

**ROOSEVELT
LAKEVIEW PARK**
928-961-6822
RLParkaz@gmail.com
28078 N. AZ HWY. 188
Roosevelt, AZ 85545

December 19, 2013

Robert A. Gould
Director of Community Development Division
745 N. Rose Mofford Way
Globe, AZ 85501

Dear Mr. Gould:

We appreciate the Counties patience and their cooperation regarding the Townsite Act application for Roosevelt Lakeview Park.

Enclosed you will find the following:

- Loan Commitment Letter, from DKT Holdings, LLC.
- Appraisal, done by Southwestern AG Services, LLC.
- Survey completed by Golden Rule Survey Company.

We believe this is the initial documentation, which was requested by Gila County. This documentation should enable the County to submit the Townsite Act application for the U.S. Forest Service, Department of Agriculture.

If you need any further information or have any concerns, please do not hesitate to contact us.

Again, we appreciate the county's continued support in this endeavor.

Sincerely,

EJM Enterprises, LLC
Roosevelt Lakeview Park
David L. Buckmaster and Michael L. Buckmaster, Managing Members

Encl: Commitment Letter, Appraisal, Survey

cc: Neil Bosworth, Forest Supervisor, Tonto National Forest
John Kaites, Public Policy Partners

DLB/lls

**A
COMPLETE
APPRAISAL
REPORTED
IN
SUMMARY FORMAT**

OF THE

30.69 ACRE

PROPERTY

**ASSUMED TO
BE
VACANT**

LOCATED

IN

ROOSEVELT, ARIZONA

FOR

**MR. DAVID BUCKMASTER
P.O. BOX 438
ROOSEVELT, ARIZONA 85545**

BY

**SOUTHWESTERN AG SERVICES, LLC
7254 E. SOUTHERN AVE., STE. 107
MESA, ARIZONA 85209**

DATE OF VALUATION: OCTOBER 19, 2013

DATE OF REPORT: OCTOBER 25, 2013

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DATE OF VALUATION: OCTOBER 19, 2013

DATE OF REPORT: OCTOBER 25, 2013

Southwestern Ag Services, LLC

7254 East Southern Avenue, Suite 107
Mesa, AZ 85209
Phone: (480) 994-3455 Cell: (602) 509-0160
Fax: (480) 699-5072
dwebb209@cox.net

October 25, 2013

Mr. David Buckmaster
P.O. Box 438
Roosevelt, Arizona 85545

Dear Mr. Buckmaster:

Re: Appraisal of 30.69 Acres vacant land south shore Roosevelt Lake, Gila County, Arizona

Pursuant to your request on September 1, 2013, while at your property, Duane E. Webb, ARA of Southwestern Ag Services, LLC has prepared a Summary Appraisal on an assumed vacant site containing 30.69 acres located south of the Highway and south of the Roosevelt Lake Marina, Roosevelt, Arizona in Gila County.

The purpose of this appraisal is to determine the Market Value of the appraised property as though it is a vacant tract containing 30.69 acres based on the definitions contained in the following report, for your personal purpose. Terms of the property value are cash or acceptable terms at close of escrow. The property is appraised as though it is in a vacant condition with no improvements.

The property consists of a surveyed 30.69 acres assumed to be a vacant tract without and improvements of any kind, no water, sewer, electricity, and limited access. The estate appraised is the assumed fee simple interest of these 30.69 acres of assumed to be vacant unimproved land. The legal description supplied is assumed to be correct as to title and boundaries and is based on the enclosed survey. An investigation of title of the property has not been made. This appraisal assumes that the property has ingress from the county Highway on the north side of the property. Valuation is reported without regard to question of title, boundaries or encumbrances. The date of this valuation is October 19, 2013, which is the last date of inspection of the appraised property.

The appraised property is appraised assuming it to be vacant with no improvements on the entire appraised parcel. It is assumed that there are no buildings improvements on the entire 30.69 acres.

Per the existing Flood Insurance Rate Maps, 100% of the appraised property is in Flood Zone D, An area of undetermined but possible flood hazards.

Current zoning is nonexistent, as the property is under an expired Special Use Permit from the Department of Agriculture Tonto National Forest. The appraised property is in conformance with its current use with the Tonto National Forest.

This is a Complete Appraisal, reported in a Summary format, in accordance with Standard Rule 2-2(b), of the Uniform Standards of Professional Appraisal Practice, as set forth by the Appraisal Foundation made with special assumptions in place.

There are 71 consecutively numbered pages in this report, including the title pages and addenda. The undersigned is the only individual responsible for the data analysis contained in this report.

I appreciate this opportunity to be of service to you. If you should have any questions, please do not hesitate to call.

Value of 30.69 acre property appraised as though vacant \$322,000

Respectfully submitted,

SOUTHWESTERN AG SERVICES, LLC



Duane E. Webb ARA
Certified General Real Estate Appraiser
Arizona Certificate No. 30011

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SUMMARY OF FACTS/PROPERTY IDENTIFICATION

Ownership:	Per public records reviewed by the appraiser, current ownership of the appraised property is vested in the name of The Tonto National Forest under the US Department of Agriculture.	
Estate Appraised:	100% interest in the assumed Fee Simple estate, subject to any governmental powers.	
Purpose and Function:	To determine the Market Value "as is as though vacant"	
Acreage:	30.69 acres	
Date of Valuation "As Is":	October 19, 2013	
Date of Inspection:	September 1 & October 19, 2013	
Location:	Roosevelt, Arizona in Gila County	
Legal Description:	Township 4 North, Range 12 East, Gila and Salt River Base and Meridian, Gila County, AZ; Parts of Sections 21 and 28 by metes and bounds	
Assessor's Tax Parcel #'s:	No tax parcel number	
Current Zoning:	No zoning as property is leased from the Department of Agriculture Tonto National Forest under a Special Use Permit issued on 9/2/2002, and expired on 1/1/2013.	
Ground Water Active Management Area:	The appraised property is located outside of all AMA's and INA's, and there are no limitations on groundwater pumping.	
Flood Hazards:	Per the county flood zoning, this property is in Flood zone D, an area of undetermined but possible flood hazards.	
Building Improvements:	At the clients request the appraised property is appraised as though there are no improvements of any kind on it as a vacant parcel.	
Highest and Best Use:	Land held for Investment	
Valuation "As Is":	Value of 30.69 acres as though vacant:	\$322,000

INTRODUCTION

Authorization

Southwestern Ag Services, LLC was authorized by Mr. Dave Buckmaster of Roosevelt Lakeview Park, to appraise the herein described property consisting of 30.69 acres per a survey under the assumption that the property is vacant with no improvements; the property is located south of Roosevelt, Arizona in Gila County, Arizona.

Purpose, Function and Intended Users

The purpose of this appraisal is to estimate the Market Value, as of October 19, 2013, for a 100% interest in the appraised property. Mr. Buckmaster has indicated that the appraisal will be used for potential acquisition consideration. The anticipated user of this report is Mr. Dave Buckmaster of Roosevelt Lakeview Park.

Property Rights Appraised

The estate appraised for the subject property is a 100% interest in the assumed fee simple estate on the appraised land subject to the four powers of government, (taxation, eminent domain, police power and escheat).

Scope of the Appraisal

The scope of this appraisal report is to accurately collect, confirm, report and analyze sufficient data so that the reader may logically reach the same conclusions as the appraiser, of the Market Value, "as though vacant", of the subject property. **The major assumption in this appraisal is that the 30.69 acres herein appraised is assumed to be a vacant tract with no improvements.** As part of the appraisal, the appraiser has examined the subject's area and neighborhood data, conducted a physical inspection of the subject, and a general inspection of the surrounding neighborhood and market area. The appraiser also conducted a sales search for the subject's neighborhood and market area. Sales data sources include Gila County Assessor, First American Real Estate Solutions, Arizona Department of Revenue sales data, Arizona real estate brokers and sales persons active in agricultural and rural properties, buyers and sellers and other records on file with Southwestern Ag Services, LLC. Sales are confirmed with the buyer, seller or brokers who are parties to the transaction, or a lender or other parties involved in the transaction. First party confirmation is sought for all cases, but secondary confirmation sources are occasionally the only sources available.

Broker/Agent market discussions have been conducted with:

Mr. Dave Egiggi, Broker, Phoenix, Arizona
(Active broker statewide on various real estate properties)

Mr. Tom Rolston, Ganado Group
(Active ranch broker statewide)

These broker discussions concern demand and market trends, rental and land sales activity for the neighborhood and area. Sales were inspected visually by the appraiser, and include copies of maps and photos for the sales cited.

Employment, population and economic trends were analyzed using demographic data provided by the U.S. Census Bureau, the Arizona Republic/The Phoenix Gazette, State and Local Chambers of Commerce, the University of Arizona, the Arizona Department of Economic Security, and the Economic Outlook Center, College of Business, Arizona State University.

This is a Complete Appraisal, reported in a Summary Format, in compliance with the reporting requirements as set forth under Standard Rule 2-2(b) of U.S.P.A.P. for a Complete Summary Appraisal

Report. This report presents an expanded discussion of the data, reasoning and analyses that were utilized by the appraiser.

Statement of Assumptions and Limiting Conditions

Neither an investigation of title nor a survey of the property has been made. Valuation is reported without regard to questions of title, boundaries or encumbrances. The legal description furnished by the Client is assumed to be correct and is based on a survey dated 8/15/13 made by Golden Rule Surveying LLC and is used in this report.

The liability of the Southwestern Ag Services, LLC, its employees, and/or contractors is limited to the client. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions as assumptions of the assignment and related discussions. There is no obligation or liability to any third party. The appraiser assumes no responsibility for any costs incurred to discover or correct any deficiencies of any type present in the property -- physically, financial, or legally.

Possession of this report, or any copy thereof, does not carry with it the right of publication, nor may it be used for other than its intended use; the physical report(s) remain the property of the appraiser for the use by the client, the fee being for the analytical services only.

The Bylaws and Regulations of the American Society of Farm Managers and Rural Appraisers require each Member and Candidate to control the use and distribution of each appraisal report signed by such Member or Candidate; except as hereinafter provided, the client may distribute copies of this appraisal report in its entirety to such third parties as he may select; however, selected portions of this appraisal report shall not be given to third parties without the prior written consent of the signatories of the appraisal report. Neither all nor any part of this appraisal report shall be disseminated to the general public by the use of advertising media, public relations, news, sales, or other media for public communication without prior written consent of the appraiser.

This appraisal is to be used only in its entirety. No part or portion thereof is to be used by any party without the whole report. All conclusions and opinions concerning the analyses, which are set forth in the report, were prepared by the appraisers whose signatures appear on the appraisal report. No change of any item in the report shall be made by anyone other than the appraisers and/or officers of the firm. The appraiser and firm shall have no responsibility if any such unauthorized change is made.

The appraisers may not divulge the material (evaluation) contents of the report, analytical findings or conclusions, or give a copy of the report to anyone other than the client or his designee as specified in writing except as may be required by the American Society of Farm Managers and Rural Appraisers as they may request in confidence for ethics enforcement, or by court of law or body with the power of subpoena.

No responsibility is assumed for accuracy of the information provided by the owners, tenants, the client, this designee, or public records. The comparable data relied upon in this report has been confirmed with one or more parties familiar with the transaction or from affidavit or other sources thought reasonable; all are considered appropriate for inclusion to the best of our factual judgment and knowledge. An impractical and uneconomic expenditure of time would be required in attempting to furnish unimpeachable verification in all instances, particularly as to design, engineering and some market-related information.

The contract for appraisal, consultation, or analytical service is fulfilled and the total fee is payable upon completion of the report. The appraiser or those assisting in preparation of the report will not be asked or required to give testimony in court or hearing because of having made the appraisal, in full or in part, nor engage in post appraisal consultation with client or third parties except under separate and special arrangement and at additional fee. If testimony or deposition is required because of subpoena, the client shall be responsible for any additional time, fee, and charges regardless of issuing party.

The sketches and maps in this report are included to assist the reader in visualizing the property and are not necessarily to scale. Various photos, if included, are for the same purpose (as of the date of the photos). Site plans are not surveys unless shown from a separate surveyor.

No responsibility is assumed for matters of legal character or nature, nor matters of survey, nor of any architectural, structural, mechanical, or engineering nature. No opinion is rendered as to the title, which is presumed to be good and merchantable. The property is appraised as if free and clear, unless otherwise stated in particular parts of the report.

The appraiser has inspected as far as possible, by observation, the land and the improvements; however, it is not possible to personally observe conditions beneath the soil, or hidden structural, or other subsoil components. We have not critically inspected mechanical components within the improvements and no representations are made herein as to these matters unless specifically stated and considered in the report. The value estimate considers there being no such conditions that would cause a loss in value. The land or the soil of the area being appraised appears firm; however, subsidence in the area is unknown. The appraiser does not warrant against this condition or occurrence of problems arising from soil conditions.

The appraisal is based on there being no hidden, un-apparent or apparent conditions of the property site, subsoil, structures, or toxic materials which would render it more or less valuable. No responsibility is assumed for any such conditions or for any expertise or engineering to discover them. All mechanical components are assumed to be in operable condition and status standard of properties of the subject type. Conditions of heating, cooling, ventilating, electrical, and plumbing equipment is considered to be operable unless otherwise stated.

Unless otherwise stated in the report, the existence of hazardous material, which may or may not be present on the subject property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such material on or in the property appraised. The appraiser, however, is not qualified to detect such substances. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such condition(s), or for any expertise or engineering knowledge required to discover such. The client is urged to retain an expert in this field, if desired.

The appraiser assumes no responsibility for any costs or consequences arising due to need, or the lack of need, for flood hazard insurance. An Agent for the Federal Flood Insurance Program should be contracted to determine the actual need for Flood Hazard Insurance.

The appraisal is based on the premise that there is full compliance with all applicable federal, state, and local environmental regulations unless otherwise stated in the report; further that all applicable zoning, building, and use regulations and restrictions of all types have been complied with unless otherwise stated in the report; further it is assumed that all required licenses, consents, permits, or other legislative or administrative authority, local, state, federal, and/or private entity or organization have been or can be obtained or renewed for any use considered in the value estimate.

The estimated market value, which is defined in the report, is subject to change with market changes over time; value is highly related to exposure, time, promotional effort, terms, motivation, and conditions surrounding the offering. The value estimate considers the productivity and relative attractiveness of the property physically and economically in the marketplace, at a specific point in time.

In cases of appraisals involving capitalization of income benefits, the estimate of market value or investment value or value-in-use is a reflection of such benefits and appraiser's interpretation of income, yields, and other factors derived from general and specific client and market information. Such estimates are limited to the date of the estimate of value; and are thus subject to change as the market and values are naturally dynamic.

The "Estimate of Market Value" in the appraisal report is not based in whole or in part upon the race, color, or national origin of the present owners or occupants of the properties in the vicinity of the property appraised.

Appraisal report and value estimate are subject to change if physical, legal entity, or financing different than that envisioned at the time of writing this report becomes apparent at a later date.

It is assumed that the property, which is the subject of this report, will be under prudent and competent ownership and management, neither inefficient nor super-efficient.

The compensation (fee) for preparation of this appraisal report has no relation to the final values reported.

The appraisers and/or officers of Southwestern Ag Services, LLC, reserve the right to alter statements, analysis, conclusions, or any value estimate in the appraisal process, which were unknown to us at the time of the report preparation.

Mineral rights, noise, and environmental factors have not been given segregated consideration except as noted; they have been treated with the whole.

This report has been prepared in conformity with the Code of Ethics and Standards of Professional Practice of the American Society of Farm Managers and Rural Appraisers, and in compliance with U.S.P.A.P. Standards.

