

APPRAISAL COVER SHEET

TYPE OF REPORT: Appraisal for Market Value

ADOT PARCEL NO.: L-SC-016-H

ORDER NO.: PO 0000516231

OWNER NAME: State of Arizona, by and through its Department of Transportation

NAME & LOCATION OF PROPERTIES: First Ave – US 89; Portion of Section 32, T11S, R14E, G&SRB&M, Pima County, Arizona. The property is located at the northwest corner of Oracle Road and Tangerine Road, Oro Valley, Arizona 85755. The property has no physical address or assigned Tax Identification Number.

PROJECT: M6975 01X

HIGHWAY: Tangerine Rd Hwy (Rescinded)

SECTION: First Ave. – U.S. 89

DATE OF APPRAISAL REPORT: February 18, 2023

EFFECTIVE DATE OF VALUE: January 30, 2023

APPRAISERS: John Ferenchak  
Certified General Real  
Estate Appraiser #30344

Steven R. Cole, MAI, SRA  
Certified General Real  
Estate Appraiser #30130





P.O. Box 16156  
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## ***LETTER OF TRANSMITTAL***

February 18, 2023

Mr. Jim Walcutt  
Arizona Department of Transportation  
205 South 17<sup>th</sup> Avenue, Mail Drop #612E  
Phoenix, Arizona 85007

RE: Appraisal of ADOT Parcel L-SC-016-H which consists of a vacant parcel of land consisting of approximately 971,687 square feet of site area, located at the northwest corner of Oracle Road (SR77) and Tangerine Road (Old SR 989), Oro Valley, Arizona 85755.

### **Appraiser's File No.: 23-012-L**

Mr. Walcutt:

At your request, we have provided our market value opinion for the subject property referenced above. The subject consists of a 22.31 acre parcel of vacant land that is located at the northwest corner of Oracle Road and Tangerine Road in Oro Valley, Pima County, Arizona 85755. The property has no physical address or assigned Tax Identification Number.

The purpose of this appraisal is to provide the market value opinion for the subject property as of January 30, 2023, pursuant to Arizona Revised Statute 28-7091, 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 users of the appraisal include the officials and agents of the Arizona Department of Transportation. No other use or users are intended, and any unintended use may be misleading. The intended use of the appraisal is to utilize the market value estimate to assist in decisions regarding the disposition of the property identified herein.

This appraisal report is intended to comply with the requirements set forth in: (1) the Arizona Department of Transportation Appraisal Standards and Specifications; and (2) the *Uniform Standards of Professional Appraisal Practice 2020-2023* (USPAP), promulgated by the Appraisal Standards Board of the Appraisal Foundation. The Sales Comparison Approach is utilized to support our market value opinion.

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 other than the client without the prior, expressed written permission of the authors, as set forth within the Assumptions and Limiting Conditions contained in this report.

Based upon the data, analysis, opinion, and conclusion contained in this report, our market value opinion for the subject property, as of January 30, 2023, is as follows:

**ADOT PARCEL L-SC-016-H, MARKET VALUE OPINION .....\$135,000**

**This estimate of Market Value equals approximately ..... \$6,000 Per Acre  
An exposure time of 12 months or less is estimated for the sale of the subject property.**

**PROPERTY HISTORY:**

The subject property is not currently listed for sale on the ADOT website and no prior transactions were reported or revealed over the past 3 years.

**Extraordinary Assumption:**

Pursuant to the Uniform Standards of Professional Appraisal Practice (USPAP), the definition of Extraordinary Assumption is as follows:

*“An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser’s opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis”.*

This appraisal report is based on the following extraordinary assumptions:

- 1) No archaeological survey was provided to the appraisers. It is an extraordinary assumption of this appraisal that there is no known archaeological significance on the subject property.*
- 2) No geological survey was provided to the appraisers. It is an extraordinary assumption of this appraisal that there is no known geological significance on the subject property.*
- 3) The property was inspected by the appraisers. No evidence of environmental risks or hazardous conditions was observed. It is an extraordinary assumption of this appraisal that there are no known environmental risks or hazardous conditions on the subject property.*
- 4) This appraisal relies on the site area obtained from the ADOT Right of Way Disposal Report dated February 4, 2022. It is an extraordinary assumption that the site area provided by ADOT is accurate.*
- 5) According to a legal description provided by ADOT, the subject property has direct physical and legal access on Tangerine Road, although there is no easement or access from Oracle Road. The Tangerine Road access is from a point 660 feet measured along the Tangerine Road northerly right of way line from its juncture with the existing westerly right of way line of said State Route 77 also known as Oracle Road. We believe and have*



*assumed this physical and legal access can be used for any future development on the subject property.*

**Hypothetical Condition:**

Pursuant to the Uniform Standards of Professional Appraisal Practice (USPAP), hypothetical condition is defined as follows:

*“A hypothetical condition is a condition directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for the purpose of analysis. Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.”<sup>1</sup>*

There are no hypothetical conditions that apply to this appraisal.

***The use of these extraordinary assumptions and hypothetical conditions might have affected the assignment results.***

We hereby certify that to the best of our 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.

In order to guarantee the authenticity of this report, the designated appraisers have imprinted this letter of transmittal with an embossed seal. Any copy without same is not a certified copy and the appraisers assume no responsibility or liability for such a report.

Respectfully submitted,

Southwest Appraisal Associates, Inc.

By   
\_\_\_\_\_  
John Ferenchak  
Certified General Real  
Estate Appraiser #30344

By   
\_\_\_\_\_  
Steven R. Cole, MAI, SRA  
Certified General Real  
Estate Appraiser # 30130

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<sup>1</sup> *Uniform Standards of Professional Appraisal Practice, 2020-2022 Ed., Appraisal Foundation*

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**TABLE OF CONTENTS**

**LETTER OF TRANSMITTAL** ..... I

**TABLE OF CONTENTS** ..... 1

**EXECUTIVE SUMMARY** ..... 5

**THE APPRAISAL PROCESS** ..... 7

**PROPERTY IDENTIFICATION** ..... 8

**PURPOSE OF THE APPRAISAL** ..... 11

**SCOPE OF WORK**..... 12

**REGIONAL ANALYSIS** ..... 13

**NEIGHBORHOOD ANALYSIS** ..... 20

**SITE ANALYSIS** ..... 31

**ASSESSED VALUATION & TAX DATA** ..... 35

**ZONING & GENERAL PLAN** ..... 35

**MARKET ANALYSIS** ..... 36

**HIGHEST AND BEST USE**..... 38

**LAND VALUATION** ..... 40

**LAND VALUE ANALYSIS**..... 50

**AUDITING BREAKDOWN**..... 56

**CERTIFICATION** ..... 59

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## ***ASSUMPTIONS AND LIMITING CONDITIONS***

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

This report is being prepared for the 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 authors, as set forth within the Limiting Conditions contained in this report.

The Appraisers assume no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor do the Appraisers 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 legal description provided is assumed to be correct. Unless otherwise noted, it is assumed there are no encroachments, zoning violations or restrictions existing in the subject property.

The Appraisers have 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 Appraisers 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 establish an opinion of value of the subject property. Any variation in dimensions or calculations based thereon may alter the value contained within the report.

In determining an opinion of market value of the subject property and in analyzing comparable information, the Appraisers have 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 the opinion of market value, the Appraisers may consider 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 opinions 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 Appraisers assume 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 Appraisers are not required to give testimony or appear in court because of having made the appraisal with reference to the property in question unless prior arrangements have been made and confirmed in writing.

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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 Appraisers assume 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 Appraisers assume 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 Appraisers have 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 Appraisers. The Appraisers assume, and the client warrants, that no such materials adversely affect the utility, usability or developability of the property to the best of their knowledge. The Appraisers are 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 value of the property. The opinion of value 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 Appraisers reserve the right, for an additional agreed upon fee, to re-analyze and revalue said property, taking into account the discovery of such factor or factors and their effects on the value of the subject property.

The presence of barriers to the disabled, which may or may not be present within or on the subject property, will not be considered by me. The Appraisers assume, and the client warrants, that no such barriers adversely affect the utility, usability, or developability of the property to the best of their knowledge. The Appraisers are not qualified to analyze such barriers. The value opinion has been predicated on the assumption that there are no such barriers 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 architectural knowledge required to identify and analyze them. The client is urged to retain an expert in this field, if desired. If at a later time the presence of such barriers is surveyed by an expert, we reserve the right, for an additional agreed upon fee, to reanalyze and revalue said property, taking into account the discovery of such factors and their effects on the value of the subject property.

Information, estimates, and opinions furnished to the Appraisers 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 Appraisers can be attributed to the Appraisers. Disclosures of the contents of the report by the Appraisers is governed by the Bylaws and Regulations of the professional appraisal organizations with which the Appraisers are 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 Appraisers.



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Prospective value opinions are intended to reflect the current expectations and perceptions of market participants along with available factual data. They should be judged on the market support for the forecasts when made, not whether specific items in the forecasts are realized. The appraiser cannot be held responsible for unforeseeable events that alter market conditions prior to the effective date of the report.

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

### ***EXTRAORDINARY ASSUMPTIONS/HYPOTHETICAL CONDITIONS***

#### **Extraordinary Assumption:**

Pursuant to the Uniform Standards of Professional Appraisal Practice (USPAP), the definition of Extraordinary Assumption is as follows:

*“An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser’s opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis”.*

This appraisal report is based on the following extraordinary assumptions:

- 1) No archaeological survey was provided to the appraisers. It is an extraordinary assumption of this appraisal that there is no known archaeological significance on the subject property.*
- 2) No geological survey was provided to the appraisers. It is an extraordinary assumption of this appraisal that there is no known geological significance on the subject property.*
- 3) The property was inspected by the appraisers. No evidence of environmental risks or hazardous conditions was observed. It is an extraordinary assumption of this appraisal that there are no known environmental risks or hazardous conditions on the subject property.*
- 4) This appraisal relies on the site area obtained from the ADOT Right of Way Disposal Report dated February 4, 2022. It is an extraordinary assumption that the site area provided by ADOT is accurate.*
- 5) According to a legal description provided by ADOT, the subject property has direct physical and legal access on Tangerine Road, although there is no easement or access from Oracle Road. The Tangerine Road access is from a point 660 feet measured along the Tangerine Road northerly right of way line from its juncture with the existing westerly right of way line of said State Route 77 also known as Oracle Road. We believe and have assumed this physical and legal access can be used for any future development on the subject property.*

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**Hypothetical Condition:**

Pursuant to the Uniform Standards of Professional Appraisal Practice (USPAP), hypothetical condition is defined as follows:

*“A hypothetical condition is a condition directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for the purpose of analysis. Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.”<sup>2</sup>*

There are no hypothetical conditions that apply to this appraisal.

***The use of these extraordinary assumptions and hypothetical conditions might have affected the assignment results.***

***EXECUTIVE SUMMARY***

General Location:	The subject parcel is vacant un-zoned land. It is located at the northwest corner of Oracle Road and Tangerine Road, Oro Valley, Arizona 85755. The property has no physical address or assigned Tax Identification Number.
Section, Township & Range:	Portion of Section 32, Township 11 South, Range 14 East, Gila and Salt River Base and Meridian, Pima County, Arizona
Assessor’s Parcel Number:	The property has no physical address or assigned Tax Identification Number.
Subject Size:	According to the ADOT Right of Way survey provided, the subject parcel contains 971,687 square foot or 22.31-acres.
Legal/Physical Access:	According to a legal description provided by ADOT, the subject property has direct physical and legal access on Tangerine Road, although has no easement or access from Oracle Road. The Tangerine Road access is westerly of a point on the existing northerly right of way line that is 660 feet, as measured along the northerly right of way line from its juncture with the existing westerly right of way line of said State Route 77 (Oracle Road).
Effective Date of Value:	January 30, 2023
Interest Appraised:	Fee Simple Estate.
Intended Use of the Appraisal:	The intended user of the appraisal includes the officials and

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<sup>2</sup> *Uniform Standards of Professional Appraisal Practice, 2020-2022 Ed.*, Appraisal Foundation

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agents of the Arizona Department of Transportation. No other use or users are intended, and any unintended use may be misleading.

**Intended Use of the Appraisal:** The intended use of the appraisal is to utilize the market value estimate to assist in decisions regarding the disposition of the property identified herein.

**Flood Insurance Zone:** The subject property identified as being located in Flood Zone X (Unshaded) per FIRM Map Panel No. 04013C1090L and 04019C1095L, both dated June 16, 2011. Zone X (Unshaded), which is an area defined by FEMA as being outside the 100 and 500-year flood plains.

**Zoning/General Plan:** The subject site is found within the jurisdiction of Oro Valley although is not currently zoned as it is a right of way parcel owned by ADOT. According to a representative with the Oro Valley Planning and Zoning department, the subject's zoning would assume the zoning of the adjacent parcels (Open Space), if ADOT sold the property to a private entity.

**Highest and Best Use:** Open Space

**Market Value Opinion:** **ADOT Parcel No.: L-SC-016-H.....\$135,000**

**This is equal to approximately \$6,000 per acre**

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## ***THE APPRAISAL PROCESS***

An appraisal is an opinion based upon research, judgment, and an analysis of factors influencing real estate value. These factors consider the four major forces at work in the economy: physical, legal/political, social, and economic forces.

The sections comprising the first portion of the report include: Date, Function and Purpose of the Appraisal, Property Identification, Scope of Work, Regional and Neighborhood Analysis, Site Analysis, and Highest and Best Use. The highest and best use of the subject is the basis upon which market value is determined.

The second portion of the report contains the approaches used to determine an opinion of market value of the fee simple interest in the subject property. The fee simple interest is the unencumbered interest in the property. The three traditional approaches to value are considered. However, since the subject represents vacant land, the only applicable approach to value is the Sales Comparison Approach.

In the Sales Comparison Approach, recent sales of similar industrial sites, 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. The degree of similarity between the comparables and the subject determines the reliability of this approach.



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## ***PROPERTY IDENTIFICATION***

The subject parcel is vacant un-zoned land. It is located at the northwest corner of Oracle Road and Tangerine Road, Oro Valley, Arizona 85737. The property has no physical address or assigned Tax Identification Number. According to the ADOT Right of Way survey provided, the subject parcel contains 971,687 square foot or 22.31-acres. The following legal description for the subject was provided by ADOT.

That portion of the North half of the Southwest quarter (N $\frac{1}{2}$ SW $\frac{1}{4}$ ), of the Northwest quarter of the Southeast quarter (NW $\frac{1}{4}$ SE $\frac{1}{4}$ ), and of the Southwest quarter of the Northeast quarter (SW $\frac{1}{4}$ NE $\frac{1}{4}$ ) of Section 32, Township 11 South, Range 14 East, Gila and Salt River Meridian, Pima County, Arizona, described as follows:

Commencing at a stone marking the Southwest corner of said Section 32;

thence along the West line of said Section 32, North 00°00'42" East 1440.68 feet to the existing northerly right of way line of "Old" State Route 989 (TANGERINE ROAD);

thence along said existing northerly right of way line of "Old" State Route 989 South 81°55'32" East 514.50 feet;

thence continuing along said existing northerly right of way line of "Old" State Route 989 South 89°30'06" East 100.00 feet;

thence continuing along said existing northerly right of way line of "Old" State Route 989 along a curve to the Left having a radius of 1933.48 feet, a length of 273.56 feet to the POINT OF BEGINNING;

thence continuing along said existing northerly right of way line of "Old" State Route 989 from a Local Tangent Bearing of North 82°23'30" East along a curve to the Left having a radius of 1933.48 feet, a length of 163.05 feet;

thence continuing along said existing northerly right of way line of "Old" State Route 989 North 77°33'36" East 800.01 feet;

thence continuing along said existing northerly right of way line of "Old" State Route 989 North 63°52'21" East 590.00 feet;

thence continuing along said existing northerly right of way line of "Old" State Route 989 North 33°52'21" East 760.00 feet;

thence continuing along said existing northerly right of way line of "Old" State Route 989 North 18°52'21" East 410.00 feet;

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thence continuing along said existing northerly right of way line of "Old" State Route 989 North 07°22'21" East 1091.65 feet to the existing westerly right of way line of State Route 77 (TUCSON - ORACLE JUNCTION - GLOBE HIGHWAY);

thence along said existing westerly right of way line of State Route 77 South 00°41'40" West 957.50 feet;

thence continuing along said existing westerly right of way line of State Route 77 along a curve to the Right having a radius of 7539.44 feet, a length of 1718.65 feet to the present existing northerly right of way line of Tangerine Road;

thence along said present existing northerly right of way line of Tangerine Road from a Local Tangent Bearing of North 75°25'54" West along a curve to the Left having a radius of 2006.60 feet, a length of 492.76 feet;

thence continuing along said present existing northerly right of way line of Tangerine Road North 89°30'06" West 1443.34 feet;

thence continuing along said present existing northerly right of way line of Tangerine Road North 00°29'54" East 18.32 feet to the POINT OF BEGINNING.

Comprising an area of 971,687 square feet, more or less.

The parcel of land herein conveyed shall have no right or easement of access to or from State Route 77 (TUCSON - ORACLE JUNCTION - GLOBE HIGHWAY), or Tangerine Road, provided however, access shall be permitted to Tangerine Road westerly of a point on the existing northerly right of way line of said Tangerine Road that is 660 feet, as measured along said existing northerly right of way line from its juncture with the existing westerly right of way line of said State Route 77.

The Access Control provisions set forth above shall be a covenant running with the land and shall be binding upon, and shall inure to the benefit of the State of Arizona, the landowners and their respective successors and assigns with respect to the property. The Access Control provisions shall also remain enforceable by the State of Arizona even if all or part of any roadway is abandoned to a local jurisdiction.

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

**ALSO RESERVING UNTO THE GRANTOR**, and its successors or assigns, a perpetual easement for the construction and maintenance of drainage features for the protection of said State Highway 77, together with the right of ingress and egress for said purposes over the above described property; and

**ALSO RESERVING UNTO THE GRANTOR**, and its successors or assigns, a perpetual easement for the purpose of maintaining and repairing slopes or embankments over the above described property.

