

APPRAISAL REPORT

MARKET VALUE OPINION

TYPE OF REPORT	Market Value Appraisal
ASSESSOR PARCEL NO(S).	Not Established
ADOT PARCEL NO.	L-C-107
OWNER NAME	State of Arizona
PROPERTY LOCATION	The property is located west of Higley Road and north of State Route 202 in Gilbert, Maricopa County, Arizona 85296.
PROPERTY TYPE	Vacant Land
PROJECT	202L MA 000 H5382 01R
HIGHWAY	Santan Freeway
SECTION	Gilbert Road — Higley Road
EFFECTIVE DATE OF VALUE	September 22, 2026
DATE OF APPRAISAL REPORT	September 24, 2026

PREPARED FOR	PREPARED BY
Arizona Department of Transportation Right of Way Group	John Medley Certified General Appraiser Arizona Certificate No. 1049989

AERIAL MAP – PROPERTY APPRAISED



Red Property Boundary is an Approximation



September 24, 2026

Mr. Jim Walcutt
Arizona Department of Transportation
205 South 17th Avenue, Room 331
Mail Drop #612E
Phoenix, AZ 85007

RE: Appraisal of 92,810 square feet or 2.13 acres of vacant land. The subject property is located west of Higley Road and north of State Route 202 in Gilbert, Maricopa County, Arizona 85296. The property has neither an established street address nor an assigned Maricopa County Assessor's Parcel Number.

Appraiser's File No.: 26-009-L

Mr. Walcutt:

At your request, I have prepared an opinion of market value appraisal of the fee simple interest in the subject property. The subject property consists of 92,810 square feet or 2.13 acres of vacant land. It is located west of Higley Road and north of State Route 202 in Gilbert, Maricopa County, Arizona 85296.

The subject property is currently part of the State Route 202 right-of-way and has not been assigned an Assessor's Parcel Number. It is zoned PF/I, Public Facility/Institutional, which is a zoning district for governmental and institutional uses. The property would have to be rezoned before it could be developed for residential use. The Town of Gilbert Development Services Department has indicated that it does not support a rezoning, so there is added risk that a rezoning would not be approved. The opinion of market value reflects this risk.

The site is long and narrow, and this shape limits its development potential. Based on preliminary GIS measurements, the site may accommodate approximately three residential lots; this estimate is subject to a survey, access and easement review, and the Town's subdivision and zoning approvals.

The purpose of this appraisal is to provide a market value opinion for the subject property, as of the effective date of value, 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 that 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.”¹

The intended users of the appraisal include the officials and agents of the Arizona Department of Transportation and the officials and agents of the Federal Highway Administration. The intended use of the appraisal is to assist the client in the potential sale of the property. No other use or users are intended, and any unintended use may be misleading.

This appraisal report is intended to comply with the most recent requirements set forth in: (1) the Arizona Department of Transportation Appraisal Standards and Specifications; and (2) the *Uniform Standards of Professional Appraisal Practice* (USPAP), promulgated by the Appraisal Standards Board of the Appraisal Foundation.

This report or any portion thereof is for the exclusive use of the clients 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 appraiser, as set forth within the Assumptions and Limiting Conditions contained in this report.

The purpose of this appraisal is to provide an opinion of market value for the subject property as of September 22, 2026, the effective date of value, as follows:

**ROUNDED OPINION OF MARKET
VALUE AS OF SEPTEMBER 22, 2026..... \$230,000**

An exposure time of 12 months is estimated for the subject property if priced appropriately.

Extraordinary Assumption:

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

“An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions. Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis.”²

This appraisal report is based on the following extraordinary assumptions:

¹ A.R.S. 28-7091

² *Uniform Standards of Professional Appraisal Practice, 2024 Ed.*, Appraisal Foundation

- 1) *No archaeological survey was provided to the appraiser. 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 appraiser. It is an extraordinary assumption of this appraisal that there is no known geological significance on the subject property.*
- 3) *The subject property was inspected by the appraiser. No evidence of environmental risks or hazardous conditions were observed. It is an extraordinary assumption in this appraisal that there are no known environmental risks or hazardous conditions on the subject property.*
- 4) *Other than the easements and conditions outlined within this report, this appraisal assumes that the subject property is encumbered by typical easements that do not restrict the developability of the property.*
- 5) *As of the effective date, the property is zoned PF/I. This appraisal assumes that the subject property could potentially be rezoned for a residential use.*

Hypothetical Condition:

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

“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”³

No hypothetical conditions are utilized within this appraisal report.

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

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

Respectfully submitted,



John E. Medley
Certified General
Appraiser # 1049989

³ *Uniform Standards of Professional Appraisal Practice, 2024 Ed., Appraisal Foundation*

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ASSUMPTIONS AND LIMITING CONDITIONS

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

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

The Appraiser assumes no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor does the Appraiser render any opinion as to the title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership, competent management and adequate marketing typical for that type of property. The legal description, if provided to me, 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 Appraiser has made no survey of the property. Any sketch or map in the report may show approximate dimensions and is included for illustrative purposes only. It is the responsibility of a certified engineer, architect or registered surveyor to show by a site plan the exact location of the subject property or any improvements or any proposed improvements thereon, or the exact measurements or calculations of estimated area of the site. In the absence of such a survey, the Appraiser may have utilized Tax Assessor's maps or other maps which may not represent the exact measurements of the subject property or other comparable information utilized to determine the value of the subject property. Any variation in dimensions or calculations based thereon may alter the estimates of value contained within the report.

When possible, the Appraiser has relied upon building measurements provided by the client, owner, or agents of these parties. In their absence, the appraiser has relied upon their own measurements of the subject improvements. However, there are some factors that may limit my ability to obtain accurate measurements. Professional building area measurements are beyond the scope of this appraisal assignment.

In estimating the opinion of value of the subject property and in analyzing comparable information, the Appraiser has relied upon information from public and private planning agencies as to the potential use of land or improved properties. This information may include, but is not limited to, Area Plans, Neighborhood Plans, Zoning Plans and Ordinances, Transportation Plans and the like. To the extent that these plans may change, the value opinions of this report may also change.

The dates of value to which the opinions expressed in this report apply are set forth in this report. The Appraiser assumes no responsibility for the economic or physical factors occurring at some point at a later date, which may affect the opinions stated herein. The forecasts, projections, or operating estimates contained herein are based on current market conditions and anticipated short-term supply and demand factors. These forecasts are, therefore, subject to changes with future conditions.

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

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

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

The Appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, potential flooding hazards, hydrology or structures which would render it more or less valuable. The Appraiser assumes no responsibility for such conditions or for engineering which might be required to discover such factors.

Unless otherwise stated within this report, the existence of hazardous materials, which may or may not be present within or on the property, will not be considered by the appraiser. The Appraiser assumes, and the clients warrant, that no such materials adversely affect the utility, usability or development potential of the property to the best of their knowledge. The Appraiser is not qualified to detect such substances. The value opinion has been predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility will be assumed for any such conditions or for any expertise or engineering knowledge required to discover them. The clients are urged to retain an expert in this field, if desired.

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 us. I have not performed a compliance survey to determine if it is in conformance with the A.D.A (Americans with Disabilities Act). The Appraiser assumes, and the clients warrant, that no such barriers adversely affect the utility, usability, or development potential of the property to the best of their knowledge. The Appraiser is 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. The clients are urged to retain an expert in this field, if desired.

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

Disclosure of this report is governed by the applicable confidentiality requirements and any professional-organization rules to which the appraiser is subject.

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

Prospective value opinions are intended to reflect the current expectations and perceptions of market participants. They should not be judged on whether specific items in the forecasts are realized. The Appraiser cannot be held responsible for unforeseeable events that alter market conditions after the effective date of the report. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute prediction of future operating results. Furthermore, it is likely that some assumptions will not materialize and that unanticipated events may occur that will affect actual performance.

The Appraiser has not made a specific survey of the subject property to determine whether or not it has any plant or wildlife which is identified as an endangered or threatened species by the U.S. Fish and Wildlife Service. While not observed and while no information was provided to confirm or deny the existence of any endangered or threatened species on the subject property (unless expressly stated herein), it is emphasized that the appraiser is not qualified to detect or analyze such plants and wildlife. Any such conclusions must be based upon the professional expertise of persons qualified to make such judgments. Thus, any person or other entity with an interest in the subject property is urged to retain an expert if so desired.

Possession of this report, or a copy thereof, does not carry with it the right of publication. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to property value, the identity of the appraiser, professional designations, reference to any professional appraisal organization or the firm with which the appraiser is connected), shall be disseminated to the public through advertising, public relations, news, sales, or other media without prior written consent and approval from Medley Appraisal Services' President.

This appraisal was prepared for the sole and exclusive use of the client. Any party who is not the clients or intended user identified in the appraisal or engagement letter is not entitled

to rely upon the contents of the appraisal without express written consent of Medley Appraisal Services. I claim no expertise in areas such as, legal description survey, structural, or environmental, engineering mechanical or electrical systems and the like. I assume such data is accurate and such systems functional unless otherwise noted in the appraisal.

This appraisal shall be considered in its entirety. No part thereof shall be used separately or out of context.

This appraisal does not guarantee compliance with building code and life safety code requirements of the local jurisdiction. It is assumed that all required licenses, consents, certificates of occupancy or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value conclusion contained in this report is based unless specifically stated to the contrary.

This appraisal is not intended to be used in connection with a real estate syndicate or syndicates. A real estate syndicate is a general or limited partnership, joint venture, unincorporated association or other organization formed for the purpose of an investment from an interest in real property. It includes, but is not limited to a sale, exchange, trade or development of such real property. It may or may not be registered with the United States Securities and Exchange Commission or a state regulatory agency which regulates public offerings.

This appraisal applies to the land and building improvements only. The value of trade fixtures, furnishings, and other equipment, or subsurface rights, (mineral, gas, and oil), were not considered in this appraisal unless specifically stated to the contrary.

If any claim is filed against Medley Appraisal Services, its officers or employees, or the firm providing this report, in connection with, or in any way arising out of, or relating to, this report, or the engagement of the firm providing this report, then (1) under no circumstances shall such claimant be entitled to consequential, special or other damages, only for direct compensatory damages, (2) the maximum amount of such compensatory damages recoverable by such claimant shall be the amount actually received by Medley Appraisal Services to provide this report.

All disputes shall be settled by binding arbitration in accordance with the commercial arbitration rules of the American Arbitration Association.

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

EXECUTIVE SUMMARY

Location:	The subject property is located west of Higley Road and north of State Route 202 in Gilbert, Maricopa County, Arizona 85296.
Assessor's Parcel Number(s):	Not Established
Size/Topography/Shape:	According to the client, the subject property consists of 92,810 square feet, or 2.13 acres of vacant land. The property has generally flat topography that is irregularly shaped in a restrictive manner.
Effective Date of Value:	September 22, 2026, the date of the property inspection.
Interest Appraised:	Fee Simple Estate
Intended Users of the Appraisal:	The intended users of the appraisal include the officials and agents of the Arizona Department of Transportation and the officials and agents of the Federal Highway Administration. 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 provide a market value opinion to assist the client in the potential sale of the property.
Flood Insurance Zone:	The subject property is identified as being located in the Flood Zone X (Shaded) per FIRM Map Panel No.: 04013C2753M dated November 4, 2015.
Zoning:	The subject property is located in the PF/I, Public Facility/Institutional zoning district in the Town of Gilbert. This appraisal considers the likelihood that the subject property could potentially receive approval to be rezoned to SF-10, Residential in the Town of Gilbert.
Highest and Best Use:	Single-Family Residential.
Opinion of Market Value:	\$230,000

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, Purpose of the Appraisal, Property Identification, Scope of Work, Regional, Market, and Neighborhood Analyses, Site Analysis, and Highest and Best Use. The highest and best use of the subject property is the basis upon which market value is developed.

The second portion of the report contains the approach(es) used to develop an opinion of market value for the fee simple interest in the subject property. All three traditional approaches to value are considered: Cost Approach, Sales Comparison Approach, and Income Approach.

In the Cost Approach, the appraiser estimates the current cost to replace the improvements, deducts estimated accrued depreciation, and adds the site value to arrive at an indication of market value. The accuracy in the estimate of accrued depreciation is a critical element in the reliability of the Cost Approach.

In the Sales Comparison Approach, recent sales of similar properties, known as “comparables”, are analyzed and adjusted to the subject property. This approach best represents the actions of buyers and sellers in the market for this type of property. The degree of similarity between the comparable sales and the subject property determines the reliability of this approach. This approach is utilized to provide an opinion of market value for the subject property.

The Income Approach is based upon the premise that market value is the present worth of the anticipated benefits to be derived from the property. With income properties, this approach is of primary importance. In the Income Approach, the appraiser analyzes the subject property and comparable properties to estimate the market rent, effective gross income and operating expenses. The net income is converted to value through the process of direct capitalization or a discounted cash flow.

When multiple approaches to value are applied, the value from each approach is evaluated as to their pertinence and reliability. The purpose of the Reconciliation is to evaluate the strengths and weaknesses of the applicable approaches to value. After analyzing the pertinence and reliability of each approach, the appraiser makes a final opinion of value.

DEFINITIONS

Appraisal

“(noun) the act or process of developing an opinion of value; an opinion of value. (adjective) of or pertaining to appraising and related functions such as appraisal practice or appraisal services.”⁴

Appraiser

“One who is expected to perform valuation services competently and in a manner that is independent, impartial, and objective.”⁵

Economic Unit

1. “A portion of a larger (parent) parcel, vacant or improved, that can be described and valued as a separate and independent parcel. Physical characteristics such as location, access, size, shape, existing improvements, and current use are considered when identifying an economic unit. The economic unit should reflect marketability characteristics similar to other properties in the market area. In appraisal, the identification of economic units is essential in highest and best use analysis of a property.

2. A combination of parcels in which land and improvements are used for mutual economic benefit. An economic unit may comprise properties that are neither contiguous nor owned by the same owner. However, they must be managed and operated on a unitary basis and each parcel must make a positive economic contribution to the operation of the unit.”⁶

Exposure Time

“An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.”⁷

Fee Simple Estate

“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.”⁸

⁴ Appraisal Institute, The Dictionary of Real Estate Appraisal, Eighth Edition, pg. 8

⁵ Appraisal Institute, The Dictionary of Real Estate Appraisal, Eighth Edition, pg. 8

⁶ Appraisal Institute, The Dictionary of Real Estate Appraisal, Eighth Edition, pg. 52

⁷ Appraisal Institute, The Dictionary of Real Estate Appraisal, Eighth Edition, pg. 60

⁸ Appraisal Institute, The Dictionary of Real Estate Appraisal, Eighth Edition, pg. 65

Market Value

*"market value" means the most probable price estimated in terms of cash in United States dollars or comparable market financial arrangements that 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."*⁹

PURPOSE OF THE APPRAISAL

<i>Purpose of the Appraisal:</i>	The purpose of this appraisal is to estimate the market value of the fee simple estate.
<i>Intended Users of the Appraisal:</i>	The intended users of the appraisal include the officials and agents of the Arizona Department of Transportation and the officials and agents of the Federal Highway Administration. No other use or users are intended, and any unintended use may be misleading.
<i>Intended Use of the Appraisal:</i>	The intended use of the appraisal is to utilize the market value estimates to assist in decisions regarding the potential sale of the subject property.
<i>Date of Value Opinion:</i>	The effective date of the value opinion is September 22, 2026, the date of the property inspection.
<i>Date of the Appraisal Report:</i>	The date of the appraisal report is September 24, 2026.

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. This appraisal will provide an opinion of market value for the subject property. The Sales Comparison Approach, Cost Approach, and Income Approach were considered in the valuation of the subject. In accordance with *Uniform Standards of Professional Appraisal Practice* (USPAP), effective January 1, 2024, the scope of work for the appraisal includes, but is not limited to, the following:

⁹ Arizona Revised Statute 28-7091

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

Since the subject property is undeveloped vacant land, only the Sales Comparison Approach is applicable in estimating the property's market value. Thus, the Cost and Income Approaches are excluded in this appraisal as they would not produce credible results. This appraisal solely relies on the value provided from the Sales Comparison Approach. Research included the examination of sales and listing data published by Multiple Listing Services, Monsoon, Pinal and Maricopa County public records, CoStar, and interviews with real estate participants and realtors/agents. Similar comparable sales were selected based on the appraiser's conclusion of Highest and Best Use.

The comparable data that is included in the analysis is believed to be the best available. The data selected is adequate to provide reliable indications of market value for the subject property. Overall, the opinion of market value 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.

PROPERTY IDENTIFICATION

The subject property does not have an established Maricopa County Assessor's Parcel Number or property address as the land is vacant. It is referred to by the client as ADOT Parcel L-C-107. It is physically situated south by southeast of Knox Road, north of State Route 202, and west of Higley Road in Gilbert, Maricopa County, Arizona 85296. The subject's Section, Township, and Range, legal description, plat map, and property identification map are outlined below. The subject's full legal description provided by the client's survey is attached in the Addenda.

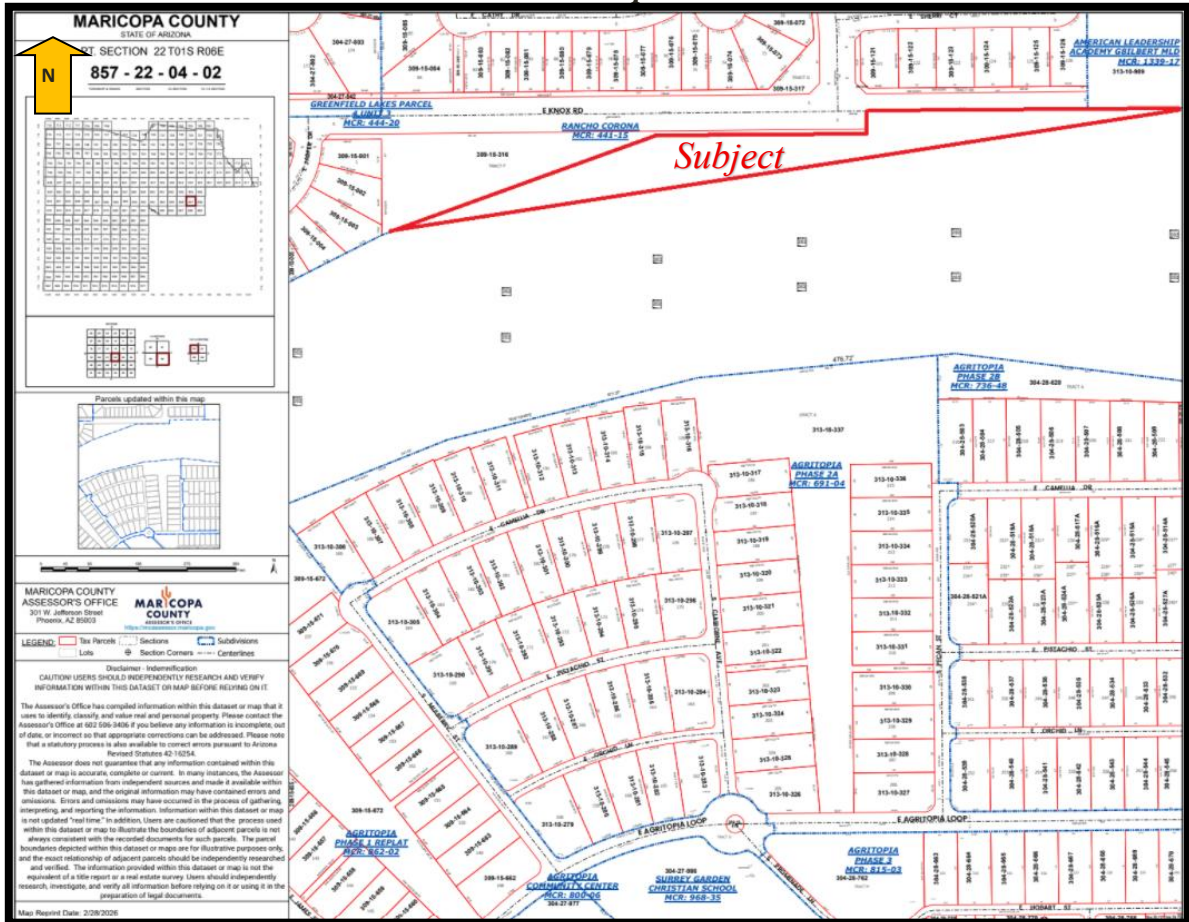
Section/Township/Range

Section 22, Township 01S, Range 06 East of the Gila and Salt River Meridian.

Client's Legal Description

That portion of the North half of the Southeast quarter of Section 22, Township 1 South, Range 6 East Gila and Salt River Meridian, Maricopa County, Arizona, as depicted on Exhibit "A" attached, Sheets p-26 and P-27 of ADOT Drawing D-7-T-911, the Right of way Plans of SANTAN FREEWAY, section Gilbert Rd.-Higley Rd., project 202L MA 000 H5382 OIR / 7-8652.

Plat Map



Note: Red Property Outline is an Approximation

Client's Property Identification Map



Note: Subject Property Outlined in Yellow

Assessor's Parcel Creation

In order to transfer ownership of the subject property to a non-governmental agency, a Maricopa County Assessor's Parcel would need to be created at the time of sale. According to Tammy Alme, ADOT Right of Way Property Management, the buyer can utilize ADOT's recording services at no cost. This service does not provide title insurance to the buyer. According to the Maricopa County Assessor¹⁰, once the property transfer is recorded, the process to activate a new parcel takes 2 to 3 weeks. The subject property has been surveyed and the property has been outlined as shown in the Addenda. Thus, the cost to create a new assessor's parcel for the subject is negligible.

5-YEAR OWNERSHIP HISTORY

According to the title report provided, the subject property is owned by the State of Arizona, by and through its Department of Transportation. Ownership of the subject property last transferred on January 18, 2002 from Johnston Properties LLC to the State of Arizona. This property transfer was recorded in Document No. 2002-61171. To the best of the appraiser's knowledge, the State of Arizona has retained ownership since this transfer and the property is not currently listed for sale or lease.