Acceptance of, and/or use of this appraisal report by the client or any third party constitutes acceptance of the above conditions.

This appraisal is made subject to the assumption that the 30.69 acre site is a vacant tract of land with no improvements whatsoever.

Map Source

Included as an integral part of the appraisal report are maps of the appraised property. These maps were prepared by Southwestern Ag Services, LLC, and although they do not purport to represent survey accuracy, it is believed that they are substantially correct and, therefore, adequately serve as visual reference to the property.

The information for the preparation of these maps was obtained from Gila County Highway Maps, U.S.G.S. Topographical Maps, Arizona Department of Transportation Maps, DeLorme – Street Atlas USA, Gila County Assessor's Maps, inspection of the subject property and USDA/National Resource Conservation Service maps.

Definitions and Terms Used

Appraisal: The act or process of estimating value. An opinion of the nature, quality, value or utility of specified interests in, or aspects of, identified real estate.

Fee Simple Estate: Absolute ownership unencumbered by any other interest or estate, subject only to the four powers of government.

Personal Property: Generally, movable items; that is, those not permanently affixed to and a part of real estate. In deciding whether or not a thing is personal property or real estate, usually there must be considered: (1) the manner in which it is annexed; (2) the intention of the party who made the annexation (that is, to leave permanently or to remove at some time); (3) the purpose for which the premises are used. Generally, and with exceptions, items remain personal property if they can be removed without serious injury either to the real estate or to the item itself.

Personalty: Personal, rather than real property. That which is movable. See Personal Property.

Probable Price: The most likely amount of money at which a property will sell (under the economic, social and political conditions prevailing at the date of the appraisal and under conditions requisite to a fair sale).

Competitive and Open Market: A reasonable time is allowed for exposure on the open market. During the reasonable period of marketing, the market value may be undergoing a change. Changes in interest rates, tax laws, governmental programs, global stability, and perceptions about the future can cause significant shifts in the market prices for various classes of realty. The appraisal considers the conditions prevailing on the date of the valuation and only includes trends that are being reflected by the market at that time.

Buyer and Seller: Typically motivated; well informed or advised; acting in own self-interest; and not under **undue duress**. For example, a prudent man may know his property and how the market relates to it. But, he may elect to sell at a low price, if his self interest tells him that he must have capital (money) hurriedly in order to take advantage of a good investment elsewhere.

Money: Cash, or the equivalency of cash. (Money is something generally accepted as a medium of exchange, a measure of value, a means of payment.)

Real Estate: The physical land and appurtenances, including structures affixed thereto.

Real Property: The interests, benefits and rights inherent in the ownership of the physical real estate. It is the bundle of rights with which ownership of real estate is endowed. (This does not include personal property.)

Leasehold Estate: The right to use and occupy real estate for a stated term and under certain conditions; conveyed by a lease.

Definition of Market Value Statement of Typical Marketing Period Assumed

Market Value means the most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Buyer and seller are well informed or well advised, and acting in what they consider their own best interest;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Rules and Regulations, Federal Register, Vol. 55, No. 165, Page 34696.

Typical Exposure and Marketing Period

The Uniform Standards of Professional Appraisal Practice state that the appraiser should estimate the anticipated Exposure time linked to the value estimate.

Exposure time is defined, as the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. Exposure time is always presumed to precede the effective date of the appraisal. Exposure time is different for various types of real estate and under various market conditions. The estimate of the exposure time is an integral part of the analyses conducted during the appraisal process, and is based on data gathered through sales verification as well as interviews with market participants.

The appraiser's review and analysis of ranch sales within the subject's market area indicates that there is relatively strong demand for area ranches.

The reasonable exposure period in which it is anticipated that the subject property will receive an offer is nine to twelve months.

The marketing time is defined as an estimate of the amount of time that it might take to sell the identified property interest at the estimated market value level during the period immediately after the effective date of the appraisal. An estimate of marketing time is not intended to be a prediction of a date of sale. It is often inappropriate to assume that the value as of the effective date of an appraisal remains stable during a marketing period. The estimate of the marketing time is an integral part of the analyses conducted during the appraisal process, and is based on data gathered through sales verification, interviews with market participants, and anticipated changes in market conditions.

The reasonable marketing period anticipated is nine to twelve months. The anticipated terms of sale are expected to be cash, or on terms considered to be equivalent to cash.

The estimated marketing and exposure periods are based on the recent sales, discussed later in this report.

This marketing period anticipates professional marketing and exposure of the property to potential buyers, at a price or value reasonably supported by current market sales activity.

Since current and recent prior market sales activity in the subject vicinity indicates that a 9 to 12 month marketing period is reasonable and typical for this type of property, we do not see any adverse impact that this marketing period will have on the subject's Market Value. Those sales that took longer than 9 to 12 months to sell were typically priced above current market conditions.

Date of Valuation and Date of Inspection

The date of valuation is October 19, 2013. The appraiser physically inspected the appraised property on September 1, 2013 and October 19, 2013.

AREA DESCRIPTION

Location

The appraised property is located in the rural area in the central portion of Gila County, in Roosevelt, Arizona on Highway 188. Globe is the closest community that can provide goods and services for the subject's immediate neighborhood. Globe is the County Seat for Gila County and is located 30 miles southeast of the appraised property.

Tonto Basin is approximately 22 miles north of the appraised property via Highway 188. From Globe Phoenix Arizona is approximately 96 miles west on Highway 60/70.

Area Access

I-10 is a major interstate highway that links California on the West Coast across the southern portion of the United States. This interstate is 120 miles west of Globe in Phoenix, Arizona. The Burlington Southern/Santa Fe Railroad main line parallels I-8 through Arizona western and southern area. Payson is also linked to Globe Arizona the County seat of Gila County via paved highway 188, and also connects to Winslow Arizona west of Holbrook via Highway 87 through Pine and Strawberry. Interstate 40 is a major interstate that connects California across the central and northern portion of the United States. This interstate is approximately 180 miles north of Phoenix Arizona via Interstate 17 to Flagstaff Arizona.

Arizona – General Description

Arizona is the sixth largest state in the US, having an area of 295,146 square miles, or 72,931,840 acres. This landmass is broken down into 15 counties, which vary in size from 792,000 acres to 11,947,000 acres. In terms of land ownership, the State's land mass is 34.97% Federal controlled by the BLM, Military and Forest Service; 12.91% is controlled by the State of Arizona; 27.71% is controlled by various Indian Tribes; 7.91% is controlled by the US Park Service, County or City Parks, or other Municipalities; and only 16.5% is held individually or corporately.

Elevations vary from a low of 140 feet above sea level in the southwest corner of the State near the City of Yuma, to over 12,633 feet on Mt. Humphreys in the San Francisco Peaks northwest of Flagstaff. The distance between these two points is only 264 miles. Within this distance, the vegetation varies from Sonoran/Mojave Desert, to Ponderosa Pine and Douglas fir forest.

At the present time, there are 15,500± farms and ranches in the state. Arizona is reported to have some of the largest farms in the US, with a reported average size of 2,573 acres; however, this is somewhat misleading because cattle ranches are lumped together with farms. Most farms can be generalized as ranging in size from 160 to 1,900 acres.

Virtually all of Arizona's crop acreage is irrigated. The amount of irrigable land is reported at 1,200,000± acres. This is only 1.37% of the State's total landmass. The major limitation to increasing this acreage is the lack of sufficient irrigation water supplies, climatic conditions, length of the growing season in the higher elevations, or soils. Irrigation water is supplied by surface runoff diversions and irrigation well pumping.

Regional Economic Data Analysis

Arizona was the second fastest growing state in the 1980's and 90's, however in 2006 it surpassed Nevada to become the fastest growing State, and is now again the second fastest growing state behind Utah. Approximately 65% of that growth occurred in Maricopa County (south central Arizona), where 60% of the state's population resides. Arizona's 2012 population growth is estimated in the range of .94% from 2011.

Arizona's main economic sectors include Service Producing and Goods Producing, and both sectors experienced continued strong employment growth.

In 2012, the Services segment was the single largest economic sector, employing approximately 2,174,500 people, with Trade, Transportation and Utilities, (482,000), Government, (412,600), Professional Business Services, (354,600), Educational and Health Services, (364,800), Finance Activities (169,500), Information (36,200) and Other Services (87,700). Many of these jobs are directly related to travel and tourism in the Leisure and Hospitality sector, (267,200). The non-metropolitan areas are more dependent on this sector than Phoenix and Tucson, primarily because of closer proximity to natural attractions, but also due to the less diverse economies found in the rural areas.

In 2012, the Goods Producing segment of the work force accounted for 281,500 jobs, with Manufacturing (151,300) and Construction (118,400) employment being the largest employer components. Arizona has been particularly successful in attracting high-tech industries. Mining, (primarily copper) is a component of the Goods Producing sector, but like Agriculture, it is more capital than labor intensive. In 2012 the mining segment of this sector accounted for 11,700 jobs, which is a slight increase from 2011 (11,600), for similar reasons as the service industries. The employment decline is due to advances in technology replacing labor in recent years, even with the current high copper demand and prices.

Agriculture is also significant although it tends to be more capital than labor intensive. Agriculture, forestry and fishing were directly responsible for approximately 11,170* jobs in 2011. Though the employment level is relatively low, the total revenue estimated was approximately \$4.3 billion in 2011. Primary crops are cotton, hay, lettuce, cauliflower, broccoli, citrus and melons. Cattle raising, dairies and feedlot operations are also important segments of this employment sector.

*Source: Bureau of Labor Statistics

Arizona Population

July, 2012 AZ Department of Economic Security population estimates for Arizona, La Paz County and selected communities are as follows as of July 1, 2012:

Arizona	6,498,569
Gila County	53,626
Payson	15,326
Globe	7,500
Unincorporated	25,670

There has been a 3.29% increase in population for the last five years. Arizona shows a 25.78% population increase from the 2000 census to the 2012 census, or a 2.15% increase per year, with Gila County growth staying virtually flat.

Arizona Non-Agricultural Employment Structure – 2012

	<u>Percent of Total</u>
Mining	0.5%
Construction	4.8%
Manufacturing	6.2%
Transportation, Trade and Public Utilities	19.6%
Information	1.5%
Finance, Insurance and Real Estate	6.9%
Professional & Business Services	14.4%
Education & Health Services	14.9%
Leisure & Hospitality	10.9%
Other Services	3.6%
Government/Public Administration	16.8%

Source: Arizona Department of Economic Security

Arizona Labor Force Data (Non-farm, Annual Averages)

	<u>2009 Year</u>	<u>2010 Year</u>	<u>2011 Year</u>	<u>2012 Year</u>
Civilian Labor Force	3,127,526	3,100,253	3,034,262	3,010,444
Employed	2,818,389	2,774,768	2,746,634	2,762,441
Unemployed	309,137	325,485	287,628	248,003
Unemployed Rate	9.9%	10.5%	9.5%	8.2%

Source: Arizona Department of Economic Security

The State of Arizona experienced a seasonal adjusted monthly unemployment rates in the range of 8.2% to 10.5% over the last four years. Arizona unemployment appears to have topped out in late 2010, since that time rates have dropped. Arizona generated 12,327 higher employments between 2010 & 2012. Even with a lower unemployment rate Arizona employment should be stronger than the national rate.

Gila County

Gila County is located in central Arizona. It is the eleventh largest county of Arizona's fifteen counties; and encompasses a total area of 3,067,000 acres. The land is approximately 58% is federally owned, 38% is Indian Reservation, 3% is held by individuals or private entities, 1% percent is state owned or other public lands.

The economic base of the county is strongly reliant on tourism, farming, ranching, mining and some manufacturing to support the residents. The county contains approximately .8% of Arizona's population and is primarily rural.

Gila County Population

<u>2000 Census</u>	<u>2012 Estimate</u>	<u>% Change</u>
51,387	53,626	4.36% Total
		or .36% Per Year
		Non-Compounded Rate

These population growth rates are lower than the state wide rate. This is typical of rural Counties however as the economy recovers stronger growth is expected.

Gila County Employment

In 2012 the Gila County work force was approximately 20,000 and the unemployment rate was 9.5%. The Gila County unemployment rate is approximately 50% higher than the State rate, which indicates that labor force growth exceeds employment growth. This is not unusual for the rural areas of Arizona. The unemployment rate has decreased slightly in 2012 vs. 2011; this is probably reflective of the slow turnaround in the State Economy.

Gila County Agricultural Production

The agricultural economy in Gila County is based primarily on cattle grazing on public lands. There are some areas with limited irrigated farmland but according to the 2011* crop data provided by the Arizona Agricultural Statistics Service the productions on all major crops was at level too small to warrant an estimate.

Livestock is an important component of Gila County's Agriculture. Cattle ranches in the area operate on primarily public lands with a little deeded land. The following 2011* Gila County Livestock data is provided by the Arizona Agricultural Statistics Service as follows:

<u>Livestock</u>	<u>Head Count</u>
Cattle and Calves	7,000 Head
Feedlot Cattle	Did not disclose
Sheep and Lambs	Did not disclose
Dairy Cattle	Did not disclose

The cattle inventory for 2011 is down from 10,000 in 2010.

**Most recent published data available.*

Area Trend

Arizona and Gila County's economies slowed in the late 2000's after several years of strong growth in the early to mid 2000's. As we focus on the current economy at the beginning of 2012, the State, County and Metro area economies are all showing signs of the effect of the recent recession and job loss. However there have been some signs of recovery. The state wide unemployment rate has been below 9% for the last few months compared to an average of approximately 10% in 2010. Also with strong commodity prices there appears to be some increased activity agricultural property. The residential real estate market in the metro areas crashed in 2006 and 2007, which has caused significant distress in the economy. It is starting to show signs of some improvement, however it is very slow and still on shaky ground with the market dominated by foreclosures and other distressed sales. This slowdown in the real estate market and the resulting recession has caused the speculative raw land market to slow down with relatively few sales over the last few years. Couple this with increased energy cost and inflation fears, and the current government shut down and we could continue to see a significant negative impact to the local and national economy in the latter half of 2013.

Arizona's and Gila County's 2013 economy should see continued population growth at levels higher than the national growth rates, however at an expected lower rate than the previous years. Employment growth is expected to remain flat with unemployment rates well above average well into 2012.

Sources: *Arizona State University and the University of Arizona
Arizona Department of Economic Security
Arizona Republic/Phoenix Gazette
US Census Bureau
Arizona Department of Commerce*

NEIGHBORHOOD MAP



COMMUNITY AND NEIGHBORHOOD DATA

Location and Access

The subject property is located in the southern portion of central Gila County, at Roosevelt, Arizona. Access from Globe is by traveling northwest for approximately 30 miles past the Roosevelt Post Office on highway 88 and 188, to the Roosevelt Marina area, the property is on the south side of Highway 188 south of the Marina. The paved Highway 88 and 188 provides good access year round from Globe and Payson.

Community Data

Globe, with an estimated 2012 population of 7,500, provides the service, supply, medical, governmental and religious facilities for the area. There are one public elementary school, one public middle school, and one public high school, as well as one private elementary school, K-9 grades. The Sheriff's Department, a Police Department and a Fire Department serve Globe. Globe also provides medical and dental facilities, including a small hospital, a convalescent home, and a counseling center. There are also churches of several denominations in the area. Globe has an airport with one-lighted runway, with charter plane service available.

Cultural and recreational facilities include a museum, a community center, a library, a fine arts center, two parks, golf courses, a swimming pool and several tennis courts. Nearby Globe is Roosevelt Lake which provides local recreation and fishing.

Principal Economic Activities

The Globe economy is primarily based on Tourism Recreation, some ranching and Indian Gaming all play important roles in the local economy. Retail trade also contributes to the local economy; Payson serves as the trade center for 20,000 people located north of the subject area.

