

APPRAISAL COVER SHEET

TYPE OF APPRAISAL:	Appraisal Report for possible sale or disposal Market Value of the Fee Simple Interest
PARCEL NO.:	Excess Land: L-SC-001 (M.S.999)
OWNER'S NAME:	The State of Arizona by and through its Department of Transportation
LOCATION OF PROPERTY:	Northeast corner of I-19 East Frontage Road and Chavez Siding Road, Tubac, Santa Cruz County, Arizona
PROJECT NUMBER:	M5193 01X
HIGHWAY:	Nogales-Tucson
SECTION:	Tubac Facility Site (Materials Site No. M.S. 999)
DATE OF REPORT:	November 1, 2022
EFFECTIVE DATE OF VALUE:	September 28, 2022
APPRAISER:	Beverly Weissenborn, MAI Arizona Certified General Real Estate Appraiser #CGA-30125



November 1, 2022

Mr. Jim Walcutt  
Right of Way Project Management Section  
ADOT Mail Drop 612E, Room 331  
205 South 17<sup>th</sup> Avenue  
Phoenix, AZ 85007-3212

RE: Appraisal Assignment No. JW-22-007  
Parcel No.: L-SC-001 (M.S. 999)

Dear Mr. Walcutt:

At your request, I have developed an opinion of market value for the 13.55-acre parcel of vacant land located at the northeast corner of the East Interstate 19 Frontage Road and Chavez Siding Road in the unincorporated community of Tubac, Santa Cruz County, Arizona. The property is owned by the Arizona Department of Transportation and slated for possible sale or disposal. The effective date of the appraisal is September 28, 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 market 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. Jim Walcutt.  
November 1, 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 September 28, 2022 effective date of value, was:

**\$60,000**

**Extraordinary Assumption:** Most of the subject property is located in FEMA Zone A Special Flood Hazard Area (SFHA). The Zone A flood limits are approximate without established Base Flood Elevations (BFE). Any habitable structure must be elevated one foot above the base flood elevation.

According to Santa Cruz County Development Services, development in the floodplain will require an elevation certificate completed by a registered surveyor or engineer, encroachment analysis and floodplain use permit. A federally backed mortgage or loan secured by a building will require flood insurance.

Without accurate studies, it is not possible to evaluate the financial feasibility of developing the flood-prone portion of the subject property. Thus, this appraisal is based on the assumption that it is financially feasible to develop at least one homesite on that portion of the subject that is outside the 100-year floodplain. Should the results of the aforementioned studies indicate that development of more than one homesite is financially feasible, the preceding valuation is subject to change.

The size of 13.55 acres was derived from the legal description prepared by ADOT. This size differs from other documents provided by ADOT and differs from the size reported by the Santa Cruz County Assessor. Should a subsequent survey result in a size that is different from that used in this appraisal, the preceding valuation is subject to change.

**Hypothetical Conditions:** None

**The use of the extraordinary assumptions 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





T. 20S R. 13E



SECTION 31  
 SANTA CRUZ COUNTY

Parcel Area = 568,132 Sq ft.  
 13 Ac.

E Frontage Rd

I-19

Chavez Siding Rd

Cir Baulista

**ADOT**  
 Right Of Way  
THIS SKETCH PLAN IS  
 FOR ADOT INTERNAL USE ONLY

PARCEL #	Material Site
EXHIBIT #	18-013 / 17-060
DATE	05/10/18

HIGHWAY NAME	Nogales - Tucson Hwy.
PROJECT NO	

ROUTE NO	LOCATION
I-19	Tubac / ADOT Material Site 999

FEDERAL AID NO	SHEET NO
I-19-1-(28)	1 OF 1



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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:** Most of the subject property is located in FEMA Zone A Special Flood Hazard Area (SFHA). The Zone A flood limits are approximate without established Base Flood Elevations (BFE). Any habitable structure must be elevated one foot above the base flood elevation.



According to Santa Cruz County Development Services, development in the floodplain will require an elevation certificate completed by a registered surveyor or engineer, encroachment analysis and floodplain use permit. A federally backed mortgage or loan secured by a building will require flood insurance.

Without accurate studies, it is not possible to evaluate the financial feasibility of developing the flood-prone portion of the subject property. Thus, this appraisal is based on the assumption that it is financially feasible to develop at least one homesite on that portion of the subject that is outside the 100-year floodplain. Should the results of the aforementioned studies indicate that development of more than one homesite is financially feasible, the preceding valuation is subject to change.

The size of 13.55 acres was derived from the legal description prepared by ADOT. This size differs from other documents provided by ADOT and differs from the size reported by the Santa Cruz County Assessor. Should a subsequent survey result in a size that is different from that used in this appraisal, the preceding valuation is subject to change.

**Hypothetical Conditions:** None

**The use of the extraordinary assumptions could affect the assignment results.**

**Summary of Salient Facts**

<b>Parcel:</b>	L-SC-001
<b>Larger Parcel:</b>	13.55-acres of land
<b>Property Location:</b>	Northeast corner of the I-19 Frontage Road and Chavez Siding Road, Tubac, Santa Cruz County, Arizona.
<b>Assessor Parcel No.:</b>	111-32-007A
<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>	September 28, 2022
<b>Date of the Report:</b>	November 1, 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> 13.55 acres per legal description</p> <p><i>Shape:</i> Irregular</p> <p><i>Topography:</i> Undulating; bisected by un-named wash.</p> <p><i>Access:</i> Paved access via Chavez Siding Road along the south boundary. In addition, there is a two-track road across a ranch property adjacent north that provides physical access from the frontage road to the northwest corner of the subject property. If used, legal access by way of an easement would have to be secured from the adjacent property owner.</p>

*Vegetation:* Mostly mesquite, acacia and other native grasses and shrubs.

*Utilities:* All utilities are at the subdivision adjacent south. Extension to local services would be required. No utilities to those areas north of the wash.

*Improvements:* None other than a dilapidated bridge and paving that likely date back 100+/- years when the highway alignment was further east.

**Flood Hazard:** According to FEMA Panel No.: 04023C0043C dated December 2, 2011, approximately one acre is outside the 100-year floodplain.

Zone A – Approximately 12.55 acres are determined to be in Zone A, an area with 1% chance of flood in a 100-year event.

Per Santa Cruz County Floodplain Management, multiple studies are required to determine the development potential of the floodprone portion of the subject property.

**Zoning:** Santa Cruz County: GR; General Rural. For residential purposes, the minimum lot size is 4.13 acres.

**Comprehensive Plan:** R; Ranch; Permits 0.25 residences per acre.

**Highest and Best Use:** Potential for one residential homesite or tenure control.

**Exposure Time:** 12 months

**Opinion of Value:** \$60,000

**Extraordinary Assumption:** Most of the subject property is located in FEMA Zone A Special Flood Hazard Area (SFHA). The Zone A flood limits are approximate without established Base Flood Elevations (BFE). Any habitable structure must be elevated one foot above the base flood elevation.

According to Santa Cruz County Development Services, development in the floodplain will require an elevation certificate completed by a registered surveyor or engineer, encroachment analysis and floodplain use permit. A federally backed mortgage or loan secured by a building will require flood insurance.

Without accurate studies, it is not possible to evaluate the financial feasibility of developing the flood-prone portion of the subject property. Thus, this appraisal is based on the assumption that it is financially feasible to develop at least one homesite on that portion of the subject that is outside the 100-year floodplain. Should the results of the aforementioned studies indicate that development of more than one homesite is financially feasible, the preceding valuation is subject to change.



The size of 13.55 acres was derived from the legal description prepared by ADOT. This size differs from other documents provided by ADOT and differs from the size reported by the Santa Cruz County Assessor. Should a subsequent survey result in a size that is different from that used in this appraisal, the preceding valuation is subject to change.

**Hypothetical Conditions:** None

**The use of the extraordinary assumptions 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 lead 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 an irregular shaped parcel of vacant land consisting of 13.55 acres. It is a former materials site owned by the State of Arizona – Department of Transportation.

The north boundary of the property is a straight line that runs approximately 330 feet east from the Frontage Road. It is adjacent to a 636.67-acre parcel (APN 111-20-002) that is part of a 1,232-acre property owned by VHS USA Holdings Inc. The east boundary abuts a triangular shaped parcel consisting of 2.65 acres owned by Edwin H. and Frances Swanson (111-32-013A). A segment along the south boundary adjoins Chavez Siding Road. At the west end there are two small privately owned parcels between the subject's south boundary and Chavez Siding Road. These two vacant parcels, APN's 111-32-0440 & -0430 consist of 0.39 acre and 1.05 acres, respectively. Both are owned by Tubac Rio Cruz, LLC and appear to be remnant parcels of the Tubac Rio Cruz subdivision across the street. The west boundary of the subject property is formed by the I-19 Frontage Road.

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 that was a materials site. In addition, there are remnant improvements, namely a dilapidated bridge over the wash, that are from long ago when the highway or an old road had a slightly different alignment. These improvements are long past their economic life. Today, the site is mostly vacant and in its native state bisected by an un-named wash.

The property is a physically isolated parcel bound on the north, east and south by privately owned parcels under different ownerships and on the west by the I-19 Frontage Road. In this case, it is ADOT’s intent to dispose of the property, on a voluntary basis and including all interests in the property held by ADOT.

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

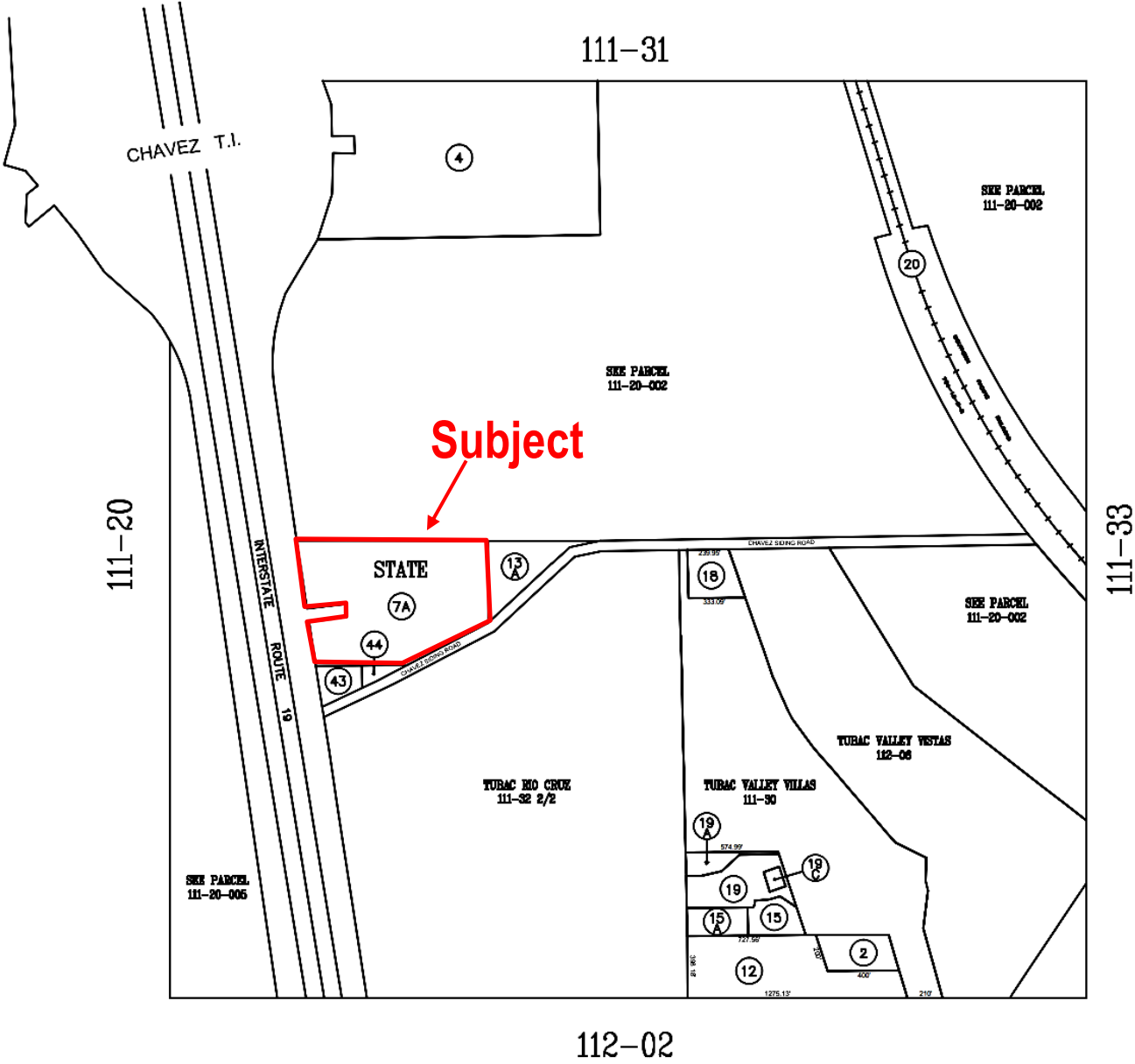
### **Legal Description**

A legal description provided by ADOT is included in the Addenda to this appraisal report.

Assessor Map

SEC. 31 T20S R13E

BOOK 111 MAP 32







## **Purpose of the Appraisal**

The purpose of this appraisal is to develop an opinion of market value of 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, 2022 version, 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 Summary of Salient Facts section of this report. These assumptions and limiting conditions are an integral part of the report.*

## **Intended User**

The intended users of the appraisal are representatives of 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 Jim Walcutt, Review Appraiser for ADOT, visited the property on September 28, 2022. We walked the property, noting boundaries and important features. During that visit, Mr. Walcutt shared important details about the property and its history.





### **Effective Date of Value**

The effective date of this appraisal is September 28, 2022, which coincides with that property visit.

### **Date of the Appraisal**

This report was completed for use by the client on November 1, 2022.

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

According to the ADOT Right-of-Way Disposal Report dated April 12, 2018, ADOT has held title since January 17, 1933.

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

According to Jim Walcutt, the property has been appraised several times but never actively listed for sale.

### **Scope of the Project**

The appraisal is not being made for a specific highway project. Rather, the subject is excess property resulting from use as a former materials site. 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; excess land.

### **Scope of Work Performed**

My work on this appraisal was not limited in scope and included a thorough application of appropriate appraisal methodology. It was made subsequent my 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 13.55-acre parcel of vacant land at the northeast corner of Chavez Siding Road and the I-19 Frontage Road, in the unincorporated community of Tubac, Santa Cruz County, Arizona. The property is an irregularly shaped parcel that is bisected by an un-named wash that runs from west to east. As it makes its way to the Santa Cruz River, the wash passes under I-19 and the adjacent Frontage Road via concrete culverts and across the subject site in a west to northeast direction. Using the measuring tool on the Santa Cruz County GIS website, only about 1.0 acre or 7.4% of the site is outside the FEMA 100-year floodplain and locally regulated floodplain. Of this total, about 30,000 square feet is at the northwest corner of the property. The balance of the non-floodprone land is within a narrow strip (55' at its widest point) along the south boundary.

The subject property is zoned GR, General Rural. The GR zoning is intended for low density rural residential uses, ranching and agricultural uses. The minimum lot size is 4.13 acres.

Given the zoning and minimum lot size restriction, a total of three homesites are legally permissible. But due to the onerous floodplain constraints, it appears only one homesite is possible.

Based on this conclusion, the search for sales focused on floodprone properties in and around Tubac that are similar in size to the subject and sold subsequent the pandemic. This search included a review of sales and listings published in the multiple listing service, on the websites of local real estate companies, data in Real Quest and information from the Santa Cruz County public records. I 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 found three sales of comparable size, location and/or floodplain restrictions. Due to the lack of data that is truly comparable to the subject, five individual lot sales are introduced and used to cross-check the value opinion developed from the larger sales. Collectively, after adjustments, the sales provide a reliable indication of value of the subject property.

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.

## **Area and Local Data**

The subject property is located in the loosely defined community of Tubac, a rural area in the northeast portion of Santa Cruz County. Following is a summary of demographic and economic data for the State, County and subject neighborhood.

### **State of Arizona:**

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

Arizona has been one of the fastest growing states in the nation and, based on U.S. Census 2010 figures, Phoenix is now the sixth largest city in the country. Roughly 65% of the state's population growth has been in Maricopa County, where Phoenix is located. Roughly 60% of the State's population resides in Maricopa County.

Arizona added jobs, population, and income at solid rates over the past few years. Jobs rose 2.4% in 2017, slower than gains in 2016, but above the national rate; and the state kept a similar pace in 2018 and posted gains in 2019. Population growth hit 1.6% and personal income rose 4.3% before adjustment for inflation. The Phoenix Metropolitan Statistical Area (MSA) is the engine of growth in Arizona.

Statewide job growth rose by 2.8% in 2018 and was forecast to increase by 2.7% in 2019, 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, resulted in increased unemployment throughout the state, and revisions to growth expectations.


Since then, the labor market tightened generating strong job gains, low unemployment rates and rapid wage increases. At the same time, inflation has accelerated far exceeding income growth and retail sales have started to slow. In what had been a very robust housing market, sales have slowed significantly due to rising interest rates and a substantial deterioration in affordability.

