave boundary on the southeast side. Electric and natural gas are to the property boundary, but water and sanitary sewer are south of the irrigation canal known as BOR B-3.7 lateral canal or west of Avenue 3E. Water would have to be extended across Avenue 3E which will be a costly endeavor. A septic system could be used in lieu of sewer. In addition to lack of water and sewer, the property has difficult access off Avenue 3E.

The subject property is zoned H-I, Heavy Industrial. Surrounding neighborhood uses are a mix of industrial and commercial. The subject is in Zone APZ-2 of the Yuma International Airport Environs Zone and within the boundaries of the 70db noise contour. These designations prohibit residential, most retail uses, storage and/or manufacturing of chemical and petroleum product and any use that results in a congregation of people. From a practical standpoint, an industrial related use is the most likely for the subject.

Given the physical and locational characteristics of the site and the limitations associated with the zoning and flight path, the search for sales focused on areas similarly impacted by the Airport Environs Zone and those areas along the UPRR corridor. Within these areas, I attempted to find sales with physical restrictions. The search for sales went back to January 2019, a 3-year time period prior to the date of valuation.

The search revealed eight sales ranging in size from about ½ acre up to 6 acres. A 6-acre site along the railroad tracts was eliminated because of the larger size and AG zoning. A second sale was eliminated from consideration due to the interior location within an established business park and a third sale was omitted because there was a small building on the property. The other five sales are located nearby and similarly zoned but only one sale had any physical limitations on use. And, as will be seen, all of these sales sold at a prices per square foot that are significantly higher than the 2019 initial list price and current asking price of the subject property. The lack of water and difficult access to the subject property have negatively impacted marketing efforts.

In an effort to bracket the sales and help establish a lower limit of value for the subject property, the search was expanded to include areas further east along the UPRR tracks or along I-8 that are intended for industrial use. As will be seen, one commercial sale in Yuma and two additional sales were found in the Wellton area. These sales, like the subject, have a triangular shape and other development restrictions.

In total, five sales have been selected for direct comparison to the subject. Three other sales are used in support of the value conclusion.

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. We have personally inspected each of the sales in the core dataset and 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.

I have verified the data used in the supplemental analysis with a party to the sale. Confirmations also included a review of MLS and Yuma County records related to each sale. I have personally visited all but one 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. 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.

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 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 market participant place 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.

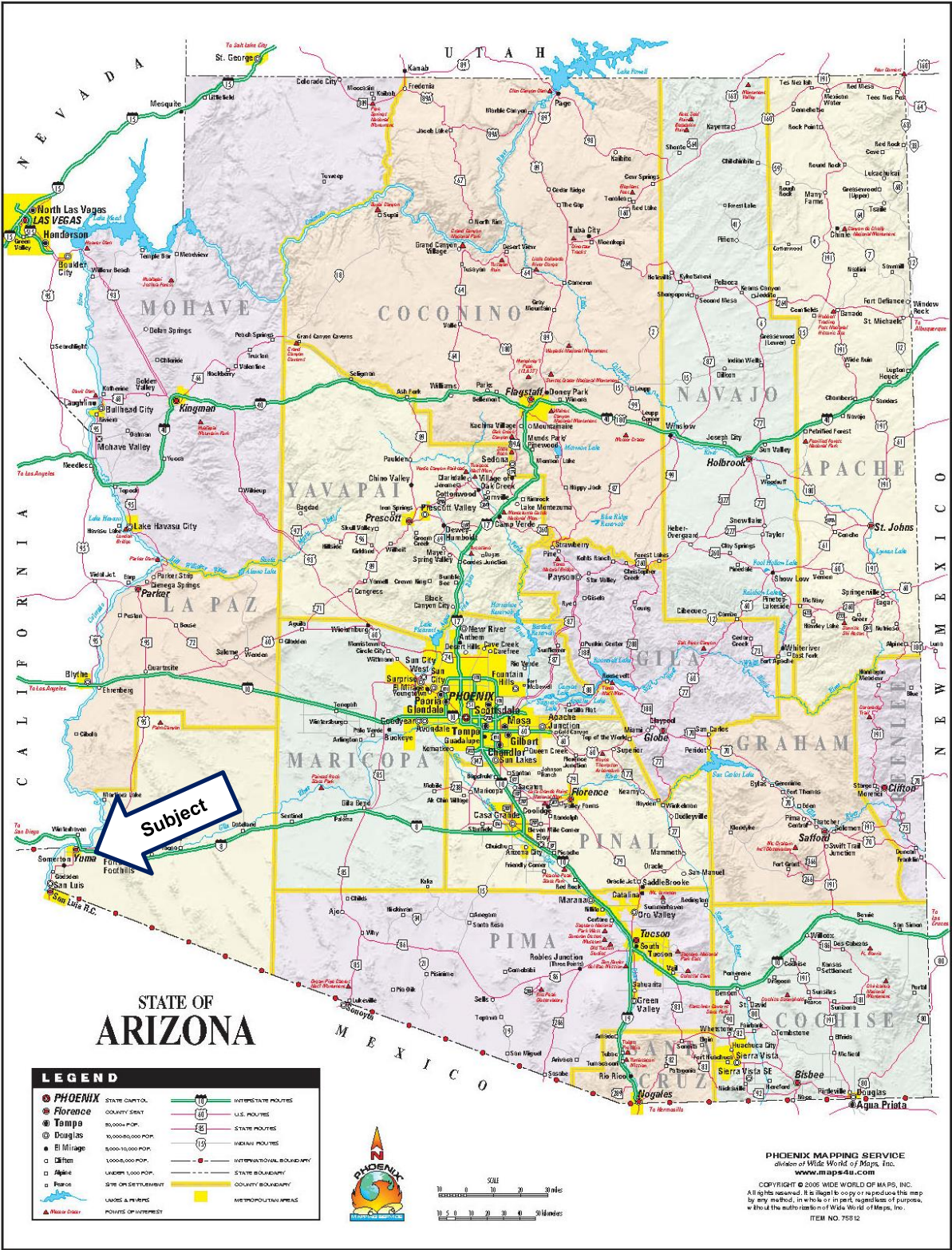
## Fourth Quarter 2021 Baseline Scenario Economic Forecast – Arizona

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.

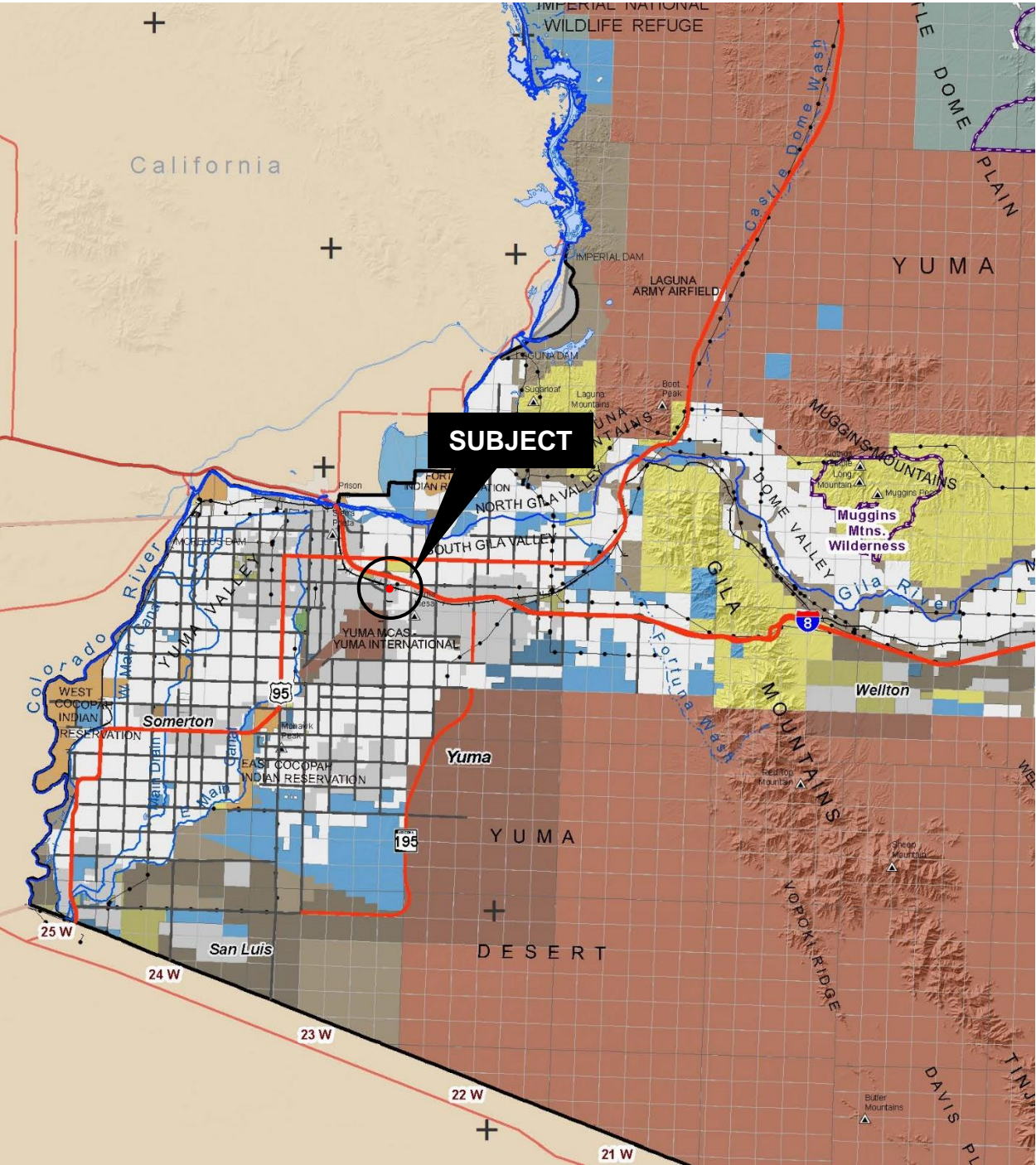


State Location Map





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

Most of the 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.

Ownership	Acres	Square Miles	% of Total
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.

The boundaries of the MCAS are about one mile southwest of the subject property. The runways are laid out diagonally in a northeast to southwest direction. As a result the flight path passes over the subject property and impacts the land uses in the immediate vicinity. Uses are generally restricted to those that do not allow the congregation of people in the event of a crash and no hazardous materials are permitted to be stored on site. The restrictions preclude residential, most commercial, and a number of public uses such as schools and parks. As a result, the land uses in the immediate area of the subject trend toward industrial storage and/or irrigated farmland.

**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.

**Commercial:** Historically, downtown was the commercial center of the community. But the construction of Old Highway 80 along 32<sup>nd</sup> Street and 4<sup>th</sup> Avenue, along with the development of the 4<sup>th</sup> Avenue bridge to California, prompted the development of a string of commercial districts away from downtown. Numerous car dealers and retail centers have been built along 32<sup>nd</sup> Street. Supermarkets and other retail and office uses are found along 4<sup>th</sup> Avenue. In response to residential development in the East Yuma Mesa area, newer commercial centers have been built.

**Industrial:** Industrial development can be found along the major transportation corridors. Areas along the interstate highway, the railroad tracks and near the airport all have neighboring industrial centers and businesses. Major industries include manufacturing, fabrication, and agriculture-related businesses. Recently there has been an increase in the number of agricultural processing plants. At these facilities, produce is shipped in from farm fields, processed and bagged for market distribution.

**Housing:** Historically, the area in and around downtown was the residential heart of the city. But as the community has grown, residential development has radiated outward. First, along the southern edge of the mesa, then to the west in the north Yuma Valley and then to the east around Arizona Western College. The south Yuma valley and east Yuma mesa are the two fastest growing residential areas. Single family detached housing is most common. Apartments, duplexes and condominiums are also present.

Following is a summary of statistical housing data for Yuma as reported in the Yuma 2022 General Plan.


HOUSING	2010	2019
Dwelling Units	38,626	41,162
Occupied Units	31,417	34,360
Owner Occupied	19,893	21,028
Renter Occupied	11,524	13,332
Vacancy Rate-Owner	2.6	1.6
Vacancy Rate-Rental	10.4	7.4
Average Household Size	2.86	2.79
Source: 2010 Census and 2019 ACS		

UNITS IN STRUCTURE	2019 ACS	
Total housing units	41,162	
Single unit	24,405	59.1%
2-4 units	3,203	7.8%
5-plex or more	5,304	12.9%
Mobile home	7,792	18.9%
Boat, RV, van, etc.	458	1.1%

**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.						

## **Site Description**

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

The subject property is located on the east side of Avenue 3E, adjacent south of the UPRR main line in Yuma, Yuma County, Arizona. The site is excess land owned by ADOT that does not have an Assessor Parcel Number. A complete legal description for the property is included on pages 6 and 7.

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

The subject property is located in the flight path for the Marine Corp Air Station and Yuma International Airport which share facilities. Due to flight path related development restrictions, the surrounding area is mostly improved with industrial storage warehouses and yard facilities or irrigated farmland. Those properties most impacted by restrictions tend to be agricultural.