Support industries such as finance, utilities, schools, government, communications and health care also contribute to the local economy.

Population

Per the 2000 census, the Town of Globe had a population of 7,486; in 2012 the estimated population was 7,500. This shows a 1.8% increase over twelve years, or an annualized rate of growth of .15% per year. This growth is minimal but this is a common growth rate for a rural Arizona community.

Labor Force Data

The Arizona Department of Economic Security provides the following employment information for Globe, Arizona:

	<u>2000</u>	<u>2010</u>	<u>2012</u>
Labor Force	3,249	3,674	3,506
Employed	3,110	3,318	3,235
Unemployed	139	356	271
Unemployment Rate	4.3%	9.7%	7.7%

Utilities

Utility services in the subject's immediate vicinity are provided by the following sources:

Electricity:	Private
Natural Gas:	Bottled Propane
Telephone:	Cellular Service
Water:	Private Wells
Sewer:	Septic

Public Transportation

The general area has no rail service in this south central area of Gila County. There are several local freight lines, various parcel post services, and limited bus service. Globe has an airport which provides private plane service, and charter service, with no commuter service in this area.

Climate

According to the Western Regional Climate Center the weather data for Roosevelt 1 WNW is reported as follows:

Average annual precipitation	15.74"
January maximum temperature	59.2°F
January minimum temperature	37.1°F
July maximum temperature	102.2°F
July minimum temperature	75.3°F

Weather data is based on an average from 1905 to 2013. The area enjoys in excess of 240 frost-free days of growing weather.

PROPERTY DESCRIPTION

Date of Property Inspection

The effective date of this property description is October 19, 2013, which is the last date the appraiser physically, inspected the subject property.

Legal Description

The legal description for the appraised property was obtained from the Client, and is summarized as follows:

Township 4 North, Range 12 East, Gila and Salt River Base and Meridian, Gila County, AZ

Parts of section 21 & 28 by metes and bounds

Containing 30.69± acres

Present Ownership and Property History

The appraiser was provided with a Survey for the appraised property. Per public records reviewed by the appraiser, the appraised property is owned by the US National Forest Service, under a lease to Roosevelt Lakeview Park. The current owner has leased the appraised property for in excess of five years. There are no reported offers under consideration on this property.

Property Rights Appraised

The property rights appraised are assumed to be fee simple interest on the appraised property as though vacant and unimproved.

Land Tenure

The land tenure on the appraised property is 30.69± acres per the provided survey.

Access

The appraised property is located in southeastern Gila County, in Roosevelt, Arizona. It is accessible from Globe by taking Highway 88 & 188 north and northwest from the Globe Miami area of Gila County towards Roosevelt Lake.

Physical Features

The appraised property covers a total area of approximately 30.69 acres in one contiguous tract per the survey. The elevation ranges from approximately 2,214 feet along the north side by Hwy 188 to approximately 2,325 feet on the south side up the ridge.

The terrain is primarily steeply sloping to the north towards the lake area. There is a canyon on the east side and mountainous on the west side. The elevation varies from 2,214' on the north side and rises to 2,354' on the south side. The Tonto National Forest surrounds the tract on all four sides. The topography is primarily mountainous as you climb the various ridges and canyons to the south to the top of the Deer Hill area of the Tonto National Forest. The area is on the south side of Roosevelt Lake west of the Tonto National Monument Cliff Dwellings. The entire area along the south side of Roosevelt Lake is recreational oriented towards camping and boating on National Forest Land. The property itself is developed to a Trailer Park with 180 spaces, paved streets with water and sewer facilities provided from other special use permits adjacent to the north side of the Highway.

Soils

According to the Soil Conservation Service Gila County Soil Survey map, no digital data is available.

Vegetation

Predominant grasses on the appraised property include Curly Mesquite, Side oats, black Grama Galleta and Bush Muhly. Annuals such as Indian Wheat and Alfilaria occur in years with adequate late winter and early spring precipitation. Browse includes Guajilla, Shrubby Buckwheat and Bursage. Local browse species include four-wing salt brush, sagebrush guajilla, oak catclaw, and mesquite.

Riparian zones occur along the south side of Roosevelt Lake and other major creeks & canyons entering Roosevelt Lake from the south. Characteristic plant species include salt cedar, Arizona willow, and limited sycamore trees with considerable Mesquite trees and greasewood shrubs.

Zoning

Per Gila County Planning and Zoning, the appraised property currently is not zoned as it is owned by the Tonto National Forest Service; permitted use is for its developed use under the Tonto National Forest Service special use permit. This property conforms to the Tonto National Forest Service special use permit and is not subject to the Gila County zoning regulations.

Utilities

Arizona Public Service Company provides electricity and Qwest telephone provides telephone service for the area. Water service is provided by private well and a septic tank is needed for sewage disposal.

Assessed Valuation and Taxes

According the Gila County Treasurer and Assessor the appraised tract does not have a parcel number and has no valuation and taxes.

Improvements

The appraised tract is assumed to be vacant with no improvements at all.

Water

The appraised property is assumed to have no water supply, as it has no well or water source.

Environmental Comments

The appraiser is not environmental scientists or specialists specifically trained to determine environmental hazards to property. However, a description of cursory physical observations of the property surface pertaining to fuel/chemical storage and waste disposal is provided below.

There are no areas of stained soil as the property is assumed to be vacant with no developments on it whatsoever.

The preceding information does not reflect a comprehensive inspection of the appraised property and the appraiser is not qualified to render an opinion on the environmental status, potential toxicity or corresponding economic implications, if any, of those items identified by and/or reported to the appraisers.

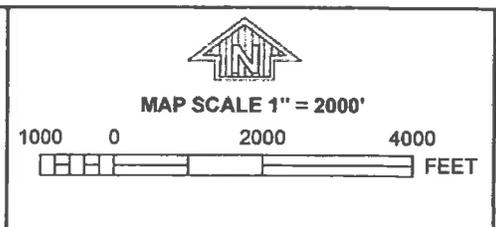
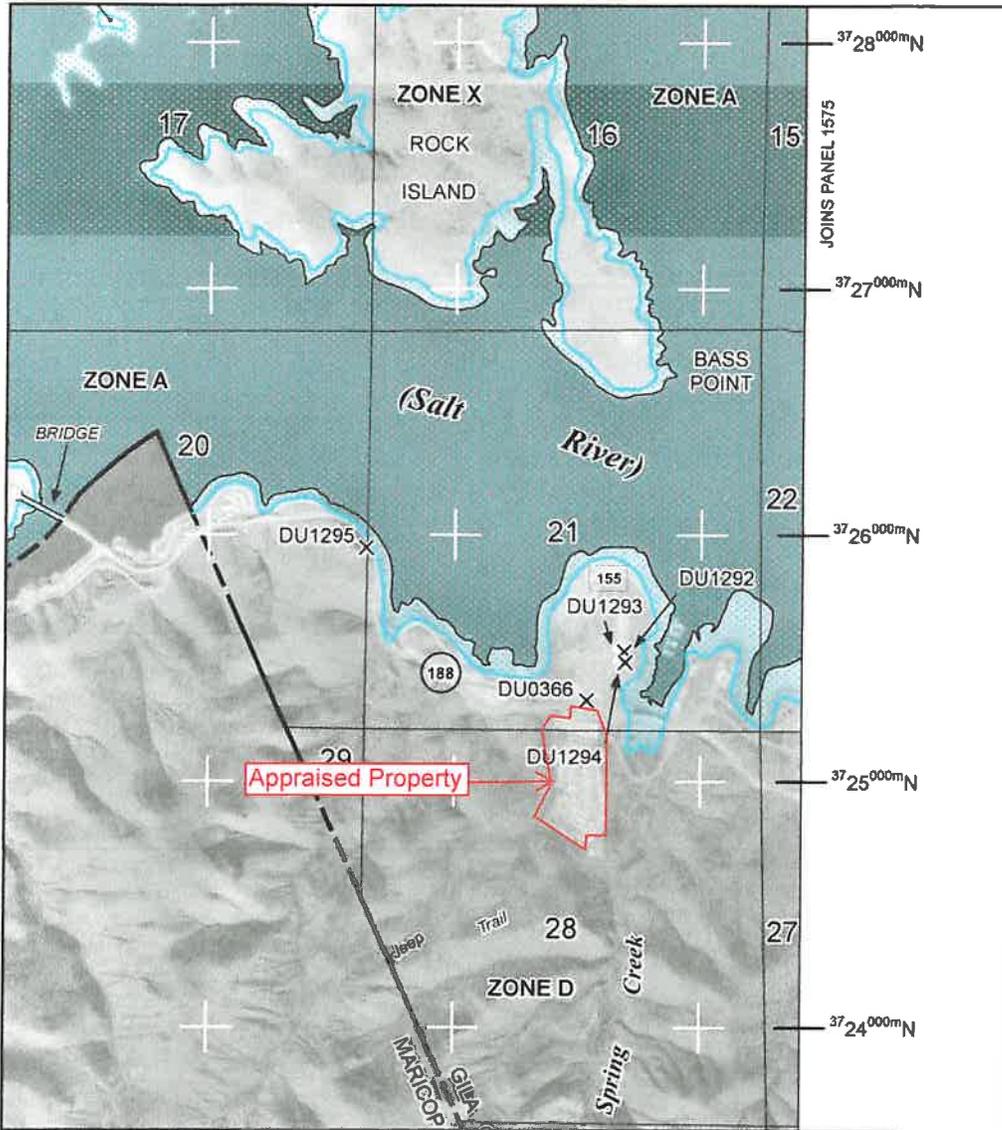
Additional material deposits may occur either on or within the appraised properties which were not observed by the appraiser and that are hazardous or potentially hazardous. The client is urged to retain an expert in the environmental field of hazardous waste detection and analysis, if desired.

Flood Hazards

The appraised property is covered under Flood Zone Map panel 04007C1550D. This panel is printed and dated December 4, 2007. The appraised property is in flood Zone D. Flood Zones and their explanations are briefly defined by the Federal Emergency Management Administration (FEMA) as follows:

Zone C, X	Areas determined to be outside 500 year floodplain determined to be outside the 1% and 0.2% annual chance of floodplains.
Zone B, X 500	Areas of 500-year flood; areas of 100-year flood with average depths of less than 1 foot or with drainage areas less than 1 square mile; and areas protected by levees from 100-year flood. An area inundated by 0.2% annual change flooding.
Zone A	An area inundated by 1% annual chance flooding, for which no base flood elevations have been determined.
Zone AE	An area inundated by 1% annual chance flooding, for which base flood elevations have been determined.
Zone AH	An area inundated by 1% annual chance flooding (usually an area of ponding), for which base flood elevations have been determined, flood depths range from 1 to 3 feet.
Zone AO	An inundated by 1% annual chance flooding (usually sheet flow on sloping terrain), for which average depths have been determined; flood depths range from 1 to 3 feet.
Zone AR	An area inundated by flooding, for which base flood elevations or average depths have been determined. This is an area that was previously, and will again, be protected from the 1% annual chance flood by a Federal flood protection system whose restoration is Federally funded and underway.
Zone A1-A30	An area inundated by 1% annual chance flooding, for which base flood elevations have been determined.
Area Not Included (N)	An area that is located within a community or county that is not mapped on (ANI), any published FIRM.
Zone D	An area of undetermined but possible flood hazards.
Undescribed (ANDES)	Area of Undescribed Flood Hazard. A body of open water, such as a pond, lake, ocean etc., located within a community's jurisdictional limits that has no define flood hazard.
Zone VE	An area inundated by 1% annual chance flooding with velocity hazard (wave action); BFEs have been determined.
Zone V(1-30)	Costal flood with velocity hazard (wave action); base flood elevations have not been determined.

FLOOD ZONE MAP



NFIP PANEL 1550D

FIRM
FLOOD INSURANCE RATE MAP
GILA COUNTY,
ARIZONA
AND INCORPORATED AREAS

PANEL 1550 OF 2595
(SEE MAP INDEX FOR FIRM PANEL LAYOUT)

CONTAINS:
COMMUNITY NUMBER PANEL SUFFIX
GILA COUNTY UNINCORPORATED AREA 44300 155 0

Please Note: User: The map number shown above should be used when placing map orders. The Community Number shown above should be used on all purchase applications for the subject community.

MAP NUMBER
04007C1550D

EFFECTIVE DATE
DECEMBER 04, 2007

Federal Emergency Management Agency

NATIONAL FLOOD INSURANCE PROGRAM

This is an official copy of a portion of the above referenced flood map. It was extracted using F-MIT On-Line. This map does not reflect changes or amendments which may have been made subsequent to the date on the title block. For the latest product information about National Flood Insurance Program flood maps, check the FEMA Flood Map Store at www.msc.fema.gov

HIGHEST AND BEST USE

The determination of the Market Value includes consideration of the highest and best use for which the appraised property is clearly adapted.

The highest and best use of a property is defined as the reasonably probable and legal use of vacant land or improved property, which is physically and legally possible, appropriately supported, financially feasible, and that results in the highest value. The determination of highest and best use must be based on careful consideration of prevailing market conditions, trends affecting market participation and change, and the existing use of the subject property.

Because the use of land can be limited by the presence of improvements, highest and best use is determined separately for the land or site as vacant and available to be put to its highest and best use, or for the property as improved. The first determination reflects the fact that land value is derived from potential land use. The second determination refers to the optimum use that could be made of the property and any or all existing improvements in place on the property.

In some cases, an appraiser may conclude that the highest and best use of a parcel of land is to be held for speculation, i.e., to remain vacant (unused) until development is justified by market demand. This will occur when real estate markets are oversupplied.

The property's current use and prior use for the last 40+ years is assumed to be a vacant tract of undeveloped land. Surrounding land uses are also cattle grazing and recreational uses around Roosevelt lake, and secondary uses are rural residential and trailer parks to the east along the shores of Roosevelt Lake, with boat ramps and marina uses.

In order to arrive at a conclusion of highest and best use, four (4) specific criteria must be met. Specifically, the use must be (1) physically possible, (2) legally permissible, (3) financially feasible, and (4) maximally productive.

Physically Possible

The subject has little if any physical limitations to any of the historic land uses evident in the neighborhood. The only significant physical limitation to future development of the appraised property is the terrain and slopes running to the north.

Legal and Permitted Uses

There is no zoning on the subject as it is assumed to be vacant and is owned by the Tonto National Forest Service. The current use is assumed to be vacant land, and the property is in conformance with no zoning in place. Neighborhood zoning surrounding the subject for a three-mile radius is basically vacant and recreational camp sites in developed national forest camp grounds with a marina and boat storage to the north. We were not provided with a title report, assume that there are no deed restrictions that would adversely affect the appraised property.

Financially Feasible

The appraised property is currently assumed to be a vacant undeveloped tract of land. This use is consistent for the area and the current demand. While some rural recreational demand does exist, there is a large supply of vacant land available.

Maximally Productive

This assumed vacant site uses would appear to have the most maximally productive use of the appraised property, would be some sort of use that would fit the recreational nature of the area, predominantly being a site for boat and camping uses adjacent to the lake area.

Highest and Best Use Conclusion

After a careful examination of the neighborhood, taking note of existing land uses, patterns and trends of development together with possible demand, it is my opinion that the highest and best use of the subject property as unimproved (as is) or as if vacant, is recreational support adjacent to the Roosevelt Lake area.

VALUATION PROCESS

The valuation process is the orderly program in which the data used to estimate the value are acquired, classified, analyzed and presented.