According to the University of Arizona Economic Outlook as of August 2022, the baseline forecast for Arizona calls for a slowing in 2022 and 2023, as fiscal policy contracts and monetary policy hits the brakes. There are conflicting outlooks; one forecast predicted continued state and national growth in the near terms. The other, which is more pessimistic, forecasts a national recession. According to the U of A report, both are equally likely.

The table that follows summarizes the Statewide economic forecast.

## Arizona Economic Forecast Data (Statewide)

Arizona Forecast*	2021	2022	2023	2024	2025
Personal Income (\$ mil)	396,083.6	406,779.2	430,067.2	457,428.6	485,582.0
% Chg from Year Ago	7.5%	2.7%	5.7%	6.4%	6.2%
Retail Sales (\$mil)	148,000.0	163,000.0	167,000.0	173,000.0	181,000.0
% Chg from Year Ago	21.3%	10.1%	2.5%	3.6%	4.6%
Total Nonfarm Employment (000s)	2,958.0	3,054.6	3,112.0	3,180.4	3,245.5
% Chg from Year Ago	3.7%	3.3%	1.9%	2.2%	2.0%
Population (000s), July 1st estimates	7,285.4	7,395.4	7,505.6	7,610.2	7,714.6
% Chg from Year Ago	1.5%	1.5%	1.5%	1.4%	1.4%
Residential Building Permits (units)	65,334.0	65,291.3	59,288.3	48,115.8	46,095.6
% Chg from Year Ago	8.3%	-0.1%	-9.2%	-18.8%	-4.2%

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### Santa Cruz County:

Santa Cruz County is the smallest county in Arizona and the border city of Nogales and the adjoining community of Rio Rico comprise roughly 85% of the estimated 53,731 population of the county. Rio Rico is a large, master-planned, principally residential community centered roughly four miles north of Nogales.

Nogales is on the international border approximately 60 miles south of Tucson via I-19. The economic health of the Nogales/Rio Rico and Santa Cruz County, as a whole, is dramatically affected by trends related to the crossing of goods into, and out of, Mexico and its Mexican twin city, Nogales, Sonora. Economic and population growth have occurred, generally at a moderate rate, due to its border location. Nogales, Arizona's retail stores near the border see much business from Mexican consumers, largely for apparel, electronics and groceries not available in Mexico. However, changes in technology and delivery to Mexico coupled with the greater presence of big-box stores, have resulted in a steady decline in retail sales on the U.S. side of the border.

The population of Nogales, Sonora, was estimated to be 220,292 in 2010 according to official Mexican census figures published in 2012 by their National Institute of Statistics and Geography (INEGI), although some believe that this understates the actual population by as much as 30%. Nogales, Son. is growing much faster than its twin city as people from the south seek the economic benefits of being near the border.

The population of the State of Sonora is roughly 2.9 million. Nogales is approximately 175 miles north of Hermosillo, Sonora's capital (2015 population of over 800,000 per INEGI) where there is a large Ford Motor manufacturing plant. A Union Pacific rail line runs south from Tucson through Nogales to Hermosillo and the Sonoran seaport City of Guaymas. It carries Ford cars into the U.S. as well as U.S. products into Mexico. A large agricultural region in southern Sonora is increasing in acreage.

For over 70 years, long-established agricultural regions in the western Mexican state of Sinaloa have been trucking fresh produce to the U.S. through distribution facilities in Nogales and Rio Rico. The importation and distribution of large quantities of Mexican-grown produce provides work for many on the U.S. side. Interstate-19 begins in Tucson and terminates at the border in western Nogales. It provides access to Mexico's Route 15, the major north/south highway in western Mexico, a connectivity to Interstate 10, an intercontinental freeway in the U.S. There are currently an estimated 90 cold storage and distribution warehouses.

In addition, there are dry storage warehouses coordinating with "twin-plants" across the border to take advantage of low-priced Mexican labor. Dry storage is also used by the customs brokerage industry, and now "logistics" which encompass the customs brokerage function. Government is a large and growing employment sector as increasing numbers of government employees work in the area as a result of the increased attention of the government to the border region.

In 2008, Nogales ranked as the 42<sup>nd</sup> largest U.S. freight "gateway" (by value of import/export shipments for all three types of shipments: land, water, and air). For freight gateways along the U.S./Mexico border, it ranked as 5<sup>th</sup> largest. Since 2011, it has ranked as 6<sup>th</sup> in number of truck crossings on the U.S./Mexico border, behind Calexico, CA. Storage and distribution of Mexican-grown fruits and vegetables by truck is the single largest industry although dry storage and distribution by truck of merchandise related to either Mexican manufacturing or other U.S./Mexico trade is a strong second. Additionally, American and Canadian-made products and other goods including agricultural supplies are shipped in great quantities into Mexico. Due to the quantity of trucks coming into Nogales from the U.S. and Mexico transporting produce and other goods, trucking is also a major industry.

Importing, exporting, and trucking require a great many support services. The Nogales Chamber of Commerce reports that over 350 businesses exist in the area related to importing and exporting services.

As can be seen, much of the economic activity in Santa Cruz County takes place in Nogales and Rio Rico. But there are several small towns and communities outside the Nogales/Rio Rico region that focus on retirement and tourism. These include, but are not limited to, Tubac, Patagonia, Sonoita and Elgin.

*Tubac* is situated on the east side of I-19 between Green Valley and Rio Rico. It is about 48 miles south of Tucson and 23 miles north of Nogales. It sits at an elevation of 3,209' and bisected by the Santa Cruz River which provides an attractive verdant setting along the river corridor.

Tubac is an arts community with over 100 shops and galleries situated in an historic town setting. In addition, there are a number of locally owned restaurants and bars and a golf resort and spa. According to the 2010 census, Tubac had a population of 1,191 which increases in the winter due to the number of out-of-town visitors. In 2020, the estimated population had increased to 1,581. Reportedly, 51% of the population is from 18 to 64 years of age and 42.5% of the population is 65 years of age and older. The median age is 58. Only 12.5% of the households had children under the age of 18 living with them.

For most commercial services and medical needs, residents of Tubac travel north to Green Valley, Sahuarita or Tucson.

*Patagonia* lies in a narrow valley along Highway 82 approximately 14 miles northeast of Nogales and the international border. It is surrounded by the Santa Rita Mountains to the

north and Patagonia Mountains to the south. It was founded in 1898. The largest employment sectors include mining, retail trade and services, but eco-tourism plays an important role as visitors come to take advantage of birding opportunities at the Tucson Audubon Society's Paton Hummingbird Center and the Nature Conservancy's Patagonia-Sonoita Creek. Patagonia also serves as a gateway to the Arizona Trail. The Circle Z Ranch offers horseback riding and western lodging and meals. Patagonia Lake and State Park offer camping, fishing and boating opportunities. The 2020 estimated population is 1,012.

*Sonoita* is located at the crossroads of US Highways 82 and 83. It sits an elevation of 4,885 feet and lies in a wide-open valley with rolling, grass covered hills surrounded by the Santa Rita Mountains to the northwest and Canelo Hills to the southwest. The headwaters of Sonoita Creek are just to the west. Historically, the area has been attractive for ranching and equine operations. Today, Sonoita, together with the sister community of Elgin, are a popular for vineyards and winetasting.

**Transportation:**

Interstate 19 is the primary transportation corridor through Santa Cruz County. It is a 4-lane freeway that connects the international border and Nogales with Tucson. I-19 terminates in Tucson but connects with I-10 to provide cross-country connectivity. US Highway 82 traverses the county in a southwest-northeasterly direction. US Highway 83 extends north from Sonoita to I-10. Due to topographical constraints, there are few east-west roads across the county.

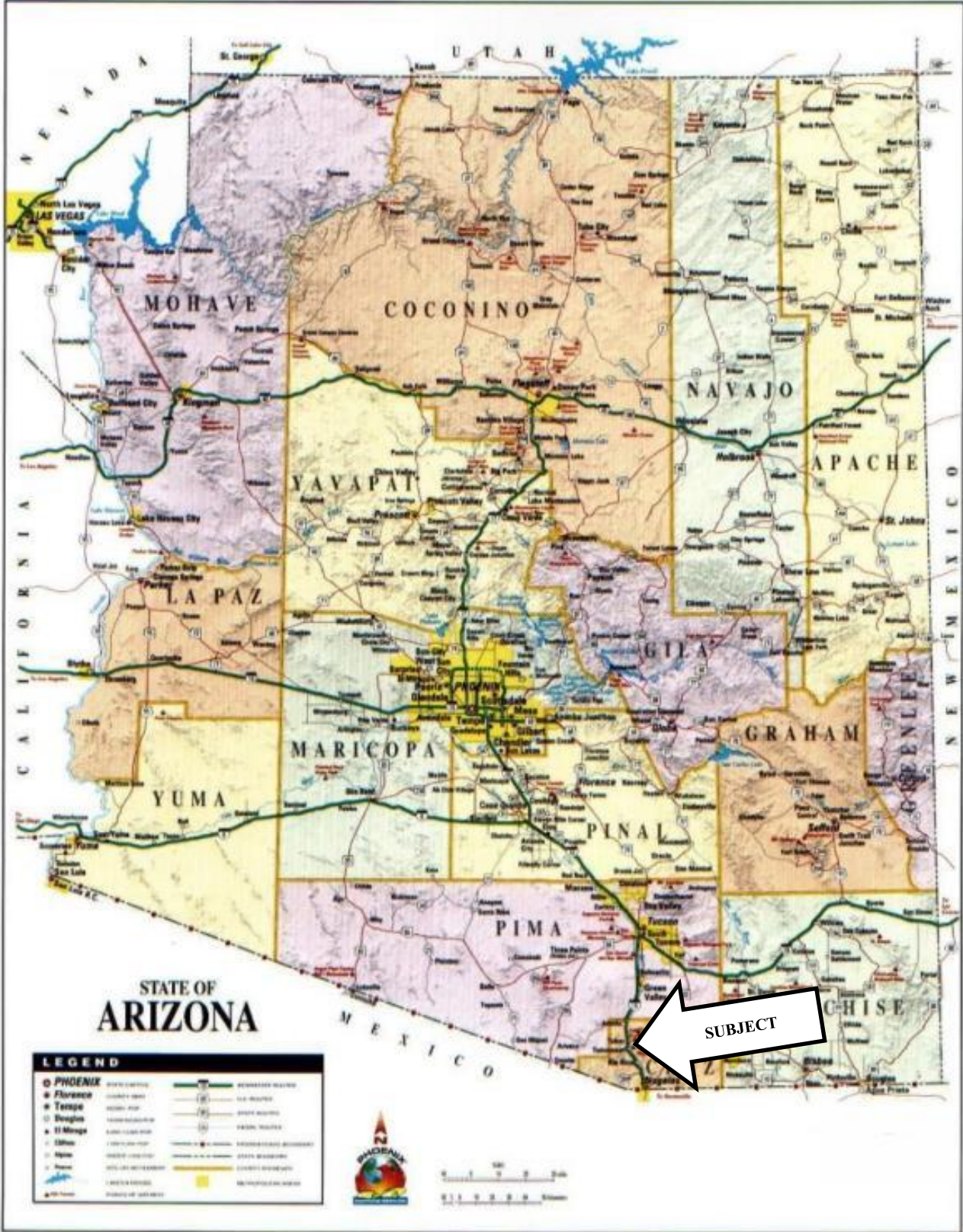
The table that follows summarizes the economic statistics for Santa Cruz County.



## Monthly Labor Force, Employment, Sales, and Housing Permits

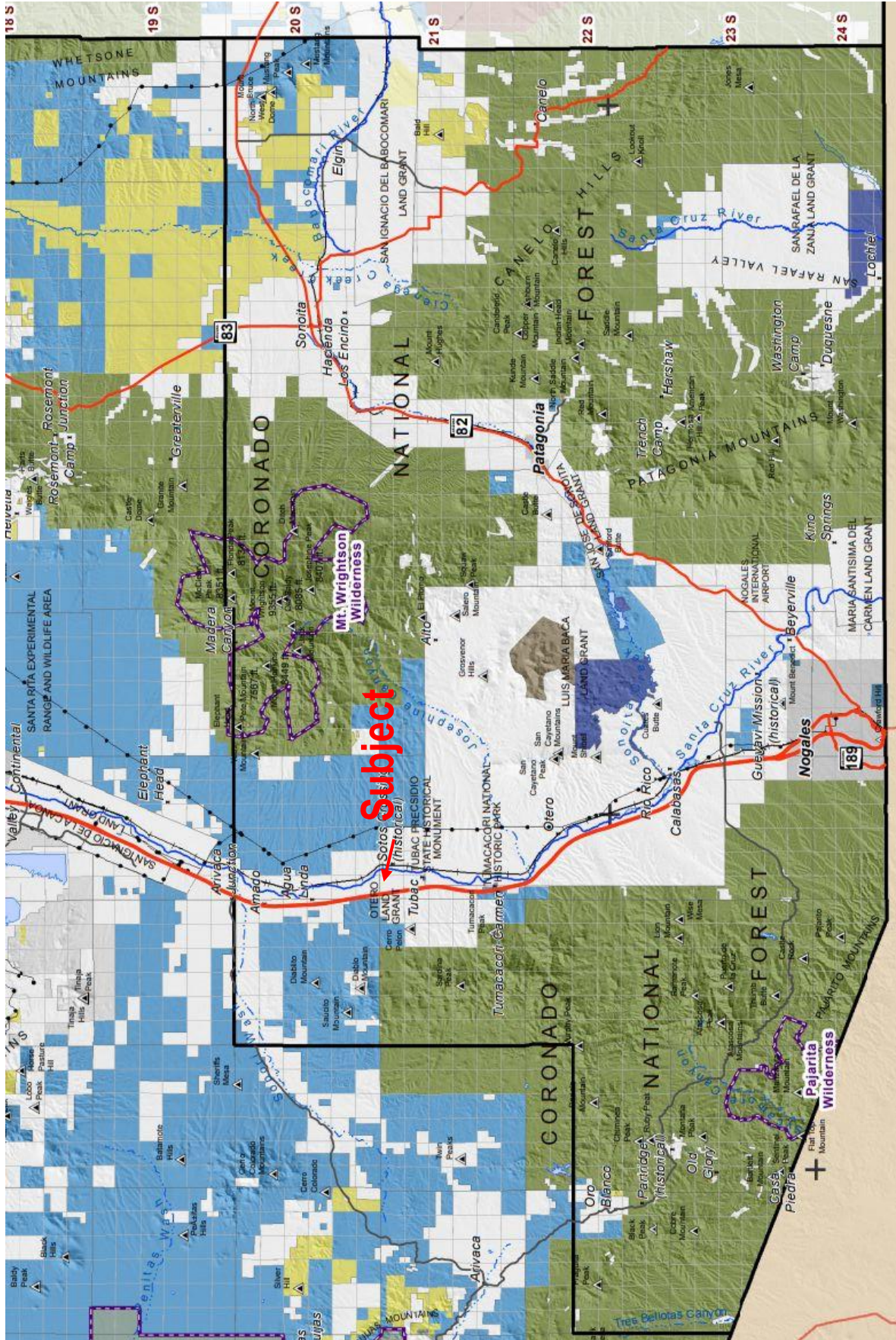
Santa Cruz County - Monthly Summary	Mar 2022	Apr 2022	May 2022	Jun 2022	Jul 2022	Aug 2022
<i>Persons (seasonally adjusted), Local Area Unemployment Statistics, BLS &amp; EBRC</i>						
Civilian Labor Force	19,117.9	18,993.8	19,064.7	19,000.6	19,143.5	19,750.2
% Chg from Year Ago	-1.1% ↓	-2.2% ↓	-1.9% ↓	-2.3% ↓	-1.1% ↓	1.9% ↑
Employment	17,757.8	17,621.7	17,738.1	17,824.9	17,901.7	18,016.2
% Chg from Year Ago	3.8% ↑	2.2% ↑	3.1% ↑	2.6% ↑	3.0% ↑	2.2% ↑
Unemployment	1,306.1	1,323.7	1,251.1	1,297.6	1,319.4	1,701.2
% Chg from Year Ago	-43.1%	-39.7%	-41.2%	-37.5%	-29.6%	-0.9%
Unemployment Rate	6.8	7.0	6.6	6.8	6.9	8.6
<i>Employees on Nonagricultural Payrolls by Industry (seasonally adjusted), Current Employment Statistics, BLS &amp; EBRC</i>						
Total Nonfarm Employment	13,184.0	13,079.3	13,277.4	13,305.6	13,649.4	13,771.2
% Chg from Year Ago	2.8% ↑	0.1% ↑	1.4% ↑	4.3% ↑	4.0% ↑	5.9% ↑
Total Private	9,435.9	9,314.4	9,486.5	9,563.6	9,631.2	9,750.2
% Chg from Year Ago	4.3% ↑	0.6% ↑	2.5% ↑	3.6% ↑	2.5% ↑	4.1% ↑
Goods Producing	631.9	628.4	634.4	643.2	647.8	646.5
% Chg from Prior	-1.4% ↓	-0.6% ↓	0.9% ↑	1.4% ↑	0.7% ↑	-0.2% ↓
Service Providing	12,553.2	12,450.4	12,641.8	12,675.8	13,019.1	13,128.9
% Chg from Year Ago	3.0% ↑	0.3% ↑	1.3% ↑	4.4% ↑	4.1% ↑	6.0% ↑
Trade, Transportation, and Utilities	5,361.7	5,348.1	5,390.8	5,386.7	5,468.6	5,519.1
Other Services	3,463.0	3,328.1	3,485.6	3,538.2	3,528.5	3,557.9
Government	3,739.7	3,738.6	3,735.8	3,818.7	4,022.7	4,034.5
% Chg from Year Ago	-0.6% ↓	-1.2% ↓	-1.3% ↓	6.1% ↑	8.7% ↑	10.0% ↑
Federal	1,788.7	1,782.9	1,778.1	1,775.8	1,776.0	1,785.2
State and Local	1,940.4	1,951.0	1,962.5	2,037.4	2,359.8	2,224.6
<i>Sales (\$000s, accrual), Arizona Department of Revenue</i>						
Retail Sales (less food and gasoline)	40,663,315.0	36,194,711.0	38,549,393.0	37,792,865.0	34,938,602.0	
% Chg from Year Ago	23.0% ↑	13.5% ↑	23.5% ↑	22.7% ↑	24.1% ↑	
<i>New Residential Permits Issued (units), C-40 Program, U.S. Bureau of the Census</i>						
Total	24.0	18.0	34.0	35.0	23.0	38.0
Chg from Year Ago	-3.0 ↓	-9.0 ↓	14.0 ↑	3.0 ↑	3.0 ↑	18.0 ↑
Single Family	24.0	18.0	34.0	29.0	23.0	34.0
Chg from Year Ago	-3.0 ↓	-9.0 ↓	14.0 ↑	-3.0 ↓	3.0 ↑	14.0 ↑
Published by  Economic and Business Research Center.						