# ADOT MAP - AREA 1

## Sketch Plan 6

Abandonment No: D-SC-007  
 Disposal No: Not Allocated  
 ADOT Project: S-483-701  
 Tangerine Road/S.R.77  
 Tucson

### Area of Abandonment Sketch Plan 6:

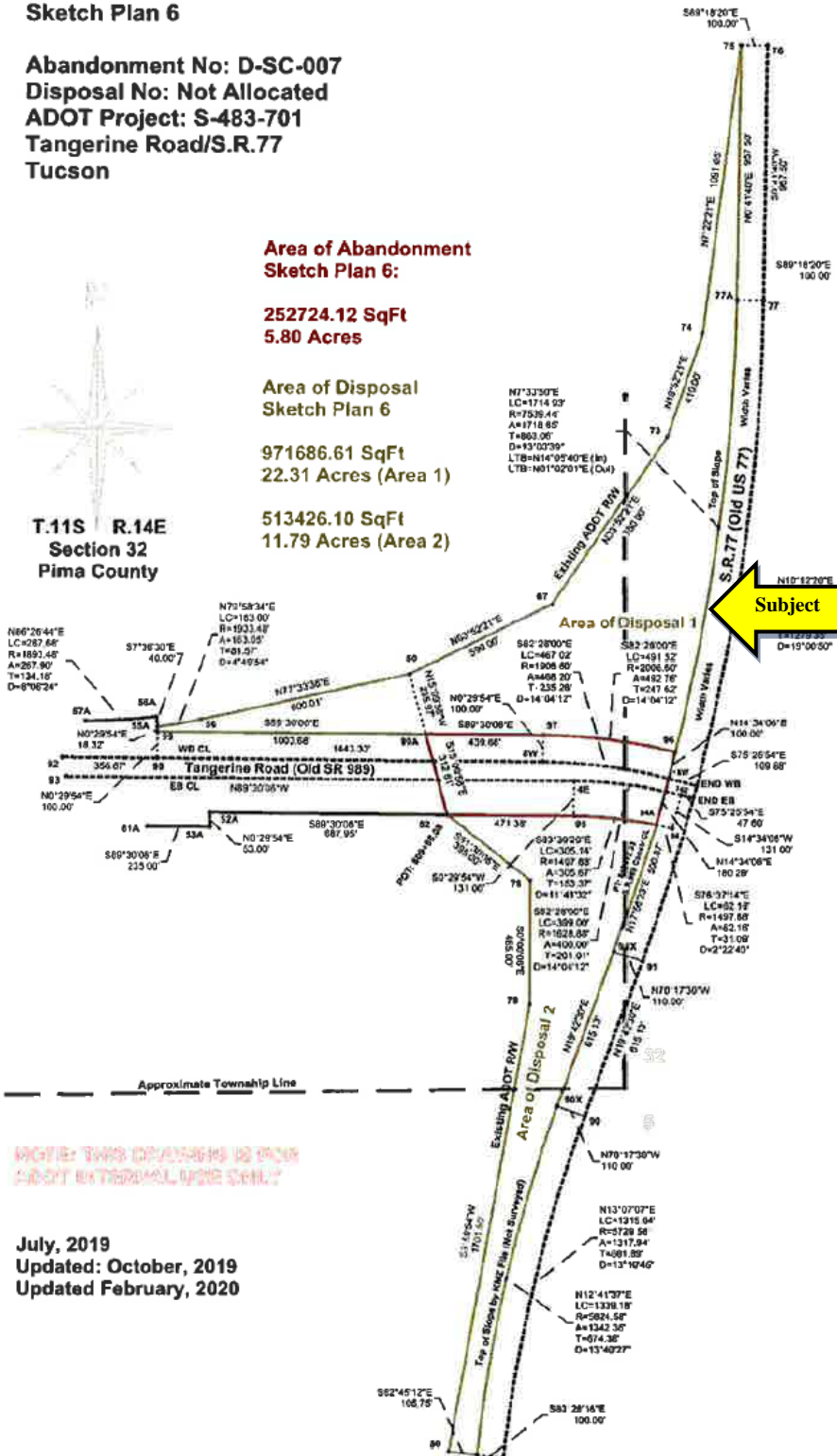
252724.12 SqFt  
 5.80 Acres

### Area of Disposal Sketch Plan 6

971686.61 SqFt  
 22.31 Acres (Area 1)

513426.10 SqFt  
 11.79 Acres (Area 2)

T.11S R.14E  
 Section 32  
 Pima County



NOTE: THIS DRAWING IS FOR ADOT INTERNAL USE ONLY

July, 2019  
 Updated: October, 2019  
 Updated February, 2020

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## ***PURPOSE OF THE APPRAISAL***

- Purpose of the Appraisal:*** The purpose of this appraisal is to estimate the market value of the fee simple estate.
- Intended User of the Appraisal:*** The intended user of the appraisal includes the officials and agents of the Arizona Department of Transportation. No other use or users are intended, and any unintended use may be misleading.
- Intended Use of the Appraisal:*** The intended use of the appraisal is to utilize the market value estimate to assist in decisions regarding the disposition of the property identified herein.
- Date of Value Opinion:*** The effective date of the value opinion is January 30, 2023.
- Date of the Appraisal Report:*** The date of the appraisal report is February 18, 2023.

## ***DEFINITIONS***

### ***Definition of Market Value:***

Pursuant to Arizona Revised Statute 28-7091:

*"...'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."*

### ***Interest To Be Appraised:***

The interest to be appraised for the subject is the fee simple estate interest, defined as follows:

*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.<sup>3</sup>*

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<sup>3</sup> *The Dictionary of Real Estate, 6<sup>th</sup> Ed.*, Appraisal Institute, 2015, p. 90.



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## ***OWNERSHIP HISTORY AND FIVE-YEAR CHAIN OF TITLE***

### **ADOT Parcel L-SC-016-H:**

Title to subject property is vested in the State of Arizona, by and through its Department of Transportation. This entity has held title for since 1992. Based on our review of the report, public records, and other sources, there have been no other sales, title transfers, or offers to purchase the subject for the five years prior to this appraisal. The subject property is not currently listed for sale on the ADOT website.

### ***SCOPE OF WORK***

The Scope of Work for an appraisal is the extent of the process of collecting, confirming, and reporting data, as well as the methods used in supporting the value opinion. The Sales Comparison Approach is employed to estimate the market value of the subject property. The Cost and Income Approaches are excluded since the market does not rely on these approaches when valuing vacant land.

In accordance with *Uniform Standards of Professional Appraisal Practice* (USPAP), effective January 1, 2022, the scope of work for the appraisal includes, but is not limited to, the following:

- Inspection and analysis of the subject property, market conditions, and other restrictions that affect value; and
- Research, analysis, and confirmation of comparable market data.

Research included the examination of sales and listing data published by CoStar COMPS of Arizona, ARMLS, Pima County records, and interviews with real estate participants and brokers. Based on our conclusion of Highest and Best Use, similar land comparables in metro Tucson in the area of the subject were selected.

The comparable sales and other market data that is included in the analysis are considered to be the best available. The data selected is adequate to provide reliable indications of market value for the subject property. Overall, the market value opinion provided in this report is well supported.

### ***Limitation in Scope:***

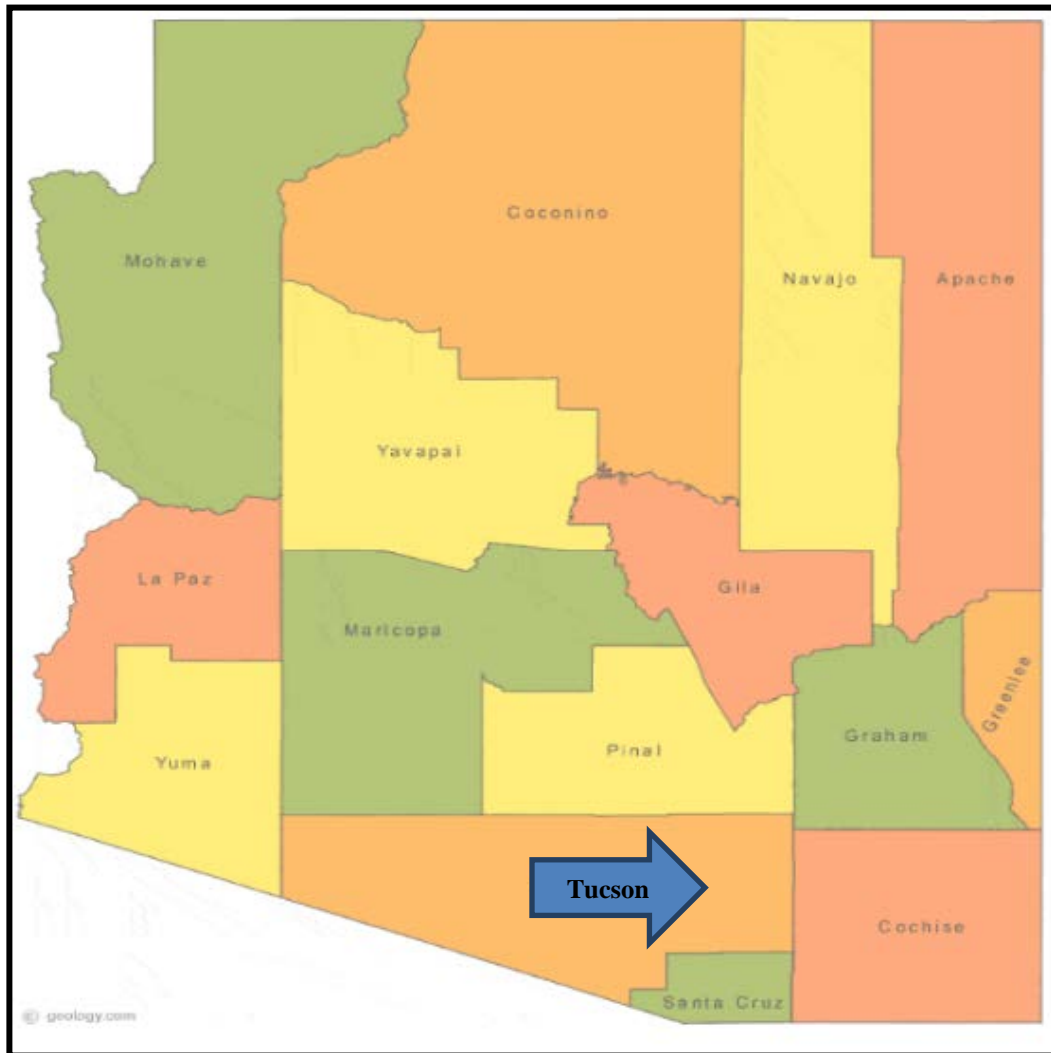
This report is a narrative appraisal report. There are no other limitations in the scope of the assignment, other than those discussed in the Assumptions and Limiting Conditions, Extraordinary Assumptions, and Hypothetical Conditions.

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## ***REGIONAL ANALYSIS***

The subject property is located within Pima County in the State of Arizona. This section presents an analysis of Pima County's growth and economic trends. The City of Tucson is also reviewed here. Then, we provide a conclusion relating these area trends to the valuation of the subject property.

### ***ARIZONA COUNTY MAP***



### ***OVERVIEW – PIMA COUNTY***

Pima County is located in southern Arizona and is about 95 miles south of Phoenix. Mexico is immediately south of Pima County. The county has five incorporated cities including Tucson, South Tucson, Marana, Oro Valley, and Sahuarita. These cities are

clustered around Tucson. Green Valley, a large retirement community, is unincorporated and is about 25 miles south of Tucson.

Pima County is within an area known as the Sonora Desert, a unique eco-system. It is the only area in the World where the Saguaro cactus grows naturally. The city of Tucson is located in eastern Pima County and is the largest city in Pima County. It is in a valley surrounded by the Catalina, Rincon, Santa Rita, and Tucson Mountain ranges. Elevations within these ranges climb to over 9,000 feet.

The University of Arizona is one of the largest employers in the County. It is a nationally recognized undergraduate and graduate school with total enrollment of over 45,900 persons. Davis-Monthan Air Force base is an important defense installation, also located in Tucson. Due to its clear night skies, Pima County is home to a number of prominent observatories including the Kitt Peak National Observatory.

***POPULATION – PIMA COUNTY***

The population for Pima County is detailed in the following table. The County had positive population growth for the past five years. The five-year population growth was 3.6%.

<b>Population Pima County</b>			
<u>Year</u>	<u>Total Population</u>	<u>Numerical Increase</u>	<u>Percent Increase</u>
2017	1,021,153	N/A	N/A
2018	1,028,511	7,358	0.72%
2019	1,038,205	9,694	0.94%
2020	1,045,589	7,384	0.71%
2021	1,058,318	12,729	1.22%

Note: All estimates are as of July. 2020 is the actual Census.

Source: State of Arizona, Office of Employment & Population Statist

<https://population.az.gov/population-estimates>

***GROSS DOMESTIC PRODUCT – TUCSON (MSA)***

The primary measure of an area’s economic activity is Gross Domestic Product (GDP). GDP figures for the Tucson Metropolitan Statistical Area are provided in the following table for the past five years. The figures are in current dollars. Positive GDP growth was reported for 2015 to 2019. Overall, the most recently released GDP growth in the Tucson MSA was negative 8.75%, a trend that was lower due to the COVID-19 pandemic. GDP growth is expected to increase with the ending of COVID-19 lock downs.

**Gross Domestic Product  
Pima County**

Year	Total	Numerical Increase	Percent Increase
2016	\$ 37,134	N/A	N/A
2017	\$ 38,636	\$ 1,502	4.04%
2018	\$ 40,011	\$ 1,375	3.56%
2019	\$ 42,169	\$ 2,158	5.39%
2020	\$ 38,479	\$ (3,690)	-8.75%

Note: Dollars are in millions.  
 Source: U.S. Bureau of Economic Analysis  
[https://www.bea.gov/iTable/index\\_regional.cfm](https://www.bea.gov/iTable/index_regional.cfm)

***EMPLOYMENT AND UNEMPLOYMENT – PIMA COUNTY***

Total employment and unemployment rates for Pima County are provided in the following tables from 2016 through 2021. Please note that all statistics are as of December. Pima County had positive employment growth from 2016 to 2019. In 2020 there was a large decrease in employment due to the pandemic. This trend reversed dramatically with a 5.56% increase in 2021 with the pandemic lock downs ending.

**Employment  
Pima County**

Year	Total Employment	Numerical Increase	Percent Increase
2016	452,436	N/A	N/A
2017	457,092	4,656	1.03%
2018	469,665	12,573	2.75%
2019	480,705	11,040	2.35%
2020	459,909	(20,796)	-4.33%
2021	485,470	25,561	5.56%

Note: All figures are as of December.  
 Source: U.S. Bureau of Labor Statistics.  
<https://www.bls.gov/regions/west/arizona.htm>

Unemployment as of year-end 2021 was 2.8%, well below the year-end 2020 figure of 6.9%. The rise in unemployment in 2020 was largely due to pandemic. Unemployment is trending downward with the recovery of the jobs lost during the pandemic. Prior to the pandemic, the unemployment rate was consistently under 5%.



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### Unemployment Rates

#### Pima County

Year	Unemployment Rate
2016	4.6%
2017	4.3%
2018	4.6%
2019	4.2%
2020	6.9%
2021	2.8%

Note: All figures are as of December.

Source: U.S. Bureau of Labor Statistics.

<https://www.bls.gov/regions/west/arizona.htm>

### ***LARGEST EMPLOYERS – PIMA COUNTY***

The ten largest employers for Pima County are noted in the following table. The county's employment base is largely government related. The largest employer is the University of Arizona. Seven of the top ten employers are government entities. The three private sector employers noted are Raytheon, Walmart, and Freeport-McMoRan. Raytheon is dependent on government spending.

#### Ten Largest Pima County Employers

Name	Jobs	Industry
University of Arizona	10,846	Education
Raytheon	9,600	Defense
Davis Monthan Air Force Base	8,406	Defense
State of Arizona	8,508	Government
Tucson Unified School District	7,688	Education
Walmart	7,450	Retail
US Border Patrol	6,500	Government
University of Arizona Health Network	6,099	Health Care
Pima County	6,076	Government
Freeport-McMoRan Copper & Gold	5,463	Mining

Source: Phoenix Relocation Guide, 2022

<http://www.phoenixrelocationguide.com/Top-25-Tucson-Employers-and-Businesses/>

Davis Monthan jobs represent civilian only

### ***EMPLOYMENT GROWTH PROJECTIONS – PIMA COUNTY***

The University of Arizona Eller College of Management tracks the Tucson area economy. Employment figures were obtained from the Eller School of Management and are noted below. Employment growth is projected to continue but at a slower pace than 2021 growth. Please note that the figures exclude agricultural jobs.

**Employment Projections**  
**Pima County**

Year	Total Employment	Numerical Increase	Percent Increase
2022	392,900	Not. Applc.	Not. Applc.
2023	403,100	10,200	2.60%
2024	409,600	6,500	1.61%

Note: Excludes agricultural employment.

Source: Eller College of Management, University of Arizona.

<https://ebr.eller.arizona.edu/economic-forecasts/forecast-data>

***PIMA COUNTY COMMERCIAL MARKET TRENDS***

***Commercial Markets:***

The discussion here focuses on the four principal commercial property types. These include office, retail, industrial and apartments. Information from CoStar for each of these four property types is provided in the following table. All data is year-end information for each property type from 2010 through 2021.

Please note that the information reported is for the Tucson Metropolitan area which includes Tucson, South Tucson, Marana, Oro Valley, Sahuarita, and Green Valley. This represents the urban areas of Pima County, also known as the “Tucson Metropolitan Area.” The outlying rural areas are excluded.

**Pima County - Metropolitan Tucson  
Commercial and Multi-Family Markets**

Year	Office		General Retail		Industrial		Apartment	
	Vacancy	Rent Per Sq. Ft.	Vacancy	Rent Per Sq. Ft.	Vacancy	Rent Per Sq. Ft.	Vacancy	Rent Unit
2011	10.7%	\$ 19.07	7.7%	\$ 16.07	12.0%	\$ 6.34	10.3%	\$ 640
2012	11.3%	\$ 18.57	7.0%	\$ 15.87	11.7%	\$ 6.45	9.6%	\$ 648
2013	11.5%	\$ 19.19	6.4%	\$ 15.87	10.0%	\$ 6.65	10.0%	\$ 663
2014	10.7%	\$ 19.06	6.2%	\$ 16.02	9.4%	\$ 6.96	10.0%	\$ 676
2015	10.7%	\$ 19.48	5.9%	\$ 16.18	8.4%	\$ 7.22	9.2%	\$ 699
2016	10.1%	\$ 19.12	5.9%	\$ 16.37	7.0%	\$ 7.48	8.1%	\$ 724
2017	8.3%	\$ 19.92	5.8%	\$ 16.66	6.7%	\$ 7.81	6.8%	\$ 755
2018	7.6%	\$ 20.82	5.3%	\$ 16.89	5.8%	\$ 8.25	6.3%	\$ 794
2019	8.3%	\$ 21.13	5.7%	\$ 17.16	6.8%	\$ 8.64	6.7%	\$ 835
2020	9.9%	\$ 21.59	6.3%	\$ 17.32	6.6%	\$ 9.04	5.0%	\$ 890
2021	10.3%	\$ 22.16	6.1%	\$ 17.68	3.9%	\$ 9.68	5.0%	\$ 1,051
2022	10.5%	\$ 22.71	6.2%	\$ 17.57	3.1%	\$ 10.31	8.2%	\$ 1,088

Source: CoStar respective year-end reports for each property type.

In 2010 vacancy rates for most property types exceeded 10%. Since then, economic conditions have slowly improved. By year-end 2017, vacancy rates for all property types fell below 10%. However, the United States national economy has grown at a greater rate than the Pima County area.

At year-end 2022 the industrial and apartment vacancy rates were reported at 3.1% and 8.2%, which is indicative of a stable market in spite of the pandemic. The office and retail vacancy rates at year-end 2022 increased slightly to 10.3% and 6.2%, respectively. Although there have been increases in vacancy rates, the data shows that rental rates have increased.

***OVERVIEW – TUCSON***

Tucson was founded in 1775 and incorporated in 1877. Early occupants in the area were Indian tribes. Later the Spanish founded the San Xavier Del Bac Mission, also known as the White Dove of the Desert. This is one of the more famous landmarks in the State of Arizona. The city occupies a valley surrounded by the Catalina, Rincon, Santa Rita, and Tucson Mountain ranges. The city’s elevation is 2,641 at the airport and is desert.

***POPULATION – CITY OF TUCSON***

Population information for the City of Tucson is provided in the following table for the past six years. Tucson has by far the largest population in Pima County. The city’s current population is 546,061. The five-year population growth totals 3.2% or about 0.6% per year. The average annual growth rate is significantly slower than the state as a whole.

<b>Population City of Tucson</b>			
<b>Year</b>	<b>Total Population</b>	<b>Numerical Increase</b>	<b>Percent Increase</b>
2016	528,931	N/A	N/A
2017	533,694	4,763	0.90%
2018	538,883	5,189	0.97%
2019	541,288	2,405	0.45%
2020	542,629	1,341	0.25%
2021	546,061	3,432	0.63%

Note: All estimates are as of July. 2020 is the actual Census.