The first step in the process is to define the appraisal problem; i.e., identify the real estate, the effective date of the value estimate, the property rights being appraised, and the type of value sought. This has been done in the previous pages. Once accomplished, the appraiser collects and analyzes the factors that affect market value. These factors are addressed in the area and neighborhood analysis, the site and improvement analysis, and the highest and best use analysis (also found previously in this report), and in the application of the three approaches to value (Cost, Income Capitalization and Sales Comparison) which are described as follows:

Cost Approach

A set of procedures in which an appraiser derives a value indication by estimating the current cost to reproduce or replace the existing structure, deducting for all accrued depreciation in the property, and adding the estimated land value.

The analysis is based on the proposition that the informed purchaser would pay no more than the cost of producing a substitute property with the same utility as the subject property. It is particularly applicable when the property being appraised involved relatively new improvements, which represent the highest and best use of the land, or when relatively unique or specialized improvements are located on the site and for which there exist no comparable properties on the market. With no improvements on the on the appraised property this type approach does not lend itself to be a valid approach to value. The Cost Approach is, therefore, not utilized in this appraisal.

Income Approach

A set of procedures in which an appraiser derives a value indication for income-producing property by converting anticipated benefits into property value. This conversion is accomplished either by (1) capitalizing a single year's income expectancy or an annual average of several year's income expectancies at a market-derived capitalization rate or a capitalization rate that reflects a specified income pattern, return on investment, and change in the value of the investment; or (2) discounting the annual cash flows for the holding period and the reversion at a specified yield rate. This approach typically arrives at the lower limits of value, particularly when non-income factors play an important role in the market. The net income which can generate from the appraised property on a landlord basis is negligible, as the property is too small to generate any significant net income. Therefore based on its size and vacant condition being assumed, this property is not a net income producer. Therefore the Income Approach was not utilized in this appraisal.

Sales Comparison Approach

A set of procedures in which an appraiser derives a value indication by comparing the property being appraised to similar properties that have been sold as recently as possible on a vacant basis, applying appropriate units of comparison, and making adjustments, based on the elements of comparison, to the sale prices of the comparables. Current listings are also considered.

The sales fix the lower limit of value in static or advancing markets (price wise) and fix the higher limit of value in a declining market. Any listings tend to fix the higher limit in any market. It is a process of analyzing sales of similar, recently sold properties in order to derive an indication of the most probable sales price of the property being appraised.

The reliability of this technique is dependent upon (a) the availability of comparable sales data, (b) the verification of the sales data, (c) the degree of comparability or extent of adjustment necessary for differences and (d) the absence of non-typical conditions affecting the sale price.

In essence, all approaches to value (particularly when the purpose of the appraisal is to establish market value) are market data approaches since the data inputs are presumably market derived.

Reconciliation

The final analytical step in the valuation process is the reconciliation, which enables an appraiser to form a meaningful, defensible conclusion about a final value estimate. Criteria are: appropriateness, accuracy, and quantity of evidence.

Approach Selection

For the valuation of the subject "as is as though vacant", only the Sale Approach to value will be utilized. As discussed previously the cost and income approaches are not considered relevant for the appraised property.

Comparable Sales

The appraiser conducted a search of the subject's immediate and surrounding neighborhoods for recent sales of similar type properties.

The sales used are all considered comparable to the subject in varying degrees. All ten of the sales, one listing and the subject are located in Gila County and Coconino County, Arizona. All of the sales had varying degrees of improvements, which are removed from the sales on a depreciated replacement value basis. The sales are adjusted for time and location.

Real Property Transaction Data - Sale #1

Description	State	Arizona	County	Gila		
	Location	Twnshp 5N Range 15E, 32.5 AC				
	Parcel ID #	202-11-001				
	Township	5N	Range	15E	Section	5
	Legal	Travis Ellison Pat #1136790 all sec 5 5N 15E tot 32.5 AC dry farming 17 ac grazing 15.5 ac cmh				
	Size	Acres	Sections	Sq. Ft.	Notes	
	32.50	0.05	1,415,700	Acres		
Transaction Data	Recording Date	5/15/2006	Sale Date	5/2006	Recording data	2006-8388
	Sale price	600,000	Terms	Cash		
	\$/Unit	18,462 \$/acre	Instrument	Special Warranty Deed		
	Seller	Nathan & Beatrice Ellison		Buyer	Cherry Creek 33 LLC	
	Address			Address	P.O. Box 158 Buckeye, AZ 85326-0014	
	Confirmation	Costar				
	Confirmation date		Title		Inspection	
Property Data	Outstanding Rights	Fee simple				
	Zoning/Restrictions	GU Ranch Property				
	Highest & Best Use	Investment rural ranch property				
	Improvements	884 sq. ft. house built 1929				
	Access	Fair from Cherry Creek Road				
	Utilities	None				
	Water	Spring and pipeline				
	Minerals	N/A				
	Terrain	Basically Creek Bottom				
	Vegetation	High desert scrub				
	Remarks					
Allocation	Allocation notes					
	Allocation	# Units	Unit	\$/Units	Total	Notes
		32.50	Acres	18,462.00	600,000	
	Total			600,000		

Southwestern Ag. Services
 7254 East Southern Avenue Suite 107 - Mesa, AZ 85209
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 Printed: October 29, 2013 @ 9:34 AM - Ref #: 18177-DEWCO

Photo - Sale #1

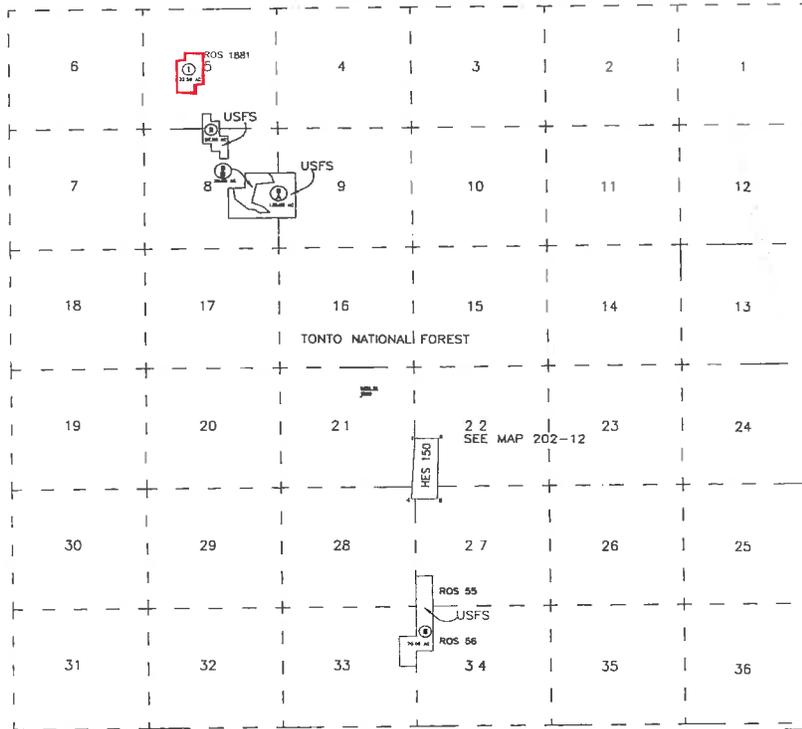


Map

T5N R15E

SEE MAP 202-08

202-11
CODE 0500
UPDATED 5-20-13



SEE MAP 203-02

GILA COUNTY ASSESSOR



SCALE = 1" = 2000'
(C) = CALCULATED
(R) = RECORDED

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Real Property Transaction Data - Sale #2

Description	State	Arizona	County	Gila		
	Location	10 miles northeast of Highway 288 on the Cherry Creek Road at Coon Creek				
	Parcel ID #	203-02-001				
	Township	4N	Range	15E	Section	8
	Legal	HES 138 in Sect. 8				
	Size	Acres	Sections	Sq. Ft.	Notes	
	86.92	0.14	3,786,235	Acres		
Transaction Data	Recording Date	1/20/2006	Sale Date	1/2006	Recording data	2006-001062
	Sale price	1,500,000	Terms	Cash		
	\$/Unit	\$/acre	Instrument	Warranty Deed		
	Seller	Coon Creek Ranch Trust, Charles Armer Jr.		Buyer	Coon Creek Homestead LLC	
	Address	Prescott, AZ.		Address	Phoenix, AZ	
	Confirmation	affidavit & broker				
	Confirmation date	6/06	Title	Inspection	prior	
Property Data	Outstanding Rights	Fee simple				
	Zoning/Restrictions	General Rural Gila County				
	Highest & Best Use	Investment rural residential property				
	Improvements	2,590 sq. ft. adobe house built 1918, 1,100 sq. ft. mobile home, open barn storage shed generator building				
	Access	Good from Cherry Creek Road				
	Utilities	no public utilities has a solar system and propane generator backup				
	Water	Spring and pipeline				
	Minerals	N/A				
	Terrain	Gently rolling steep along Coon Creek				
	Vegetation	Sycamore trees on Coon Creek, desert vegetation, 7 acres irrigated, elevation about 2,900'				
Remarks	Improvements allocated at \$244,500 leaves land at \$1,255,500 or \$14,444/AC					
Allocation	Allocation notes					
	Allocation	# Units	Unit	\$/Units	Total	Notes
		86.92	Acres	17,257.00	1,500,000	
	Total				1,500,000	

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Printed: October 29, 2013 @ 9:34 AM - Ref #: 17156-DEWCO

Photo - Sale #2

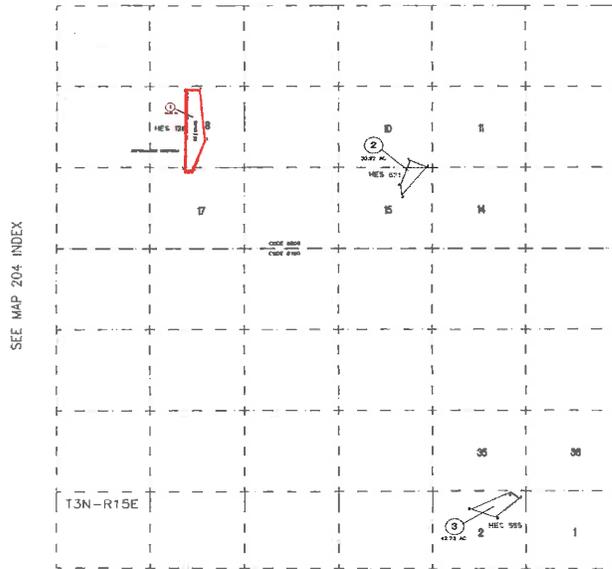


Map

T4N R15E

SEE MAP 202-11

203-02
CODE 0100
CODE 0500
UPDATED 6-25-03



SCALE = 1" = 3000'
(C) = CALCULATED
(R) = RECORDED

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GILA COUNTY ASSESSOR

Southwestern Ag. Services

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Real Property Transaction Data - Sale #3

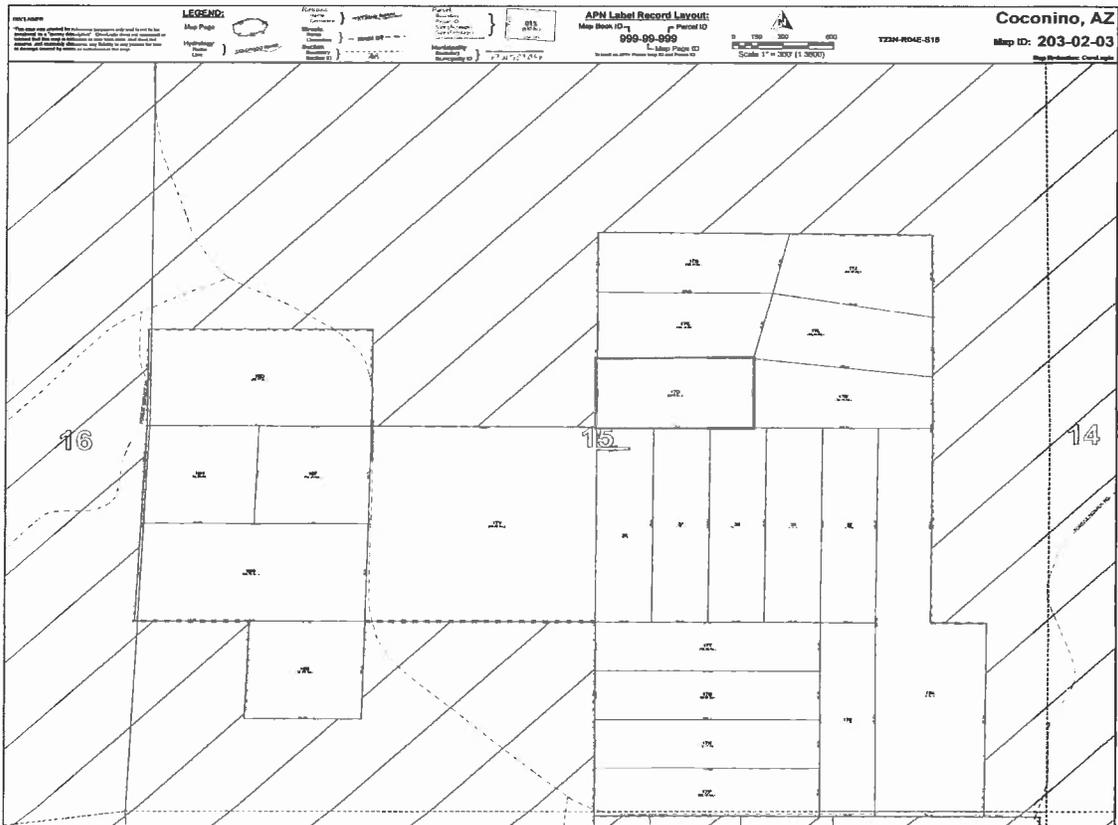
Description	State	Arizona	County	Coconino		
	Location	½ mile east of Spring Valley Rd. & 8 ½ miles north of I-40				
	Parcel ID #	203-02-017D				
	Township	23N	Range	4E	Section	15
	Legal	SE4: NE sec: 15 Township: 23N Range: 4E Beg Cntr Qtr Cor Sec 15; N 00-07-40 E 470.05'; TH S 89-52-22 E 927.63'; TH S 00-07-40 W 470.05'; TH N 89-52-22 W 927.63' to TPOB.				
	Size	Acres	Sections	Sq. Ft.	Notes	
	10.01	0.02	436,036	Acres		
Transaction Data	Recording Date	7/2/2013	Sale Date	6/2013	Recording data	2013-3667240
	Sale price	135,000	Terms	Cash		
	\$/Unit	13,487 \$/acre	Instrument	Special Warranty Deed		
	Seller	William W. Grantham	Buyer	Michael and Kara Pack		
	Address	904 W. Redbird, Scottsdale, AZ 85262	Address	P.O. Box 90923 Henderson, NV 89009		
	Confirmation	Costar				
	Confirmation date		Title		Inspection	
	Outstanding Rights	Fee simple				
	Zoning/Restrictions	General rural Coconino County				
	Highest & Best Use	Investment				
Property Data	Improvements	None				
	Access	Good				
	Utilities	In area				
	Water	None				
	Minerals	N/A				
	Terrain	level pine covered lot				
	Vegetation	Vacant land				
	Remarks					
	Allocation notes					
Allocation	Allocation	# Units	Unit	\$/Units	Total	Notes
		10.01	Acres	13,487.00	135,000	
	Total				135,000	

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Photo - Sale #3

NO PHOTO AVAILABLE

Map



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Real Property Transaction Data - Sale #4