The property is bound on the north by the main line of UPRR with industrial related uses to the north across the tracks. The concave boundary on the southeast side is formed by the UPRR spur and associated right of way. Beyond the spur to the southeast the land is irrigated. The west boundary of the subject property is formed by Avenue 3E. There are fewer flight restrictions west of Avenue 3E in the vicinity of 24<sup>th</sup> Street. As a result, the uses west of the subject tend to be industrial with a mix of commercial occupancies. East of Avenue 3E at 24<sup>th</sup> Street, most of the land is irrigated.

### **Size and Shape**

The subject property is generally triangular with approximately 577 feet along the west boundary and 540 feet along the north boundary. The site has a curved, concave boundary to the southeast.

Data provided by the client indicates that the property consist of 72,066 square feet, or 1.654 acres.

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

The subject property is bound on the west by Avenue 3E, a six-lane median divided arterial with a traffic count of 17,518 vehicles per day. However, at this location, the road is elevated to pass over the UPRR railroad tracks and there is a steep embankment along the western edge of the property. The change in street grade significantly reduces visibility and prohibits direct access to the property.

The closest physical access off Avenue 3E is via a curb cut and concrete apron located about 325 feet south of the south apex of the subject property. This curb cut is at the south end of the embankment just north of the B.3.7 lateral canal. From the curb cut, an approximate 13-foot-wide dirt road takes a sharp 90° turn to the north and continues in a northerly direction to the subject property. There are no other points of access.

There is no recorded access easement or evidence that the dirt road, which is sandwiched between the Avenue 3E right of way and the UPRR spur, is a legal means of access to the subject property. A map included in the Right of Way Disposal Report shows ADOT abandoned the Avenue 3E right of way to the City of Yuma as recorded in Document 2007-15317. Based on this map, the Avenue 3E right of way is controlled by the City of Yuma

and abuts the UPRR right of way. This suggests there is no legal access. A title report and/or survey is required for confirmation.

### **Topography**

Terrain at the property is generally level and substantially below grade of Avenue 3E.

### **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 that the property is comprised of Rositas-Superstition sand which are characterized of deep, nearly level and undulating, somewhat excessively drained, sandy soils, on old terraces of the Colorado River, alluvial fans, and sand dunes. Typically, the surface layer is light brown sand about 5 inches thick. The underlying material to a depth of 60 inches or more is light brown and pink sand that contains few to many soft lime masses. In some place the surface layer is loamy sand.

Permeability of the Superstition soil is rapid. Potential rooting depth is 60 inches or more. Available water capacity is low to moderate. Surface runoff is very slow. The hazard of soil blowing is high. This soil is mainly for rangeland, but many areas are used for irrigated citrus fruit, alfalfa hay, small grain, cotton and vegetables. The soil is poorly suited to livestock grazing because of low production of forage and lack of livestock facilities.

This soil is slightly limited for urban development and severely limited for recreational development because of the sandy texture. It is slightly limited for septic tank absorption fields but is severely limited for sewage lagoons because of rapid permeability. In populated areas, community sewage systems may be needed to prevent contamination of the ground water supply due to seepage.

### **Utilities**

Utilities are not currently in use at the subject property, but available in the area through extension, though some may be difficult and costly. Private utility companies provide telephone service, cable access and natural gas to Yuma residents and businesses.

Overhead distribution lines parallel the north boundary of the subject property. Electricity is provided by Arizona Public Service Company.

Telephone service is by CenturyLink. A number of cellular companies provide wireless communication and fiber optic technology with good coverage across the city.

Cable is available by private contract with service provided by Spectrum. Dish Network and Direct TV provide satellite television.

A 16" El Paso Natural Gas line brings natural gas to the community which is then distributed by Southwest Gas Corporation through eight node points.

A petroleum pipeline owned by Kinder Morgan parallels the north and west boundaries of the subject property. Reportedly, these lines are for the conveyance of jet fuel to the Marine Corps Air Station located about one mile south of the subject property.

Yuma-Mesa Irrigation and Drainage District supplies irrigation water to nearby farmland. The B 3.7 lateral canal is just south of the subject property.

Potable water is provided by the City of Yuma. The closest water line is a 12" pvc pipe across the overpass from the subject property on the west side of Avenue 3E. To obtain service at the subject property a line would have to be extended under the viaduct along UPRR right of way or bored under Avenue 3E.

Several potential buyers have submitted inquiries to the City of Yuma for development of the subject property. Regardless of the use, Ms. Shelly Hook has stated that the city will require extension of water to meet landscaping codes and compliance with fire regulations. One potential buyer of the subject property determined it could cost upwards of \$100,000 to extend water to the subject property.

The City of Yuma also provides sewer service for waste disposal. The closest sewer line is at 24<sup>th</sup> Street and Avenue 3E, which is south of the B 3.7 lateral canal. Because a sewer line would require extension across the canal, it is likely cost probative to extend sewer. However, an on-site septic system could be installed to provide for waste disposal.

### **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 the north boundary of the subject property. This line appears to be within the UPRR right of way. There is a Kinder Morgan petroleum pipeline that extends along the north and west boundaries of the subject property. According to Michael Ouellette, formerly with the Marine Corp Air Station, this line carries jet fuel to the MCAS base. A prior investigation by Mr. Ouellette found that the pipeline is not within the boundaries of the subject property but within the adjoining road and railroad rights of way.

No other easements, restrictions and/or encroachments are known.

### **Environmental Considerations**

A Phase I Environmental Site Assessment has not been provided. However, the ADOT Environmental Planning Group prepared a Preliminary Initial Site Assessment on the property and found no hazardous materials or concerns. The report recommends no further investigation necessary. It is further noted that during our inspection of the subject property we did not observe any environmental hazards.

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 and investigation made during the appraisal process.

### **Improvements**

There are no building improvements. A chain link fence owned by UPRR appears to encroach on the eastern portion of the property.

### **Division of Realty and Personalty**

There is no personal property included with the subject.

### **Conclusion**

The subject property is an isolated, triangular shaped site sandwiched between Avenue 3E, UPRR main line and the UPRR spur line. It has significant development challenges stemming from the lack of water, difficult physical access and uncertainty regarding legal access.

According to the City of Yuma, municipal water will be required to develop the property in order to comply with landscaping code and fire regulations. One buyer projects costs up to \$100,000 to either bore under Avenue 3E or extend the line under the viaduct across land owned by UPRR.

Physical access is possible via a narrow, dirt road that lies between the Avenue 3E right of way and the UPRR spur right of way. The 90° turn north and the narrow width could preclude a number of uses. Furthermore, it is unclear whether the existing dirt road is a legal means of access. There is no recorded easement and ADOT no longer controls the land south of the southern apex of the triangular shaped subject property.



FEMA Flood Map





Looking southwest across subject property from the northeast corner.



Looking west across subject property, Avenue 3E in the background.





Looking west along northern boundary of subject property, UPRR to the right.



Looking east along north boundary of subject property.





Looking southeast across subject property from the northwest boundary.



Looking south along west boundary of subject property.





**Looking north along west boundary of subject property.**



**Embankment between Avenue 3E and subject property.**





**Looking east across subject property.**



**Looking northwest across subject property.**





Looking south along narrow access road to subject property.



Looking northwest along railroad spur, subject property to the left.





**Curb cut for access to the subject property from Avenue 3E.**



**Looking north from curb cut along access road between Avenue 3E and railroad spur.**



Looking north along Avenue 3E.



Looking south along Avenue 3E.





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

The subject property is owned by the State of Arizona and does not have an Assessor Parcel Number. According to Shelly Hook project coordinator with the City of Yuma, development of the subject property will require the buyer to provide a survey and establish a legal lot of record with a parcel number.

Since there is no Assessor Parcel Number and the property is owned by the State of Arizona, no full cash value has been established and no real estate taxes have been assessed.

### **Signs**

Signs identifying the Kinder Morgan petroleum pipeline are the only signs on the subject property.

### **Zoning and General Plan**

As can be seen on the map that follows, the subject property is zoned H-I; Heavy Industrial in the City of Yuma.

The purposes of the Heavy Industrial (H-I) Zoning District are to provide adequate space for industrial operations and related activities so that the economic base of the city may be strengthened, and employment opportunities expanded; and to protect residential and commercial district by locating those industrial uses which may create noise, smoke, odor, dust or other objectionable influences in appropriate areas.<sup>3</sup>

Principal uses include any use allowed in the Light Industrial District, military installations and support facilities, airports and related activities, aircraft-related uses including air transport of goods, materials or passengers, well concealed personal wireless communication facilities and community gardens. Other conditional uses may also be permitted.

The minimum lot area in the Heavy Industrial District is 20,000 square feet. There is a 20-foot minimum setback from a public or private street for a building, outdoor area or portion thereof where the public may be received. Yards fronting any public or private street shall require landscaping and cannot be used for parking, loading or product display. Any H-I zoned parcel must have access to a major or minor street.

The subject property is also located within the Airport Overlay District (AD).

For the purpose of the Airport Overlay District, there are hereby created zone (65-70dB, 75-80dB, greater than 80dB noise zones, APZ-1, APZ-2 and clear zone) a delineated on the *Airport Noise and Accident Potential Zone Map* and parts thereof on the official zoning map of Yuma. The land use permitted within the various zones are delineated in Table No. 2 – Airport Overlay District Land Use Matrix.<sup>4</sup>

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<sup>3</sup> Yuma Code Ordinance 154-09.03

<sup>4</sup> Yuma Code of Ordinance 154-14-.05 Airport Overlay District (AD)

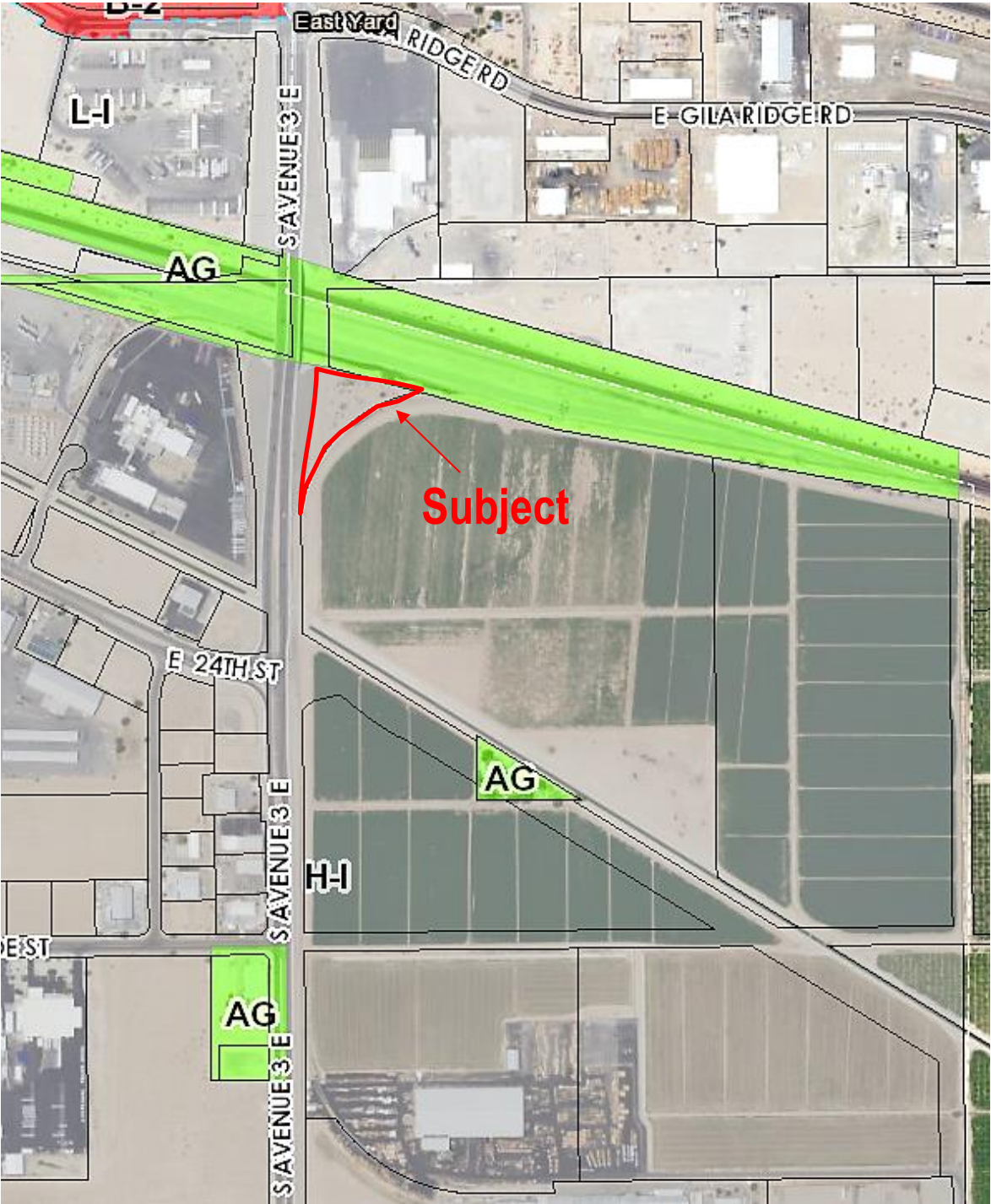
The subject property is in 70dB noise contour line zone and Accident Potential Zone 2 (APZ-2). The APZ-2 is an area 3,000 feet wide to 7,000 feet long on the center line of the runway, terminating 15,000 feet from the end of each runway.

