

**TOWN COUNCIL OF DEWEY-HUMBOLDT
REGULAR MEETING NOTICE AND AGENDA**

Tuesday, November 17, 2020, 6:30 P.M.

**DEWEY-HUMBOLDT TOWN HALL
COUNCIL CHAMBERS
2735 S. HWY 69, SUITE 10
HUMBOLDT, ARIZONA 86329**

NOTICE OF MEETING OF THE DEWEY-HUMBOLDT TOWN COUNCIL

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the Dewey-Humboldt Town Council and to the general public that the Town Council will hold a public meeting (see notes about public participation below) on **Tuesday, November 17, 2020, at 6:30 p.m.**, at the **Dewey-Humboldt Town Hall Council Chambers, 2735 S. Highway 69, Suite 10, Humboldt, Arizona 86329**. Members of the Town Council will attend by audio/video conference call.

THIS MEETING WILL BE HELD BY REMOTE PARTICIPATION ONLY

Due to the federal government's declaration of a COVID-19 pandemic and the resulting Executive Orders from Arizona Governor Ducey to limit events of people in personal contact and Mayor Nolan's declaration of an emergency based on the COVID-19 pandemic, the following accommodations are provided for public participation at the Council Meeting:

- Viewing live streaming audio only on the Town's website, at:
<http://az-deweyhumboldt.civicplus.com/2164/Town-Meeting-Documents-and-Videos>
- Viewing and potentially participating in the meeting via Join Zoom Meeting:
 - Computer: <https://zoom.us/j/87647637781>
 - Telephone: (301) 715-8592
 - Meeting ID: 876 4763 7781
- Submitting comments via email to the Interim Town Clerk at BethEvans@dhaz.gov. Comments should be submitted no later than 3:30 p.m. on the day of the meeting. Please identify the agenda item and your first and last name.

DEWEY-HUMBOLDT TOWN COUNCIL REGULAR MEETING AGENDA

The issues that come before the Town Council are often challenging and potentially divisive. To make sure we benefit from the diverse views to be presented, the Council believes public meetings to be a safe place for people to speak, and asks that everyone refrain from clapping, heckling and any other expressions of approval or disapproval. Council may vote to go into Executive Session for legal advice regarding any matter on the open agenda pursuant to A.R.S. § 38-431.03(A)(3), which will be held immediately after the vote and will not be open to the public. Upon completion of the Executive Session, the Council may resume the meeting, open to the public, to address the remaining items on the agenda. Agenda items may be taken out of order. Please turn off all cell phones. Council Meetings are broadcast via live streaming video on the internet in both audio and visual formats. One or more members of the Council may attend either in person or by telephone, video or internet conferencing. **NOTICE TO PARENTS:** Parents and legal guardians have the right to consent before the Town of Dewey-Humboldt makes a video or voice recording of a minor child. A.R.S. § 1-602.A.9. Dewey-Humboldt Council Meetings are recorded and may be viewed on the Dewey-Humboldt website. If you permit your child to participate in the Council Meeting, a recording will be made. You may exercise your right not to consent by not permitting your child to participate or by submitting your request to the Town Clerk that your child not be recorded.

1. Call To Order

2. Roll Call Town Council Members: Karen Brooks, Lynn Collins, John Hughes, Mark McBrady, Victoria Wendt, Vice Mayor Amy Lance and Mayor Terry Nolan.

3. Pledge of Allegiance

4. Moment of Silence

5. Announcements regarding Town Current Events; Guests; Appointments; and Proclamations

Announcements of items brought to the attention of the Mayor not requiring legal action by the Council. Guest Presentations, Appointments, and Proclamations may require Council discussion and action. Pursuant to the Arizona Open Meeting Law, the Town Council may present a brief summary of current events; however, the Council may not discuss, deliberate, or take legal action on any matter in the summary.

A. Council announcements about outside meetings and committees

- 6. Public Comment on Non-agendized Items** The Council wishes to hear from Citizens at each meeting. Those wishing to address the Council need not request permission or give notice in advance. For the official record, individuals are asked to state their name. Public comments may appear on any video or audio record of this meeting. Please direct your comments to the Council. Individuals may address the Council on any issue within its jurisdiction. According to the Arizona Open Meeting Law, Councilmembers may respond to criticism made by those who have addressed the public body, may ask Town staff to review a matter, or may ask that a matter be put on a future agenda; however, Councilmembers are forbidden from discussing or taking legal action on matters raised during Public Comment unless the matters are properly noticed for discussion and legal action. A **3 minute** per speaker limit shall be imposed. Everyone is asked to please be courteous and silent while others are speaking.

7. Consent Agenda

All those items listed below are considered to be routine and may be enacted by one motion. Any Councilmember may request to remove an item from the Consent Agenda to be considered and discussed separately.

- 8. Town Manager's Report** Update on Current Events. The Town Council may ask clarifying questions about any item listed on the agenda under Town Manager's Report or ask that any item listed on the agenda under Town Manager's Report be placed on a future agenda for Council deliberation and action. No legal action will be taken on items listed under Town Manager's Report. From time to time, as authorized by A.R.S. § 38-431.02(K), the Town Manager may present a brief summary of a current event that, due to its timeliness, is not listed on the agenda. In such cases, the Town Council shall not propose, discuss, deliberate or take legal action on the matter.

Page 5 **A. Update from the Town Manager on meeting with local business owners; Town Manager Hanks previously reported he was meeting with local business owner about the CARES Act.** (CAARF Mayor Nolan)

- 9. General Business** Discussion and possible legal action may be taken. Agenda language may vary from that in CAARFs for Open Meeting Law purposes.

7 **A. Discussion and possible action relating to a request from Victor Hambrick to vacate a portion of Town-owned right-of-way along Antelope Way, generally located at the intersection of River Drive and Antelope Way** (Staff CC)

95 **B. Canvass the results of the General Election held on November 3, 2020, for the purpose of electing a candidate to the office of Town Councilmember** (Staff CC)

97 **C. Discussion and possible action to direct staff relating to issue a Request for Proposals (RFP) to potentially retain a new certified public accounting firm for the Town's annual audit** (CAARF Mayor Nolan)

10. Consideration of additional Special Session(s) Whether to hold and, if so, set the date

11. Adjourn.

Persons with a disability may request reasonable accommodations by contacting the Town Hall at (928) 632-7362 at least 24 hours in advance of the meeting.

Certification of Posting

The undersigned hereby certifies that a copy of the attached notice was duly posted at the following locations: Dewey-Humboldt Town Hall, 2735 South Highway 69, Humboldt, Arizona, Chevron Station, 2735 South Highway 69, Humboldt, Arizona, Blue Ridge Market, Highway 69 and Kachina Drive, Dewey, Arizona, on the _____ day of _____, 2020, at _____ a.m./p.m. in accordance with the statement filed by the Town of Dewey-Humboldt with the Town Clerk, Town of Dewey-Humboldt.

By: _____, Town Clerk's Office.

For Your Information:

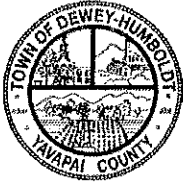
Next Town Council Regular Meeting: Tuesday, December 1, 2020 at 6:30 p.m.

Next Town Council Study Session: Tuesday, December 8, 2020, at 6:30 p.m.

Next Planning & Zoning Meeting: Thursday, January 7, 2021, at 6:00 p.m.

If you would like to receive Town Council agendas via email, please sign up at AgendaList@dhaz.gov and type Subscribe in the subject line, or call (928) 632-7362 and speak with Beth Evans, Interim Town Clerk.

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TOWN OF DEWEY-HUMBOLDT
P.O. BOX 69
HUMBOLDT, AZ 86329
Phone 928-632-8562 • Fax 928-632-7365

Dewey-Humboldt

OCT 29 2020

Received

COUNCIL AGENDA ACTION REQUEST FORM

Meeting Type: Regular Special Work Session

Meeting Date: November 3, 2020

Date of Request: October 28, 2020

Type of Action: Routine/Consent Regular

Requesting: Action Report Only

Agenda Item Text (a brief description for placement on the agenda; please be exact):

Meeting with local business owners

Purpose and Background Information (Detail of requested action). _____

Manager Hanks reported he was meeting with
local Business Owner about the CARES Act.

Staff Recommendation(s): _____

Budgeted Amount: \$0.00

List All Attachments: _____

Type of Presentation: oral

Special Equipment needed: Laptop Remote Microphone
 Overhead Projector Other: _____

Contact Person: Mayor, Nolan

Note: Per Town Code §30.105(D): Any new item will be placed under "New Business" for the council to determine its disposition. It can be acted upon at that meeting, sent to staff for more work, sent to the appropriate board or commission, set for a work session or tabled for a future date, etc.

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COUNCIL COMMUNICATION

Regular Council Meeting Date: **November 17, 2020**

Agenda Item: **9.A.**

Submitted By: Edward L. Hanks, Jr., Town Manager

Subject:

Review, discussion and possible action to approve or direct staff relating to a requested vacation of a portion of Town-Owned Right-of-Way (ROW) along Antelope Way, generally located at the intersection of River Drive and Antelope Way.

Background:

At the August 18, 2020 Council Regular Meeting, the issue of a potential sale of a portion of the ROW of Antelope Way was taken up by the Council. Following discussion, the Council voted 6-1 in favor of a motion to direct staff to work with Victor Hambrick in accordance with Dewey-Humboldt Town Code §50.16, the party requesting the sale of the ROW to have him contract for a survey and appraisal of the ROW. Mr. Hambrick is to absorb the cost of a survey and appraisal, and these have been completed and included herein as exhibits.

Town Code Section §50.16 is followed.

§ 50.16 DISPOSITION OF UNNECESSARY RIGHTS-OF-WAY.

(A) If the Town Council determines that a public right-of-way owned by the town is no longer necessary for public use, it may dispose of the right-of-way either by sale, vacation or exchange of such right-of-way in accordance with the requirements of state law.

The requirements referred to are found in:

ARS 28-7204. Roadway sale; definition

- A.** *The governing body may authorize the director to sell and convey the land within the roadway or portion of the roadway by quitclaim deed.*
- B.** *On conveyance, the roadway or portion of the roadway is deemed vacated, title to the roadway or portion of the roadway vests in the grantee and, if the grantee is an abutting owner, title vests subject to the same encumbrances, liens, limitations, restrictions and estates as exist on the grantee's abutting land.*
- C.** *At least sixty days before the date of the sale, a notice of sale describing the roadway or portion of the roadway to be sold shall:
 - 1. *Be posted at intervals of no more than one mile and in at least three places on or along the side of the roadway.*
 - 2. *Make specific reference to this section.*
 - 3. *State that a person may submit purchase offers and that abutting owners have preference rights pursuant to this article.*
 - 4. *Be delivered or mailed to abutting owners of record if their addresses are known or can be readily discovered.**
- D.** *Abutting owners of record in whom title to a portion of the roadway would vest under section 28-7205 may deliver, at the sale or at any time before the sale, to the clerk or*

Town of Dewey-Humboldt
P.O. Box 69
Humboldt, AZ 86329
Phone: 928-632-7362 | Fax: 928-632-7365

www.dhaz.gov

secretary of the governing body or the director, in the case of this state, a written offer to purchase the portion or a part of the portion for the consideration paid for the land by the city, town, county or state, whichever first acquired the land within the roadway for public use. If an offer is submitted in a timely manner, it shall be preferred over all other offers.

Financial Impact:

Staff has obtained estimates for the cost of escrow and title policy, which will need to be paid by the Town to complete the sale. It is staff's understanding that the successful purchaser is expected to reimburse these costs as well.

Estimated costs to the Town to be reimbursed by successful purchaser(s):

- In speaking with an agent from Yavapai Title, Staff has obtained an estimate of the cost of setting up and managing the escrow account for the sale of approximately \$260.
- Owner's Title Policy (also from Yavapai Title) would cost \$347.
- Recording fee will be approximately \$30.
- Tax proration is non-existent as public property does not pay tax.