Source: State of Arizona, Office of Employment & Population Statist

<https://population.az.gov/population-estimates>

***Transportation – Tucson***

Tucson is adequately served by all major modes of transportation. The Tucson International Airport provides domestic and international air service to 23 different destinations. Interstate 10 connects Tucson with Phoenix and California to the north and New Mexico and Texas to the east. Interstate 19 connects Tucson with Mexico to the south. Greyhound provides local and national bus line service. Union Pacific provides

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freight rail service connecting with California and Texas. Passenger rail service is provided by Amtrak.

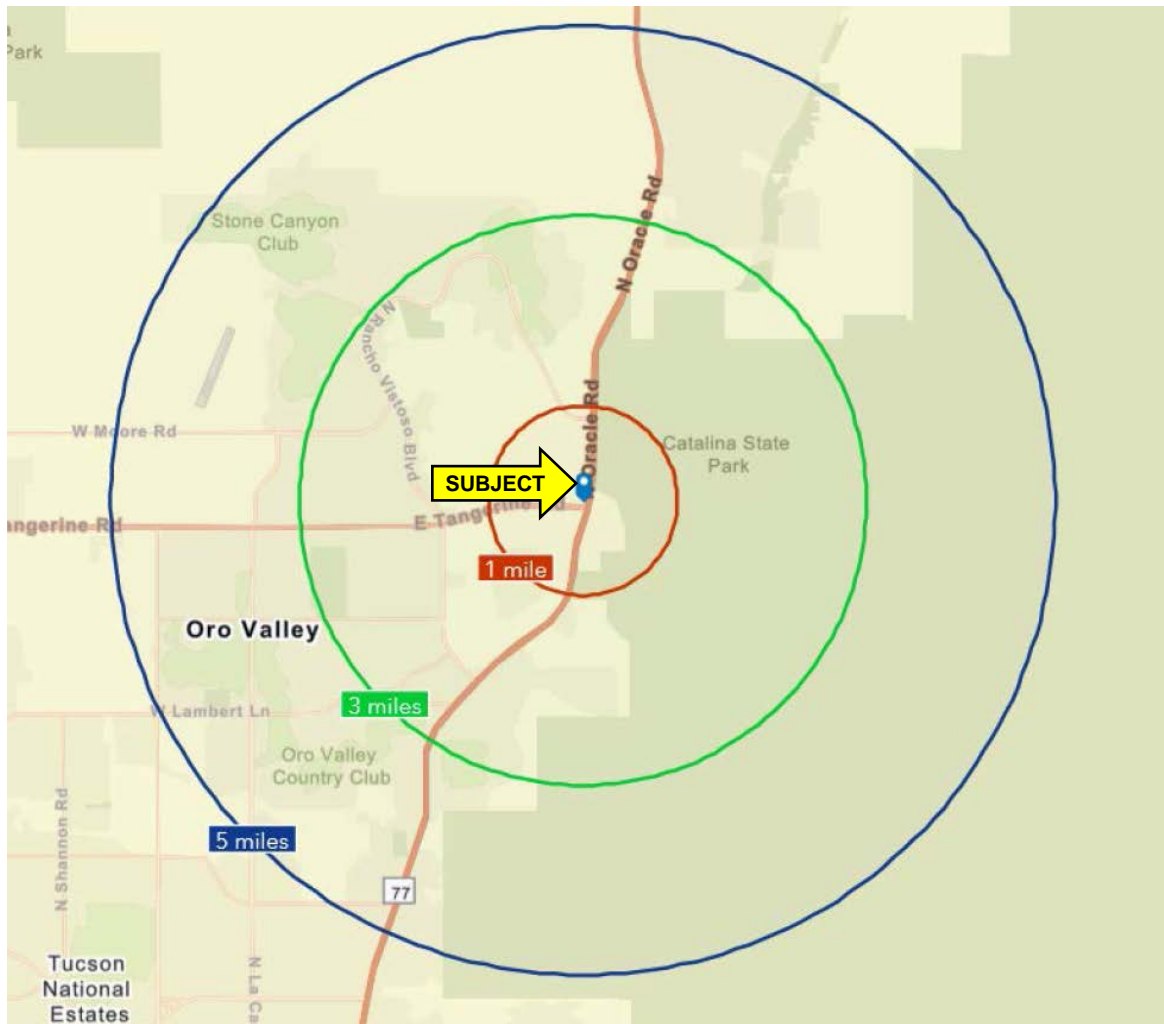
***CONCLUSION – REGIONAL IMPACT ON VALUE***

Pima County and the City of Tucson have experienced strong economic growth in the last 12 months. The effects of the pandemic are still seen in office and retail vacancy rates although pricing has continued to increase showing strong economic conditions. Employment in the area is projected to continue its increase, which will continue to stimulate the economy.

During 2022, long term mortgage interest rates have more than doubled from 3% to over 7%. More recently they have declined to the mid 6's. However, the effect on demand for all forms of real estate including single family residential homes has been significant. Given the weakened national economic conditions, commercial real estate in Tucson has an uncertain future in the near term.

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## ***NEIGHBORHOOD ANALYSIS***



The value of any property is not solely determined by the physical characteristics of the site. The environmental, social, economic, and governmental forces in the immediate area must also be analyzed as they can have direct and indirect effects on value.

The subject property is located north of Tucson, on the periphery of a neighborhood which is generally referred to as northwest Tucson. The subject is located on the fringe of the Tucson metropolitan area, in Oro Valley, about eight miles south of the Pima/Pinal County line. The boundaries of the subject neighborhood are roughly considered to be the Coronado National Forest to the east, Ina Road to the south, Thornydale Road to the west, and the Pima/Pinal County line to the north. These boundaries delineate an expansive area which is predominantly a combination of existing

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residential uses and vacant land, with some commercial uses which are found mainly along the major traffic routes. Tucson continues to grow in a northwesterly direction, led by a number of master planned communities. Commercial-oriented uses are developing in the neighborhood in response to population increases. Substantial quantities of vacant land still remain throughout the subject neighborhood, particularly in the northwest portion, with existing improvements found mostly in the southern portion and spreading to the north.

Primary north/south access throughout the neighborhood area is provided by the following traffic routes: Oracle Road, La Canada Drive, La Cholla Boulevard, and Thornydale Road. The Oracle Road corridor is one of the primary north/south transportation routes in the entire Tucson metro area, and is also known as State Highway 77. Along with Interstate Highway 10 to the west of the neighborhood, Oracle Road essentially connects the midtown and downtown areas of the city with northwest Tucson. Oracle Road is lined with a variety of commercial land uses including motels, restaurants, professional offices, banks, neighborhood shopping centers, gas stations, and retail stores. Along with the commercial land uses are also apartments and older condominium projects. However, as one travels north from Ina Road, into the subject neighborhood, commercial land uses taper off to the north of Magee Road with the exception of several focal points of new development.

Properties along Oracle Road account for most of the developed commercial sites in the subject neighborhood. Notable developments along Oracle Road include the Sheraton El Conquistador Resort, Oro Valley Country Club, Foothills Business Park and Honeywell manufacturing facility. Two major points of newer commercial development are near the intersections of First Avenue and Magee Road with Oracle Road. Farther north is found the Rancho Vistoso master planned community, with a neighborhood center featuring a grocery store space and Walgreen's drug store as anchors at the entrance to Rancho Vistoso. At the southern entrance to Rancho Vistoso is a neighborhood center anchored by a Safeway store. As one travels south from Ina Road, commercial uses along Oracle Road become much more intensive to the south of Magee Road. The Tucson Mall regional shopping center is located further to the south (south of the subject neighborhood), at the intersection of Oracle and Wetmore Road and the



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Foothills regional mall is located south of the neighborhood at Ina Road and La Cholla Boulevard.

La Canada Drive, La Cholla Boulevard and Thornydale Road are also primary north/south routes in the neighborhood. Major east/west traffic arteries which facilitate travel throughout the neighborhood include Magee Road, Cortaro Farms Road, Lambert Lane and Tangerine Road and they serve as access routes to the residential developments located north of Ina Road.

Several existing commercial developments have a significant impact upon the subject neighborhood. For example, the Sheraton El Conquistador Resort was built in the early 1980's and is located on the east side of Oracle Road, about four miles north of Ina Road. The hotel contains 440 rooms, including 180 casitas, and features 18 tennis courts, four indoor racquetball courts, and a nine-hole golf course. Other amenities include pool and spa facilities, riding stables and a health club. This resort draws a variety of conventioners and vacationers. The 36-hole Canada Hills Golf Course and Country Club, located farther to the west, is a course owned and operated by the town of Oro Valley.

The Honeywell (formerly Allied Signal Corporation and Garrett AiResearch) manufacturing facility is located on the east side of Oracle Road, to the north of the Sheraton El Conquistador. The facility contains approximately 355,000 square feet and was originally opened in January of 1987.

The Omni Tucson National Golf Resort and Spa is recognized as one of the more affluent settings in Tucson for many years, and the golf course served as the site for the annual Tucson Open PGA golf tournament for over fifteen years. Several years ago, Tucson National was transformed from a private club to a resort with 167 rooms now available. Amenities include 36 holes of championship golf, a European class health spa, swimming pool/Jacuzzi and six lighted tennis courts, and continues to be the location of the annual Senior Tucson Open PGA golf event.

In general, commercial/industrial oriented improvements in the neighborhood have been stabilizing for some time. This can also be said of greater Tucson as a whole, and market conditions for these types of properties are continuing to gradually improve. Commercial improvements are found almost exclusively along Oracle Road, Ina Road and near Interstate 10.

According to the *CoStar Group Reports*, the subject property is found within the North/Oro Valley Retail Submarket, North Tucson/Oro Valley Industrial and the North

Tucson/Oro Valley Office Submarkets. The following table summarizes the most recent vacancies in these various commercial markets.

<b>VACANCY RATES FOR COMMERCIAL MARKET SEGMENTS (SUBJECT AREA)</b>			
	<b>RETAIL</b>	<b>OFFICE</b>	<b>INDUSTRIAL</b>
<b>AGGREGATE VACANCY RATE\</b>	7.6% 4 <sup>th</sup> Quarter 2022	10.3% 4 <sup>th</sup> Quarter 2022	3.0% 4 <sup>th</sup> Quarter 2022

*Source: CoStar Group/Excludes Owner-Occupied Inventory*

Until recently, the subject neighborhood has experienced unprecedented population growth. According to Pima County statistics, the population in northwest Tucson had grown at a significant rate. While growth in the neighborhood has since slowed to more modest levels, it is still expected to lead all others in future metropolitan population growth.

Residential growth in the subject neighborhood has been influenced by a number of master planned communities located in or near the neighborhood. These include Canada Hills, Copper Creek, North Ranch, La Reserve, Continental Ranch, Rancho Vistoso, Dove Mountain and SaddleBrooke. Rancho Vistoso, Dove Mountain and SaddleBrooke still have a reasonable amount of inventory remaining.

Six separate governmental entities have jurisdiction in the subject neighborhood. Along with the City of Tucson, there are two other incorporated communities that influence the subject neighborhood. The first is the Town of Oro Valley, which has expanded its boundaries to the north to include the Rancho Vistoso development. The second is the Town of Marana, which has also adopted a pro-growth stance and has annexed western and central portions of the neighborhood. Most portions of the subject neighborhood that are not under the jurisdiction of the previously mentioned entities fall under the jurisdiction of Pima County.

Recreational facilities in the neighborhood include a number of golf courses. These are specifically located in SaddleBrooke, one course in Rancho Vistoso, the Oro Valley Country Club, the Sheraton El Conquistador Hotel and Resort, the El Conquistador Country Club and the Tucson National Golf and Country Club. There is also a public course, located at Arthur Pack Park. The Catalina State Park is a recreational facility which contains approximately 8,600 acres, located south of the subject along the east side of Oracle Road. Catalina State Park provides visitors numerous trails for hiking and

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several areas for picnics and camping. Additionally the park has designated open areas that are intended for the preservation of area wildlife.

The neighborhood is served primarily by three separate school districts. They are the Marana School District Number 6, the Amphitheater School District Number 10 and the Flowing Wells School District Number 8. Rancho Vistoso falls within the Amphitheater District. Places of worship for most denominations can also be found throughout the subject neighborhood for the religious needs of the area residents.

Overall, the subject neighborhood continues to become more established due to steady population growth. In fact, northwest Tucson continues to be the fastest growing portion of the metropolitan area. The combination of available land suitable for development, coupled with an expanding economic base, should have a positive influence on future growth trends in the neighborhood. Steady residential growth in northwest Tucson is anticipated over the long term, which in turn will continue motivate commercial development in the form of support services. As the population base increases, commercial development providing support services to area residents is following and shopping alternatives are becoming more convenient. The Rancho Vistoso master planned community is a focal point of new development in northwest Tucson, and has demonstrated an ability to attract home buyers in various price ranges. The location of the subject property on Tucson's northwest side in Oro Valley is a desirable characteristic impacting the use and value of the property.

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***SUBJECT PHOTOGRAPHS***

***Photo 1: View of the Subject from Oracle Road to the Northwest***



***Photo 2: View of the Subject from Oracle Road to the West***



**Photo 3:** View of the Subject from the East looking Southwest



**Photo 4:** View of the Subject from the East looking West



***Photo 5:*** View of the Subject from the South looking Northwest



***Photo 6:*** View of the Subject from the South looking North (Access)





**Photo 7:** Oracle Road to the North



**Photo 8:** Oracle Road to the South



**Photo 9:** Tangerine Road to the West

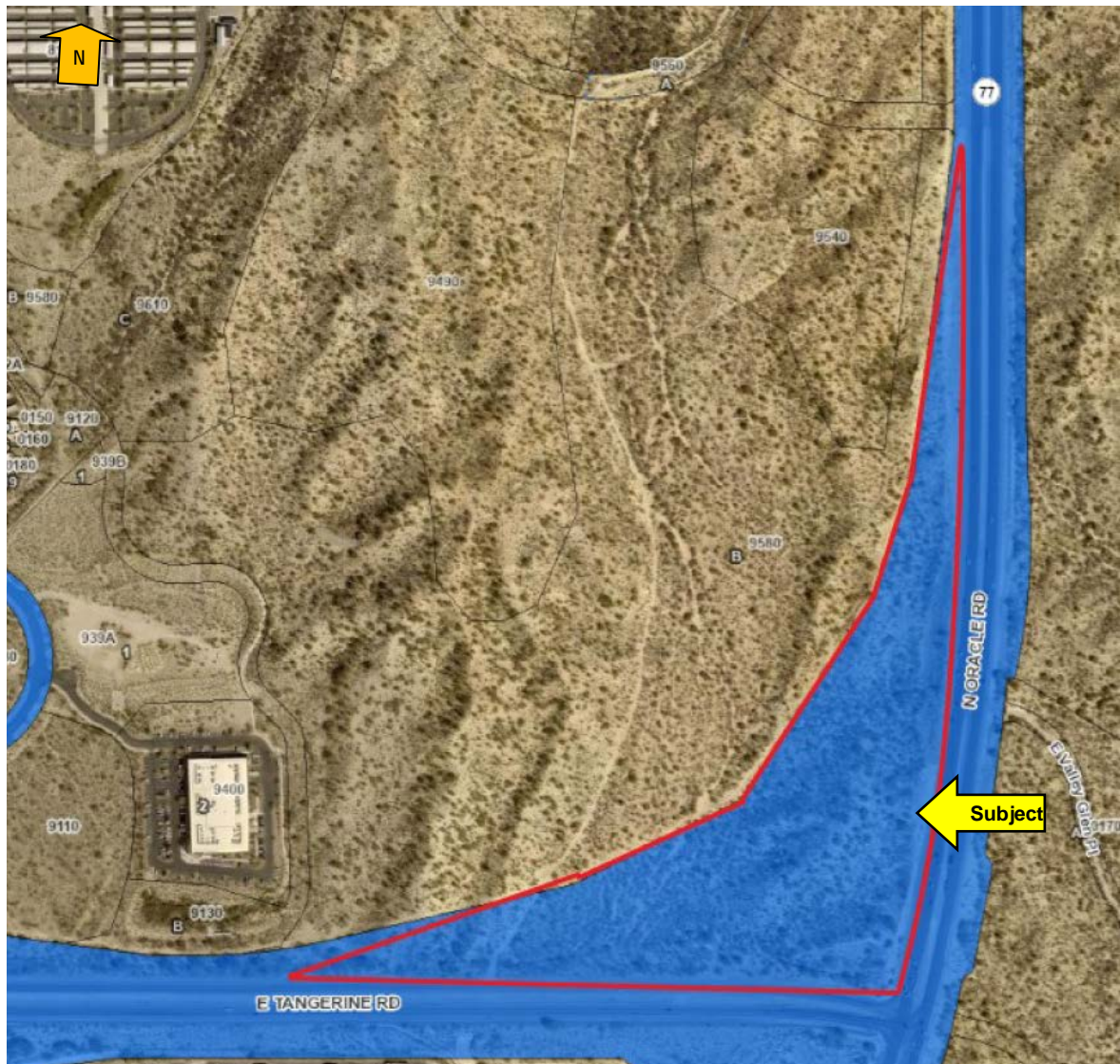


**Photo 10:** Tangerine Road to the East





*AERIAL*



*The lot boundaries in red are approximate*  
NORTHWEST CORNER OF ORACLE ROAD AND TANGERINE ROAD

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## ***SITE ANALYSIS***

***Location:*** The subject parcel is vacant un-zoned land. It is located at the northwest corner of the signalized intersection of Oracle Road and Tangerine Road, Oro Valley, Arizona 85755. The property has no physical address or assigned Tax Identification Number. The subject is a portion of Section 32, Township 11 South, Range 14 East, Gila and Salt River Base and Meridian, Pima County, Arizona.

***Parcel Size/Shape/Topography:*** According to the ADOT Right of Way survey provided, the subject parcel contains 971,687 square foot or 22.31-acres. The parcel is irregular in shape and has a sloping topography from the east (Oracle Road) and south (Tangerine Road) to the west. The subject enjoys very good mountain views to the east of Pusch Ridge.

***Ingress/Egress:*** According to a legal description provided by ADOT, the subject property has direct physical and legal access on Tangerine Road although has no easement or access from Oracle Road. The Tangerine Road access is westerly of a point on the existing northerly right of way line that is 660 feet, as measured along the northerly right of way line from its juncture with the existing westerly right of way line of said State Route 77 (Oracle Road).

***Surrounding Uses:***

***North:*** Vacant land (open space)  
***East:*** Residential uses and vacant land (Across Oracle Road)  
***South:*** Retail use (Across Tangerine Road)  
***West:*** Vacant land (open space)

***Utilities:***

Electric:	Tucson Electric Power
Telephone:	Century Link
Water:	Oro Valley Water
Sewer:	Pima County Wastewater

These utilities are found in the proximity of the subject although the exact location of the services is not known. Any development of the site would require an engineering study to identify the adequacy and availabilities of utilities to the subject.

***Floodplain:*** The subject property identified as being located in Flood Zone X (Unshaded) per FIRM Map Panel No. 04013C1090L and 04019C1095L, both dated June 16, 2011. Zone X (Unshaded), which is an area defined by FEMA as being outside the 100 and 500-year flood plains. There is a wash area that traverses the west side of the site.

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***Environmental Conditions:***

No environmental reports were provided for our review. Lacking environmental reports, this appraisal assumes that there are no environmental conditions on or around the property that would adversely impact its market value.

***Soil & Subsoil Conditions:***

A soils/engineering report was not provided for our review. Thus, the soil and sub-soil conditions are not known. There is no visual evidence of adverse soil conditions on the site.