According to the matrix the noise ordinance prohibits residential uses and limits the number of employees to one per 3,500 square foot of net lot area. Most other uses are permitted providing noise attenuation is installed.

The restrictions in the ADZ-2 zone are more onerous. In addition to not allowing any residential uses, general retail, restaurants, food sales, auto repair, furniture sales, medical or health services offices and indoor recreational uses are prohibited. Most industrial and manufacturing uses are allowed except for chemical manufacturing and petroleum refining. In general, uses that promote a high concentration of people, uses that attract birds and those uses that could cause an explosive situation in the event of an aircraft crash are prohibited.

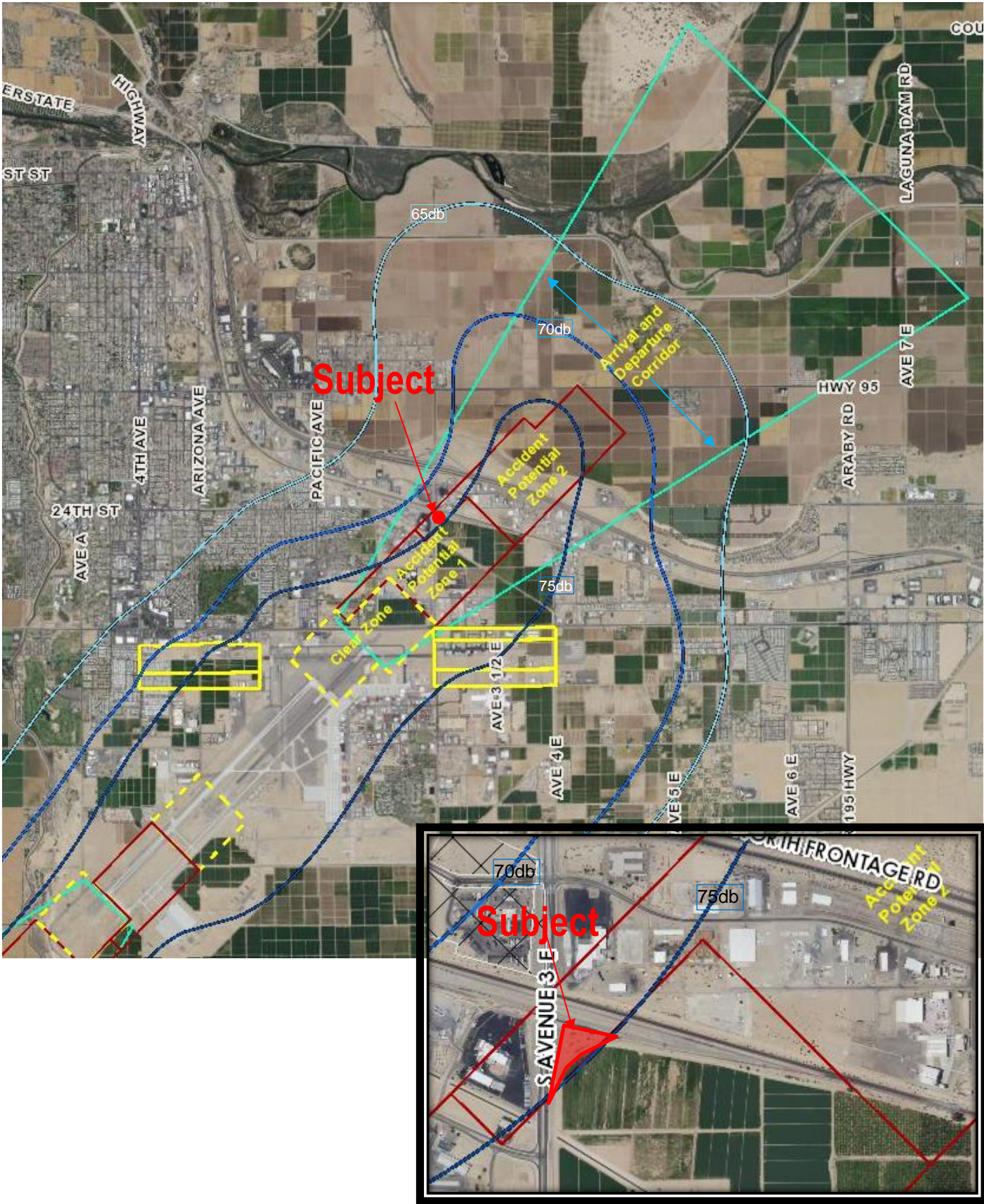
In the event of a rezoning request, it is appropriate to consider the designation of the subject property under the City of Yuma General Plan. As depicted on the map that follows, the General Plan recommends an industrial use which is in compliance with existing zoning.

Zoning Map



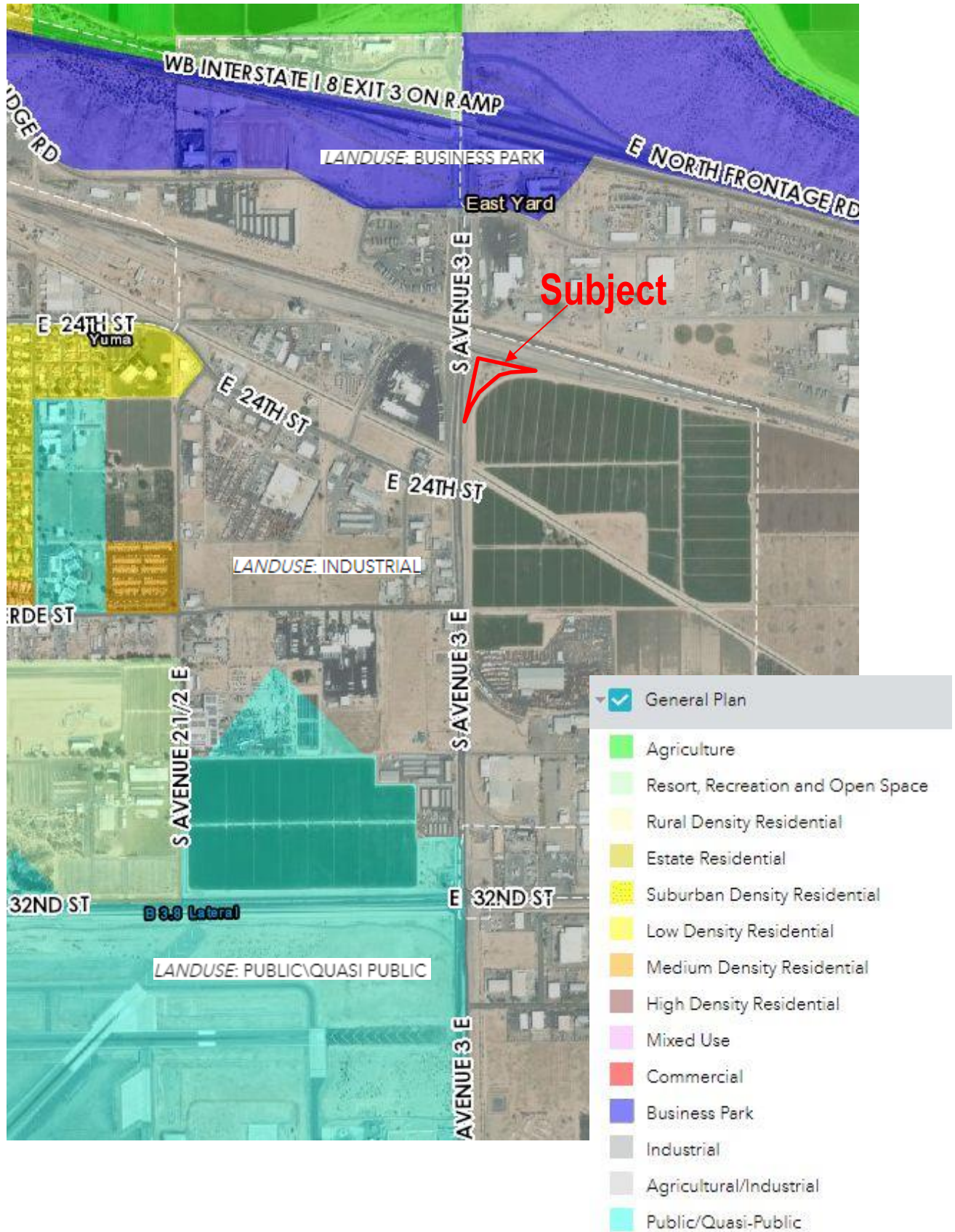


Airport Overlay





## Yuma County General Plan



### **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)

#### **Physically Possible:**

The subject property is a 1.654-acre parcel of vacant land located on the east side of Avenue 3E, just south of the UPRR tracks in the City of Yuma. It is basically triangular with about 577+/- feet along the west boundary adjacent to the Avenue 3E right of way and has 540+/- feet along the north boundary adjacent to the UPRR main line. The southeast boundary is adjacent to the UPRR spur. It is curved, concave to the southeast. The surrounding road and railroad rights of way effectively isolate the property from other nearby private lands. The terrain is generally level with an island of native desert in the middle that is slightly elevated.

There are several notable physical features that impact the future potential use of the subject property. All utilities are nearby, but municipal water and sewer will be difficult and potentially costly to extend. The closest water line is west of the overpass on the west side of Avenue 3E. To service the subject property, the line would have to be extended under the overpass or bored under Avenue 3E. Based on rough estimates provided to a potential buyer of the subject, it could cost up to \$100,000 to extend service. In lieu extending a water line, it may be possible to drill a well, but this would depend on the use as a well would not supply adequate pressure for fire protection. A variance from the fire department would be required.

The closest sewer service is at Avenue 3E and 24<sup>th</sup> Street. Though not far from the subject, the B 3.7 lateral canal crosses Avenue 3E between the subject and 24<sup>th</sup> Street making extension of sewer difficult. However, installation of a septic system would be possible depending on the use.

Overhead electric distribution lines extend along the north boundary.

Another obstacle to development relates to access. Physical access to the subject property is via a curb cut along the east side of Avenue 3E. From this point, a dirt road takes an immediate 90° turn north and continues approximately 325 feet to the southernmost apex of the subject property. This narrow road is sandwiched between the Avenue 3E right of way and the UPRR spur right of way. Using the measuring tool on the Yuma County GIS website, this road is only about 13 feet wide which is less than the minimum 16-foot width required for one-way access and fire protection. In addition to the difficulty of access, there is no documentation of legal access across this or any other route. In 2007, ADOT conveyed the Avenue 3E right of way to the City of Yuma. This road right of way appears to abut the UPRR right of way along the spur. The owner of the subject, ADOT, does not appear to have any legal authority to use the road or to grant access to the subject property if the site were sold in the open market.

Nearby development tends to be industrial related businesses or irrigated farmland.

**Legally Permissible:**

The second step of highest and best use analysis considers the legally permissible uses. These include existing zoning, private deed restrictions and any other restrictions that may be in effect.

The subject site is zoned H-I; Heavy Industrial. It is in flight path of the shared facilities at the Marine Corp Air Station and Yuma International Airport. As a result of the flight path, there are restrictions on the potential use of the land. No residential or retail uses are permitted. Most industrial uses, some public service uses are allowed as well as irrigated farmland. However, any use that allows high concentrations of people or hazardous materials will not be permitted. Low intensity uses such as outdoor or enclosed storage are allowed.

Given the location within the flight path and the physical constraints, I have consulted with Shelly Hook at Yuma Development Services. According to Ms. Hook, development of the subject property will first require a property owner to establish a legal lot of record and create a parcel. A site plan must then be submitted to the city that shows legal and physical access. In addition, water will need to be provided for landscape irrigation and fire suppression. And, lastly, any new development must be approved by the Marine Corps Air Station.

Based on H-I zoning and flight path restrictions, the only legally permissible uses include industrial or agricultural related uses provided legal access can be secured.

**Financially Feasible:**

The third criteria considered in determining the highest and best use of the subject property is the financial feasibility of the various alternative uses. To be financially feasible, a use must produce a positive return.

Given the zoning, flight path restrictions, lack of water and difficult access, there are very few uses that would be permitted without significant expense. And, considering the requirements imposed by the city, many uses may not be financially feasible.

To address this issue and further evaluate what type of use may be financially feasible, I have examined the marketing history of the subject property which has been listed since 2018. The marketing agent with ADOT reports there have been two offers and nine inquiries.

According to Ms. Hook, the City of Yuma has received several inquiries for development of the subject property. One was from a potential buyer who wanted the property to store farm equipment. Another potential buyer, Edgar Vargas, expressed interest in the site for a fenced storage yard. I spoke with Mr. Vargas who confirmed that the City of Yuma will require the extension of water for landscape irrigation at a potential cost of up to \$100,000. With this expense, the asking price of \$75,000 was too high and he backed out of the sale. However, Mr. Vargas is still interested in the property for storage of his personal R.V.'s. Mr. Vargas believes he may not have to comply with the city requirements if no buildings are constructed and a permit from the city is not needed for this particular use.