Direction Requested:

Staff is seeking direction from Council on the aspects outlined above.

Suggested Motion:

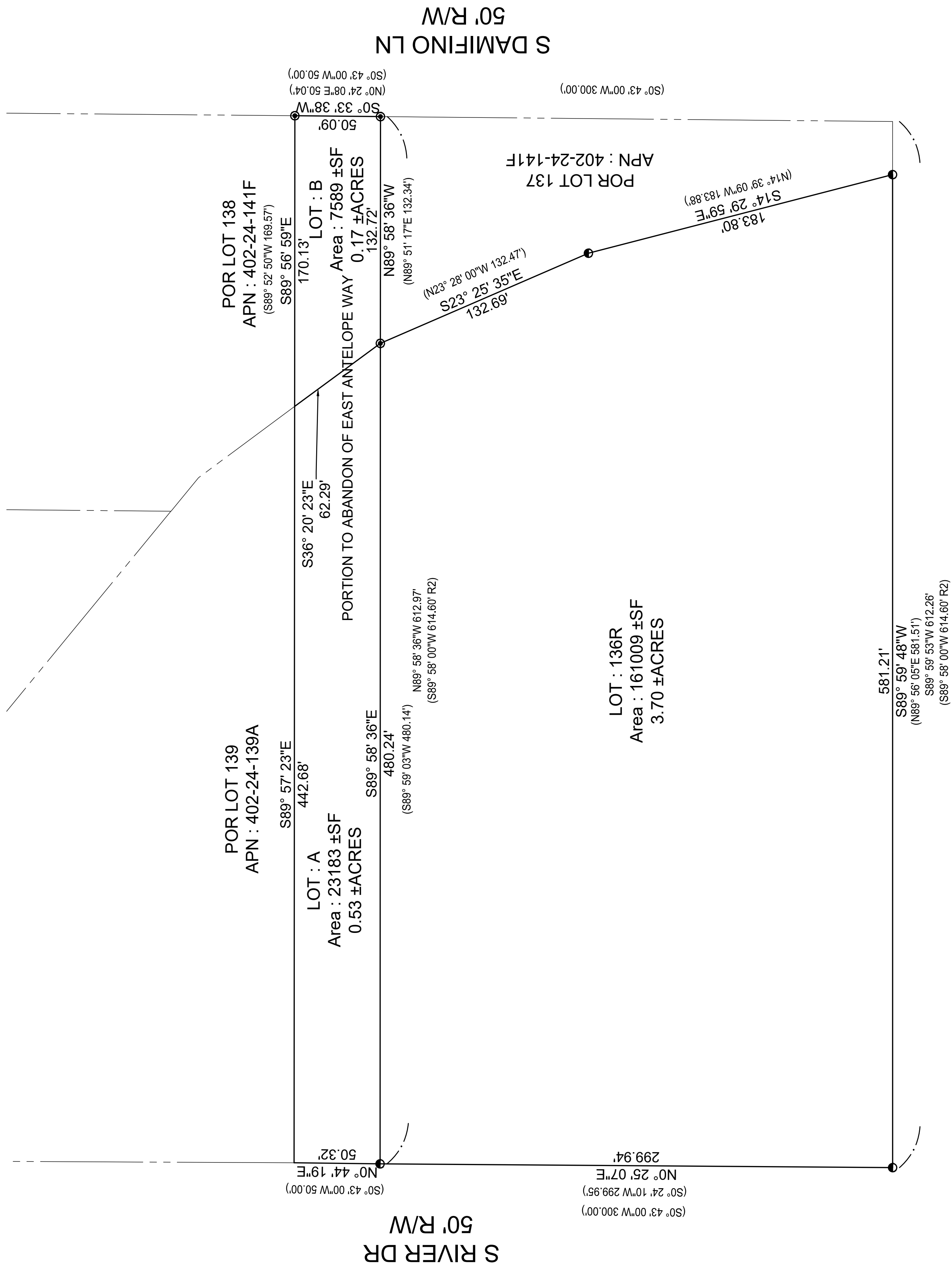
Council's pleasure.

Attachments:

Survey and Appraisal Document

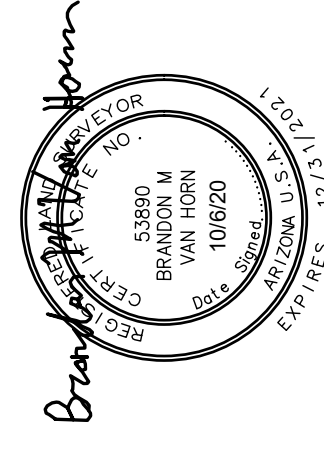
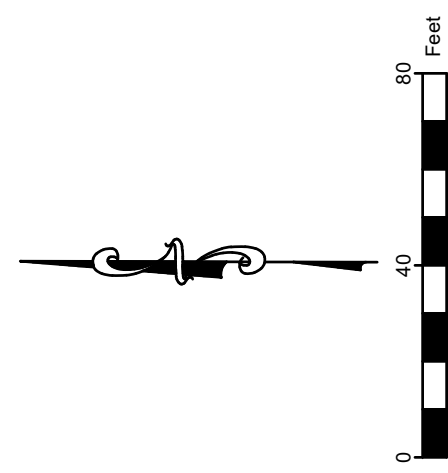
RECORD OF SURVEY

OF LOT 136 & A PORTION OF LOT 137, SIERRA DELLS 17/2 MAPS
SECTION 11, TOWNSHIP 13 NORTH, RANGE 1 EAST
GILA & SALT RIVER BASE & MERIDIAN
YAVAPAI COUNTY, ARIZONA



APPROVALS
APPROVED BY THE COMMUNITY DEVELOPMENT PLANNER OF THE TOWN OF DEWEY-HUMBOLDT ON THIS ____ DAY OF _____

COMMUNITY PLANNER



SURVEY PREPARED FOR:
VICTOR HAMBRICK

VH LAND SURVEY LLC
7555 E PHARLAP LANE
PRESCOTT VALLEY, AZ 86315
928-710-9700
VH@VH.LANDSURVEY.COM
WWW.VH.LANDSURVEY.COM

SURVEYED BY: Brandon Van Horn
HOR SCALE: 1" = 20'
PROJECT NO.: 20209
DATE: 10/22/20

SHEET NO. **1**
OF 1 SHEETS

EXHIBIT A

LOT A

A portion of East Antelope Way, located between Parcel 136, 137, 138, 139, as recorded Sierra Dells in Book 17 of Maps, Page 2, Yavapai County Recorder's Office, located in Section 11, Township 13 North, Range 1 East, of the Gila and Salt River Meridian, Yavapai County, Arizona described as follows:

BEGINNING at the Northwest corner of said Parcel 136, also being the intersection of the southerly right of way line of said Antelope Way and the Easterly right of way of River Drive in said Sierra Dells, from which the Southwest corner bears South 00° 25' 07" West, 299.94 feet, (of record South 00° 43' 00" West 300.00').

Thence along the extension of the Easterly right of way of River Drive in said Sierra Dells North 00° 44' 19" East, 50.32 feet (of record North 00° 43' 00" East 50.00');

Thence along the Northerly right of way of said Antelope Way, South 89° 57' 23" East, 442.68 feet (of record North 89° 58' 00" East);

Thence, South 36° 20' 23" East, 62.29 feet;

Thence along the Southernly right of way of said Antelope Way, North 89° 58' 36" West, 480.24 feet to the POINT OF BEGINNING;

Said described parcel contains 23183 square feet (0.53 acres), more or less, subject to any and all easements, reservations, restrictions and conveyances of record.



EXHIBIT A

LOT B

A portion of East Antelope Way, located between Parcel 137 & 138 as recorded Sierra Dells in Book 17 of Maps, Page 2, Yavapai County Recorder's Office, located in Section 11, Township 13 North, Range 1 East, of the Gila and Salt River Meridian, Yavapai County, Arizona described as follows:

COMMENCING at the Northwest corner of said Parcel 136, also being the intersection of the southerly right of way line of said Antelope Way and the Easterly right of way of River Drive in said Sierra Dells, from which the Southwest corner bears South 00° 25' 07" West, 299.94 feet, (of record South 00° 43' 00" West 300.00').

Thence along the extension of the Easterly right of way of River Drive in said Sierra Dells North 00° 44' 19" East, 50.32 feet (of record North 00° 43' 00" East 50.00');

Thence along the Northerly right of way of said Antelope Way, South 89° 57' 23" East, 442.68 feet (of record North 89° 58' 00" East) to the POINT OF BEGINNING;

Thence along the Northerly right of way of said Antelope Way, South 89° 56' 59" East, 170.13 feet (of record North 89° 58' 00" East);

Thence, South 00° 33' 38" West, 50.09 feet (of record South 00° 43' 00" West 50.00');

Thence along the Southernly right of way of said Antelope Way, North 89° 58' 36" West, 132.72 feet;

Thence North 36° 20' 23" West, 62.29 feet to the POINT OF BEGINNING;

Said described parcel contains 7589 square feet (0.17 acres), more or less, subject to any and all easements, reservations, restrictions and conveyances of record.



AN APPRAISAL REPORT
CONTAINING THE RESULTS OF
AN APPRAISAL OF
VACANT LAND
LOCATED ON
ANTELOPE WAY
DEWEY-HUMBOLDT, ARIZONA

HUCK APPRAISAL OFFICE

Robert C. Huck, MAI
724 Gail Gardner Way • Prescott, Arizona 86305
Phone (928) 778-7171 • Email: hanainc@cableone.net

October 29, 2020

Mr. Victor Hambrick
P.O. Box 447
Dewey, Arizona 86327-0447

Re: An appraisal of vacant land located on Antelope Way in Dewey-Humboldt, Arizona.

Dear Mr. Hambrick:

In accordance with our agreement as outlined in our engagement letter dated October 9, 2020, I hereby transmit the attached appraisal report which contains the result of my appraisal of the subject property. The report sets forth my value conclusion, along with supporting data and reasoning which form the basis of my opinions. This letter is, by reference, made a part of the accompanying report.

The purpose of the appraisal is provide an opinion of the market value of the subject property as impacted by legal status and atypical shape. The client for the assignment is Victor Hambrick. The intended use of the appraisal is to establish a potential sale price for the subject property. The intended user of the appraisal is Victor Hambrick to assist in his decisions regarding the property. No other parties are authorized to rely upon this report without the express written consent of the appraiser.

The results of the appraisal are reported in the attached appraisal report, which contains 41 pages. This Appraisal Report is intended to comply with the reporting requirements set forth under Standard Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.

October 29, 2020
Mr. Hambrick:
Page Two

This report is also intended to have been prepared in accordance with:

- All requirements of the Uniform Standards of Professional Appraisal Practice (USPAP) as provided by the Appraisal Foundation;
- The Code of Professional Ethics, the Standards of Professional Appraisal Practice, and any additional requirements of the Appraisal Institute, of which I am a member.

By reason of my investigation and having given careful consideration to the factors which affect real estate value, I have concluded the following market value of the fee simple interest in subject property Lot A, 'As Is', as of October 17, 2020:

**SIX THOUSAND, NINE HUNDRED FIFTY FIVE DOLLARS
(\$6,955)**

By reason of my investigation and having given careful consideration to the factors which affect real estate value, I have concluded the following market value of the fee simple interest in subject property Lot B, 'As Is', as of October 17, 2020:

**ONE THOUSAND, ONE HUNDRED THIRTY EIGHT DOLLARS
(\$1,138)**

The conclusions of this appraisal are subject to the Standard Assumptions and Limiting Conditions contained in the Addenda of this report. In addition, the conclusions are also made in consideration of the following Extraordinary Assumptions and/or Hypothetical Conditions, as discussed in the report. The use of an extraordinary assumption and/or hypothetical condition might have an effect on the assignment results.