Description	State	Arizona	County	Gila		
	Location	1/2 mile north of Hwy 288, Young, AZ				
	Parcel ID #	305-22-006				
	Township	9N	Range	14E	Section	19
	Legal	Portions of the N2 of Section 19, T9N R14E				
	Size	Acres	Sections	Sq. Ft.	Notes	
	62.50	0.10	2,722,500	Acres		
Transaction Data	Recording Date	8/2/2005	Sale Date	8/2/2005	Recording data	2005-13752
	Sale price	810,000	Terms	Cash		
	\$/Unit	12,960 \$/acre	Instrument	Special Warranty Deed		
	Seller	Barbara Brutsche	Buyer	John Augustine		
	Address		Address	2744 E. Utopia Road Phoenix, AZ 85050		
	Confirmation	Costar				
	Confirmation date		Title		Inspection	
Property Data	Outstanding Rights	Fee simple				
	Zoning/Restrictions	GU General Urban				
	Highest & Best Use	Investment				
	Improvements	None				
	Access	from easement near the NW corner of the subject across neighboring land from dirt Winchester Rd.				
	Utilities	in area				
	Water	By Well				
	Minerals	N/A				
	Terrain	Rolling				
	Vegetation	Juniper trees				
Remarks						
Allocation	Allocation notes					
	Allocation	# Units	Unit	\$/Units	Total	Notes
		62.50	Acres	12,960.00	810,000	
	Total				810,000	

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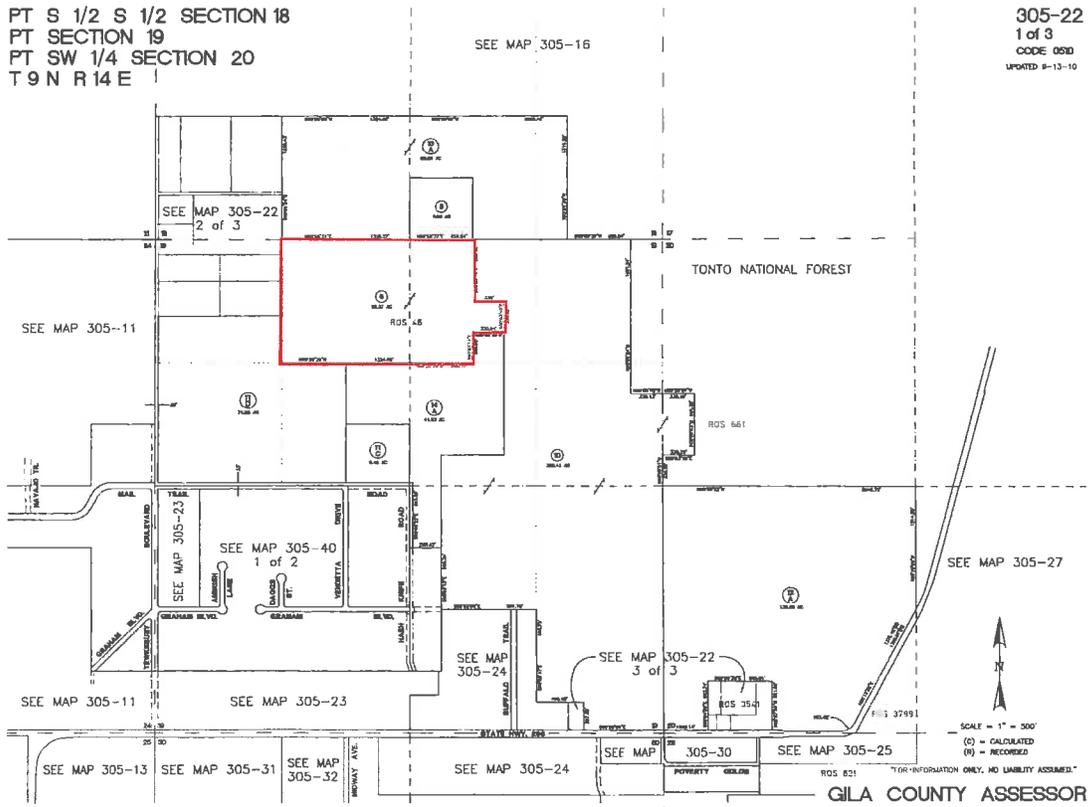
Photo - Sale #4



Map

PT S 1/2 S 1/2 SECTION 18
 PT SECTION 19
 PT SW 1/4 SECTION 20
 T 9 N R 14 E

305-22
 1 of 3
 CODE 0510
 UPDATED 8-13-10



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Real Property Transaction Data - Sale #5

Description	State	Arizona	County	Gila		
	Location	North side of Highway 288 in Young Arizona				
	Parcel ID #	305-22-010 & 011C				
	Township	9N	Range	14E	Section	19
	Legal	M & B in Sec. 19 & 20				
	Size	Acres	Sections	Sq. Ft.	Notes	
	218.70	0.34	9,526,572	Acres		
Transaction Data	Recording Date	12/8/2006	Sale Date	11/2006	Recording data	2006-20617
	Sale price	3,425,000	Terms	Cash to seller		
	\$/Unit	15,661 \$/acre	Instrument	Special Warranty Deed		
	Seller	Richard & Trina White	Buyer	Augustine JA Ranch LLC		
	Address	Young, AZ	Address	2744 E. Utopia Rd. Phx., AZ 85050		
	Confirmation	affidavit & broker				
	Confirmation date		Title		Inspection	
	Outstanding Rights	Fee simple				
Zoning/Restrictions	GU Gila County					
Highest & Best Use	Land purchased for Investment					
Improvements	Limited dwelling and out buildings					
Access	Good access from Highway 288					
Utilities	To property					
Water	Domestic well					
Minerals	N/A					
Terrain	Level to gently sloping					
Vegetation	Native grassland					
Remarks						
Allocation	Allocation notes					
	Allocation	# Units	Unit	\$/Units	Total	Notes
		218.70	Acres	15,661.00	3,425,000	
	Total			3,425,000		

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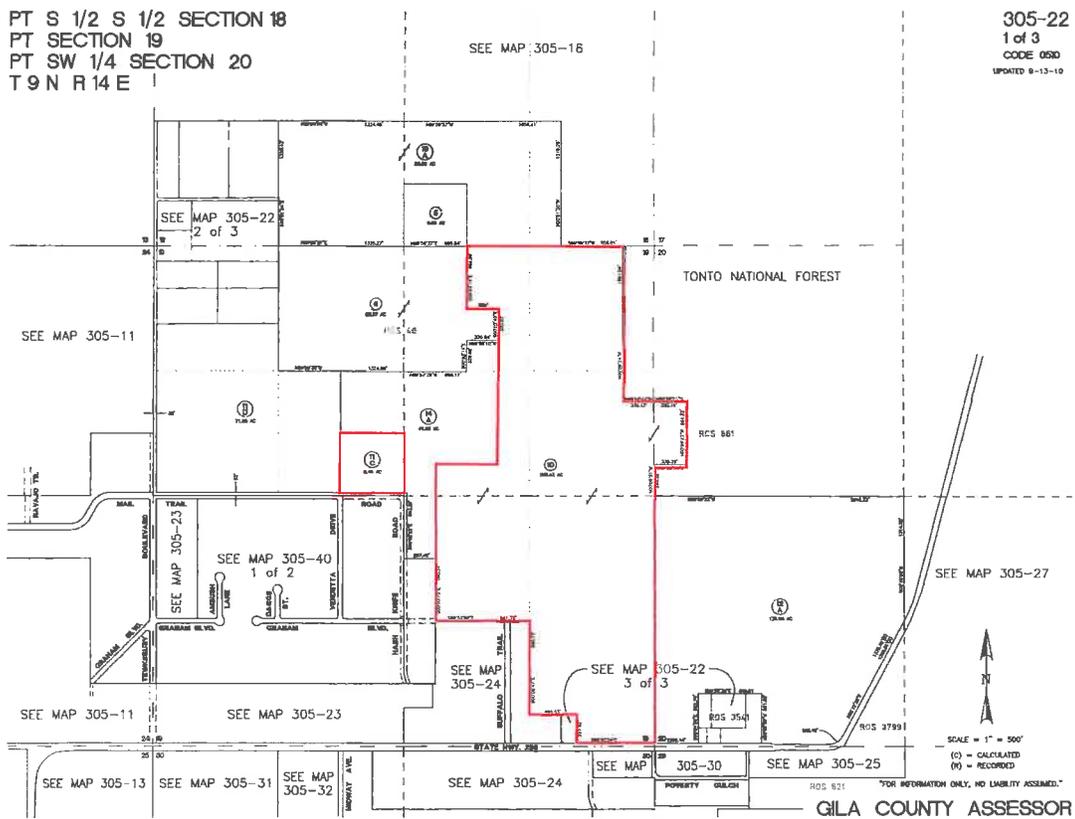
Photo - Sale #5



Map

PT S 1/2 S 1/2 SECTION 18
 PT SECTION 19
 PT SW 1/4 SECTION 20
 T 9 N R 14 E

305-22
 1 of 3
 CODE 0530
 UPDATED 8-13-10



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Real Property Transaction Data - Sale #6

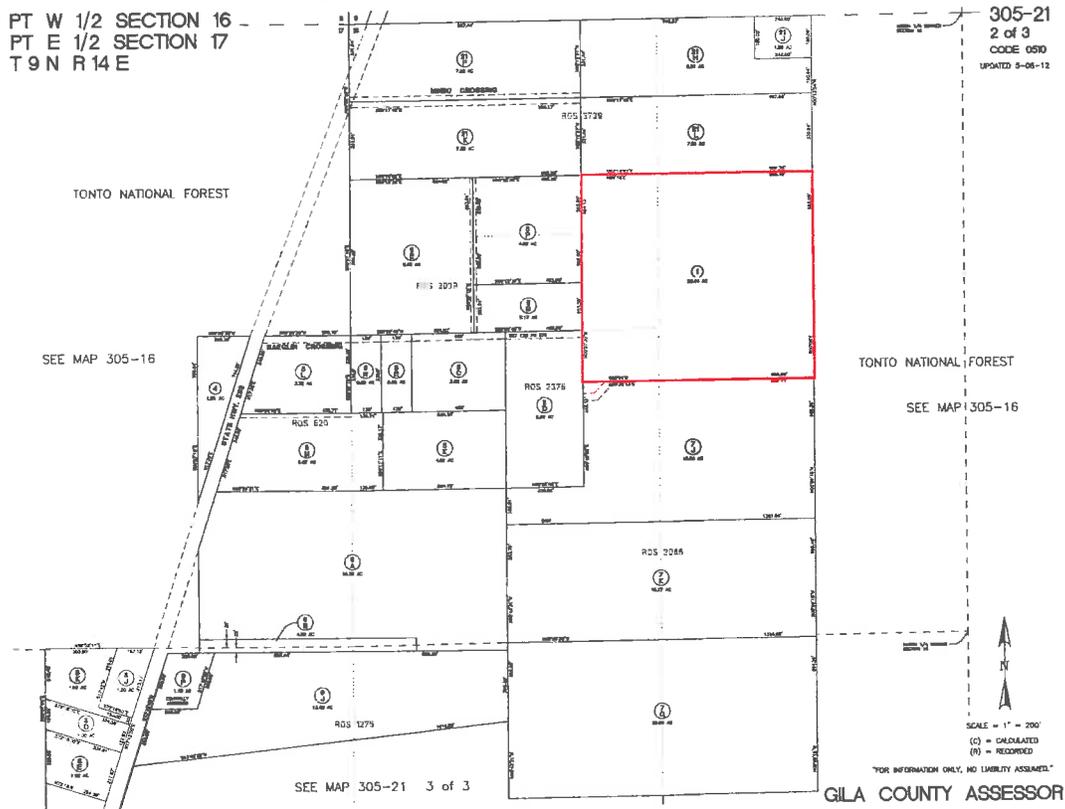
Description	State	Arizona	County	Gila		
	Location	1/4 mile east of Hwy 288 along the north side of Cherry Creek, on dirt Neaglin Crossing Road				
	Parcel ID #	305-21-001				
	Township	9N	Range	14E	Section	15
	Legal	Portion of the NW4 of Section 15, T9N R14E				
	Size	Acres	Sections	Sq. Ft.	Notes	
	20.00	0.03	871,200	Acres		
Transaction Data	Recording Date	3/9/2012	Sale Date	2/29/2012	Recording data	2012-002732
	Sale price	230,000	Terms	Cash		
	\$/Unit	11,500 \$/acre	Instrument	Warranty Deed		
	Seller	Jean King Trust	Buyer	Michael A. Fain		
	Address		Address	6044 Emilita Dr. Cave Creek, AZ		
	Confirmation	Costar & County				
	Confirmation date		Title		Inspection	
Property Data	Outstanding Rights	Fee simple				
	Zoning/Restrictions	GU Gila County				
	Highest & Best Use	Investment				
	Improvements	None				
	Access	Good from Dirt Neaglin Crossing				
	Utilities	In area				
	Water	Well if needed				
	Minerals	N/A				
	Terrain	parts flat, parts mountainous				
Vegetation	Juniper, Oak & Sycamore trees					
Remarks						
Allocation	Allocation notes					
	Allocation	# Units	Unit	\$/Units	Total	Notes
		20.00	Acres	11,500.00	230,000	
	Total			230,000		

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Photo - Sale #6



Map



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Real Property Transaction Data - Sale #7

Description	State	Arizona	County	Gila		
	Location	10106 Fossil Creek Rd, Strawberry, AZ				
	Parcel ID #	301-03-039B				
	Township	12N	Range	8E	Section	20
	Legal	Metes and Bounds				
	Size	Acres	Sections	Sq. Ft.	Notes	
	13.21	0.02	574,992	Acres		
Transaction Data	Recording Date	11/4/2011	Sale Date	11/1/2011	Recording data	2011-12152
	Sale price	270,000	Terms	Cash to Seller		
	\$/Unit		Instrument	Warranty Deed		
	Seller	Charlene Brown		Buyer	Azul Vista Verde	
	Address	Payson, AZ		Address	Cave Creek, AZ	
	Confirmation	MLS & Affidavit				
	Confirmation date	2/12	Title	Inspection	prior	
Property Data	Outstanding Rights	Fee simple				
	Zoning/Restrictions	Residential				
	Highest & Best Use	Rural residential site				
	Improvements	2,280 Sq. Ft. mobile home and barn/garage				
	Access	Paved frontage on Fossil Creek				
	Utilities	All in the area				
	Water	Municipal water available				
	Minerals	N/A				
	Terrain	gently rolling				
Vegetation	Pinion and Juniper					
Remarks	This was a distressed sale and the property had a lot of junk and debris.					
Allocation	Allocation notes					
	Allocation	# Units	Unit	\$/Units	Total	Notes
		13.21	Acres	10,855	143,400	
		1.00	buildings		126,600	
	Total			270,000		