State Location Map





### Santa Cruz County Map



## **Site Description**

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

The subject property is located at the northeast corner of Chavez Siding Road and the I-19 Frontage Road, in the unincorporated community of Tubac, Santa Cruz County, Arizona. The subject is a former facility site owned by ADOT. The parcel number is 111-32-007A. A complete legal description for the property is included in the Addenda.

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

The subject property is located in the northern fringe of Tubac. This is a rural, low-density area with a mix of subdivision development to the south and east and ranch land to the north. Land to the east along the Santa Cruz River tends to be floodprone and/or irrigated farmland.

Interstate 19 and the frontage road form the west boundary. About ½ mile north the border patrol has set up a check point along the northbound travel lane. To the south is a newly developing gated subdivision known as Tubac Rio Cruz. The subdivision is zoned GR with minimum lots sizes of 4.13 acres. To the north is the 1,232-acre PM Ranch which includes rangeland, 160 acres of irrigated land and an historic California style home with two guest houses. The subject borders three smaller parcels; one 0.13-acre triangular shaped parcel adjacent east and two parcels near the southwest corner. All three parcels are vacant.

### **Size and Shape**

The subject property is irregular in shape. It measures about 1,100 feet along the north boundary, 400 feet along the east boundary and 700 feet along the west boundary excluding a cutout reserved by ADOT for culvert maintenance. The site has about 600 feet of frontage along Chavez Siding Road. According to the legal description dated June 27, 2018, the property consists of 13.55 acres. An earlier, unofficial survey disclosed a size of 13.04 acres. The Santa Cruz County Assessor reports a size of 14.65 acres. The size from the legal description is used throughout this report.

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

The I-19 Frontage Road forms the west boundary of the subject property. It is a two lane, two-way street at this location. The closest freeway access is at the Chavez Siding Road interchange which is about one-quarter mile north. Freeway access is also possible from Exit 34 which is the primary interchange serving historic Tubac. It is about 2.5 miles south of the subject property. Interstate 19 carries 21,229 vehicles per day.

Due to the un-named wash and topographical features of the subject property, no direct physical access from the Frontage Road has been established. However, about 75 feet north of the north boundary of the subject property, there is a ranch road from the Frontage Road across the parcel adjacent north that can be used to access the northern portion of the subject property. To use this segment of the road across the adjoining parcel, legal access would have to be perfected by way of an easement from the adjacent landowner.

Access to the subject property is also possible from Chavez Siding Road along the south boundary. Chavez Siding Road is a two-lane secondary arterial. It extends east from the freeway and is one of only three crossings in the Tubac area across the Santa Cruz River. But this is an at-grade crossing that does not provide all-weather access.

## **Topography/Vegetation**

The subject property is bisected by an un-named wash that passes under I-19 and the frontage road and across the subject site on its course to the Santa Cruz River. Much of the property is below grade of the surrounding roads and within the floodplain of this wash. However, the terrain rises roughly 10 feet along the north and sides of the wash.

The majority of the site is set in native vegetation consisting primarily of scrub mesquite, acacia and dryland grasses.

## **FEMA Floodplain**

The property is included on FEMA FIRM Map # 04023C0043C, which was last revised on December 2, 2011. Much of the site is within Zone A, an area subject to a 1% chance of flooding in a 100-year event. No base flood levels have been determined. Using the drawing tool on the Santa Cruz County GIS website, it is estimated that 11.87 acres are subject to 100-year flooding according to FEMA. Including locally regulated floodprone areas approximately 12.55 acres are in the floodplain. This translates to about one acre of land or 7.5% of the subject site that is outside the 100-year floodplain. Of this total, roughly 30,492 square feet or 0.70 acre outside the floodplain is at the northwest corner of the subject site. Approximately 13,068 square feet or 0.30 acre is within a narrow strip along the south boundary adjacent to Chavez Siding Road.

According to Santa Cruz County Development Services, development in the floodplain will require an elevation certificate completed by a registered surveyor or engineer, encroachment analysis and flood plain use permit. A federally backed mortgage or loan secured by a building will require flood insurance.

Without accurate studies, it is not possible to evaluate the financial feasibility of developing the flood-prone portion of the subject property. Thus, this appraisal is based on the assumption that it is financially feasible to develop at least one homesite on that portion of the subject that is outside the 100-year floodplain. Should the results of the aforementioned studies indicate that development of more than one homesite is financially feasible, the preceding valuation is subject to change.

A copy of the response from Santa Cruz County Flood Control District is included in the addenda.

## **Soil and Subsoil Conditions**

A review of the NRCS Web Soil Survey site indicates that the property is comprised of 65% Comoro soils with 0 to 5% slopes and 35% Continental soils with 1 to 10% slopes. Comoro soils are well draining soils commonly found in floodplains. If irrigated these soils are suitable for farming. Continental soils are also well draining soils. These are commonly found in alluvial fans and terraces and not considered prime farmland. In both cases, the depth to water table is more than 80 inches.

## **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.



Underground electric service is at Chavez Siding Road and extends south to the Tubac Rio Cruz subdivision. Overhead distribution lines are about one-quarter mile north and run parallel to the I-19 Frontage Road. Electricity is provided by Unisource. Energy Inc.

Water in the area is supplied by Epcor Water Company. According to a company representative, there is a water line along Chavez Siding Road with service to the Tubac Rio Cruz subdivision. Service could be extended to the south side of the subject property at an estimated cost of \$10,000 to \$20,000. There is no public water available on the north side of the subject property. A well would have to be drilled to service this area.

Telephone service is by CenturyLink. A number of cellular companies provide wireless communication and fiber optic technology with reasonably good coverage across the community. Sprocket Communications is one of the primary internet providers.

There is no cable television. Dish Network and Direct TV provide satellite television.

There is no sewer service. Area residents rely on individual septic systems 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:

*EXCEPTING AND RESERVING*, however, to the United States, all coal and other minerals in the lands so entered and patented, together with the right to prospect for, mine and remove the same pursuant to the provisions and limitations of the Act of December 29, 1916 as reserved by the United States in Patent recorded in Book 17 of Deeds, Page 308, and

*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.*

As part of the ADOT right of way, a 41,532.13 square foot, rectangular shape cutout has been reserved along the west boundary of the subject site for ongoing maintenance and cleanout of the box culverts that pass under I-19 and the Frontage Road.

All utilities at the subject property appear to be within the existing right of way for Chavez Siding Road. No other easements, restrictions and/or encroachments are known.

### **Environmental Considerations**

A Phase I Environmental Site Assessment has not been provided but there were no apparent areas of environmental concern noted during the inspection. However, 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**

The remains of an old bridge and remnant paving are the only improvements on the property. The majority of the property has native vegetation.

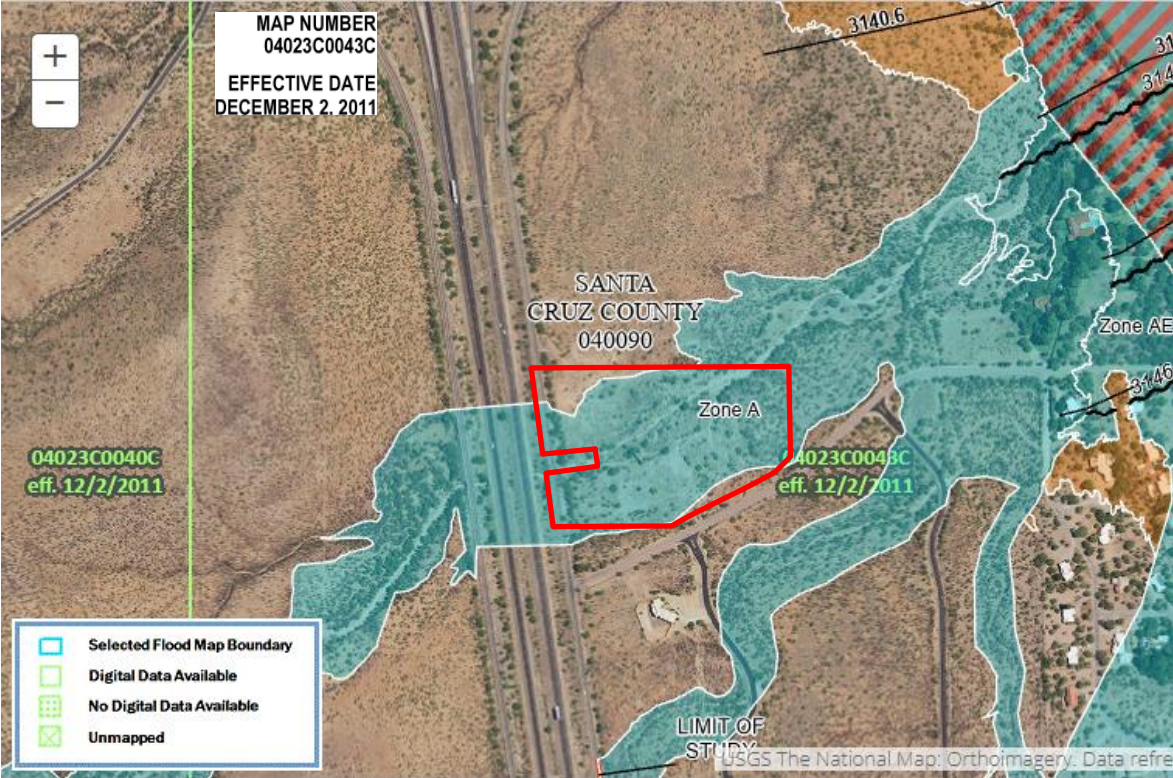
## **Division of Realty and Personalty**

There is no personal property included with the subject.

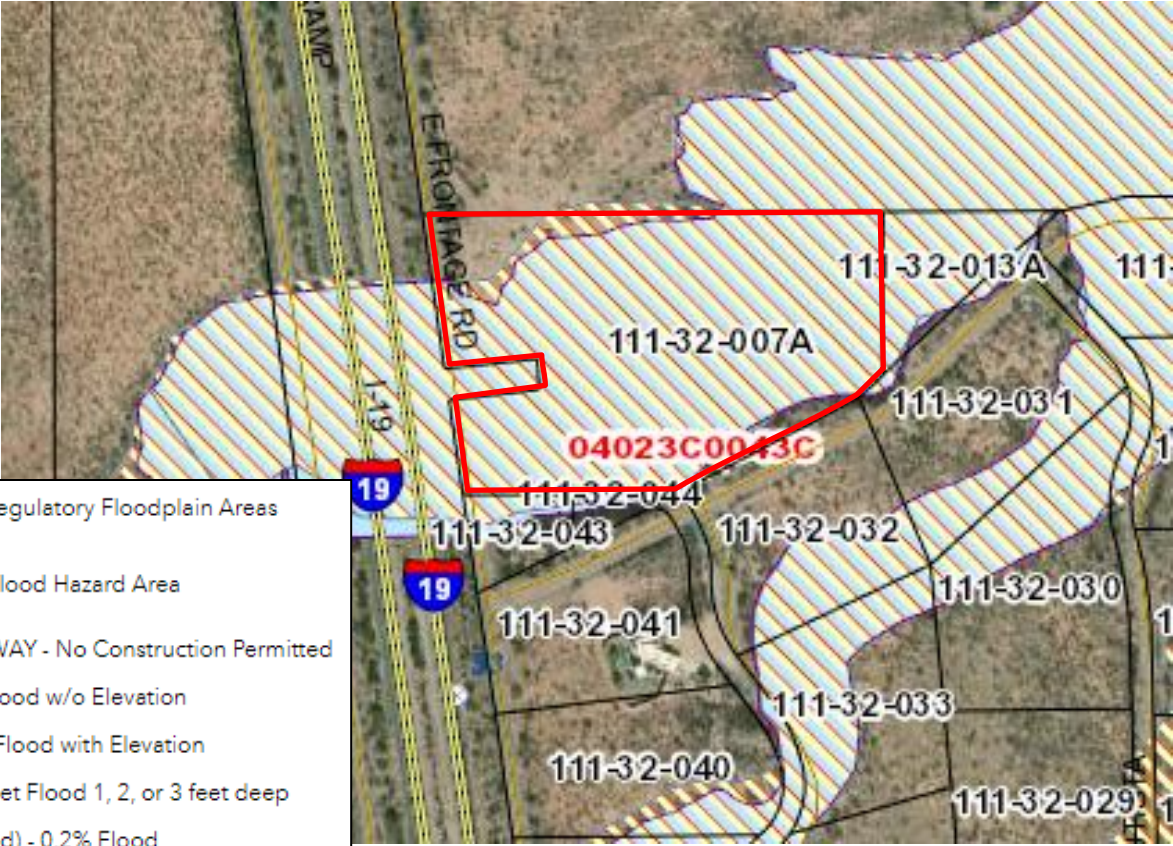
## **Conclusion**

The subject property is well located with good access. However, much of the property is significantly impacted by FEMA flood regulations. Only about one acre or 7% of the site is outside the 100-year floodplain. Of this total, about 30,492 square feet is at the northwest corner of the property furthest from existing utilities and lacking legal access. Roughly 13,068 square feet of non-floodprone land is along the south boundary adjacent to Chavez Siding Road. This area is closest to existing infrastructure (utilities and road) but the strip of land is only 55 deep at its widest point which limits the functional utility.

**FEMA Flood Map**



**Santa Cruz County Flood Map**





Looking north along east boundary of subject property from the southeast corner.



Looking northwest across subject property from the southeast corner.





Looking west on Chavez Siding Road, subject property to the right.



Looking north across central portion of subject property from Chavez Siding Road.





**Old bridge in central portion of subject property.**



**View west from old bridge to culvert under I-19 and Frontage Road.**





Looking northeast across subject property from old bridge.



Looking east across subject property from old bridge.





Looking west along unnamed wash.



Looking west along north boundary (white post).





Minor wash across southern portion of subject property.



Looking west across southern portion of subject property from the southeast corner.





Looking east across northern portion of subject property outside floodplain.



Looking south across western portion of subject property.