OWNER CONTACT

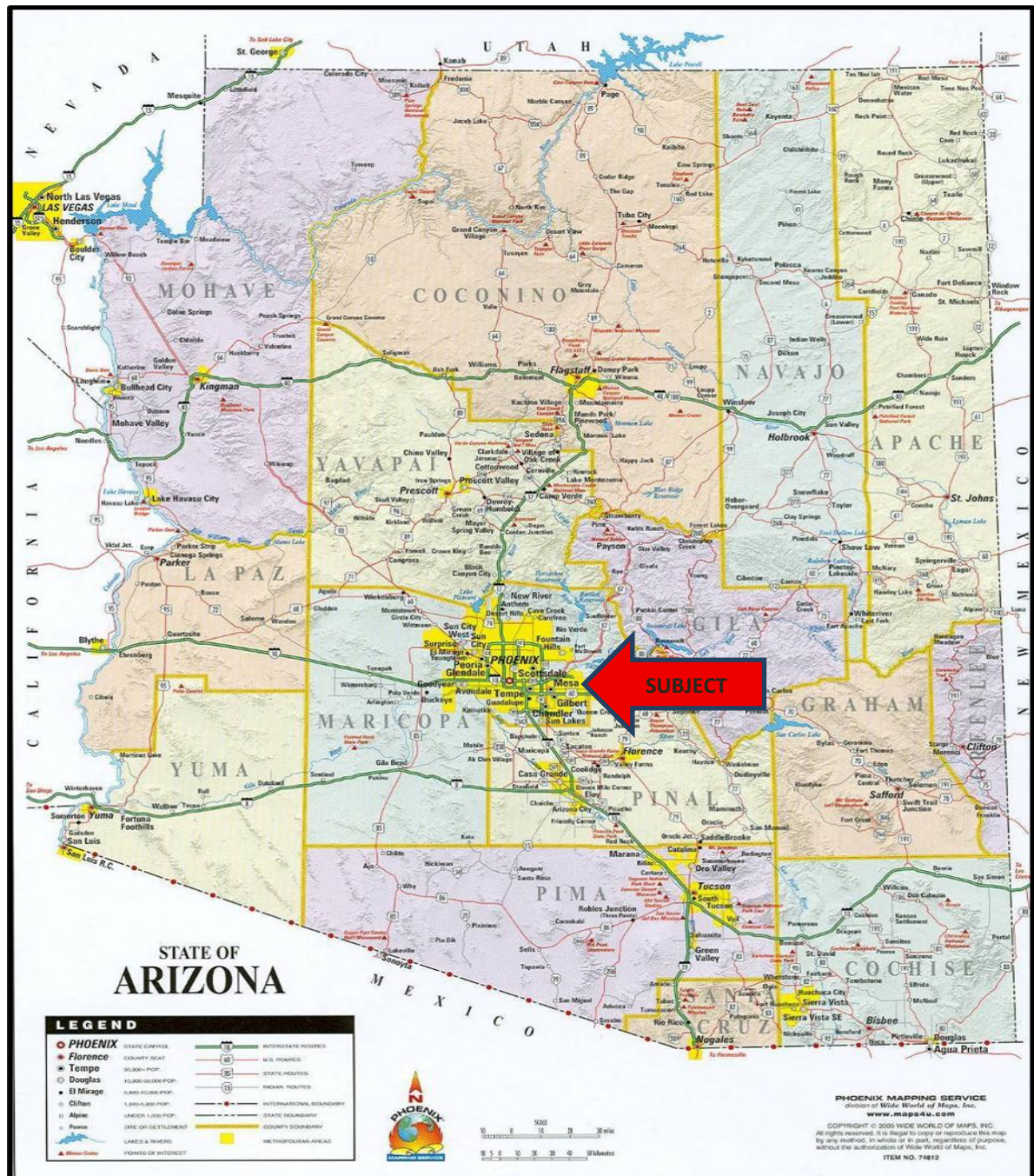
On September 15, 2026, the appraiser provided notice of inspection to ADOT officials. Mr. Jim Walcutt, Ms. Donna Bentley, and Ms. Tammy Alme, inspected the subject property with the appraiser on September 22, 2026, the date of value.

¹⁰ <https://maps.mcasessor.maricopa.gov/help/faq.html>

REGIONAL ANALYSIS

The value of any property is not entirely intrinsic, that is, it is not determined solely by the characteristics of the site itself. The economic, governmental, environmental, and social forces of the region must also be considered. The subject is located within Maricopa County within the State of Arizona. This section presents an analysis of Maricopa County's growth and economic trends.

ARIZONA COUNTY MAP



OVERVIEW – MARICOPA COUNTY

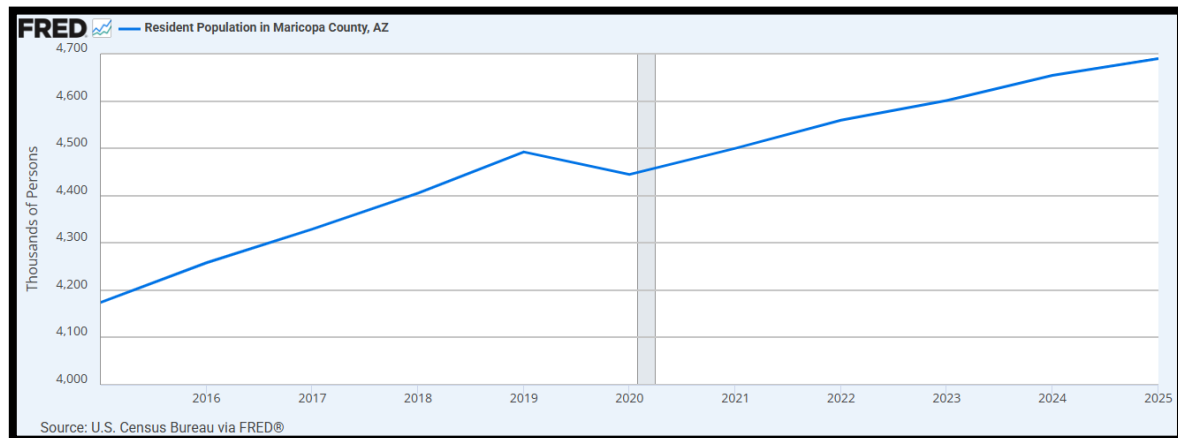
Maricopa County, named after the Maricopa Tribe, was created from portions of Pima and Yavapai counties in 1871. It was the fifth county formed in Arizona, and eventually portions were used to create Gila and Pinal counties. In the late 19th century, citizens living far south of Prescott, the territorial capital and site of the Territorial Legislature, petitioned for a more local seat of government. Residents of the Salt River Valley and the Gila River area wanted a new county in their respective locations. After weighing both proposals, the legislature agreed with the Salt River Valley group and created Maricopa County. In 1889, Phoenix became the final site of the territorial capital and retains its status as Arizona's capital city.

More than half of the state's population resides in Maricopa County, which includes the cities of Phoenix, Buckeye, Mesa, Glendale, Scottsdale, Tempe, Chandler, Peoria and the towns of Gilbert and Cave Creek. This metropolitan area is the state's major center of political and economic activity. In addition to housing the state capital, the county is home to a growing high-tech industry; manufacturing and agricultural industries; institutions of higher learning, including Arizona State University and Grand Canyon University; various cultural attractions; major league professional basketball (Phoenix Suns and Phoenix Mercury), football (Arizona Cardinals), and baseball's 2001 World Champion Arizona Diamondbacks. It is well served with commercial air service provided at the Phoenix Sky Harbor International Airport and Mesa Gateway Airport.

Today Maricopa County measures 9,222 square miles, 98 square miles of which is water. Twenty-nine percent of this area is owned individually or by corporation, and 28 percent is owned by the U.S. Bureau of Land Management. The U.S. Forest Service and the State of Arizona each control 11 percent of the county; an additional 16 percent is owned by other public entities. Almost 5 percent is Indian reservation land.

Population – Maricopa County

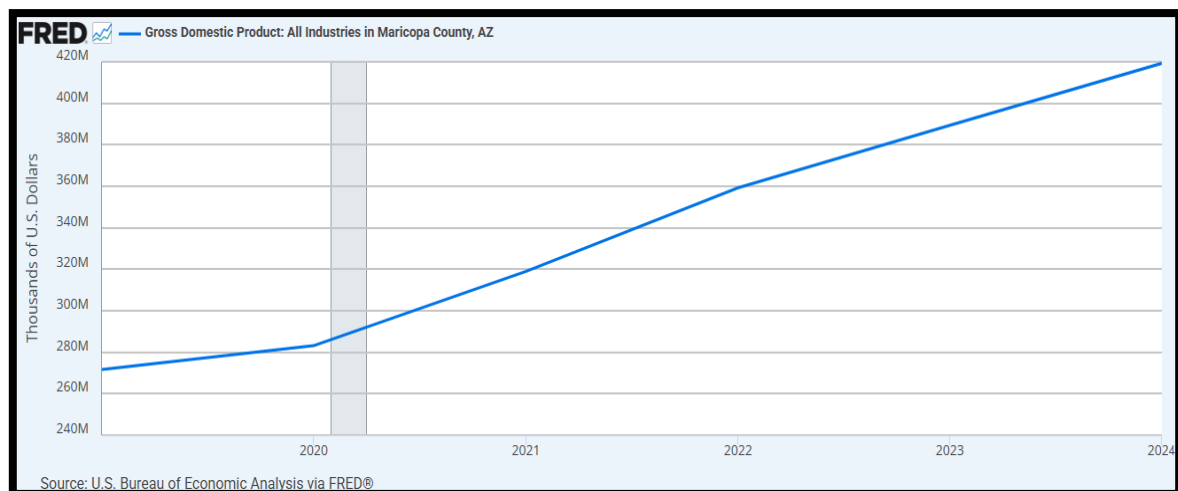
The most recently published population for Maricopa County is detailed in the following table. The County has had positive population growth for the past ten years. The most recently published population is 4,689,558 persons. Over the last 10 years, the county's population has grown by 12.3%.



Source: <https://fred.stlouisfed.org/series/AZMARI3POP>

Gross Domestic Product – Maricopa County

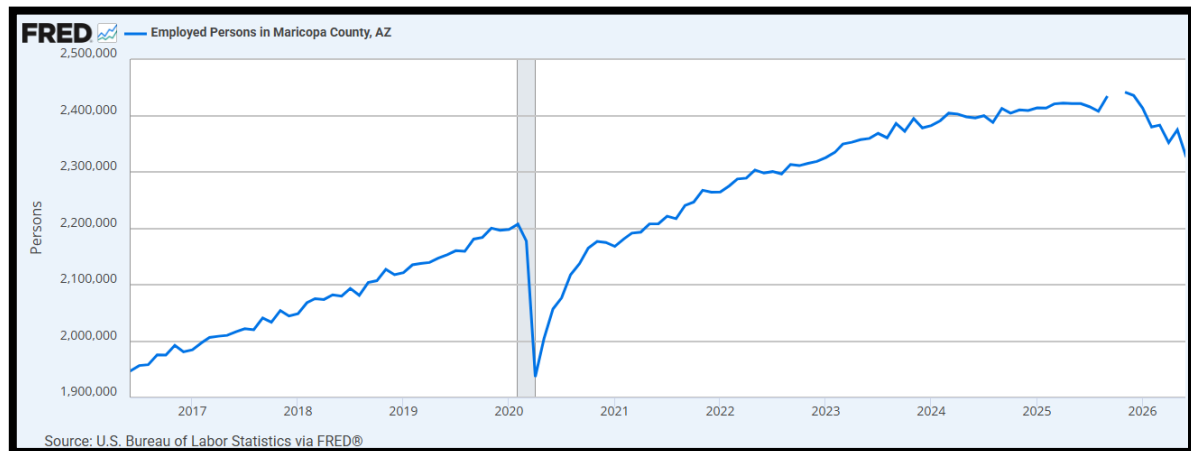
The primary measure of an area's economic activity is Gross Domestic Product (GDP). GDP figures for Maricopa County are provided in the following chart for the most recently published five-year period. The figures are in current dollars. Over the last 5-year period, GDP has experienced steady growth. As of 2024, Maricopa County's GDP was \$419,250,222, a 54.3% increase over the 5-year period.



Source: <https://fred.stlouisfed.org/series/GDPALL04013>

Employment and Unemployment – Maricopa County

Employment in Maricopa County has experienced steady growth over the last 10-year period. As of June 2026, there are 2,326,001 employed persons in the county. As shown in the following chart, employed persons in the county have increased 19.4% over the last 10 years. More recently, employed persons have declined over the last 12 months indicating a slowing employment market.



Source: <https://fred.stlouisfed.org/series/LAUCN040130000000005>

Unemployment as of June 2026 was 4.8%, which is similar to the pre-Covid pandemic years. Unemployment has been relatively stable following a rise during the height of the pandemic in 2021. Most recently, unemployment has hit the highest levels since July 2021 which was during the pandemic. The following chart represents unemployment rates over the last 10-year period.



Source: <https://fred.stlouisfed.org/series/AZMARI3URN>

Largest Employers – Phoenix MSA

The 20 largest employers for the Phoenix MSA, as reported by Moody's are noted in the table on the following page. While not all-encompassing, this list provides further indication of the types of economic sectors that are drivers for the area. Job sector composition also gives an indication of the predominant drivers of current and future demand for supporting commercial real estate sectors. The top five largest private sector employers are Banner Health, Walmart Inc., Fry's Food Stores, Wells Fargo, and Arizona State University.

Selected Major Employers: Phoenix MSA		
Rank	Employer	Employees
1	Banner Health	45,894
2	Walmart Inc.	33,619
3	Fry's Food Stores	20,165
4	Wells Fargo	16,700
5	Arizona State University	14,889
6	HonorHealth	12,163
7	Dignity Health	10,598
8	Intel Corp.	10,400
9	Bank of America	10,000
10	JP Morgan Chase & Co.	10,000
11	Freeport-McMoran Copper & Gold Inc.	9,300
12	Grand Canyon Education	8,500
13	Bashas' Family of Stores	8,299
14	American Express	7,795
15	Honeywell Aerospace	7,792
16	Mayo Clinic Hospital	7,500
17	UnitedHealthcare of Arizona Inc.	7,302
18	State Farm	7,200
19	Arizona Public Service Co.	5,866
20	Salt River Project	5,239
Source: Moody's Analytics Precis@ US Metro		

The local semiconductor industry, Phoenix MSA's specialization, will benefit from solid demand and rising prices for chips used in automobiles and electronic devices. Phoenix MSA's reasonable costs, large labor pool, and abundance of available land are already enabling it to attract a vast amount of factory investment. Semiconductor producers Intel and Taiwan Semiconductor as well as battery cell maker KORE Power are the latest firms to choose Phoenix MSA. KORE Power and Intel are in the process of expansion, which will result in the addition of a few thousand workers over the next few years. This will provide a generous tailwind to the rapidly growing industry.

Principal Economic Activities

The Phoenix metropolitan area remains one of the nation's better-performing markets for employment growth. The local economy was highly resilient during the pandemic, thanks to a diversified employment base across a broad range of industries. An influx of residents and the market's large educational institutions and colleges are significant contributors to the local talent pool. Metro Phoenix is home to the country's largest public and private universities: Arizona State University (ASU) and Grand Canyon University (GCU).

Businesses are selecting the Phoenix area to expand because of the extensive labor

pool and favorable regulatory treatment. Numerous employers have announced expansions and relocations since the pandemic. Amazon recently opened several last-mile and fulfillment sites throughout the metro and leased a 95,000-SF office in Tempe, which will generate thousands of new jobs. Other companies that have added hundreds of new jobs over the past few years include Allstate, Deloitte, Choice Hotels, Mayo Clinic, Wells Fargo, Farmers Insurance, and USAA. Microsoft, Google, and Apple have invested in data centers throughout the metro. While labor is the primary driver behind the market's business attraction success, relative affordability and a more accommodating regulatory environment help tip the scale in favor of Phoenix when companies make their site selection decision.

Transportation

The region is well served by all major modes of transportation. Phoenix Sky Harbor International Airport is Arizona's largest and busiest airport, and among the largest commercial airports in the United States. The airport serves as a hub for American Airlines and a base for Southwest Airlines. They are the airport's largest passenger carriers which provide domestic and international air services.

Interstate-10 connects Phoenix with California to the north and west and with Tucson and New Mexico to the south and east. Interstate-17 connects Phoenix with Flagstaff to the north. The Phoenix area is further served by a highly functional light rail system, transit system, and arterial freeways, highways and state routes.

Conclusion

The Phoenix MSA remains one of the nation's best-performing markets for job growth. The local economy has been one of the most resilient in the U.S. during the pandemic, thanks to a diversified job market. Affordability and job prospects are attracting people living in dense and expensive cities to the Phoenix MSA. While labor is the primary driver behind the market's business attraction success, relative affordability helps tip the scale in favor of the Phoenix MSA when companies make their site selection decision. Longer term, the Phoenix metro area will outperform the U.S. thanks to lower living costs, solid population gains and the continued diversification of industry.

MARKET ANALYSIS

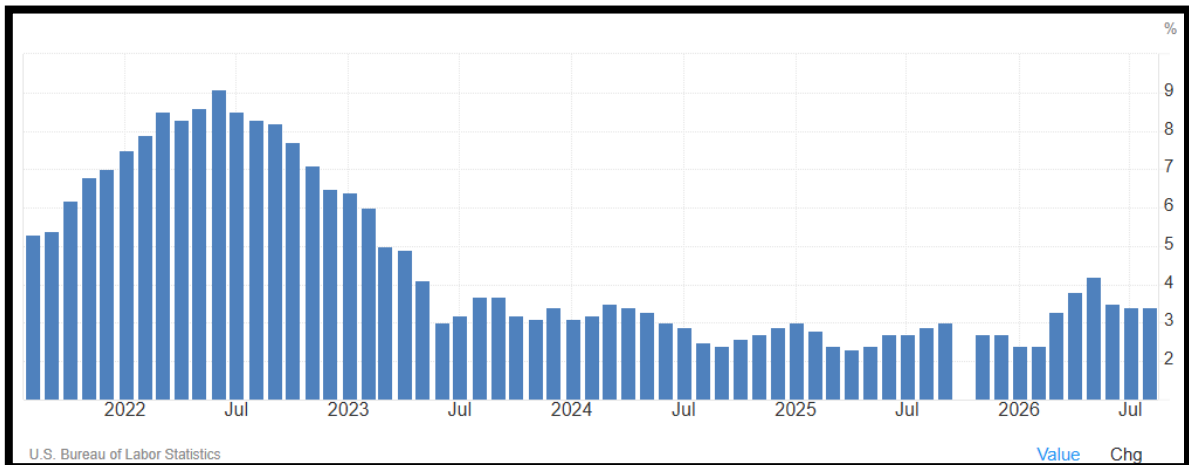
“Market analysis is a study of the supply of and demand for a specific type of property in a specific market area.”¹¹

Subject Attributes

The subject property is vacant land located within a residentially developed area. The property’s lack of frontage on a prominent throughfare and location within a residential use in the general plan indicates the property would be purchased for residential development. Thus, the following market analysis will focus on the residential and residential land markets.

National Economy

According to the U.S. Bureau of Labor Statistics, the inflation rate was around 2% from 2019 through 2021. In 2022 inflation increased rapidly and peaked at over 9% in June 2022. Since then, inflation has declined and is presently at 3.4% as of August 2026. This remains above the Federal Reserve’s target of 2%. The following chart represents inflation in the United States over the last 5 years according to the U.S. Bureau of Labor Statistics.



SOURCE: <https://tradingeconomics.com/united-states/inflation-cpi>

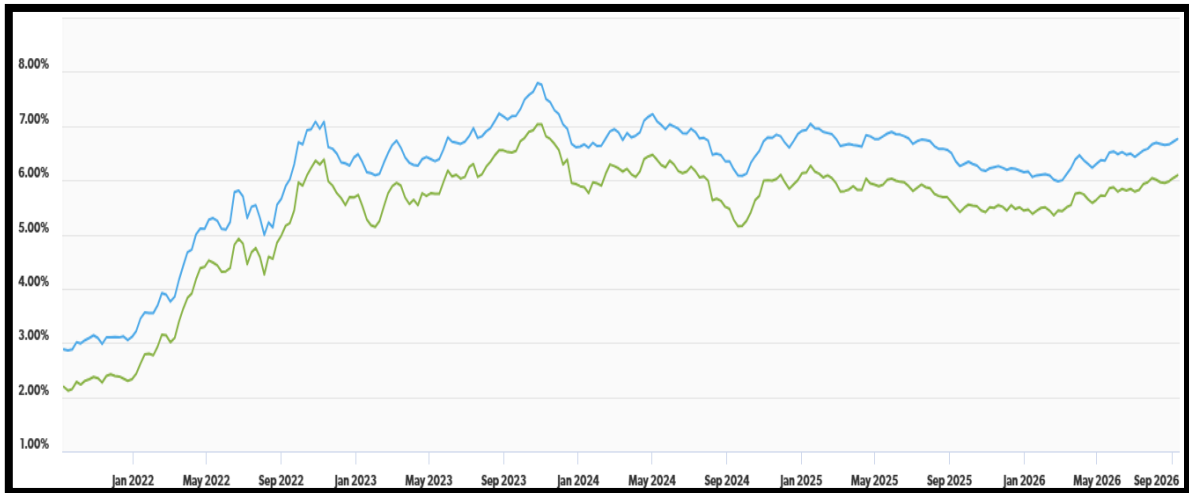
Conventional Long Term Mortgage Data

According to the “Primary Mortgage Market Survey” compiled by Freddie Mac, the most recent interest rate for a 30-year fixed-rate mortgage is 6.76% as of September 2026. Mortgage interest rates are up from the all-time low of 2.65% in January, 2021. In the

¹¹ *The Appraisal of Real Estate, 16th Edition*, Appraisal Institute, P 253

beginning of 2022, the 30-year United States Single Family Home Prices mortgage interest rate began a steep increase to almost 8% by late 2023. Since then, the 30-year mortgage interest rate has declined to the previously reported 6.76%.

The following chart shows the fixed mortgage interest rates for a 30-year loan rate, in blue, and the 15-year loan rate, in green, over the last 5-year period.

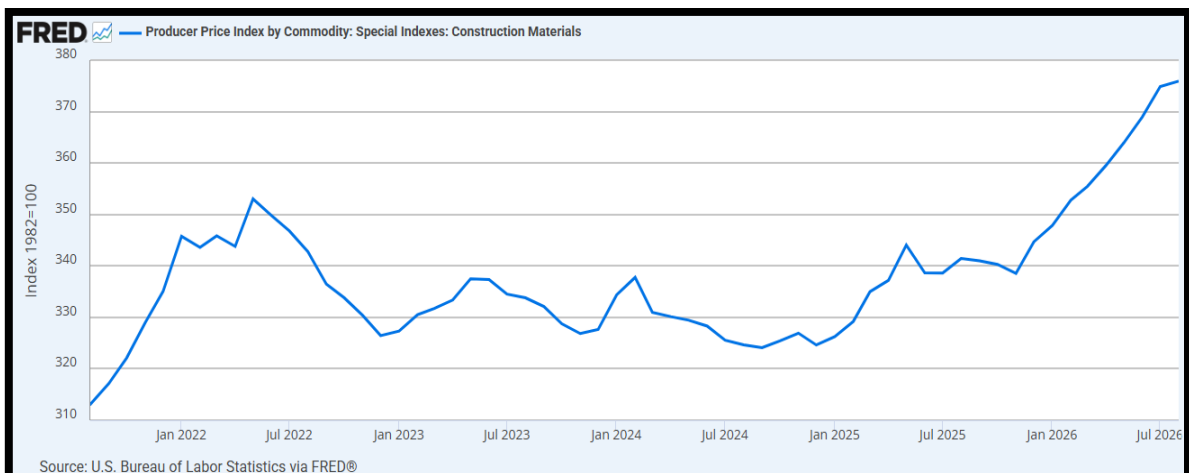


SOURCE: <https://www.freddiemac.com/pmms>

Cost of Construction

In November 2020, Construction Materials Pricing index was 244.3, (1982=100). The index increased dramatically to 353.02 in May 2022, an increase of 44.5% in less than 2 years. While construction material costs declined over the next 2 years, they have steadily increased starting in November 2025. Currently, the Construction Materials Pricing index is at 375.908 as of August 2026, which is an all-time high.