1. The client has advised the appraiser that the Town of Dewey-Humboldt and the property owners agree that the land contained in the subject parcels has been designated as a portion of Antelope Way. Both parties agree that the land is not likely to be used as a public right of way. It is an extraordinary assumption of this appraisal that this agreement is substantially accurate. If other expectations regarding the ownership, use, utility and/or value of the land in the larger parcel are revealed, the results of this appraisal may require revision.

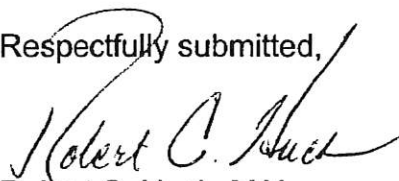
October 29, 2020
Mr. Hambrick:
Page Three

2. The client has advised the appraiser that the Town of Dewey-Humboldt and the property owners agree that the valuation of the subject parcels should reflect the actual sizes, shapes, utility as impacted by its designation as a public right of way, and other characteristics of the land. It is an extraordinary assumption of this appraisal that this agreement is substantially accurate.
3. It is a hypothetical condition of this appraisal that the rights to the properties being appraised are the fee simple estate.
4. It is a hypothetical condition of this appraisal that the land contained in the subject easement is vacant land without any improvements.

I hereby disclose that I personally inspected the subject property on October 17, 2020. No one provided significant real property appraisal assistance to Robert C. Huck, MAI, the person signing this report.

I hereby certify that I have no interest, present or prospective, in the subject property, and that the appraisal assignment was 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. I further certify that to the best of my knowledge and belief, the statements and opinions contained in the appraisal are correct, subject to the limiting conditions expressed herein.

Respectfully submitted,



Robert C. Huck, MAI
Certified General Real Estate Appraiser
Certificate No. 30123

AN APPRAISAL REPORT
CONTAINING THE RESULTS OF
AN APPRAISAL OF
VACANT LAND
LOCATED ON
ANTELOPE WAY
DEWEY-HUMBOLDT, ARIZONA

PREPARED FOR

MR. VICTOR HAMBRICK
P.O. BOX 447
DEWEY, ARIZONA 86327-0447

PREPARED BY

ROBERT C. HUCK, MAI
CERTIFIED GENERAL REAL ESTATE APPRAISER
CERTIFICATE NO. 30123

OF

HUCK APPRAISAL OFFICE
724 GAIL GARDNER WAY
PRESCOTT, ARIZONA 86305
(928) 778-7171

EFFECTIVE DATES OF VALUE
OCTOBER 17, 2020

DATE OF REPORT
OCTOBER 29, 2020

CERTIFICATION

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. 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.
4. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. 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.
8. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
9. I have made a personal inspection of the property that is the subject of this report.
10. No one provided significant real property appraisal assistance to Robert C. Huck, MAI, the person signing this certification.
11. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

CERTIFICATION

Page Two

13. As of the date of this report, I, Robert C. Huck, MAI, have completed the continuing education program for Designated Members of the Appraisal Institute.
14. The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
15. I hereby certify that I am competent to complete the appraisal assignment. The reader is referred to the appraiser's Statement of Qualifications contained in the Addenda.
16. All extraordinary assumptions, hypothetical conditions and limiting conditions imposed by the terms of the assignment or by the undersigned, affecting the analysis, opinions and conclusions contained in this report are contained herein.
17. No change of any item of the appraisal report shall be made by anyone other than the Appraiser, and if changed, the Appraiser shall have no responsibility for any such unauthorized change.

VALUE CONCLUSIONS

Subject property Lot A is a $\pm 23,183$ square foot or $\pm .53$ acre parcel of vacant land. The property is located on Antelope Way in Dewey-Humboldt, Arizona. The property is identified in the Yavapai County Assessor's Office as a portion of Assessor's Parcel # 800-27-003C. The legal description for the property is a metes and bounds described parcel in Section 11, Township 13 North, Range 1 East, of the Gila & Salt River Base & Meridian, Yavapai County, Arizona.

By reason of my investigation and having given careful consideration to the factors which affect real estate value, I have concluded the following market value of the fee simple interest in subject property Lot A, 'As Is', as of October 17, 2020:

**SIX THOUSAND, NINE HUNDRED FIFTY FIVE DOLLARS
(\$6,955)**

Subject property Lot B is a $\pm 7,589$ square foot or $\pm .17$ acre parcel of land. The property is located on Antelope Way in Dewey-Humboldt, Arizona. The property is identified in the Yavapai County Assessor's Office as a portion of Assessor's Parcel # 800-27-003C. The legal description for the property is a metes and bounds described parcel in Section 11, Township 13 North, Range 1 East, of the Gila & Salt River Base & Meridian, Yavapai County, Arizona.

CERTIFICATION

Page Three

By reason of my investigation and having given careful consideration to the factors which affect real estate value, I have concluded the following market value of the fee simple interest in subject property Lot B, 'As Is', as of October 17, 2020:

**ONE THOUSAND, ONE HUNDRED THIRTY EIGHT DOLLARS
(\$1,138)**

The conclusions of this appraisal are subject to the Standard Assumptions and Limiting Conditions contained in the Addenda of this report. In addition, the conclusions are also made in consideration of the following Extraordinary Assumptions and/or Hypothetical Conditions, as discussed in the report. The use of an extraordinary assumption and/or hypothetical condition might have an effect on the assignment results.

1. The client has advised the appraiser that the Town of Dewey-Humboldt and the property owners agree that the land contained in the subject parcels has been designated as a portion of Antelope Way. Both parties agree that the land is not likely to be used as a public right of way. It is an extraordinary assumption of this appraisal that this agreement is substantially accurate. If other expectations regarding the ownership, use, utility and/or value of the land in the larger parcel are revealed, the results of this appraisal may require revision.
2. The client has advised the appraiser that the Town of Dewey-Humboldt and the property owners agree that the valuation of the subject parcels should reflect the actual sizes, shapes, utility as impacted by its designation as a public right of way, and other characteristics of the land. It is an extraordinary assumption of this appraisal that this agreement is substantially accurate.
3. It is a hypothetical condition of this appraisal that the rights to the properties being appraised are the fee simple estate.
4. It is a hypothetical condition of this appraisal that the land contained in the subject easement is vacant land without any improvements.

I hereby disclose that I personally inspected the subject property on October 17, 2020. No one provided significant real property appraisal assistance to Robert C. Huck, MAI, the person signing this report.

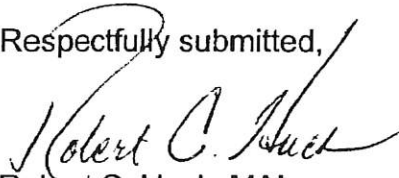
I hereby certify that I have no interest, present or prospective, in the subject property, and that the appraisal assignment was not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a

CERTIFICATION

Page Four

subsequent event directly related to the intended use of this appraisal. I further certify that to the best of my knowledge and belief, the statements and opinions contained in the appraisal are correct, subject to the limiting conditions expressed herein.

Respectfully submitted,

A handwritten signature in cursive script that reads "Robert C. Huck". The signature is written in black ink and is positioned above the printed name.

Robert C. Huck, MAI
Certified General Real Estate Appraiser
Certificate No. 30123

SUMMARY OF CONCLUSIONS

PROPERTY NAME: Antelope Way Right of Way

PROPERTY ADDRESS: Antelope Way, Dewey-Humboldt, AZ

PROPERTY TYPE: Vacant Land (see hypothetical condition)

ASSESSOR'S PARCEL #,
Subject Parcel Lot A: Portion of 800-27-003C (Yavapai County)
Subject Parcel Lot B: Portion of 800-27-003C (Yavapai County)

EFFECTIVE DATE OF VALUE: October 17, 2020

DATE OF REPORT: October 29, 2020

ZONING: Town of Dewey-Humboldt, R1-70

LAND AREA,
Subject Parcel Lot A: ±23,183 Square Feet or .53 Acres
Subject Parcel Lot B: ± 7,589 Square Feet or .17 Acres

BUILDING AREA: N/A

HIGHEST AND BEST USE,
As Vacant: Low density, single family residential development.
As Improved: N/A

EXPOSURE TIME: N/A

CONCLUSIONS OF VALUE:

Subject Parcel Lot A

Sales Comparison Approach:	\$6,955
Final Conclusion of Value:	\$6,955

Subject Parcel Lot B

Sales Comparison Approach:	\$1,138
Final Conclusion of Value:	\$1,138

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ADDENDA

- Subject Photos
- Land Survey
- Legal Descriptions
- Zoning Ordinance
- Comparable Location Map
- Comparable Photos
- Letter of Engagement
- Certification
- Standard Assumptions and Limiting Conditions
- Appraiser's State Certificate
- Appraiser's Qualifications

PREMISES OF THE APPRAISAL

PURPOSE OF THE APPRAISAL

The purpose of the appraisal is to provide an opinion of the market value of the two subject properties as impacted by legal status and atypical shape.

IDENTIFICATION OF THE CLIENT

The client for this appraisal assignment is Victor Hambrick.

INTENDED USES OF THE APPRAISAL

The intended use of the appraisal is to establish a potential sale price for the subject property.

INTENDED USER OF THE APPRAISAL

The intended user of the appraisal is Victor Hambrick to assist in his decisions regarding the property. No other parties are authorized to rely upon this report without the express written consent of the appraiser.

DEFINITION OF MARKET VALUE

The value addressed in the appraisal of the subject property is *market value*.

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

- 1. Buyer and seller are typically motivated;*
- 2. Both parties are well informed or well advised, and acting in what they consider their own best interests;*
- 3. A reasonable time is allowed for exposure in the open market;*
- 4. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto;*
- 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.¹*

¹ Rules and Regulations, Federal Register, Vol. 55, No. 165, page 34696 and 12 CFR 34.42.

DEFINITION OF "AS IS" PREMISE

The valuation premise addressed in this appraisal is the 'As Is' premise.

"Market Value as is" on appraisal date means an estimate of the market value of a property in the condition observed upon inspection and as it physically and legally exists without hypothetical conditions, assumptions, or qualifications as of the date the appraisal is prepared.²

DEFINITION OF EXTRAORDINARY ASSUMPTION

An extraordinary assumption is defined as:

An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions.³

Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

The client has advised the appraiser that the Town of Dewey-Humboldt and the property owners agree that the land contained in the subject parcels has been designated as a portion of Antelope Way. Both parties agree that the land is not likely to be used as a public right of way. It is an extraordinary assumption of this appraisal that this agreement is substantially accurate. If other expectations regarding the ownership, use, utility and/or value of the land in the larger parcel are revealed, the results of this appraisal may require revision.

The client has advised the appraiser that the Town of Dewey-Humboldt and the property owners agree that the valuation of the subject parcels should reflect the actual sizes, shapes, utility as impacted by its designation as a public right of way, and other characteristics of the land. It is an extraordinary assumption of this appraisal that this agreement is substantially accurate.

1. It is a hypothetical condition of this appraisal that the rights to the properties being appraised are the fee simple estate.
2. It is a hypothetical condition of this appraisal that the land contained in the subject easement is vacant land without any improvements.

² Appraisal Policies and Practices of Insured Institutions and Service Corporations, Federal Home Loan Bank Board, "Final Rule", 12 CFR 34.42(g)

³ Uniform Standards of Professional Appraisal Practice, 2016 - 2017 Edition.

DEFINITION OF HYPOTHETICAL CONDITION

A *hypothetical condition* is defined as:

*A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.*⁴

Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

It is a hypothetical condition of this appraisal that the rights to the properties being appraised are the fee simple estate.

It is a hypothetical condition of this appraisal that the land contained in the subject easement is vacant land without any improvements.

PROPERTY RIGHTS APPRAISED

As identified in a hypothetical condition of this appraisal, the rights to the property being appraised are the *fee simple estate*. The *fee simple estate* is defined as:

*Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.*⁵

EFFECTIVE DATE OF VALUE

The effective date of value for the property is October 17, 2020. The formal inspection of the property was made on this date by Robert C. Huck, MAI.