***Restrictions & Easements:***

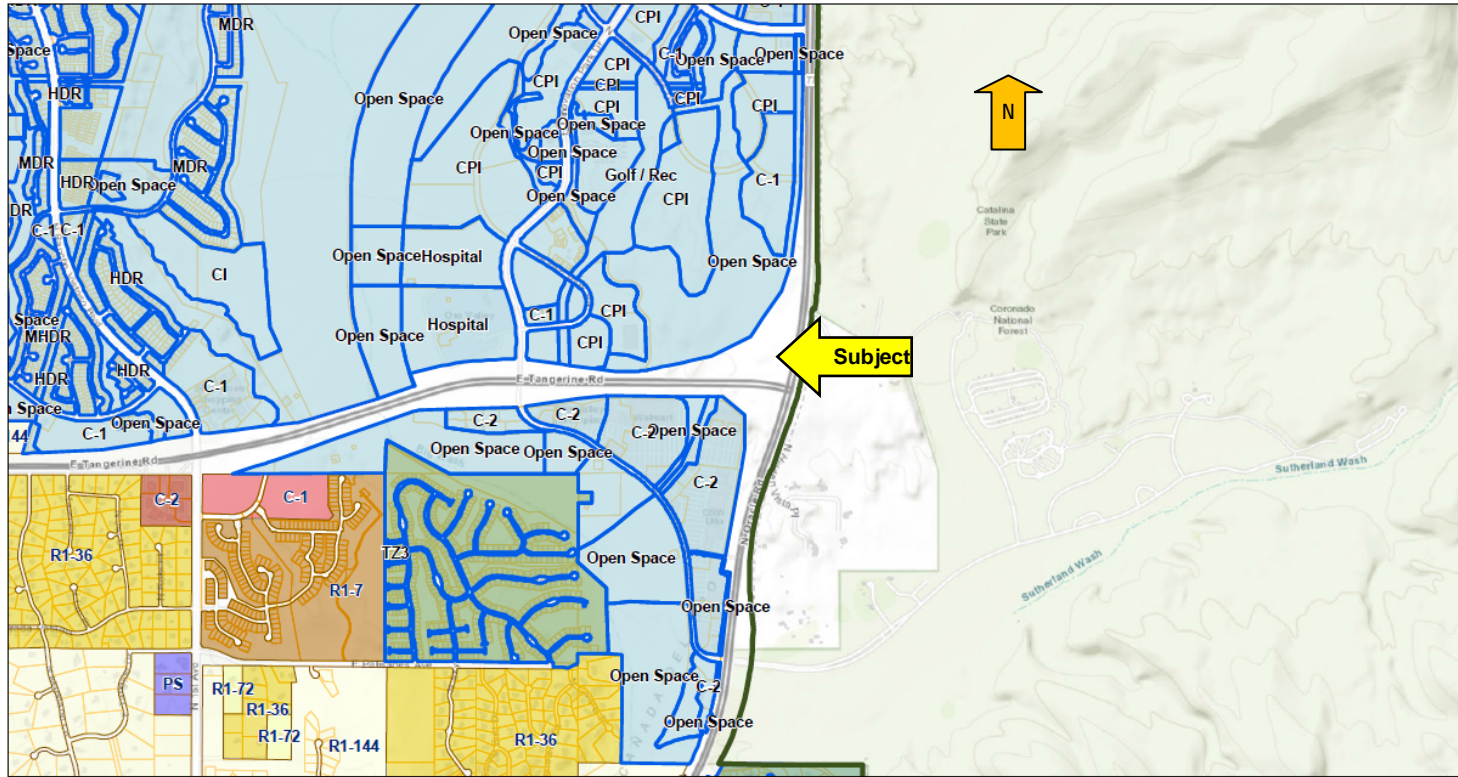
There are no adverse easements or encroachments identified or that were visually observed during the property inspection. This appraisal assumes that the subject property is encumbered by typical public utility, easements that do not adversely affect value.

***Summary:***

The topography and wash activity on the subject site has a direct influence on the usable area of the site. It appears that the higher east and south portions of the site could be usable for development, with the lower north and western portions of the site not usable.

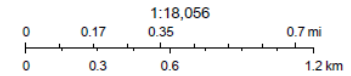
# ZONING MAP

ArcGIS Web Map



12/1/2022, 9:18:14 AM

- |                              |                      |       |        |
|------------------------------|----------------------|-------|--------|
| Oro Valley Town Limit        | 10, Catalina Shadows | R1-36 | C-2    |
| PAD Zoning Outline           | 12, Steam Pump Ranch | R1-7  | Parcel |
| <b>PAD Numbers and Names</b> | <b>Zoning</b>        | PS    |        |
| 4, La Reserve                | R1-144               | C-1   |        |
| 5, Rancho Vistoso            | R1-72                |       |        |



Bureau of Land Management, Esri, HERE, Garmin, GeoTechnologies, Inc., USGS, METINASA, EPA, USDA

Web AppBuilder for ArcGIS  
 Bureau of Land Management, Esri, HERE, Garmin, GeoTechnologies, Inc., USGS, METINASA, EPA, USDA



# FLOOD MAP

## National Flood Hazard Layer FIRMette



110°56'26"W 32°25'57"N



### Legend

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

SPECIAL FLOOD HAZARD AREAS		Without Base Flood Elevation (BFE) Zone A, V, A99
		With BFE or Depth Zone AE, AO, AH, VE, AR
		Regulatory Floodway
OTHER AREAS OF FLOOD HAZARD		0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X
		Future Conditions 1% Annual Chance Flood Hazard Zone X
		Area with Reduced Flood Risk due to Levee. See Notes. Zone X
		Area with Flood Risk due to Levee. Zone D
OTHER AREAS		NO SCREEN Area of Minimal Flood Hazard Zone X
		Effective LOMRs
		Area of Undetermined Flood Hazard Zone D
GENERAL STRUCTURES		Channel, Culvert, or Storm Sewer
		Levee, Dike, or Floodwall
OTHER FEATURES		Cross Sections with 1% Annual Chance Water Surface Elevation
		Coastal Transect
		Base Flood Elevation Line (BFE)
		Limit of Study
		Jurisdiction Boundary
		Coastal Transect Baseline
OTHER FEATURES		Profile Baseline
		Hydrographic Feature
MAP PANELS		Digital Data Available
		No Digital Data Available
		Unmapped

The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards.

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 12/1/2022 at 11:13 AM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

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## ***ASSESSED VALUATION & TAX DATA***

The subject represents a vacant parcel of land. The property owner, State of Arizona, is exempt from property taxation. It is likely that taxes for a non-exempt buyer would be assessed based on valuations and tax rates consistent with other properties in the immediate area.

## ***ZONING & GENERAL PLAN***

The subject site is found within the jurisdiction of Oro Valley although is not currently zoned as it is a right of way parcel owned by ADOT. According to Milini Simms with the Oro Valley Planning and Zoning department, the subject's zoning would assume the zoning of the adjacent parcels, Open Space, if ADOT sold the property to a private entity. The open space zoning would allow for recreational and open space uses. A signage use would be allowed with approvals. All signs shall be designed and constructed in conformity with the current building codes of the Town of Oro Valley.

As far as changing the "open space" zoning, Ms. Simms stated "although a private property owner can request to change the zoning, staff would not be supportive of such request. Ultimately, any change to the zoning and associated land use designation would require approval by Town Council, however, we do not foresee development on this property".

Therefore, it is assumed that an "open space" designation would be the most intensive use allowed for the subject property.

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## ***MARKET ANALYSIS***

“Market analysis is a process for the examination of the demand for, and supply of, a property type and the geographic market area for the property type.”<sup>4</sup>

The following market overview provides a discussion of market conditions which currently prevail in Tucson and the surrounding area, including the subject neighborhood, which impact demand for properties such as the subject. Portions of the following analysis rely primarily upon data available from CoStar and the Tucson Association of Realtors MLS. Additional data was gathered through other sources such as through discussions with local real estate agents/brokers familiar with market conditions in the subject neighborhood.

### **Housing Overview:**

The housing market in Tucson was strong throughout the first half of 2022 although the second half of 2022 experienced a slowdown in demand with the increases in mortgage interest rates that incurred during the year. There were 17,433 homes sold in during 2022, which is down 19% from the 20,748 sales reported for 2021. For January 2023, there were 550 homes sold, which is down significantly from the 1,447 sales reported for January, 2022. Average days on the market have increased from 24 days in 2021 to 46 days in 2022. It is noted that even though sales decreased in 2022, the median sales price has increased from \$319,900 to \$349,900, up 9.4%, since January 2022.

The subject property is considered to be located within the Oro Valley area of Tucson according to the Tucson MLS. As of January 2023, active listings were reported at 192 units, a slight decrease from a month earlier when there were 200 units listed. There were 43 closings in January, a 28% decrease from December, 2022, and a 53% decrease from a year earlier. Total months of inventory is currently at 4.47 months. The median price of sold homes was \$485,000 for the month of January, up 1.0% from a year earlier. There were 121 new properties under contract in January, with homes ranging in price from \$169,000 to \$4,900,000. It is noted that the average days on the market is currently at 39 days, up from 17 days a year earlier.

The preceding statistics reflect a reduction in market demand and relative price stability in the residential re-sale market in the Tucson area and in the subject’s Oro Valley

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<sup>4</sup> *The Appraisal of Real Estate, 14<sup>th</sup> Edition*, Appraisal Institute, P 299

area, with unit sales declining and values continuing to increase at a slower rate than in 2022.

Land Market

The following table presents historical land sales activity as reported by the Tucson MLS for greater Tucson, as well as the subject Northwest area. The subject site contains a total of 22.31 acres, although if developed as a residential site, would most likely be split into 3 to 5 low-density lots. This table includes low-density lot sales (2.5-6 acres in size).

EXISTING LOT SALES (MLS)						
YEAR	GREATER TUCSON (UNITS)	TUCSON AVERAGE PRICE	% INCREASE	NW TUCSON (UNITS)	NW AVERAGE PRICE	% INCREASE
2019	192	\$95,031		38	\$153,833	
2020	238	\$107,786	13.4%	49	\$167,811	9.1%
2021	379	\$140,922	30.7%	86	\$240,165	43.1%
2022	234	\$142,247	0.9%	27	\$254,233	5.9%

Source: Tucson Association of Realtors

In the Tucson land market, active inventory was 707 units in December 2022, a 3% decrease from December 2021. There were 42 closings in December, a 51% decrease from a year earlier. There were a total of 854 land/lot closings in 2022, a 30% decrease from 2021. Months of inventory 16.8 months, down from 8.5 months from a year earlier. The median price of sold lots was \$113,131 for December 2022, up 6% from December 2021.

In summary, the single-family housing market in the greater Tucson area continues to decline in total volume. Prices continue to increase, although at a slower pace than 2021 due to the rapid increase in mortgage interest rates. The state of the local housing market has historically been driven by low interest rates, a stable economy and steady population growth. However, the immediate future is projected to reflect a continued slowdown in sales activity and continued decline in the rate of prices with the possibility of price declines.

**Commercial Overview:**

According to the *CoStar Group Reports*, the subject property is found within the North/Oro Valley Retail Submarket, North Tucson/Oro Valley Industrial and the North Tucson/Oro Valley Office Submarkets. The following table summarizes the most recent vacancies in these various commercial markets.



VACANCY RATES FOR COMMERCIAL MARKET SEGMENTS (SUBJECT AREA)			
	RETAIL	OFFICE	INDUSTRIAL
AGGREGATE VACANCY RATE\	7.6% 4 <sup>th</sup> Quarter 2022	10.3% 4 <sup>th</sup> Quarter 2022	3.0% 4 <sup>th</sup> Quarter 2022

Source: CoStar Group/Excludes Owner-Occupied Inventory

The CoStar statistics provide evidence of increasing sales prices and rents for commercial space in the overall Tucson market, along with the Northwest Tucson market. Future increases in prices and rents are less certain as higher interest rates and a lesser sales volume occur.

Consideration will be given to the preceding data in the following highest and best use summary and land valuation analyses.

### ***HIGHEST AND BEST USE***

According to *The Appraisal of Real Estate, 14<sup>th</sup> Edition*, published by the Appraisal Institute, highest and best use is defined as:

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

The highest and best use of the land as vacant must meet four criteria. The highest and best use must be:

- 1) ***Legally Permissible:*** What uses are permitted by zoning, private restrictions, historic districts, and environmental regulations on the site?
- 2) ***Physically Possible:*** Based on the physical characteristics of the site, what uses are physically possible?
- 3) ***Financially Feasible:*** Which uses meeting the first two criteria will produce a positive return to the owner of the site?
- 4) ***Maximally Productive:*** Among the feasible uses, which use will produce the highest price, or value, consistent with the rate of return warranted by the market? This use is the highest and best use.

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## **AS VACANT**

### ***Legally Permissible***

The subject is located at the northwest corner of Oracle Road and Tangerine Road in Oro Valley. According to a legal description provided by ADOT, the subject property has direct physical and legal access on Tangerine Road approximately 660' west of Oracle Road. There is no access from Oracle Road. The parcel contains 22.31 acres, is irregular in shape and has a sloping topography from the east (Oracle Road) and south (Tangerine Road) to the west. The subject enjoys good mountain views to the east of Pusch Ridge.

The subject site is within the jurisdiction of Oro Valley although is not currently zoned. The parcel is owned by ADOT. According to the Town of Oro Valley Planning and Zoning department, the subject's zoning would assume the zoning of the adjacent parcels (Open Space), if ADOT sold the property to a private entity. The open space zoning would allow for recreational and open space uses. A signage use would be allowed with approvals. It is believed mostly likely, based on our conversations with officials from Oro Valley Planning and Zoning, that an "open space" designation would be the most intensive use allowed for the subject property.

### ***Physically Possible***

The subject's size at 22.31 acres could accommodate a variety of uses. However, the topography of the site, along with the limited access, would hinder many uses including commercial, retail, industrial, or high density residential. The size of the site, topography, views, and limited access would support a low-density use, similar to the R1-144 zoning, (144,000 square foot minimum lot size), found in the Oro Valley land use code. However, due to the "open space" designation, any physically possible development use would not be legal.

### ***Financially Feasible & Maximally Productive***

The third and final test of highest and best use considers the financially feasible and maximally productive uses of the subject property. The financially feasible maximally productive use of a property is one that is legally permissible and physically possible that also creates a positive return for the investor. Given the legally permissible and physically possible uses for the subject property, the financially feasible use is determined through an analysis of the factors that affect the market. Reference is made to the Market Analysis section of the report. The market analysis is an integral component of the financially feasible test for the Highest and Best Use of the subject, as vacant. Demand factors are

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created by the combination of the legal, physical, and economic characteristics related to the income generated from potential uses. Once again, due to the legal uses allowed under the “open space” designation, there would be no other financially feasible or maximally productive uses available.

***Conclusion, Highest and Best Use, As Vacant***

Given the potential zoning, location, physical characteristics and general market conditions, the highest and best use, as vacant, is for the subject to be utilized as open space.

***LAND VALUATION***

The Sales Comparison Approach is used to provide a market value opinion for the subject, as vacant land. 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.

Adjustments are made to the comparable sales based on the following elements of comparison: property rights conveyed, financing terms, conditions of sale, market conditions (time), location, physical characteristics, and zoning/planned use. The sale price per acre of land area is the appropriate unit of comparison for this analysis. This is derived by dividing the sale price by the total acreage of the site.

Search parameters for comparable sales focused on land sales that are similar in size and potential use. The search for recent land sales included immediate and surrounding areas that have similar demographics and are planned for similar potential developments. The market data that is included in the analysis is considered to be the best available and provides a credible opinion of value.

A location map showing the comparable sales relative to the subject, individual data sheets, and parcel maps are presented on the following pages. The adjustment matrix follows the land value analysis.



## COMPARABLE LAND SALE



COMPARABLE NUMBER:	LAND COMP 1
LOCATION:	North side of Montgomery Avenue, west of Melpomene Way, Vail, Pima County, AZ
LEGAL DESCRIPTION:	Block 1, Santa Rita Bel Air Estates
TAX CODE NUMBER(S):	305-24-1280
RECORDS:	
Instrument:	Special Warranty Deed
Date Recorded:	September 2, 2022
Affidavit of Fee No:	20222510483
SELLER:	Michael Perry
BUYER:	Kevin Abeyta
SALE PRICE:	\$30,000
INTEREST CONVEYED:	Fee Simple
TERMS:	Cash
CONDITIONS OF SALE:	Arm's-Length
SITE AREA IN SQ. FT.:	479,160
SITE AREA IN ACRES:	11.00
SALE PRICE PER ACRE:	\$2,727
PHYSICAL DESCRIPTION	
Location/Access:	Average / Limited
Topography/Views:	Mostly level / Good
Site Shape/Utility:	Irregular / Average
Utilities:	Electric
Flood:	Zone X
ZONING:	CR-3
PLANNED USE:	Open Space
THREE YEAR HISTORY:	No prior sales
MARKETING TIME:	12 months
CONFIRMED WITH:	Tom Starrs; Long Realty
DATE CONFIRMED:	1/31/2023
COMMENTS:	
<p>This comparable represents the sale of 11.00 acres of vacant residentially zoned land that was an operating golf course hole for a number of years prior to the course closing a few years ago. There is limited access to the parcel and the buyer is an adjacent owner that plans to keep the property for open space. The site is found within a Flood Zone X although there is some wash activity on the site.</p>	

I.D. : 23-012-LC.1

ASSESSOR'S RECORD MAP  
305-24  
SANTA RITA BEL AIR ESTATES  
LOTS 001-125 & BLOCKS 1-3

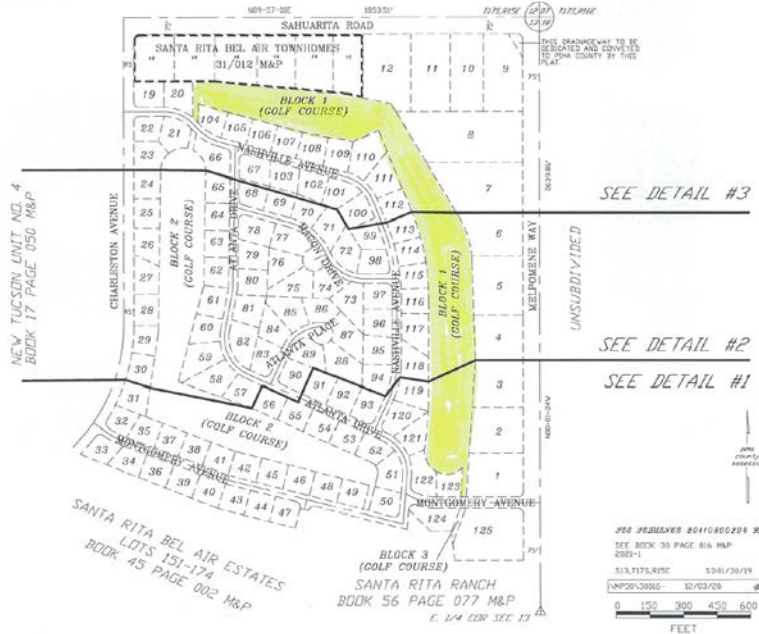
LAYOUT

CORONA DE TUCSON F.D.