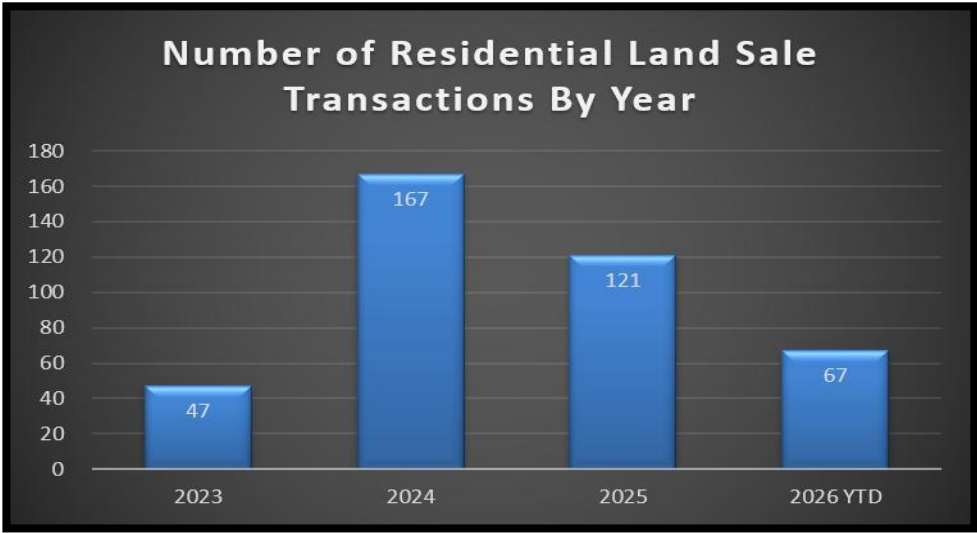
The following chart represents the previous 5-year period of construction costs according to the St. Louis Federal Reserve.



SOURCE: <https://fred.stlouisfed.org/series/WPUSI012011>

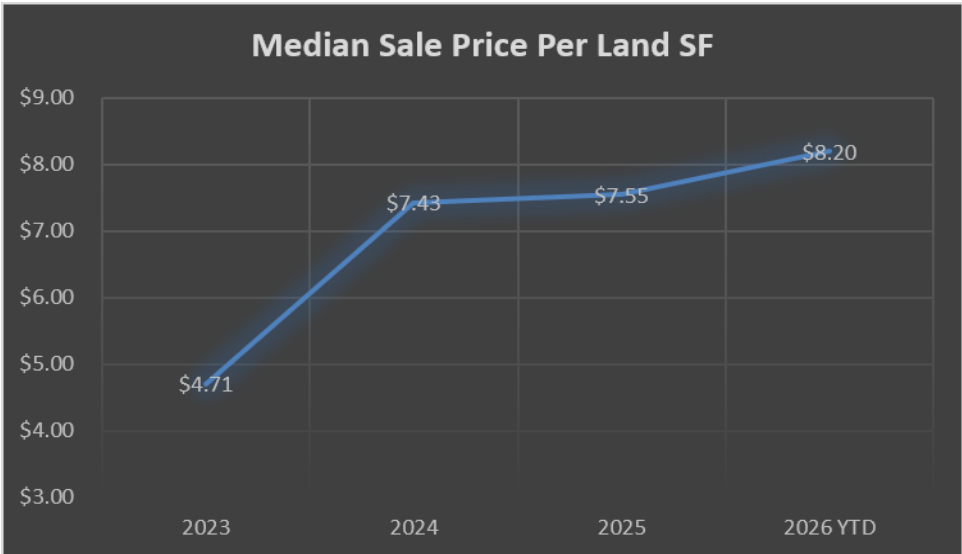
Maricopa County Residential Land Sales

According to CoStar, since 2023 there have been 402 vacant land sales of residentially zoned land in Maricopa County. As represented in the following chart, transactional volumes have declined since 2024. This decline coincides with increased construction costs and the rise in interest rates. Land sales throughout the entire county are used as the limited number of residential land sales in the Town of Gilbert do not provide reliable results. The following chart represents the number of sales transactions since 2023.



Source: CoStar

The median sales price per square foot increased 10.4% from \$7.43 in 2024 to \$8.20 in 2026 year-to-date. The substantial price increase from 2023 to 2024 is partially attributed to the limited number of sales in 2023. The following chart represents the median sale price changes on a price per square foot basis since 2023.



Source: CoStar

Phoenix Metro Housing Market-Long Realty

While the subject property is located within the Town of Gilbert, the property is associated within the Phoenix Metro. Due to this, values in the overall Phoenix market can influence the subject's market area. According to Long Realty, residential sale prices in the Phoenix Metro increased 1% over the last year from \$449,385 in August 2025 to \$453,000 in August 2026. While transactional volumes slightly declined, home values have continued to increase in value, as shown in the chart below.

	Current Period Aug 2026	Last Month Jul 2026	Change From Last Month	Last Year Aug 2025	Change From Last Year
Homes Sold	4,896	5677	▼ 14%	5314	▼ 8%
Median Sale Price ⓘ	\$453,000	\$460,000	▼ 2%	\$449,385	▲ 1%
Median List Price	\$459,900	\$467,440	▼ 2%	\$455,000	▲ 1%
Sale to List Price Ratio ⓘ	98%	98%	0%	98%	0%
Sales Volume ⓘ	\$2,959,967,136	\$3,563,873,794	▼ 17%	\$3,043,237,509	▼ 3%
Average Days on Market	80 days	78 days	▲ 2 days	81 days	▼ 1 day
Homes Sold Year to Date ⓘ	47,378	42,482	▲ 12%	46,530	▲ 2%
For Sale at Month's End	19,303	19495	▼ 1%	20003	▼ 3%

Source: <https://marketreports.longrealty.com/r?boundary=62476502bc8d9695fbab062b&agent=448>

Town of Gilbert Housing Market-Long Realty

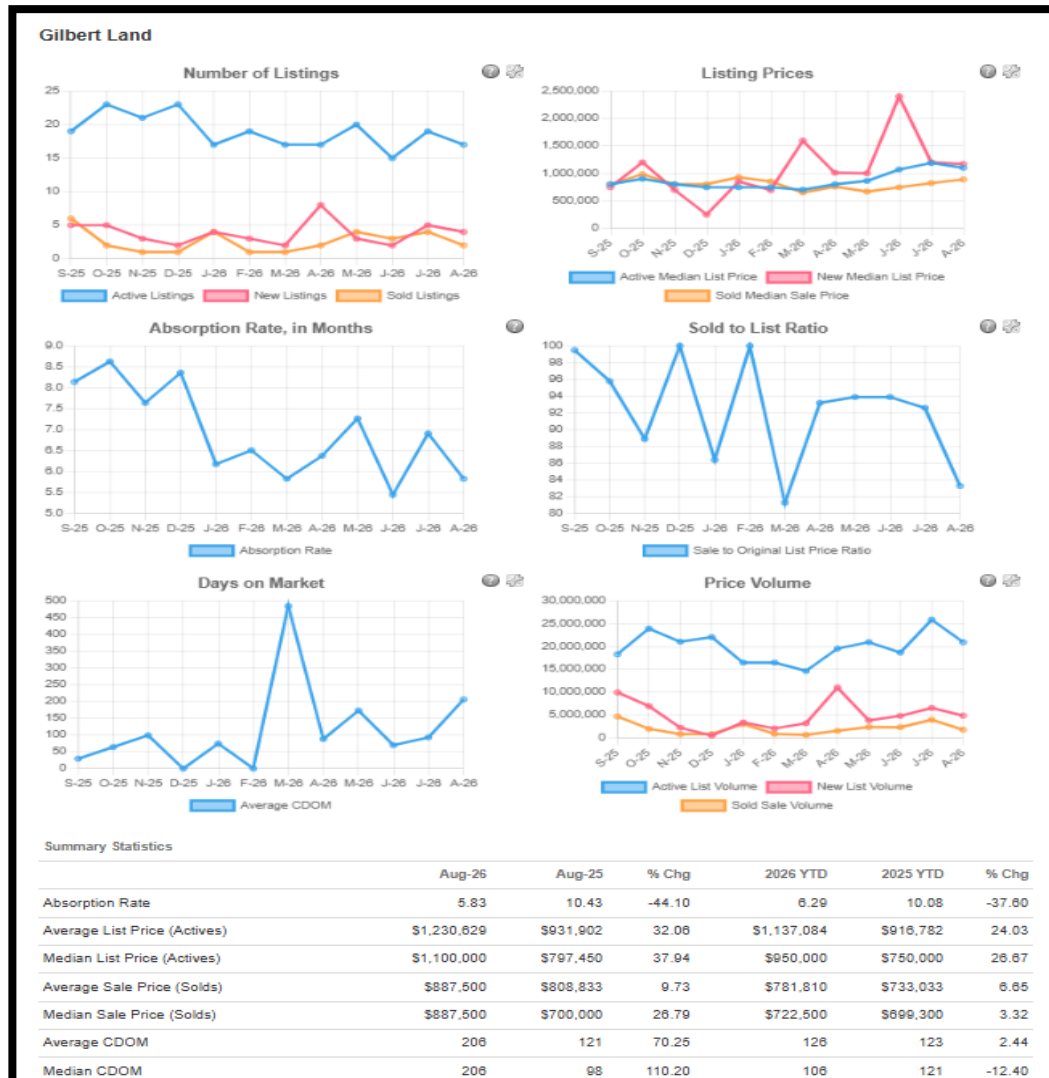
According to Long Realty, residential sale prices in Gilbert increased 4% over the last year from \$567,250 in August 2025 to \$590,000 in August 2026. While transactional volumes slightly declined, all other market indicators show positive signs of growth and increasing values, as shown in the chart below.

	Current Period Aug 2026	Last Month Jul 2026	Change From Last Month	Last Year Aug 2025	Change From Last Year
Homes Sold	262	295	▼ 11%	282	▼ 7%
Median Sale Price ⓘ	\$590,000	\$594,800	▼ 1%	\$567,250	▲ 4%
Median List Price	\$604,950	\$599,000	▲ 1%	\$575,000	▲ 5%
Sale to List Price Ratio ⓘ	98%	98%	0%	98%	0%
Sales Volume ⓘ	\$185,600,575	\$200,096,464	▼ 7%	\$185,747,723	0%
Average Days on Market	78 days	63 days	▲ 15 days	69 days	▲ 9 days
Homes Sold Year to Date ⓘ	2,210	1,948	▲ 13%	2,183	▲ 1%
For Sale at Month's End	783	789	▼ 1%	753	▲ 4%

Source: <https://marketreports.longrealty.com/r?boundary=5af60c803a2e5316c4be45a3&agent=448>

Residential Land Sales-Town of Gilbert

Over the last 12-month period, absorption rates, sold to list ratio, and the number of active listings have declined. These indicators signal a softening market for residential land in the subject's market area. However, pricing has continued to increase with median sales prices increasing 9.7% over the last 12-month period. Residential land market data for the Town of Gilbert is presented in the following chart.

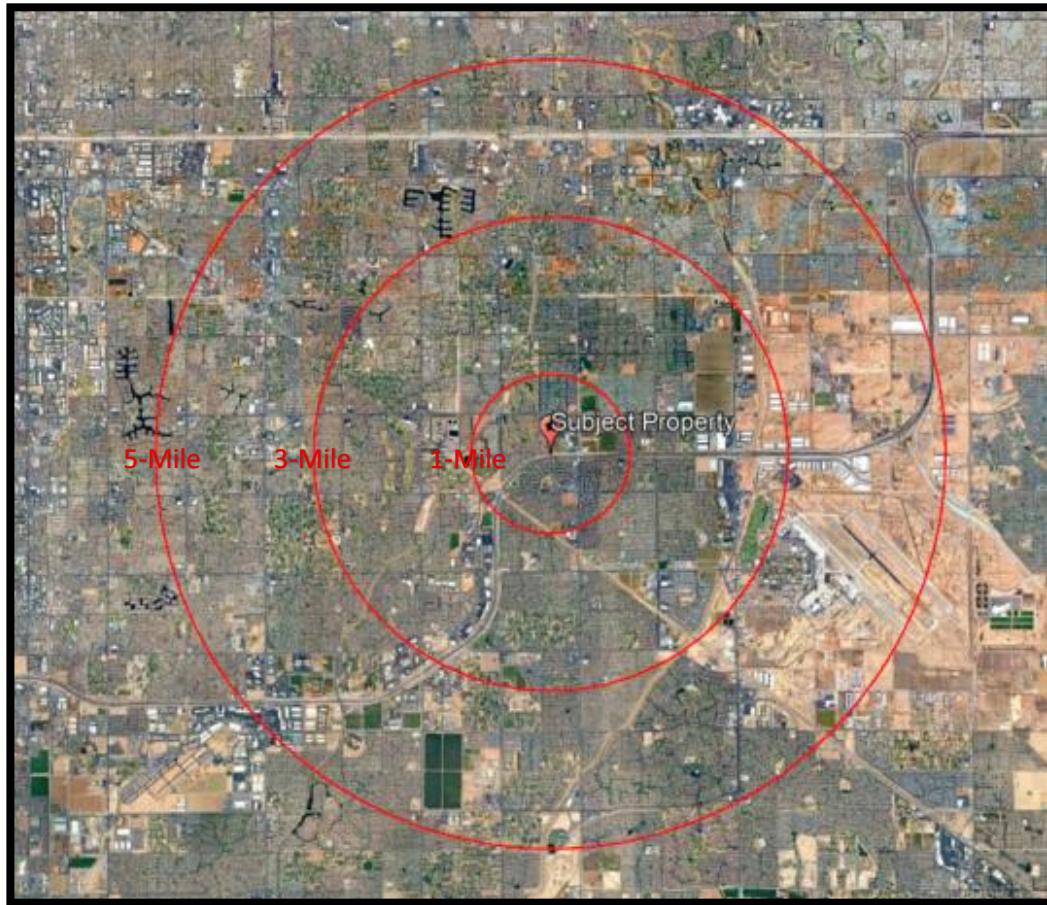


Source: Arizona Regional Multiple Listing Service

Conclusion

Residential land and single-family homes in the subject's market area have experienced increasing values over the last 3-year period. While rising construction costs and interest rates have reduced transactional volumes, sale prices have continued to increase. Continued price increases are largely attributed to the market's growing population base. Based on the aforementioned data, a 6% annual price increase is applied within the market conditions adjustment from 2024 to the date of value.

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.

Location

The subject property is centrally located within the Town of Gilbert's municipal boundary. It is situated just north of State Route 202 and is west of the Higley Road State Route 202 interchange.

Land Use and Economic Activity

The subject neighborhood is primarily developed with single-family subdivisions. There are commercial and civic developments that adequately serve the neighborhood. Industrial uses are developed near the Mesa Gateway Airport, east of the subject. Power Road creates an artificial barrier between the residential/commercial uses and the industrial

developments. Some of the more prominent economic activities near the subject property are outlined below.

American Leadership Academy (Gilbert North Campus)

American Leadership Academy is a public charter junior-high and high-school campus located adjacent north of the subject's northeast property corner. The 7–12 program enrolls approximately 950 students and is part of the larger Gilbert North K–12 school community. The campus contains approximately 238,295 square feet of school buildings and associated site improvements.

Camden Gilbert Apartments

Camden Gilbert is an upscale 320-unit multifamily community located approximately 0.6-mile southeast of the subject property. This vertically integrated mixed-use development sold in June 2026 for \$124.5 million. The residential component includes studio through three-bedroom apartments situated above approximately 49,000 square feet of ground-floor retail space. The retail component is designed as a walkable lifestyle center and includes more than 20 restaurants, boutiques, fitness and wellness providers, and gathering spaces. Notable tenants include Buck & Rider, Spinato's Pizzeria, Matt's Big Breakfast, Peixoto Coffee, Salt & Straw, Beer Barn, Gadzooks, Bunky Boutique, Vintage Home, and several salon and wellness concepts.

Mesa Gateway Airport

Mesa Gateway Airport is a public, FAA-designated small-hub commercial-service airport located about 3.25 miles southeast of the subject. The airport occupies approximately 3,040 acres served by three parallel commercial-capable runways. The airport functions as both a growing passenger airport and a major regional employment and development center, with Allegiant and Sun Country providing commercial air service. Airport officials estimate that the facility contributes more than \$2 billion annually to Arizona's economy.

Access

Primary access to the subject neighborhood is provided by State Route 202 which is also known as the Santan Freeway. Paved roadways that provide access throughout the neighborhood include but are not limited to: Higley Road, Recker Road, Lindsey Road, Warner Road, Elliot Road and Ray Road. These roadways sufficiently supply the subject's neighborhood with access. State Route 202 connects to Interstate-10 which provides vehicular access throughout Arizona and to neighboring states.

Governmental Forces

Government services provided to the subject's area are the Gilbert Police Department, Gilbert Fire and Rescue, and the Higley Unified School District. These entities provide adequate governmental services to the neighborhood.

Neighborhood Boundaries

North:	State Route 60
South:	Pecos Road
East:	Power Road
West:	Lindsay Road

Adjacent Uses

North:	Residential Subdivision and School
South:	State Route 202
East:	School
West:	Residential Subdivision

Environmental Forces

Quality of Surrounding Area:	Some environmental characteristics that influence value include land use patterns, topography, building densities, property maintenance, nuisances and hazards, and the adequacy of transportation corridors.
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The subject property is located in a largely developed area with the improvements ranging from new to about 30 years old and range from fair to good condition. The area is primarily developed with residences that are adequately served by transportation corridors. Overall, the area has a positive impact on the subject's value.

DEMOGRAPHICS

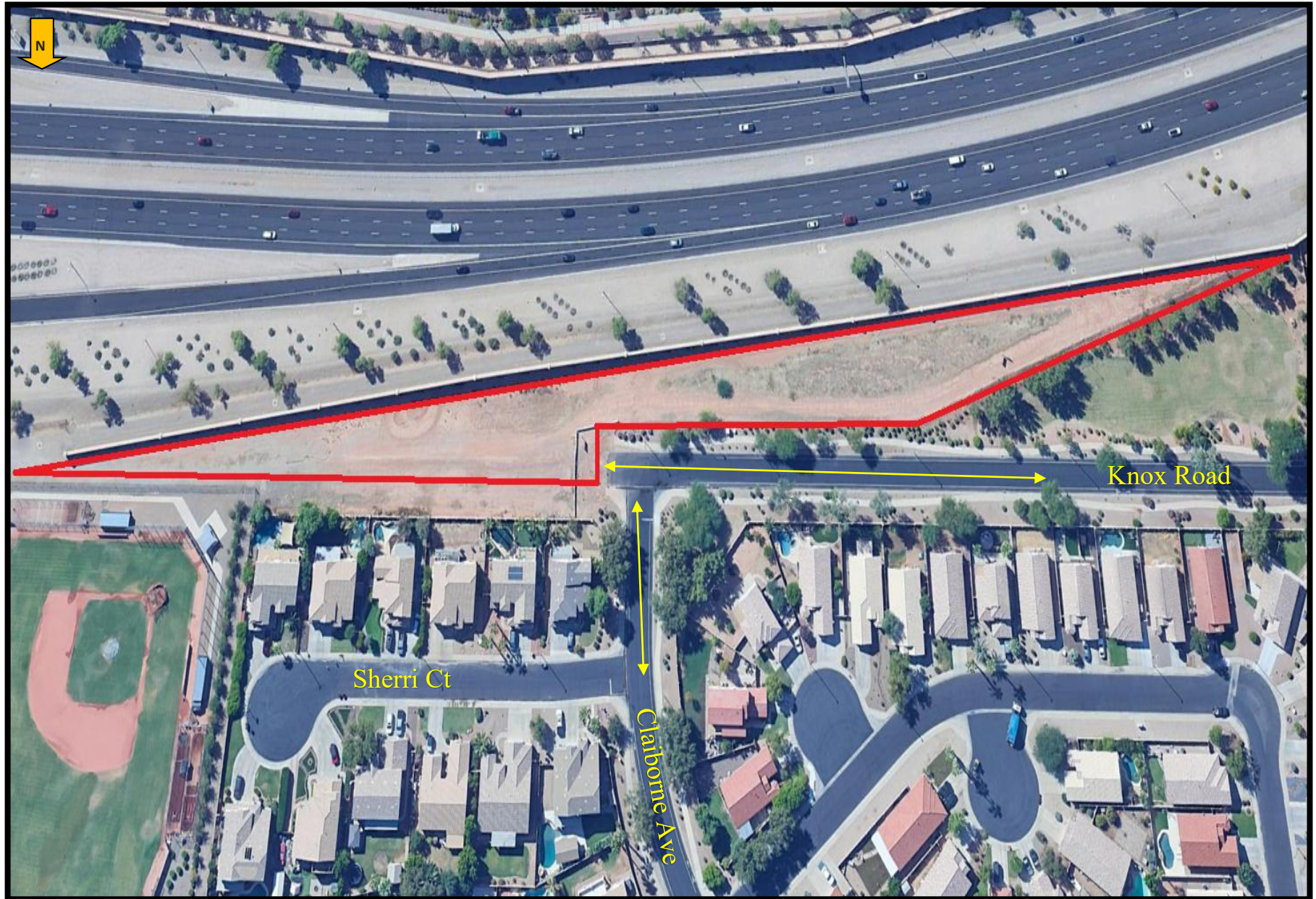
The following data shows demographics within a one, three, and five-mile radius of the subject.

2025 Demographics Source: CoStar	1-Mile Radius	3-Mile Radius	5-Mile Radius
Population	16,164	116,990	276,941
Households	5,064	37,874	93,932
Median Household Income	\$128,623	\$120,629	\$112,651
Median Home Value	\$606,509	\$596,783	\$542,089

CONCLUSION

The subject neighborhood has a middle-high income profile, with a 2025 median household income of \$120,629 within a three-mile radius of the subject. It is currently in the stability phase of the neighborhood life cycle as the area is largely developed. The surrounding developments have been well maintained and enhance the neighborhood's appeal. Overall, the neighborhood provides a positive influence on the subject's value and development potential.

AERIAL IMAGE



Red Property Boundary Outline is an Approximation. Image is from Google Earth.

SUBJECT PHOTOGRAPHS

FACING EAST FROM CENTER OF PROPERTY



FACING WEST FROM CENTER OF PROPERTY



FACING WEST FROM EAST PROPERTY BOUNDARY



FACING EAST FROM WESTERN PROPERTY BOUNDARY



FACING NORTH FROM SOUTHERN PROPERTY BOUNDARY (MID-BLOCK)



FACING SOUTH FROM NORTHERN PROPERTY BOUNDARY (MID-BLOCK)



SCHOOL NORTH OF EASTERN PROPERTY BOUNDARY



KNOX ROAD SOUTH OF SUBJECT



SITE ANALYSIS

Location:

The subject property is located west of Higley Road and north of State Route 202 in Gilbert, Maricopa County, Arizona 85296.

Parcel Size/Shape/Topography:

According to the client, the subject property consists of 92,810 square feet or 2.13 acres of vacant land. It has generally flat topography that is irregularly shaped in an elongated, narrow manner. The site's narrow shape restricts its development potential. As shown in the Addenda, the lot has varying widths that are ~108 linear feet at its widest point. As shown below, the property is estimated to support three residential sites that allow a 40' wide by 60' long single-family residence footprint, which is a typical single-family residence in the area. Without a land survey, the site's actual development potential is unknown and varies based on zoning.

***Access (Legal / Physical)/
Visibility:***

Legal and physical access to the property is from Knox Road. This two-lane, asphalt paved roadway provides adequate access for residential uses.

Visibility from Knox Road is limited as it serves the surrounding residences. The property is adjacent north of State Route 202. This State Route does not provide any visibility as a masonry sound wall separates the subject from the roadway. Overall, visibility is limited.

Traffic Counts:

According to ADOT, in 2025 there were 1,677 vehicles per day on Knox Road west of the subject property.

Site Improvements:

The property does not contain any site improvements that contribute value to the property.

Utilities:

Electric:	Salt River Project
Telephone:	Private Providers
Gas:	Southwest Gas
Water:	Town of Gilbert
Sewer:	Town of Gilbert

Floodplain:

The subject property is identified as being located in the Flood Zone X (Shaded) per FIRM Map Panel No.: 04013C2753M dated November 4, 2015. Zone X (Shaded) is an area defined by FEMA as an area of moderate flood hazard, usually the area between the limits of the 100- year and 500-year floods.