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Photo - Sale #7

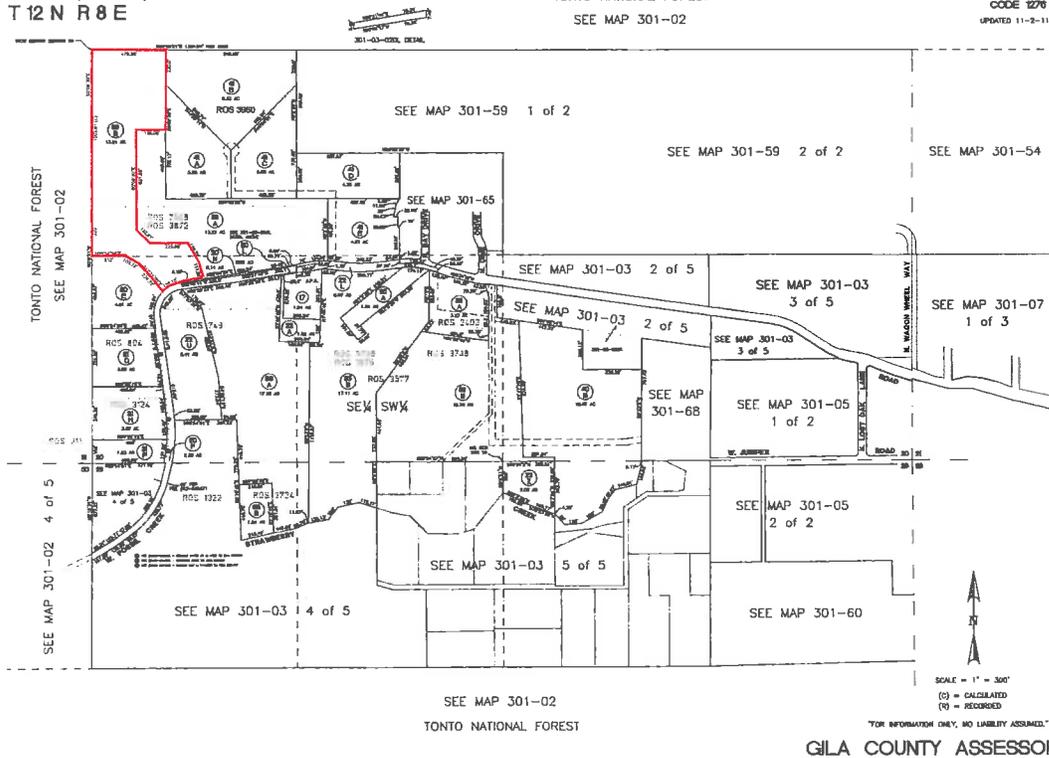


Map

PT S 1/2 SECTION 20 AND
PT N 1/2 N 1/2 SECTION 29
T 12 N R 8 E

TONTO NATIONAL FOREST
SEE MAP 301-02

301-03
1 of 5
CODE 1270
UPDATED 11-2-11



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Real Property Transaction Data - Sale #8

Description	State	Arizona	County	Gila		
	Location	One half mile west of Highway 288 on the A Cross Road				
	Parcel ID #	204-01-001A & B				
	Township	4N	Range	13E	Section	1
	Legal	M & B in Section 1				
	Size	Acres	Sections	Sq. Ft.	Notes	
	110.00	0.17	4,791,600	Acres		
Transaction Data	Recording Date	10/23/2009	Sale Date	4/08	Recording data	2009-12786
	Sale price	1,200,000	Terms	264,667 down with the balance carried by Seller		
	\$/Unit	see below	Instrument	Special Warranty Deed		
	Seller	Sandborn Land & Cattle Co, Est. of Pryor Sandborn		Buyer	Keith and Karen Spaulding	
	Address	3255 E. Emelita Ave. Mesa, AZ 85204		Address	Apache Junction, AZ	
	Confirmation	Broker Eastlake				
	Confirmation date	3/12	Title	Inspection	prior	
Property Data	Outstanding Rights	Fee simple				
	Zoning/Restrictions	GU Gila County				
	Highest & Best Use	Rural home site & cattle operation				
	Improvements	Large main dwelling. Several out buildings and barn, water tank swimming pool				
	Access	Good from dirt A Cross road				
	Utilities	Private generator, phone				
	Water	Spring fed line				
	Minerals	N/A				
	Terrain	Sloping to undulating				
	Vegetation	Upper desert grassland				
Remarks	Sale has a 102 head National forest permit, with no cattle on it for 5 plus years - Update to No cattle run as permit is cancelled.					
Allocation notes						
Allocation	Allocation	# Units	Unit	\$/Units	Total	Notes
		110.00	Acres	9,518.00	1,047,000	
		1.00	buildings		153,000	
		Total			1,200,000	

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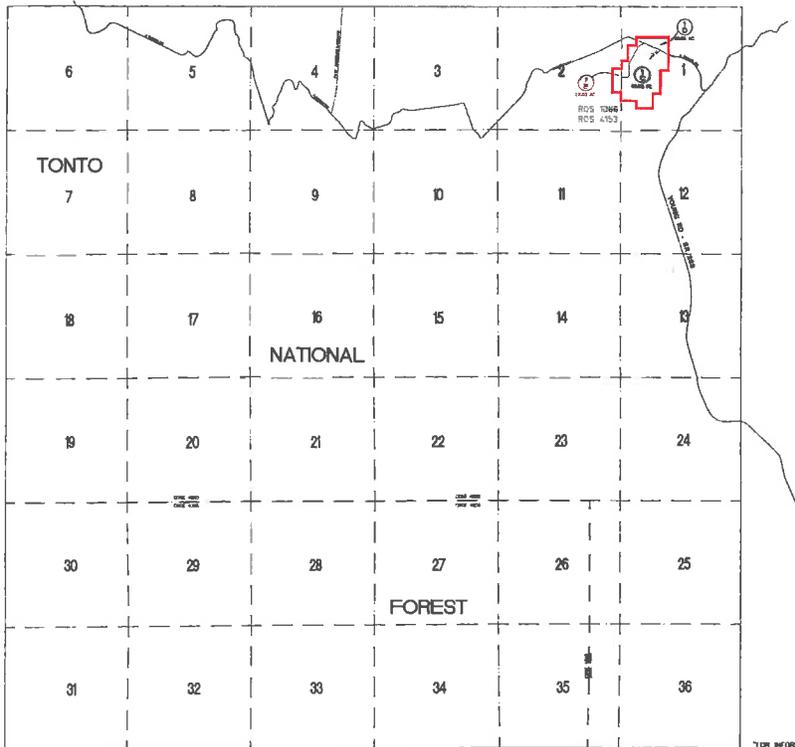
Photo - Sale #8



Map

T4N R13E

204-01
CODE 4000
CODE 4005
UPDATED 1-30-13



SEE MAP204-02

GILA COUNTY ASSESSOR

SCALE = 1" = 2000'
(C) = CALCULATED
(R) = RECORDED

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Real Property Transaction Data - Sale #9

State		Arizona		County		Gila	
Location		One half mile west of Highway 288 on the A Cross Road					
Description	Parcel ID #	204-01-001E					
	Township	4N	Range	13E	Section	1	
	Legal	M & B in Section 1					
	Size	Acres	Sections	Sq. Ft.	Notes		
		17.03	0.03	741,827	Acres		
Transaction Data	Recording Date	1/10/2013	Sale Date	1/2013	Recording data	2013-433	
	Sale price	150,000	Terms	Cash			
	\$/Unit	8,808 \$/acre		Instrument	Warranty Deed		
	Seller	Keith and Karen Spaulding		Buyer	Tamara G Smith Trste/Trst		
	Address	Apache Junction, AZ		Address	8020 W. Gibson Ranch Rd. Payson, AZ 85541		
	Confirmation	Costar					
	Confirmation date		Title		Inspection		
Property Data	Outstanding Rights	Fee simple					
	Zoning/Restrictions	GU Gila County					
	Highest & Best Use	Land held for investment					
	Improvements	None					
	Access	Good from dirt A Cross road					
	Utilities	Private generator, phone					
	Water	spring					
	Minerals	N/A					
	Terrain	Sloping to undulating					
	Vegetation	Upper desert grassland					
	Remarks						
Allocation	Allocation notes						
	Allocation	# Units	Unit	\$/Units	Total	Notes	
		17.03	Acres	8,808.00	150,000		
	Total			150,000			

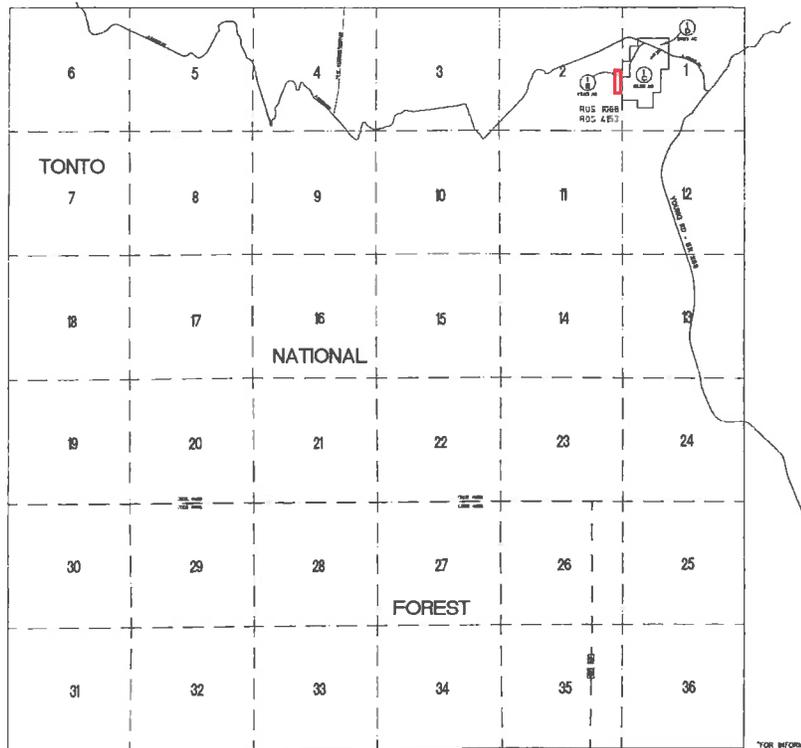
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Photo - Sale #9



Map

T4N R13E



204-01
CODE 4000
CODE 4005
UPDATED 11-30-13

SEE MAP204-02

GILA COUNTY ASSESSOR

SCALE = 1" = 2000'

(C) = CALCULATED

(R) = RECORDED

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Real Property Transaction Data - Sale #10

Description	State	Arizona	County	Gila		
	Location	4 miles south of Young, Arizona on the Cherry Creek Road				
	Parcel ID #	305-38-002				
	Township	8N	Range	14E	Section	10711
	Legal	Thos H. Pullin Pat. 799349 in Section 10 & 11				
	Size	Acres	Sections	Sq. Ft.	Notes	
	125.00	0.20	5,445,000	Acres		
Transaction Data	Recording Date	5/6/2005	Sale Date	4/2005	Recording data	2005-7638 pg. 5
	Sale price	1,685,000	Terms	Cash to seller		
	\$/Unit	see below	Instrument	Bargin & sale deed		
	Seller	Idle Spur LLC, Bob & Shelly Sikora		Buyer	Tilting H Ranch LLC, Mike & Sharon Lechter	
	Address			Address	Paradise Valley, AZ	
	Confirmation	Buyer & affidavit				
	Confirmation date	4/22/08	Title		Inspection	4/22/08
Property Data	Outstanding Rights	Fee simple & Leasehold				
	Zoning/Restrictions	GU Gila County				
	Highest & Best Use	Operating cattle ranch and investment				
	Improvements	Owners dwelling labor dwelling, shop, hay barn, misc. out buildings				
	Access	Good from Cherry Creek Road				
	Utilities	On site generator				
	Water	Wells, stock tanks springs and live water				
	Minerals	N/A				
	Terrain	Mountanous, canyons and ridges				
	Vegetation	Native grassland oak mahogany, and other brouse				
Remarks	Sale transferred with a 483 AU allotment plus Carry over on 149 yearlings for 1/1-10/31					
Allocation	Allocation notes					
	Allocation	# Units	Unit	\$/Units	Total	Notes
		1.00	buildings		478,000	
		125.00	Acres	8,696.00	1,087,000	
		1.00	Pers. Property	0.00	120,000	
			mobile home, equipment & permit			
	Total			1,685,000		

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Real Property Transaction Data - Sale #Listing 11

Description		State	Arizona	County	Gila		
Location		East of State Hwy 288 & South of Baker Ranch Road					
Parcel ID #		305-12-003U					
Township		9N	Range	14E	Section 30		
Legal		M & B in Sec. 30					
Size		Acres	Sections	Sq. Ft.	Notes		
		72.36	0.11	3,152,002	Acres		
Transaction Data		Recording Date	Sale Date	Recording data			
		Sale price	1,464,500	Terms			
		\$/Unit	20,239 \$/acre	Instrument			
		Seller	Carrel A & Wilma R Haught	Buyer			
		Address	P.O. Box 3237 Young, AZ 85554	Address			
		Confirmation					
		Confirmation date	Title	Inspection			
Property Data		Outstanding Rights	Fee Simple				
		Zoning/Restrictions	GU Gila County				
		Highest & Best Use	Investment Small Ranch				
		Improvements					
		Access					
		Utilities					
		Water					
		Minerals	N/A				
		Terrain					
		Vegetation					
		Remarks					
Allocation		Allocation notes					
		Allocation	# Units	Unit	\$/Units	Total	Notes
			72.36	Acres	18,297.00	1,324,500	
			1.00	Improvements	0.00	140,000	
		Total				1,464,500	



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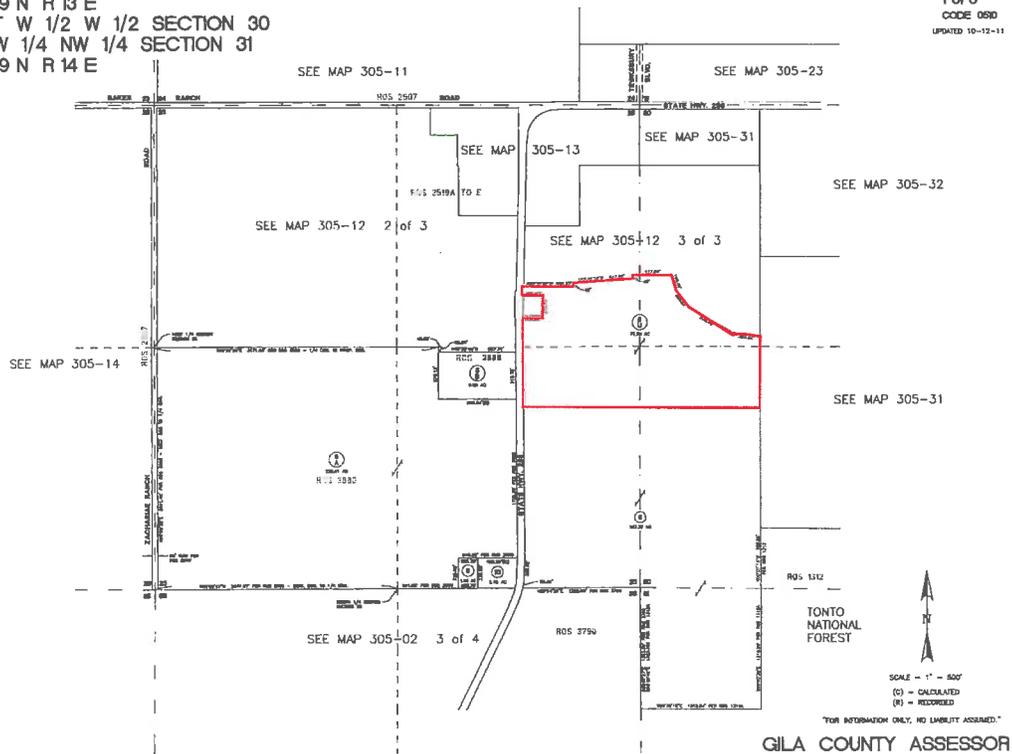
Photo - Listing #11