Reportedly, the Marine Corp Air Station was also interested in purchasing the property for tenure control. Kinder Morgan has a pipeline used to transport jet fuel to the air station located about one mile southwest of the subject property. According to Mr. Michael Ouellett, former realty specialist with MCAS, the MCAS wanted to protect this fuel line, but thought

the asking price of \$75,000 was too high. And, upon further investigation, the MCAS determined that the pipeline was not on the subject property but instead within the Avenue 3E right of way. For these reasons, the MCAS is no longer interested in the property.

During the course of this appraisal, I also spoke with Jason Leinbach owner of an advertising company dba LADS, LLC. Mr. Leinbach has purchased several development-challenged properties in the Yuma area for their billboard(s) and/or advertising potential. Mr. Leinbach expressed an interest in acquiring the subject property to install a billboard. Though the H-1 zoning permits this use and the use would not necessarily require the extension of water, the location in the MCAS flight path may preclude the installation of a billboard.

As can be seen, there has been interest in the subject property from buyers who have a specific use in mind. But, in each case, the asking price was too high given the requirements of the City of Yuma.

**Maximally Productive:**

Of the financially feasible uses, that use which produces the highest value, based on the required rate of return, is the highest and best use of the property. Based on the inquiries described above, a low intensity industrial use is most likely, but the ultimate price will have to be less than the current pricing structure in order to entice a buyer to purchase the property and assume the risk and potential costs associated with development.

The highest and best use of the subject property is for a low intensity industrial use. All sales selected for comparison to the subject are in the subject neighborhood and intended for industrial use. Adjustments will be made for the development costs and risk associated with the subject property.

**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.

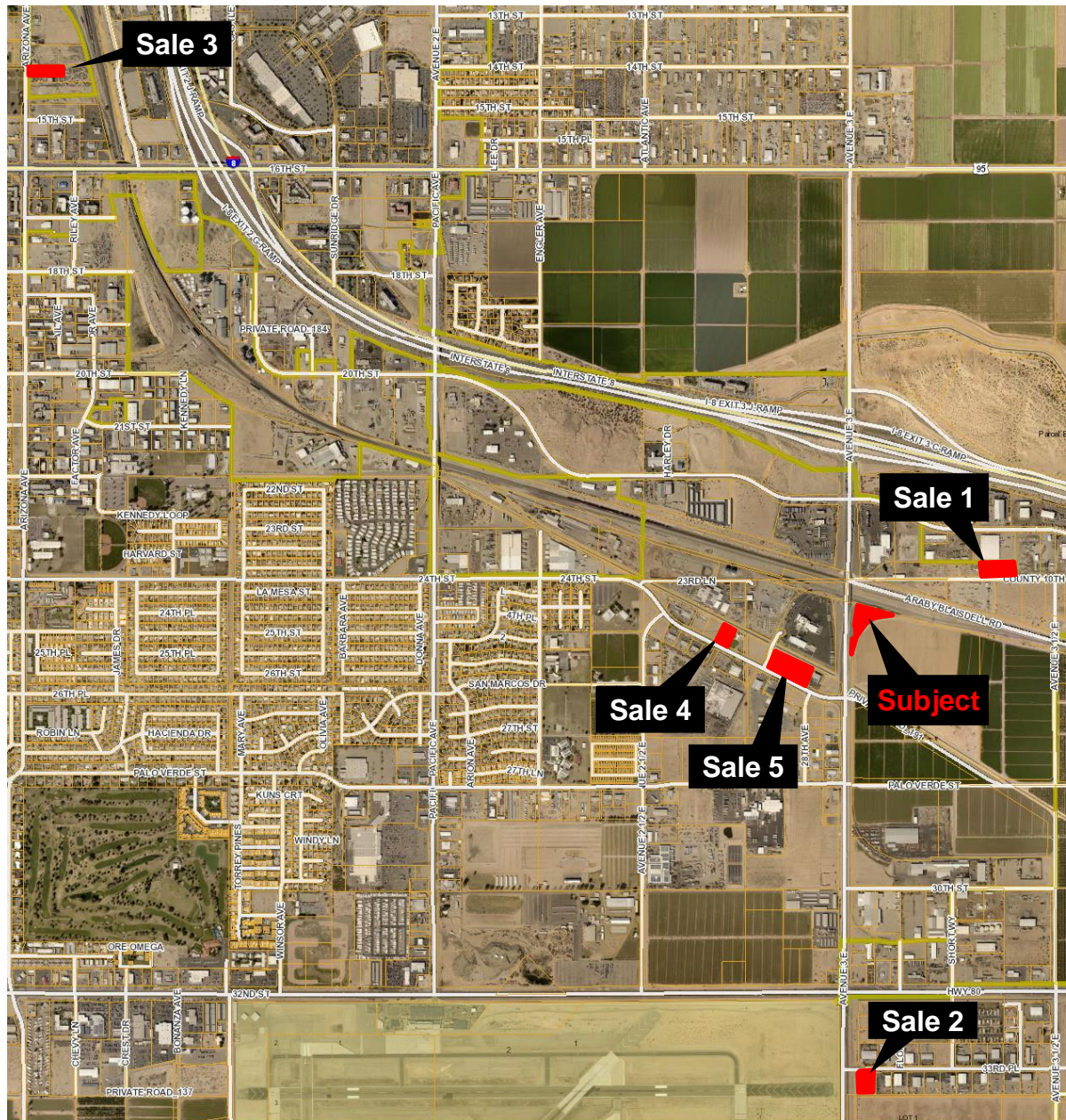
The following tabulation summarizes the comparable sales. Write-ups and photographs of the sales follow.



### Ave 3E Comparable Sales Tabulation

SALE	DATE	SELLER / BUYER LOCATION	ASSESSOR PARCEL NUMBER	SALE PRICE	SITE SIZE (ACRES)	SALE PRICE PER S.F.	COMMENTS	ZONING
1	01/29/19 2019-02081	Yuma Express Cooling / Thomasland Hldgs LLC E of Ave 3E, btwn Gila Ridge & RR tracks 180-36-030		\$179,000	1.79	\$2.30	Paved, fenced yard Purchased by adjacent property owner	L-I City of Yuma APZ-2
2	7/19/2019 2019-18364	GDM Enterprises / Gonzalez Rental & Sales Ave 3E off E end of airstrip 696-37-018		\$125,000	1.38	\$2.08	Runway Approach/Departure Safety Area Purchased by adjacent property owner Gonzalez Equipment Rental	L-I City of Yuma APZ-Safety area
3	11/18/19 2019-29640	Kaffer / L F L S Enterprises, Inc E sd Arizona Ave, N of 16th St 665-29-101		\$110,000	1.00	\$2.53	Partially fenced, In Yuma County Well & septic. Bought by towing company for vehicle storage	H-I Yuma County
4	11/30/2020 2020-36573	Tran / TDI Holdings LLC 24th St, W of Ave 3E 696-03-008		\$80,000	0.99	\$1.85	Outside HPZ. Cut by irrigation ditch to be removed for industrial development	H-I City of Yuma
5	11/10/21 2021-41985	Drye / Flores Ave 3E at 24th St 696-04-007 (now -008,9,10)		\$325,000	2.99	\$2.50	Vacant parcel since split into 3 lots One to be developed with owner user industrial bldg. Others to be sold	H-I City of Yuma APZ-2
6	Current Listing	Seller: ADOT E sd of Ave. 3E, N of 24th St. S of UPRR tracks No Assessor Parcel Number		\$75,000	1.65	\$1.04	Listed for \$94,000 in May 2018. Reduced in Sept. 2020 to \$80,000. Reduced again in 2020 to \$75,000. 2 offers both DFT	H-I City of Yuma APZ-2
<b>Other Sales Considered</b>								
A	3/8/2021 2021-8722	Swenson / LADS LLC W sd of Pacific; btwn 32nd and 24th St. 696-17-016		\$65,000 7.7% cash SCB	0.51	\$2.93	Narrow site with billboard that generates nominal income. Buyer is in the sign business and plans to replace the billboard	B-2 City of Yuma
B	9/4/2020 2020-26620	CEC Holdings, LLC / LADS LLC Btwn I-8 & W-M Canal, W of Ave. 31E, Wellton 201-05-015		\$90,000 \$60,000 Net Cash to seller	4.88	\$0.42 \$0.28	Narrow site difficult dirt access. Electric only Price net of 2 billboards. Buyer owns sign company.	AG City of Wellton
C	12/15/2020 2020-38466	CA 1 Trust / APA Stone Supply, Inc. Btwn US 80 and UPRR tracks, Wellton 201-06-047		\$50,000 Cash	2.61 per plat	\$0.44	Narrow triangle with gas line easements & RR easements. Utilities nearby. Access fm. Hwy 80. Buyer plans office & materials yard	C-2 City of Wellton