Environmental Conditions:

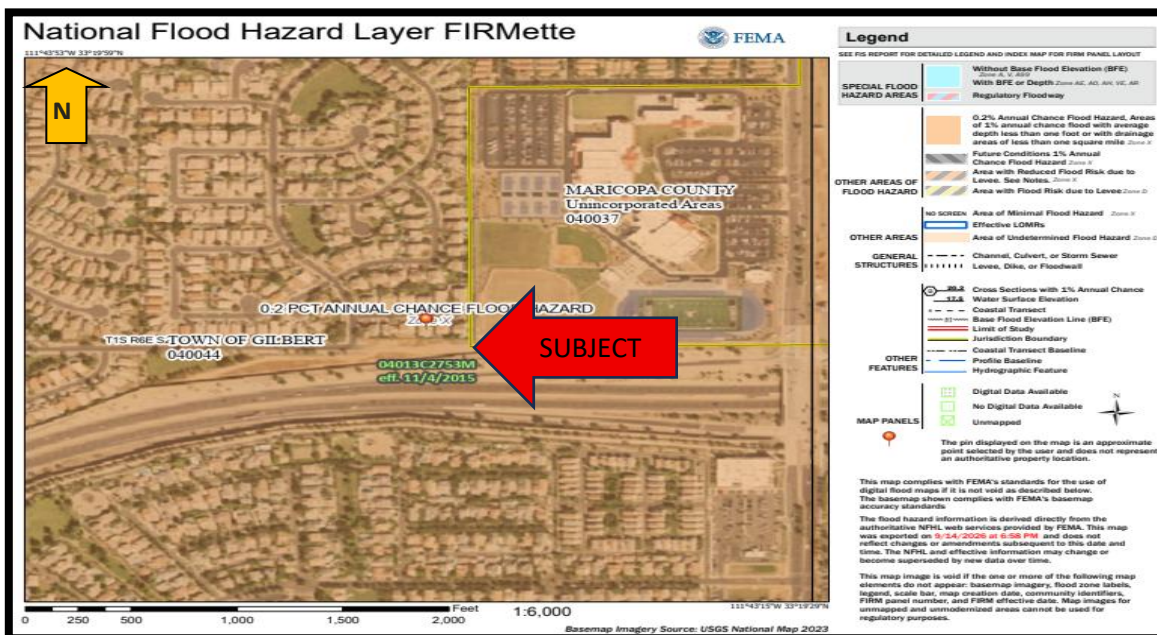
No environmental reports were provided for my review. Lacking environmental reports, this appraisal assumes that there are no environmental conditions on or around the subject parcel that would adversely impact its market value.

Soil & Subsoil Conditions:

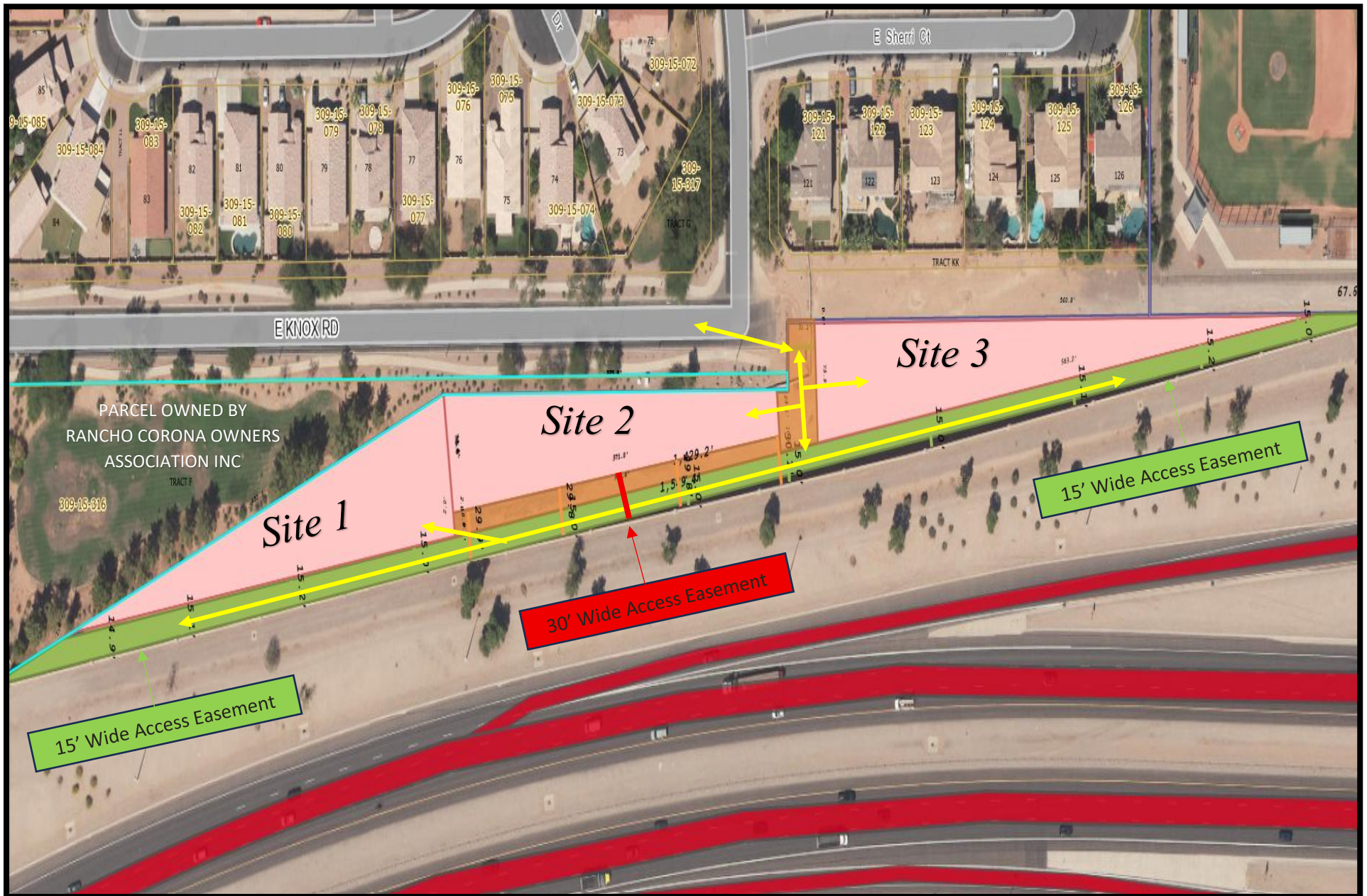
No soils engineering reports were provided for my review. Thus, the soil and sub-soil conditions are not known. During the property inspection there was no visual evidence of adverse soil conditions on the subject parcel. The surrounding improved properties indicate that subsoil conditions support development.

Restrictions & Easements:

A Right of Way Disposal Report was provided for the appraiser's review. This report does not specifically outline the easements impacting the subject property. Within the land survey provided, the property is encumbered by a 15 foot wide ingress and egress easement along the northerly side of the existing sound wall that separates the subject from State Route 202. Additionally, the property is encumbered by a condition that requires the subject property's owner to be responsible for the cost of graffiti removal and any repainting of the wall which faces the neighborhood. This appraisal assumes there are no other encumbrances that reduce the developability or access to the subject.

FLOOD MAP

Possible Development Layout



Note: Layout Based on 40' Wide by 60' Long Single-Family Residence. Does Not Represent Site Dimensions Required by Zoning. Green & Orange Outline Represents Access Easements.

ASSESSED VALUATION & TAX DATA

The subject property does not have an established Maricopa County Assessor's parcel. Due to this, there are no established valuations for the property and no available tax data.

ZONING



Red Property Outline is an Approximation

Zoning-PF/I, Public Facility/Institutional-Town of Gilbert

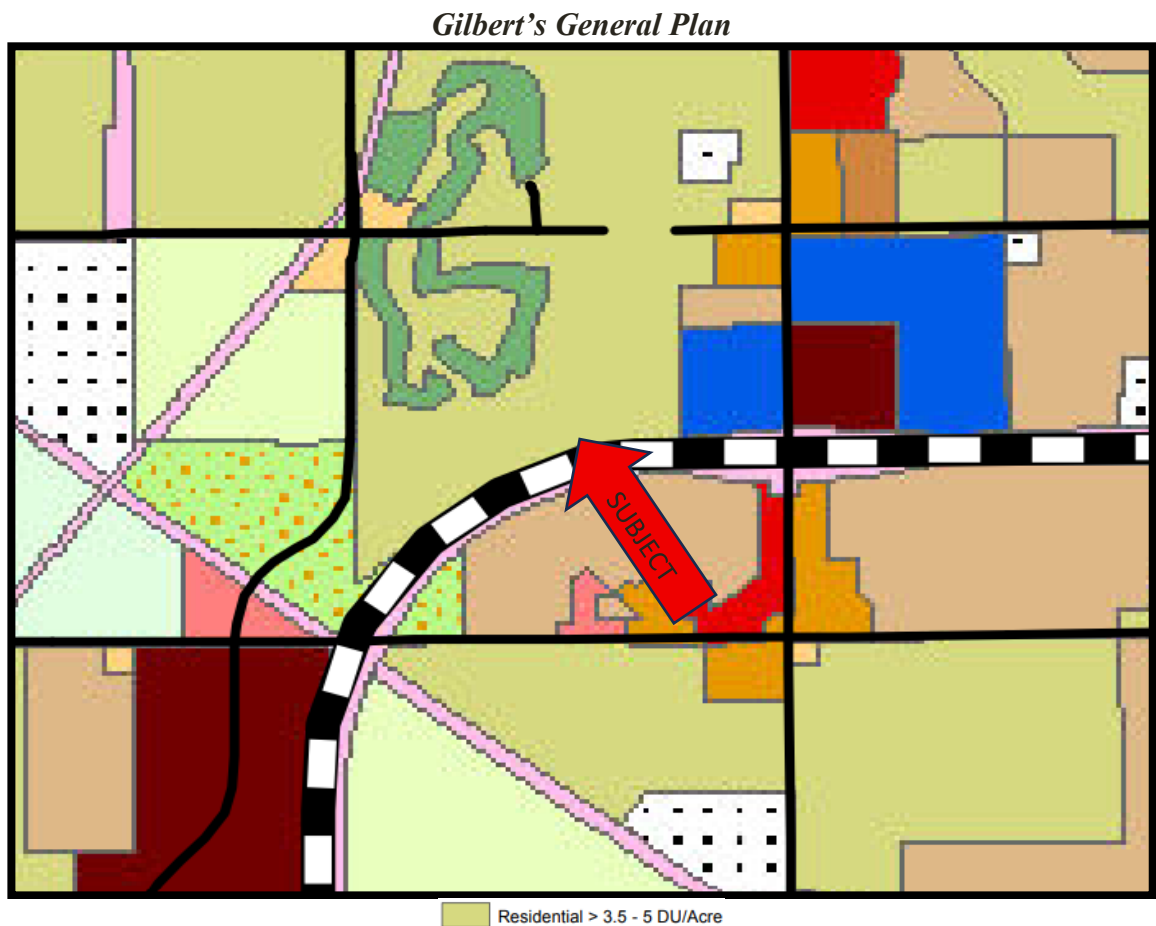
The subject property is located in the PF/I, Public Facility/Institutional zoning district in the Town of Gilbert. This zoning designation is intended to identify and accommodate land for public and quasi-public facilities that provide governmental, institutional, educational, cultural, health-care, public-safety, and utility services to the community. It is designed for uses such as schools, libraries, police and fire stations, hospitals, administrative and civic facilities, and major public-utility infrastructure, including water, wastewater, communications, and electrical facilities.

The subject's Public Facility/Institutional zoning district is intended for public and quasi-public institutional and utility uses. The designation does not, by itself, establish site-

development standards; applicable dimensional, parking, landscaping, access, design, and other development requirements. Development requires site-specific Town approvals.

General Plan-Town of Gilbert

The subject property is located within the Residential >3.5–5 DU/AC General Plan land-use classification in the Town of Gilbert. This land use designates areas for urban-density single-family neighborhood residential development at a planned density of more than 3.5 and up to 5 dwelling units per gross acre. Typical corresponding zoning districts include SF-10, SF-8, SF-7, and SF-6.



Probability of Rezoning

The subject property is currently located in a quasi-governmental zoning district. Since the subject is located adjacent to a residential subdivision and is located within a residential land use in Gilbert's general plan, it would likely be rezoned for a residential use. A knowledgeable buyer would consider the likelihood of rezoning the subject to a use allowable in the general plan. The appraiser has relied on the following text in their consideration of rezoning the subject property.

Definition - Probability of Rezoning

“The general rule is that present market value must ordinarily be determined by consideration only of the uses for which the land “is adapted and for which it is available.” The exception to this general rule is that if the land is not presently available for a particular use by reason of a zoning ordinance or other restriction imposed by law, but the evidence tends to show a “reasonable probability of a change in the near future” in the zoning ordinance or other restriction, then the effect of such probability upon the minds of purchasers generally may be taken into consideration in fixing present market value.”¹²

Rezoning

The subject property is adjacent south of a residential subdivision with SF-6, Single-Family Residential and SF-7, Single-Family Residential zonings. The subject’s shape and smaller size limits its development potential as a residential subdivision. As shown below, residential development adjacent to the existing State Route 202 right-of-way, near the subject, has been approved by the Town of Gilbert.



Town of Gilbert Development Services Opinion

In order to estimate the likelihood of rezoning the subject property to a residential use, the Town of Gilbert’s Development Services was provided with property and zoning maps of the subject and surrounding developments. No development plan was provided to

¹² *Martens V. State, Real Estate Valuation in Litigation 2nd. Edition, page 142, Appraisal Institute*

the town, which is needed to sufficiently determine the likelihood of rezoning the subject. According to Jasmine Carter, Planning Specialist, Town of Gilbert Development Services, rezoning the subject property for a residential use would likely not be supported by the Town of Gilbert's Development Services. Ms. Carter's response to the appraiser's inquiry regarding the town's support for the subject's rezoning for a residential use is shown below.

"After discussing this request with the Planning team, including the Planning Manager, it was Preliminary assessed, based on the information provided, the Town would not be supportive of a rezoning request for this property. I would strongly encourage you to submit a Pre-Application to obtain additional clarification and a better understanding of the preliminary assessment, including feedback from Planning and all other applicable Town departments."

In the Town of Gilbert, the Planning Commission reviews rezoning requests and forwards a recommendation to the Town Council. The Gilbert Town Council has final authority to approve or deny the rezoning through its legislative action on the applicable zoning ordinance. Thus, Ms. Carter's statement of non-support for a residential rezoning of the subject property is not a final conclusion. Additionally, since no development plan was provided, the Town of Gilbert's Development Services non-support of rezoning is only a preliminary opinion. Although, the risk of a residential rezoning denial is greatly increased without the support of the town's development services department.

Rezoning Conclusion

The subject property is currently located within the State Route 202 right-of-way. If the subject property were purchased and a new assessor's parcel was created, the property would be removed from the existing right-of-way. The general plan and surrounding development supports the subject's rezoning for a residential use. However, the lack of support from Town planning staff increases the risk that a residential rezoning would be denied. In conclusion, residential rezoning is a possible but uncertain outcome. Town planning staff preliminarily indicated non-support based on the information submitted, a pre-application review and development plan would be necessary to refine the likelihood. **The market value provided reflects the property in its current PF/I zoning and the market's assessment of the uncertain future residential approval.**

Due to the subject's restrictive site shape, it cannot support the development densities provided by the SF-6, SF-7, and SF-8 residential zones. As shown in the Site Analysis, the subject can support three single-family residences typical of the area. Although, the

configurations would be irregular and reduce the residences' utility. Based on the subject's physical characteristics, the most likely rezoning for the subject is SF-10, Single-Family Residential in the Town of Gilbert which would allow development within the subject's limited widths.

SF-10, Single Family Residential-Town of Gilbert

The Town of Gilbert's SF-10, Single Family zoning district is intended primarily for detached single-family residential development. Permitted development includes a principal single-family detached dwelling and customary residential accessory uses and structures. Schools, places of worship, and private airfields are permitted subject to limitations and require conditional use permit approval.

The SF-10 district permits a maximum residential density of 4.0 dwelling units per acre and requires a minimum net lot area of 10,000 square feet per dwelling unit. The base district development standards provide for a maximum 40 percent lot coverage, a minimum 80-foot lot width, a minimum 100-foot lot depth, and principal-building setbacks of 25 feet front, 10 feet side, 15 feet street side, and 25 feet rear.

The subject's irregular shape reduces the number of buildable residences that conform to the minimum lot width. A zoning variance is required to develop multiple residences that do not meet the 80-foot lot minimum requirements. Without a land survey, the actual number of legally conforming buildable lots is unknown to the appraiser. Based on the appraiser's GIS measurements, a maximum of three single-family residences can be developed and conform to the minimum lot dimension standards.

Town of Gilbert Rezoning Fees

According to the Town of Gilbert Development Services Fee Schedule¹³, there are fees associated with rezoning properties. Based on the rezoning of nearby properties, the process of rezoning typically takes 6 to 18 months. Due to the lack of support for a rezoning, the subject would likely incur a longer rezoning period which is estimated at 12 to 18 months. The fees relevant to the subject's rezoning are outlined as follows. Full entitlements including land survey, plat approval, and development permits are not considered as these costs are incurred during the property's development. While the exact cost to rezone the property is unknown until the rezoning request is submitted, typical rezoning fees total \$5,110, as shown below.

¹³ <https://www.gilbertaz.gov/home/showdocument?id=5883>

Town of Gilbert Rezoning Fees			
Fee Type	Fee	Units Required	Cost Incurred
Conventional Rezoning	\$4,460	1	\$4,460
Zoning Letter	\$470	1	\$470
Meeting Sign	\$150	1	\$150
Zoning Map	\$30	1	\$30
Total			\$5,110

Conclusion

Based on the aforementioned analysis, this appraisal assumes the subject property could be purchased to potentially be rezoned to SF-10, Single-Family Residential in the Town of Gilbert. This zoning would allow the subject property to be utilized for a residential use which conforms to the adjacent properties. The rezoning process is estimated to take approximately 12 to 18 months and incur approximately \$5,110 in rezoning fees.

Due to the subject's restrictive shape and lack of support from the Town of Gilbert's Development Services to support a residential rezoning, there is substantial risk that the subject does not receive approval for a residential rezoning. This risk is considered in the valuation of the subject property. A land survey, a development plan and a preliminary plat are needed to evaluate developability and the likelihood of rezoning more reliably.

HIGHEST AND BEST USE

According to *The Appraisal of Real Estate, 16th Edition*, published by the Appraisal Institute, highest and best use is defined as the reasonably probable use of property that results in the highest value. To be reasonably probable, a use must satisfy four criteria, analyzed in the following sequence:

- 1) ***Legally Permissible:*** The use is permitted by zoning, private restrictions, easements, historic district controls, environmental regulations, and other applicable codes, or a change to permit the use is reasonably probable.
- 2) ***Physically Possible:*** The use is supported by the size, shape, frontage, topography, soils, access, and available utilities of the site, or making it possible is reasonably probable.
- 3) ***Financially Feasible:*** Of the uses that are legally permissible and physically possible, those that produce a positive return to the owner are financially feasible.
- 4) ***Maximally Productive:*** Among the financially feasible uses, the one that produces the highest value—consistent with the rate of return warranted by the market—is the highest and best use.

Legally Permissible

The subject property is currently zoned PF/I, Public Facility/Institutional, in the Town of Gilbert. The PF/I zoning district is intended to accommodate public and quasi-public facilities that provide governmental, institutional, educational, cultural, health-care, public-safety, and utility services to the community. Uses under the existing zoning are generally limited to schools, libraries, police and fire stations, hospitals, civic facilities, and public-utility infrastructure, which are not typically pursued by private market participants. The subject is also currently located within the State Route 202 right-of-way. If the property were purchased and a new assessor's parcel were created, the property would be removed from the existing right-of-way.

The subject is located within the Residential >3.5–5 DU/AC land-use classification of the Town of Gilbert General Plan, which is intended for urban-density single-family neighborhood development with corresponding zoning districts that include SF-10, SF-8, SF-7, and SF-6. The property is adjacent south of existing single-family subdivisions zoned

SF-6 and SF-7, and the Town of Gilbert has approved residential development adjacent to the State Route 202 right-of-way near the subject. Given the residential General Plan designation, the lack of frontage along a prominent thoroughfare, and the surrounding residential development pattern, a rezoning to a commercial or employment use is not considered reasonably probable.

As discussed in the Zoning section of this report, a typical purchaser of the subject property would likely pursue a residential use requiring rezoning. Due to the subject's narrow, irregular configuration, the site cannot support the densities provided by the SF-6, SF-7, and SF-8 zoning districts. Therefore, the most probable rezoning is to SF-10, Single-Family Residential. The Town of Gilbert's SF-10 district is intended primarily for detached single-family residential development and permits a maximum density of 4.0 dwelling units per acre.

The Town of Gilbert's Development Services staff has preliminarily indicated that it would not be supportive of a residential rezoning of the subject property. However, this opinion was based on limited information, as no development plan was provided, and the Gilbert Town Council retains final authority to approve or deny a rezoning following a recommendation from the Planning Commission. Based on the General Plan designation and surrounding development, it is considered reasonable that the subject could be rezoned to SF-10 with the creation of a new parcel outside of the right-of-way, submittal of a development plan, and development concessions acceptable to the Town. The lack of support from Development Services represents a substantial risk to the rezoning, which is considered in the valuation of the subject.

In addition to applicable zoning requirements, the subject property is encumbered by a 15-foot-wide ingress and egress easement along the northerly side of the existing sound wall that separates the subject from State Route 202. Permanent building improvements generally cannot be constructed within this easement area. However, the easement area may accommodate certain non-building improvements, such as driveways, landscaping, or yard areas, subject to the rights of the easement holder and applicable approval requirements. The property is further encumbered by a condition requiring the owner to be responsible for the cost of graffiti removal and any repainting of the neighborhood-facing side of the sound wall, which represents an ongoing ownership obligation.

Physically Possible

The subject contains approximately 92,810 square feet, or 2.13 acres, of vacant land. The subject has generally flat topography and an elongated, narrow, irregular configuration, with varying widths that measure approximately 108 linear feet at the widest point. These physical characteristics, together with the ingress and egress easement, constrain the site's development potential. Without a land survey, the actual number of legally conforming buildable lots is unknown but is estimated to be three single-family residences with creative configurations. It is not impacted by a floodplain and all utilities are available to the lot line.

Legal and physical access is provided from Knox Road, a two-lane, asphalt-paved roadway that provides adequate access for residential uses and limited visibility. Knox Road primarily serves the surrounding residences, and although the property is adjacent north of State Route 202, a masonry sound wall separates the subject from the freeway and eliminates visibility from the roadway. The limited visibility, low traffic volumes, and lack of frontage along a prominent thoroughfare make the site poorly suited for commercial uses that depend on exposure or high-volume customer traffic. These characteristics are more compatible with residential uses that benefit from the quiet, established setting of the surrounding neighborhood.

The subject's size, narrow shape, easement encumbrance, and limited visibility restrict its suitability for higher-density residential subdivision development or commercial uses. The site is physically suited for low-density, detached single-family residential development consistent with the adjacent neighborhood, estimated at approximately three conforming lots.

Financially Feasible

As discussed in the Market Analysis, residential land and single-family home values in the subject's market area have increased over the last three-year period. While residential land transaction volumes have declined since 2024, coinciding with record-high construction material costs and elevated mortgage interest rates, sale prices have continued to increase. Continued price appreciation is largely attributed to the market's growing population base. These market conditions support demand for single-family residential development in the subject's market area.