UNSUBDIVIDED

CURVE TABLE

NO.	R	Δ	L
1	33.97	90-00-00	232.27
2	29.07	90-01-19	228.22
3	22.82	90-01-36	228.22
4	17.82	90-01-50	228.22
5	14.71	90-02-06	228.22
6	12.57	112-52-49	439.87
7	11.88	94-00-00	38.35
8	308.45	02-28-35	155.52
9	245.22	04-02-21	145.55
10	21.95	104-01-21	256.68
11	23.57	07-27-21	224.42
12	10.05	143-29-27	245.72
13	12.83	05-22-23	433.32
14	27.82	114-02-22	29.91
15	21.82	06-25-25	27.92
16	16.12	09-28-29	153.52
17	14.52	34-08-08	131.10
18	17.52	32-21-29	363.44
19	12.12	02-14-23	220.82
20	10.71	02-14-23	324.98
21	200.52	04-11-25	254.12
22	18.12	70-15-22	220.72
23	20.82	73-20-20	234.12
24	18.12	16-20-24	420.82
25	22.82	72-27-21	20.92
26	23.82	104-28-29	456.62
27	18.22	108-07-19	175.32
28	18.22	02-18-22	153.52
29	52.82	90-00-00	78.94
30	17.82	42-20-27	281.12
31	52.82	204-22-26	177.72
32	25.82	88-28-23	27.92
33	18.82	22-28-29	43.22
34	18.12	85-28-18	227.22
35	25.82	28-17-23	42.22
36	52.82	08-22-28	175.72
37	25.82	112-00-24	48.72
38	22.82	90-14-30	228.22



SEE DETAIL #3

SEE DETAIL #2

SEE DETAIL #1

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2001-1  
S13,1175,015E 5/30/13/19  
MAPS/20015 12/03/20  
0 150 300 450 600  
FEET



## **COMPARABLE LAND SALE**



<p>COMPARABLE NUMBER: LOCATION:  LEGAL DESCRIPTION:  TAX CODE NUMBER(S): RECORDS:     Instrument:     Date Recorded:     Affidavit of Fee No: SELLER: BUYER: SALE PRICE: INTEREST CONVEYED: TERMS: CONDITIONS OF SALE: SITE AREA IN SQ. FT.: SITE AREA IN ACRES: SALE PRICE PER ACRE: PHYSICAL DESCRIPTION     Location/Access:     Topography/Views:     Site Shape/Utility:     Utilities:     Flood: ZONING: PLANNED USE: THREE YEAR HISTORY: MARKETING TIME: CONFIRMED WITH: DATE CONFIRMED: COMMENTS:</p>	<p>LAND COMP 2 East side of Continental Rd, north of Whitehorse Canyon Rd Green Valley, Pima County, AZ  Portion of Canoa Land Grant Continental Section, T18S, R13E, G&amp;SRB&amp;M, Pima County, AZ  304-18-972A  Special Warranty Deed October 19, 2021 20212920524 Continental Foothills, LLC United Community Health Center-Maria Auxiliadora, Inc. \$600,000 Fee Simple Cash Arm's-Length 2,086,960 47.91 \$12,523  Good / Limited Level / Average Rectangular / Average All to site Zone X RH Future development (residential) No prior sales 4 months Jim Vincent, Broker 12/5/2022</p>
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This comparable represents the sale of 47.91 acres of vacant residentially zoned land. The buyer is an adjacent owner and plans to hold the property for future development for residential, residential care, or medical use. The property has railroad tracks along the western boundary and is surrounded by high wire lines. The access is limited to a single access point on Whitehorse Canyon Road. The buyer paid cash for the site and no sale conditions were noted.

I.D. : 23-012-LC.2





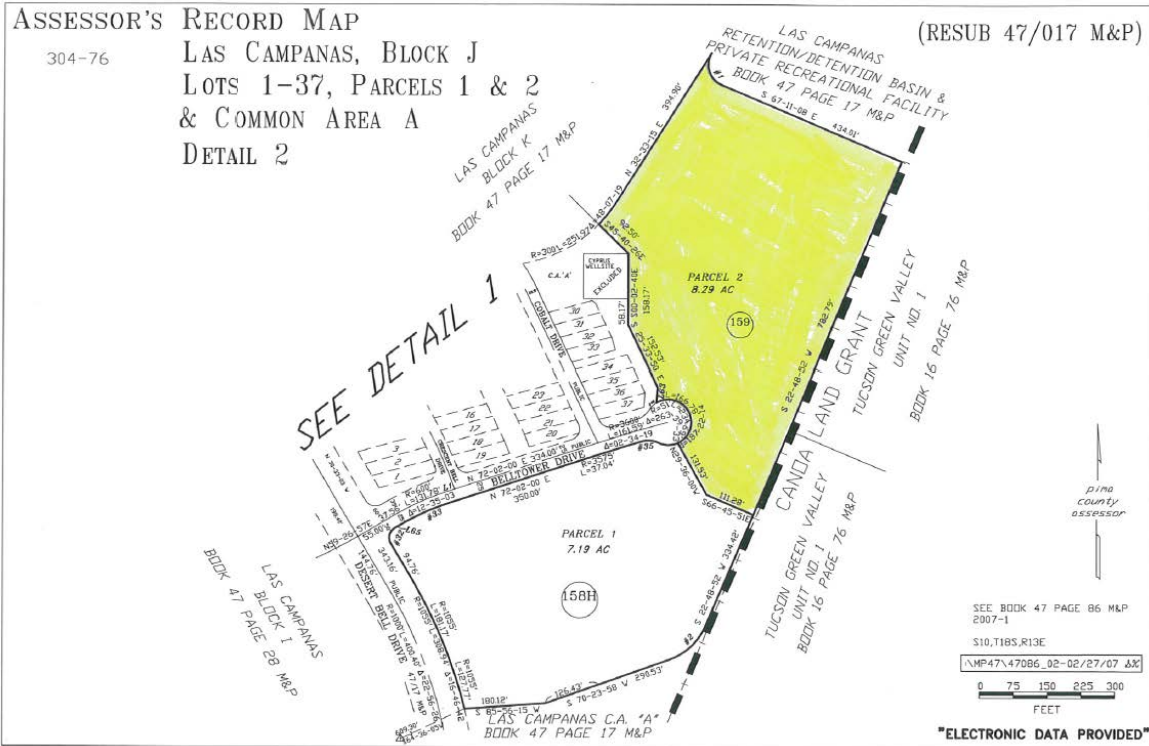
## **COMPARABLE LAND SALE**



<p>COMPARABLE NUMBER: LOCATION:  LEGAL DESCRIPTION: TAX CODE NUMBER(S): RECORDS:     Instrument:     Date Recorded:     Affidavit of Fee No: SELLER: BUYER: SALE PRICE: INTEREST CONVEYED: TERMS: CONDITIONS OF SALE: SITE AREA IN SQ. FT.: SITE AREA IN ACRES: SALE PRICE PER ACRE: PHYSICAL DESCRIPTION     Location/Access:     Topography/Views:     Site Shape/Utility:     Utilities:     Flood: ZONING: PLANNED USE: THREE YEAR HISTORY: MARKETING TIME: CONFIRMED WITH: DATE CONFIRMED: COMMENTS:</p>	<p>LAND COMP 3 Northeast side of Belltower Drive, east of Desert Bell Drive Green Valley, Pima County, AZ Parcel 2, Block J, Las Campanas 304-76-1590  Special Warranty Deed July 16, 2021 20212000691 Landmark Title Tr 18270-T Sunrise Investments and Holdings, LLC \$59,000 Fee Simple Cash Arm's-Length 361,112 8.29 \$7,117 Average / Average Level / Average Irregular / Below Average All available Zone X SP Future development (assisted living) No prior sales 5 months John Contraras; Buyer 1/312023</p>
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This comparable represents the sale of 8.29 acres of vacant residentially zoned land that the buyer is in the process of putting together a development plan to sell. Due to setbacks for a TEP easment, the usable area is closer to 6 acres.

I.D. : 23-012-LC.3



**COMPARABLE LAND SALE**



COMPARABLE NUMBER:	LAND COMP 4
LOCATION:	Northeast corner Speedway Blvd & Houghton Road Tucson, Pima County, AZ
LEGAL DESCRIPTION:	Portion of Section 1, T14S, R15E, G&SRB&M, Pima County, Arizona
TAX CODE NUMBER(S):	133-01-066J
RECORDS:	Special Warranty Deed
Instrument:	December 16, 2020
Date Recorded:	20203510779
Affidavit of Fee No:	
SELLER:	76 Trust
BUYER:	Pima County Flood Control District
SALE PRICE:	\$100,000
INTEREST CONVEYED:	Fee Simple
TERMS:	Cash
CONDITIONS OF SALE:	Arm's-Length
SITE AREA IN SQ. FT.:	541,015
SITE AREA IN ACRES:	12.42
SALE PRICE PER ACRE:	\$8,052
PHYSICAL DESCRIPTION	
Location/Access:	Good / Good
Topography/Views:	Level / Good
Site Shape/Utility:	Rectangular / Average
Utilities:	Electric
Flood:	Zone AE
ZONING:	SR
PLANNED USE:	Open Space
THREE YEAR HISTORY:	No prior sales
MARKETING TIME:	Not provided
CONFIRMED WITH:	Pima County
DATE CONFIRMED:	12/5/2022
COMMENTS:	This comparable represents the sale of 12.42 acres of vacant residentially zoned land that the buyer acquired for flood control. The entire site is found within a Flood Zone AE.



## **LAND VALUE ANALYSIS**

In accordance with the client’s request, the intended use for this assignment is to provide an “as is” market value opinion for the subject property. Data sources included CoStar Group, Data Tree, Tucson Association of Realtors’ Multiple Listing Service, Pima County Assessor’s records, and local real estate brokers and market participants. Search parameters for comparable sales focused on land sales that are similar in size and potential use. The search for recent land sales included immediate and surrounding areas that have similar demographics and are planned for similar potential developments.

These appraisers examined over 60 recent sales found either within the subject neighborhood or within the metropolitan Tucson area. From this extensive search, the four most similar land comparables are included in this analysis. The transactions occurred between December 2020 and September 2022. The land comparables were selected for their similarity in locations, physical characteristics, and zoning/planned use.

### **SUMMARY OF LAND COMPARABLES**

LAND COMP	SALE DATE	PROPERTY LOCATION	ADJUSTED SALE PRICE <sup>1</sup>	SITE AREA (SQ. FT.)	SITE AREA (ACRES)	PRICE PER ACRE	ZONING PLANNED USE
1	09/02/22	North side of Montgomery Avenue, west of Melpomene Way,	\$30,000	479,160	11.00	\$2,727	CR-3 Open Space
2	10/19/21	East side of Continental Rd, north of Whitehorse Canyon Rd	\$600,000	2,086,960	47.91	\$12,523	RH Future development (residential)
3	07/16/21	Northeast side of Belltower Drive, east of Desert Bell Drive	\$59,000	361,112	8.29	\$7,117	SP Future development (assisted living)
4	12/16/20	Northeast corner Speedway Blvd & Houghton Road	\$100,000	541,015	12.42	\$8,052	SR Open Space
<small><sup>1</sup> Adjusted sale price for cash equivalency and/or development costs (where applicable)</small>							
Subject	---	Northwest corner Oracle Road and Tangerine Road	---	971,687	22.31	---	OS Open Space

Quantitative adjustments have been considered for elements of comparison including property rights conveyed, financing terms, conditions of sale, and date of sale, location, and physical differences. Here follows the analysis of the sales by each element of comparison. An adjustment matrix summarizing the adjustments as they apply to the comparable sales precedes the conclusion of this analysis.

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### ***Property Rights Conveyed***

No price adjustments to any of the four land comparables are made for property rights conveyed. The fee simple interest was transferred for all comparable sales and for the subject property.

### ***Financing Terms***

In accordance with the definition of market value, adjustments for financing terms assume all cash or cash to the seller with the buyer obtaining new conventional financing at prevailing interest rates. All four of the land comparables were cash transactions and no price adjustments were necessary to any of the sales for financing terms.

### ***Conditions of Sale***

A price adjustment for conditions of sale is made if the transaction was influenced by factors not reflective of the definition of market value such as financial duress, lack of a sales commission, a related-party transaction, or extraordinary motivations of the buyer or seller. The four comparables represent arm's-length transactions with brokers involved and sales commissions being paid in three of the four transactions. However, the confirming party for Sale Four indicated the price was not impacted by the lack of a sales commission. Thus, no price adjustments are necessary for conditions of sale to any of the comparables.

### ***Market Conditions (Time)***

An adjustment for market conditions considers any changes that occur in the marketplace over time. These changes include fluctuations in supply and demand, inflation, or deflation. Since the subject property is appraised as of a specific date, the sales must be analyzed to determine the direction of change, if any, during the period between the sale date and the date of valuation. None of the sales included in this analysis provide sale and re-sale data within this time frame to derive a paired-sale analysis.

The subject property represents a parcel that has a highest and best use as open space. Very few similar parcels with similar highest and best use have transacted over the past few years. The lack of sales makes it difficult to determine a time adjustment. However, it is noted that Comparable Land Sale One sold previously in 2016 for \$40,000, with the most recent sale of this parcel noted in September 2022 at \$30,000. Therefore, due to the lack of closed sales or current listings of open space parcels, no time adjustment is warranted.

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### ***Location/Access/Topography/Views***

The subject is located at the northwest corner of Oracle Road and Tangerine Road in Oro Valley. According to a legal description provided by ADOT, the subject property has direct physical and legal access on Tangerine Road, although has no easement or access from Oracle Road. The Tangerine Road access is westerly of a point on the existing northerly right of way line that is 660 feet, as measured along the northerly right of way line from its juncture with the existing westerly right of way line of said State Route 77 (Oracle Road). The parcel is irregular in shape and has a sloping topography from the east (Oracle Road) and south (Tangerine Road) to the west. The subject enjoys good mountain views to the west and open views to the east.

Land Sale One has an inferior location in an area that is surrounded by lower priced residential uses. This parcel also has limited access with narrow access easements noted on the south and west sides of the property. The views are good although inferior to the subject. Overall, an upward adjustment of 20% was made for these characteristics.

Land Sale Two has a similar location in Green Valley. It has, like the subject, limited access. The terrain is more level. Overall, The adjustments offset and no adjustment was made for location.

Land Sale Three has a slightly inferior location due to surrounding land uses, south of Tucson's metropolitan area in Green Valley. This property is not limited with regards to access. In this respect, the sale is similar to the subject property although has superior access. The terrain of this sale is mostly level although the views are inferior. Overall, an up adjustment of 5% was made for location.

Land Sale Four has a good location in Tucson's east side, an area of relatively high incomes and low density home development. The parcel has adequate access and visibility at this corner location. The terrain is more level and the views are good to the north. Overall, a downward adjustment of 5% was made for these characteristics.

### ***Physical Characteristics***

Adjustments for physical characteristics include the site size, site utility (shape/utility), zoning/planned use, availability of utilities, and floodplain issues.

### ***Site Size***

Generally, due to economies of scale, smaller parcels tend to sell at higher prices per acre than larger ones this, as there are more potential buyers competing for smaller

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parcels. According to the ADOT Right of Way survey provided, the subject parcel contains 971,687 square foot or 22.31-acres.

A downward price adjustment was made to Land Comps One, Three, and Four which are all smaller than the subject property. An upward price adjustment is made to Land Comps Two which is larger in size when compared to the subject.

***Site Utility (Shape/Utility)***

The subject is irregular in shape and slopes down to a wash area found the west side of the property. The subject's overall site utility is considered to be average as the lower areas cannot be developed. In our opinion, two of the four land comparables (Sales 2, and 4) offer superior site shapes and utility (usable areas) to that of the subject and were adjusted downward. Sale 1 is very oblong in shape and was adjusted upward for utility. Sale 3 is has a smaller usable area due to utility setbacks and was also adjusted upward.

***Zoning / Planned Use***

The subject site is found within the jurisdiction of Oro Valley. It is not currently zoned as it is excess land owned by ADOT. According to a representative with the Oro Valley Planning and Zoning department, the subject's zoning would assume the zoning of the adjacent parcels (Open Space), if ADOT sold the property to a private entity. The open space zoning would allow for recreational and open space uses, with very few other development possibilities.

Land Sales Two and Three both have intensive zonings in place and their prices were adjusted downward for the greater development potential of these properties. Sale One has very few development possibilities and was adjusted upward. Sale Four is zoned for residential uses although will probably never be developed due to the flood status as it was purchased by Pima County for flood control.

***Utilities (Offsites)***

Electric, sewer and water utilities are found in the proximity to the subject although the exact location of the services is not known. Any development of the site would require an engineering study to identify the adequacy and availabilities of utilities to the subject. Sales Two and Three were adjusted downward for utility services in place, with Sales One and Four considered similar to the subject in terms of availability of utilities.

***Floodplain***

The subject property identified as being located in Flood Zone X, which is an area defined by FEMA as being outside the 100 and 500-year flood plains. There is a wash area that



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traverses the west side of the site that is not considered adverse to a residential development. Three of the four land comparables have similar flood designations with no or curable flood issues. However, Sale Four is entirely within a flood zone which would significantly hinder development of the site. This sale was adjusted upward.

Here follows an Adjustment Matrix summarizing the adjustments as they apply to the four land comparables.

## LAND COMPARABLE ADJUSTMENT MATRIX

ELEMENTS OF COMPARISON	SUBJECT	LAND COMP 1		LAND COMP 2		LAND COMP 3		LAND COMP 4	
	Northwest corner of Oracle Road and Tangerine Road	North side of Montgomery Avenue, west of Melpomene Way,	Price / acre Adjustments	East side of Continental Rd, north of Whitehorse Canyon Rd	Price / sq ft Adjustments	Northeast side of Belltower Drive, east of Desert Bell Drive	Price / sq ft Adjustments	Northeast corner Speedway Blvd & Houghton Road	Price / sq ft Adjustments
SALE PRICE / PER SQUARE FOOT	N/A	\$30,000	\$2,727	\$600,000	\$12,523	\$59,000	\$7,117	\$100,000	\$8,052
PROPERTY RIGHTS CONVEYED <i>Adjustment</i>	Fee Simple	Fee Simple 0%	\$0	Fee Simple 0%	\$0	Fee Simple 0%	\$0	Fee Simple 0%	\$0
FINANCING TERMS <i>Adjustment</i>	Assume cash to seller	Cash 0%	\$2,727	Cash 0%	\$12,523	Cash 0%	\$7,117	Cash 0%	\$8,052
CONDITIONS OF SALE <i>Adjustment</i>	Assume Arm's-Length	Arm's-Length 0%	\$0	Arm's-Length 0%	\$0	Arm's-Length 0%	\$0	Arm's-Length 0%	\$0
MARKET CONDITIONS (TIME) <i>Adjustment</i>	December 9, 2022 Date of Value	September 2, 2022 0%	\$2,727	October 19, 2021 0%	\$12,523	July 16, 2021 0%	\$7,117	December 16, 2020 0%	\$8,052
			\$0		\$0		\$0		\$0
<b>ADJUSTED SALE PRICE PER SF</b>			<b>\$2,727</b>		<b>\$12,523</b>		<b>\$7,117</b>		<b>\$8,052</b>
LOCATION Location/Access Topography/Views <i>Adjustment</i>	Good / Limited Sloping / Good	Average / Limited Mostly level / Good 20%	\$545	Good / Limited Level / Average 0%	\$0	Average / Average Level / Average 5%	\$356	Good / Good Level / Good -5%	(\$403)
PHYSICAL CHARACTERISTICS Site Size in SF Site Size in Acres <i>Adjustment</i>	971,687 22.31	479,160 11.00 -5%	(\$136)	2,086,960 47.91 5%	\$626	361,112 8.29 -5%	(\$356)	541,015 12.42 -5%	(\$403)
Site Utility (Shape / Utility) <i>Adjustment</i>	Irregular / Average	Irregular / Average 20%	\$545	Rectangular / Average -10%	(\$1,252)	Irregular / Below Average 20%	\$1,423	Rectangular / Average -10%	(\$805)
Zoning Planned Use <i>Adjustment</i>	OS Open Space	CR-3 Open Space 10%	\$273	RH Future development (residential) -40%	(\$5,009)	SP Future development (assisted living) -40%	(\$2,847)	SR Open Space 0%	\$0
Utilities (Offsites) <i>Adjustment</i>	Electric	Electric 0%	\$0	All to site -5%	(\$626)	All available -5%	(\$356)	Electric 0%	\$0
Floodplain <i>Adjustment</i>	Zone X Outside Flood	Zone X 0%	\$0	Zone X 0%	\$0	Zone X 0%	\$0	Zone AE 10%	\$805
<b>NET % ADJUSTMENT / ADJUSTED SALE PRICE / SF</b>		<b>45.0%</b>	<b>\$3,955</b>	<b>-50.0%</b>	<b>\$6,262</b>	<b>-25.0%</b>	<b>\$5,338</b>	<b>-10.0%</b>	<b>\$7,246</b>

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***Conclusion – ADOT Parcel L-SC-016-H***

After making adjustments for all of the appropriate elements of comparison, the adjusted price range from the comparable land sales is \$3,955 to \$7,246 per acre. With equal weight given to each of the four sales presented is given, it is our opinion that the market value of the subject’s 22.31 acre site is approximately \$6,000 per acre. Then, 22.31 acres times \$6,000 per acre = \$133,860, rounded to \$135,000.