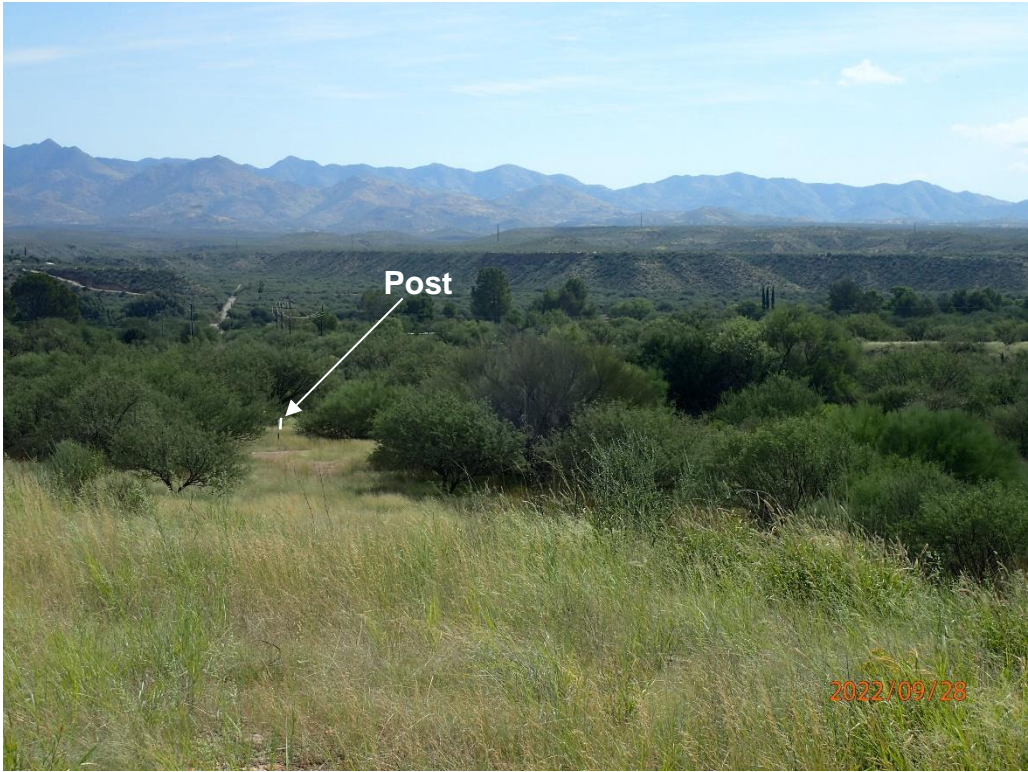




Northwest corner overlooking floodplain.



Post along north boundary.





Looking east across subject property from frontage road.



Looking north along Frontage Road, subject property to the right.



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

The Assessor Parcel Number is 111-32-007A. The 2022 full cash value is \$121,595 and the limited value is \$70,505. The property is owned by the State of Arizona and, therefore, no real estate taxes have been assessed.

It should be noted that the assessment is based on a size of 14.65 acres as reported by the Assessor. Furthermore, Assessor's Full Cash value is derived through a far different process than employed in this appraisal and has little bearing on the *market value* of the subject property, as defined earlier in this report.

### **Signs**

There are no signs on the subject property.

### **Zoning and Comprehensive Plan**

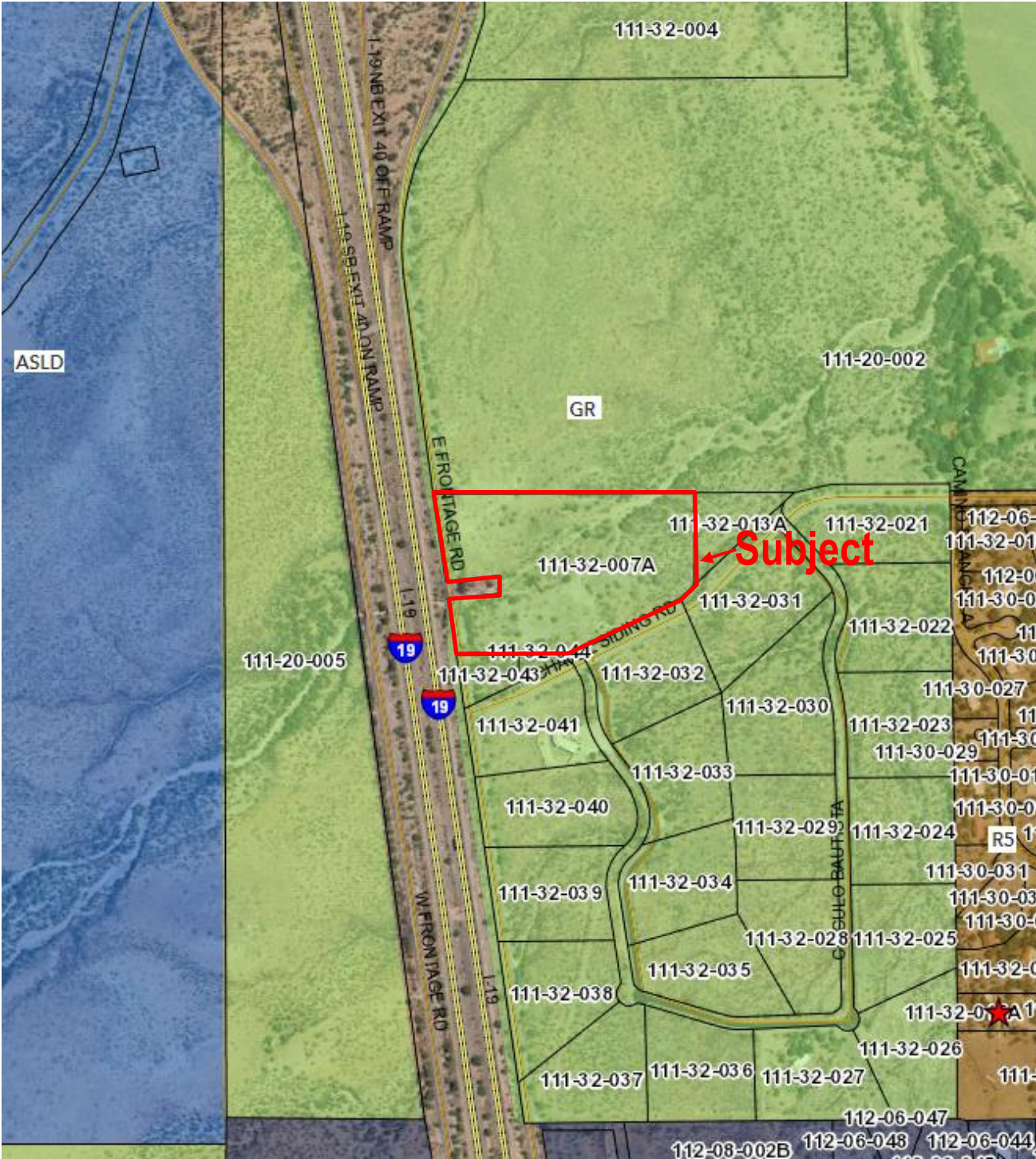
The subject property is zoned GR – General Rural. The purpose of this zoning district is to accommodate a residence on 180,000 square feet. This is a minimum lot size of 4.13 acres. A lifestyle of a rural nature with accommodations for animals and agriculture is the intent of this district.

Permitted uses include single family dwellings, farm animals, riding stables and equestrian schools, nurseries, greenhouses (wholesale), motion picture production site, private roping arenas, guest houses or cottages, farm winery, craft distillery and microbrewery without tasting rooms. With at least 10 acres, there are provisions for limited tasting rooms. Other conditional uses may be allowed such as animal clinics and kennels, airports, campgrounds, egg farm and feed lots, guest ranches and lodges, medical marijuana dispensary, off-site cultivation sites and public roping and rodeo arenas.

In the event of a rezoning request, it is appropriate to consider the designation of the subject property under the Santa Cruz Comprehensive Land Use Plan. According to this plan, the subject property is designated R – Ranch which allows a density of 0.25 residences per acre which is roughly equivalent to the density allowed under the GR zoning. Based on the plan designation, rezoning to a higher density is unlikely.

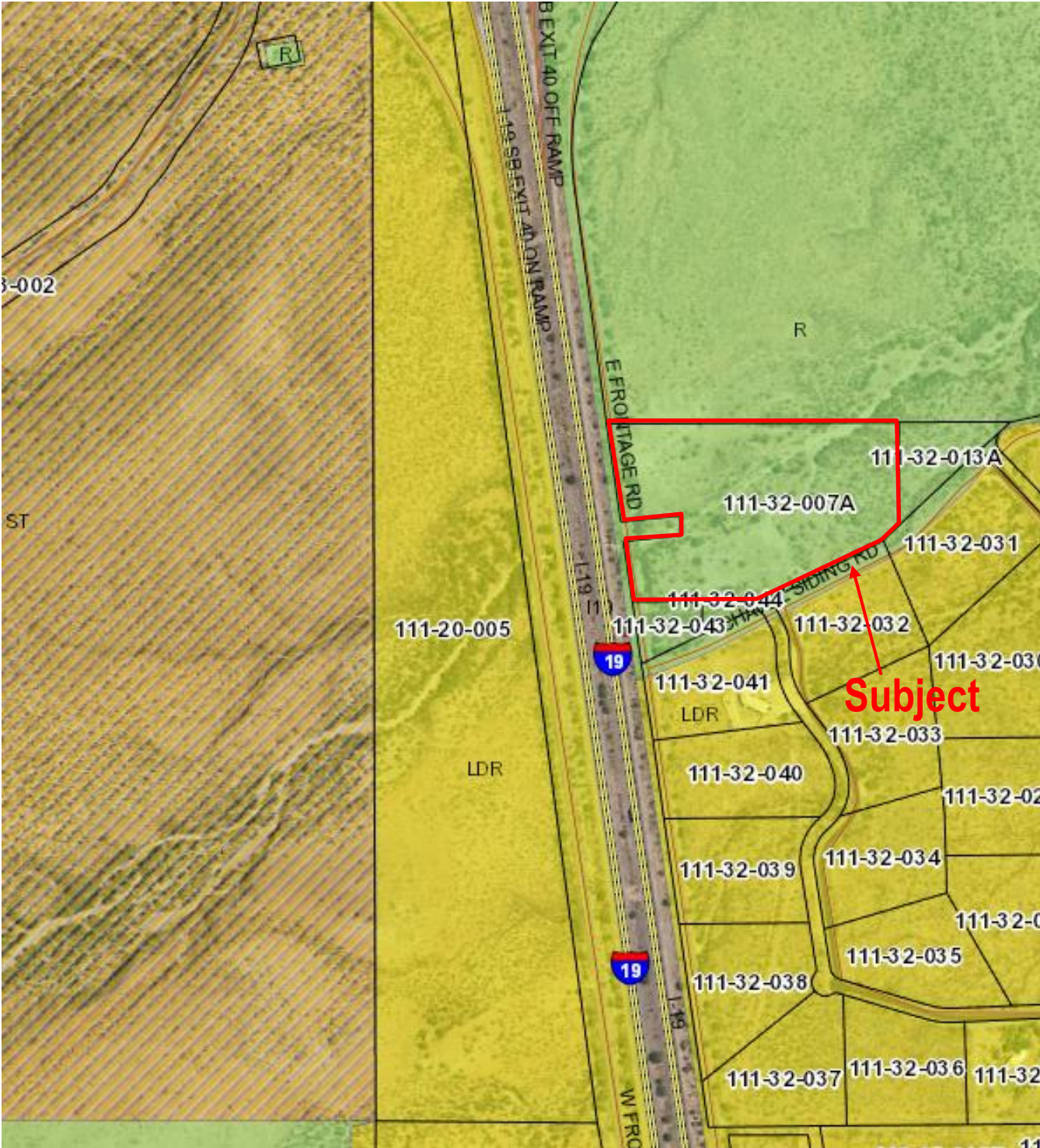


Zoning Map





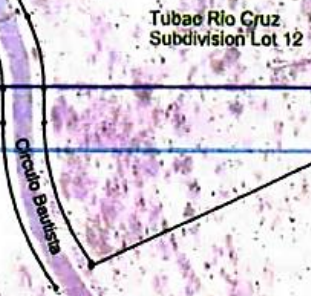
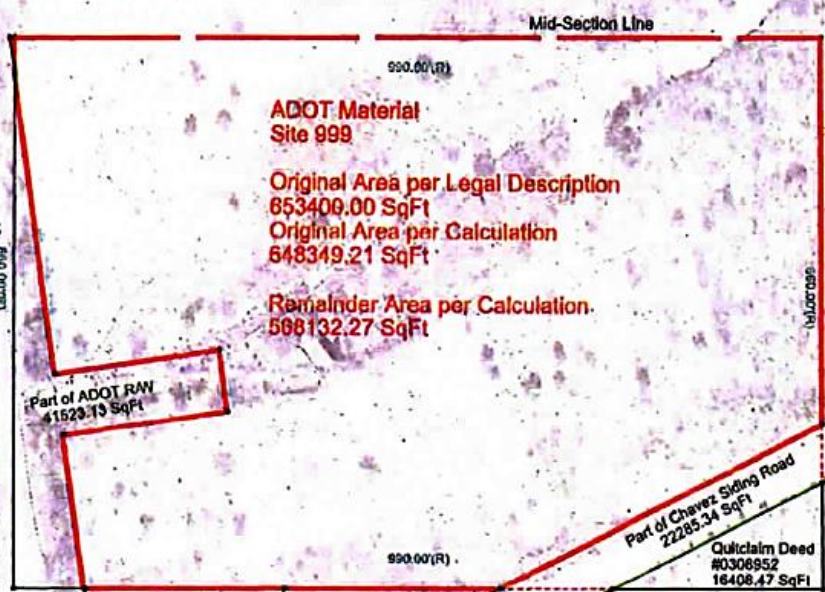
Santa Cruz County Comprehensive Plan







Sketch Plan 2: (See Sketch Plan 1 for Location)  
 Encroachment of Tubac Rio Cruz Subdivision  
 onto ADOT Material Site 999  
 ADOT Project I-19-1(28)



NOTE: THIS DRAWING IS FOR  
 ADOT INTERNAL USE ONLY  
 Updated June 2016

 <b>ADOT</b> Right Of Way <i>THIS SKETCH PLAN IS FOR ADOT INTERNAL USE ONLY</i>	PARCEL #	Material Site	HIGHWAY NAME:	Nogales - Tucson	
	EXHIBIT #	Exh-17-060	PROJECT NO.		
	DATE	08/11/17	FEDERAL AID NO.:	I-19-1(28)	SHEET NO.
ROUTE NO.:	LOCATION:				
I-19	Tubac				

G:\9340\EXHIBITS\2017 Request Enh-17-060\ADOT Material Site.dgn

## **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 13.55-acre parcel of vacant land located at the northeast corner of Chavez Siding Road and the I-19 Frontage Road in the northern portion Tubac. The site has an irregular but usable shape.

The property is bisected by an un-named wash that is subject to flooding in a 100-year event. Based on estimates using the measuring tool on the Santa Cruz County GIS website, only about one acre, or 7.4% of the total area, is outside the floodplain. Of this total, roughly 30,492 square feet or 0.70 acre is at the northwest corner of the property adjacent east of the frontage road. The balance, approximately 13,068 square feet or 0.30 acre, is within a long narrow strip along the south boundary adjacent to Chavez Siding Road. This area is only about 55 feet deep at its widest point. These floodplain restrictions have the greatest impact on the development potential of the subject property.

Given the size and more usable shape, the area at the northwest corner of the subject property that is outside the floodplain is more suitable for development. However, this area does not have access to utilities. The closest electric service is about one-quarter mile north where an overhead power line crosses the frontage road and continues north along the east side of the highway. To develop this portion of the property, service from this line would have to be extended south or any new development would have to rely on solar power. This portion of the property also lacks access to a developed water source. Since there is no water availability north of the wash, a well would have to be drilled. Though electric and water services are available along Chavez Siding Road, it is unlikely that these services would be extended north due to the expense of crossing the wash.

In addition to lacking utility infrastructure, the northwest portion of the property does not have legal access at this time. Physical access is possible from a two-track ranch road that crosses the corner of the parcel adjacent north. This road is only about 75 feet north of the subject and reasonably good quality, but legal access in the form of an ingress/egress easement would have to be secured from the adjacent property owner prior to any new development.

That portion of the subject property outside the 100-year floodplain along the southern boundary is much more proximate to infrastructure. This area has direct access to Chavez Siding Road, a two lane publicly maintained street. In addition, there are underground electric and water lines along the Chavez Siding Road right of way adjacent south of the subject. But the portion of the subject property outside the floodplain is much smaller, 13,068+/- square feet, and it is long and narrow, only 55 feet at its widest point. The shape

and floodplain restrictions impact the development potential of this portion of the subject property.

There is the possibility of developing a portion of the floodprone land on this area depending on the results of a base flood elevation determination. But without the completion of the necessary studies, the development potential is unknown.

The subject site is located in a rural area of Tubac, a community known for its art galleries, restaurants and golf. With its good views and low density, the area is attractive to retirees. Ranching is also prevalent across the uplands and there are a number of irrigated farms that populate the floodplain along the Santa Cruz River. The area has been in a stage of growth particularly since the pandemic, though the rate of growth has slowed due to recent inflation and increasing interest rates. Nonetheless, new residential development is occurring in the subdivision to the south and there have been several large ranch/farm properties that have recently sold including the PM Ranch adjacent north. Demand for the area is evident.

### **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 GR, General Rural. The purpose of this zoning district is to accommodate a residence on 180,000 square feet. This is a minimum lot size of 4.13 acres. A lifestyle of a rural nature with accommodations for animals and agriculture is the intent of this district.

In the event of a rezoning request, it is appropriate to consider the designation of the subject property under the Santa Cruz Comprehensive Land Use Plan. According to this plan, the subject property is designated R – Ranch which allows a density of 0.25 residences per acre which is roughly equivalent to the density allowed under the GR zoning.

Based on the plan designation, rezoning to a higher density is unlikely.