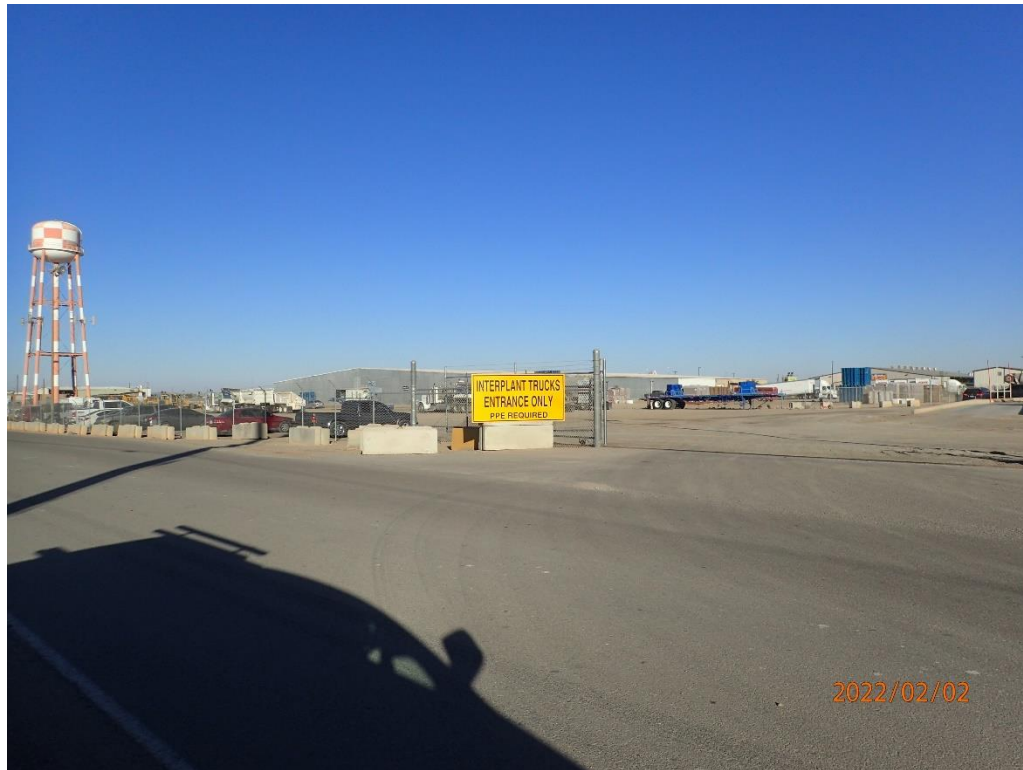
## Overall Land Sales Map



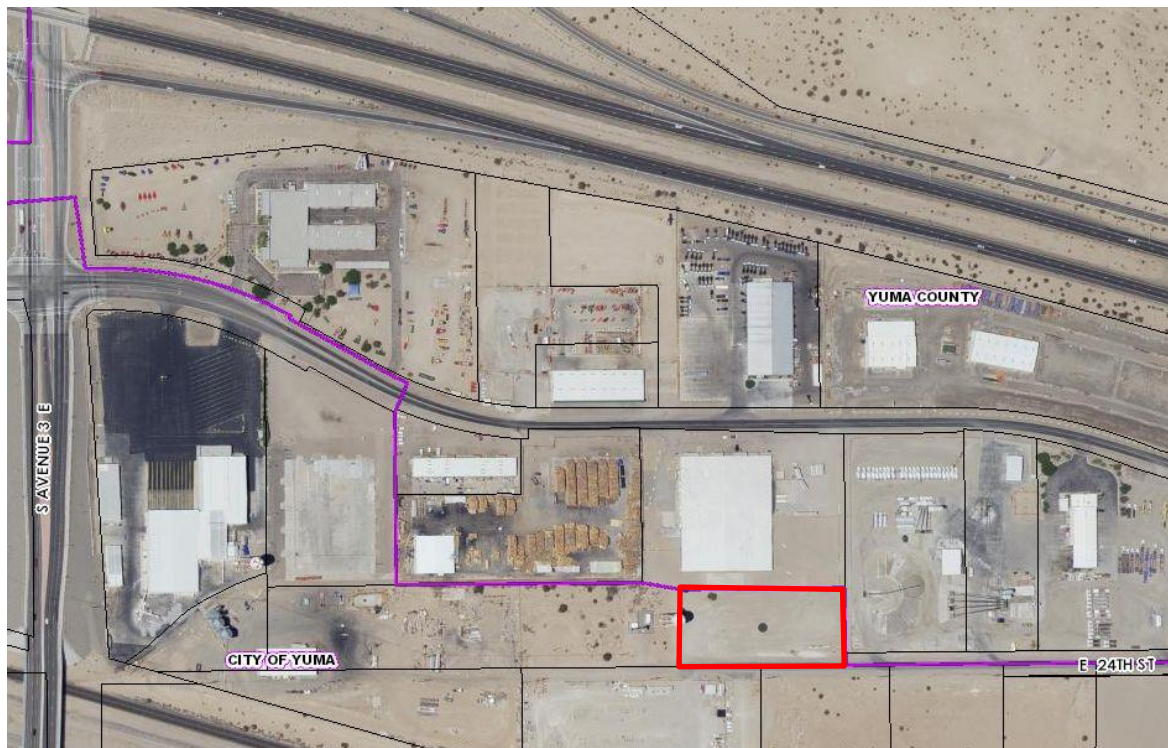
REAL PROPERTY TRANSACTION DATA				Sale No.: 1
DESCRIPTION	<b>Location:</b> East of Ave 3E, north side of County 10th St, between Gila Ridge Rd and RR tracks, City of Yuma		<b>County:</b> Yuma <b>State:</b> Arizona	
	<b>Size:</b> 1.79 acres			
	<b>Parcel No.:</b> 180-36-030 <b>Township:</b> 8S <b>Range:</b> 23W <b>Section:</b> 36  <b>Description:</b> Portion of S½, SW ¼ plus easement for ingress & egress			
TRANSACTION DATA	<b>Maps:</b> BLM: N/A <b>USFS:</b> N/A <b>USGS 7.5':</b> N/A			
	<b>Recording Date:</b> 1/29/2019		<b>Instrument Date:</b> 1/15/2019	
	<b>Fee#:</b> 2019-02081		<b>Docket:</b>	
	<b>Unit Price:</b> \$2.30 per sf		<b>Terms:</b> Cash	
	<b>Sale Price:</b> \$179,000		<b>Type of Instrument:</b> WD	
	<b>Unit Price:</b> \$2.30 per sf		<b>Page:</b>	
	<b>Seller:</b> Yuma Express Cooling, LLC		<b>Address:</b> 43990 Fremont Blvd Fremont, CA 94538	
	<b>Buyer:</b> Thomasland Holdings, LLC		<b>Address:</b> PO Box 6486 Yuma, AZ 85366	
	<b>Confirmation By:</b> Craig Miller		<b>Title:</b> Yuma Express Cooling	
	<b>Date:</b> 2/2022			
PROPERTY DATA	<b>Inspection:</b> BW 2/2022			
	<b>Outstanding Rights:</b> Typical utility easements			
	<b>Restrictions/Zoning:</b> LI, Light Industrial, City of Yuma. Also within Airport Noise level 75 db, Runway Approach & Departure Zone, APZ-2			
	<b>Highest and Best Use:</b> Industrial			
	<b>Improvements:</b> Paved, fenced lot.			
	<b>Access:</b> Via 24th St./County 10th Ave			
	<b>Utilities:</b> Electric & water; no sewer.			
	<b>Water:</b> Municipal water along County 10th St.			
	<b>Minerals:</b> N/A			
	<b>Terrain:</b> Flat			
ANALYSIS	<b>Vegetation:</b> None			
	<b>Remarks:</b> Seller intended to use the site for line truck parking. The property was no longer needed and purchased by owner of property adjacent east.			
	<b>Sale Allocation:</b>			
	N/A			



**Sale 1 Photo**



**Sale 1 Aerial**



REAL PROPERTY TRANSACTION DATA				Sale No.: 2
DESCRIPTION	Location: Avenue 3E , south of 32nd St., City of Yuma		County: Yuma State: Arizona	Size: 1.38 acres
	Parcel No.: 696-37-018		Township: 9S	Range: 23W Section: 18
	Description: Ramster Industrial Park 1 and 2, Lot 18			
TRANSACTION DATA	Maps: BLM: N/A		USFS: N/A	USGS 7.5': N/A
	Recording Date: 7/19/2019		Instrument Date: 7/19/2019	
	Fee#: 2019-18364	Docket:	Type of Instrument: WD Page:	
	Sale Price: \$125,000		Terms: Cash	
	Unit Price: \$2.08 per sf			
	Seller: GDM Enterprises, LLC		Address: PO Box 4625 Yuma, AZ 85366	
	Buyer: Gonzalez Rental & Sales Co, Inc.		Address: 3089 E 33rd Place Yuma, AZ 85365	
	Confirmation By: Krystian Lekan		Title: Gila Innovations, seller	Date: 2/2022
	Inspection: BW 2/2022			
	PROPERTY DATA	Outstanding Rights: Typical utility easements		
Restrictions/Zoning: LI, Light Industrial, City of Yuma. Also within Runway Approach/Departure Safety Area. Noise level 75 db.				
Highest and Best Use: Industrial				
Improvements: None				
Access: Via 33rd Place, paved				
Utilities: All available				
Water: Municipal water				
Minerals: N/A				
Terrain: Flat, at curb grade.				
Vegetation: None				
ANALYSIS	Remarks: Old railroad spur adjacent west. Purchased by adjacent property owner, Sun Rental & Sales. Currently used for overflow parking.			
	Sale Allocation:			
	N/A			



Sale 2 Photo



Sale 2 Aerial



REAL PROPERTY TRANSACTION DATA				Sale No.: 3
DESCRIPTION	Location: E sd Arizona Ave, N of 16th St		County: Yuma State: Arizona	Size: 1 acre
	Parcel No.: 665-29-101		Township: 8S	Range: 23W Section: 27
	Description: N 100FT OF W 468.60FT OF SW4 SW4 EXC W 33FT R/W			
TRANSACTION DATA	Maps: BLM: N/A		USFS: N/A	USGS 7.5': N/A
	Recording Date: 11/18/2019		Instrument Date: 11/15/2019	
	Fee#: 2019-29640	Docket:		Type of Instrument: WD Page:
	Sale Price: \$110,000		Terms: Cash	
	Unit Price: \$2.53 per sf			
	Seller: Mary Frances Kaffer		Address: PO Box 6944 Yuma, AZ 85366	
	Buyer: L F L S Enterprises, Inc.		Address: 1217 S Geronimo Ave Parker, AZ 85344	
	Confirmation By: Mark Schifo		Title: Buyer	Date: 2/2022
	Inspection: BKW 2/2022			
	PROPERTY DATA	Outstanding Rights: Typical utility easements.		
Restrictions/Zoning: HI, Yuma County. Outside the Approach & Departure Corridor.				
Highest and Best Use: Industrial				
Improvements: Miscellaneous improvements, partially fenced				
Access: Arizona Ave., a 2-lane paved street.				
Utilities: Electric, municipal water and sewer along Arizona Ave. Septic tank available.				
Water: Well on property				
Minerals: N/A				
Terrain: Flat				
Vegetation: None				
ANALYSIS	Remarks: Now enclosed RV storage and impound lot known as Yuma Big Rig Towing and Storage operated by Parker Towing, Inc.			
	Sale Allocation:			
	N/A			

Sale ID: 03-2021-19-L

Ref:

Date Entered: 2/14/2022

Entered by: LMB

Complete: ☒



Sale 3 Photo



Sale 3 Aerial



REAL PROPERTY TRANSACTION DATA				Sale No.: 4
DESCRIPTION	Location: 24th Street, west of Avenue 3E City of Yuma		County: Yuma State: Arizona	Size: 0.99 acres
	Parcel No.: 696-03-008		Township: 9S	Range: 23W Section: 2
	Description: Gateway Plaza Industrial Park Unit 1, Lot 8			
TRANSACTION DATA	Maps: BLM: N/A		USFS: N/A	USGS 7.5': N/A
	Recording Date: 11/30/2020		Instrument Date: 11/9/2020	
	Fee#: 2020-36573	Docket:	Type of Instrument: WD Page:	
	Sale Price: \$80,000		Terms: Cash	
	Unit Price: \$1.85 per sf			
	Seller: Lap and Tammy Tran, Trustees of their successors in trust, under the Lap Tran and Tammy Tran Family Wealth Trust dated 10/16/2006		Address: 2660 E. 24th St. Yuma, AZ 85365	
	Buyer: TDI Holdings, LLC (Triquna Israel)		Address: 2591 S. Avenue 2 1/2 E Ste 1 Yuma, AZ 85365	
	Confirmation By: CeCe Honaker		Title: Yuma 4 You Real Estate	Date: 2/2022
	Inspection: BW 2/2022			
	PROPERTY DATA	Outstanding Rights: Typical utility easements		
Restrictions/Zoning: H-I, Heavy Industrial, City of Yuma. Outside airport restrictions, but subject to noise level 70 db.				
Highest and Best Use: Industrial				
Improvements: None				
Access: 24th Street, a 5-lane thoroughfare with a central turn lane.				
Utilities: All available along 24th St.				
Water: Municipal				
Minerals: N/A				
Terrain: Flat, at curb grade				
Vegetation: None				
ANALYSIS	Remarks: Cut by abandoned irrigation ditch. Cost to remove estimated to be \$2,000. Buyer plans to eventually develop the site with industrial uses.			
	Sale Allocation:			
	N/A			

Sale ID: 03-2021-19-L

Ref:

Date Entered: 2/14/2022

Entered by: LMB

Complete: ☒



Sale 4 Photo



Sale 4 Aerial



REAL PROPERTY TRANSACTION DATA				Sale No.: 5
DESCRIPTION	Location: North side of 24th St., just west of Ave 3E, City of Yuma		County: Yuma State: Arizona	Size: 2.99 acres
	Parcel No.: 696-04-007 (now -008, -009, -010)		Township: 9S	Range: 23W Section: 2
	Description: Parcel A of Drye Lot Tie			
TRANSACTION DATA	Maps: BLM: N/A		USFS: N/A	USGS 7.5': N/A
	Recording Date: 11/10/2021		Instrument Date: 11/10/2021	
	Fee#: 2021-41985	Docket:	Type of Instrument: WD Page:	
	Sale Price: \$325,000		Terms: Cash	
	Unit Price: \$2.50 per sf			
	Seller: Christian Peter Drye		Address: 8290 S US Highway 95 Yuma, AZ 85365	
	Buyer: Adam Flores and Irma Flores		Address: 1057 S Pagent Ave Yuma, AZ 85364	
	Confirmation By: Adam Flores		Title: Buyer	Date: 2/2022
	Inspection: BKW 2/2022			
	PROPERTY DATA	Outstanding Rights: Typical utility easements		
Restrictions/Zoning: H-I, Heavy Industrial, City of Yuma; APZ-2 airport zone and noise level 65 db.				
Highest and Best Use: Industrial				
Improvements: None				
Access: 24th St., a 5-lane thoroughfare with a central turn lane.				
Utilities: All utilities adjacent.				
Water: Municipal				
Minerals: N/A				
Terrain: Flat				
Vegetation: None				
ANALYSIS	Remarks: Parcel since split into 3 lots, one to be developed with owner-user industrial building, other 2 lots to be sold. The property was first listed for \$500,000. The buyers' initial offer was \$280,000. The negotiated sale price was \$325,000.			
	Sale Allocation:			
	N/A			

Sale ID: 03-2021-19-L

Ref:

Date Entered: 2/15/2022

Entered by: LMB

Complete: ☒



Sale 5 Photo



Sale 5 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, shape, development restrictions and potential use. The search focused on industrial zoned sites within the flight path of the Marine Corp Air Station and Yuma International Airport and/or along the UPRR main line. An attempt was made to find those sales that are irregularly shaped or have some other development restriction. Sales closest to the subject with the same or similar highest and best use were considered most relevant and selected for direct comparison to the subject. However, these sales have few restrictions. For this reason, three additional sales with restrictions from outside the subject neighborhood have been included as additional support.

### **Unit of Comparison:**

The sale price per square foot is the appropriate unit of comparison. This is equal to the sale price divided by the total number of square feet 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:**

**Sale One** is a 1.79-acre parcel located just to the north of the subject property on the north side of the UPRR tracks. Like the subject, this parcel is within the APZ-2 zone and has a slightly higher noise level of 75dB. The property was owned by Yuma Express Cooling and intended to be used for line truck parking. It is fully paved and enclosed by a chain link fence with an automatic rolling gate. The company no longer needed the site and sold it to the adjacent property owner for parking, shipping and storage. The site has paved access, power and water to the property boundaries. There is no sewer service.

Sale One sold in January 2019 for \$2.30 per square foot, cash.

**Sale Two** is located on the east side of Avenue 3E, south of 32nd Street, about one mile south of the subject property. It is across the street to the east of the MCAS and in an area designated as "Runway Approach – Departure Safety Zone". The noise level is 75dB. This is a pad site in an established industrial park. Like Sale One, it was excess land sold to an adjacent property owner. The buyer owns an equipment rental business and is currently using the sale property for excess parking.