Map

SECTION 25
T 9 N R 13 E
PT W 1/2 W 1/2 SECTION 30
NW 1/4 NW 1/4 SECTION 31
T 9 N R 14 E

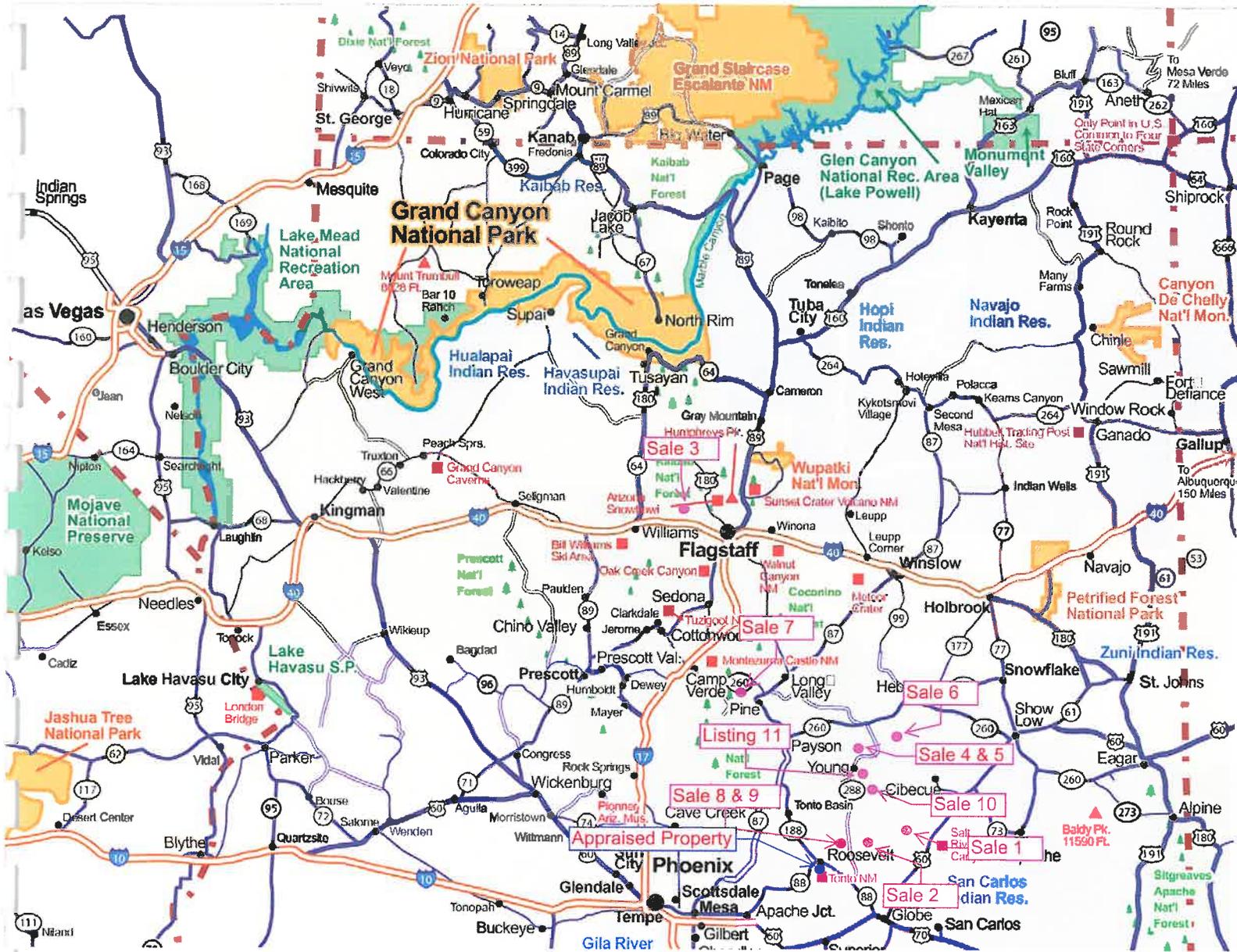
305-12
1 of 3
CODE 0690
UPDATED 10-12-11



DEWCO
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COMPARABLE SALES MAP



Sale No.	Date	Sale Price	Deeded Acres	Location	Buildings Contribute	Net for Deeded	Per acre Price
1	5/06	\$600,000	32.50	Cherry Creek	0	\$600,000	\$18,462
2	1/06	\$1,500,000	86.92	Coon Creek	\$244,500	\$1,255,500	\$14,444
3	7/13	\$135,000	10.01	Coconino County	0	\$135,000	\$13,487
4	8/05	\$810,000	62.50	Young	0	\$810,000	\$12,960
5	2/06	\$3,425,000	218.70	North Young	0	\$3,425,000	\$15,661
6	3/12	\$230,000	20.00	Young	0	\$230,000	\$11,500
7	11/11	\$270,000	13.21	Strawberry	\$126,600	\$143,400	\$10,855
8	10/09	\$1,200,000	110.00	A Cross	\$153,000	\$1,047,000	\$9,518
9	1/13	\$150,000	17.03	A Cross	0	\$150,000	\$8,808
10	5/05	\$1,685,000	125.00	Cherry Creek	\$598,000	\$1,087,000	\$8,696
L11	11/13	\$1,464,000	72.36	Young	\$140,000	\$1,324,000	\$18,297

Comparable Sale Analysis Rural Type Property

The comparison of comparable sales to the appraised property is typically based upon the analysis of terms, time, size, location, accessibility, improvements, and other property characteristics and factors involved in the transaction that may have an impact on the sales price.

The sales utilized in this appraisal occurred from May 2005 to a current listing. This is a long time period for these type properties, yet it covers the area sales, a time frame this long must be utilized, considering time as a factor, which it is in the Gila County market place. The earlier sales in 2006 were at the top of the market, and the later sales support a flat marketplace to current. Time is still a factor considering the movement of property in these recreational type properties. If you compare Sales 8 and 9, a slight time decrease is indicated for the 2009 to 2013 time. If you go back to 2005 and 2006 a larger time decline can be noted. For this appraisal indications to this appraiser reflect a flat no change for time is selected for the period 2005 to 2013.

The terms involved in a real estate transaction often influence the sales price. Transactions involving liberal terms with a minimal down payment frequently reflect higher prices per acre than all-cash sales. However in this market place terms are not a large factor and no consideration is given for term sales vs. cash sales in this report.

Location of a property to population centers, schools, shopping, hospitals, and cultural and religious facilities can influence value. Access to a rural property is an important factor and distance from a paved highway or county road and the quality of dirt roads need to be considered. From a recreational type property standpoint, these sales selected are in reasonable comparable locations to the appraised property and no adjustment is made for this factor.

Size can be a significant factor. All other factors being equal, smaller properties generally demand higher selling prices per acre than larger comparable properties. The smaller units are affordable to a larger percentage of the market and are, therefore, subject to greater demand. This factor is demonstrated

when you compare Sales 3, 7 & 9 are all at about 10 acres with Sale 8 at just over 100 acres. The smaller parcels brought 26% more than the larger parcels. This is a reasonable size adjustment, which should be reduced slightly when comparing to the appraised property at 30.69 acres. Sales 1, 6, & 9 are equal to the appraised tract, Sales 3, & 7 are superior for size, and Sales 2, 4, 5, 8 & 10 are inferior for size.

Physical features such as topography, vegetation, and overall esthetics are important factors for rural property such as this. Most of the sales are equal for physical features within slight variations.

Improvements can have an impact on land values. Building improvements are typically included in the land value. Building improvements can contribute to the value of recreational type property. All of the sales with building improvements have the improvements factored or allocated off rendering the sales all vacant parcels, since that is how the appraised property is being valued as an unimproved property.

Zoning of property is a factor that should be considered. All of the sales and the appraised property are zoned General Agriculture or General Unclassified by Gila County and are equal for this feature. The appraised property is vacant and has no zoning therefore the sales are all slightly superior for the zoning factor.

The conditions of the sale can often impact the consideration paid for these recreational type properties. For all of these sales it is my considered opinion that the sales were all in about the same condition when sold. The listing number 11 is superior for condition of sale and superior for being a listing. It has been for sale for some time and has not sold yet, so it is obviously overpriced for this market.

Comparable Sales Discussion

Sale 1 Is a national forest in holding type property. It sold for \$600,000 on 5/15/2006. The property consists of 32.50 acres deeded land and basically no ranch type building improvements allocated at zero leaving the deeded sale price at \$600,000 or \$18,462/acre. The sale is located on Cherry Creek on FS Road 203 about 4.5 miles due east of Aztec Peak lookout down in the bottom of Cherry Creek. The improvements are nominal to none and there are no public utilities to the property. On a comparative basis this sale is inferior to the appraised property for location, is equal for size and is superior for view, and requires no adjustment for time.

Sale 2 This sale consists of 86.92 acres, lying about 8.5 miles east of Highway 188 from Globe to Young, on the Cherry Creek Road at Coon Creek. It is an old ranch headquarters, with live water, and a fair set of buildings, with some irrigated fields and a solar system. This sale closed on 1/20/2006 for \$1,500,000 with the improvements allocated off at \$244,500 leaving the land at \$1,255,500 or \$14,444/acre. There was no grazing allotment with this sale. This sale has buildings, which contributed \$244,500; the buildings allocated off leave the sale at the indicated sale price of \$14,444/acre above. This sale has inferior location, equal time and slightly inferior size, and for a slight plus to be equal.

Sale 3 Is a 10.01-acre parcel of deeded land in the Coconino County area. This sale closed 7/2/2013 for \$135,000 or \$13,487/acre overall. There are no improvements on this property. There were no grazing rights with this sale. This sale has superior size, is comparable for improvements, and is equal for time for a slight negative adjustment.

Sale 4 This sale is located in Young, Gila County, contains 62.50 acres and sold on 8/2/2005 for \$810,000 or \$12,960/acre. The sale has no improvements. This sale has inferior size, is equal for improvements, and slightly superior location due to distance from the Gila County area.

Sale 5 This sale is north of Young off of Route 288. The sale closed on 12/18/06, selling for \$3,425,000 with 218.70 acres bringing \$15,661/acre. This sale appears to have been purchased by an adjoin owner and brought a high price per acre. Compared to the appraised property this sale has superior location, and basically equal time, for a negative adjustment.

Sale 6 This sale contains 20 acres sold on 2/29/2012 for \$230,000 or \$11,500/acre. Sale is in the Young area of Arizona east of Cherry Creek. The sale has superior location, with slightly inferior access, is equal for improvements, for an overall slight negative comparison.

Sale 7 This is a fairly recent sale in the Fossil Creek area of Strawberry, Arizona. Sale contains 13.21 acres sold on 11/1/2011 bringing \$270,000 or \$20,439/acre. Improvements contribute \$126,600 leaving the land at \$143,400 which amounts to \$10,855/acre. Sale is equal for time, slightly superior for location, and equal for most other factors for a negative adjustment.

Sale 8 Is a sale made on 10/21/2009 for a short three year old sale. This was an improved type sale located in the A Cross area north of Roosevelt Lake. Sale brought \$1,200,000 for 110 acres or with the improvements contributing \$153,000 leaving the 110 acres at \$1,047,000 or \$9,518/acre. Sale is equal for time, location is slightly inferior, and recreation potential is about equal, for an overall slight plus to be equal.

Sale 9 Is a 17.03 acre sale selling on 1/10/13 for \$150,000 or \$8,808/acre. Sale is located one half mile west of Highway 288 on the A Cross Road off of the west side of Sale 8. Sale has no improvements. Sale is very similar type property to the subject, only on the north side of Roosevelt Lake. Compared to the appraised property this sale is equal for time slightly inferior for location and equal for no improvements, for an overall slight plus.

Sale 10 Is a large ranch type sale located 4 miles south of Pleasant Valley, Arizona on Cherry Creek. Sale closed on 5/6/2005, sold for \$1,685,000. Sale includes 125 acres deeded, personal property & equipment, forest permit, were all allocated at \$120,000, and with building improvements allocated at \$478,000. Adjust the permit, personal property and building improvements off sale price leaves \$1,087,000 for the 125 acres or \$8,696/acre. This sale on the deeded only has slightly inferior location, equal time and slightly inferior size, for an overall slight plus to compare to the appraised property.

Listing 11 is a current listing of 72.36 acres of deeded land located southeast of Highway 288 in Young located east of the Antlers Restaurant. Property is for sale at \$1,464,000, with the improvements allocated at \$140,000 leaving the land at \$1,324,000 or \$18,297/acre. This property has been for sale for quite a while and hasn't sold yet. Indications are that it is overpriced for the market place. As such this property has superior location, is superior for being a listing, and requires a large negative adjustment to be equal to the subject property.

A summary of the comparison of the comparable sales to the appraised property is shown on the following chart:

SALES ADJUSTMENT CHART								
Sale No.	Price per Deeded Acre	Imp. Adj. off	As Vacant Land	Time	Location	Size	Other	Overall Rating
1	\$18,462	0	\$18,462	=	S-	=	-	-
L11	\$20,232	-\$1,935	\$18,297	=	-	S/+	-	-
2	\$17,257	-\$2,813	\$14,444	=	S/-	S/+	-	-
5	\$15,675	0	\$15,675	=	S/-	S/+	-	-
3	\$13,487	0	\$13,487	=	S/-	-	=	-
4	\$12,960	0	\$12,960	=	S/-	=	=	S/-
6	\$11,500	0	\$11,500	=	S/-	S/-	=	S/-
7	\$20,455	-\$9,584	\$10,855	=	S/+	=	=	S/+
8	\$10,909	-\$1,391	\$9,518	=	S/+	S/-	=	S/+
9	\$8,808	0	\$8,808	=	S/+	=	=	S/+
10	\$12,520	-\$3,824	\$8,696	=	S/+	S/+	=	+

- means superior to the appraised property
- + means inferior to the appraised property
- = means equal to the appraised property
- S/- means slightly superior to the appraised property
- S/+ means slightly inferior to the appraised property

The comparable sales that are available offer a wide range of value for the appraised property, and do not indicate a specific dollar or percentage adjustments for the various factors affecting value. The general analysis set forth in the preceding chart, however, establishes the trend for this type of recreational property. The point at which the "Overall" indication of the relationship of the sale to the appraised property changes from inferior (-) to superior (+) indicates the range in value for the appraised property. We use the sale price per acre as though unimproved on all of the sales. Thus, the range in value on the basis of deeded land is established by Sale 1 through Listing 11; with a high of \$18,462 to a low of \$8,696 per acre, with a mean of \$12,971/acre from all of the sales. In my opinion low mean value is the best indication of value for the appraised property as though vacant, and is supported by all of the sales used as comparable. The ranges of these sales vary greatly, all over Gila County and Coconino County. If you remain with Gila County sales as the most comparable sales, Sales 1, 2, 9, 10 & 11 are the most comparable. These five sales range from \$18,462/acre high to \$8,696/acre low with a mean of \$13,741/acre. Considering this changing and uncertain marketplace, giving considerable influence to the trend of the sales selected, and the increasing significance of the value of deeded land, it is my judgment that this property as though vacant and unimproved has a market value of \$10,500/acre as of October 19, 2013 which is a low mean indicated value.

30.69 ac. deeded acres @ \$10,500/acre	\$322,245
Rounded to	\$322,000
Market Value as though unimproved & vacant	\$322,000

APPRAISAL CERTIFICATE

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinion and conclusions are limited only by the reported assumptions and limiting conditions and is 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 with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- I hereby certify that I have not appraised this property at any time prior to this appraisal.
- I have never appraised this property prior to this appraisal completed herein.
- I have made a personal inspection of the property that is the subject of this report.
- As of the date of this appraisal, Duane E. Webb, A.R.A., is currently certified under the Voluntary Continuing Education programs of the American Society of Farm Managers and Rural Appraisers, and has met the requirements of the State of Arizona Board of Appraisal and my current Certification is valid through August 31, 2014.
- The estimated marketing period and holding period are considered and are individually set forth in this report.