### **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 surrounding uses, zoning and floodplain restrictions, a residential use or purchase by an adjacent property owner are the only possible uses. With a minimum lot size of 4.13 acres, a maximum of three homesites would be allowed. However, the floodplain restrictions will likely limit the number of potential homesites to one or *maybe* two. Topographically, the area at the northwest corner is most suitable for development but this would require a well to be drilled, the extension of electricity or reliance on solar power. Costs for these services are unknown. In addition, legal access would need to be secured.

It may be possible to build a home on that portion of the subject site outside the floodplain along Chavez Siding Road. The infrastructure costs would be lower, but this portion of the site is long and narrow which could preclude development or, at the very least, increase site development costs.

### **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. Purchase by one of four adjacent property owners is possible. The most likely buyer would be the owner of the PM Ranch adjacent north. This parcel is adjacent to that area of the subject that is most developable and, for agricultural purposes, the floodplain restrictions do not pose significant restrictions. The likelihood of purchase by one of the other three adjacent property owners is much lower as their adjoining parcels are distant from the developable portion of the subject and there is no apparent motivation for purchase.

The purchase by a residential user is also possible. Based on the recent and ongoing development in the Tubac Rio Cruz subdivision across the street to the south, there is demonstrated demand for housing in the Tubac area. It is further noted that many of these lots have some floodplain restrictions and about one-third back up to the I-19 Frontage Road. This suggests market acceptance for some restrictions and traffic noise generated by the freeway. Although more than one homesite may be possible, an engineering study and specific development costs are needed to evaluate the feasibility of development. Lacking this information, I believe a potential buyer would conclude that only one homesite is possible.

In conclusion, the highest and best use is for one single family homesite or purchase by an adjacent property owner. The comparable sales have been selected based on these two scenarios.

### **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.

A thorough search of the local market was conducted to find recent sales of properties similar to the subject in terms of location, size and floodplain restrictions. But due to the unique characteristics of the subject, few sales were found that are truly comparable. And, in fact, only three sales and one current listing which was in escrow but did not close, were considered comparable. These sales have been selected for direct comparison to the subject and will be analyzed on a sale price per acre basis. In addition, sales of individual homesites zoned GR have been gathered. These will be presented at the end of the analysis and serve as a cross check to the value conclusion.

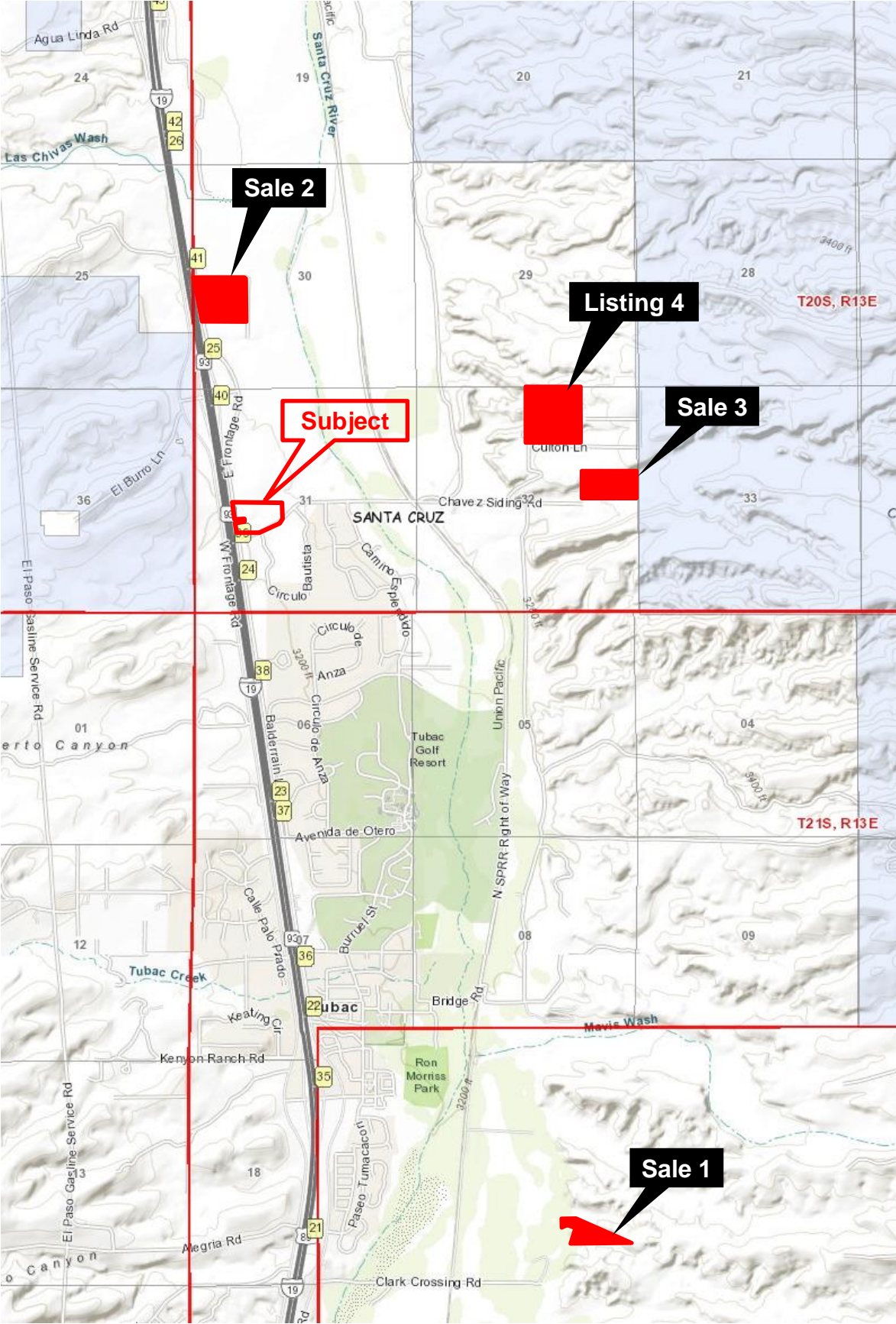
The following tabulation summarizes the three comparable sales and listing. Write-ups and photographs of the sales follow.

**Land Sales Tabulation - Larger Acreage**

SALE	DATE DOC NO.	SELLER / BUYER		SALE PRICE TERMS	# OF ACRES	SALE PRICE PER ACRE	COMMENTS	ZONING FLOODPLAIN
		LOCATION	ASSESSOR PARCEL NUMBER					
1	9/9/2021 2021-8040	Greythorn Tubac Ranch / True Resources Clark Crossing, E of Santa Cruz River & RR tracks. 112-44-006A	112-44-006A	\$67,500 Cash	10.93	\$6,176	Triangular shaped parcel East of Santa Cruz River Includes bluff and lower lying floodprone land. No utilities	GR 40% Zone A, AE Shaded X
2	03/02/21 2021-1711	Baker / Miller E sd of I-19 Frontage Rd, N of Chavez Siding Rd. 111-31-001	111-31-001	\$205,000 Cash	26.43	\$7,756	Generally level, scattered mesquite. Well. No utils Outside floodplain	GR Minimal
3	04/19/22 2022-3806	Land Jack LLC / Underhill E end Chavez Siding Rd, 0.30 mile E of Culton Ln. E of Santa Cruz River 111-33-015A	111-33-015A	\$50,000 Cash	20.00	\$2,500	Unimproved parcel, rolling to steep terrain cut by wash. Private dirt road. Elect. 100' - 200', no well	GR & M1 60% Zone A
4	Current Listing & DFT 12/21	Slavis / N/A Culton Lane, Off Chavez Siding Rd. 111-33-001	111-33-001	\$220,000 Neg.	40.00	\$5,500	Lot in Agua Caliente Ranch Est. 10-ac. Min. lot size. This parcel only has 10 ac. buildable. Was in escrow in Dec. 2021 for \$5,000 / ac. Buyer could not come up with funds	GR 20% Zone A
Subj	09/28/22 DOV	NEc I-19 Frontage Rd & Chavez Siding Rd. 111-32-007A	111-32-007A	N/A	13.55	N/A	Bisected by un-named wash Mostly floodprone. At least one homesite possible.	GR 90% Zone A



**Overall Land Sales Map**





**COMPARABLE LAND SALE**

**Comparable Sale:** 1

**Location:** Clark Crossing, east of Santa Cruz River and the railroad tracks, Santa Cruz County, Arizona.

**Legal Description:** A portion of land in the S½ of Section 17, Township 21S, Range 13E, being in Baca Float No. 3, Santa Cruz County, Arizona

**Tax Code Number:** 112-44-006A

**Records:** Instrument: Warranty Deed  
Date Recorded: September 8, 2021  
Document No.: 2021-08040

**Seller:** Greythorn Tubac Ranch

**Buyer:** True Resources LLC

**Sale Price:** \$67,500

**Terms:** Cash

**Site Size:** 10.93 acres

**Sale Price Per Acre:** \$6,176

**Zoning/Comprehensive Plan:** GR, General Rural, Santa Cruz County / Ranch

**PHYSICAL DESCRIPTION:**

**Shape / Topography:** Irregular / Undulating

**Floodplain:** According to FEMA Map Nos. 04023C-231C and 235C, dated December 2, 2011, the site is in Zones A, AE, Shaded X, and X. A small portion at the western tip is in the floodway.

**Utilities:** None

**Access:** Via Clark Crossing to railroad right of way to farm road which was gated and locked at time of inspection. When Santa Cruz River is running access is possible via crossing on Bridge Road to railroad right of way.

**Highest & Best Use:** Recreational/residential

**Three Year History:** Prior sale in April 2016 for \$29,790 or \$2,725 per acre.

**Exposure Time:** 3 to 4 months

**Confirmed With:** Gary Brasher, Russ Lyon Sotheby's International Realty

**Date Confirmed:** September 2022

**Comments:** Suitable for one homesite per agent. Purchased by adjacent property owner.

**View toward Sale One. Locked gate.**



**COMPARABLE LAND SALE**

**Comparable Sale:** 2

**Location:** East side of I-19 Frontage Road, north of Chavez Siding Road, Santa Cruz County, Arizona.

**Legal Description:** A portion of Lot 3 in Section 30 T20S R13E, Santa Cruz County, Arizona

**Tax Code Number:** 111-31-001

**Records:** Instrument: Warranty Deed  
Date Recorded: March 2, 2021  
Document No.: 2021-01711

**Seller:** Carlton A. Baker and Sherry L. Sass

**Buyer:** William A. Miller and Janice Miller

**Sale Price:** \$205,000

**Terms:** Cash

**Site Size:** 26.43 acres

**Sale Price Per Acre:** \$7,756

**Zoning / Comprehensive Plan:** GR, General Rural, Santa Cruz County / Ranch

**PHYSICAL DESCRIPTION:**

**Shape / Topography:** Nearly rectangular / Gently sloping

**Floodplain:** According to FEMA Map No. 04023C-0045C, dated December 2, 2011, approximately 10.5% of the site is in Zone A, within the 100-year floodplain.

**Utilities:** Electric at southwest corner; well, not equipped.

**Access:** I-19 Frontage Road, a two-lane, two-way street that ends just north of this site. I-19 access via Chavez Siding Road interchange ¼ mile south.

**Highest & Best Use:** Recreational/residential (See Comments)

**Three Year History:** No sales in the prior three years.

**Exposure Time:** On and off the market since 2014. Most recent listing began January 2020.

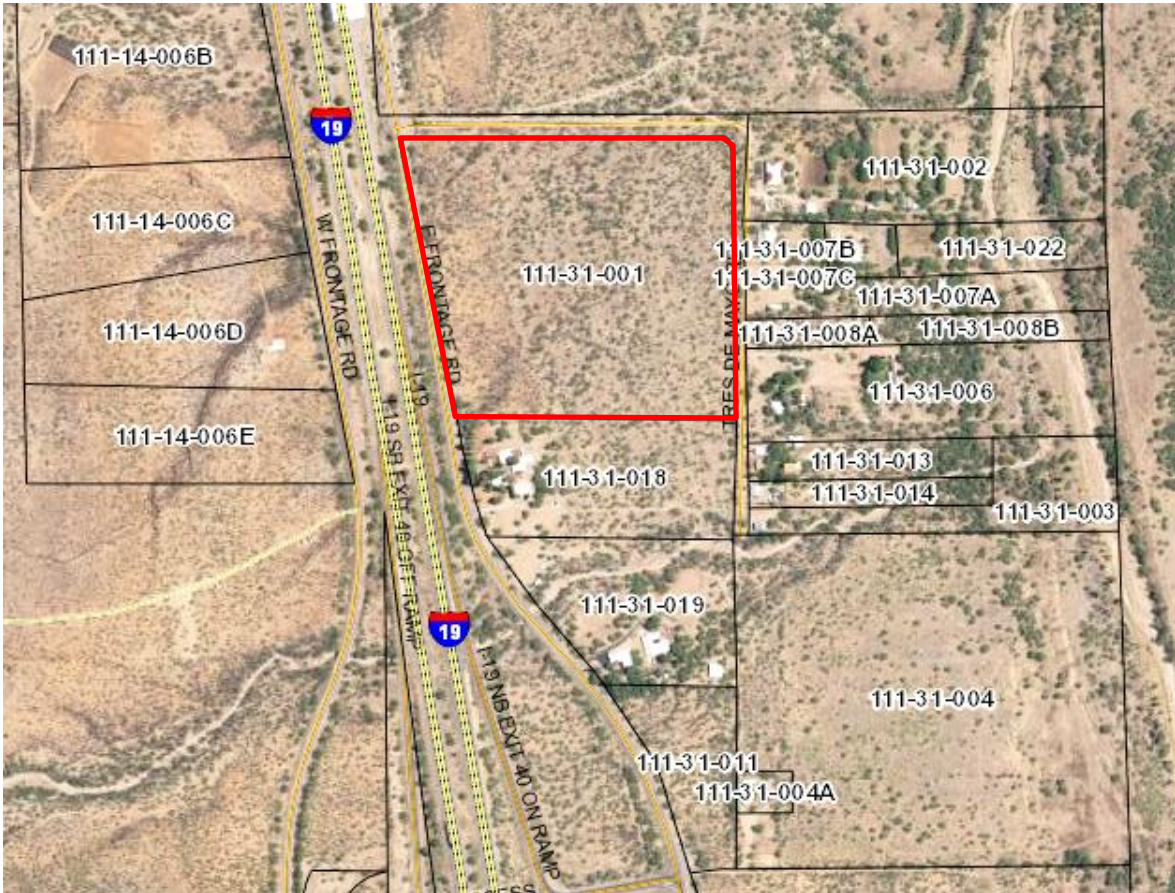
**Confirmed With:** Sally Ann Robling; Realty Executives

**Date Confirmed:** October 2022

**Comments:** Buyer bought for investment. May eventually develop RV park and/or storage.



COMPARABLE SALE TWO



**COMPARABLE LAND SALE**

**Comparable Sale:** 3

**Location:** Chavez Siding Road; 0.3 mile east of Culton Lane, east of the Santa Cruz River, Santa Cruz County, Arizona.

**Legal Description:** The south ½ of Lot 6 in Subdivision Agua Caliente Ranch Estates, Santa Cruz County, Arizona

**Tax Code Number:** 111-33-015A

**Records:** Instrument: Warranty Deed  
Date Recorded: April 19, 2022  
Document No.: 2022-03806

**Seller:** Jack Land, LLC

**Buyer:** Douglas K. Underhill

**Sale Price:** \$50,000

**Terms:** Cash

**Site Size:** 20.00 acres

**Sale Price Per Acre:** \$2,500

**Zoning/Comprehensive Plan:** M1 (Industrial) & GR, Santa Cruz County / Ranch

**PHYSICAL DESCRIPTION:**

**Shape / Topography:** Rectangular / Rolling to steep terrain cut by wash

**Floodplain:** According to FEMA Map No. 04023C-0045C, dated December 2, 2011, approximately 60% of the site is in Zone A, within the 100-year floodplain.