**ADOT PARCEL L-SC-016-H, MARKET VALUE OPINION .....\$135,000**  
**This estimate of Market Value equals approximately ..... \$6,000 Per Acre**

***EXPOSURE TIME***

Exposure time is the estimated length of time the appraised property 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. The marketing times from the comparable sales are analyzed to estimate the exposure time for the subject.

A review of several comparable land sales reported marketing periods of 4 months, 5 months, and 12 months. Given the current market conditions, the estimated exposure time is 12 months or less if the property is priced in accordance with the appraised value.

***AUDITING BREAKDOWN***

The following is the Auditing Breakdown for the subject property.

**ADOT PARCEL L-SC-016-H, MARKET VALUE OPINION .....\$135,000**  
**This estimate of Market Value equals approximately ..... \$6,000 Per Acre**

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PROJECT: M6975 01X  
HIGHWAY: Tangerine Rd Hwy (Rescinded)  
ORDER NO: PO 0000516231  
SECTION: First Ave – U.S. 89  
PARCEL: L-SC-016-H  
CONTRACT: CTR 054974-1

We hereby certify:

That we personally inspected the property herein appraised. We made a personal field inspection of each the comparables relied upon in making said appraisal. The subject and the comparables relied upon in making the appraisal were represented by the photographs, and aerials and plat maps contained in the appraisal.

To the best of our 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 subject property, subsoil, or structures were found or assumed to exist which would render the property more or less valuable; and we 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 materials, which may or may not be present in the property, were not observed by us or acknowledged by ownership. The appraisers, however, are not qualified to detect such substances, the presence of which may affect the values of the property. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them.

That our analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Arizona Department of Transportation Appraisal Standard and Specifications and 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.

That we understand this appraisal may be used in connection with the potential disposal of the property by the State of Arizona.

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

That we 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 potential disposal of the property appraised herein.

That we have not revealed the findings and result of such appraisal to anyone other than the property officials of the Arizona Department of Transportation, and we will not do so unless so authorized by property State officials, or until we are required to do so by due

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process of law, or until we are released from this obligation by having publicly testified as to such findings.

That our opinion of the MARKET VALUE for the subject property as of the 30<sup>th</sup> day of January, 2023, based upon our independent appraisal and the exercise of our professional judgment is as follows:

**ADOT PARCEL L-SC-016-H, MARKET VALUE OPINION .....\$135,000**  
**This estimate of Market Value equals approximately ..... \$6,000 Per Acre**

Date: February 18, 2023

By   
John Ferenchak  
*Certified General Real  
Estate Appraiser #30344*

By   
Steven R. Cole, MAI, SRA  
*Certified General Real  
Estate Appraiser # 30130*

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## ***CERTIFICATION***

THE APPRAISERS CERTIFY TO THE BEST OF THEIR KNOWLEDGE AND BELIEF:

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

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.

The reported valuations, assumptions and limiting conditions are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

We have no present or prospective interest in the property that is the subject of this report and no personal interest or bias with respect to the parties involved.

We previously appraised the property that is the subject of this report in November, 2022, with a different value conclusion than contained within this appraisal report.

We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

Our compensation 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.

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

Steven Cole, MAI, AI-GRS, and John Ferenchak, have made a personal inspection of the property that is the subject of this report, and have the knowledge and experience necessary to complete the assignment competently.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. The use of this report is also subject to the requirements of the Arizona Board of Appraisal. The reader is referred to appraisers' Statement of Qualifications.

We hereby certify that we are competent to complete the appraisal assignment

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".



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No change of any item in the appraisal report shall be made by anyone other than the Appraiser, and the Appraiser shall have no responsibility for any such unauthorized change.

As of the date of this report, Steve Cole, MAI, AI-GRS has completed the continuing education program for Designated Members of the Appraisal Institute.

As of the date of this report, John Ferenchak has completed the continuing education program for Practicing Affiliates of the Appraisal Institute.

Date: February 18, 2023

By   
\_\_\_\_\_  
John Ferenchak  
*Certified General Real  
Estate Appraiser #30344*

By   
\_\_\_\_\_  
Steven R. Cole, MAI, SRA  
*Certified General Real  
Estate Appraiser # 30130*

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## ***QUALIFICATIONS OF STEVEN R. COLE, MAI, SRA, AI-GRS***

### **FORMAL EDUCATION:**

Bachelor of Arts Degree with high honors, University of California,  
Santa Barbara, 1971

Master's Degree in Business Administration, University of California,  
Los Angeles, 1973. Concentration: Urban Land Economics

### **PROFESSIONAL EDUCATION:**

Successful Completion of Examinations for the following courses given by the  
Appraisal Institute:

"Real Estate Appraisal Principles" and "Basic Valuation Procedures"

"Capitalization Theory & Techniques", Parts 1, 2, and 3

"Case Studies in Real Estate Valuation"

"Introduction to Real Estate Investments Analysis"

"Litigation Valuation"

"Standards of Professional Practice", Part A, B & C

"Market Analysis"

"Review Theory - General"

Attendance at Numerous Educational Seminars:

### **PROFESSIONAL MEMBERSHIPS:**

Member, Appraisal Institute (MAI), Certification Number 6080. The institute conducts a voluntary program of continuing education for its designated members. MAI's and RM's who meet the minimum standards of this program are awarded periodic educational certification. As of this date, I have completed the requirements under the continuing education program of the Appraisal Institute. I am currently certified through December 31, 2021.

Senior Residential Appraiser (SRA), of the Appraisal Institute. This designation signifies expertise in the valuation of residential properties of 1 to 4 units.

General Review Specialist (AI-GRS), of the Appraisal Institute. This designation signifies expertise in the review of appraisals of general real estate properties.

### **EXPERIENCE:**

Includes valuation of most types of urban real property: single and multi-family residential, commercial, industrial, and vacant land. Experience also includes special purpose properties, feasibility studies, Fee Simple and leasehold interest, counseling, and appraisal for condemnation since 1975.

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ADDITIONAL EDUCATIONAL AND PROFESSIONAL ACTIVITY:

Publication of articles in Professional Journals:

“A New Methodology for Estimating Highest and Best Use”,  
*Real Estate Appraiser and Analyst*, Summer, 1987

“Estimating the Value of Proposed Developments by Discounting  
Cash Flow”, *Real Estate Review*, Summer, 1988.

Formerly a Certified Instructor with the Appraisal Institute for “Highest and Best Use Applications”, “Feasibility Analysis and Highest and Best Use- Nonresidential Properties”, and “Principals and Procedures of Real Estate Appraisal”.

Associate Faculty, Pima Community College for “Real Estate Appraisal Principals” and “Basic Valuation Procedures”, 2000-2006.

Instructor for Tucson Board of Realtors, American Bar Association, Brodsky School of Real Estate, and Hogan School of Real Estate. Appraisal Principles, Appraisal Procedures, Market Analysis. Using the Internet for Due Diligence.

President of Southern Arizona Chapter #116, Appraisal Institute, 1983-84.

President for the Arizona State Chapter #41, Appraisal Institute, 1990.

Chairman, Pima County Real Estate Council, 2003-2004, Director 1989-2007.

Chairman, Tucson Airport Authority Chairman, 2015.  
Board of Directors, 2011-2016. Member, Tucson Airport Authority, 2007-2016.

APPROVED APPRAISER:

With most major commercial banks and mortgage companies in Arizona.

STATE CERTIFICATION:

Arizona Certified General Real Estate Appraiser Number 30130. Currently certified through August 31, 2024

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

**CGA - 30130**

This document is evidence that:  
Arizona Revised Statutes, relating to the establishment and operation of a:

has complied with the provisions of

**STEVEN R. COLE**

**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**

**STEVEN R. COLE**

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**

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## QUALIFICATIONS OF JOHN FERENCHAK III

### PROFESSIONAL MEMBERSHIPS

State of Arizona Certified General Real Estate Appraiser #30344 (August, 2024; since August, 1991)

### PROFESSIONAL EXPERIENCE

March, 2006 – Present	Ferenchak Appraisal Services of Tucson, Co-owner
September, 2022 – Present	Southwest Appraisal Associates, Inc., as an Associate Appraiser
June, 1995 – February, 2021	Burdick & Ferenchak, Inc. - Real Estate Appraising and Consulting, as Partner
June, 1987 - June, 1995	The Pagel Company, Real Estate Appraisers and Consultants, as an Associate Appraiser

### EDUCATION:

Bachelor of Arts Degree in Management University of Phoenix	March, 1993
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### APPRAISAL COURSEWORK SUCCESSFULLY COMPLETED

Real Estate Appraisal Principles: 1A-1, 1B-1	Fall, 1987
Capitalization Theory and Techniques, Part A	Spring, 1988
Capitalization Theory and Techniques, Part B	Spring, 1990
Case Studies in Real Estate Valuation	Summer, 1991
Report Writing and Valuation Analysis	Spring, 1992
Standards of Professional Practice (USPAP - Update)	December, 2021

### PARTIAL LIST OF SEMINARS ATTENDED

▶ Fair Lending and Appraisers	October, 1993
▶ NAFTA Seminar	April, 1994
▶ Subdivision Analysis Seminar	March, 1996
▶ Loss Prevention Program	October, 1997
▶ New Industrial Valuation Seminar	May, 1998
▶ How Stigmas Affect Property	July, 2000
▶ Fair Housing in Property Management	July, 2000
▶ Residential Lot Valuation Issues	May, 2002
▶ Pricing Small Apartments	July, 2002
▶ Appraisal Consulting	October, 2003
▶ Building Operation Costs	May, 2004
▶ Re-Appraising, Re-Addressing, Re-Assigning	April, 2005
▶ Water in Arizona: Laws, Agencies & Issues	July, 2006
▶ Condominiums, Co-Ops, and PUDs	October, 2006
▶ Legal Aspects of Foreclosures	February, 2007
▶ Practical Issues in Fair Housing	May, 2008

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▶ Supervising Appraisers	June, 2008
▶ Disclosure	July, 2008
▶ The Appraiser as an Expert Witness	March, 2012
▶ Residential Report Writing	July, 2013
▶ Residential Comparable Sales Analysis	July, 2013
▶ Extreme Appraising: Valuing Unstable Properties	January, 2014
▶ Regression Analysis for Residential Appraisers	August, 2015
▶ Residential and Commercial Valuation of Solar	February, 2016
▶ Advanced Land Valuation	August, 2017
▶ Housing and Land: Market Perspective	May, 2018
▶ Business Practice and Ethics	June, 2018
▶ Supporting Your Adjustments: Residential Appraisers	July, 2018
▶ Property and Valuation Analysis for FHA	July, 2019
▶ Commercial Land Valuation	September, 2019
▶ Property and Land Valuation	September, 2019
▶ New Construction Essentials: Luxury Homes	May, 2020
▶ The Fundamentals of Appraising Luxury Homes	May, 2020
▶ Understanding Luxury Home Features	May, 2020
▶ Depreciated Replacement Cost	October, 2021
▶ Measuring with ANSI	February, 2022
▶ Supervisor Appraiser/Trainee Appraiser Course	April, 2022
▶ The Cost Approach	June, 2022

**PROFESSIONAL AFFILIATIONS**

A Practicing Affiliate of the Appraisal Institute.

**SCOPE OF APPRAISAL ACTIVITY**

Appraisal/consulting assignments have included a wide variety of residential and commercial appraisals, subdivision analysis, market trend studies, and land appraisals.



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

CGA - 30344

This document is evidence that: **JOHN A FERENCHAK** 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**

**JOHN A FERENCHAK**

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**

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*ADDENDA*



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

**ADOT**

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

ROUTE NO.:  
SR 989

LOCATION:  
FIRST AVE - US 89

PARCEL #	L-SC-016
EXHIBIT #	H
DATE	02/04/22

HIGHWAY NAME:  
TANGERINE ROAD

PROJECT NO.  
989 PM 000 H0757

FEDERAL AID NO.:  
S-483-701

SHEET NO.  
1 OF 1

**Sketch Plan 6**

**Abandonment No: D-SC-007**  
**Disposal No: Not Allocated**  
**ADOT Project: S-483-701**  
**Tangerine Road/S.R.77**  
**Tucson**

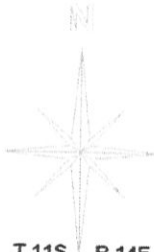
**Area of Abandonment**  
**Sketch Plan 6:**

**252724.12 SqFt**  
**5.80 Acres**

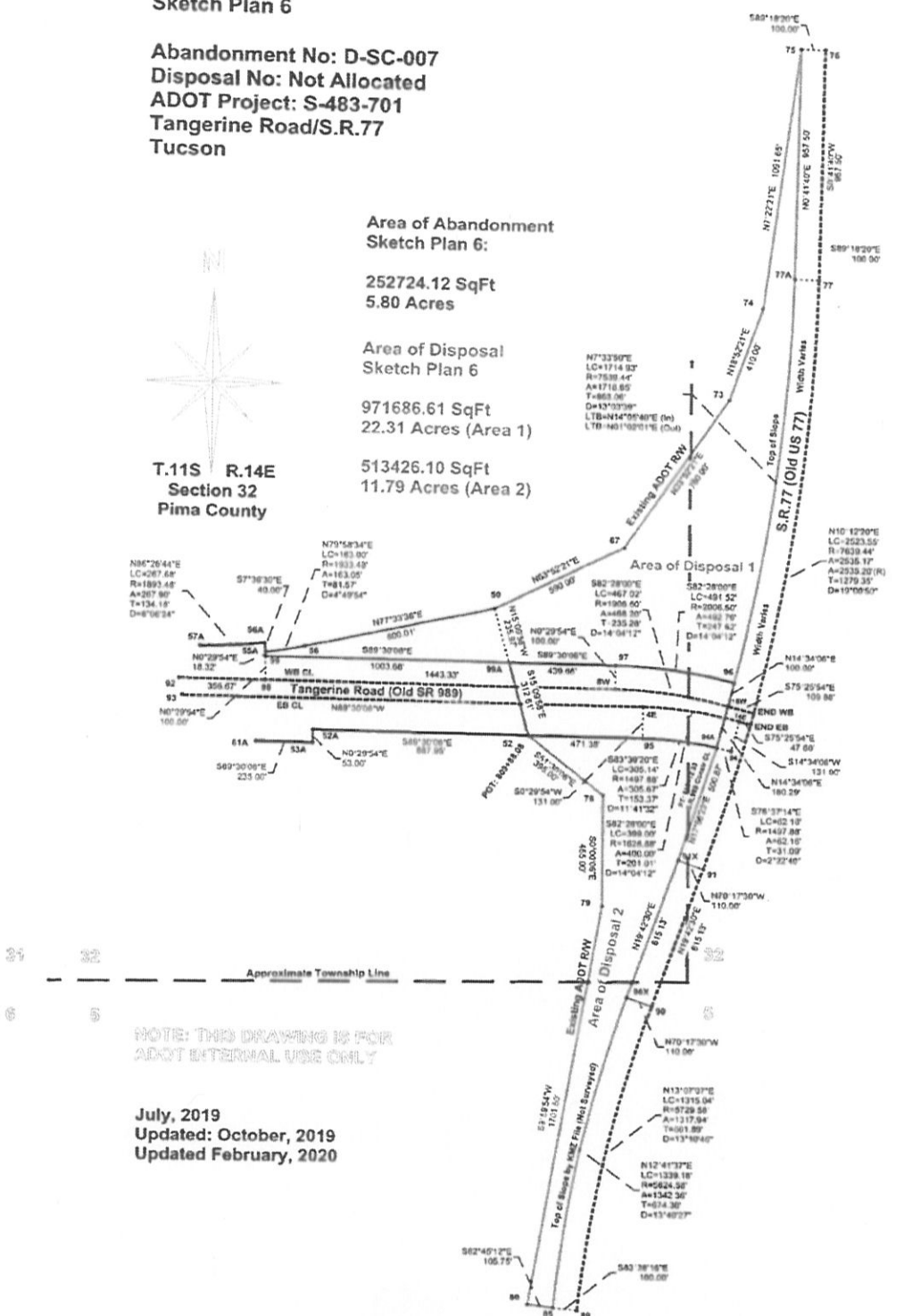
**Area of Disposal**  
**Sketch Plan 6**

**971686.61 SqFt**  
**22.31 Acres (Area 1)**

**513426.10 SqFt**  
**11.79 Acres (Area 2)**



**T.11S R.14E**  
**Section 32**  
**Pima County**



NOTE: THIS DRAWING IS FOR  
 ADOT INTERNAL USE ONLY

July, 2019  
 Updated: October, 2019  
 Updated February, 2020

## EXHIBIT "A"

That portion of the North half of the Southwest quarter (N $\frac{1}{2}$ SW $\frac{1}{4}$ ), of the Northwest quarter of the Southeast quarter (NW $\frac{1}{4}$ SE $\frac{1}{4}$ ), and of the Southwest quarter of the Northeast quarter (SW $\frac{1}{4}$ NE $\frac{1}{4}$ ) of Section 32, Township 11 South, Range 14 East, Gila and Salt River Meridian, Pima County, Arizona, described as follows:

Commencing at a stone marking the Southwest corner of said Section 32;

thence along the West line of said Section 32, North 00°00'42" East 1440.68 feet to the existing northerly right of way line of "Old" State Route 989 (TANGERINE ROAD);

thence along said existing northerly right of way line of "Old" State Route 989 South 81°55'32" East 514.50 feet;

thence continuing along said existing northerly right of way line of "Old" State Route 989 South 89°30'06" East 100.00 feet;

thence continuing along said existing northerly right of way line of "Old" State Route 989 along a curve to the Left having a radius of 1933.48 feet, a length of 273.56 feet to the POINT OF BEGINNING;

thence continuing along said existing northerly right of way line of "Old" State Route 989 from a Local Tangent Bearing of North 82°23'30" East along a curve to the Left having a radius of 1933.48 feet, a length of 163.05 feet;

thence continuing along said existing northerly right of way line of "Old" State Route 989 North 77°33'36" East 800.01 feet;

thence continuing along said existing northerly right of way line of "Old" State Route 989 North 63°52'21" East 590.00 feet;

thence continuing along said existing northerly right of way line of "Old" State Route 989 North 33°52'21" East 760.00 feet;

thence continuing along said existing northerly right of way line of "Old" State Route 989 North 18°52'21" East 410.00 feet;

(continued)

**PAGE 1**

**PROJECT:** 989 PM 000 H0757 **LOCATION:** First Ave - S.R. 77

**PARCEL:** L-SC-016H

S-483-701

Disposal

cg 11-30-2021

thence continuing along said existing northerly right of way line of "Old" State Route 989 North 07°22'21" East 1091.65 feet to the existing westerly right of way line of State Route 77 (TUCSON - ORACLE JUNCTION - GLOBE HIGHWAY);

thence along said existing westerly right of way line of State Route 77 South 00°41'40" West 957.50 feet;

thence continuing along said existing westerly right of way line of State Route 77 along a curve to the Right having a radius of 7539.44 feet, a length of 1718.65 feet to the present existing northerly right of way line of Tangerine Road;

thence along said present existing northerly right of way line of Tangerine Road from a Local Tangent Bearing of North 75°25'54" West along a curve to the Left having a radius of 2006.60 feet, a length of 492.76 feet;

thence continuing along said present existing northerly right of way line of Tangerine Road North 89°30'06" West 1443.34 feet;

thence continuing along said present existing northerly right of way line of Tangerine Road North 00°29'54" East 18.32 feet to the POINT OF BEGINNING.

