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January 17, 2012

OPERATIONS SECTION
RIGHT OF WAY GROUP

Mr. Steve Troxel, Procurement Specialist
Arizona Department of Transportation
Right of Way Operations Section, Contracts Unit
205 South 17th Avenue, Room 331 (Mail Drop #612E)
Phoenix, Arizona 85007

RE: A summary appraisal report of vacant land with site improvements containing 107,058 square feet, located on the southwest side of Peak Lane and the east end of Regal Street, east of Picacho Boulevard, Picacho, Arizona, in a portion of Section 23, Township 8 South, Range 8 East, G&SRB&M, Pinal County, Arizona.

<i>Project:</i>	010 PN 210 / H7696 02R
<i>Highway:</i>	Casa Grande - Tucson
<i>Section:</i>	I-10 to SR 87 TI
<i>Parcel No.:</i>	11-0808
<i>Ownership:</i>	Duane R. Pirkel
<i>Date of Report:</i>	January 17, 2012
<i>Effective Date of Appraisal:</i>	October 26, 2011

Dear Mr. Troxel:

In response to your authorization, I have conducted the required inspection, gathered the necessary data, and made certain analyses that have enabled me to form an opinion of the market value of the fee simple interest in the above-named property both before and after the proposed acquisition of fee simple land and land encumbered with a road easement, and site improvements, and the estimated damages which may accrue to the remainder property after the acquisition of land and site improvements.

The intended use of this appraisal report is for a partial acquisition of land and site improvements of the identified subject property. According to the Arizona Department of Transportation (ADOT) Right of Way Plans dated September 20, 2011, ADOT is acquiring a total of 33,572 square feet of land, of which 4,987 square feet are located in the existing Interstate 10 right of way and 17,692 square feet are located in the existing Pinal County right of way. The remaining portion, 73,486 square feet, is unencumbered by the Interstate 10 and Pinal County right of ways.

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Arizona Department of Transportation
Right of Way Operations Section, Contracts Unit

In the before condition the land area under the existing Interstate 10 and Pinal County right of ways are assumed to be easements acquired when the roadways were constructed. This appraisal will not assign any value to the land areas encumbered by the right of way easements (22,679 square feet) as in all probability the roadway easements will never cease to exist. Based on this condition, it is concluded that there are no remaining fee simple rights in the encumbered land areas. A prudent purchaser of real estate would not pay more or less because of the easements. The land areas beneath the existing roadway improvements are concluded to have no remaining value and this appraisal will use a subject size totaling 84,379 square feet (land unencumbered by the Interstate 10 and Pinal County right of ways) to value the subject property for the partial acquisition. The ADOT right of way plans indicate that there will be a remainder property totaling 73,486 square feet, with site improvements. The remainder land area and site improvements will be valued after the proposed acquisition of fee simple land and site improvements to determine the estimated damages, if any, which may accrue to the remainder property after the acquisition of land and site improvements.

The intended users of this appraisal report are officials and agents of the Arizona Department of Transportation, the property owner as well as their representatives and agents, and courts having jurisdiction concerning the proposed acquisition. No other use is intended, and any unintended use may be misleading.

I have formed the opinion that, as of the effective date of the appraisal, October 26, 2011, based on a 6 to 12 month marketing period, and subject to the assumptions and limiting conditions set forth herein, the market value of the fee simple interest of the part to be acquired and any severance damages is:

Summary of Value Conclusions:

Market Value of Property, Before Acquisition	\$97,100	
Market Value of Property To Be Acquired	\$15,000	
Market Value of Remainder Property, Before	\$82,100	
Market Value of Remainder Property, After	\$78,300	78,300
Severance Damages	\$3,800	
Special Benefits	\$0	

Audit Breakdown:

PROPERTY TO BE ACQUIRED	\$15,000
SEVERANCE DAMAGES	\$3,800
SPECIAL BENEFITS	\$0
TOTAL COMPENSATION	\$18,800

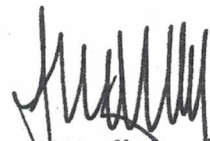
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Extraordinary Condition - Debris on the Subject Property (No. 20). As of the date of inspection, there is debris located on the property. It is assumed that there is no contamination in any of this debris. It is further assumed that ADOT will be responsible for removal of the debris. For purposes of this report, it is assumed that there are no negative environmental hazards on the property and if any are determined to exist at a subsequent date, then the market value ascribed in this report is subject to change.

Hypothetical Condition - Value of the Remainder Land, After (No. 21). This appraisal report includes the appraisal of the market value of the remainder land, as if the Interstate 10 roadway widening/realignment project was complete and all improvements were in place. As the Interstate 10 project is not complete as of the effective date of value, the appraisal of the market value of the remainder land, after, is based upon the hypothetical condition that the improvements were completed based upon the plans provided to the appraiser by ADOT. If the Interstate 10 widening/realignment project is not completed as indicated by the plans provided by ADOT to the appraiser, then the value indicated in this report is subject to change.

This is a summary appraisal report which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice for a Summary Appraisal Report (USPAP), the Appraisal specifications in the appraiser's Professional Services Contract with the Arizona Department of Transportation, Right of Way Operations Section, and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (the Uniform Act 49CFR.24.102-103 and Appendix A Subpart B Section 24.103). As such, it presents only summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated above. The appraiser is not responsible for unauthorized use of this report.

Respectfully submitted,



Jeff Teplitsky, Associate Member of the Appraisal Institute
Certified General Real Estate Appraiser
Certificate Number 30151

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