Sale Two consists of 1.38 acres and sold in July 2019 for \$2.08 per square foot, cash.

**Sale Three** is a 1.0-acre parcel located on the east side of Arizona Avenue, north of 16<sup>th</sup> Street, west of the UPRR main line. Though just south of downtown, this parcel is in unincorporated Yuma County. The property was previously occupied by ABC Tire and Custom Wheels. It was purchased by an owner-user dba Yuma Big Rig Towing and Storage. The site is used for vehicular storage. At the time of sale, it was partially fenced and had some paving. The buyer has since installed additional fencing along the front. This is an older, industrial neighborhood that abuts the rail line. Though municipal utilities are adjacent, water to this site is provided by an old well and a septic system is available for waste disposal. The site is zoned HI. It is not in the MCAS flight path and does not have any sound attenuation requirements.

Sale Three sold in November 2019 for \$2.53 per square foot, cash.

**Sale Four** is located on the north side of 24<sup>th</sup> Street, west of Avenue 3E, which is about one-half mile west of the subject property. This 0.99-acre industrial zoned lot is bisected by an abandoned irrigation canal that will be removed for the future development of an industrial building. The site is just outside the MCAS Approach and Departure Corridor but in the noise level 65dB zone and subject to sound attenuation requirements. The property has good access from 24<sup>th</sup> Street and all utilities along the south boundary to facilitate development.

Sale Four sold in November 2020 for \$1.85 per square foot, cash.

**Sale Five** is a 2.99-acre lot also on the north side of 24<sup>th</sup> Street, just west of Avenue 3E. It is less than one-quarter mile southwest of the subject. The property was purchased as a single lot but has since been split into three lots. The buyer plans to develop one of the lots with a metal industrial building that will be owner occupied. The other two lots will be sold. The site is zoned H-I and within the APZ-2 overlay zone. The noise level designation is 65dB. All utilities are adjacent.

Sale Five sold in November 2021 for \$2.50 per square foot, cash.

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. As discussed in the Site Description, there is a pipeline easement and electric easement in the UPRR right of way along the north boundary of the subject property and a pipeline easement in the Avenue 3E right of way along the west boundary, but no apparent easements within the subject property boundaries.

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. Sale Four has an abandoned irrigation ditch that diagonally bisects the site, but no recorded easement that would restrict development.

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 of the sales sold for cash. 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.

Sales One and Two were purchased by adjacent property owners. Both sales were confirmed by the sellers. In each case, the companies no longer needed these parcels but there was no urgency to sell. Though it could be argued the buyers may have paid a premium for the adjacent property purchase, the prices paid are within the range of prices for the other sales.

To the best of my knowledge, the other three sales were actively marketed and sold under conditions requisite of an arms-length transaction. No adjustments are made to any of the sales.

***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.

Sale Four is bisected by an abandoned irrigation canal. According to the sales agent, the buyer plans to remove the concrete improvements for construction of an industrial building. The estimated cost is \$2,000 or \$.033 per square foot. An upward adjustment is appropriate. To account for the additional time and management, the adjustment to Sale Four is increased to \$0.05 per square foot.

There are no other known expenditures that were made after purchase that altered the prices that were negotiated. No adjustments are necessary.

***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 January 29, 2019 to November 10, 2021. Two of the comparable sales sold after March 11, 2020, which is the date of declaration by the WHO of a global pandemic from COVID-19. The market for industrial properties has been active due to increased demand for goods.

The sale and resale of the same property over the time period in question provides the best indication of changes in market conditions over time. None of the sales represent the sale and resale of the same property.

A review of the sales in the primary data set and those that were not selected for analysis does not show a definable trend in prices. Sales One, Two and Three sold in 2019 at prices ranging from \$2.08 to 2.53 per square foot. Sales Four and Five, which occurred in 2020 and 2021 subsequent the pandemic, sold for \$1.85 and \$2.50 per square foot, respectively.

Lacking any definitive data, no adjustments are developed or applied for changes in market conditions over time.

**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:***

The subject is located in an industrial neighborhood along the UPRR main line about one mile north of the Marine Corp. Air Station. All sales, except Sale Three, are in the same general area as the subject. Sales One, Four and Five are within one-quarter to one-half mile of the subject. Sale Two is about one mile south. No adjustments are necessary.

Sale Three is located west of the UPRR main line, north of 16<sup>th</sup> Street which is about three miles northwest of the subject. This is an older industrial neighborhood populated with heavy industrial uses. Though the character of the area is somewhat different, the neighborhood shares many of the same attributes such as a central location, good freeway access, and proximity to rail. The most notable differences are the lack of city jurisdiction and the absence of restrictions associated with the MCAS flight path. Since the difference in restrictions is addressed in conjunction with zoning, no adjustment is applied to Sale Three for location.

***Access:***

Physical access to the subject property is via a curb cut on the east side of Avenue 3E about 325 feet south of the southernmost apex. From this curb cut, a dirt road makes a 90° turn to the north and continues to the subject property. This dirt road is roughly 13 feet wide and sandwiched between the City of Yuma right of way for Avenue 3E and the right of way for the UPRR spur. There is no recorded easement or legal documentation in the ADOT Disposal Report to confirm that this road is a legal means of access to the subject property.

Since ADOT no longer owns or controls the underlying right of way along Avenue 3E and there is no documentation of legal access, this appraisal assumes that an owner of the property would have to acquire an easement from the City of Yuma and/or the Union Pacific Railroad to develop and/or use the subject property for its highest and best use.

All sales have legal and physical access to a paved, city-maintained street. There were no sales found that have the same or similar access challenges as the subject. In lieu of sale data from which to derive an adjustment for these differences, consideration is given to the potential costs that would be incurred to secure legal access. The estimated cost is equal to the size of the road multiplied by the underlying land value and multiplied by an easement factor.

According to Shelly Hook with the City of Yuma, a one-way road with a minimum width of 16 feet is required for fire safety. Using the measuring tool on the Yuma County GIS website, it is approximately 325 feet to the subject property. At a minimum, the easement would measure 16' by 325' or 5,200 square feet. Based on the sales, which range in price from \$1.85 to \$2.53 per square foot before adjustments, a land value of \$2.25 per square foot is applied. The value of the *fee simple* interest in the road is calculated as follows.

$$5,200 \text{ s.f.} \times \$2.25/\text{s.f.} = \$11,700$$

Since a property owner would acquire an easement interest, it is appropriate to apply a factor to the value. Based on the *Intensity of Use Guidelines for Rights of Way* used by the Arizona State Land Department, a factor of 99% is applied for a road right of way. This results in a total cost of \$11,583. To derive an adjustment, this cost is divided by 72,066 square feet, which is the size of the subject. The result is a downward adjustment of \$0.16 per square foot to each sale.

However, this adjustment only accounts for the cost of securing *legal* access and does not consider the difficulty of access to and from Avenue 3E caused by the abrupt turn to the north just beyond the curb cut. All of the sales have direct access to the adjoining streets. To account for the differences in physical access, the downward adjustment is increased to \$0.25 per square foot which is applied to each of the sales.

**Size:**

Typically, a smaller site will sell for a higher price on a per square foot basis than a larger parcel, all else being equal. Conversely, a larger parcel will usually sell for a lower price. The subject property consists of 1.65 acres. The sales are reasonably similar in size ranging from 0.99 acre to 2.99 acres. A review of the sales shows no significant difference in price attributable to size. No adjustments are made.

**Shape:**

The subject property is triangular in shape which diminishes its functional utility. All sales have a rectangular shape with no unusual characteristics that impact the development potential. Downward adjustments of 5% are applied to each.

**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:**

As discussed throughout this report, electric and phone are available to the subject property, but there is no municipal water or sewer service at the property boundaries. Though the subject is best suited as a storage lot, which does not necessarily require connection to municipal water and sewer, a representative for the City of Yuma has stated that the

extension of water will be necessary to comply with landscape requirements and fire protection. The extension of sewer would not necessarily be needed since a septic system could be installed.

The closest water line is on the west side of Avenue 3E. To extend service, the line would have to be extended under the overpass parallel to the UPRR main line. This may require securing an easement from the railroad. Alternatively, a line could be bored under Avenue 3E. According to a potential buyer, the cost to extend service could be as much as \$100,000 which is \$1.39 per square foot.

Sales Two, Four and Five have all utilities to the property boundaries. Sale One has electric, phone and municipal water but no sewer. This site is used for truck parking, shipping and storage. Sewer service is not needed. Sale Three is in Yuma County. The lot was established prior to the extension of municipal utilities. Though utilities have since been extended along Arizona Avenue, which forms the west boundary, water is supplied by a well and there is an old septic system that could be used for waste disposal.

Given the availability of water to each of the comparable sales and the potential cost to extend water to the subject, which is required by the City of Yuma regardless of the use, downward adjustments of \$1.40 per square foot are applied to each sale.

***Site Improvements:***

The subject property is a vacant lot. A chain link fence extends along the north boundary and encroaches on the eastern portion of the site, but this fence is owned by UPRR and has no added benefit since it does not fully secure the lot.

Sales Two, Four and Five had no site improvements. Relative to the subject, no adjustments are necessary.

Sale One was fully paved and enclosed by a chain link fence with a rolling electronic security gate. To develop an adjustment for the site improvements, Sale One is compared to Sale Two, which has no site improvements. The properties are similar in size; 1.79 acres and 1.38 acres, respectively. Both are zoned L-I and impacted by the MCAS flight path. Sale One closed January 29, 2019, for \$2.30 per square foot, cash. Sale Two sold July 19, 2019 for \$2.09 per square foot, cash. The difference between these two sales suggests a downward adjustment of \$0.22 per square foot is appropriate for the site improvements on Sale One.

Sale Three was also enclosed by fencing and there was a small, asphalt paved apron at the entrance. The improvements are not nearly as substantial as those at the Sale One property. A smaller downward adjustment of \$0.10 per square foot is made to Sale Three for the site improvements.

**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 site is zoned H-I, Heavy Industrial. It is in the Accident Potential Zone 2 (APZ-2) and has a noise level rating of 70dB. All sales are zoned for industrial use. In addition,

Sales One and Five are impacted by the APZ-2 flight path designation. Sale Two is in the Runway Approach and Departure Safety Corridor. Restrictions on use are similar to those at the subject property. No adjustments are made to these three sales.

Sale Three is not impacted by the flight corridor or noise level ratings. Sale Four is on the edge of the Arrival and Departure Corridor and has a noise level rating of 65dB. Restrictions are nominal. Downward adjustments of 5% are applied to each of these sales.

### 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, no adjustments are made.

Here follows an Adjustment Grid summarizing the adjustments.

LAND SALES ADJUSTMENT GRID						
	Subject Property 1.654 Acres	Sale 1 1.79 Ac.	Sale 2 1.38 Ac.	Sale 3 1.00 Ac.	Sale 4 0.99 Ac.	Sale 5 2.99 Ac.
Sale Price / S.F.	\$1.04/sf asking	\$2.30	\$2.08	\$2.53	\$1.85	\$2.50
<b>Transactional Adjustments</b>						
Property Rights	Fee Simple	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Financing Terms	Assume Cash	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Conditions of Sale	Market	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Expenditures After Purchase	N/A	\$0.00	\$0.00	\$0.00	\$0.05	\$0.00
Market Conditions	2/1/2022	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Subtotal</b>		\$2.30	\$2.08	\$2.53	\$1.90	\$2.50
<b>Property Adjustments</b>						
Location		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Access	Poor	(\$0.25)	(\$0.25)	(\$0.25)	(\$0.25)	(\$0.25)
Size	1.654 acres	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Shape	Triangular	(\$0.12)	(\$0.10)	(\$0.13)	(\$0.10)	(\$0.13)
Floodplain /Topography	Zone X, Level	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Utilities	Electric only	(\$1.40)	(\$1.40)	(\$1.40)	(\$1.40)	(\$1.40)
Site Improvements	None	(\$0.22)	\$0.00	(\$0.10)	\$0.00	\$0.00
Economic Characteristics	None	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Zoning / Restrictions	H-I, APZ-2, 70dB	\$0.00	\$0.00	(\$0.13)	(\$0.10)	\$0.00
Non-realty Components	None	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Indicated Value</b>		<b>\$0.32</b>	<b>\$0.33</b>	<b>\$0.53</b>	<b>\$0.06</b>	<b>\$0.73</b>



## Conclusion:

Due to the significant costs of extending water and the challenges of securing legal access, as well as the restrictions associated with the flight path, downward adjustments prevail to all of the sales. The result is a range in indicated values of \$0.06 to \$0.73 per square foot.

Sales Four and Five represent the upper and lower ends of the range. Both are located on 24<sup>th</sup> Street west of Avenue 3E. Other than size and flight path restrictions, these two sales are very similar to each other, yet they sold at different price levels both before and after adjustments. The buyer of Sale Four is a knowledgeable investor in the area and appears to have purchased the property at a good price. The buyer of Sale Five initially offered \$280,000, but there was an outstanding note on the property with a higher principal balance. For this reason, the seller was able to negotiate the offered price up to \$325,000. The price differences between these two sales appears to be simply a function of negotiations.