Comprising an area of 971,687 square feet, more or less.

The parcel of land herein conveyed shall have no right or easement of access to or from State Route 77 (TUCSON - ORACLE JUNCTION - GLOBE HIGHWAY), or Tangerine Road, provided however, access shall be permitted to Tangerine Road westerly of a point on the existing northerly right of way line of said Tangerine Road that is 660 feet, as measured along said existing northerly right of way line from its juncture with the existing westerly right of way line of said State Route 77.

The Access Control provisions set forth above shall be a covenant running with the land and shall be binding upon, and shall inure to the benefit of the State of Arizona, the landowners and their respective successors and assigns with respect to the property. The Access Control provisions shall also remain enforceable by the State of Arizona even if all or part of any roadway is abandoned to a local jurisdiction.

(continued)

**PAGE 2**

**PROJECT:** 989 PM 000 H0757  
S-483-701

**LOCATION:** First Ave - S.R. 77  
Disposal

**PARCEL:** L-SC-016H  
cg 11-30-2021



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

**ALSO RESERVING UNTO THE GRANTOR**, and its successors or assigns, a perpetual easement for the construction and maintenance of drainage features for the protection of said State Highway 77, together with the right of ingress and egress for said purposes over the above described property; and

**ALSO RESERVING UNTO THE GRANTOR**, and its successors or assigns, a perpetual easement for the purpose of maintaining and repairing slopes or embankments over the above described property.

**PAGE 3**

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**PROJECT:** 989 PM 000 H0757  
S-483-701

**LOCATION:** First Ave - S.R. 77  
Disposal

**PARCEL:** L-SC-016H  
cg 11-30-2021

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

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

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

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

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

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

**LEGAL DESCRIPTION**

SEE SCHEDULE A-1 ATTACHED

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

<b>Date of Search:</b> 09/04/2020	<b>Examiner:</b> Sherry L Kinsella	<b>Reviewer:</b>
<b>Update to:</b>	<b>Examiner:</b>	<b>Reviewer:</b>
<b>Update to:</b>	<b>Examiner:</b>	<b>Reviewer:</b>
<b>Update to:</b>	<b>Examiner:</b>	<b>Reviewer:</b>
<b>Update to:</b>	<b>Examiner:</b>	<b>Reviewer:</b>

<b>County:</b> Pima	<b>Tax Arb:</b> N/A	<b>Disposal:</b> N/A
<b>Tracs No.:</b> 989 PM 000 H0757	<b>Highway:</b> TANGERINE RD HWY (RESCINDED)	<b>Excess Land:</b> L-SC-016
<b>Fed. No.:</b> N/A	<b>Section:</b> First Ave. - U.S. 89	<b>Parcel No.:</b> 10-0859 and 10-0855

## **SCHEDULE A-1 LEGAL DESCRIPTION**

Parcel 1: L-SC-016A

That portion of State Route 989 shown as a portion of ADOT Parcel 10-0859, as depicted on Exhibit "A" attached, Sheet 4 of ADOT Drawing # D-10-T-365 the Right of Way Plans of TANGERINE RD. HWY, First Ave. - U.S. 89, Project No. 989PM000H075703R / S-483-701

Parcel 2: L-SC-016B

That portion of State Route 989 shown as a portion of ADOT Parcel 10-0855, as depicted on Exhibit "A" attached, Sheet 4 of ADOT Drawing # D-10-T-365 the Right of Way Plans of TANGERINE RD. HWY, First Ave. - U.S. 89, Project No. 989PM000H075703R / S-483-701

Parcel 3: L-SC-016C

That portion of State Route 989 shown as a portion of ADOT Parcel 10-0859, as depicted on Exhibit "A" attached, Sheet 4 of ADOT Drawing # D-10-T-365 the Right of Way Plans of TANGERINE RD. HWY, First Ave. - U.S. 89, Project No. 989PM000H075703R / S-483-701

Parcel 4: L-SC-016D

That portion of State Route 989 shown as a portion of ADOT Parcel 10-0859, as depicted on Exhibit "A" attached, Sheet 5 of ADOT Drawing # D-10-T-365 the Right of Way Plans of TANGERINE RD. HWY, First Ave. - U.S. 89, Project No. 989PM000H075703R / S-483-701

Parcel 5: L-SC-016E

That portion of State Route 989 shown as a portion of ADOT Parcel 10-0859, as depicted on Exhibit "A" attached, Sheet 5 of ADOT Drawing # D-10-T-365 the Right of Way Plans of TANGERINE RD. HWY, First Ave. - U.S. 89, Project No. 989PM000H075703R / S-483-701

Parcel 6: L-SC-016F

That portion of State Route 989 shown as a portion of ADOT Parcel 10-0859, as depicted on Exhibit "A" attached, Sheet 5 of ADOT Drawing # D-10-T-365 the Right of Way Plans of TANGERINE RD. HWY, First Ave. - U.S. 89, Project No. 989PM000H075703R / S-483-701

Parcel 7: L-SC-016G

That portion of State Route 989 shown as a portion of ADOT Parcel 10-0859, as depicted on Exhibit "A" attached, Sheet 5 of ADOT Drawing # D-10-T-365 the Right of Way Plans of TANGERINE RD. HWY, First Ave. - U.S. 89, Project No. 989PM000H075703R / S-483-701

(continued)

Parcel 8: L-SC-016H

That portion of State Route 989 shown as a portion of ADOT Parcel 10-0859, as depicted on Exhibit "A" attached, Sheets 5 and 6 of ADOT Drawing # D-10-T-365 the Right of Way Plans of TANGERINE RD. HWY, First Ave. - U.S. 89, Project No. 989PM000H075703R / S-483-701.

Parcel 9: L-SC-016I

That portion of State Route 989 shown as a portion of ADOT Parcel 10-0859, as depicted on Exhibit "A" attached, Sheets 5 and 6 of ADOT Drawing # D-10-T-365 the Right of Way Plans of TANGERINE RD. HWY, First Ave. - U.S. 89, Project No. 989PM000H075703R / S-483-701.

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

**END OF SCHEDULE A-1**

## **RIGHT OF WAY / VESTING**

1. Warranty Deed by Chicago Trust Company, an Arizona corporation, as Trustee under Trust No. 11015 to The State of Arizona, by and through its Department of Transportation dated December 16, 1991 recorded January 22, 1992 in Docket 9211, Page 222.  
[Project 989PM000H075703R / S-483-701 / Parcel 10-0855]
2. Warranty Deed by WGI, Inc., an Arizona corporation, formerly known as Wolfswinkel Group, Inc., an Arizona corporation to The State of Arizona, by and through its Department of Transportation dated October 7, 1991 recorded March 5, 1992 in Docket 9240, Page 322.  
[Project 989PM000H075703R / S-483-701 / Parcel 10-0859]

## **END OF RIGHT OF WAY / VESTING**

## REQUIREMENTS

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

**NOTE:** Repurchase rights **do not** apply due to the property being acquired more than eight years prior to the date of this transaction. [Project 989PM000H075703R / S-483-701 / Parcel 10-0859 and Parcel 10-0855]

**END OF REQUIREMENTS**



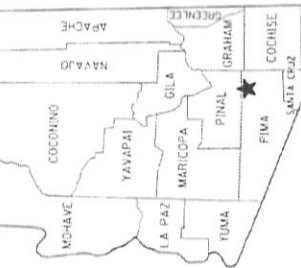
## **SCHEDULE B**

1. Drainage Easement for utilities by WGI, Inc., and Arizona corporation, formerly known as Wolfswinkel Group, Inc., an Arizona corporation to the State of Arizona, by and through its Department of Transportation dated October 7, 1991 recorded March 5, 1992 in Docket 9240, Page 329.
2. Slope Easement by WGI, Inc., and Arizona corporation, formerly known as Wolfswinkel Group, Inc., an Arizona corporation to the State of Arizona, by and through its Department of Transportation dated October 7, 1991 recorded March 5, 1992 in Docket 9240, Page 331.
3. Utility Easement by WGI, Inc., and Arizona corporation, formerly known as Wolfswinkel Group, Inc., an Arizona corporation to the State of Arizona, by and through its Department of Transportation dated October 7, 1991 recorded March 5, 1992 in Docket 9240, Page 336.
4. Resolution and Order No. 2003-291 for the Annexation of portions of Tangerine/Thornydale Rd. by the Pima County Board of Supervisors dated December 16, 2003, recorded December 19, 2003 in Docket 12201, Page 375.
5. Resolution of Establishment of State Route 77 by Victor M. Mendez, Director, Arizona Department of Transportation dated May 20, 2005 recorded June 3, 2005 in Docket 12566, Page 581; Amended Resolution of Establishment of State Route 77 by Victor M. Mendez, Director, Arizona Department of Transportation dated February 17, 2006 recorded March 15, 2006 in Docket 12761, Page 242; Resolution of Establishment of State Route 77 by Victor M. Mendez, Director, Arizona Department of Transportation dated October 19, 2007 recorded November 7, 2007 in Docket 13177, Page 228.
6. Access rights as conveyed by the Quitclaim Deed from the State of Arizona, by and through its Department of Transportation to Vestar OVM, LLC an Arizona limited liability company dated July 8, 2008 recorded July 31, 2008 in Docket 13360, Page 154.
7. Access Control Release as conveyed by Quitclaim Deed from the State of Arizona, by and through its Department of Transportation to VWI/Vistoso Investment 7I LLC, an Arizona limited liability company dated December 13, 2012 recorded December 13, 2012 in Fee No. 20123480154.
8. License for Encroachment Agreement by and between the Pima County Regional Flood Control District and the Town of Oro Valley, Arizona, a municipal corporation dated May 13, 2013 recorded May 14, 2013 in Fee No. 20131340033.
9. Resolution of Rescission by Johns S. Halikowski, Director of the Arizona Department of Transportation rescinding a portion of State Route 989 known as Tangerine Road Highway dated April 17, 2015 recorded April 24, 2015 in Fee No. 20151140252.
10. Resolution No. (R) 17-11 of the Town of Oro Valley, Arizona to accept ownership of a portion of State Route 989 known as Tangerine Road Highway dated April 11, 2017 recorded August 11, 2017 in Fee No. 20172230625.

11. Resolution of Abandonment by John S. Halikowski, Director of the Arizona Department of Transportation, for the abandonment of Tangerine Rd. Highway, dated September 20, 2019 recorded September 25, 2019 in Fee No. 20192680841.

**END OF SCHEDULE B**

NO. 9	STATE	PROJECT NO.	SHEET NO.	TOTAL SHEETS	DATE
9	ARIZ.	S-483-701	1	6	



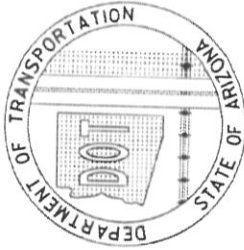
STATE OF ARIZONA  
DEPARTMENT OF TRANSPORTATION



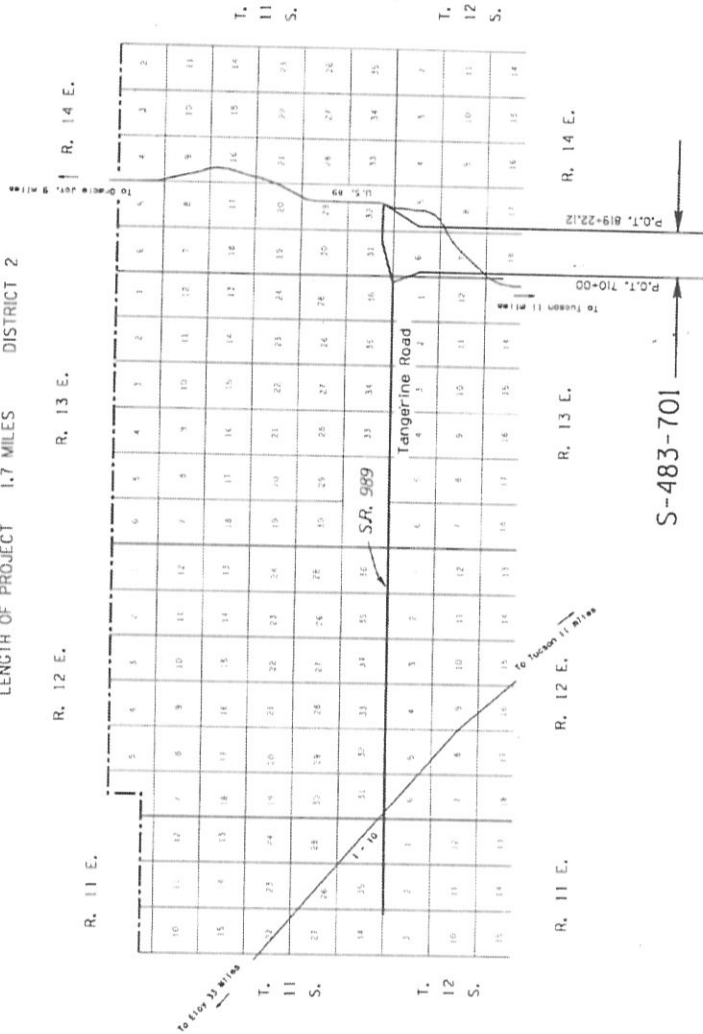
HIGHWAYS DIVISION  
RIGHT OF WAY PLAN OF THE  
TANGERINE RD. HWY  
FIRST AVE. - U.S. 89  
S-483-701

989 PM 000

LENGTH OF PROJECT 1.7 MILES DISTRICT 2



ALL PLANS HEREON ARE TO BE CONSIDERED AS APPROVED BY RESOLUTION 201104-030.  
REVISION: 01/11/11  
REGISTERED ALIAS: 001-04-030  
REGISTERED ALIAS: 001-04-030  
REGISTERED ALIAS: 001-04-030  
REGISTERED ALIAS: 001-04-030  
REGISTERED ALIAS: 001-04-030



APPROVED IN ACCORDANCE WITH RECORD PLANS  
DEPUTY STATE ENGINEER  
ARIZONA DEPARTMENT OF TRANSPORTATION BOARD  
APPROVED FOR RIGHT OF WAY ACQUISITION IN ACCORDANCE  
WITH RESOLUTION 201104-030, DATED 4/11/11  
THOMAS A. BRYANT, III, STATE ENGINEER  
U. S. DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION

DIVISION ADMINISTRATOR \_\_\_\_\_ DATE \_\_\_\_\_

DRAWING NO. D-10-T-365  
SHEET NO. 1 OF 6  
TRACS NO. H 0757 03R

PUBLIC HEARING REQUIREMENTS DEFERRED - NOT REQUIRED  
ENVIRONMENTAL CLEARANCE - S.A.T.

S-483-701

# OWNERSHIP RECORD ACQUISITION RECORD

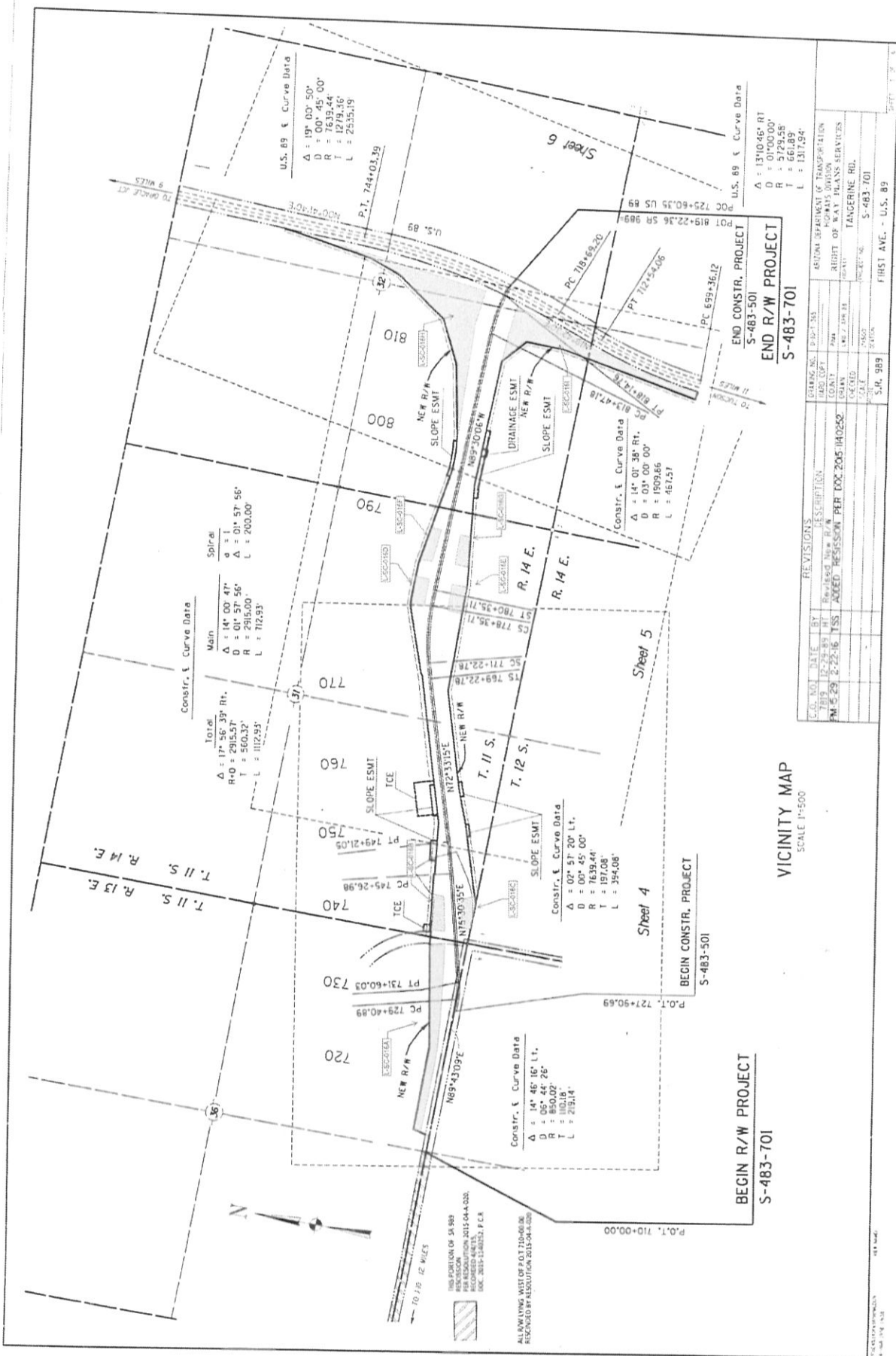
PARCEL NUMBER	OWNER	DESCRIPTION	TOTAL AREA	EASEMENT AREA		REMAINDER	SHEET NUMBER	BOARD APPROVAL	TYPE & DATE OF INSTRUMENT	RECORDED	
				REQUIRED INCLUDING R/W	EXISTING R/W					DATE	BOOK PAGE
10-848	LAWYERS TITLE OF AZ, TR 708P	Pl. SE 1/4 SEC 36, T. 11 S., R. 13 E.	0.54 Ac.	0.54 Ac.	0.54 Ac.		4		WD	7/1/92	9324 471
10-855	PIONEER TRUST CO. OF AZ, TR 10015	Pl. SW 1/4 SEC 31, T. 11 S., R. 14 E.	12.05 Ac.	12.05 Ac.	10.55 Ac.	1.50 A/D	4		WD	1/22/92	928 222
10-859	W.G., INC.	Pl. SE 1/4 SEC 36, T. 11 S., R. 13 E.	48.00 Ac.	48.00 Ac.	48.00 Ac.		4		SE	10/7/93	9540 352
		Pl. SW 1/4 SEC 31, T. 11 S., R. 14 E.	48.00 Ac.	48.00 Ac.	48.00 Ac.		4, 5		SE	10/7/93	9540 352
			48.00 Ac.	48.00 Ac.	48.00 Ac.		4, 5		SE	10/7/93	9540 352
			48.00 Ac.	48.00 Ac.	48.00 Ac.		4, 5		SE	10/7/93	9540 352
			48.00 Ac.	48.00 Ac.	48.00 Ac.		4, 5		SE	10/7/93	9540 352
			48.00 Ac.	48.00 Ac.	48.00 Ac.		4, 5		SE	10/7/93	9540 352
		Pl. SEC 30,	50.79 Ac.	50.79 Ac.	50.79 Ac.		5, 6		DE	10/7/93	9540 352
		Pl. SW 1/4 SEC 31,	3.80 Ac.	3.80 Ac.	3.80 Ac.		5, 6		DE	10/7/93	9540 352
			3.80 Ac.	3.80 Ac.	3.80 Ac.		5, 6		DE	10/7/93	9540 352

NOTE: To be acquired as a Total Take  
 R/W Required from Wolfswinkle Group is to be conveyed as Fee title in accordance with Inter-governmental Agreement 87-59

C.O. NO.	DATE	BY	DESCRIPTION
8819	12-31-89	HAT	Revised New R/W
8817	12-31-89	HAT	CHANGED NAME OF PAR. 10-859 FROM
PM-627	HIB17	TSS	UPDATED ACQ. INFO.