However, feasibility of residential development is contingent on the subject receiving a residential rezoning, which carries substantial risk and requires additional time and cost. The subject's restrictive shape limits the number of developable lots, and the site's

irregular lot configurations, easement encumbrance, and sound wall maintenance obligation further reduce its appeal to residential developers. As a result, financial feasibility is most likely associated with a small-scale, low-density single-family residential development, such as an infill project by a small builder or individual lot owners. Development of the subject property with a low-density single-family residential use is financially feasible upon rezoning and as market demand warrants.

Maximally Productive

The final test of highest and best use, as though vacant, is the maximally productive use that is legally permissible, physically possible, and financially feasible that results in the highest land value.

Based on the foregoing analysis, the subject's highest and best use is not considered to be a public or quasi-public use under the existing PF/I zoning, as demand for such uses by private market participants is limited. Commercial development is not reasonably probable given the residential General Plan designation, limited visibility, and lack of frontage on a prominent thoroughfare. Higher-density residential development is not physically possible due to the site's narrow configuration. Rather, the maximally productive use is considered to be low-density, detached single-family residential development under SF-10 zoning, estimated at approximately three conforming lots, upon a successful rezoning.

Conclusion, Highest and Best Use

Given the zoning, General Plan designation, location, physical characteristics, and general market conditions, the highest and best use, as vacant, is to hold the subject property for rezoning to SF-10, Single-Family Residential, and develop it with a low-density single-family residential use as demand warrants. The substantial risk associated with obtaining a residential rezoning is considered in the valuation of the subject property.

LAND VALUATION

The Sales Comparison Approach is used to provide a market value opinion for the subject property's 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. The Sales Comparison Approach is the most applicable approach to value vacant land like the subject. Thus, neither a Cost nor Income Approach are applied in the subject's valuation.

Adjustments to the comparable sale prices are considered 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. Typically, the price per buildable lot is the most appropriate unit of comparison for residential land. Due to the uncertainty of the subject's zoning and lack of a land survey accurately outlining the site's dimensions, this unit of comparison does not appropriately value the subject. Thus, the most appropriate unit of comparison is sale price per square foot.

Search parameters for comparable vacant land focused on sales and listings that are similar in location, physical characteristics, and use to that of the subject. Due to the subject's access, shape and easement constraints, emphasis was placed on finding land sales and listings of properties with development restrictions. Due to the limited number of constricted residential land sales/listing in the subject's market area, non-restricted land sales/listings are used and price adjustments are applied. Comparable Sale Two is a development restricted property that is included in this analysis to represent what development restricted properties demand on the open market. 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 and listing relative to the subject property and individual data sheets are presented on the following pages. The price per square foot adjustment matrix follows the land value analysis.

LAND COMPARABLE MAP



COMPARABLE LAND SALE



COMPARABLE:	Comparable One
LOCATION:	13573 S. Val Vista Dr. Gilbert, AZ 85296
TAX CODE NUMBER(S):	304-26-641
RECORDS:	
Instrument:	Warranty Deed
Recorded Sale Date:	January 14, 2025
Instrument No:	2025-0023126
SELLER:	Benjamin and Catherine Johnson
BUYER:	Huzing LLC
SALE PRICE:	\$480,000
INTEREST CONVEYED:	Fee Simple
TERMS:	Cash to Seller
CONDITIONS OF SALE:	Assumed Arm's-Length
LAND AREA IN SQ. FT.	49,135
LAND AREA IN ACRES.	1.13
SALE PRICE PER SQ. FT.:	\$9.77
SALE PRICE PER ACRE:	\$425,538
PHYSICAL DESCRIPTION	
Location:	Above Average
Access/Views:	Average / Below Average
Topography/Shape:	Level / Rectangular
Utilities:	All Available
Flood Plain:	Zone X
Site Improvements:	Picket Fence
ZONING / PLANNED USE:	R-43, Rural Residential / Assumed Single-Family Residence
THREE YEAR HISTORY:	No Sales
MARKETING TIME:	174 Days
CONFIRMED WITH:	MLS, Affidavit of Value, Public Records
DATE CONFIRMED:	9/21/2026
COMMENTS:	

This comparable represents the sale of 1.13 acres of vacant land located approximately 1.5 miles southwest of the subject property. The property has level topography that was previously developed with a single-family residence. Based on historical satellite imagery, the previous residence was demolished more than 20 years ago. The corner parcel fronts a six-lane thoroughfare which typically benefits commercial uses. The property's zoning and general plan allow for low-density residential development which conforms to the surrounding residential and civic uses. It was purchased by a real estate investment group in an all cash transaction. Multiple unsuccessful attempts were made to contact a party related to the sale. It is reasonable to assume the property was purchased for a single-family development. The property is improved with a white picket fence that surrounds the property.

COMPARABLE LAND SALE



COMPARABLE:	Comparable Two
LOCATION:	4605 E. Pecan Road, Phoenix, AZ 85040
TAX CODE NUMBER(S):	123-13-173A
RECORDS:	
Instrument:	Warranty Deed
Recorded Sale Date:	January 29, 2025
Deed Recording No:	2025-0048580
SELLER:	Action Tree Low Income Housing Alliance Inc.
BUYER:	Milton and Bernice Muro
SALE PRICE:	\$37,000
INTEREST CONVEYED:	Fee Simple W/Restrictive Easement
TERMS:	Cash to Seller
CONDITIONS OF SALE:	Arm's-Length
LAND AREA IN SQ. FT.	22,521
LAND AREA IN ACRES.	0.52
SALE PRICE PER SQ. FT:	\$1.64
SALE PRICE PER ACRE:	\$71,565
PHYSICAL DESCRIPTION	
Location:	Below Average
Access/Views:	Average / Poor
Topography/Shape:	Level / Rectangular-Narrow
Utilities:	All Available
Flood Plain:	Zone X
Site Improvements:	None
ZONING / PLANNED USE:	R1-6, Single-Family / Assumed Single-Family
THREE YEAR HISTORY:	Transferred on 9/19/2024 for Undisclosed Amount Record No. 2024-0499242
MARKETING TIME:	113 Days
CONFIRMED WITH:	Valeriy Kesov, Seller, MLS, Affidavit of Value
DATE CONFIRMED:	9/17/2026
COMMENTS:	

This comparable represents the sale of 0.52-acre of vacant land located approximately 12 miles northwest of the subject property. The property has powerlines developed over the site which reduces its aesthetic views. An access utility easement encumbers the eastern property boundary, which can serve as the property's access. It was marketed as a four residence subdivision which is restricted by easements and overhead powerlines. This marketed development is shown in the Addenda. The development restraints caused by the powerlines are unknown and not disclosed by the seller. These restrictions severely impacted the property which was reflected in the purchase price. The seller did not disclose any other unusual conditions of sale. The surrounding area is primarily improved with single-family residences. Multiple unsuccessful attempts were made to contact the buyer to determine their planned use of the property. Thus, it is assumed to be single-family residential which conforms to the zoning and surrounding development.

COMPARABLE LAND SALE



COMPARABLE:	Comparable Three
LOCATION:	901 E. Detroit Street, Chandler, AZ 85225
TAX CODE NUMBER(S):	302-71-024B
RECORDS:	
Instrument:	Special Warranty Deed
Recorded Sale Date:	February 28, 2025
Deed Recording No:	2025-0110328
SELLER:	Astona Properties LLC
BUYER:	DGB Corporate Business Ventures LLC
SALE PRICE:	\$550,000
INTEREST CONVEYED:	Fee Simple
TERMS:	Seller Carry W/\$110,000 Cash Down-Below Market Interest
CONDITIONS OF SALE:	Arm's-Length
LAND AREA IN SQ. FT.	45,912
LAND AREA IN ACRES.	1.05
SALE PRICE PER SQ. FT:	\$11.98
SALE PRICE PER ACRE:	\$521,824
PHYSICAL DESCRIPTION	
Location:	Average
Access/Views:	Average / Average
Topography/Shape:	Level / Rectangular
Utilities:	All Available
Flood Plain:	Zone X
Site Improvements:	None
ZONING / PLANNED USE:	PAD, Planned Area-6 SFR / Assumed Residential
THREE YEAR HISTORY:	No Sales
MARKETING TIME:	342 Days
CONFIRMED WITH:	Nishel Badiani, Listing Agent, MLS, Affidavit of Value
DATE CONFIRMED:	9/18/2026
COMMENTS:	

This comparable represents the sale of 1.05 acres of vacant land located approximately 5.5 miles southwest of the subject property. The rectangular shaped site has level terrain. While the subject does not contain any site improvements, the surrounding residences are improved with masonry walls. The property has a PAD zoning which allows for six single-family residences was outlined in the marketing of the property. The agent was unwilling to disclose the buyer's planned use, which is assumed to be residential development. According to the agent, the seller carryback loan included below market interest which benefitted the buyer. Although, the exact terms were not disclosed.

COMPARABLE LAND SALE



COMPARABLE:	Comparable Four
LOCATION:	955 W. Harvard Avenue, Gilbert, AZ 85233
TAX CODE NUMBER(S):	302-12-026F
RECORDS:	
Instrument:	Warranty Deed
Recorded Sale Date:	July 18, 2025
Deed Recording No:	2025-0413219
SELLER:	John and Karen Willett
BUYER:	James Martinez
SALE PRICE:	\$410,000
INTEREST CONVEYED:	Fee Simple
TERMS:	Cash to Seller
CONDITIONS OF SALE:	Arm's-Length
LAND AREA IN SQ. FT.	43,419
LAND AREA IN ACRES.	1.00
SALE PRICE PER SQ. FT:	\$9.44
SALE PRICE PER ACRE:	\$411,331
PHYSICAL DESCRIPTION	
Location:	Above Average
Access/Views:	Below Average / Average
Topography/Shape:	Level / Triangular
Utilities:	All Available
Flood Plain:	Zone AE
Site Improvements:	None
ZONING / PLANNED USE:	SF-35, Single Family / Single-Family Residence
THREE YEAR HISTORY:	Sold 7/28/2023 for \$400,000 Record No. 2023-0395811
MARKETING TIME:	116 Days
CONFIRMED WITH:	Lisa Murphy, Listing Agent, MLS, Affidavit of Value
DATE CONFIRMED:	9/17/2026
COMMENTS:	

This comparable represents the sale of 1-acre of vacant land located approximately 5.25 miles northwest of the subject property. The triangular shaped parcel has level topography. The property was previously developed with a single-family residence that was demolished more than 20 years ago based on historical satellite imagery. According to the listing agent, the property sold for less than the \$500,000 list price due to its adjacency to a rail line. The site is located within a Zone AE floodplain which requires flood insurance and development conforming to floodplain management standards. Surrounding residences indicate that the existing floodplain does not prohibit development of the site. The buyer purchased the site to develop a single-family residence.

COMPARABLE LAND LISTING



COMPARABLE:	Comparable Five
LOCATION:	7339 S. 169th Way, Gilbert, AZ 85142
TAX CODE NUMBER(S):	304-87-052E
RECORDS:	
Listing Date:	October 1, 2025
Days on Market:	356 Days From List Date to Date of Value
MLS Listing No:	ARMLS #7050372
SELLER:	George and Natalie Ross
BUYER:	Not Available
LIST PRICE:	\$515,000
INTEREST CONVEYED:	Fee Simple
TERMS:	Assumed Cash to Seller
CONDITIONS OF SALE:	Active Listing
LAND AREA IN SQ. FT.	46,350
LAND AREA IN ACRES.	1.06
LIST PRICE PER SQ. FT:	\$11.11
LIST PRICE PER ACRE:	\$484,000
PHYSICAL DESCRIPTION	
Location:	Good
Access/Views:	Average / Above Average
Topography/Shape:	Level / Rectangular
Utilities:	Electric and Water
Flood Plain:	Zone X
Site Improvements:	Partial Masonry Wall (Horse Shade Removed Upon Sale)
ZONING / PLANNED USE:	SF-15, Single Family / Assumed Single-Family
THREE YEAR HISTORY:	No Sales
MARKETING TIME:	356 Days From List Date to Date of Value
CONFIRMED WITH:	Elaine Beery, Seller's Broker, MLS, Public Records
DATE CONFIRMED:	9/18/2026
COMMENTS:	

This comparable represents 1.06 acres of vacant land currently listed for sale. It is located approximately 7.5 miles south of the subject property. The site is rectangular shaped with level topography. Municipal water and electric are available to the lot line. Municipal sewer is located approximately 350 L.F. south of the property within Mews Road. Development of the sewer line to the property is required to support three single-family developments. According to the listing agent, the property has received interest but no accepted offers. In her opinion, the property's likely sale price will be just below the list price based on increased interest since Mews Road was recently paved and developed with a sewer line. It currently has a shade structure that will be removed upon the sale and does not impact the list price. According to listing brochure, access is also available from Sunnyvale Ct. which is a asphalt paved road adjacent east of the property. The site also has a graded dirt road that provides access.

LAND VALUATION ANALYSIS

Adjustments are considered to each of the comparable sales prices for differences between the subject property and the comparable sales for the following elements of comparison: property rights conveyed, financing terms, conditions of sale, market conditions (time), location, physical characteristics, zoning and planned use.

SUMMARY OF COMPARABLES								
LOT COMP	SALE DATE	PROPERTY LOCATION	SALE PRICE	GROSS ACRES	LAND AREA (SF)	PRICE PER ACRE	PRICE PER SF	ZONING / PLANNED USE
1	01/14/25	13573 S. Val Vista Dr. Gilbert, AZ 85296	\$480,000	1.13	49,135	\$425,538	\$9.77	R-43, Rural Residential / Assumed Single-Family Residence
2	01/29/25	4605 E. Pecan Road, Phoenix, AZ 85040	\$37,000	0.52	22,521	\$71,565	\$1.64	R1-6, Single-Family / Assumed Single-Family
3	02/28/25	901 E. Detroit Street, Chandler, AZ 85225	\$550,000	1.05	45,912	\$521,824	\$11.98	PAD, Planned Area-6 SFR / Assumed Residential
4	07/18/25	955 W. Harvard Avenue, Gilbert, AZ 85233	\$410,000	1.00	43,419	\$411,331	\$9.44	SF-35, Single Family / Single-Family Residence
5*	Active Listing	7339 S. 169th Way, Gilbert, AZ 85142	\$515,000	1.06	46,350	\$484,000	\$11.11	SF-15, Single Family / Assumed Single-Family
SUBJECT	---	West of Higley Road, North of S.R. 202, Gilbert, AZ 85296	---	2.13	92,810	---	---	PF/I, Public Facility W/Assumed Rezone to SF-10, Residential W/Risk / Single-Family
*Sale Price Data Represents Current List Price								

Here follows the analysis of the comparable sales by element of comparison. An adjustment matrix summarizing the adjustments as they apply to the comparables precedes the conclusion of this analysis.

Property Rights Conveyed

This appraisal values the fee simple interest of the subject property, which is encumbered by a 15 foot wide access easement along the southern property line. Due to the site's narrow shape, this easement is restrictive to the property's development. Additionally, the sale of the property includes a condition stating that the property owner is financially responsible for the removal of any graffiti on the sound wall along the southern property line.

Comparables One, Three, Four, and Five transferred or will transfer the fee simple interest with typical utility and access easements that do not restrict development. This is

superior to the subject and downward price adjustments are applied. Comparable Sale Two's development is restricted by an easement, similar to the subject. This sale sold for \$1.64 per square foot or 84.5% less than the \$10.58 average sale/list price of Comparables One, Three, Four, and Five. It is acknowledged that other characteristics (power lines, location) influenced Comparable Sale Two's reduced purchase price. This is considered in the price adjustments applied.

Comparable Sale Two is subject to easements that restrict the property's development which are considered comparable to the subject. No price adjustment is warranted.

Financing Terms

In accordance with the definition of market value, price adjustments for financing terms assume transactions which were all cash or cash to the seller with the buyer obtaining new conventional financing at prevailing interest rates. The subject property is appraised on a cash to seller basis with no unusual financing terms.

Comparable Sales One, Two, Four, and Five were or are assumed to be cash to seller transactions. No price adjustments are warranted.

Comparable Sale Three sold with \$110,000 cash down and a below market seller carryback loan. According to the broker, the interest was below market and influenced the buyer's decision to purchase the property at the agreed upon price. This is superior to the subject and a downward price adjustment is made.

Conditions of Sale

An adjustment for conditions of sale is warranted if the transaction was influenced by outside factors such as financial duress, a related-party transaction, or out of the ordinary motivations of the buyer or seller.

Comparable Sales One, Two, Three, and Four were or are assumed to be arm's-length transactions with no unusual conditions of sale. No price adjustments are warranted.

Comparable Listing Five is an active listing that has not sold as of the date of value. It is typical in the market for buyers to purchase a property for less than the asking price. In the listing broker's opinion, the property would sell for close to the asking price. Although, the property has been listed on the open market for an extended period of time. This indicates that the seller would have to reduce the asking price to facilitate a sale. Thus, a downward price adjustment is made.

Market Conditions (Time)

A price adjustment to the comparable sales for market conditions considers any changes in prices of vacant land that occur in the marketplace over time. These changes may be due to 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 in market prices, if any, during the period between the sale date and the date of valuation.

The comparables' sale dates range from January 2025 to July 2025 with a comparable that is actively listed for sale. As discussed in the Market Analysis section, a 6% annual increase is applied within the market conditions adjustment.

Comparable Sales One, Two, Three, and Four are adjusted upward for improved market conditions. No price adjustment is warranted for Comparable Sale Five which is an active listing.

Location/Access/Views

Location, access, and views are important economic characteristics that can influence residential real estate values. These characteristics influence a property's utility, marketability, and overall appeal to buyers. Single-family residences benefit from being located in less densely developed areas with long-term land stability. Adverse surrounding uses, noise, traffic, or inferior neighborhood conditions can reduce land values for single-family developments. Residential home values are used to determine the economic characteristics of an area as home values directly impact residential land values.

Adequate access affects how easily residents and emergency vehicles can reach a property. Paved roadways reduce dust, keep vehicles clean and reduce wear, and can better provide all-weather access as these characteristics can enhance a property's value. Alternatively, dirt roads provide less reliable access and can be altered by severe weather. Views can also contribute to value when the market recognizes them as an amenity. Typically, properties located in lower density developed areas provide more natural environments. Mountain, golf-course, water, park, or open-space views increase buyer appeal. Adversely, views of freeways, industrial uses, utility corridors, or unattractive neighboring properties can diminish appeal. The following chart outlines these characteristics for the subject and comparables.

PROPERTY CHARACTERISTICS						
Category	Subject	Comp One	Comp Two	Comp Three	Comp Four	Comp Five
Median Home Value Within 2-Mile Radius*	\$569,090	\$569,090	\$330,059	\$426,587	\$514,714	\$651,655
Location Considered	Above Average	Above Average	Below Average	Average	Above Average	Good
Access	Asphalt Paved Road to Property Line	Asphalt Paved Access to Property Line	Asphalt Paved Access to Property Line	Asphalt Paved Access to Property Line	Graded Dirt Road Located 1/4-Mile from Asphalt Paved Roadway	Asphalt Paved Access to Property and Graded Dirt Road Access
Access Considered	Average	Average	Average	Average	Below Average	Average
Views	Soundwall, Residential Subdivision, Grass Field, Sports Fields	Roadway, Low Intensity Residential Development, Civic Uses	Intrusive Overhead Powerlines, Residential Development	Powerlines, Residential Development	Low Intensity Residential Development, Train Line, Industrial Use	Low Intensity Residential, Partial Mountain
Views Considered	Below Average	Below Average	Poor	Average	Average	Above Average
*Source: https://www.simplemaplab.com/tools/population-within-radius						

The subject property is located in the Town of Gilbert. The surrounding area is primarily developed with residential subdivisions. Within a two-mile radius of the subject, the median home value is \$569,090. Overall, the subject's location is considered above average.

Access to the subject property is from a two-lane asphalt paved roadway which provides average access which is typical for residential uses. The surrounding area is largely developed with limited natural vegetation. An open grass field is located north of the property which is a benefit as it creates an open space barrier. A sound wall is developed along the southern property boundary, which is a detriment to the property. Overall, the subject's views are considered below average.

Comparable Sale One is located approximately 1.5 miles southwest of the subject property. Due to its closer proximity, it shares the same economic characteristics as the subject. Its location is above average, similar to the subject and no price adjustment is warranted.

Comparable Sale One is located on a major throughfare which does benefit the property's access as a residential use. The existing asphalt paved residential street provides average access, similar to the subject. No price adjustment is warranted. The adjacent residential developments contain larger site areas with natural vegetation. Its views are

below average due to its adjacency to a major throughfare. No price adjustment is warranted. Overall, no price adjustment is made.

Comparable Sale Two is located approximately 12 miles northwest of the subject property. The surrounding area is developed with inferior quality residences that have a median home value of \$330,059. Its location is below average, inferior to the subject and an upward price adjustment is made.

Comparable Sale Two is accessed from an asphalt paved roadway, similar to the subject. No price adjustment is warranted. The surrounding area is largely developed with residential uses. There is limited natural vegetation and no beneficial views. Multiple power lines are located near and over the property. These intrusive lines are a detriment to the property's views which are considered poor. This is inferior to the subject and an upward price adjustment is made. Overall, an upward price adjustment is made.

Comparable Sale Three is located approximately 5.5 miles southwest of the subject property. The surrounding area is developed with inferior quality residences that have a median home value of \$426,587. Its location is average, inferior to the subject and an upward price adjustment is made.

Comparable Sale Three is accessed from an asphalt paved roadway, similar to the subject. No price adjustment is warranted. The surrounding area is largely developed with limited natural vegetation. While the property does not have any beneficial views, there are no characteristics that are detrimental to the property, which is common for residential developments. Its views are average, superior to the subject. A downward price adjustment is made. Overall, an upward price adjustment is made as the location adjustment is given greater consideration over the comparable's superior views.

Comparable Sale Four is located approximately 5.25 miles northwest of the subject property. The comparable's location has similar property values and economic characteristics as the subject, which are above average. No price adjustment is warranted.

Comparable Sale Four is accessed from a ¼ mile long graded dirt road. This provides below average access, which is inferior to the subject. An upward price adjustment is made. The adjacent residential developments contain larger site areas with natural vegetation which benefits its views. It is adjacent to a rail line and satellite dishes are visible from a neighboring industrial use, which diminish the property's aesthetic views. The comparable's views are considered average, superior to the subject. An upward price adjustment is made. Comparable Four's inferior access warrants an upward adjustment, while its superior views

warrant a downward adjustment. The effects are estimated to offset, resulting in no net adjustment.

Comparable Sale Five is located approximately 7.5 miles south of the subject property. The surrounding area contains higher quality residential developments with a \$651,655 median home value. This is superior to the subject and a downward price adjustment is made.

Comparable Sale Five is accessed from an asphalt paved roadway, similar to the subject. No price adjustment is warranted. The adjacent residential developments contain larger site areas with natural vegetation. The property benefits from partial mountain views to the south. Its views are above average, superior to the subject. A downward price adjustment is made. Overall, a downward price adjustment is made.

PHYSICAL CHARACTERISTICS

Price adjustments are considered for physical characteristics. These include the size, topography, shape, availability of utilities, and flood plain issues.

Site Size

Generally, due to economies of scale, smaller parcels tend to sell at higher prices than larger ones, on a price per square foot basis. Buyers in the market give more consideration to the price per buildable lot than the price per square foot, which is considered. Surplus land provides less value to a property. The subject property is 92,810 square feet, or 2.13 acres. The comparable sales range from 22,521 square feet or 0.52-acre to 49,135 square feet, or 1.13 acres.