DATE OF THE REPORT

The date of the report is October 29, 2020.

⁴ Uniform Standards of Professional Appraisal Practice, 2014 - 2015 Edition.

⁵ The Appraisal of Real Estate, Tenth Edition, page 122.

SCOPE OF THE APPRAISAL

The appraiser has personally inspected the subject property, subject neighborhood, and market area, and has gathered sufficient data to form an opinion of value for the subject property. Data has been gathered on comparable land sales and listings. Only one of the three widely recognized approaches to value, the sales comparison approach, is deemed to be applicable in the appraisal of the subject property. Therefore, all emphasis is placed on this approach.

The cost approach is not developed since the property is an unimproved parcel of vacant land.

The income capitalization approach is not developed since this approach to value is not typically relevant for vacant parcels of land in this market.

No one provided significant real property appraisal assistance to Robert C. Huck, MAI, the person signing this report.

In developing an opinion of value for the subject property, the appraiser has complied with the requirements of Standard 1 of the Uniform Standards of Professional Appraisal Practice (USPAP).

The results of the appraisal are reported in this Appraisal Report. This is an Appraisal Report which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. *Supporting documentation concerning the data, reasoning, and analyses, is retained in the appraiser's file and is available to the client during regular business hours.* The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.

This report is also intended to have been prepared in accordance with:

- All requirements of the Uniform Standards of Professional Appraisal Practice (USPAP) as provided by the Appraisal Foundation;
- The Code of Professional Ethics, the Standards of Professional Appraisal Practice, and any additional requirements of the Appraisal Institute, of which I am a member.

EXTRAORDINARY ASSUMPTIONS, HYPOTHETICAL & LIMITING CONDITIONS

The conclusions of this appraisal are subject to the Standard Assumptions and Limiting Conditions contained in the Addenda of this report. In addition, the conclusions are also made in consideration of the following Extraordinary Assumptions and/or Hypothetical Conditions, as discussed in the report. The use of an extraordinary assumption and/or hypothetical condition might have an effect on the assignment results.

1. The client has advised the appraiser that the Town of Dewey-Humboldt and the property owners agree that the land contained in the subject parcels has been designated as a portion of Antelope Way. Both parties agree that the land is not likely to be used as a public right of way. It is an extraordinary assumption of this appraisal that this agreement is substantially accurate. If other expectations regarding the ownership, use, utility and/or value of the land in the larger parcel are revealed, the results of this appraisal may require revision.
2. The client has advised the appraiser that the Town of Dewey-Humboldt and the property owners agree that the valuation of the subject parcels should reflect the actual sizes, shapes, utility as impacted by its designation as a public right of way, and other characteristics of the land. It is an extraordinary assumption of this appraisal that this agreement is substantially accurate.
3. It is a hypothetical condition of this appraisal that the rights to the properties being appraised are the fee simple estate.
4. It is a hypothetical condition of this appraisal that the land contained in the subject easement is vacant land without any improvements.

PRESENTATION OF DATA

PROPERTY IDENTIFICATION AND LEGAL DESCRIPTION

Subject property Lot A is a $\pm 23,183$ square foot or $\pm .53$ acre parcel of vacant land. The property is located on Antelope Way in Dewey-Humboldt, Arizona. The property is identified in the Yavapai County Assessor's Office as a portion of Assessor's Parcel # 800-27-003C. The legal description for the property is a metes and bounds described parcel in Section 11, Township 13 North, Range 1 East, of the Gila & Salt River Base & Meridian, Yavapai County, Arizona.

Subject property Lot B is a $\pm 7,589$ square foot or $\pm .17$ acre parcel of land. The property is located on Antelope Way in Dewey-Humboldt, Arizona. The property is identified in the Yavapai County Assessor's Office as a portion of Assessor's Parcel # 800-27-003C. The legal description for the property is a metes and bounds described parcel in Section 11, Township 13 North, Range 1 East, of the Gila & Salt River Base & Meridian, Yavapai County, Arizona.

STATEMENT OF OWNERSHIP OF THE APPRAISED PROPERTY

According to records found in the office of the Yavapai County Assessor, title to the subject property is currently held in the name of:

Town of Dewey-Humboldt
Dewey-Humboldt, AZ 86327

ECONOMIC HISTORY OF THE SUBJECT PROPERTY

According to data found in the Yavapai County Assessor's office, the subject property has been owned by the Town of Dewey-Humboldt and its predecessors for many years.

The property has not sold in the three years prior to the date of valuation. The appraiser is not aware of any pending sales, listings, offers, escrows, or options which involve the property during the three years prior to the date of valuation.

AREA DESCRIPTION - PRESCOTT VALLEY

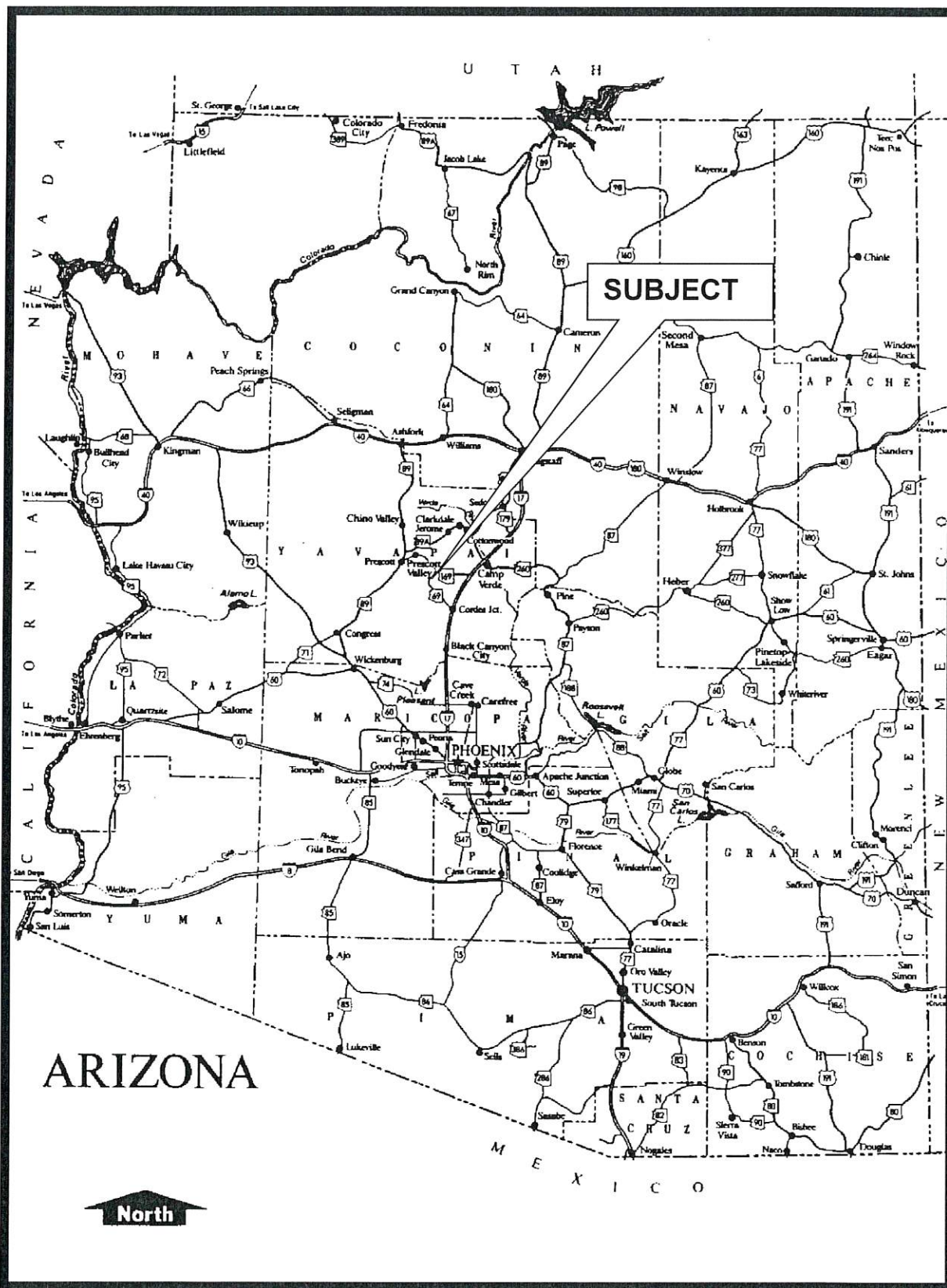
The subject property is located in the community of Dewey-Humboldt, just southeast of Prescott Valley. Dewey-Humboldt is a very small incorporated community which includes only a few commercial enterprises. However, it is tied closely to the much larger community of Prescott Valley. Therefore, a description of Prescott Valley is presented for the reader's consideration. Prescott Valley is tied to the City of Prescott geographically, economically, and socially and has historically been considered an extension of Prescott. However, the community has become increasingly independent and, until recently, has been one the fastest growing areas of the state.

Prescott Valley is located between the Bradshaw and Mingus Mountains approximately 85 miles northwest of Phoenix and 10 miles east of Prescott. It was established in 1966 and incorporated in 1978. It is situated at an elevation of 5,100 feet above sea level and offers an attractive year round climate. The scenic environment and desirable climate have been attracting new residents to the area for years. This is especially true of the retirement segment of the population, but also pertains to working age individuals and families.

Population growth in Prescott Valley was explosive for many years, although it has slowed as a result of the ongoing recession and real estate market slump. The estimated population within the town limits of the community during recent years is summarized below. The table also shows the annual compounded rates of increase since the previous year and 1980.

YEAR	POPULATION	INC/PREVIOUS	INC/2010
2019 (Est.)	46,458	2.8%/Yr.	2.0%/Yr.
2018 (Est.)	45,200	2.8%/Yr.	1.9%/Yr.
2017 (Est.)	43,950	4.3%/Yr.	1.8%/Yr.
2016 (Est.)	42,130	1.7%/Yr.	1.4%/Yr.
2015 (Est.)	41,415	2.2%/Yr.	1.3%/Yr.
2014 (Est.)	40,485	2.1%/Yr	1.1%/Yr
2013 (Est.)	39,667	1.8%/Yr	0.7%/Yr
2012 (Est.)	38,954	0.5%/Yr	0.2%/Yr
2011 (Est.)	38,769	(0.1%/Yr)	(0.1%/Yr)
			INC/1980
2010	38,822	(0.3%/Yr)	9.9%/Yr
2009 (Est.)	38,958	0.0%/Yr	10.3%/Yr
2008 (Est.)	38,962	1.6%/Yr	10.7%/Yr
2007 (Est.)	38,357	7.3%/Yr	11.1%/Yr
2006 (Est.)	35,740	6.4%/Yr	11.2%/Yr
2005 (Est.)	33,575	10.8%/Yr	11.4%/Yr
2004 (Est.)	30,315	6.5%/Yr	11.4%/Yr
2000:	23,535	8.0%/Yr	12.4%/Yr
1995:	16,043	12.5%/Yr	13.9%/Yr
1990:	8,904	10.2%/Yr	14.6%/Yr
1985:	5,471	19.1%/Yr	19.1%/Yr
1980:	2,284	N/A	N/A

AREA MAP



According to population estimates released in 2014, Prescott Valley has surpassed Prescott in population in spite of the slowdown in its growth over the past six years. One of the primary communities (along with Prescott, Chino Valley and Dewey-Humboldt) in Arizona's Central Highlands, Prescott Valley is a part of a market area which is supported by a population of approximately 150,000.