**Utilities:** None; Electric 100 to 200 feet north

**Access:** Private dirt road off Chavez Siding Road. East of Santa Cruz River, at grade crossing.

**Highest & Best Use:** Recreational/residential

**Three Year History:** Prior sale recorded March 2021 for \$21,000. Unable to confirm.

**Exposure Time:** About one year

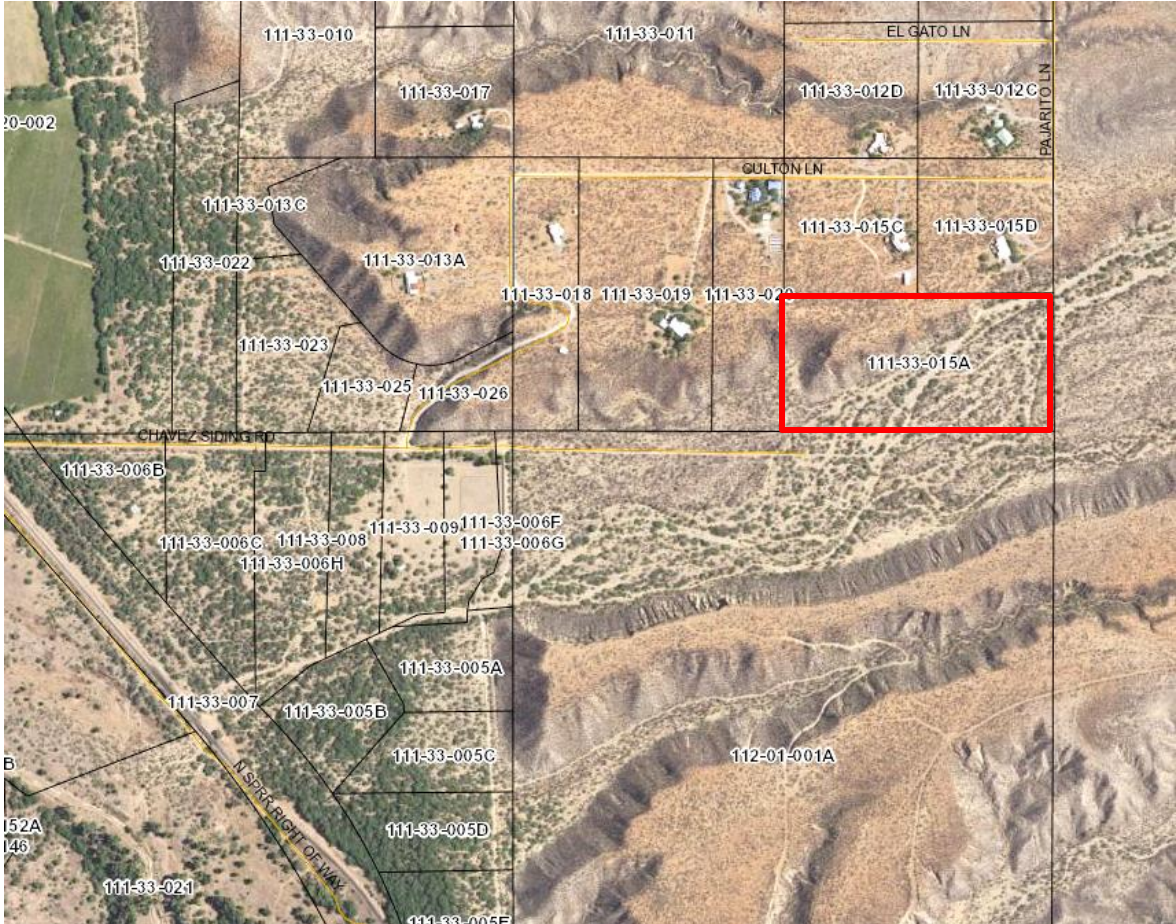
**Confirmed With:** Mike Cave; Sales agent

**Date Confirmed:** October 2022

**Comments:** Buyer cut a road in the hillside up to a recently graded homesite. Wash passes through southern portion. M1 Industrial zoning appears to be in error per representative in Santa Cruz County Development Services.



COMPARABLE SALE THREE



## **Land Sales Analysis**

To develop an opinion of market value of the subject property, I searched for land sales that are similar in terms of location, size, floodplain restrictions and potential use. The search focused on recent sales of sites zoned GR located in and around Tubac. An attempt was made to find those sales that are floodprone or have some other development restriction. Due to increases in demand for housing in Tubac since the pandemic, sales that occurred subsequent the pandemic are most relevant and selected for direct comparison to the subject. Since only three sales and one listing were found and the development potential of the subject is likely restricted to only one homesite, sales of GR zoned lots are included at the end of the analysis to add support to the value conclusion.

### **Unit of Comparison:**

Given that only one homesite is possible on the subject property, consideration is given to selecting the appropriate unit of comparison. Large acreage sales, like the subject, typically sell on a price per acre basis. Individual lots with no potential for further splits generally sell on a per lot basis.

The sales in the primary dataset are larger acreage properties. Sale Two does not have any development restrictions, but Sales One and Three, like the subject, are restricted by topographical features and/or deed restrictions that limit the development potential to one or two lots. Given the uncertainty in the number of lots that are possible, the sales in the primary dataset are analyzed on a per acre basis. This is equal to the sale price divided by the total number of acres of the sale. At the end of the analysis, these sales, together with five additional lot sales, will be analyzed on the per lot basis as a cross-check to the value conclusion.

Depending on available data, the 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 10.93-acre parcel located east of the Santa Cruz River, southeast of Tubac. Access is via Clark Crossing east to the railroad right-of-way road and then north a short distance to a private farm road/easement. During times of high-water along the Santa Cruz River, Clark Crossing is closed but all-weather access is possible from Bridge Road several miles north. In the vicinity of Tubac, Bridge Road provides the only bridged crossing of the river. From this crossing, one travels south on the railroad right-of-way road to the farm road/easement. At the time of inspection, there was a locked gate and a no-trespassing sign that precluded access to Sale One. The buyer owns the surrounding land and has since closed the area to the general public.

Sale One includes a combination of low-lying floodprone land with dense mesquites along the Santa Cruz River valley and upland mesas just to the east overlooking the river corridor. According to the sales agent, the irregular shape and undulating terrain limit the potential development to one homesite. There are no utilities.

The buyer recently purchased the surrounding 1,700+/- acre farm/ranch and bought the Sale One property for tenure control. According to the sales agent, there were three other

interested parties. Mr. Brasher was surprised at the level of interest given the “tucked away” location and physical attributes.

Sale One sold in September 2021 for \$67,500 or \$6,176 per acre, cash.

**Sale Two** is located on the east side of the I-19 Frontage Road, about ½ mile north of the subject property. This parcel has a moderate slope with reasonably good views of the Santa Rita Mountains to the east. It is mostly out of the 100-year floodplain. Electricity is at the southeast corner of the property and there is a capped well.

Access is via the Frontage Road off the Chavez Siding interchange. The border patrol check point is just north. A graded dirt road extends along the north boundary and wraps the northeast corner of this parcel.

The property consists of 26.43 acres of vacant land zoned GR. According to the sales agent the buyer purchased the property as an investment with the intent of possibly developing an RV park or storage facility in the future.

Sale Two sold in March 2021 for \$205,000, cash, or \$7,756 per acre.

**Sale Three** is a 20.0-acre parcel located at the east end of Chavez Siding Road, east of the Santa Cruz River. It is 0.3 mile east of Culton Lane, which marks the end of public road maintenance. This property is rectangular in shape and bisected by a fairly significant drainage. Roughly 60% of the property is floodprone. The northern portion is on the mesa above overlooking this drainage and the Santa Cruz River valley to the west. The buyer has since cut a road/driveway up the hillside and is developing at least one residential pad.

There are no utilities at the property, but electricity is 100 to 200 feet north. A well will be required for domestic use.

Access is via Chavez Siding Road which is county-maintained to Culton Lane. The last one-third mile is rough and not regularly maintained. Chavez Siding Road has an at-grade crossing of the Santa Cruz River. Access along this route can be difficult or cut-off during times of high water. It is possible to travel south along Bridge Road to the bridge over the river east of Tubac townsite. This route is more circuitous.

Sale Three sold in April 2022 for \$50,000 or \$2,500 per acre, cash.

**Comparable Four** is the listing of a 40-acre parcel in Agua Caliente Estates, a 40-acre subdivision with minimum lot size of 10 acres. This particular parcel is cut by a drainage that effectively restricts development to one or two homesites on the ridge above. It has electric and water to the property boundary.

The asking price is \$220,000 or \$5,500 per acre. The property was in escrow for \$5,000 per acre in December 2021, but the buyer was unable to come up with the funds and the sale fell through.

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 cutout along the western boundary reserved by ADOT for ongoing maintenance of the concrete culverts that pass under the freeway and the frontage road. Otherwise, there are 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 may exist along the boundaries of the sales, but where these exist the benefit of utilities far outweighs any negative impact from the easement encumbrances.

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

### ***Financing Terms:***

In accordance with the definition of market value, adjustments for financing terms are made on an all-cash basis or cash plus institutional financing at the prevailing market interest rate. All sales sold for cash. 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.

Sale One was purchased by the adjacent property owner. According to the sales agent, the property was on the market 3 to 4 months with an asking price of \$87,000. In September 2021 it sold for \$67,500. Reportedly, there were three other offers at similar price levels. The sales agent, Gary Brasher, was surprised at the level of interest given the “tucked away” location. In his opinion, the adjacent property purchase had no impact on the price that was negotiated.

To the best of my knowledge, all 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.

There are no 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 September 28, 2022. The sales span a time period from March 2021 to April 2022. All three sales sold after March 11, 2020, which is the date of declaration by the WHO of a global pandemic from COVID-19. Until recently, the market for residential properties in rural areas has been very active due, in part, to the ability and desire of people to work from home coupled with low interest rates. However, in the past year inflation has reached historic levels and the federal government is now implementing interest rate increases in an effort to curb inflation. In general, higher interest rates have substantially slowed demand for residential properties which trickles down to a decline in demand for residential lots.

Nonetheless, local real estate professionals in Tubac report an ongoing lack of supply of residential properties. Demand has slowed, but the local market is not as dependent on interest rates as many buyers are retirees paying with cash. Nonetheless, the recent interest rate increases are having a dampening effect on demand.

This strong demand for single family residences has trickled down to the land market. According to Sally Ann Roblings with Realty Executives, buyers are looking for locations that are quiet and away from the freeway. In her opinion, properties, like the subject, that have development challenges have not experienced the same increases in demand and pricing structure.

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. According to the public records, Sale One sold in April 2016 for \$29,790. It sold in September 2021 for \$67,500. This sale and resale is market evidence of the increase in pricing structure following the pandemic, but the comparison does not cover the time frame of the comparable sales.

Reportedly, Sale Three is also a sale/resale. According to the public records, the buyer purchased the property in March 2021 for \$21,000, or \$1,050 per acre. The buyer subsequently listed the property at an asking price of \$99,947. Multiple monthly price

reductions were made over the course of the listing. When the property sold in April 2022 the asking price was \$59,947. The sale price was \$50,000 or \$2,500 per acre. This sale/resale could suggest a substantial increase between the spring of 2021 and the spring of 2022. However, relative to all data considered, the earlier sale, on a price per acre basis, is far lower than any other sale that was found. Applying a 138% increase to Sales One and Two, as suggested by this pairing, would substantially overstate the values indicated by these two sales.

It is further noted that Comparable Four has been on the market since June 2020 with an asking price of \$220,000, or \$5,500 per acre. It was in escrow for \$200,000 or \$5,000 per acre in December 2021, but the sale fell through when the buyer could not secure funding. This listing suggests little price fluctuation over the past three years.

As tabulated below, three of the five lot sales presented later in this report are sales and resales.

Sale - APN	Date/Price	Resale Date / Price	% Increase
A – 113-05-010G	03/21/2018 \$30,000	05/15/2021 \$55,000	83%
B – 112-23-038B	08/21/2020 \$19,000	10/05/2021 \$25,000	31.5%
C – 112-23-038A	08/27/2020 \$16,900	10/22/2021 \$33,000	95%

Clearly there has been price appreciation in the market for residential lots particularly since the pandemic. However, all of the resales closed prior to the increases in interest rates which began in earnest in April 2022. Though there is little to no data to demonstrate changes in the market over the past five or six months, the higher interest rates are dampening demand for residential properties nationwide and throughout Arizona. This will ultimately place downward pressure on prices going forward.

All three sales are reasonably current having closed within the last 1.5 years. Given the development challenges of the subject property and the price trends that are likely occurring since interest rates have increased, no adjustments are developed or applied to the sales for changes in market conditions over time. Applying an upward adjustment to Sales One and Two, as suggested by the data, would result in value indications that are overstated for a property like the subject.

**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 property is located at the northeast corner of Chavez Siding Road and the I-19 Frontage Road. It is in a low-density area in the northern fringes of Tubac. Access along the south boundary is via Chavez Siding Road, a two-lane county-maintained street. Physical access to the developable portion of the subject property at the northwest corner is via a two-track ranch road off the frontage road. This road begins on the parcel adjacent north and crosses onto the subject property. This route of access would have to be legally perfected if this portion of the property were to be developed.



The difficulty here is measuring the differences in location and access between the sales and the subject property. On one hand, the subject has good access off Chavez Siding Road, but it is unclear if this portion of the property can be developed and, if development is allowed, the site improvement costs could be significant. On the other hand, the developable portion of the property at the northwest corner is adjacent to the 19 Frontage Road. Though access may be possible, ADOT would need to grant a permit and/or legal access across the adjoining property would have to be perfected. Both options increase development costs.

Sales One and Three are located in rural areas east of the Santa Cruz River. Both are more private than the subject and without freeway noise. However, access is more challenging. Access to each of these properties is via a combination of public roads and private easements with the most direct routes having at-grade river crossings which can be closed during times of high flow. Nonetheless, both sales have alternative routes across the river at Bridge Road. Though these routes are more circuitous from the freeway and involve a series of dirt roads, there is a bridge that provides all-weather access across the Santa Cruz River which helps to mitigate the access challenges. In general, these sales have better privacy but are more difficult to access. Upward adjustments of 15% are applied.

Sale Two is located on the east side of the I-19 Frontage Road, just north of the Chavez Siding Road interchange. It is about one-half mile north of the subject property and shares many of the same locational attributes as the subject. But this parcel has direct access from the frontage road as well as from a graded dirt road that forms the north and east boundaries. Relative to the subject, a slight downward adjustment of 5% is made.

#### **Size:**

Typically, a smaller site will sell for a higher price on a per acre basis than a larger parcel, all else being equal. Conversely, a larger parcel will usually sell for a lower price. The subject property consists of 13.55 acres. Sale One, consisting of 10.93 acres, is reasonably similar in size to the subject. No adjustment is made.

Sales Two and Three consist of 26.43 acres and 20.0 acres. Upward adjustments of 10% and 8% are made, respectively.

#### **Utilities:**

As discussed throughout this report, underground electric, phone and water lines are in place along Chavez Siding Road adjacent south of the subject property. Underground services could be extended to the south side of the subject property, but without an engineering study the likelihood of development in this area is unclear due to the floodplain restrictions and topographical constraints. Alternatively, there is a developable area outside the floodplain located at the northwest corner of the subject property. But this area is distant from utility infrastructure. Extending services from Chavez Siding Road would require those services to cross the wash and associated floodplain, the cost of which could be prohibitive. Alternatively, a well could be drilled for water, solar could be installed for electricity, cell phone service and satellite communications could be used.

Sale One did not have any utilities, though electric is nearby. Sale Two has electric adjacent and a capped well. Sale Three did not have any services. Reportedly, electric is 100 to 200 feet north of the property. A well will need to be drilled for water.

In an effort to measure the differences between the sales and the subject, consideration is given to the potential cost for these services. A local real estate agent indicated the cost of drilling a well today in the local market is about \$30,000 excluding equipment. A representative with the Epcor Water Company thought it would cost \$10,000 to \$20,000 to complete a water extension to the south side of the subject along Chavez Siding Road. The cost to extend service across the wash was unavailable.

Unisource Energy was contacted regarding electric service. The representative indicated service would most likely come from the existing service along Chavez Siding Road, the cost of which he was unable to provide. Service from the overhead lines north of the subject would require permits and easements from ADOT. In his opinion, the time and expense would be cost prohibitive for the customer.

Lacking an engineering study and floodplain review for the subject property, one homesite at the northwest corner is possible under the most likely scenario. The non-floodprone portion of the property along Chavez Siding Road appears too narrow for development without significant expense.

Sales One and Three are considered reasonably similar to the subject in terms of availability of utilities. Sale Two had a capped well and overhead power off the southeast corner. Based on the \$30,000 cost to drill a well, a downward adjustment of \$1,135 per acre is made. This adjustment is calculated by dividing the cost by the 26.43 acres of the Sale Two property.

#### **Floodplain/Topography/Zoning:**

The subject property has an undulating terrain bisected by an un-named wash. Roughly 90% of the property is located in the 100-year floodplain which severely limits the development potential. Without these restrictions, three lots could be possible under the GR zoning. But with these restrictions and lacking an engineering report and survey for the subject property, development is likely limited to only one lot.

Sale One has an irregular shape and undulating terrain with about 40% of the property subject to flooding. Despite the 10.93-acre size and GR zoning that would allow two homesites, the sales agent thought only one homesite would be possible given the physical constraints. Relative to the subject, no adjustment is made.

Sale Two is gently sloping with nominal floodplain restrictions. At a size of 26.43 acres, there are no restrictions to development other than zoning and availability of utility infrastructure. A five split is possible. A downward adjustment is appropriate.

Sale Three consists of 20 acres. The southern portion, approximately 60%, is bisected by a significant wash that is subject to 100-year flooding. The site is located in Agua Caliente Ranch Estates. It is zoned GR and M1, but the subdivision has deed restrictions limiting development to one house per 10 acres. With these restrictions, only two lots are legally possible. The buyer has since cut a road up the hillside and bladed a building pad. It is unknown whether another homesite will be developed. No adjustment is made.