All of the comparable sales/listing are smaller than the subject property with economies of scale present. Downward price adjustments are warranted.

Topography / Shape

The subject property has level topography throughout the site. It is irregularly shaped in a narrow manner that reduces its buildable site areas and creates unusual lot dimensions that are less desirable in the market. While a land survey is required to determine the actual number of buildable lots, it is reasonable to estimate that the subject's shape reduces the number of buildable lots from eight based on the overall size and possible zoning to three buildable lots.

Comparables One, Three, Four, and Five have level topography and non-restrictive site shapes that allow for superior development potential compared to the subject. Downward price adjustments are warranted.

Comparable Sale Two has a rectangular site shape that is narrow and restrictive to its development. Its shape is superior compared to the subject and a reduced downward price adjustment is made.

Utilities

The subject property has all utilities available to the property. This is similar to Comparable Sales One, Two, Three, and Four. No price adjustments are warranted.

Comparable Listing Five has municipal water and electric available to the lot line. In order to develop the site with three residences, which is allowable in the zoning, municipal sewer is required. Mews Road was recently asphalt paved and a sewer line was installed approximately 350 linear feet south of the comparable. According to Marshall Valuation Service, the base cost to develop a 6" vitrified clay sewer lateral line averages \$38.00 per linear foot. The direct base cost to develop sewer to the property is estimated at \$13,300 ($\$38.00 \text{ Per LF} \times 350 \text{ LF} = \$13,300$). Alternatively, the property can support a single residence with a septic system. The direct base cost to develop a 1,500 gallon septic system with drainfield averages \$8,550. An upward price adjustment is made based on the cost to develop sewer, which would provide the greatest development potential to the property.

Floodplain

The subject property is located in the FEMA Zone X Shaded. This floodplain does not restrict the property's development or increase development costs and is typical of the market area.

Comparables One, Two, Three, and Five are located in a comparable floodplain as the subject. No price adjustments are warranted.

Comparable Sales Four is located within the Zone AE floodplain. Development within this floodplain requires flood insurance which increases operational costs. Additionally, site mitigation and raised building pads are typical in these zones. There are several residential developments near the comparable, within the Zone AE floodplain, that do not show signs of extensive flood mitigating improvements. The comparable's floodplain is inferior and an upward price adjustment is made.

Site Improvements

Site improvements such as fencing, paving, and landscaping typically enhance land value by increasing the site's utility and marketability. Improvements that can be utilized by the buyer reduce development cost and reduce the timeline for construction. Alternatively, site improvements that provide no value and require demolition increase construction costs

and reduce the land's value. The subject property is undeveloped land with no site improvements that contribute value to the property.

Comparable Sale One is improved with a white picket fence that surrounds the property. The fencing secures the property and adds to the aesthetic appeal of the site. According to MVS, spaced slat panel fencing (picket fencing) has a low-end base cost of \$33.25 per linear foot. Based on the appraiser's measurements, the property has approximately 600 linear feet of fencing which totals \$19,950 ($\$33.25 \times 600 \text{ LF} = \$19,950$). This is superior to the subject and a downward price adjustment is made.

Comparable Sales Two, Three, and Four do not contain any significant site improvements, similar to the subject. No price adjustments are warranted.

Comparable Listing Five currently has a shade structure that will be removed upon the sale of the property and contributes no value. Additionally, it is partially surrounded by masonry walls that were developed by the adjacent property owners. This non-contiguous wall provides some privacy to the property and reduces the overall development costs to the buyer. According to MVS, the base cost to develop a 5 foot high, unfinished, masonry wall averages \$85.00 per linear foot. Based on the appraiser's measurements, the comparable contains approximately 500 linear feet of wall which totals \$42,500 ($\$85.00 \text{ Per LF} \times 500 \text{ LF} = \$42,500$). Since this wall was developed by the adjacent owners and it does not fully secure the comparable's site, it suffers functional depreciation. A reduced downward price adjustment is made as the depreciated improvements are superior to the subject.

Zoning / Planned Use

The subject property is currently located in the PF/I, Public Facility/Institutional zoning district in the Town of Gilbert. This zoning district is intended to allow public and quasi-public facilities that primarily support governmental developments. As discussed in the Zoning section, it is likely that a buyer would purchase the subject property and rezone it to a residential use that conforms to the surrounding development pattern. Based on the subject's shape, SF-10, Residential zoning would allow for residential development of approximately three residences. While a land survey is required to determine the actual number of developable lots, three buildable lots is an appropriate estimate and is used in this analysis.

As outlined in the Zoning section, there is risk that the subject property does not receive approval to be rezoned for a residential use. Due to this risk, an investor would demand a higher return on their investment. While residential land is not specifically defined,

Realty Rates estimates that investors demand a return (discount rate) ranging from 9.59% to 23.43% with an average of 14.48% annually for all property types. Discount rates for all property types are attached in the Addenda. Due to the risk and time associated with rezoning the subject for a residential use, a 20% downward price adjustment is applied to all of the comparables. This adjustment is applied as investors would demand a higher return on their investment to undertake the risk of developing the subject property.

In order to establish a basis to determine the market value differences between low-density residential zoning districts and more intensive residential zoning districts, Comparable Sales One and Four are compared to Comparable Sale Three. Comparables One and Four allow low-density residential development and had an average sale price of \$9.61 per square foot. At \$9.61 per square foot, the average of Comparables One and Four is approximately 19.8% below Comparable Three's \$11.98 per square foot purchase price. Comparable Sale Three allows for the development of one single-family residence per 7,652 square feet of site area which is superior to Comparables One and Four. This is used as a basis for the following price adjustments. Reduced price adjustments are made to account for Comparable Three's conditions of sale and location.

Comparable Sales One and Four were purchased for the development of a single-family residence. They are located in zoning districts that allow less intensive development compared to the subject. The comparables' zoning is inferior and upward price adjustments are made for zoning. Overall, a downward adjustment is applied due to 20% adjustment applied for the risk associated with developing the subject.

Comparable Sales Two and Three are located in zoning districts that allow for more intensive development that are superior compared to the subject. Downward price adjustments are made. A reduced price adjustment is applied to Comparable Two which is located near powerlines that likely require development restrictions. While these restrictions were not outlined by the seller, marketing information, or public records, it is typical of the market for power companies to protect their assets with development restrictions.

Comparable Listing Five is zoned SF-15, which allows for inferior development requiring larger lots. After considering its development potential relative to the subject, no additional price adjustment is warranted. Here follows an Adjustment Matrix summarizing the adjustments as they apply to the comparables.

COMPARABLE ADJUSTMENT MATRIX

ELEMENTS OF COMPARISON	Subject	Comparable One		Comparable Two		Comparable Three		Comparable Four		Comparable Five	
	West of Higley Road, North of S.R. 202, Gilbert, AZ 85296	13573 S. Val Vista Dr. Gilbert, AZ 85296	Price Per S.F. / Adjustments	4605 E. Pecan Road, Phoenix, AZ 85040	Price Per S.F. / Adjustments	901 E. Detroit Street, Chandler, AZ 85225	Price Per S.F. / Adjustments	955 W. Harvard Avenue, Gilbert, AZ 85233	Price Per S.F. / Adjustments	7339 S. 169th Way, Gilbert, AZ 85142	Price Per S.F. / Adjustments
SALE PRICE	N/A		\$9.77		\$1.64		\$11.98		\$9.44		\$11.11
PROPERTY RIGHTS CONVEYED	Fee Simple W/Restrictive Easement & Condition	Fee Simple		Fee Simple W/Restrictive Easement		Fee Simple		Fee Simple		Fee Simple	
Adjustment		-20%	-1.95	0%	0.00	-20%	-\$2.40	-20%	-\$1.89	-20%	-2.22
			7.82		1.64		\$9.58		\$7.55		8.89
FINANCING TERMS	Assume Cash to Seller	Cash to Seller		Cash to Seller		Seller Carry W/\$110,000 Cash Down-Below Market Interest		Cash to Seller		Assumed Cash to Seller	
Adjustment		0%	0.00	0%	0.00	-5%	-\$0.48	0%	\$0.00	0%	0.00
			7.82		1.64		\$9.10		\$7.55		8.89
CONDITIONS OF SALE	Assume Arm's-Length	Assumed Arm's-Length		Arm's-Length		Arm's-Length		Arm's-Length		Active Listing	
Adjustment		0%	0.00	0%	0.00	0%	\$0.00	0%	\$0.00	-10%	-0.89
			7.82		1.64		\$9.10		\$7.55		8.00
MARKET CONDITIONS (TIME)	September 22, 2026	January 14, 2025		January 29, 2025		February 28, 2025		July 18, 2025		Active Listing	
Adjustment	Date of Value	10%	0.78	10%	0.16	9%	\$0.82	7%	\$0.53	0%	0.00
ADJUSTED SALE PRICE PER S.F.			\$8.60		\$1.80		\$9.92		\$8.08		\$8.00
LOCATION											
General Access / Views	Above Average	Above Average		Below Average		Average		Above Average		Good	
Adjustment	Average / Below Average	Average / Below Average	0%	Average / Poor	30%	Average / Average	5%	Below Average / Average	0%	Average / Above Average	-20%
			\$0.00		\$0.54		\$0.50		\$0.00		(\$1.60)
PHYSICAL CHARACTERISTICS											
Site Size in S.F.	92,810	49,135		22,521		45,912		43,419		46,350	
Adjustment		-10%	(\$0.86)	-15%	(\$0.27)	-10%	(\$0.99)	-10%	(\$0.81)	-10%	(\$0.80)
Topography / Shape	Level / Irregular-Restrictive	Level / Rectangular		Level / Rectangular-Narrow		Level / Rectangular		Level / Triangular		Level / Rectangular	
Adjustment		-25%	(\$2.15)	-10%	(\$0.18)	-25%	(\$2.48)	-25%	(\$2.02)	-25%	(\$2.00)
Utilities	All Available	All Available		All Available		All Available		All Available		Electric and Water	
Adjustment		0%	\$0.00	0%	\$0.00	0%	\$0.00	0%	\$0.00	4%	\$0.32
Floodplain	Zone X	Zone X		Zone X		Zone X		Zone AE		Zone X	
Adjustment		0%	\$0.00	0%	\$0.00	0%	\$0.00	5%	\$0.40	0%	\$0.00
Site Improvements	None	Picket Fence		None		None		None		Partial Masonry Wall (Horse Shade Removed Upon Sale)	
Adjustment		-5%	(\$0.43)	0%	\$0.00	0%	\$0.00	0%	\$0.00	-5%	(\$0.40)
Zoning / Planned Use	PF/I, Public Facility W/Assumed Rezone to SF-10, Residential W/Risk / Single-Family	R-43, Rural Residential / Assumed Single-Family Residence		R1-6, Single-Family / Assumed Single-Family		PAD, Planned Area-6 SFR / Assumed Residential		SF-35, Single Family / Single-Family Residence		SF-15, Single Family / Assumed Single-Family	
Adjustment		-15%	(\$1.29)	-25%	(\$0.45)	-40%	(\$3.97)	-15%	(\$1.21)	-20%	(\$1.60)
NET % ADJUSTMENT / ADJUSTED SALE PRICE PER S.F.		-60.4%	\$3.87	-12.0%	\$1.44	-75.1%	\$2.98	-52.9%	\$4.44	-52.7%	\$1.92

LAND VALUE CONCLUSION

The comparables' unadjusted values range from \$1.64 to \$11.98 per square foot. After making price adjustments for the appropriate elements of comparison, the comparables' values range from \$1.44 to \$4.44 per square foot. The arithmetic mean is \$2.93 and the median is \$2.98 per square foot.

Greatest weight is given to adjusted sale/list price of Comparables Three and Five. These comparables have the most similar development potential compared to the subject. Least weight is given to Comparable Two because its development restrictions remain insufficiently verified.

Based on the aforementioned data, the opinion of value for the subject property is \$2.50 per square foot. This equates to a market value of \$232,025, which is rounded to \$230,000 as outlined below.

**92,810 S.F. Site X \$2.50 Per S.F. = \$232,025
Rounded to \$230,000**

OPINION OF MARKET VALUE

AS OF SEPTEMBER 22, 2026: \$230,000

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 on the effective date of the appraisal. Based on the current market conditions, an exposure time of 12 months is estimated for the subject property. This assumes that the property is appropriately priced and marketed.

AUDITING BREAKDOWN

The following section is the Auditing Breakdown required by the ADOT Right of Way Procedures Manual.

Value of the Land	\$230,000
Value of the Improvements	\$0
Opinion of Market Value:	\$230,000

ADOT CERTIFICATION OF APPRAISER

Project Number: M6972 01X

Parcel Number: L-C-107

I hereby certify;

That I personally inspected, the property herein appraised, and that I have afforded the property owner the opportunity to accompany me at the time of inspection. I also made a personal field inspection of each comparable sale relied upon in making said appraisal. The subject and the comparable sales relied upon in making the appraisal were represented by the photographs contained in the appraisal.

That I have given consideration to the value of the property the damages and benefits to the remainder, if any; and accept no liability for matters of title or survey. That, to the best of my knowledge and belief, the statements contained in said appraisal are true and the opinions, as expressed therein, are based upon correct information; subject to the limiting conditions therein set forth.

That no hidden or unapparent conditions of the property, subsoil, or structures were found or assumed to exist which would render the subject property more or less valuable; and I assume no responsibility for such conditions, or for engineering which might be required to discover such factors. That, unless otherwise stated in this report, the existence of hazardous material, which may or may not be present in the property, was not observed by myself or acknowledged by the owner. This appraiser, however, is not qualified to detect such substances, the presence of which may affect the value of the property. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them.

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

That this appraisal has further been made in conformity with the appropriate State and Federal laws, regulations, policies and procedures applicable to appraisal of right of way for such purposes; and that, to the best of my knowledge, no portion of the value assigned to such property consists of items which are non-compensable under the established laws of said State.

That I understand this appraisal may be used in conjunction with the acquisition of right of way for a highway to be constructed by the State of Arizona with the assistance of Federal aid highway funds or other Federal funds.

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

That I have no direct or indirect present or contemplated future personal interest in the property that is the subject of this report, or any benefit from the acquisition of the property appraised herein.

That I have not revealed the findings and result of such appraisal to anyone other than the proper officials of the Arizona Department of Transportation or officials of the Federal Highway Administration, and I will not do so unless so authorized by proper State officials, or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.

That my opinion of the MARKET VALUE as of the 22nd day of September, 2026, is \$230,000, based upon my independent appraisal and the exercise of my professional judgment.

Date: September 24, 2026

Signature: _____



Arizona Certified General Real
Estate Appraiser # 1049989

CERTIFICATION

THE APPRAISER CERTIFIES 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 Uniform Standards of Professional Appraisal Practice.

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

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

I have not performed services as an appraiser regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

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

My 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.

My 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.

John Medley, appraiser, made a personal inspection of the property that is the subject of this report.

No assistance was provided to the signing appraiser in the development of this appraisal.

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.

I hereby certify that I am competent to complete the appraisal assignment. The reader is referred to the appraiser's Statement of Qualifications.

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".

I certify that any artificial intelligence tools used in connection with this assignment were limited to non-analytical, report-preparation functions such as formatting, grammar, editing, and assisting in research. All data, analyses, opinions, and conclusions set forth in this report reflect my own independent professional judgment.

No confidential information or assignment results were disclosed to any third party or external system in a manner inconsistent with my confidentiality obligations under USPAP.

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.



John E. Medley
Certified General
Appraiser # 1049989

QUALIFICATIONS OF JOHN E. MEDLEY

Professional Profile

John E. Medley is an Arizona Certified General Real Estate Appraiser with experience in the valuation of commercial, industrial, special-purpose, aviation-related, and vacant land properties. His practice includes market-value assignments involving fee simple, leased-fee, and leasehold interests, as well as condemnation and other acquisition-related appraisal matters.

Experience providing market-supported valuation analysis for a broad range of commercial real estate assignments, including highest and best use analysis, appraisal reporting, appraisal review, and assignments requiring consideration of land use, property rights, and market conditions.

State Certification

Arizona Certified General Real Estate Appraiser

Certificate No. 1049989

Currently certified through November 30, 2027

Professional Experience

Experience includes the valuation of a broad range of commercial real estate, including:

- Commercial and industrial properties
- Special-purpose properties
- Vacant and development land
- Aviation and airport-related properties
- Right-of-way valuations and acquisition-related appraisals
- Condemnation and eminent-domain appraisals
- Fee simple, leased-fee, and leasehold interests

Formal Education

Bachelor of Arts, University of Arizona, Tucson, Arizona — 2008

Professional Education

Successful completion of examinations for courses including:

- Basic Appraisal Principles
- Basic Appraisal Procedures
- Residential Market Analysis and Highest and Best Use
- Residential Sales Comparison and Income Approaches

- Residential Site Valuation and Cost Approach
- General Appraiser Market Analysis and Highest and Best Use
- General Appraiser Site Valuation and Cost Approach
- General Appraiser Sales Comparison Approach
- General Appraiser Income Approach
- General Appraiser Report Writing and Case Studies
- Statistics, Modeling and Finance
- Commercial Appraisal Review
- Expert Witness for Commercial Appraisers

Continuing Education and Professional Development

Professional development includes annual participation in:

- Condemnation Summits
- Arizona Airport Association Conferences
- Southern Arizona CCIM Economic Forecasts
- Tucson Association of REALTORS® Conferences

Memberships

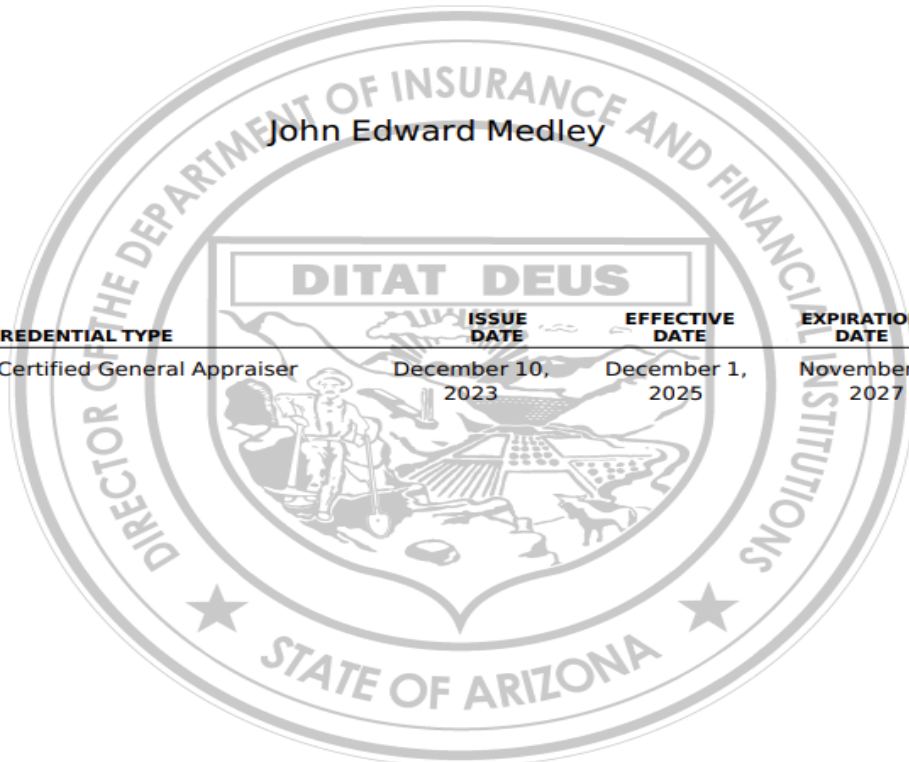
- Member of the Arizona Airport Association

ARIZONA FINANCIAL ENTERPRISE CREDENTIAL CERTIFICATE

No: CGA-1049989
License Status: Active

John Edward Medley

CREDENTIAL TYPE	ISSUE DATE	EFFECTIVE DATE	EXPIRATION DATE
Certified General Appraiser	December 10, 2023	December 1, 2025	November 30, 2027



This certificate was printed on December 2, 2025 and will remain in effect until a change request has been approved by the Department or the credential is surrendered, suspended, revoked or expired.

Arizona Department of Insurance and Financial Institutions
difi.az.gov
100 N 15th Ave, Suite 261
Phoenix, AZ 85007-2630

ADDENDA



205 S. 17th Ave, MD612E

Phoenix, AZ 85007

KATIE HOBBS
GOVERNOR

JENNIFER TOTH
DIRECTOR

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

September 1, 2026

John Medley
Medley Appraisal Services LLC
2633 W. Como Bosque
Tucson, Arizona 85755

RE: Appraisal Assignment No.: JW-27-005
PROJECT: M6972 01X
HIGHWAY: SANTAN FREEWAY
SECTION: Gilbert Road - Higley Road
PARCEL: L-C-107

Dear John Medley:

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 acquisition and its effect to the remaining property. The intended use of the appraisal report is to utilize value estimates to assist in decisions regarding the sale or disposal of this excess parcel.

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 Merrisa Marin (MMarin@AZDOT.GOV); Michael Craig (MCraig@AZDOT.GOV); Tim O'Connell (TOconnell@AZDOT.GOV); Jim Walcutt (JWalcutt@AZDOT.GOV); and Tammy Alme (TAlme@AZGOT.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: EXCESS LAND

ARIZONA DEPARTMENT OF TRANSPORTATION
205 S. 17th Ave. | Phoenix, AZ 85007 | azdot.gov

Scope Notes: Market Value is required for appraisal of this excess parcel. 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 no later than 5:00 p.m. on September 4, 2026.

Sincerely,
Jim Walcutt
R/W Project Management Section

Enclosure(s)
cc: Esther Valencia, R/W Contracts Section

ARIZONA DEPARTMENT OF TRANSPORTATION
205 S. 17th Ave. | Phoenix, AZ 85007 | azdot.gov



PURCHASE ORDER

PHOENIX, on 9/10/2026

CTR082269/ JW-27-005/ M697201X/ L-C-107/ Appraisal due in 30 days-Medley Appraisal Services LLC

SUPPLIER

Medley Appraisal Services LLC
Attn: Mr. John Medley
Address: Business Address
 2633 W Como Bosque Trail
 UNITED STATES
 Tucson, Arizona 85755
Phone: 5207771421
E-mail: john@medleyappraisal.com

ORDER No. PO0000911567

(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
 UNITED STATES
 Phoenix, Arizona 85007
Deliver To:
Requested Delivery Date: 9/9/2026
(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	CTR082269	1067716-1	CTR082269/ JW-27-005/ M697201X/ L-C-107/ Appraisal due in 30 days Commentaire : L-C-107/ Appraisal due in 30 days	1.0000	Total Cost		

Total before Tax USD

Non-Taxable - 0 % 0.00 USD

Total after Tax USD





EXHIBIT "A"

That portion of the North half of the Southeast quarter (N½SE¼) of Section 22, Township 1 South, Range 6 East, Gila and Salt River Meridian, Maricopa County, Arizona, described as follows:

Commencing at a McDOT brass cap in a handhole marking the East quarter corner of said Section 22, being South 00°26'42" East 2633.84 feet from a McDOT brass cap in a handhole marking the Northeast corner of said Section 22;

thence along the East – West mid section line of said Section 22, also being the existing northerly right of way line of State Route 202L (SANTAN FREEWAY), South 89°26'04" West 1032.22 feet to the POINT OF BEGINNING;

thence leaving said East – West mid section line, continuing along said existing northerly right of way line, South 81°49'43" West 35.64 feet;

thence continuing along said existing northerly right of way line, South 80°49'31" West 514.94 feet;

thence continuing along said existing northerly right of way line, South 82°16'42" West 518.84 feet;

thence continuing along said existing northerly right of way line, South 81°24'07" West 526.47 feet to the southerly line of RANCHO CORONA Subdivision, according to the plat of record, recorded in Book 441 of Maps, Page 15, Maricopa County Records Office, also on the North – South mid section line of said Section 22, being North 00°18'02" West 2414.16 feet from a McDOT brass cap in hand hole marking the South quarter corner of said Section 22;

thence along said southerly line of RANCHO CORONA North 70°14'09" East 538.25 feet;

thence continuing along said southerly line, North 89°26'04" East 388.70 feet;

thence continuing along said southerly line, North 00°33'56" West 43.00 feet to said East – West mid section line of Section 22;

thence along said East – West mid section line, North 89°26'04" East 683.56 feet to the POINT OF BEGINNING.