Prescott Valley has become a popular retirement community. In fact, Prescott Valley's percentage of population 65 years or older is around 32% compared to a state average of $\pm 14\%$. It may also be noted that the retirement age portion of the community has increased over the past several years. The high percentage of retired persons has had a significant impact upon the economy, growth, and government of Prescott Valley and is expected to remain the case in the future. In fact, Yavapai County has become a prime area for retirement and elderly health care facilities. Nearby Prescott was once named the #1 place in the U.S. to retire by Money magazine.

A wastewater treatment plant, sewer system, road paving projects, natural gas lines and telephone fiber optic lines constructed in the 1990's and early 2000's will serve the community well into the 21st century. Furthermore, a new downtown has been and continues to be developed north of the major shopping centers on the north side of Highway 69. This new central business district (CBD) houses the Town Government offices, Police Station, and Library as well as many other traditional CBD uses. The absence of a downtown in Prescott Valley, once thought to be a shortcoming of the community, now provides a unique opportunity to design and construct a new business district tailored to the needs of the community.

The demand for the Prescott Valley area has traditionally stemmed primarily from the low cost of housing, which has always been moderately priced in relation to comparable housing in Prescott. However, in recent years the diminishing supply and continued appreciation in Prescott residential real estate, coupled with the rapid growth in Prescott Valley have resulted in marked increases in single family lot and home values. Single family dwelling prices increased from the \$50,000 to \$70,000 range in the early 1980's to \$200,000 to \$400,000 at the height of the market in the second quarter of 2006. Single family residential lots also increased from around the \$5,000 - \$8,000 range to \$40,000 to over \$100,000 over the past few decades, although they declined sharply during the real estate market slump. As expected, they have rebounded well over the past several years.

While appreciation was rapid for many years, the ongoing slumping real estate market has resulted in a pronounced decline in residential values. According to Zillow.com, the Home Value Index decreased from around \$254,000 in July, 2006 to \$132,000 in August of 2011. This decline represents a decrease of around 48% from the height of the market. According to the same source, the Home Value Index is currently \$245,000 which represents an increase of approximately 7.3% in the past 12 months.

The economy of the region has generally been healthy over the longer term, although the recent economic and real estate slumps slowed the rate of population and economic growth from around 2008 until 2013. The unemployment rate for the general Prescott market area is estimated to be around 5%. Over the longer term, the growth in light manufacturing and distribution plants and the introduction of a number of branch offices and satellite stores have expanded the economic base considerably. Although manufacturing and retirement remain economic mainstays, the economy in Prescott Valley has traditionally been dependent upon continued in-migration. With the lack of growth in population, and the overexpansion of the housing stock prior to 2006, construction in the community was very slow for several years. However, new construction began to accelerate in 2012 and has continued to the present.

Until fairly recently, Prescott Valley was thought of mostly as a bedroom community to Prescott, most of the employment, medical, recreational and shopping facilities being located in Prescott. However, numerous new light industrial concerns are locating in Prescott Valley, expanding the employment base. The area's economy is comprised of industry, manufacturing, retail and service businesses.

A strategically planned new downtown, regional shopping center and cross-town highway offer many of the new development opportunities. Representative of increasing retail and professional concerns locating in the community are the K-Mart Store (closing April 1, 2016), Kohl's, Super WalMart, Fry's Grocery Store, and a recently closed grocery store (most recently Haggen's; previously Albertson's). In addition, the new Prescott Valley Crossroads Shopping Center which straddles Highway 69 opened circa 2008. This new retail center will contain approximately 600,000 square feet of retail space situated on both the north and south sides of Highway 69. Among the businesses already open in the center are Sam's Club, Home Depot, Cracker Barrel, Chase Bank, TJ Maxx, Sprouts Food Stores and Dick's Sporting Goods. Other newly opened businesses in the area include Tractor Supply Company, Goodwill Industries, Culver's Restaurant and 'Little Dealer/Little Prices' RV sales and service.

Prescott Valley has emerged as the center of manufacturing growth in Yavapai County, attracting several of the area's most prominent businesses. The MI Windows & Doors plant has for many years been among the area's largest employers with over 200 employees. The 663,000 square foot Ace Hardware Building is a regional distribution warehouse and one of the largest buildings in the county. It employs around 200 people. Printpack, which manufactures printed packaging materials for worldwide distribution, employs around 130 people. The advent of these businesses is evidence of Prescott Valley's ability to attract new major businesses to the area. The town offers advantages over Prescott in these areas due to affordable, buildable land and easier interstate highway access.

Another significant economic stimulus is the area had been the presence of the Lockheed Martin facility which occupies a 50,000 square foot commercial building built on speculation in 2002. However, this facility has been vacated and is now available for sale or lease. The Lockheed facility had been one of three in the country which replace the

Federal Aviation Administration's Automated Flight Service Stations. The Prescott Valley facility was the only one of the three new centers designated as a training facility. Lockheed had employed approximately 140 employees with the potential to expand. Other fairly recent additions to the community include a \$61 million regional medical center and \$15 million regional rehabilitation hospital. The Yavapai Regional Medical Center which operates these facilities employs approximately 600 people in the area.

This area of Prescott Valley is also the entertainment nucleus of the community. A 16-screen Harkin's Theater opened in April 2001 and the new Prescott Valley Events Center, until recently known as the Findlay Toyota Center, opened in 2006. This facility has been home to a minor league professional ice hockey and an Arena football teams although both of these teams folded. The Northern Arizona Suns, a minor league affiliate of the NBA's Phoenix Suns, began play in the arena in the fall of 2016 but terminated their operation in the summer of 2020. The parent Phoenix Suns Organization reports that the discontinuation of the minor league team reflected a change in basketball operations for the franchise. However, there is also speculation that tepid local support of the team and/or the impact of COVID-19 were also factors in the decision. In addition, the facility hosts other recreational and entertainment events.

According to the Town of Prescott Valley, the major employers in the area are:

Humboldt Unified School District:	804
Yavapai Regional Medical Center, East:	733
MI Windows and Doors:	350
Walmart:	329
Town of Prescott Valley:	318
Ace Hardware Retail Support Dist.	255
Fry's Food Store:	230
Mountain Valley Rehabilitation Hospital:	225

(Data based on 9/3/2019 report)

Prescott Valley is governed by a mayor and six Council members in conjunction with a town manager who is supported by a growing full time staff. The town has its own zoning code which provides for a variety of commercial, industrial, single and multi-family land uses. Prescott Valley is a part of the Humboldt Unified School District, which serves the areas of Prescott Valley, Dewey and Humboldt.

CONCLUSION

The abundant and relatively inexpensive supply of building sites in Prescott Valley, the quality of life, and the long term health of the economy in the region, create a fertile environment for future growth in the community. As the supply of available and buildable property diminishes in Prescott proper, Prescott Valley is expected to absorb much of the growth in the area. Prescott Valley has also outpaced Prescott in attracting manufacturing concerns to the area. Historically, impediments to growth have been the

lack of a well-developed, paved street network, and absence of central sewage treatment plants. However, the installation of a central sewer system, natural gas network, improvements to the roadway system, and an emerging new downtown should ensure growth in the area. Still, it must be noted that growth in the area has slowed considerably in the past seven years relative to the preceding decades. Most forecasts predict a much more modest level of growth in coming years.

Value appreciation for many types of properties in the community had been moderate or flat until the early 1990's. The same abundance of land that allowed rapid growth also restricted increases in value. However, commercial and residential properties appreciated rapidly from the mid '90's until 2006. Around this time the increases in values reversed with the onset of the recession and the accompanying real estate slump. Values for virtually all commercial and residential properties declined significantly from around 2006 or 2007 to around 2012. The decline in the value index for single family residential properties was approximately 44%. The downward trend reversed and the home value index began to increase in 2012 and the home value index has increased by approximately 107% since the bottom of the market around November, 2011. Evidence of increases in commercial properties has also been noted.

Downside risks to the bright long term economic forecast in Prescott Valley include such possibilities as: interest rates increasing to a point which would stifle new development (not a threat in the current economic climate), housing prices already high by comparison with some areas in the country, continuing to rise, making the area too expensive; and inadequate employment opportunities for middle aged in-migrants. However, these risks are counterbalanced by the fact that the primary cities of the Central Highlands (Prescott, Prescott Valley, Chino Valley and Dewey-Humboldt) area have been 'discovered'.

The Prescott area is attractive to businesses looking to relocate due to its high quality of life and an abundant and relatively well-educated and well-trained workforce. However, it is not well suited for businesses which require rail service, immediate access to an interstate highway or which have high water usage requirements.

NEIGHBORHOOD ANALYSIS – DEWEY-HUMBOLDT/MAYER

The subject property is located in the newly incorporated town of Dewey-Humboldt. This area is located just off of Highway 69 between Prescott Valley and Interstate Highway 17. This area is often referred to as the Dewey/Humboldt/Mayer area or market.

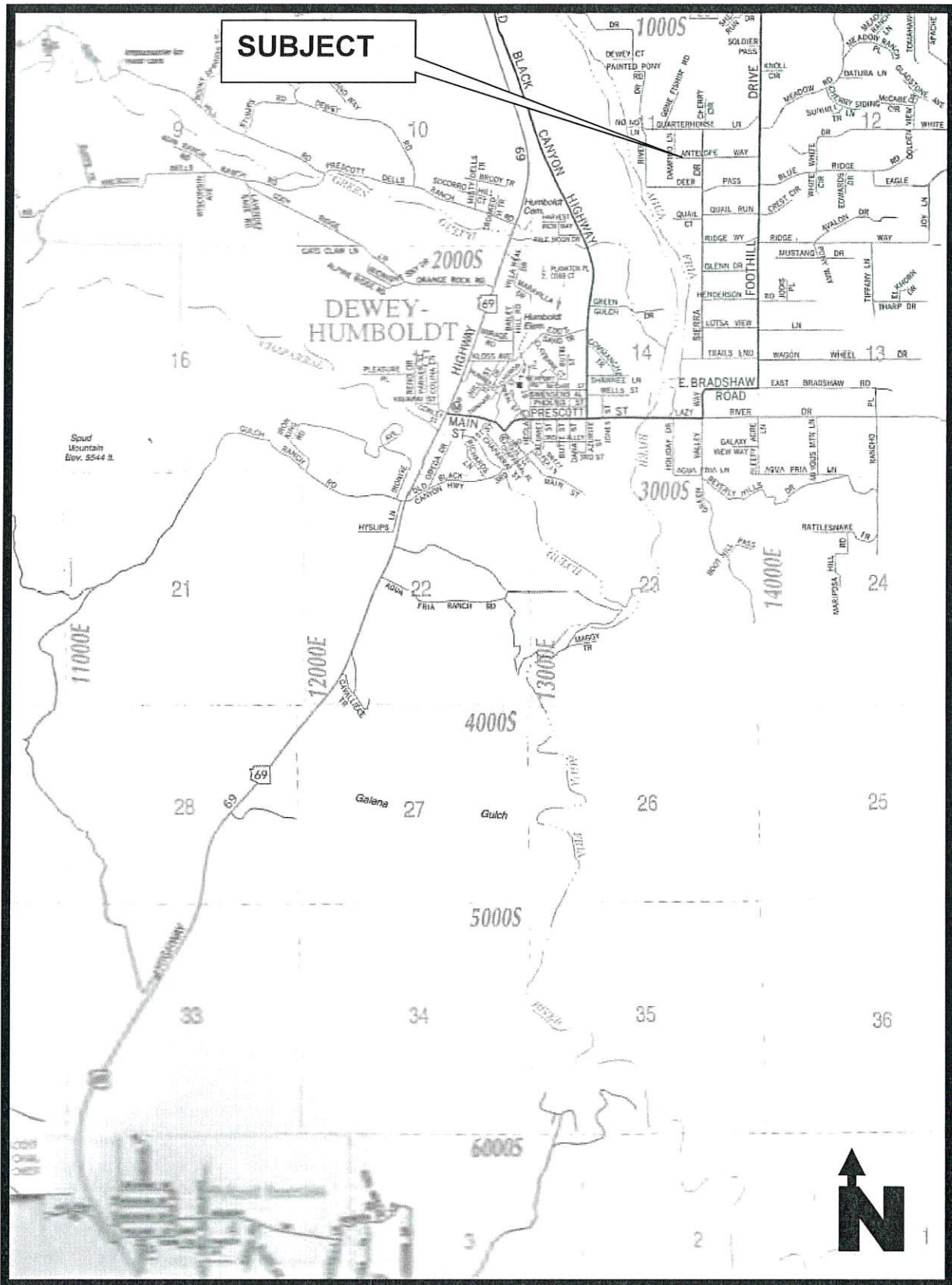
Dewey is located at the intersection of Highways 69 and 169. Humboldt is just a mile farther to the south, while Mayer is some five miles farther to the south and east. Beyond Mayer, Highway 69 leads southeast to Cordes Junction and Interstate Highway 17. Interstate 17 leads south to Phoenix and north to Flagstaff. North of Dewey, Highway 69 passes through Prescott Valley, then northwest to Prescott and the surrounding unincorporated areas. Highway 169 is the most significant road which intersects the Highway 69 Corridor in the Dewey-Humboldt/Mayer area. It extends east across largely undeveloped land and also intersects with Interstate 17.