SCALE: 30' = 1" SHEET NO. S-483-701

ARIZONA DEPARTMENT OF TRANSPORTATION  
 FORMS DIVISION  
 RIGHT OF WAY PLANS SERVICES  
 TANNER RD.  
 FIRST AVE. U.S. 89



BEGIN R/W PROJECT  
S-483-701

VICINITY MAP  
SCALE 1"=500'

BEGIN CONSTR. PROJECT  
S-483-501

END CONSTR. PROJECT  
S-483-501  
END R/W PROJECT  
S-483-701

NO.	DATE	BY	REVISIONS	DESCRIPTION
1	12-24-89	RT	Revised	Sheet 5
2	2-22-16	TSS	ADDED REVISION PER DOC 2005-11A0252	

DATE	12-24-89	BY	RT	SCALE	1"=500'
PROJECT NO.	S-483-701	PROJECT NAME	FIHST AVE. - U.S. 89	DATE	12-24-89
CONTRACT NO.		CONTRACT NAME		DESIGNER	
CITY		COUNTY		CLIENT	
STATE		PROJECT NO.	S-483-701	PROJECT NAME	FIHST AVE. - U.S. 89

THIS PORTION OF SA 889  
REVISION 2015-04-13-08  
RECORDED AREA  
DOC. 2015-11A0252, P.C.A.

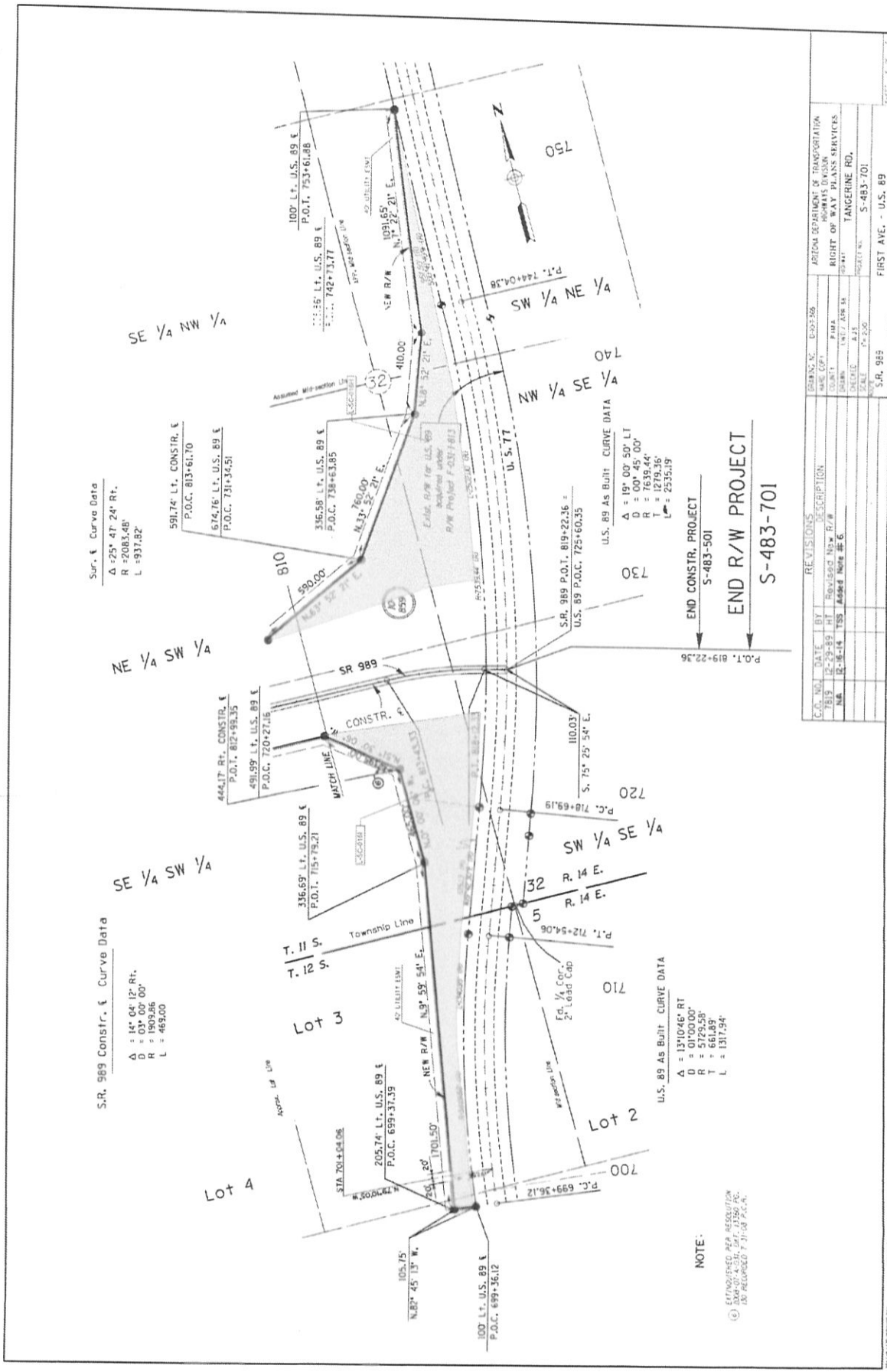
ALL RIGHTS RESERVED BY THE STATE OF CALIFORNIA  
RECORDED BY RESOLUTION 2015-04-13-08











Sur. & Curve Data  
 $\Delta = 25^\circ 47' 24''$  Rt.  
 $R = 2083.48'$   
 $L = 937.82'$

S.R. 989 Constr. & Curve Data  
 $\Delta = 14^\circ 06' 12''$  Rt.  
 $D = 63' 00''$   
 $R = 1909.86'$   
 $L = 465.00'$

U.S. 89 As Built CURVE DATA  
 $\Delta = 19^\circ 00' 50''$  Lt  
 $D = 60' 45''$   
 $R = 1858.44'$   
 $T = 1278.36'$   
 $L = 2535.19'$

U.S. 89 As Built CURVE DATA  
 $\Delta = 13^\circ 04' 46''$  Rt  
 $D = 61' 00''$   
 $R = 5729.58'$   
 $T = 661.89'$   
 $L = 1317.94'$

NOTE:

© ENGINEERED PER RESOLUTION  
 2004-07-04-011, P.L.R. 1329 P.C.  
 DO REQUIRED P. 31-08 P.C.A.

DATE	BY	DESCRIPTION
12-20-99	HT	PROPOSED NEW R/W
12-16-14	TSS	ADDED NEW #6

OWNER	ARIZONA DEPARTMENT OF TRANSPORTATION
COUNTY	HOHOKAI DIVISION
CITY	RIGHT OF WAY PLANS SERVICES
PROJECT	TANGERINE RD.
SCALE	1" = 200'
SHEET NO.	S-483-701
DATE	U.S. 89
PROJECT	FIRST AVE. - U.S. 89

PHOENIX, on 1/27/2023  
 CTR054974/ JW-23-002/ M697501X/ L-SC-016H-SOUTHWEST APPRAISAL ASSOCIATES INC

### SUPPLIER

**SOUTHWEST APPRAISAL ASSOCIATES INC**  
**Attn: STEVEN COLE**  
**Address:** Legal Address  
 PO BOX 16156  
 UNITED STATES  
 TUCSON, Arizona 85732-6156  
**Phone:** 5203270000  
**E-mail:** STEVE@SWAA.BIZ

### ORDER No. PO0000516231

*(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	CTR054974-1	612857-1	CTR054974/ JW-23-002/ M697501X/ L-SC-016H Commentaire : M697501X	1.0000	Total Cost	4,000.0000	4,000.00

<b>Total before Tax</b>	<b>4,000.00 USD</b>
Non-Taxable - 0 %	0.00 USD
<b>Total after Tax</b>	<b>4,000.00 USD</b>

## DELIVERY CONDITIONS

Delivery Conditions	Date	Type	%	Amount	Item

## PURCHASE ORDER TERMS AND CONDITIONS

State of Arizona  
PURCHASE ORDER TERMS AND CONDITIONS  
Applied to APP Purchase Orders on or after 11/10/2022

- 1. Modification.** No modification of the purchase order shall bind State of Arizona Buyer (Buyer) unless Buyer agrees to the modification in writing.
- 2. Packing and Shipping.** Seller shall be responsible for industry standard packing which conform to all legal requirements. Containers must be clearly marked with any required identifying information such as the lot number, destination address, and purchase order number.
- 3. Title and Risk of Loss.** The title and risk of loss of the materials shall not pass to Buyer until Buyer physically receives the materials 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 materials and no payment will be made prior to receipt and acceptance of materials and correct invoice. Payment due dates, including discount periods, will be computed from date of receipt of materials or date of receipt of correct invoice (whichever is later) to date Buyer's warrant as 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 (A.R.S.), subject to the requirements and limitations of A.R.S. § 35-154. The Buyer's obligation is payable solely from funds appropriated for the purpose of acquiring the materials or services referred to in this Purchase Order; should Buyer's funding change, no legal liability on the part of the Buyer for any payment may arise under this Purchase Order until funds are made available for performance.
- 5. Inspection.** All materials 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 similar expenses are the responsibility of the Seller.
- 6. No Replacement of Defective Tender.** Every tender of materials 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. 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 the purpose of 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 canceled by Buyer pursuant to this provision, Buyer shall be entitled to recover or withhold from the Seller the amount of the gratuity, in addition to any other rights and remedies available under Arizona state law.
- 8. Warranties.** Seller warrants that all materials and services delivered under this Purchase Order will conform to the requirements of this Purchase Order (including all applicable descriptions, specifications, drawing 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 materials or services by Buyer shall not alter or affect the obligations of Seller or the right of Buyer under the foregoing warranties.



**9. E-Verify.** In accordance with A.R.S. § 41-4401, Seller warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23- 214, Subsection A.

**10. Assignment and 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 written permission of Buyer.

**11. Third Party Antitrust Violations.** Seller assigns to Buyer any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Seller toward fulfillment of this Purchase Order

**12. Interpretation –** 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 course of dealing or usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding. Whenever a term defined by the Uniform Commercial Code (U.C.C.) is used in the Purchase Order, the definition contained in the U.C.C. is to control.

**13. Non-Discrimination.** Seller shall comply with State Executive Order No. 2009-09 and any and all other applicable federal and state laws, rules and regulations, including the Americans with Disabilities Act.

**14. Indemnity.** Seller agrees to indemnify and save 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 expense any legal action or suit against Buyer involving any such alleged patent infringement and will pay and satisfy any judgments rendered or settlements reached in any such legal actions or suits. Seller will indemnify Buyer against all claims for damages to persons or property resulting from defects in materials or workmanship

**15. Liens.** All delivered materials and services performed under this Purchase Order shall be free of all liens and if Buyer requests, a formal release of all liens shall be delivered to Buyer.

**16. Contract Number.** If an Arizona contract number appears on the face of this Purchase Order or the Purchase Order was placed against an existing Arizona contract, the terms of that contract are incorporated herein by this reference.

**17. Taxes.** Seller shall be responsible for paying any and all applicable taxes, including but not limited to state and local transaction privilege taxes.

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

**19. Remedies and Applicable Law.** This Purchase Order shall be governed by the law of the State of Arizona and suits pertaining to this Purchase Order may only be brought under Article 9 of the Arizona Procurement Code (A.R.S. §§ 41-2501 et seq., and the rules thereunder, A.A.C. R2-7-101 et seq.)

**20. Books and Records.** Under A.R.S. § 35-214 and § 35-215, the Seller shall retain all books, accounts, reports, files and other

records relating to the Purchase Order for five years after completion of the Purchase Order. These books and records shall be available at all reasonable times for inspection and audit by the State at such state offices designated by the State.

**21. State Law Certifications.** If Seller is a Company as defined in A.R.S. § 35-393, Contractor Seller certifies that it shall comply with A.R.S. § 35-394, regarding use of forced labor of ethnic Uyghurs, as applicable. If this purchase order is over \$100,000, Seller further certifies that it is not currently engaged in a boycott of Israel as described in A.R.S. §§ 35-393 et seq. and will refrain from any such boycott for the duration of this Purchase Order.

**22. Arbitration.** The Buyer and Seller agree to use arbitration as required by A.R.S. § 12-1518.

STATE OF ARIZONA  
State of Arizona  
PURCHASE ORDER TERMS AND CONDITIONS  
Applied to APP Purchase Orders on or before 11/9/2022

- 1. Modification.** No modification of the purchase order shall bind State of Arizona Buyer (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.
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.

Southwest Appraisal Associates, Inc  
Steven Cole

January 25, 2023

\*\*\*\*\*

**RESPONSE DUE ON OR BEFORE**

RE: REVIEW APPRAISER ASSIGNMENT NO: JW-23-002  
PROJECT:  
HIGHWAY:  
SECTION:  
PARCEL(S): L-SC-016H

PARCEL #	30 Day Bid
L-SC-016H	4,000
<b>TOTAL</b>	<b>\$ 4,000</b>

Quote prepared by: Steven Cole  
Steven Cole, Certification # 30130

1/25/23  
Date



Infrastructure Delivery and Operations

An Arizona Management System Agency

Douglas A. Ducey, Governor  
John S. Halikowski, Director  
Dallas Hammit, State Engineer  
Steve Boschen, Division Director

205 S. 17<sup>th</sup> Ave. Room: 331  
Mail Drop: 612E  
Phoenix, AZ 85007

January 25, 2023

Steven Cole  
Southwest Appraisal Associates, Inc  
P.O. Box 16156  
Tucson, AZ. 85732-6156

RE: Appraisal Assignment No.: JW-23-002  
PROJECT: 989 PM 000 H0757  
HIGHWAY: TANGERINE ROAD HIGHWAY (RESCINDED)  
SECTION: **First Ave. – U.S. 89**  
PARCEL: L-SC-016H

Dear Steven Cole:

You are hereby requested to provide your fee quote to prepare an appraisal for the referenced parcel. Your appraisal report will need to reflect the market value using the current date of valuation, and be prepared in accordance with terms of this task; the ADOT Right of Way Procedures Manual Project Management Section Chapters Three and Four; The Federal Highway Administration (FHWA) Uniform Act, 49 CFR Part 24; the current edition of the Uniform Standards of Professional Appraisal Practice (USPAP) guidelines at the time of your valuation; and the enclosed scope of work and provided information.

The purpose of the appraisal report is to estimate the market value of the fee simple estate of the subject property. The intended use of the appraisal report is to utilize value estimates to assist in decisions regarding the possible sale or disposal..

ADOT Procurement Group will issue a Purchase Order that will be your notice to proceed with the appraisal assignment. You may contact the property owners to arrange for the property inspection after you receive your notice to proceed from procurement. Inspection dates/times must be provided at least seven calendar days prior to inspection to the Property Owner and emailed to Jim Walcutt (JWalcutt@AZDOT.GOV); Robert Jeffery (RJeffery@AZDOT.GOV); and Annette Valverde (AValverde@AZDOT.GOV).

Please direct any questions regarding this appraisal assignment to **Jim Walcutt**, (520-591-7923), (JWalcutt@AZDOT.GOV), ADOT R/W Review Appraiser. All changes must be in writing to prevent any miscommunications.

Additional information regarding the parcel is as follows:

Type of Report: Appraisal  
Type of Property: VACANT LAND  
Scope Notes: A complete before and after appraisal of the entire property is required.

The FHWA is to be named as an intended user of the appraisal. The appraisal report must include the ADOT Certificate of Appraiser immediately following the Auditing Breakdown section of the report. The addenda to the report is to include a current copy of the appraiser's State of Arizona Certified General Real Estate Appraiser license, a copy of the owner contact correspondence including Owner Contact Report Form(s), and a copy of the signed procurement purchase order.

Appraisal Contractor agrees that within any particular project wherein Contractor has provided appraisal or consulting services to ADOT, no other appraisal services may be provided to other clients/property owners in this project, without the written approval of ADOT. Any hypothetical assumptions, extraordinary limiting condition or jurisdictional exceptions of the appraisal must be pre-approved by the Review Appraiser prior to submittal of the appraisal report and identified in the appraisal report.

In the course of the appraisal assignment due diligence, if it is discovered that the property ownership has transferred to any entity other than that noted in the ADOT Title report, the Review Appraiser must be notified immediately. A new Title Report and Ownership Record Sheet will then be ordered for inclusion in the appraisal report.

Please note that there are changes to civil expert disclosure and discovery rules effective July 1, 2018. Please update your qualifications in the appraisal report to list all other cases in which you have testified as an expert witness at a hearing or trial during the previous four years.

A complete initial appraisal report in an electronic PDF file format is to be submitted by e-mail to the review appraiser by the appraisal due date. All subsequent appraisal report iterations are also to be e-mailed to the review appraiser. Within 5 business days after ADOT approves the acceptability for the initial report submittal, the Appraiser will deliver an electronic PDF file and four (4) bound color copies of the final report. The submitted final hard copies of the appraisal report are to include, a CD with a PDF copy of the appraisal report with the following naming convention:

ADOT Parcel # Owner Name – (Appraisal Firm Name) – Date of Value - Date of Appraisal Report,  
eg; Owner Name - (Appraisal Firm) DOV xx-xx-2020 DOR xx-xx-2020.

The appraisal report package is to be addressed to ADOT Right of Way Operations - Appraisal, ADOT Mail Room, 1655 W. Jackson Street, Phoenix, AZ 85007. Packages must be marked Time Sensitive or Urgent. If a delivery service is utilized, a confirmation notice is to be e-mailed to the review appraiser.

Please complete the last page of this bid request with your quote and email to [RightofWayContracts@azdot.gov](mailto:RightofWayContracts@azdot.gov) no later than 5:00 p.m. on January 30, 2023.

Sincerely,

Enclosure(s)

cc: Esther Valencia, R/W Contracts Section