(continued)

PAGE 1

PROJECT: 202L MA 000 H5382	SECTION: Gilbert Road – Higley Road	PARCEL: L-C-107
RAM 600-7-804		cg 02/05/2024

There shall be no right or easement of access to, from or between the parcel of land described above and said State Route 202L.

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.

RESERVING UNTO the grantor and its successors and/or assigns, a 15.00 foot wide easement along the northerly side of the existing sound wall for the purpose of ingress and egress to and the maintenance of said sound wall.

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

PAGE 2

PROJECT: 202L MA 000 H5382	SECTION: Gilbert Road – Higley Road	PARCEL: L-C-107
RAM 600-7-804		cg 02/05/2024

EXHIBIT "B"

CONDITIONS AND STIPULATIONS

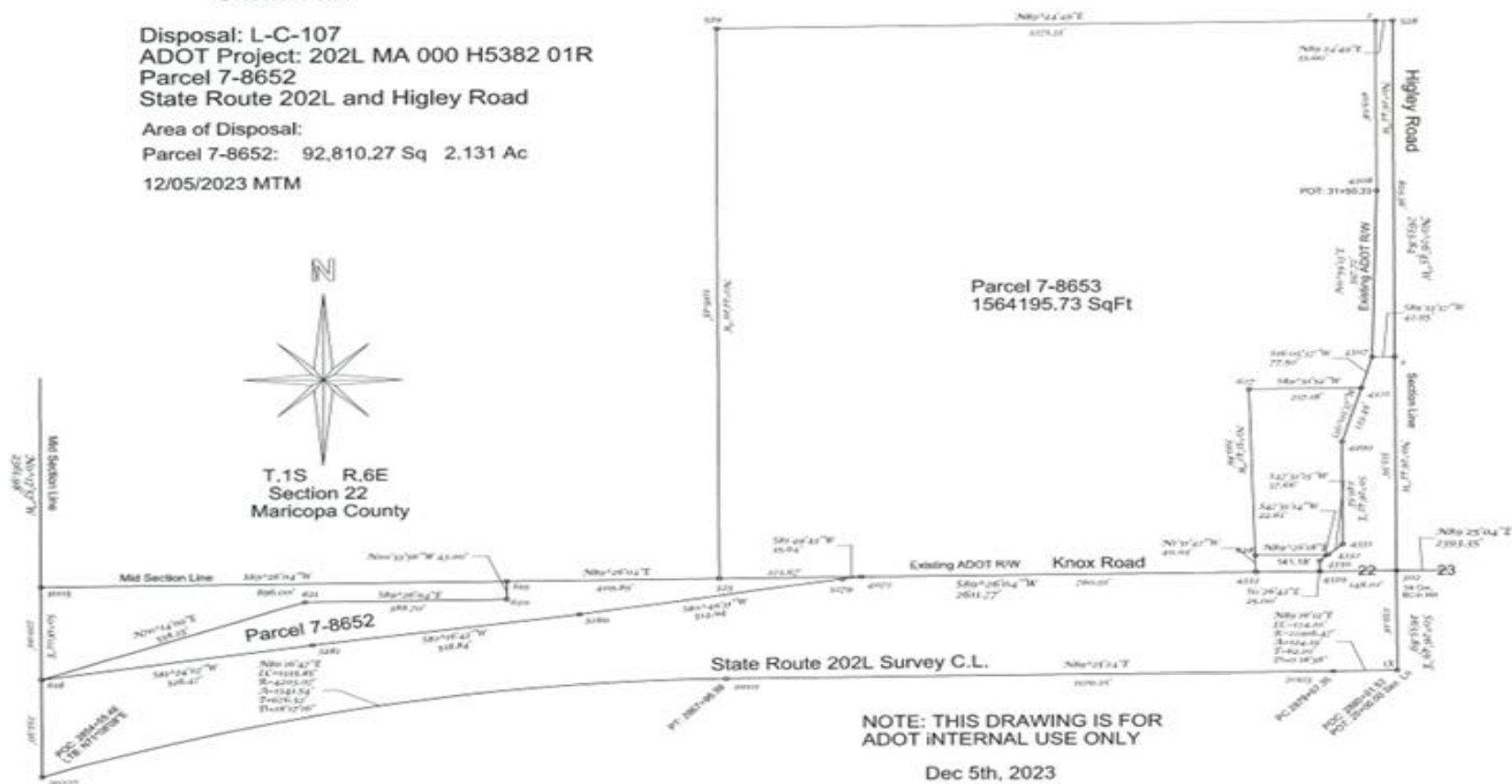
The Grantee is subject to the following conditions and stipulations existing at the time of this conveyance:

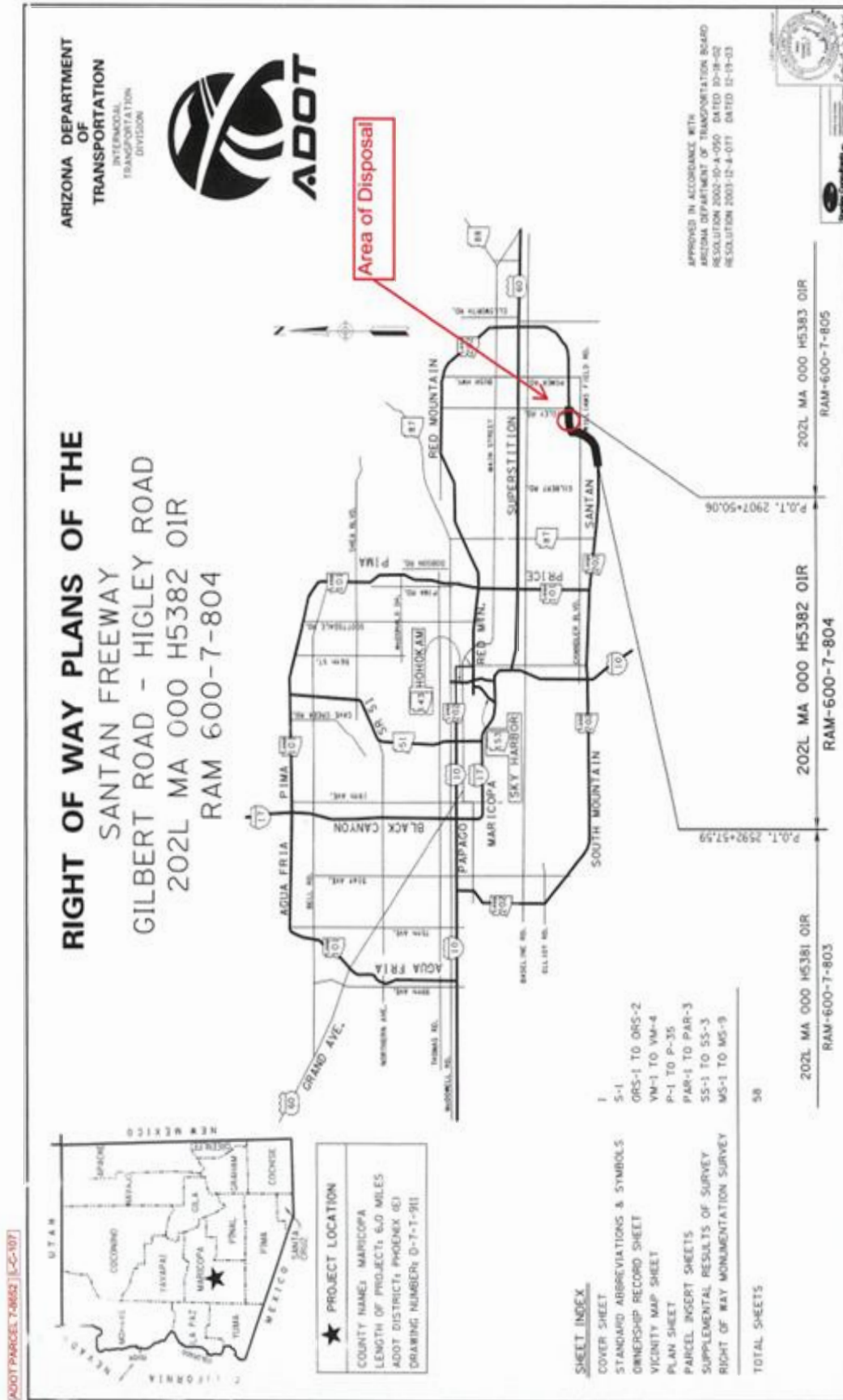
Grantee shall:

Be responsible for the cost of graffiti removal and any repainting of the wall which faces the neighborhood.

PROJECT: 202L MA 000 H5382 01R **LOCATION:** GILBERT ROAD-HIGLEY ROAD **PARCEL:** L-
C-107 600-7-804 (7-8652) db
08/27/26

Area of Disposal:
Parcel 7-8652: 92,810.27 Sq 2.131 Ac
12/05/2023 MTM





OWNERSHIP

RECORD

ACQUISITION RECORD

PARCEL NUMBER	OWNER	DESCRIPTION OF AREA REQUIRED	TOTAL AREA (SQUARE FEET)	AREA REQUIRED (SQUARE FEET)	REMARKS	SHEET NO.	INSTRUMENT	DATE	RECORDED
④ 7-8649	TOWN OF GILBERT	P1, OF 564 SEC. 21 T1S, R6E	830,831	52,111	33,024	10,098	10E	4-23-02	
④ 7-8650	ROOSEVELT WATER CONSERVATION DISTRICT	P1, OF 564 SEC. 22 T1S, R6E	179,132	99,216	51,564	42,003	10E	5-16-03	03-0629527
① 7-8651	MARK W. DOBSON	P1, OF 564 SEC. 22 T1S, R6E	1,665,564	1,623,134	1,579,533	42,003	10E	5-16-03	03-0629527
② 7-8652	JOHNSON FAMILY, L.L.C.	P1, OF 52 SEC. 22 T1S, R6E	5,305,152	1,779,474	1,779,409	65,965	10E	1-18-02	02-0001171
④ 7-8653	HEIRS OF ANANDU TADEL ET AL	P1, OF 564 SEC. 22 T1S, R6E	1,601,564	24,899	8,008	1,586,665	10E	5-16-03	03-0629527
② 7-8729	J & B BOTTLER LIVING TRUST	P1, OF 564 SEC. 6 T2S, R6E	2,445,996	502,871	380,161	1,755,964	10E	5-16-03	03-0629527
② 7-8740	GORDON BLUTH ET UX	P1, OF 564 SEC. 6 T2S, R6E	1,753,279	355,655	202,569	1,755,009	10E	5-16-03	03-0629527
② 7-8746	CRAG ENTERPRISES	P1, OF 564 SEC. 6 T2S, R6E	853,488	288,297	136,872	428,319	10E	5-16-03	03-0629527
② 7-8743	MARICOPA COUNTY	P1, OF 564 SEC. 6 T2S, R6E	3,475,330	35,420	35,420	3,439,910	10E	5-16-03	03-0629527
② 7-8744	ELLSWORTH ROAD HO L.L.C.	P1, OF 564 SEC. 5 T2S, R6E	6,933,568	2,217,608	2,833,446	4,098,423	10E	5-16-03	03-0629527
① 7-8745	BERNADETTE A. WOLFSKIND	P1, OF 564 SEC. 5 T2S, R6E	383,210	383,210			10E	5-16-03	03-0629527
① 7-8746	CANYON DAVIS - VAL VISTA L.L.C.	P1, OF 564 SEC. 5 T2S, R6E	15,727,744	3,485,908	3,306,033	17,835	10E	5-16-03	03-0629527
① 7-8754	STEPHEN A. CARROLL L.L.C.	P1, OF 564 SEC. 33 T1S, R6E	326,783	180,582	176,332	37,312	10E	5-16-03	03-0629527
① 7-8755	CHARLETTA REMONDI TRUST	P1, OF 564 SEC. 33 T1S, R6E	217,844	217,844			10E	5-16-03	03-0629527
① 7-8756	MICHAEL L. PHELPS, ET AL	P1, OF 564 SEC. 33 T1S, R6E	326,389	326,389			10E	5-16-03	03-0629527
① 7-8757	RUSSELL L. PHELPS	P1, OF 564 SEC. 33 T1S, R6E	326,389	326,389			10E	5-16-03	03-0629527
① 7-8758	JOHN BOLTON TRUST	P1, OF 564 SEC. 33 T1S, R6E	326,389	326,389			10E	5-16-03	03-0629527
① 7-8759	LOIS EILEEN STONEY PHELPS	P1, OF 564 SEC. 33 T1S, R6E	326,389	326,389			10E	5-16-03	03-0629527
① 7-8760	RAYNE AND TEE PHELPS CHARITABLE REMONDI TRUST	P1, OF 564 SEC. 33 T1S, R6E	217,844	217,844			10E	5-16-03	03-0629527
① 7-8761	TRIN FIELDS, L.L.C.	P1, OF 564 SEC. 34 T1S, R6E	6,790,889	103,799	45,138	6,687,090	10E	5-16-03	03-0629527
① 7-8762	LESLIE INVESTMENT IL	P1, OF 564 SEC. 27 T1S, R6E	10,372,036	2,261,138	2,188,010	14,510	10E	5-16-03	03-0629527
① 7-8763	AINES A. L.L.C.	P1, OF 564 SEC. 27 T1S, R6E	176,036	176,036			10E	5-16-03	03-0629527
① 7-8764	KEY CONSTRUCTION INC.	P1, OF 564 SEC. 27 T1S, R6E	64,832	276,000			10E	5-16-03	03-0629527
① 7-8765	THE CROSSINGS AT CROSSROADS - UNIT 100	P1, OF 564 SEC. 27 T1S, R6E	276,000	276,000			10E	5-16-03	03-0629527
① 7-8766	MARK W. DOBSON	P1, OF 564 SEC. 27 T1S, R6E	10,318,327	106,289	75,570	10,242,038	10E	5-16-03	03-0629527
① 7-8767	BRADLEY D. LECKINGTON, ET UX	P1, OF 564 SEC. 22 T1S, R6E	110,765	35,057	25,619	75,146	10E	5-16-03	03-0629527
① 7-8768	JAMES MACCHERIO FAMILY PROPERTIES, L.L.C.	P1, OF 564 SEC. 23 T1S, R6E	6,545,514	916,428	5,614,218	930,302	10E	5-16-03	03-0629527
① 7-8770	ROMAN CATHOLIC CHURCH	P1, OF 564 SEC. 23 T1S, R6E	336,807	336,807			10E	5-16-03	03-0629527
① 7-8771	RICHARD E. SKOUSEN, ET AL	P1, OF 564 SEC. 23 T1S, R6E	3,475,330	6,765	5,616	3,469,165	10E	5-16-03	03-0629527
① 7-8776	JERRY LEE NEWSOME TRUST	P1, OF 564 SEC. 23 T1S, R6E	87,090	28,759	23,810	58,236	10E	5-16-03	03-0629527

ALL AREAS ARE IN SQUARE FEET (SFT) UNLESS OTHERWISE NOTED

THIS PARCEL IS A TOTAL ACQUISITION

REMANINDER LEFT IS TO BE ACQUIRED

21,294 OF REMANINDER RIGHT TO BE ACQUIRED

TO BE ACQUIRED THROUGH IGA WITH THE TOWN OF GILBERT

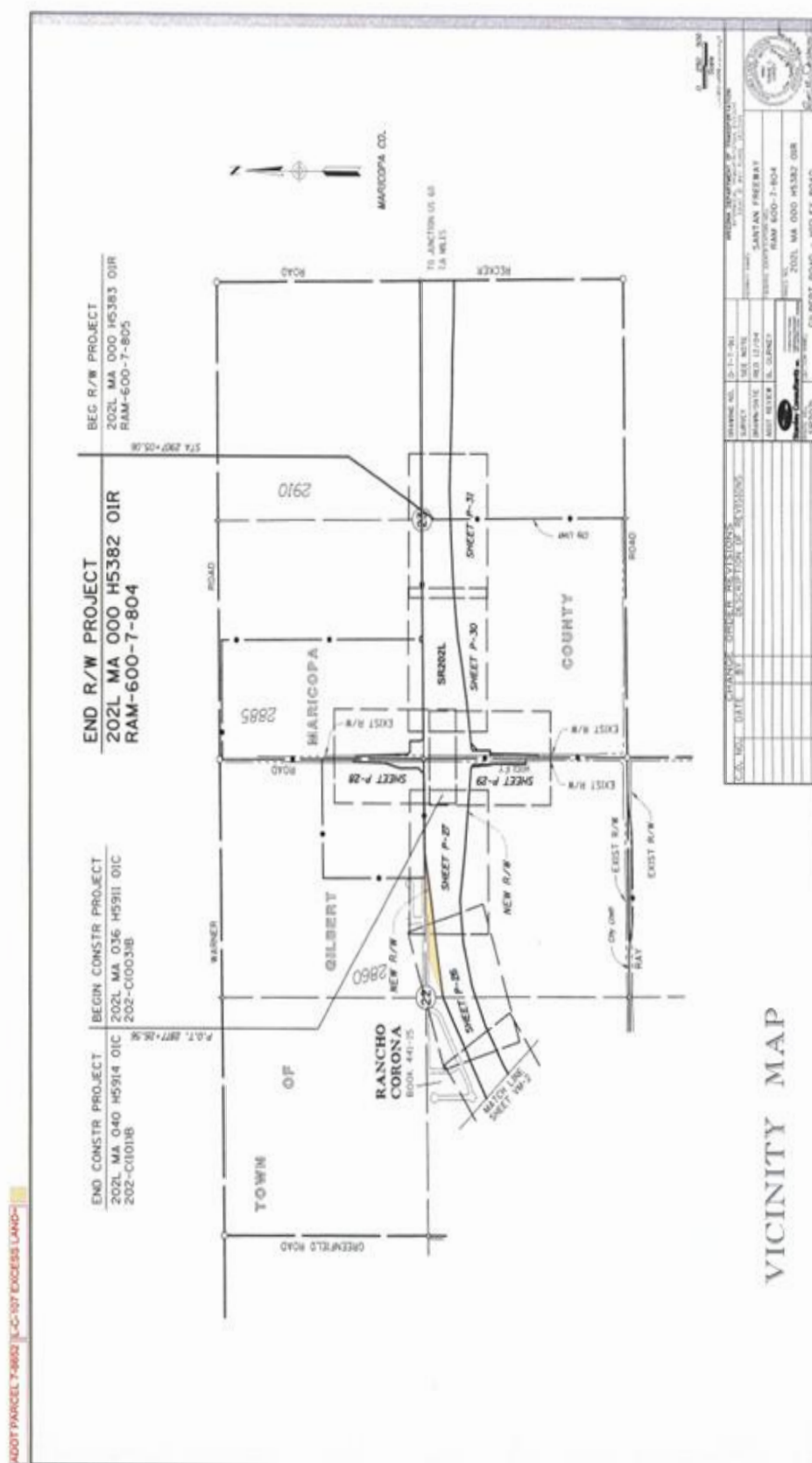
REMANINDER RIGHT TO BE ACQUIRED UNLESS 12654 SQ FT OF EXISTING R/W

50814 OF REMANINDER LEFT TO BE ACQUIRED

CO. NO. DATE		CHARGE		OWNER		ADDRESS		CITY		STATE		ZIP	
N/A 07/27/27		1570		ADULT ALIEN		B. GARNLEY		2005 MA 000 H5382 DR		MA		01904	
CO. NO. DATE		CHARGE		OWNER		ADDRESS		CITY		STATE		ZIP	
N/A 07/27/27		1570		ADULT ALIEN		B. GARNLEY		2005 MA 000 H5382 DR		MA		01904	