Because of the small size of the towns in the corridor, only a few essential goods and services are available. The commercial concerns within the Dewey-Humboldt/Mayer area include service stations, cafes, a few retail businesses, real estate offices, building supply center, bank, antique stores and a few concerns dealing with agricultural services and supplies. A medical facility, fire station, post office, and bed & breakfast inn have been constructed over recent years on Highway 169. Few primary businesses are located in the area, as many residents are employed in Prescott or Prescott Valley.

Most of the residences in the Dewey-Humboldt/Mayer area are rural properties, often including several acres. Many of the residents keep horses, cattle and other farm and ranch animals. Dwellings in the area are typically fair to average in quality, with few large, expensive residences. However, a greater number of more expensive homes are being developed in the area. For many years, residential growth was steady, although it has slowed with the recession and the real estate market slump. In addition, a large mobile home park is situated just north of the intersection of Highway 69 and Highway 169. A significant number of smaller, urban-sized lots are also located in the area, many of which are contained in Spring Lakes, a small community just south of Mayer.

The area is served by the Humboldt Unified and Mayer School Districts. Most businesses and shopping needs are supplied in Prescott and Prescott Valley. Law enforcement is supplied by the Yavapai County Sheriff's Department and fire protection is by the Central Yavapai Fire Department.

NEIGHBORHOOD MAP



The properties surrounding the subject property include:

North: Low density, single family, rural residential properties and vacant parcels.

South: Low density, single family, rural residential properties and vacant parcels.

East: Low density, single family, rural residential properties and vacant parcels.

West: Low density, single family, rural residential properties and vacant parcels.

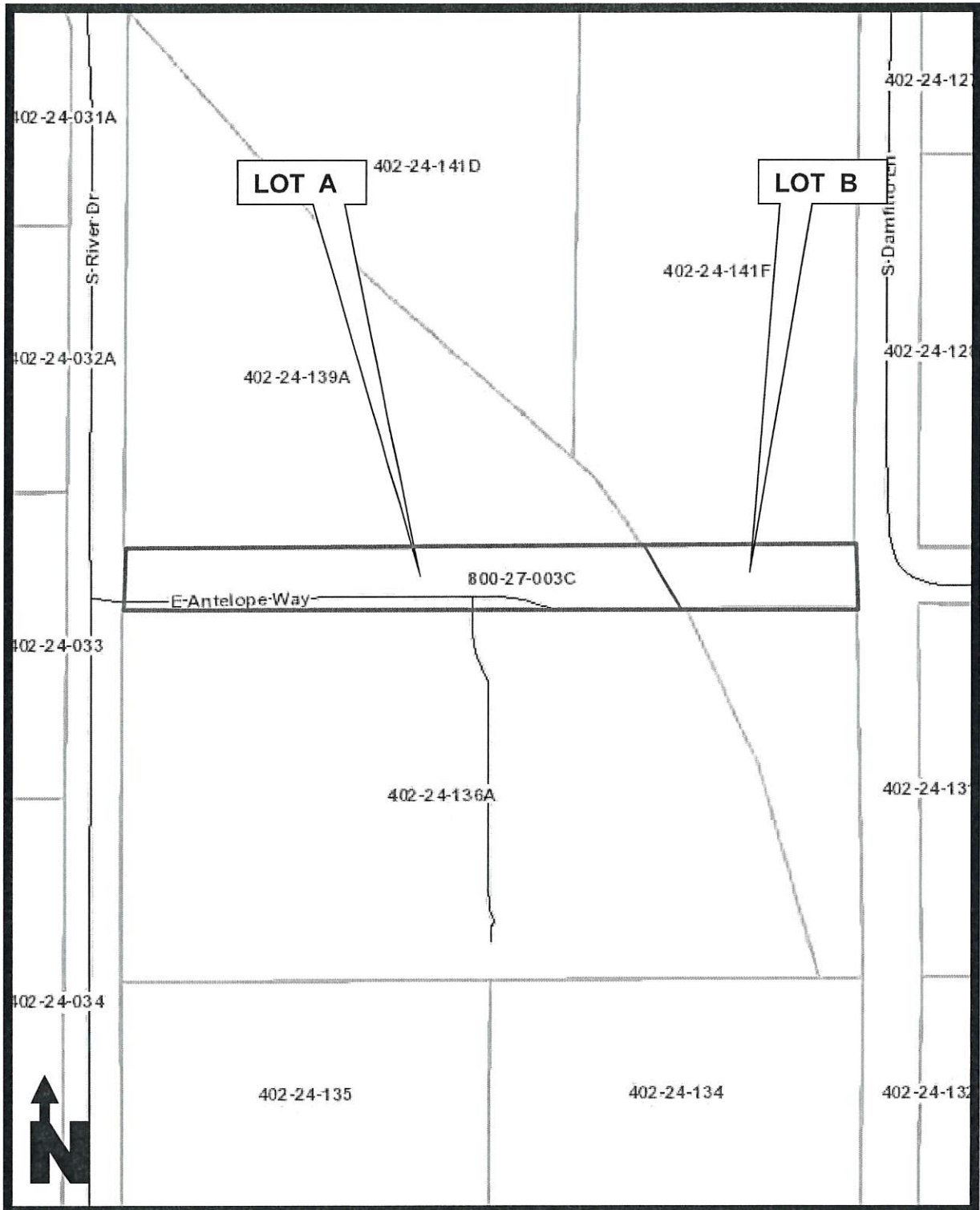
Utilities in the area include electric power, and telephone. Water service is typically by onsite water wells and sewage disposal is by onsite septic tanks and leach field systems. Propane is available via private venders.

PARCEL DESCRIPTIONS

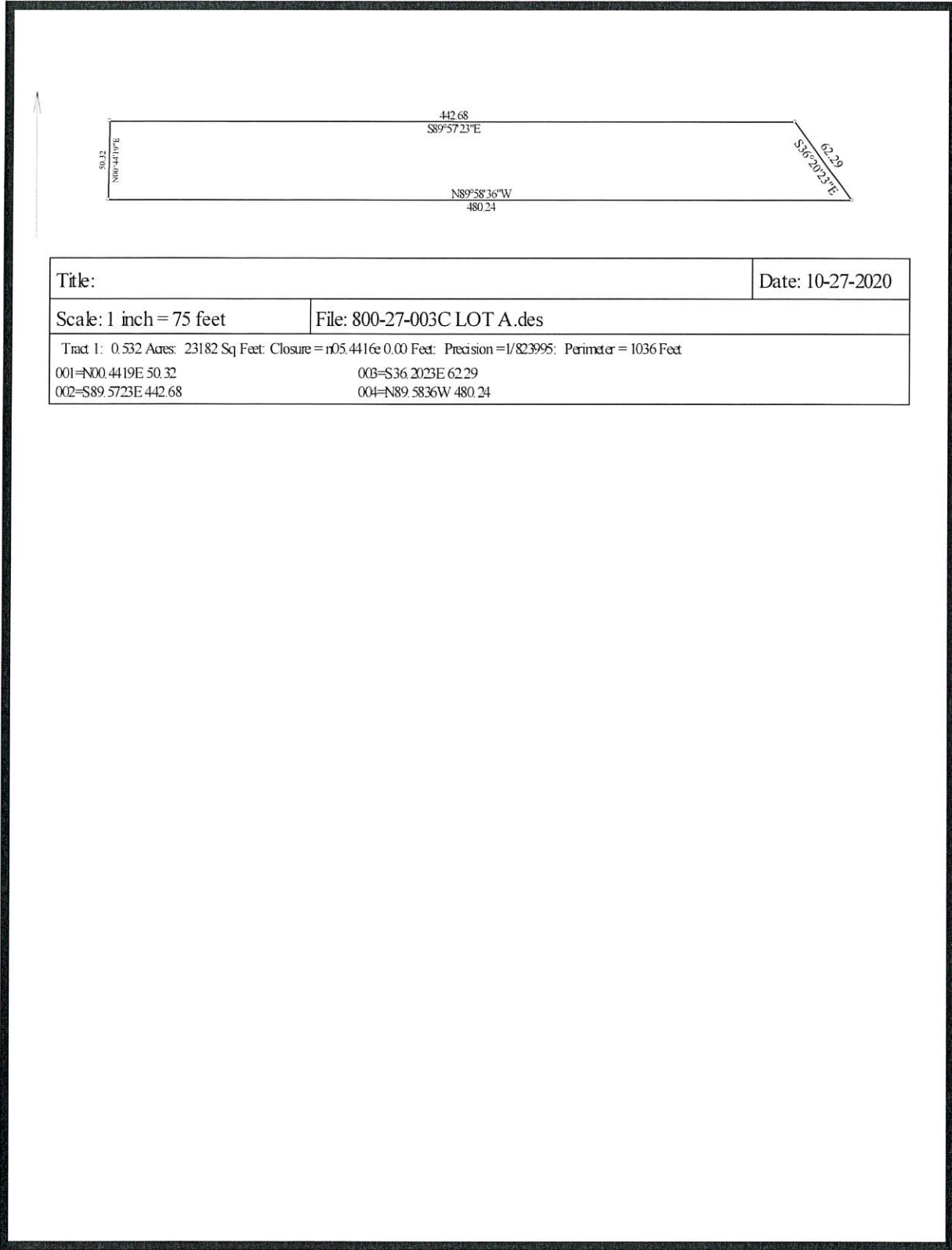
The subject parcels are depicted in the diagram on the following page, which is a portion of the Town of Dewey-Humboldt. The parcels are described as follows.

- DIMENSIONS:** Lot A: 50.32' x 442.68' x 62.29' x 480.24'
Lot B: 170.13' x 50.09' x 132.72' x 62.29'
Based on the legal descriptions for the property.
- SIZE:** Lot A: ±23,183 SF or ±.53 acres
Lot B: ± 7,589 SF or ±.17 acres
Based on the legal description and land survey, and substantially confirmed by a deed plotter program employed by the appraiser.
- FRONTAGE:** The parcels are portions of the existing Antelope Way right of way which intersects with River Drive. Therefore, it may be noted that the parcels have frontage on River Drive.
- POSITION:** The parcels are portions of Antelope Way which intersects with River Drive. Lot A contains the land which intersects with River Drive. As such, it has some of the characteristics of a corner parcel. However, if abandoned both lots would be identified as interior, rather than corner, parcels.
- SHAPE:** When Lots A and B are considered together, they form a long, narrow rectangle. However, when considered separately, they are narrow trapezoids. See parcel map.
- ACCESS:** From the north and south on River Drive to east on the existing Antelope Way right of way.
- STREET IMPROVEMENTS:** River Drive is an asphalt paved roadway with one lane of traffic in each direction. The road is not improved with curb, gutter, sidewalks or streetlights.
- It is a hypothetical condition of this appraisal that the land contained in the subject parcels is vacant. Therefore, no description of the existing minor improvements is warranted.