After weighing all of the factors herein reported, to the best of the appraiser's knowledge and belief, it is the appraiser's opinion that the estimated Market Value of the appraised property "as is as though vacant", of the appraised property, as of October 19, 2013, is as follows:

Appraised Property 30.69 acres \$322,000

Respectfully submitted,

SOUTHWESTERN AG SERVICES, LLC



Duane E. Webb, ARA
Certified General Real Estate Appraiser
Arizona Certificate No. 30011

ADDENDUM I

Record of Survey

RECORD OF SURVEY

OF ROOSEVELT LAKEVIEW PARK
 LOCATED IN SECTIONS 21 & 22 TOWNSHIP 4 NORTH RANGE 12 EAST
 OF THE GILA AND SAU' RIVER MERIDIAN, GILA COUNTY, ARIZONA
 PLAN 10-15-13
 DATE 10-15-13
 FILED 10-15-13



NOTES

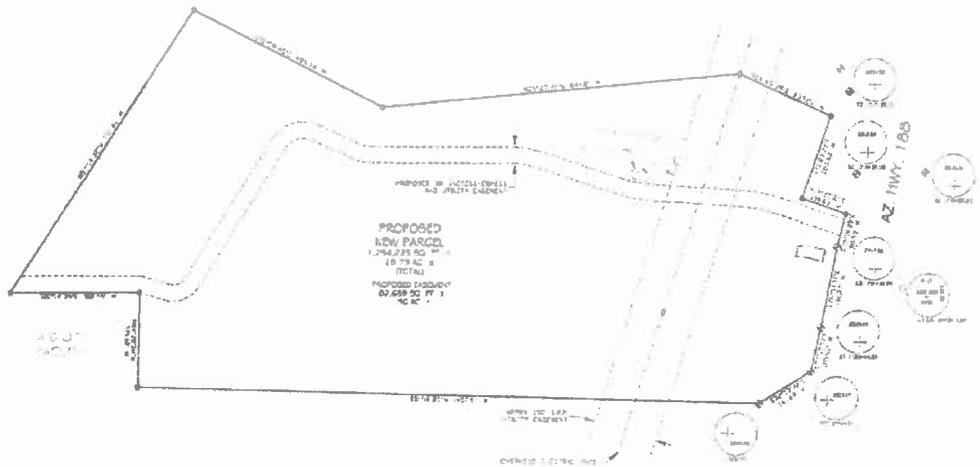
- NO SURVEY MONUMENTS WERE SET AT THE TIME OF THIS SURVEY.
- THIS MAP IS TO BE UTILIZED FOR A PROPOSED PRELIMINARY BOUNDARY ONLY.
- A SURVEY WILL BE COMPLETED BY THE U.S. FOREST SERVICE IN THE FUTURE AND A MAP WILL BE RECORDED FOR READER OF TITLE.
- LINE SHOWN ON THE EXISTING A.D.O.T. RIGHT OF WAY ARE NOT CALCULATED ON THE EXISTING CURVES FRAGMENTS WERE USED FOR THIS PRELIMINARY PROPOSED SURVEY.

BASIS OF BEARINGS

CRONCEALIMUTHY BEARS ON F.T.S. OBSERVATIONS AND MONUMENTED LINE SHOWN CAN BE UTILIZED AS A LOCAL BASIS OF BEARING.

LEGEND

- U = MEAS. REC.
- = PROPOSED NEW PROPERTY CORNER
- ⊙ = A.D.O.T. ALUMINUM CAP
- C = BRASS CAP



STATEMENT

I, THE SURVEYOR, HEREBY CERTIFY THAT THE FOREGOING IS A TRUE AND CORRECT REPRESENTATION OF THE SURVEY AS CONDUCTED BY ME OR UNDER MY SUPERVISION AND IN ACCORDANCE WITH THE PROVISIONS OF THE ARIZONA SURVEYING ACT.

GOLDEN RULE SURVEYING LLC



P.O. BOX 3360
 PAYSON, ARIZONA 85547
 PHONE (520) 474-3377



ROOSEVELT LAKEVIEW PARK

SCALE 1" = 100' DATE NONE

DATE 10-15-13

PRELIMINARY SURVEY

13037

1 OF 1

ADDENDUM II

Subject Photographs



WEST SIDE OF
PROPERTY



WEST SIDE OF
PROPERTY



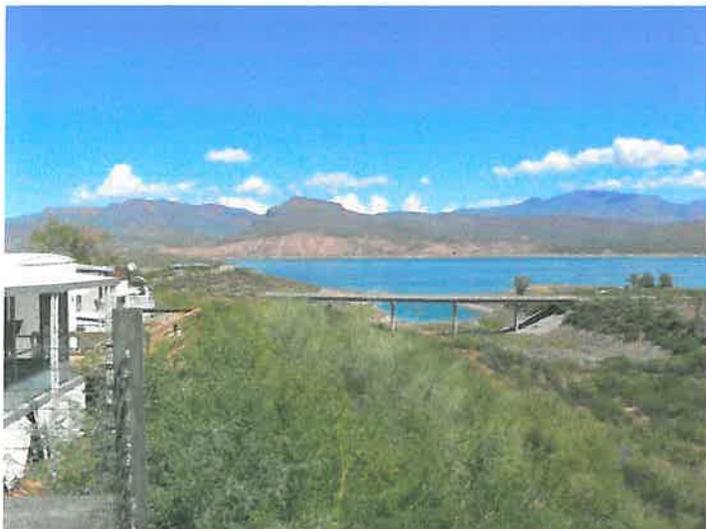
EAST SIDE OF
PROPERTY



SOUTHEND



SOUTH
SURVEY LINE



EAST SIDE
VACANT



NORTH
SURVEY LINE



NORTH
SURVEY LINE
WEST SIDE

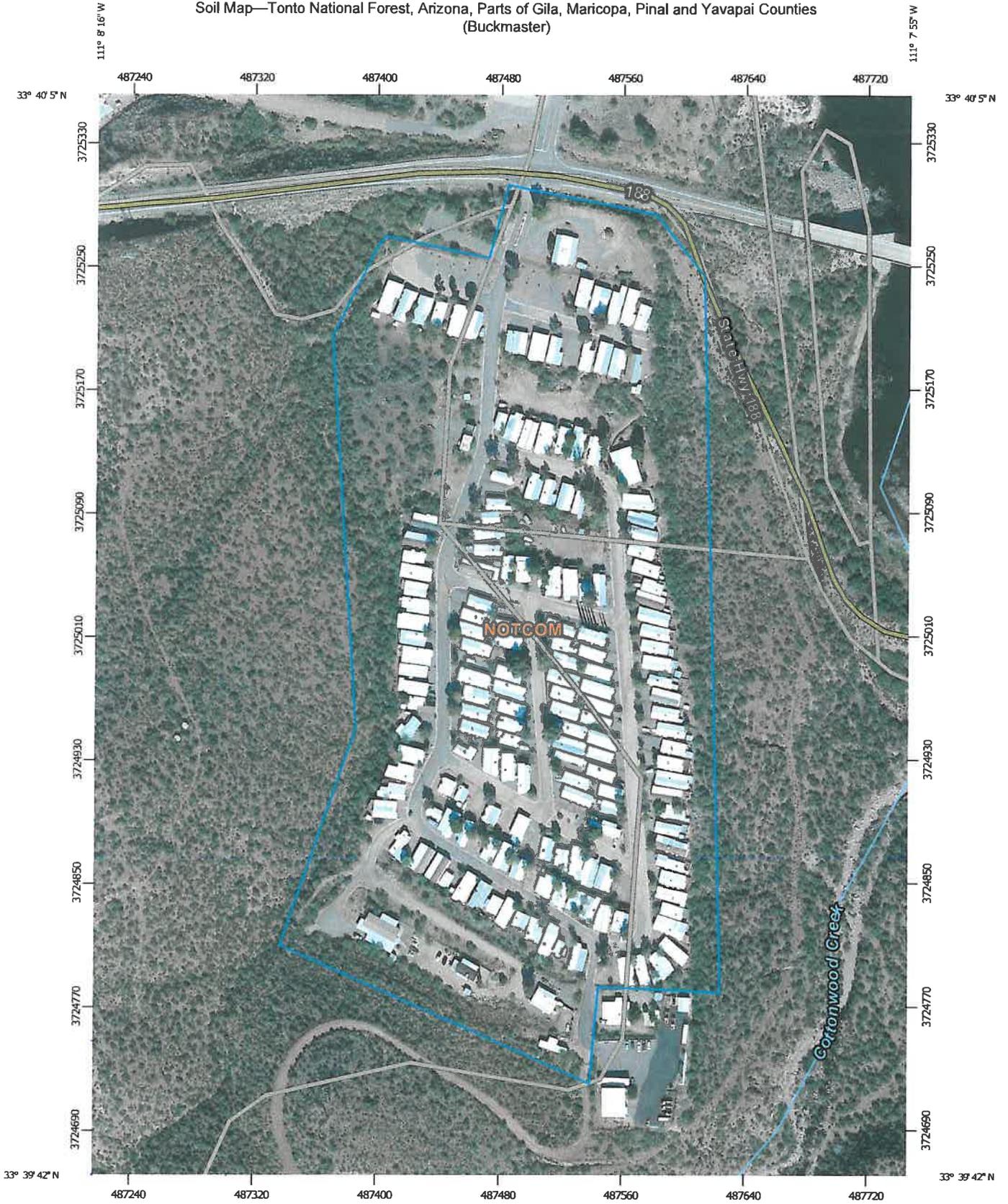


NORTH EAST
CORNER
SURVEY LINE

ADDENDUM III

Soils Map

Soil Map—Tonto National Forest, Arizona, Parts of Gila, Maricopa, Pinal and Yavapai Counties
(Buckmaster)



Map Scale: 1:3,420 if printed on A portrait (8.5" x 11") sheet.

0 50 100 200 300 Meters

0 150 300 600 900 Feet

Map projection: Web Mercator Corner coordinates: WGS84 Edge tics: UTM Zone 12N WGS84



Natural Resources
Conservation Service

Web Soil Survey
National Cooperative Soil Survey

10/14/2013
Page 1 of 3

Soil Map—Tonto National Forest, Arizona, Parts of Gila, Maricopa, Pinal and Yavapai Counties
(Buckmaster)

MAP LEGEND

Area of Interest (AOI)		Spoil Area
		Stony Spot
Soils		Very Stony Spot
		Wet Spot
		Other
		Special Line Features
	Water Features	
Special Point Features		Streams and Canals
	Transportation	
		Rails
		Interstate Highways
		US Routes
		Major Roads
		Local Roads
	Background	
		Aerial Photography
		
		
		
		
		
		
		
		
		
		
		
		
		

MAP INFORMATION

The soil surveys that comprise your AOI were mapped at 1:24,000.

Warning: Soil Map may not be valid at this scale.

Enlargement of maps beyond the scale of mapping can cause misunderstanding of the detail of mapping and accuracy of soil line placement. The maps do not show the small areas of contrasting soils that could have been shown at a more detailed scale.

Please rely on the bar scale on each map sheet for map measurements.

Source of Map: Natural Resources Conservation Service
Web Soil Survey URL: <http://websoilsurvey.nrcs.usda.gov>
Coordinate System: Web Mercator (EPSG:3857)

Maps from the Web Soil Survey are based on the Web Mercator projection, which preserves direction and shape but distorts distance and area. A projection that preserves area, such as the Albers equal-area conic projection, should be used if more accurate calculations of distance or area are required.

This product is generated from the USDA-NRCS certified data as of the version date(s) listed below.

Soil Survey Area: Tonto National Forest, Arizona, Parts of Gila, Maricopa, Pinal and Yavapai Counties
Survey Area Data: Version 1, Oct 22, 2010

Soil map units are labeled (as space allows) for map scales 1:50,000 or larger.

Date(s) aerial images were photographed: Nov 1, 2010—Nov 27, 2010

The orthophoto or other base map on which the soil lines were compiled and digitized probably differs from the background imagery displayed on these maps. As a result, some minor shifting of map unit boundaries may be evident.

Map Unit Legend

Tonto National Forest, Arizona, Parts of Gila, Maricopa, Pinal and Yavapai Counties (AZ687)			
Map Unit Symbol	Map Unit Name	Acres in AOI	Percent of AOI
NOTCOM	No Digital Data Available	31.0	100.0%
Totals for Area of Interest		31.0	100.0%

ADDENDUM IV

Appraiser Certificate

STATE OF ARIZONA
BOARD OF APPRAISAL

BE IT KNOWN THAT
DUANE E. WEBB

HAS MET ALL THE REQUIREMENTS AS A
Certified General Real Estate Appraiser

*In accordance with Arizona Revised Statutes
and on authority of the Board of Appraisal, State
of Arizona.*

*This certificate shall remain evidence thereof
unless or until the same is suspended, revoked
or expires in accordance with the provisions of
law.*

CERTIFICATE NUMBER
30011

EXPIRATION DATE
August 31, 2014



*In witness whereof the Arizona Board of Appraisal
caused to be signed by the Chair of the Board
and the Executive Director*

HR. [Signature]
Chair, Board of Appraisal Vice Chairperson: 7/19/12

SHALL REMAIN PROPERTY OF ARIZONA BOARD OF APPRAISAL

ADDENDUM V

Appraiser's Qualifications

Appraiser's Qualifications

DUANE E. WEBB
5241 N. WOODMERE FAIRWAY
SCOTTSDALE, AZ 85250
Phone: 480-994-3455 Fax: 480-699-5072
Cell: 602-509-0160
dwebb209@cox.net

EDUCATION: B.S. Degree in Livestock Production, Arizona State University 1961

Post Graduate Training: American Society of Farm Managers and Rural Appraisers
Accredited Rural Appraiser License No. 3266
November 26, 1972, current on all education requirements

Arizona Certified General Real Estate Appraiser
Certificate No. 30011, expires August 31, 2014

Licensed Real Estate Salesperson, Arizona State Real Estate Department,
current on education

PROFESSIONAL: American Society of Farm Managers and Rural Appraisers with an Accredited Rural Appraiser designation since 1972

MEMBER ORGANIZATIONS: Member Arizona Cattleman's Association
Member of National Cattleman's Association
Member of Arizona National Livestock Show
Member Arizona Chapter ASFMRA

EMPLOYMENT: 3/2008 - Current Owner in Southwestern Ag Services, LLC
Full service appraisal firm and R/E sales

HISTORY: 1/15/03 – 3/2008: Duane E. Webb Co. – self-employed
11/1986-1/15/03: Headquarters West Ltd. – Independent Contractor, Real Estate Sales and Agricultural Appraisals
1977-10/1986: Arizona Livestock PCA, Vice President/Ag. Loan Officer
1971-1976: Hebbard & Webb Co. - R/E Sales/Ag. Mtg. Loans
1967-1971: Federal land Bank of Arizona – Loan Officer/Appraiser
1962-1967: Arizona Livestock PCA – Livestock Loan Officer

EXPERIENCE: Native Arizonan. Forty-nine years' experience in the Agricultural field, seventeen years were short term and long term agricultural finance, on farms, ranches, dairies, tree crops, nine years spent working in long term lending for the Federal Land Bank and major Insurance Companies, and 25 years independent rural appraiser real estate sales and consultant.

Licensed as a Certified General Real Estate Appraiser State of Arizona since 1991. Have sold agricultural properties since 1987, sold and closed some of Arizona's larger farms and dairies, plus numerous smaller properties.

Qualified in all phases of agricultural investment analysis, valuation and management.

**CLIENT LIST
AVAILABLE:**

Selected list of clients:
Salt River Project
Salt River Pima Maricopa Indian Community
Gila River Indian Community
Colorado River Indian Tribes
Wells Fargo Bank Appraisal Panel
National Bank of Arizona Appraiser Panel
Great Western Bank Appraiser Panel
Bank of the West Appraiser's panel
M & I Bank Appraiser panel
JP Morgan Chase Bank Appraiser Panel
Henry & Horne PC
Many other individual clients