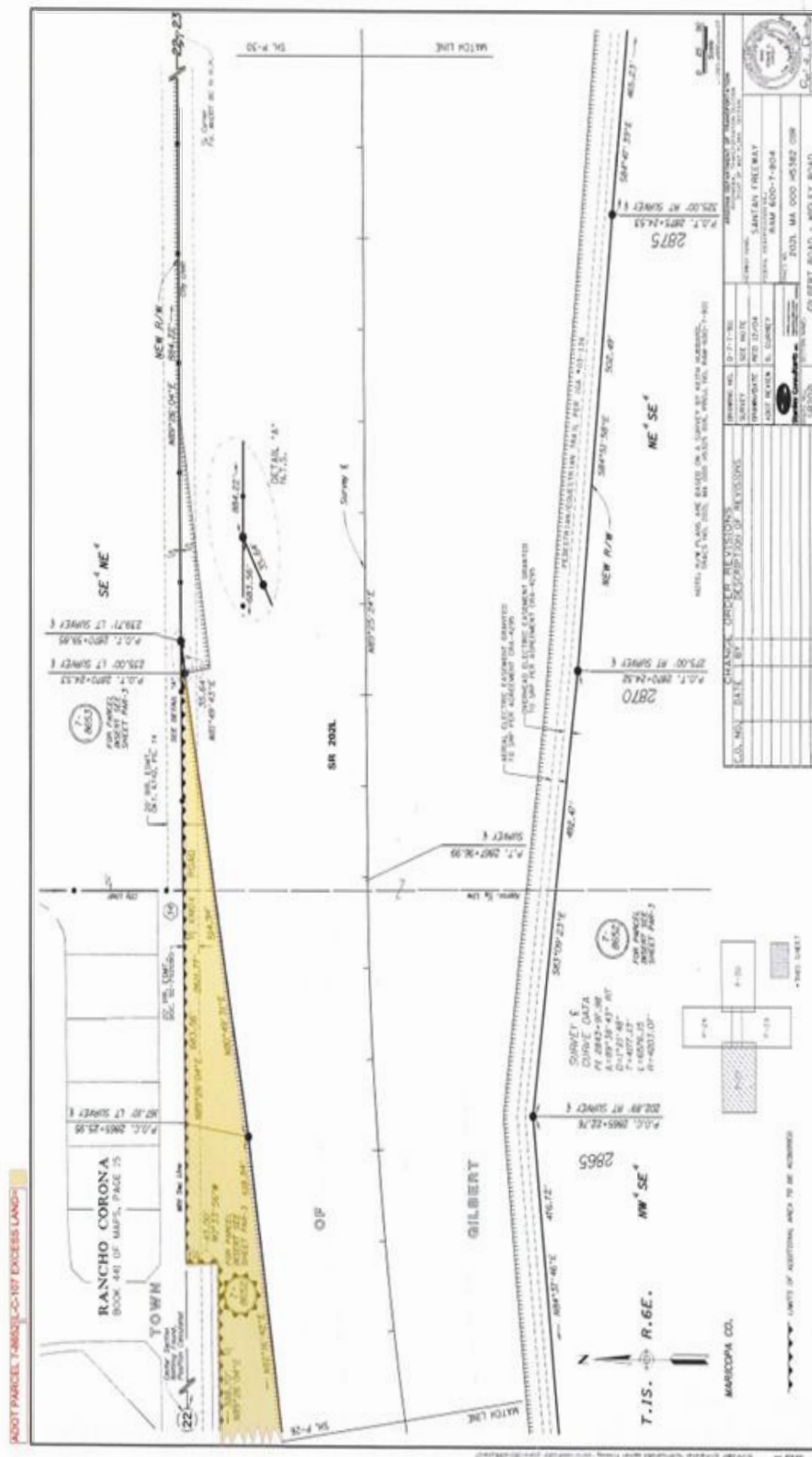
NOTARY PUBLIC
SANTANA FREEMAN
2005 MA 000 H5382 DR
MA 01904

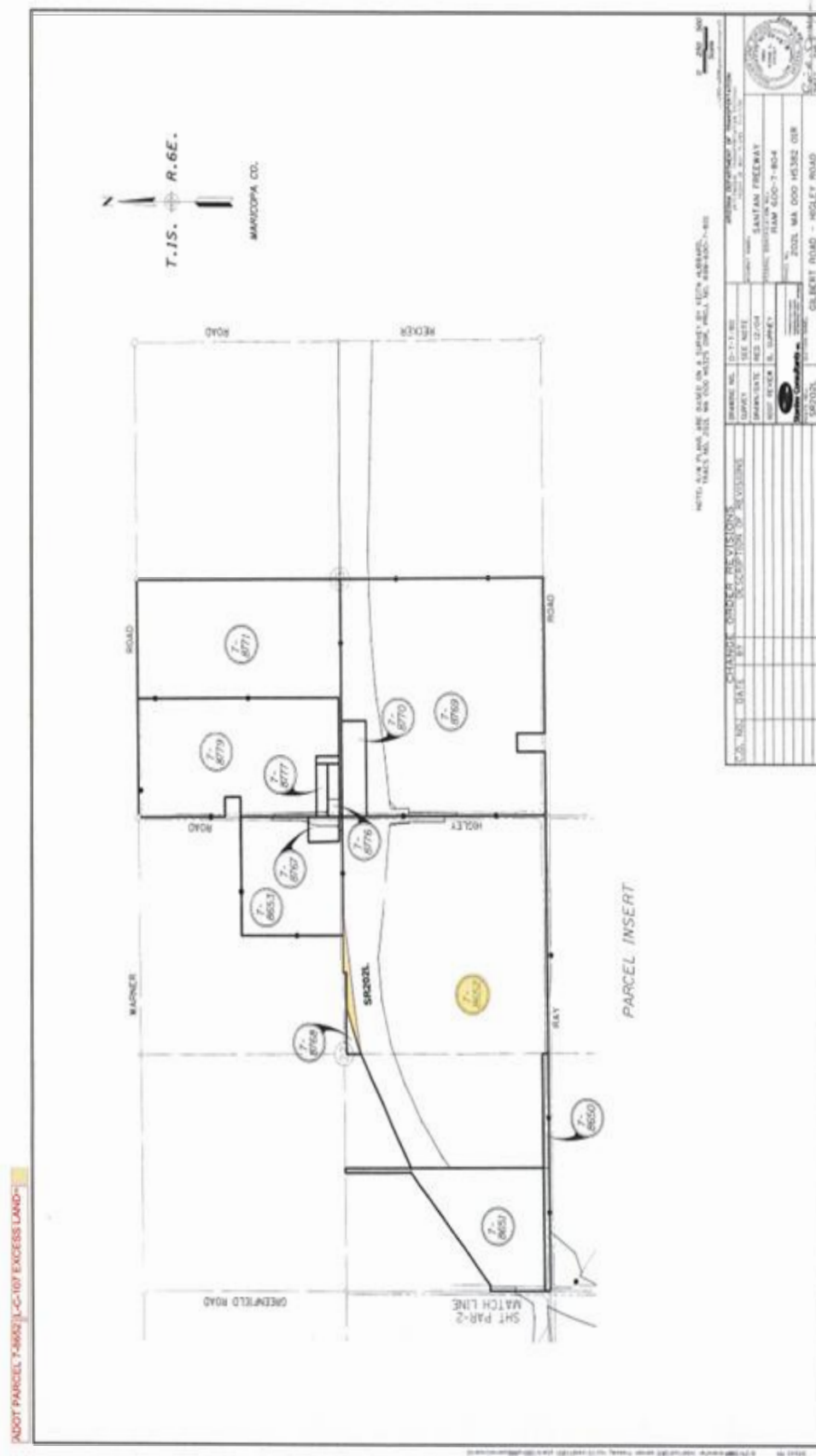


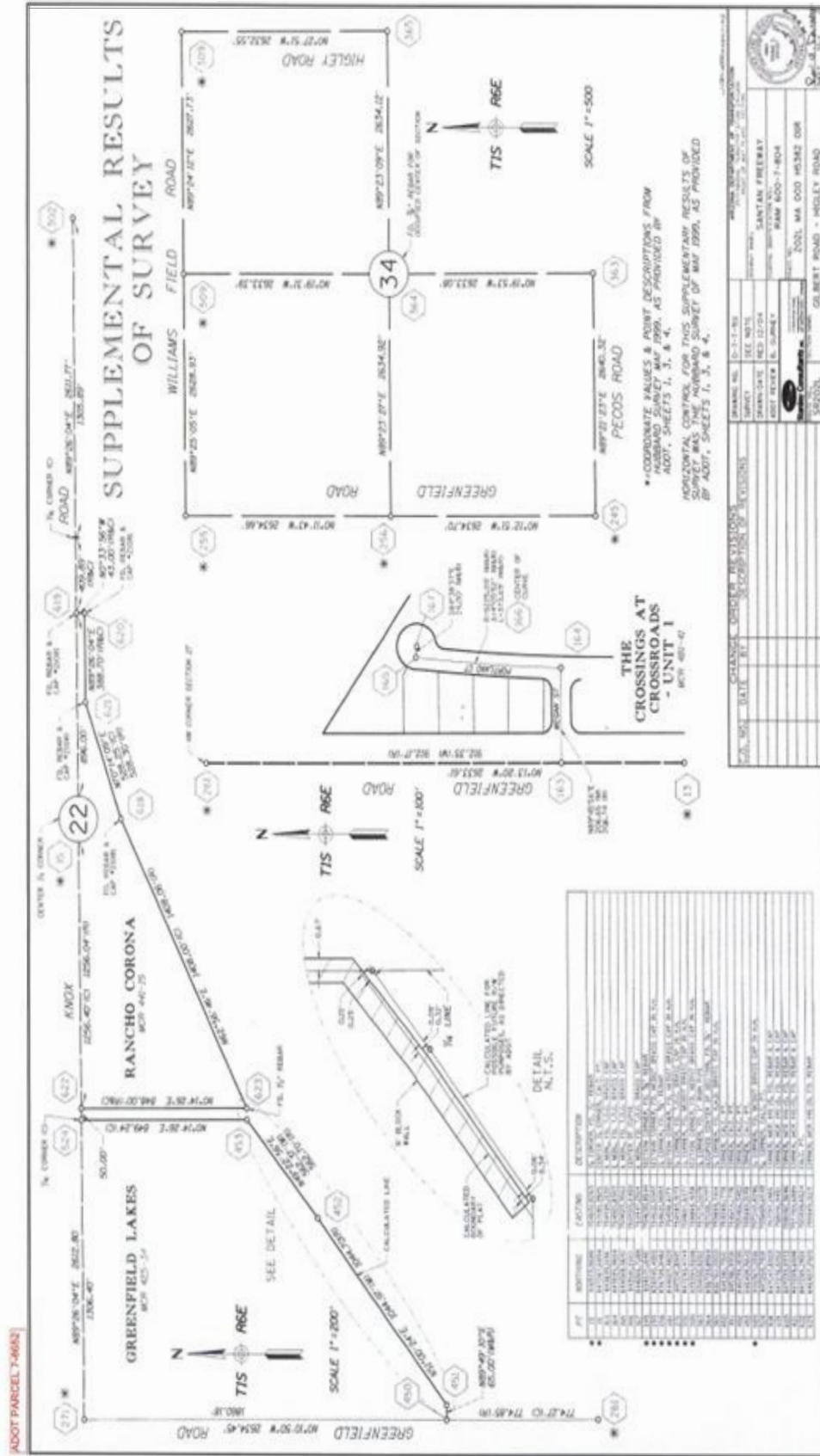
SEE SAMPLE #1 TO #5 FOR CLEAR LOADS.

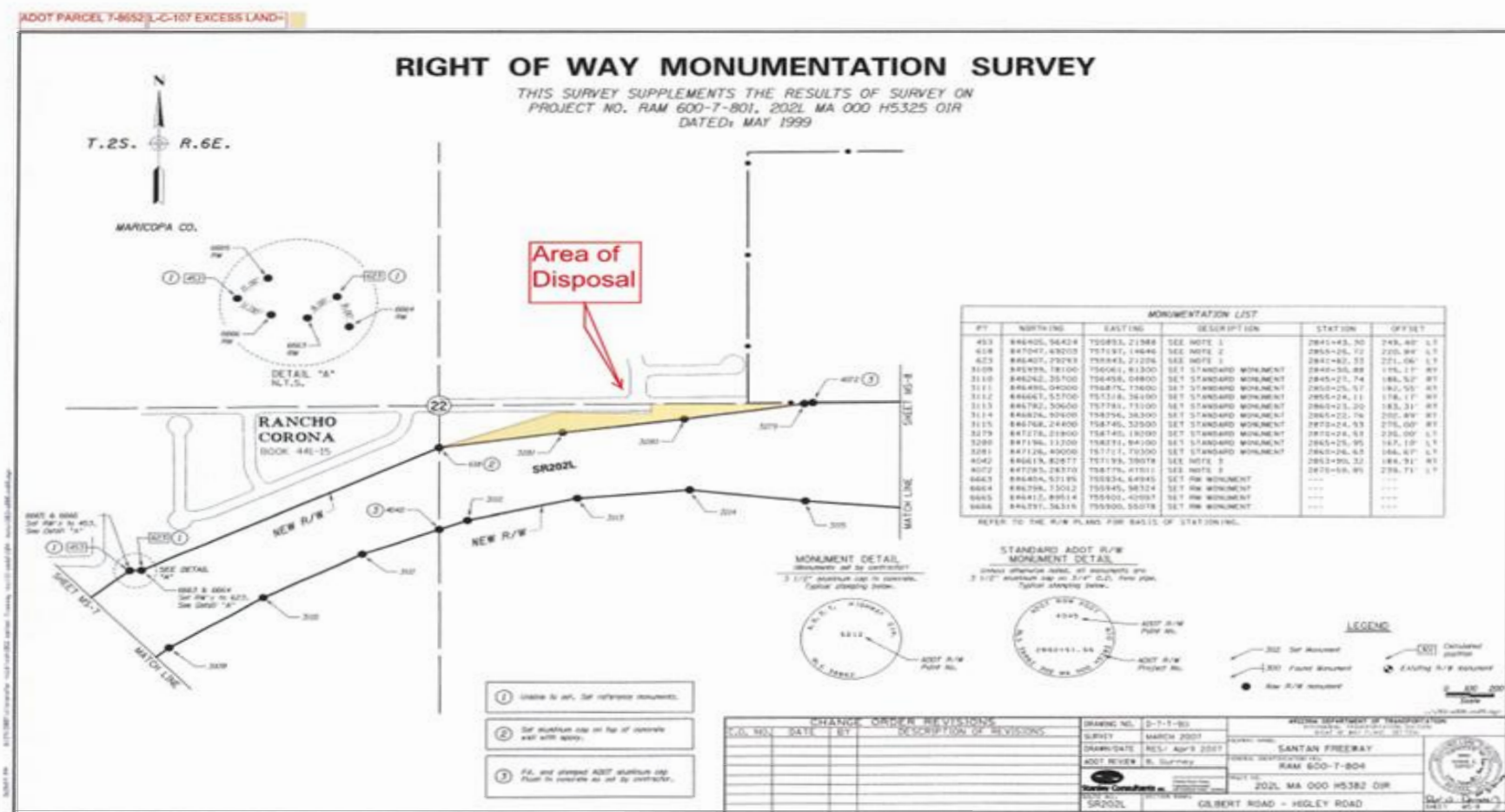
[illegible]













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.

- Updated May 3, 2023 to an effective date of April 27, 2023. No change. JG

Date of Search: August 5, 2020	Examiner: Jim Gregg	Reviewer:
Update to: April 27, 2023	Examiner: Jim Gregg	Reviewer:
Update to:	Examiner:	Reviewer:
Update to:	Examiner:	Reviewer:
Update to:	Examiner:	Reviewer:

County: Maricopa	Tax Arb: 304-27-	Disposal: L-C-107
Tracs No.: 202L MA 000 H5382 01R	Highway: SANTAN FREEWAY	Excess Land: N/A
Fed. No.: N/A	Section: Gilbert Rd.-Higley Rd.	Parcel No.: 7-8652

**SCHEDULE A-1
LEGAL DESCRIPTION**

That portion of the North half of the Southeast quarter of Section 22, Township 1 South, Range 6 East Gila and Salt river Meridian, Maricopa County, Arizona, as depicted on Exhibit "A" attached, Sheets P-26 and P-27 of ADOT Drawing D-7-T-911, the Right of Way Plans of SANTAN FREEWAY, Section Gilbert Rd.-Higley Rd., Project 202L MA 000 H5382 01R / 7-8652.

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 from Johnston Properties, L.L.C., an Arizona limited liability company, to the State of Arizona, by and through its Department of Transportation, dated January 8, 2002, recorded January 18, 2002, in Document No. 2002-61171.
[Parcel 7-8652, Project 202L MA 000 H5382]

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 this transaction.

END OF REQUIREMENTS

SCHEDULE B

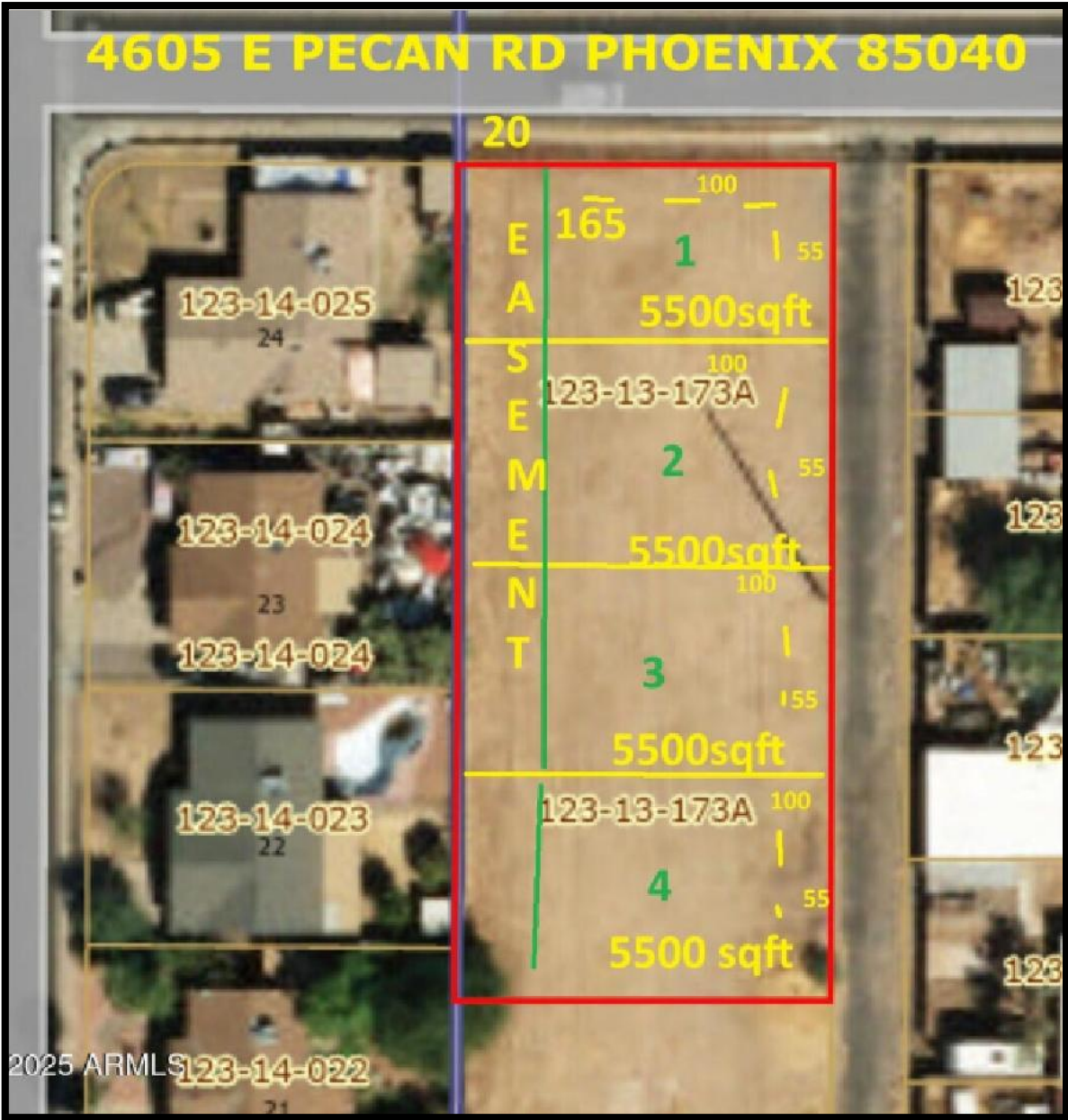
1. None.

END OF SCHEDULE B

Lot Width Estimates



Comparable Sale Two's Marketed Development from MLS Listing



Investor Rates (Realty Rates)

RealtyRates.com INVESTOR SURVEY - 3rd Quarter 2026*									
DISCOUNT RATES									
Property Type	New Development			Acquisitions			Recapitalizations		
	Min.	Max.	Avg.	Min.	Max.	Avg.	Min.	Max.	Avg.
Apartments	9.59%	16.25%	12.57%	8.34%	14.14%	10.94%	9.49%	16.09%	12.45%
Garden/Suburban TH	9.59%	15.42%	12.03%	8.34%	13.41%	10.46%	9.49%	15.26%	11.91%
Hi-Rise/Urban TH	9.80%	16.25%	12.57%	8.52%	14.14%	10.93%	9.70%	16.09%	12.44%
Student Housing	9.59%	15.87%	12.85%	8.35%	13.81%	11.18%	9.50%	15.71%	12.72%
Golf	10.86%	22.79%	17.09%	9.45%	19.83%	14.87%	10.75%	22.57%	16.92%
Public Daily Fee Courses	12.65%	22.54%	16.85%	11.00%	19.61%	14.66%	12.52%	22.32%	16.68%
Semi-Private Clubs	11.12%	22.79%	17.42%	9.68%	19.83%	15.16%	11.01%	22.57%	17.25%
Private Clubs	10.86%	21.31%	16.58%	9.45%	18.54%	14.43%	10.75%	21.10%	16.42%
Health Care/Senior Housing	10.39%	21.78%	13.26%	9.04%	18.95%	11.53%	10.28%	21.56%	13.12%
Acute Care Facilities	10.97%	22.83%	14.73%	9.55%	19.86%	12.81%	10.86%	22.60%	14.58%
Out-Patient Care Facilities	10.39%	16.81%	12.13%	9.04%	14.62%	10.55%	10.28%	16.64%	12.01%
Congregate Care Facilities	10.88%	18.25%	12.93%	9.46%	15.87%	11.25%	10.77%	18.06%	12.80%
Assisted Living Facilities	10.62%	17.27%	12.35%	9.24%	15.02%	10.74%	10.51%	17.09%	12.23%
Industrial	10.11%	17.51%	13.68%	8.50%	14.71%	11.49%	10.21%	17.69%	13.82%
Warehouse/Distribution	10.11%	15.64%	12.99%	8.50%	13.14%	10.91%	10.21%	15.80%	13.12%
R&D/Flex	10.56%	17.51%	13.85%	8.87%	14.71%	11.64%	10.66%	17.69%	13.99%
Climate Controlled/Manufacturing	10.08%	16.85%	12.83%	8.47%	14.16%	10.78%	10.18%	17.02%	12.96%
Lodging	10.59%	19.39%	14.58%	8.89%	16.29%	12.25%	10.27%	18.81%	14.15%
Full Service Facilities	10.59%	17.03%	14.91%	8.89%	14.30%	12.52%	10.27%	16.51%	14.46%
Limited Service Facilities	11.05%	19.39%	14.78%	9.28%	16.29%	12.41%	10.72%	18.81%	14.33%
Golf/Gaming/Resort	10.66%	18.33%	13.68%	8.96%	15.40%	11.49%	10.34%	17.78%	13.27%
Mobile Home/RV Park/Camping	10.32%	19.50%	14.45%	8.36%	15.80%	11.70%	10.32%	19.50%	14.45%
RV Parks/Campgrounds	10.57%	19.50%	14.79%	8.56%	15.80%	11.98%	10.57%	19.50%	14.79%
Manufactured Housing	10.32%	18.09%	13.82%	8.36%	14.65%	11.19%	10.32%	18.09%	13.82%
Mobile Home Parks	10.47%	17.90%	14.13%	8.48%	14.50%	11.44%	10.47%	17.90%	14.13%
Office	10.28%	17.99%	14.04%	8.94%	15.65%	12.22%	10.18%	17.81%	13.90%
Suburban	10.28%	17.01%	13.51%	8.94%	14.80%	11.76%	10.18%	16.84%	13.38%
CBD	10.79%	17.99%	14.11%	9.39%	15.65%	12.28%	10.69%	17.81%	13.97%
Medical	10.85%	17.98%	12.90%	9.44%	15.64%	11.22%	10.74%	17.80%	12.77%
Restaurants	10.64%	22.54%	17.59%	9.04%	19.16%	14.95%	10.21%	21.64%	16.88%
Full Service	13.41%	22.54%	17.59%	11.40%	19.16%	14.95%	12.87%	21.64%	16.88%
Fast Food	10.64%	21.82%	17.11%	9.04%	18.54%	14.54%	10.21%	20.94%	16.42%
Retail	10.17%	18.36%	14.31%	8.75%	15.79%	12.31%	9.97%	17.99%	14.03%
Anchored	10.17%	17.19%	14.47%	8.75%	14.78%	12.44%	9.97%	16.84%	14.18%
Un-Anchored	10.51%	18.36%	14.96%	9.04%	15.79%	12.87%	10.30%	17.99%	14.66%
Convenience/Gas	10.73%	18.46%	12.64%	9.23%	15.88%	10.87%	10.52%	18.09%	12.39%
Free Standing	10.34%	18.13%	14.90%	8.89%	15.60%	12.81%	10.13%	17.77%	14.60%
Self-Storage	9.69%	16.36%	14.16%	8.24%	13.91%	12.04%	9.69%	16.36%	14.16%
Climate Controlled	9.78%	16.36%	13.78%	8.31%	13.91%	11.72%	9.78%	16.36%	13.78%
Mini Storage	9.69%	17.77%	14.19%	8.24%	15.10%	12.07%	9.69%	17.77%	14.19%
Special Purpose	11.20%	23.43%	17.28%	9.63%	20.15%	14.86%	10.98%	22.96%	16.93%
Schools/Day Care Centers	11.20%	20.85%	15.98%	9.63%	17.93%	13.74%	10.98%	20.43%	15.66%
Churches/Temples/Synagogues	12.16%	23.43%	17.28%	10.46%	20.15%	14.86%	11.91%	22.96%	16.93%
All Properties	9.59%	23.43%	14.48%	8.24%	20.15%	12.37%	9.49%	22.96%	14.29%