#### **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.

**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.

<b>LAND SALES ADJUSTMENT GRID</b>				
	<b>Subject Property</b> <b>I-19/Chavez Siding</b> <b>9/28/2022</b> <b>13.55 acres</b>	<b>Sale 1</b> <b>Clark Crossing</b> <b>9/9/2021</b> <b>10.93 acres</b>	<b>Sale 2</b> <b>I-19 Frontage</b> <b>3/2/2021</b> <b>26.43 acres</b>	<b>Sale 3</b> <b>Chavez Siding</b> <b>4/19/2022</b> <b>20 acres</b>
Sale Price / Acre		\$6,176	\$7,756	\$2,500
<b>Transactional Adjts</b>				
Property Rights	Fee Simple	\$0	\$0	\$0
Financing Terms	Assume Cash	\$0	\$0	\$0
Conditions of Sale	Market	\$0	\$0	\$0
Market Conditions	9/28/2022	\$0	\$0	\$0
<b>Subtotal Adj Sale Price</b>		<b>\$6,176</b>	<b>\$7,756</b>	<b>\$2,500</b>
<b>Prop Char.</b>				
Location/Access	Frontage Rd.	\$926	-\$388	\$375
Size	13.55 acres	\$0	\$776	\$200
Utilities	U/G; or needed	\$0	-\$1,135	\$0
Topography	Undulating	\$0	\$0	\$0
Floodplain/Topo/Legal	90% floodprone	\$0	↓↓	\$0
	Undulating / GR	\$0	\$0	\$0
<b>Indicated Sale Price per Acre</b>		About <b>\$7,102</b>	Less Than <b>\$7,009</b>	About <b>\$3,075</b>

**Conclusion:**

Prior to adjustments, the sales range in price from \$2,500 to \$7,756 per acre. After adjustments the range is narrowed slightly to \$3,075 to \$7,102 per acre. Despite the proximity of Sale Two to the subject property, it is given least weight as there are few, if any, development restrictions due to topographical constraints. Roughly 90% of the subject property is limited by FEMA floodplain restrictions.

Sales One and Three are east of the Santa Cruz River and inferior to the subject property in terms of access. But both have floodplain restrictions and topographical constraints that limit their development potential to one or possibly two homesites on Sale Three. On a per acre basis, the indicated values, after adjustments, are fairly wide for no apparent reason.



Consideration is also given to Listing Four which was in escrow in December 2021 for \$5,000 per acre. Though this site consists of 40 acres, the sales agent indicated that only about 10 acres are buildable limiting the property to one or two homesites.

Based on the data, the market value of the subject property is between \$3,000 and \$5,000 per acre multiplied by 13.55 acres equals \$40,650 to \$67,750. To narrow the spread, consideration is given to the total price of Sales One and Three and the per lot prices of other GR zoned lots in the neighborhood.

The sales agent for Comparable One confirmed that only one homesite is possible on this 10.93-acre property. It sold for \$67,500. Sale Three consists of 20 acres and sold for \$50,000. This parcel could legally be developed with two homesites though there are topographical considerations. Unfortunately, I was unable to confirm the buyer's intentions, but at least one homesite is being developed.

In addition to the acreage sales, individual GR zoned lots in the neighborhood are considered. These are tabulated on the following page.

**Land Sales Tabulation - Lots**

SALE	DATE DOC NO.	SELLER / BUYER		SALE PRICE TERMS	# OF ACRES # OF LOTS	SALE PRICE PER ACRE	SALE PRICE PER LOT	COMMENTS	ZONING FLOODPLAIN
		LOCATION	ASSESSOR PARCEL NUMBER						
A	6/15/2021 2021-5397	Otero / Marshall	Off Garrett Ranch Road, W of I-19 West of Tubac 11-05-010G	\$55,000 Cash	6.25 1	\$8,800	\$55,000	Long, narrow parcel set in rolling foothills, off private dirt road. Electric, Well	GR Minimal
B	10/05/21 2021-8784	White / Abril	Off Garrett Ranch Rd., W of I-19 West of Tubac 112-23-038B	\$25,000 Cash	4.96 1	\$5,040	\$25,000	Front bisected by wash Rear steep. Electric adj. No well	GR 20% Zone A
C	10/22/21 2021-9288	White / Cook	Off Garrett Ranch Rd., W of I-19 West of Tubac 112-23-038B	\$33,000 Cash	5.24 1	\$6,298	\$33,000	Front bisected by wash Rear steep. Electric adj. No well	GR 15% Zone A
D	4/7/2022 2022-3441	Sanchez / Padilla	Lot 20 Tubac Rio Cruz 111-32-040	\$75,000 \$25,000 Dn SCB	4.44 1	\$16,892	\$75,000	Lot on west side of subdivision backs Frontage Road. All utilities in place. Private paved streets, gated Wash at southeast corner	GR 20% Zone A
E	7/28/2022 2022-6464	Sanchez / Bazua Props of AZ, LLC	Lot 1 Tubac Rio Cruz 111-32-021	\$65,000 \$25,000 Dn SCB	4.36 1	\$14,908	\$65,000	Lot at NEc of subdivision backs Chavez Siding Rd. All utilities in place. Private paved streets, gated Mostly floodprone	GR 950% Zone A
Subj	09/28/22 DOV	NEc I-19 Frontage Rd & Chavez Siding Rd.	111-32-007A	N/A	13.55	N/A	N/A	Bisected by un-named wash Mostly floodprone. At least one homesite possible.	GR 90% Zone A





**Analysis of Lot Sales**

Sales A, B and C are located off Garrett Ranch Road, west of I-19 and a short distance west of the Tubac town center. Sale A sold for \$55,000, cash, in June 2021. It had a well and electric. Sales B and C are adjacent parcels in the same general area. They sold in October 2021 for \$25,000 and \$33,000, respectively. Electric was nearby but neither had a developed water source. The difference in price between Sale A and Sales B and C is attributed primarily to the availability of water.

Sales D and E are recent lot sales in the Tubac Rio Cruz subdivision across the street to the south of the subject property. Sale D is on the west side of the development adjacent to the I-19 Frontage Road. It sold for \$75,000. Sale E is a floodprone lot that borders Chavez Siding Road. It sold in July 2022 for \$65,000. Both sales sold with seller financing. Despite the smaller lot sizes, this subdivision is gated, has paved streets and underground water, electric and phone to each lot. The market value of the subject property should be less.

**Conclusion:**

Based on the preceding analysis, the market value of the subject property is estimated to be \$60,000 which is equal to \$4,428 per acre. Relative to the lot sales, the value is greater than those sales on Garrett Road without water (subject is larger) but measurably less than those sales in the gated and fully improved subdivision across the street.

**OPINION OF MARKET VALUE OF THE SUBJECT PROPERTY ..... \$60,000**

**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 four months to two years. Given the development challenges, the exposure time is projected to be 9 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 there continues to be a low supply of residential properties, increasing interest rates are likely to curtail demand. Thus, the projected marketing time for the subject property is 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 Site for Disposal ..... \$60,000

**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 September 28, 2022, based upon my independent appraisal and the exercise of my professional judgment, is as follows:

**OPINION OF MARKET VALUE OF THE  
SUBJECT PROPERTY ..... \$60,000**

Date: November 1, 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.

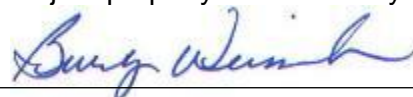
No one provided significant professional assistance to the person(s) signing this report. All conclusions and opinions concerning the real estate that are set forth in the appraisal report were prepared by the Appraiser whose signature appears on the appraisal report, unless indicated as "Review Appraiser."

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, 2024.

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  
Condemnation Summit XXVII, May 2022  
  
American Society of Farm Managers and Rural Appraisers:  
Spring Ag Forum, annually 2010 through 2022

**Expert Witness:**

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

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

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

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



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

**CGA - 30125**

This document is evidence that: **BEVERLY K 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 Deputy Director of Financial Institutions of the State of Arizona has granted this license to transact the business of a:

**Certified General Real Estate Appraiser**

**BEVERLY K WEISSENBORN**

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

Expiration Date : **August 31, 2024**

## ADDENDA

**EXHIBIT "A"**

A portion of the Grantors' land described in the PROPERTY DESCRIPTION in Book 18 at Page 403, filed in the Office of the Recorder of Santa Cruz County, Arizona, being situated in the Southwest quarter (SW¼) of Section 31, Township 20 South, Range 13 East, Gila and Salt River Meridian, Santa Cruz County, Arizona, (basis of bearing being from ADOT Right of Way Plans for Project I-19-1(28), described as follows:

**PROPERTY DESCRIPTION:**

BEGINNING at a point on the East and West Median line of Section 31, a distance of 660 feet West of the Center Section Corner;

thence West along the Median line a distance of 990 feet;

thence South a distance of 660 feet;

thence East parallel to the East and West Median line a distance of 990 feet;

thence North a distance of 660 feet to the POINT OF BEGINNING;

**EXCEPT AND RESERVING**, however, to the United States, all coal and other minerals in the lands so entered and patented, together with the right to prospect for, mine and remove the same pursuant to the provisions and limitations of the Act of December 29, 1916 as reserved by the United States in Patent recorded in Book 17 of Deeds, Page 308;

**EXCEPT** a portion of that certain parcel of land described as follows:

Beginning at the Northeast corner of said Parcel in Book 18 at Page 403, being a point on the East – West mid section line of said Section 31 from which the Center quarter corner lies North 89°37'40" East 660.00 feet;

thence South 00°59'33" East 536.36 feet to the POINT OF BEGINNING, being the point of intersection of the East line of said Parcel in Book 18 at Page 403 and the Southerly right of way line of Chavez Siding County Road, as aligned on this date (being the 30<sup>th</sup> day of July, 2003);

(continued)

**PAGE 1**

<b>PROJECT:</b> I 019-1(28) M6975 01X	<b>LOCATION:</b> Material Site # M.S. 999 Disposal	<b>PARCEL:</b> L-SC-001 SR 06-27-2018
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thence continuing South 00°59'33" East 123.64 feet to the Southeast corner of said Parcel in Book 18 at Page 403;

thence South 89°37'42" West 248.01 feet to a point on said Southerly right of way line;

thence North 63°00'27" East 275.92 feet to the POINT OF BEGINNING;

**ALSO EXCEPT** that portion of the above described property lying westerly of the following described **EXISTING RIGHT OF WAY LINE**:

Commencing at a 4 inch x 12 inch x 24 inch stone marked with 6 grooves on Northeast and West sides marking the Southwest corner of said Section 31, being South 89°55'30" West 2648.15 feet from a 1 inch pipe with 1½ inch lead cap marking the South quarter corner of said Section 31;

thence along the South line of said Section 31, North 89°55'30" East 1357.02 feet to the POINT OF BEGINNING on the existing easterly right of way line of Interstate Highway 19 (NOGALES – TUCSON HIGHWAY);

thence along the existing easterly right of way line of said Interstate Highway 19, North 08°27'50" West 2187.24 feet;

thence continuing along said existing easterly right of way line, North 81°32'10" East 200.00 feet;

thence continuing along said existing easterly right of way line, North 08°27'50" West 75.00 feet;

thence continuing along said existing easterly right of way line, South 81°32'10" West 200.00 feet;

thence continuing along said existing easterly right of way line, North 08°27'50" West 1323.77 feet;

thence continuing along said existing easterly right of way line, North 00°29'38" West 153.23 feet;

thence continuing along said existing easterly right of way line, North 81°26'27" East 85.71 feet;

thence continuing along said existing easterly right of way line, North 08°36'48" West 65.76 feet;

thence continuing along said existing easterly right of way line, South 81°19'56" West 76.35 feet;

thence continuing along said existing easterly right of way line, North 00°29'38" West 147.96 feet;

(continued)

**PAGE 2**

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<b>PROJECT:</b> 1 019-1(28) M6975 01X	<b>LOCATION:</b> Material Site # M.S. 999 Disposal	<b>PARCEL:</b> L-SC-001 SR 06-27-2018
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**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 record owner is:

The State of Arizona, by and through its Department of Transportation, which acquired title as The State of Arizona?

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

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

Upon compliance with REQUIREMENTS herein, satisfactory title will vest in "TO COME".

**LEGAL DESCRIPTION  
SEE SCHEDULE A-1 ATTACHED**

**REMARKS:** ~~None~~. Updated April 12, 2018, No changes. JG

<b>Date of Search:</b> December 28, 2016	<b>Examiner:</b> Shirley Seeley	<b>Reviewer:</b> Byron Hopkins
<b>Update to:</b> April 12, 2018	<b>Examiner:</b> Jim Gregg	<b>Reviewer:</b> Chuck Mullany
<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> Santa Cruz	<b>Tax Arb:</b> 111-32-007A	<b>Disposal:</b> N/A
<b>Tracs No.:</b> None	<b>Highway:</b> NOGALES-TUCSON	<b>Excess Land:</b> L-SC-001
<b>Fed. No.:</b> None	<b>Section:</b> Material Site No. M.S. 999	<b>Parcel No.:</b> MS 999

**SCHEDULE A-1  
LEGAL DESCRIPTION**

A parcel of land located in the North half of the Southwest quarter of Section 31, Township 20 South, Range 13 East, Gila and Salt River meridian, Santa Cruz County, Arizona, more particularly described as follows:

COMMENCING at a marked stone at the West Quarter Corner of said Section 31, being South 89 degrees, 37 minutes, 45 seconds West 2611.72 feet from an aluminum cap on a pipe stamped "PE 5178" marking the center of said Section 31, thence along the East-West mid-section line of said Section 31, North 89 degrees, 37 minutes, 45 seconds East 961.82 feet (calculated) to the west line of a parcel of land described in that certain Bargain and Sale Deed recorded January 17, 1933 in Book 18 of Deeds, page 403;

Thence continuing along the East-West mid-section line, North 89 degrees, 37 minutes, 45 seconds East 12.61 feet (calculated) to the easterly right of way line of I-19 (Nogales-Tucson Highway) Project I-19-1(28) and the TRUE POINT OF BEGINNING;

Thence continuing along said East-West mid-section line, North 89 degrees, 37 minutes, 45 seconds East 977.39 feet (calculated), from which said center section bears North 89 degrees, 37 minutes, 45 seconds East 660.00 feet;

Thence South 00 degrees, 22 minutes, 15 seconds East (calculated) 660.00 feet;

Thence South 89 degrees, 37 minutes, 45 seconds West 883.77 feet (calculated) to the easterly right of way line of I-19;

Thence along said easterly right of way line of I-19, North 08 degrees, 27 minutes, 50 seconds West (North 08 degrees, 26 minutes, 41 seconds West, calculated) 184.98 feet;

Thence continuing along said easterly right of way line, North 81 degrees, 32 minutes, 10 seconds East (North 81 degrees, 33 minutes, 19 seconds East, calculated) 200.00 feet;

Thence continuing along said easterly right of way line, North 08 degrees, 27 minutes, 50 seconds West (North 08 degrees, 26 minutes, 41 seconds ~~East West~~, calculated) 75.00 feet;  
(NOTE: The direction above in the calculated portion should read West instead of East)

Thence continuing along said easterly right of way line, South 81 degrees, 32 minutes, 10 seconds West (South 81 degrees, 33 minutes, 19 seconds West, calculated) 200.00 feet;

Thence continuing along said easterly right of way line, North 08 degrees, 27 minutes, 50 seconds West (North 08 degrees, 26 minutes, 41 seconds West, calculated), a distance of 406.62 feet to said East-West mid-section line and the TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM all coal and other minerals reserved by the United States in Patent recorded in Book 17 of Deeds, page 308.

ALSO EXCEPTING THEREFROM all that portion of said land conveyed to TUBAC RIO CRUZ, L.L.C., an Arizona Limited Liability Company by Quitclaim Deed recorded August 06, 2003, in Docket 993, Page 464, records of Santa Cruz County, Arizona.

NOTE: This legal description to be verified with the ADOT Plans Section Delineation Unit.

**END OF SCHEDULE A-1**

- 2 -



**RIGHT OF WAY VESTING**

- 1) Bargain and Sale Deed from CONCEPCION RODRIGUEZ and ELOISA de RODRIGUEZ, husband and wife, to the State of Arizona, now known as the State of Arizona by and through its Department of Transportation, dated September 8, 1932, recorded January 17, 1933, in Book 18 of Official Records, at page 403 Santa Cruz County Records.

**END OF RIGHT OF WAY VESTING**

## RESOLUTIONS

1. No resolutions were found referring to the establishment or acquisition of the Material Site 999.  
Resolution 67-29 by the Arizona State Highway Commission, dated May 2, 1967, established this portion of Interstate Route 19 as a controlled-access state highway under Project I-19-1(28)21.

## END OF REQUIREMENTS

## 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 to this transaction.

NOTE: Mineral and coal rights are to be excepted from the legal description being prepared as follows:

Excepting and reserving, however, to the United States, all the coal and other minerals in the lands so entered and patented, together with the right to prospect for, mine and remove the same pursuant to the provisions and limitations of the Act of December 29, 1916 (39 Stat., 862) as set forth in U.S. Patent recorded February 24, 1930 in Book 17 of Deeds, page 308.