After adjustments, Sales One, Two and Three indicate a much tighter range in price from \$0.32 to \$0.53 per square foot. These sales suggest a range in value for the subject of \$23,061 to \$38,195.

At this point, it is appropriate to revisit the listing history of the subject property. According to Donna Bentley with ADOT, the property has been on the market since 2018. The initial asking price was \$94,000 (\$1.30/sf) based on an appraisal dated May 1, 2018. In September 2019 the price was reduced to \$80,000 (\$1.11/sf). In 2020 the price was reduced again to \$75,000 (\$1.04/sf) which is the current asking price.

During the exposure time there have been 9 inquiries and two offers. The first offer came in September 2019 when the asking price was \$80,000. The second offer was submitted in February 2021 when the asking price was \$75,000. One buyer planned a storage use which was presented to the City of Yuma Development Services. Reportedly, the City of Yuma will require landscaping and fire protection which in turn requires the extension of municipal water. According to this potential buyer the cost to extend water could be up to \$100,000. Though I do not have a detailed cost estimate, this is the best information available and one that this potential buyer of the subject relied upon in his decision not to purchase the subject property at the asking price of \$75,000.

Reportedly, the Marine Corp Air Station was also interested in purchasing the property for tenure control. Kinder Morgan has a pipeline used to transport jet fuel to the air station. According to Mr. Michael Ouellett, former realty specialist with MCAS, the MCAS wanted to protect this fuel line, but thought the asking price of \$75,000 was too high. And, upon further investigation, the MCAS determined that the pipeline was not on the subject property but instead within the Avenue 3E and UPRR rights of way. Thus, the MCAS is no longer interested in the property.

Clearly, the market value of the subject property is significantly below the price levels of the five sales before adjustments and substantial downward adjustments are appropriate based on the market activity for the subject. The challenge of this assignment is to determine how much lower the asking price will need to be in order to entice a buyer to purchase the subject property which has significant development challenges.

To help measure the lower end of the price range, I gathered three additional sales which are listed as Sales A, B and C on the tabulation on page 48. Though these sales are not in the subject neighborhood, each has development restrictions that influenced the total prices the buyers were willing to pay.

**Sale A** is a commercial property on the east side of Pacific Avenue, between 24<sup>th</sup> and 32<sup>nd</sup> Streets. It has a long, narrow shape with a size of 22,275 square feet. There is a double-sided billboard at the front of the property that generates nominal income from a ground lease. In addition, there is a cell tower at the rear also on a land lease. The buyer (property owner) does not receive the income from this lease, but must maintain a 24-foot-wide driveway from Pacific Avenue for access to the cell tower. Given the narrow shape and driveway restrictions, this parcel will be difficult to develop independent of an adjoining property.

The buyer, LADS, LLC, owns a sign company and purchased the property for its advertising potential. Lamar Advertising Company owns the billboard and leases the land for a nominal amount. The buyer plans to meet with Lamar and either renegotiate this ground lease or acquire the billboard.

The site sold in March 2021 for \$65,000 or \$2.93 per square foot.

**Sale B** was also purchased by LAD, LLC. This is a narrow, 4.88-acre parcel sandwiched between I-8 and the Wellton-Mohawk Canal, in Wellton. The site has difficult access. According to the buyer access is off Avenue 31E under the freeway and along a dirt road to the east boundary. The property has electric but no other utilities. In many respects, Sale B has similar attributes as the subject. However, it is located in Wellton, a small farming community east of Yuma. In addition, this property had two billboards that were included in the sale. One is a typical 2-sided sign. The other is a digital billboard.

In September, the property was purchased for \$90,000, with \$30,000 allocated to the billboards. This suggests a net value to the land of \$60,000 or \$0.28 per square foot. It is noted, however, that the buyer believes the signs were undervalued.

**Sale C** is a 2.61-acre, triangular shaped parcel between the UPRR main line and Old Highway 80 in Wellton. Though the shape and a pipeline easement impact the development potential, the property has reasonably good access and utilities adjacent. The buyer is stone supply company who plans a small office and materials yard.

The site sold in December 2020 for \$50,000, cash, or \$0.44 per square foot.

Sales A, B and C are difficult to compare directly to the subject; Sale A is a commercially zoned site in Yuma and Sales B and C are located in Wellton. Each has physical limitations that make development challenging, yet each has an economically viable use to the buyer. For this reason, the price levels of \$50,000 to \$65,000 should set an upper limit of value, as a feasible use for the subject property has yet to be determined. The per square foot prices have little relevance.

Greatest weight is given to Sales One, Two and Three. With indicated values ranging from \$0.32 to \$0.53 per square foot, the market value of the subject property is estimated to be \$0.40 per square foot multiplied by 72,066 square feet equals \$28,826, rounded to \$30,000. Appropriately, this is below the range in values indicated by Sales A, B and C.

**OPINION OF MARKET VALUE OF THE  
SUBJECT PROPERTY ..... \$30,000**

**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. The subject has been on the market since 2018. There have been two price reductions and two offers that never materialized into sales. The asking price of \$75,000 and the extended exposure time suggests the property is overpriced. With a substantially lower market value of \$30,000 and the continued interest in the property by at least one potential buyer, the exposure time for the subject property is projected to be 12 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. Though demand continues for industrial properties, there are significant hurdles to overcome before the subject property can be put to its highest and best use. Thus, the projected marketing time for the subject property is the same at 12 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 ..... \$30,000

**Certificate of Appraiser**

Project Number: M697501X

Parcel Number: L-Y-016

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, opinion, 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 ..... \$30,000**

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.

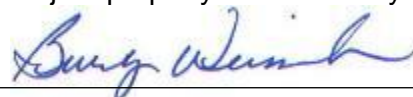
No one other than Barry Weissenborn provided significant professional assistance to the person(s) signing this report. All conclusions and opinions concerning the real estate that are set forth in the appraisal report were prepared by the Appraiser whose signature appears on the appraisal report, unless 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, 1980.  
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 2021

**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**

# TRANSMITTAL

Date: May 6, 2016

## Environmental Planning Group

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

Phone: (602)712-7767  
Fax: (602)712-3066

Disposal Number: L-Y-016

Disposal Name: ADOT Parcel # 14-288

### Deliver To

Raul Torres  
Property Management  
612E

### Sent From

Paul O'Brien, P.E.  
Environmental Planning Group

☒ Attached

☐ Under Separate Cover

### Action:

☐ For your approval  
☐ For your information  
☐ As you requested

☒ For your use  
☐ For your response  
☐ For review and comment

### Description:

Attached is the environmental clearance package for this disposal.

### Remarks:

### Distribution:

☐ Reading File

☒ Project File

Signed: Paul O'Brien, P.E. *POB*

*for* Title: Environmental Planning Group Manager

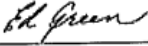
**Arizona Department of Transportation  
Environmental Planning Group  
Disposal Checklist**

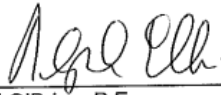

Disposal Number: L-Y-016

Disposal Name: ADOT Parcel # 14-288

Disposal Address: Parcel is located to the east of State Route (SR) 280 (Avenue 3E), to the south of the Union Pacific Railroad (UPRR), and to the northwest of the UPRR spur in Yuma, Yuma County, Arizona.

**Clearance**

Prepared By:  Date: May 6, 2016  
Ed Green  
Hazardous Materials Coordinator

Approved By:  Date: 5/5/16  
 Paul O'Brien, P.E.  
Manager

PO:eg



## I. PROJECT DESCRIPTION

- A. The Arizona Department of Transportation (ADOT) proposes to dispose of property L-Y-016. The property is also referred to as ADOT Parcel # 14-288.
- B. Location: Parcel is located to the east of State Route (SR) 280 (Avenue 3E), to the south of the Union Pacific Railroad (UPRR), and to the northwest of the UPRR spur in Yuma, Yuma County, Arizona.
- C. Purpose: The property will be sold in accordance with State law.

## II. IMPACT EVALUATION

### A. Natural Environment

This disposal property consists of approximately 1.65 acres of vacant land that was formerly a dirt access road. The parcel was acquired for the widening of SR 280.

#### Land Use Characteristics

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

#### Endangered Species Act Listed Species

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

The disposal property is located in an area designated Zone X (area determined to be outside the 0.2% annual chance floodplain) according to the Federal Emergency Management Agency Flood Insurance Rate Map Number 04027C 1540E.

### B. Physical/Construction

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

A Preliminary Initial Site Assessment was performed by the ADOT Environmental Planning Group. No hazardous materials concerns were identified. No further hazardous materials investigation is recommended.

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

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

#### C. Socioeconomic

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

#### D. Cultural Resources

This disposal project will have no effect on historic properties. No significant historic properties were identified for the site in a cultural resources survey. ADOT initiated consultation with the State Historic Preservation Office (SHPO) on November 30, 2012. Concurrence was received from SHPO on December 7, 2012. At this time, ADOT has determined that this project proceed with a finding of "no historic properties affected."

### III. PUBLIC INVOLVEMENT

This disposal action does not require a public involvement plan.

### IV. ACTION REQUIRED

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

Preliminary Initial Site Assessment

Project No. S-491-701 TRACS No. L-Y-016

Section I: Site Location Information

Assessor Parcel No. 105-5-1 & 105-2-7 ADOT Parcel No. 14-288

Address/Route & Milepost \_\_\_\_\_

Section 1 Township 8S Range 23W 1/4 1/4 1/4

Latitude 32° 40' 58.8"N Longitude -114° 34' 50.9"W

Site Characteristics: Historic Land Use

Agriculture \_\_\_\_\_ Residential \_\_\_\_\_ Commercial \_\_\_\_\_ Industrial \_\_\_\_\_ Natural Undeveloped

Vehicle Maintenance: \_\_\_\_\_ Chemical Storage: \_\_\_\_\_ UST System: \_\_\_\_\_

Septic System: \_\_\_\_\_ Water/Dry Well: \_\_\_\_\_ Pesticide/Herbicide \_\_\_\_\_

Other: Agriculture areas within the vicinity of the project area. Area adjacent to Union Pacific Railroad main line

Site Characteristics: Current Land Use

Agriculture \_\_\_\_\_ Residential \_\_\_\_\_ Commercial \_\_\_\_\_ Industrial \_\_\_\_\_ Natural Undeveloped

Vehicle Maintenance: \_\_\_\_\_ Chemical Storage: \_\_\_\_\_ UST System: \_\_\_\_\_

Septic System: \_\_\_\_\_ Water/Dry Well: \_\_\_\_\_ Pesticide/Herbicide \_\_\_\_\_

Other: Agriculture areas within the vicinity of the project area. Area adjacent to Union Pacific Railroad main line

Section II: Site Surface Conditions

Dimensions: N/A Length \_\_\_\_\_ Width \_\_\_\_\_

Area: \_\_\_\_\_ Sq. feet or \_\_\_\_\_ Sq. meters or 1.65 Acres

Topography: Flat

Geology: Q - Quaternary Surficial Deposits

Vegetation: Native - Lower Colorado River Desertscrub

Structures: None

Utilities: Typical Rural

Section III: Results of Database Review

No concerns on project X Concerns on project \_\_\_\_\_  
(Complete Section IV)

Section IV: Environmental Concerns

Observed: None

Suspected: None

Unusual Conditions: None

Section V: Recommendations

High Priority Phase 1: \_\_\_\_\_ Medium Priority Phase 1: \_\_\_\_\_ Low Priority Phase 1: \_\_\_\_\_

No additional survey required: X Aerial Photograph Review: X

Section VI: Comments

No Recognized Environmental Conditions (REC's) noted on project area during a thorough  
database search that included: NEPAsearch, ADEQ Megasearch, ADEQ eMAP, & ECHO  
Three RCRA sites within 1/4 miles of project area - no suspected impact

Consultant Name \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

ADOT Name Ed Green Signature *Ed Green* Date 06 May 16

**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

**By virtue of that certain:** See attached Right-of-Way Schedule.

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

**LEGAL DESCRIPTION**

SEE SCHEDULE A-1 ATTACHED

**REMARKS:** The Schedule B Items are shown herein for the benefit of Right of Way appraiser.

<b>Date of Search:</b> October 13, 2017	<b>Examiner:</b> Shirley Seeley	<b>Reviewer:</b> N/A
<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> 105-02	<b>Disposal:</b> N/A
<b>Tracs No.:</b> M519301X	<b>Highway:</b> AVE 3E HWY	<b>Excess Land:</b> L-Y-016
<b>Fed. No.:</b> S-491-701	<b>Section:</b> JCT US 80-JCT I-8	<b>Parcel No.:</b> 14-288



**SCHEDULE A-1  
LEGAL DESCRIPTION**

That portion of NW4 NW4 (LOT 18) Section 1, Township 9 South, Range 23 West, Gila and Salt River Meridian, Yuma County, AZ, as depicted on Exhibit "A" attached, Sheets 7, and 9 of ADOT Drawing D-14-T-347, the Right of Way Plans of AVE 3E HIGHWAY, JCT US 80-JCT I-8 Section, Project S-491-701/ S-280-A-800.