PARCEL MAP

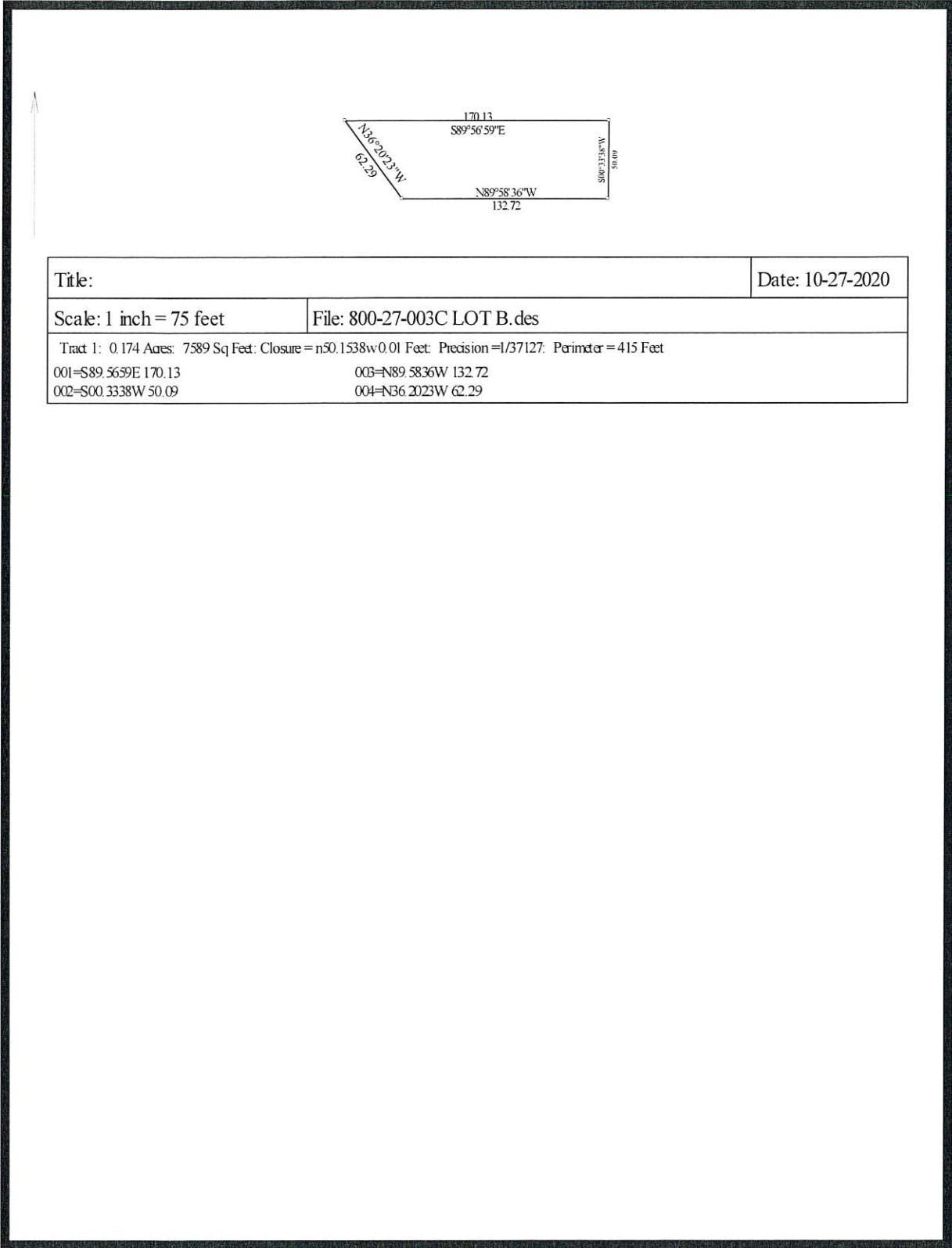


LAND AREA CALCULATIONS



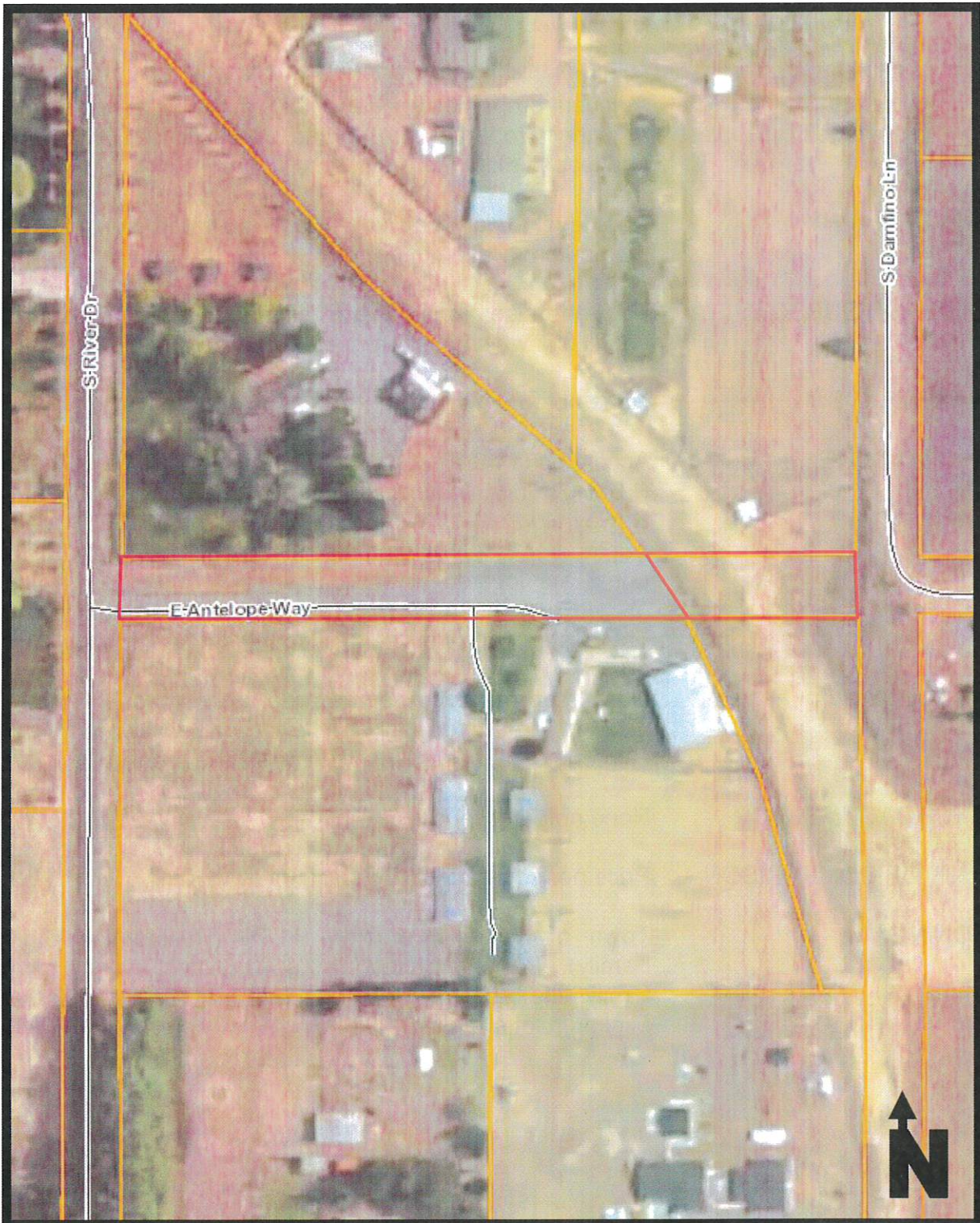
Title:	Date: 10-27-2020
Scale: 1 inch = 75 feet	File: 800-27-003C LOT A.des
Tract 1: 0.532 Acres: 23182 Sq Feet: Closure = n05.4416e 0.00 Feet: Precision = 1/823995: Perimeter = 1036 Feet	
001=N00.4419E 50.32	003=S36.2023E 62.29
002=S89.5723E 442.68	004=N89.5836W 480.24

LAND AREA CALCULATIONS



Title:	Date: 10-27-2020
Scale: 1 inch = 75 feet	File: 800-27-003C LOT B.des
Tract 1: 0.174 Acres: 7589 Sq Feet: Closure = n50.1538w0.01 Feet: Precision = 1/37127: Perimeter = 415 Feet	
001=S89.5659E 170.13	003=N89.5836W 132.72
002=S00.3338W 50.09	004=N36.2023W 62.29

AERIAL VIEW



UTILITIES: The parcels are served by utilities as noted below:
 Electricity: Arizona Public Service
 Natural Gas: None
 Telephone: CenturyLink
 Water: Adjacent properties are served by onsite water wells.
 Sewage Disposal: Adjacent properties are served by onsite septic systems and leach fields.

TOPOGRAPHY: Near level to gently sloping although a wash crosses along the eastern portion of Lot B.

SOIL AND SUBSOIL: The appraiser is unaware of any soil or subsurface conditions which might reduce the utility of the site.

EASEMENTS: None noted or reported.

FLOOD ZONE: According to the Federal Emergency Management Agency (FEMA) Flood Insurance Rate Maps for this portion of Dewey-Humboldt (Panel # 04025C2115G, dated September 3, 2010), all of Lot A and approximately 40% of Lot B are located in Zone Shaded X, a moderate flood hazard area between the 100 year and 500 year floods. The eastern ±60% of Lot B is located in the floodway.

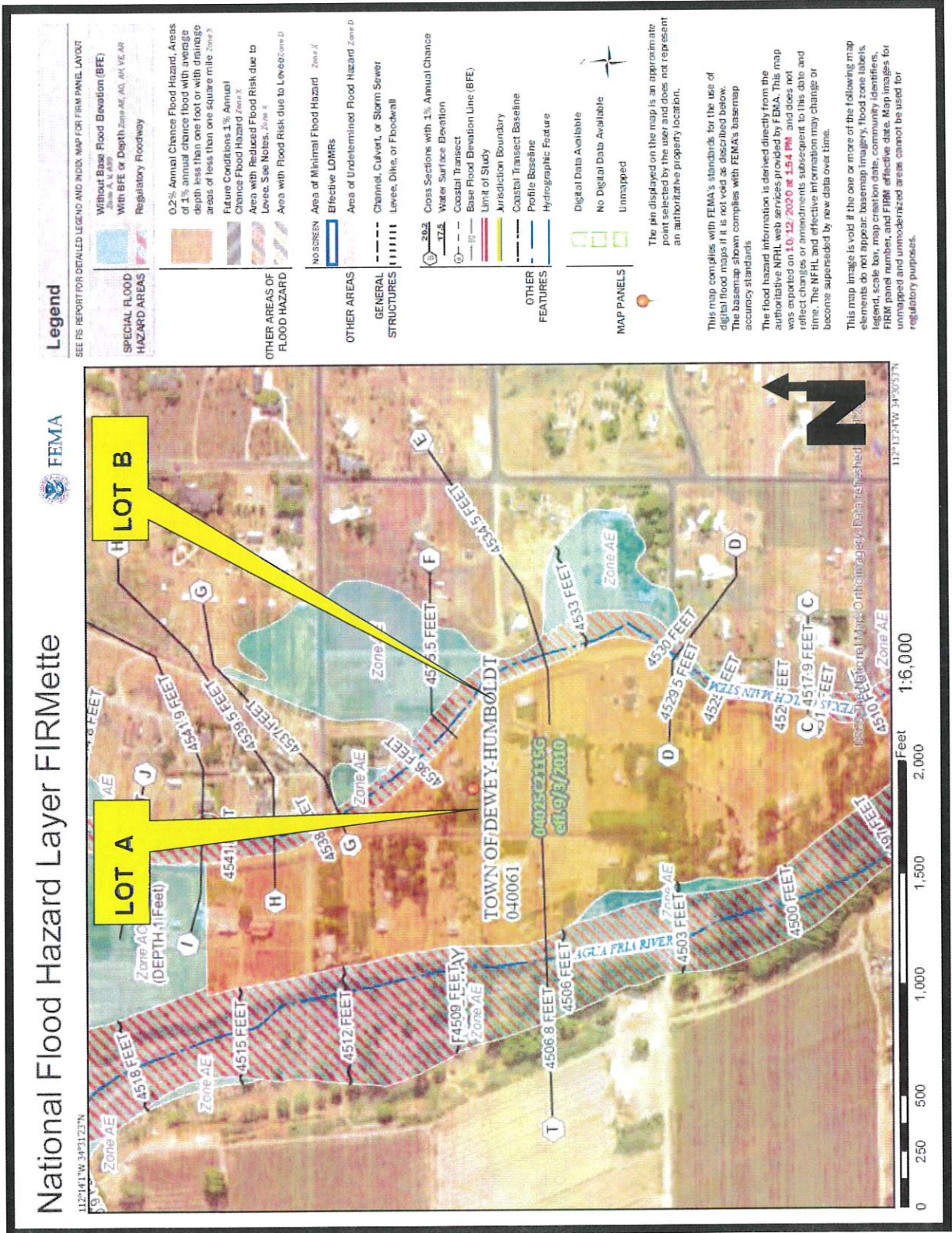
HAZARDS: Other than the flood hazard area, none noted. No other hazards are noted nor is the appraiser aware of any environmental hazards which impact the property.