## END OF REQUIREMENTS



**SCHEDULE B**

1. Reservations contained in the Patent from United States, including but limited to all coal and other minerals including the right to prospect, mine and remove said minerals as set forth in the U.S. Patent recorded February 24, 1930 in Book 17 of Deeds, page 308.
2. Such rights for telephone and telegraph line purposes as a the Mountain States Telephone and Telegraph Company may have under the Act of March 4, 1911 as set forth in U.S. Patent referred to in Item No. 1 above.
3. Easement for Electric Power Transmission line and rights incident thereto as granted by Concepcion Rodriguez to Tucson Gas, Electric Light and Power Company, a corporation dated June 7, 1930, recorded June 30, 1930 in Book 17 of Miscellaneous Records, page 423, over the Southwest quarter, of the Northeast quarter (SW  $\frac{1}{4}$  NE  $\frac{1}{4}$ ) and the East half, of the Southwest quarter (E  $\frac{1}{2}$  SW  $\frac{1}{4}$ ) of Section 31, Township 20 South, Range 13 East.
4. Perpetual Easement for pipeline and rights incident thereto as granted by Gilbert C. Contreras and Consuelo V. Contreras, husband and wife to Citizens Utilities Company, a corporation, dated March 29, 1968, recorded April 2, 1968 in Docket 89, page 265, over a strip of land 20 feet in width running generally in a North-South direction immediately adjacent to the east boundary of U.S. HWY 89 (Nogales-Tucson Highway) R/W line, over the property described herein.
5. Chavez Siding Road, Map #33, road declared and accepted by the County Commissioners, Santa Cruz County, Arizona, on August 3, 1911. (Note: the road in use does not coincide with the road as shown in the map.)
6. Reservation unto the public and various utility companies, for easements for existing utilities, if any within the above described property, in accordance with Arizona revised Statute 28-7210 as disclosed by Special Warranty Deed recorded \_\_\_\_\_, as Instrument No. \_\_\_\_\_, Santa Cruz County Records.

**END OF SCHEDULE B**

### Bargain and Sale Deed

This Indenture, Made the 8th day of September, in the year of Our Lord, One Thousand Nine Hundred and Thirty-Two, between CONCEPCION RODRIGUEZ AND ELOISA de RODRIGUEZ, husband and wife, parties of the first part, and THE STATE OF ARIZONA the party of the second part,

WITNESSETH: That the said parties of the first part, for and in consideration of the sum of FIVE HUNDRED AND NO/100 (\$500.00) DOLLARS, lawful money of the United States of America, to them in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, do by these presents bargain, sell, convey and confirm unto the said party of the second part, ~~and his heirs~~ forever ~~and assigns forever~~ that certain lot, piece, or parcel of land, situate lying and being in the county of Santa Cruz, State of Arizona, and

bounded and described as follows, to-wit: Beginning at a point on the East and West Median line of Section Thirty-One (31), a distance of Six Hundred and Sixty (660) feet West of the Center Section Corner; thence West along the Median line a distance of Nine Hundred and Ninety (990) feet; thence South a distance of Six Hundred and Sixty (660) feet; thence East parallel to the East and West Median line a distance of Nine Hundred and Ninety (990) feet; thence North a distance of Six Hundred and Sixty (660) feet to the point of beginning. Containing fifteen (15) Acres more or less. All in the South West Quarter of Section Thirty-One (31), Township 20 South, Range 16 East.

Together with all and singular the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, and the rents, issues and profits thereof; and, also, all the estate, right, title, interest, claim of homestead, property, possession, claim and demand whatsoever, as well in law as in equity, of the said parties of the first part, of, or to the said premises, and every part and parcel thereof, with the appurtenances.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

TO HAVE AND TO HOLD, all and singular, the above described premises, together with the appurtenances and privileges thereunto incident, unto the said party of the second part, ~~and his heirs~~ forever.

IN WITNESS WHEREOF, the said parties of the first part hereunto set their hand and seal, on the day and year first above written.

Signed, Sealed and Delivered in the presence of

Concepcion Rodriguez (Seal)  
Eloisa de Rodriguez (Seal)  
\_\_\_\_\_ (Seal)  
\_\_\_\_\_ (Seal)

18/403

MATERIAL SITE  
999

STATE OF ARIZONA,  
County of Santa Cruz } ss.  
Before me, Russell Noon, a Notary Public in and for  
the County of Santa Cruz State of Arizona, on this day personally appeared  
CONCEPCION RODRIGUEZ  
known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she  
received the same for the purpose and consideration therein expressed.

Given under my hand and seal of office, this 8th day  
of September, A. D. 1932.

(My Commission Expires May 31, 1935.)

Russell Noon  
Notary Public

STATE OF ARIZONA,  
County of SANTA CRUZ } ss.  
Before me, H. J. Garrett, a Notary Public in and for  
the County of Santa Cruz State of Arizona, on this day personally appeared  
ELOISA de RODRIGUEZ  
wife of said CONCEPCION RODRIGUEZ  
known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the  
same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this 8th day  
of September, A. D. 1932.

(My Commission Expires May 31, 1936.)

H. J. Garrett  
Notary Public

Filed and Recorded at Request of  
Myself by way of  
Jan 17 A. D. 1933  
Book 118 Page 403  
By James Mitchell County Recorder.  
D. James Deputy Recorder.

No. 3869  
**RECORDED  
INDEXED**  
**COMPLETED**

Burgin and Sale Bond  
SHORT FORM  
FROM  
CONCEPCION RODRIGUEZ  
and ELOISA de RODRIGUEZ  
TO  
THE STATE OF ARIZONA

Dated September 8th, 1932.

STATE OF ARIZONA,  
County of \_\_\_\_\_ } ss.  
WITNESS my hand and official seal this day and first first above written.  
of \_\_\_\_\_  
County, Arizona, at \_\_\_\_\_  
day of \_\_\_\_\_  
and duly recorded in Book No. \_\_\_\_\_  
of \_\_\_\_\_  
State wherein, do hereby certify that the within instrument was filed for record at \_\_\_\_\_  
County Recorder in and for the County and \_\_\_\_\_



**SITE REVIEW REQUEST**  
 SANTA CRUZ COUNTY FLOOD CONTROL DISTRICT  
 2150 N. CONGRESS DRIVE  
 NOGALES, ARIZONA 85621

TO BE FILLED OUT BY REQUESTOR (PLEASE PRINT CLEARLY):

DATE	TOWNSHIP	RANGE	SECTION	TAX CODE (APN)	
9/23/22	20S	13E	31	111-32-007A	
LAST NAME			FIRST NAME		PHONE
SITE OWNER: State of AZ ADOT			Beverly		520 792-8200
REQUESTOR: Weissenborn			Beverly		520 792-8200
REQUESTOR EMAIL			bev@weissenbornappraisal.com		
ADDRESS			CITY	ST	ZIP
SITE: 1012 E. FRONTAGE RD.			Tubac	AZ	
REQUESTOR: Beverly Weissenborn Siding					
SUBDIVISION & LOT # (OR OTHER LEGAL DESCRIPTION):			N/2 N/2 SW/4 OF Sec. 31, T20S, R13E, except 793/467		
DESCRIPTION OF PROPOSED USE OF PROPERTY:			SFR OR any habitable structure		
DESCRIPTION OF ANY SUPPORTING INFORMATION BEING SUBMITTED:			Need to know if any habitable structures would be allowed.		
The undersigned requests information regarding the requirements of the SANTA CRUZ COUNTY FLOODPLAIN AND EROSION HAZARD MANAGEMENT ORDINANCE, #2021-02, for Santa Cruz County, ARIZONA, for new construction or substantial improvement, et al, of the referenced property based on the proposed use of the property indicated above. Furthermore, the undersigned grants access to the property as needed during the permitting and construction process to perform any necessary inspections or evaluations					
REQUESTOR SIGNATURE->			Beverly Weissenborn		

THIS PORTION AND REVERSE TO BE COMPLETED BY FLOOD CONTROL DISTRICT:

RECD BY	DATE RECD	NUMBER	CODES	AREA	ZONES	PANEL / DATE	PREPARED BY / DATE
Edgar	9/23/22	22-042	SFR		A.L	040090-040130 02936 10/11/22	Edgar 10/11/22
<p><b>THIS IS NOT A FLOODPLAIN USE PERMIT</b> The information is provided regarding requirements of the Ordinance for new construction/substantial improvement of, or flood protection/mitigation, or flood insurance purposes for the referenced property. The information is provided to assist interested parties in understanding the general and most common conditions associated with the floodplain use permitting process which may affect the usability and/or value of the property. This information is provided based on the planned site use indicated above (if any), without the benefit of an application for a permit for a specific use (e.g., house, fence, mobile home etc.) and is for general information purposes. Other conditions may apply depending on the specific use. This information is subject to change without notice as property, technical or regulatory conditions change. <u>A Floodplain Use Permit is required for any specific uses within the floodplain</u> and such permit most likely will contain specific conditions for specific uses. <u>This information is not valid unless signed below by a representative of the Santa Cruz County Flood Control District.</u></p>							
SIGNED			Edgar			DATE 10/19/22	

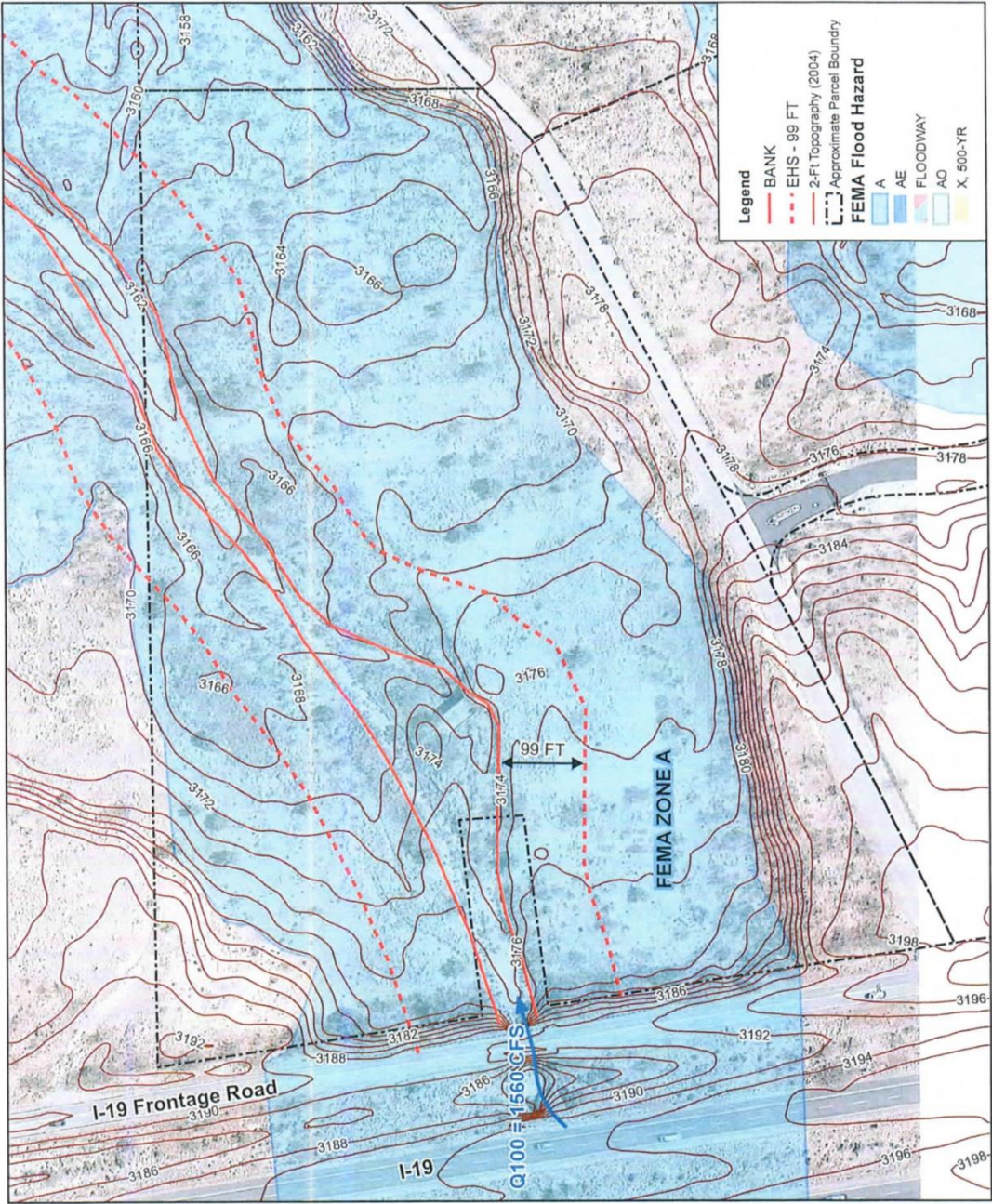


**THIS IS NOT A FLOODPLAIN USE PERMIT**

The following information is provided in response to the SITE REVIEW REQUEST on the reverse and provides information regarding requirements of the SANTA CRUZ COUNTY FLOODPLAIN AND EROSION HAZARD MANAGEMENT ORDINANCE, #2021-02 FOR SANTA CRUZ COUNTY ARIZONA for new construction or substantial improvement of, or for flood protection and mitigation for, or flood insurance/elevation certificate requirements for the referenced property. This is for informational purposes only.

<p><b>GENERAL INFORMATION AND REQUIREMENTS (applicable to all floodplain uses)</b></p> <p>Any activity will have to meet the requirements of the FLOODPLAIN AND EROSION HAZARD MANAGEMENT ORDINANCE #2021-02 FOR SANTA CRUZ COUNTY, ARIZONA. When a permit is issued for a use it is valid for a period of one (1) year from the date of approval unless otherwise indicated. Permits can be revoked subject to the provisions of Section 4.1.</p> <p>When a permit is issued for a use the applicant assumes responsibility for all aspects of the work to be performed and certifies that any and all federal, state and other local permits required for the activity. Natural drainage cannot be altered, disturbed or obstructed, other than as allowed on an issued permit.</p>
<p><b>SPECIFIC INFORMATION AND REQUIREMENTS (applicable to the property described on reverse):</b></p> <p>Site Review #22-042</p> <p>Permittee acknowledges that the subject property is located in FEMA Flood Hazard Area <u>Zone A</u> as shown on the Flood Insurance Rate Map (FIRM), Community-Panel Nos. <u>040090-04023C-0043C</u>, effective date <u>December 2, 2011</u>. <b>Federal law requires that a flood insurance policy be obtained as a condition of a federally-backed mortgage or loan that is secured by a building located within a SFHA (Zones A, AE, AH, AO, and A99).</b></p> <p>Permittee acknowledges that the subject property is located in a locally regulatory flood prone and/or erosion hazard area per the Santa Cruz County Floodplain and Erosion Hazard Management Ordinance #2021-02.</p> <p>Site Review is to determine permitting requirements for Santa Cruz County APN # 111-32-007A.</p> <p>The 100-year discharge was calculated using the USGS StreamStats program. A 100-year discharge of 1560 cfs was calculated. This discharge is associated with an erosion hazard setback of 99-feet from the bank of the wash.</p> <p>Prior to any development on the parcel, a floodplain use permit (FPUP) would be required. Parcel lines represented on the County's GIS maps are not accurate and it is suggested that parcel lines are surveyed and plotted with FEMA floodplain in the correct location. Most of the parcel is within the FEMA Zone A Special Flood Hazard - Area (SFHA). The Zone A floodplain limits are approximate without established Base Flood Elevations (BFE). Any development with the floodplain must not increase water surface elevations on neighboring property more than 6-inches – justification of this will require an encroachment analysis. A more detailed study could be done to establish the BFE. Any habitable structure within the SFHA must be elevated 1-foot above the calculated BFE. Elevation certificates completed by a register surveyor or engineer will be required.</p> <p>Construction within the erosion hazard setback will require an engineering analysis to ensure the foundation is protected from potential lateral migration of the stream. On-site septic systems must be located outside of the EHS. The floodplain limits and EHS should be delineated and shown on the Site Plan submitted with the building permit application.</p> <p>If a more accurate site plan is prepared, the County could be more specific with requirements for the improvements.</p> <p>The above information is for single-family residential development. Commercial or subdivision developments will have different permitting requirements.</p> <p>For purposes of this site review the following flood elevations shall be used:</p> <p>Base Flood Elevation (BFE) = TBD feet  Regulatory Flood Elevation (RFE) = TBD + 1.0 feet  ( ) above highest adjacent, undisturbed natural grade  (X) per the North American Vertical Datum (NAVD) 1988</p>





0 70 140  
Feet  
1 inch = 140 feet

**PARCEL 111-32-007A  
FLOOD HAZARD MAP**





**PURCHASE ORDER**

*PHOENIX, on 7/12/2022*

*CTR054976/ JW-22-007/ M519301X/ L-SC-001/ Appraisal due 90 days from approval-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@WEISSENORNAPPRAISAL.COM

**ORDER No. P0000450034**  
*(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	CTR054976-1	537090-1	CTR054976/ JW-22-007/ M519301X/ L-SC-001/ Appraisal due 90 days from approval Commentaire : L-SC-001	1.0000	Total Cost	2,900.0000	2,900.0000

**Total before Tax** **2,900.0000 USD**  
 Non-Taxable - 0 % 0.0000 USD  
**Total after Tax** **2,900.0000 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.