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

**END OF SCHEDULE A-1**

- 2 -

**RIGHT OF WAY VESTING**

- 1.) Final Order of Condemnation in Civil Case No. 38323 of the Arizona Superior Court, Yuma County, entitled the State of Arizona, ex rel., W.A. ORDWAY, Director, Department of Transportation, Plaintiff, vs. GLEN G. CURTIS and ELENA O. CURTIS, h/w, Defendants, dated June 7, 1978, recorded June 21, 1978, in Docket 1043, at page 886.  
[Parcel 14-288, Project S-491-701]

**END OF RIGHT OF WAY VESTING**

### **REQUIREMENTS**

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

NOTE: Repurchase rights do not apply due to the property being acquired by FOC in 1978.

### **END OF REQUIREMENTS**

**SCHEDULE B**

1. Liabilities and Obligations imposed on said land by the inclusion thereof within the boundaries of the following as they currently exist:
  - a) Hospital District No. One, Yuma County, Arizona
  - b) Yuma Mesa Irrigation and Drainage District
  - c) Yuma County Citrus Pest Control District
2. Reservations and conditions contained in the Patent from The United States of America, recorded in Docket 238, page 145.

**END OF SCHEDULE B**

## EXHIBIT "A"

That portion of the Northwest quarter of the Northwest quarter (NW $\frac{1}{4}$ NW $\frac{1}{4}$ ) of Section 1, Township 9 South, Range 23 West, Gila and Salt River Meridian, Yuma County, Arizona, that is within the operating right of way of State Route 280, lying southerly of the Union Pacific Railroad (formerly Southern Pacific Railroad) right of way and northwesterly of the Union Pacific Railroad (formerly Southern Pacific Railroad) Spur right of way, and easterly of the following described line:

Commencing at the Northwest corner of said Section 1, being North 00°24'51" West 2656.22 feet from the West quarter corner of said section 1;

thence along the West line of said Section 1, South 00°24'51" East 301.28 feet to the southerly right of way line of the Union Pacific Railroad;

thence along said southerly right of way line of the Union Pacific Railroad South 74°13'41" East 156.19 feet to the POINT OF BEGINNING;

thence South 12°26'21" West 262.51 feet;

thence South 77°08'02" East 15.00 feet;

thence South 12°26'21" West 200.00 feet;

thence North 77°08'02" West 15.00 feet;

thence South 12°26'21" West 211.79 feet to the POINT OF ENDING on the West line of said Section 1, being North 00°24'51" West 1654.00 feet from said West quarter corner of Section 1.

EXCEPT any portion lying within the West 33.00 feet of said Section 1.

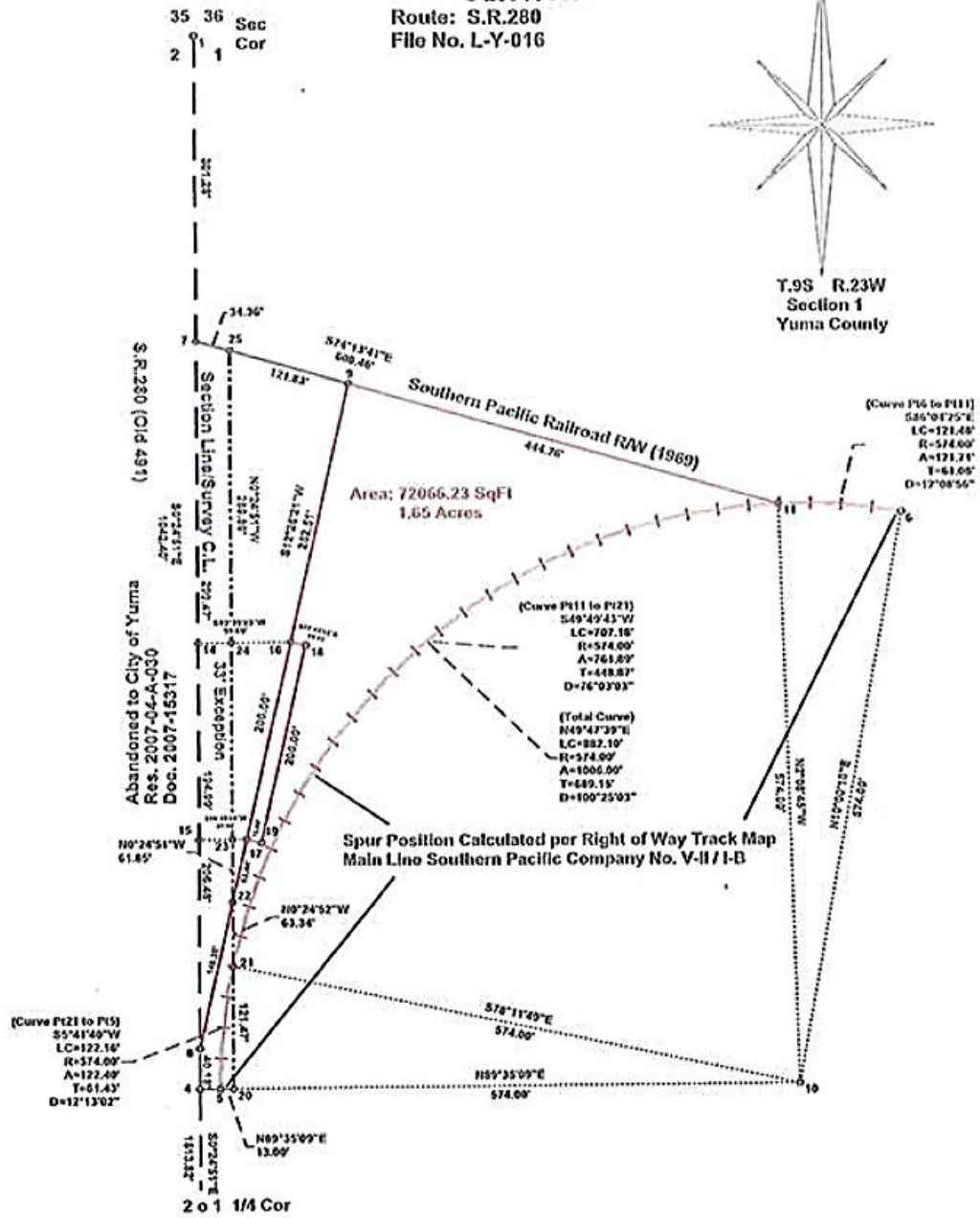
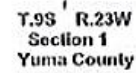
72,066 square feet, more or less.

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.

PROJECT: S-491-701 S-280-A-800	LOCATION: JCT US 80 / I-8	PARCEL: L-Y-016
11088801R	Disposal	SR 08-31-2017

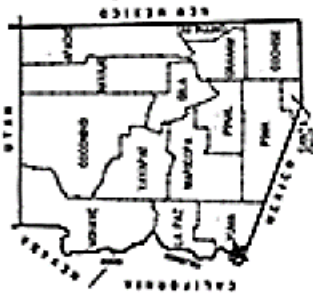
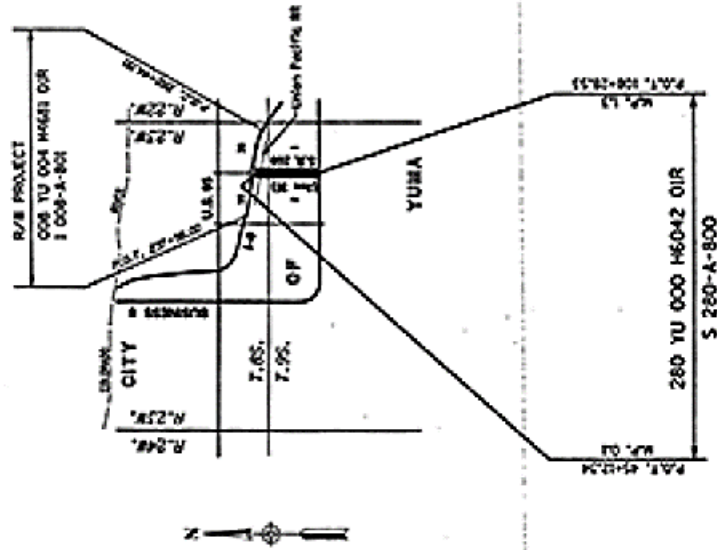


Project: S-491-701  
S 280-A-800  
Route: S.R.280  
File No. L-Y-016





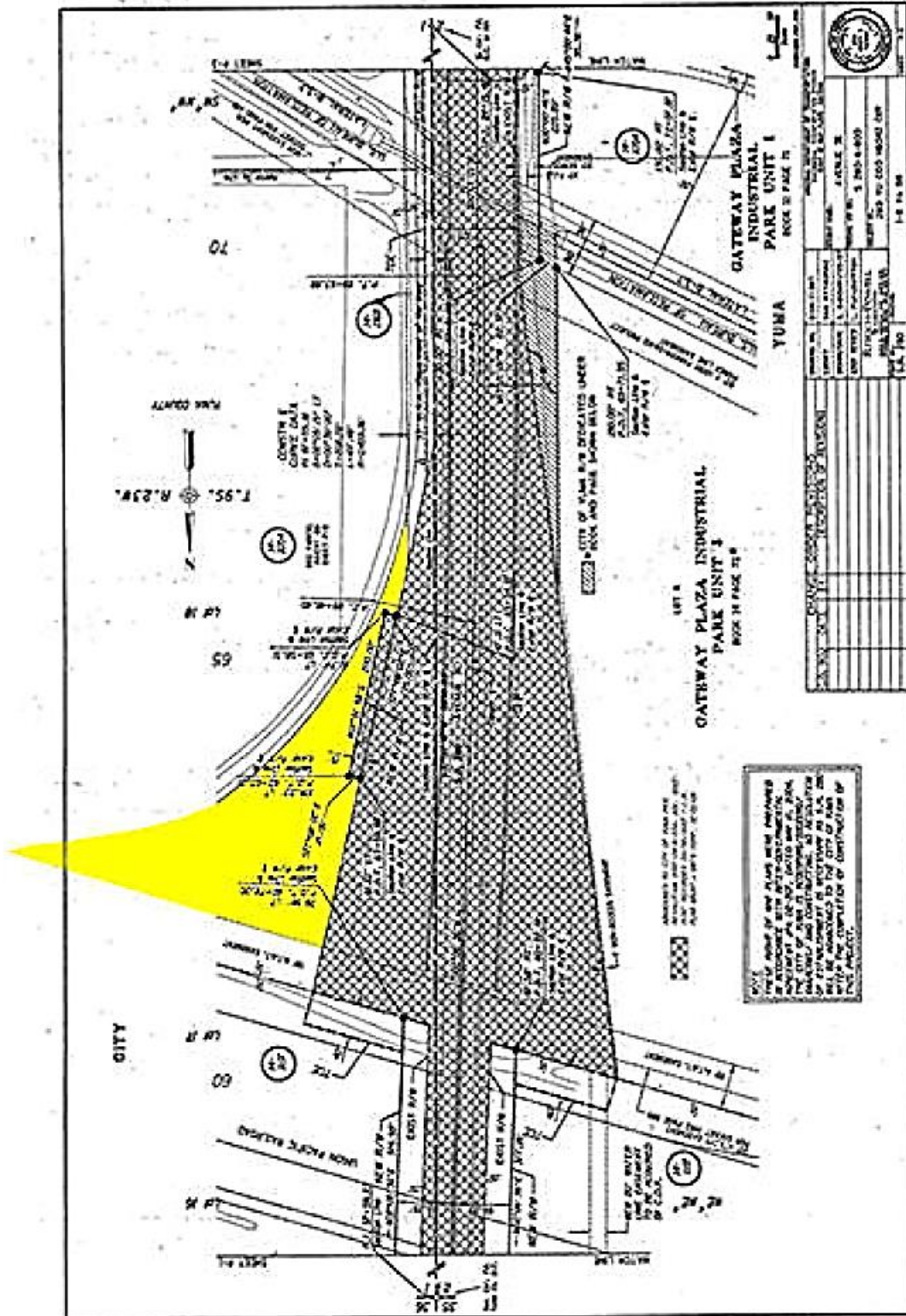
RIGHT OF WAY PLANS OF THE  
AVENUE 3E HIGHWAY  
I-8 TO B8  
280 YU 000 H6042 OIR  
S 280-A-800



★ PROJECT LOCATION	COUNTY NAME: YAMA
LENGTH OF PROJECTS LE: MILES	
ADOT DISTRICT: YAMA (7)	
CRATING NUMBER: 0-14-7-347	

SHEET INDEX	
COVER SHEET	I
STANDARD ASSURANCES & SYMBOLS	S-1
ORDERING RECORD SHEET	045-1
VICINITY MAP SHEET	VM-1
PLAN SHEET	P-1 TO P-5
RESULTS OF SURVEY	RS-1 TO RS-02
TOTAL SHEETS	11

[illegible]





## 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. PO0000387312

(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.