ENCROACHMENTS: None noted or reported.

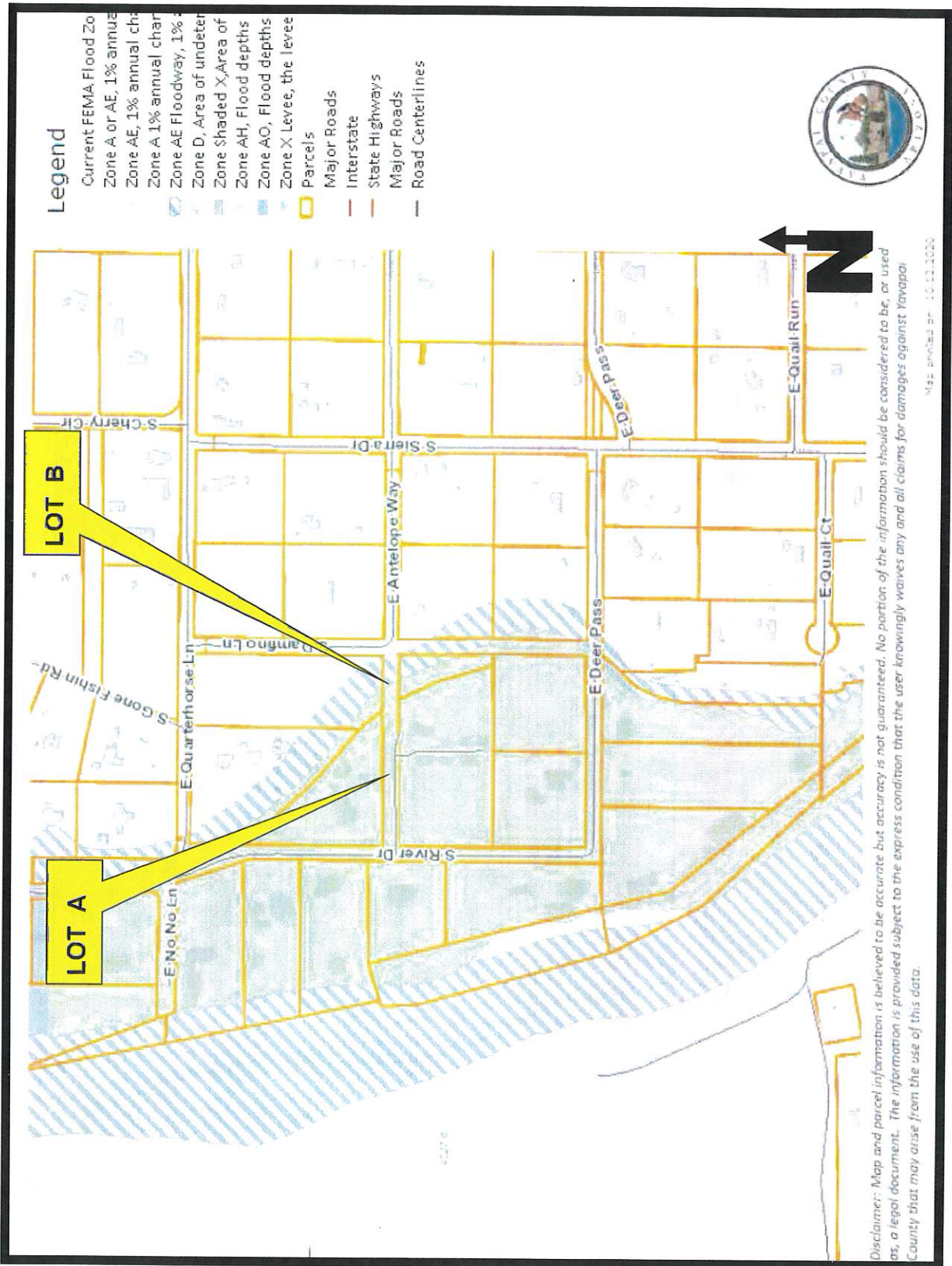
UNIT OF COMPARISON: Price per square foot.

ZONING: Town of Dewey-Humboldt, R1-70 (Residential; Single Family). Permitted uses for the R1 District include single family; site built, multi-sectional and manufactured homes. Minimum lot size is 70,000 SF.

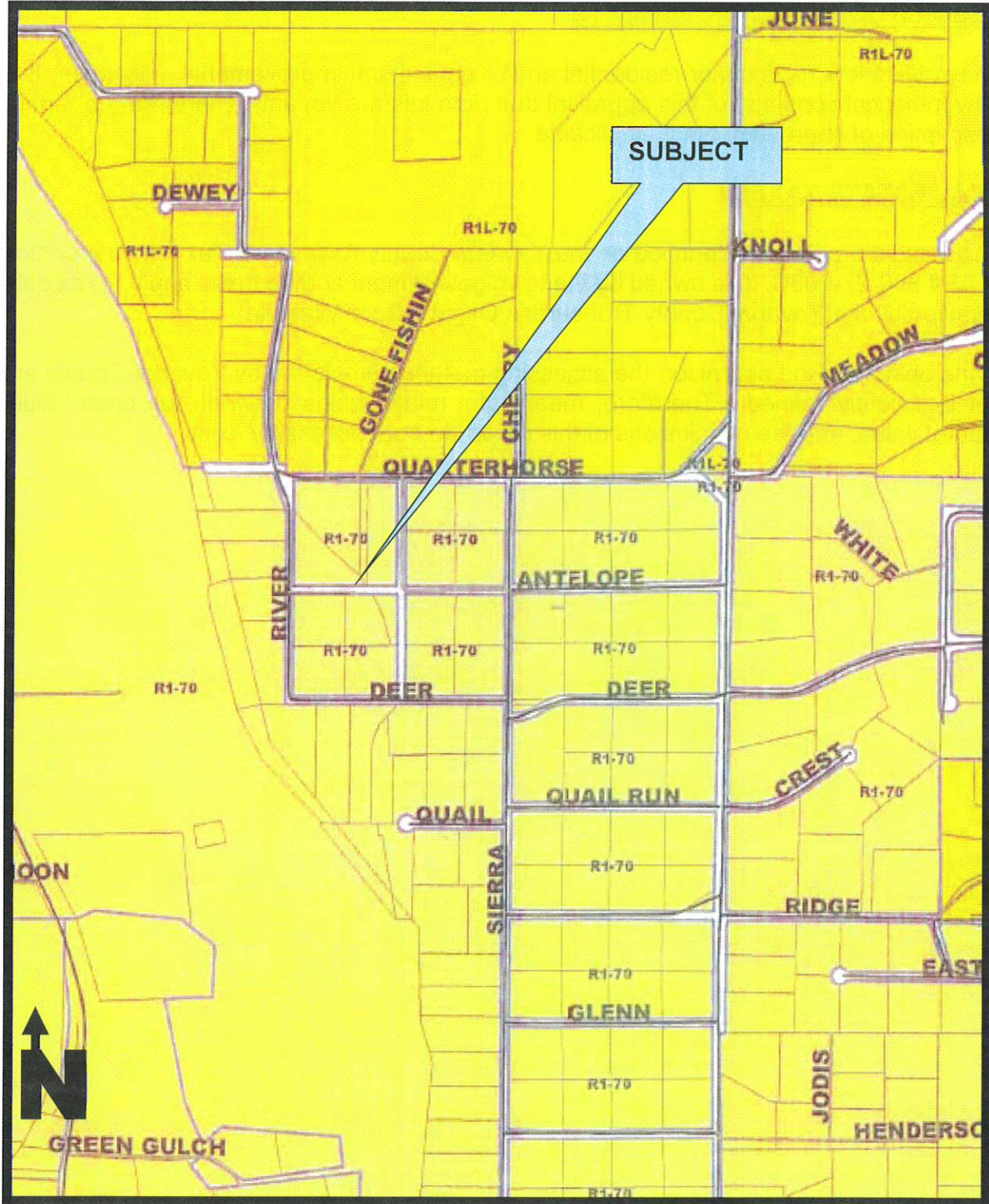
FEMA FLOOD MAP



YAVAPAI COUNTY FLOOD MAP



ZONING MAP



DESCRIPTION OF IMPROVEMENTS

The subject lots have minor residential and/or agricultural improvements. However, it is a hypothetical condition of this appraisal that both lots are vacant. Therefore, no further description of improvements is applicable.

REAL ESTATE TAXES

The subject property is identified on the Yavapai County Assessor's Tax roll as a portion of AP# 800-27-003C. It is owned by the town government and no taxes apply. (Tax data supplied by the Yavapai County Treasurer's Office Official Website)

In the opinion of the appraiser, the assessing methods employed by Yavapai County are not sufficiently refined. Therefore, meaningful relationships between full cash value, market value, and the conclusions of this report do not necessarily exist.

ANALYSIS OF DATA AND CONCLUSIONS

HIGHEST AND BEST USE

In the third edition of The Dictionary of Real Estate Appraisal, published by the Appraisal Institute, *highest and best use* is defined as:

*The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.*⁶

The highest and best use of land or a site as though vacant is defined as:

*“Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements.”*⁷

The highest and best use of a property as improved is defined as:

*“The use that should be made of a property as it exists. An existing property should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one.”*⁸

The definitions of highest and best use indicate that there are two types of highest and best use. The first type is highest and best use of the land or a site as though vacant. The second is highest and best use of a property as improved. Each type requires a separate analysis. Moreover, in each case, the existing use may or may not be different from the site's highest and best use.

In estimating Highest and Best Use we examine possible use, permissible use, feasible use, and among the uses stated that use which will provide the highest return.

⁶ The Dictionary of Real Estate Appraisal, Third Edition, page 171

⁷ The Dictionary of Real Estate Appraisal, Third Edition, page 171

⁸ The Dictionary of Real Estate Appraisal, Third Edition, page 171

AS IF VACANT

In analyzing the highest and best use of the site as vacant, uses that are *legally permissible* are considered first. The subject property is governed by the Town of Dewey-Humboldt R1-70 zoning which permits a variety of residential uses. This zoning is quite broad with respect to residential uses although it does not allow most commercial uses.

The *physically possible* uses of the site are considered next. Subject Lots A and B contain $\pm 23,183$ and $\pm 7,589$ square feet, respectively. They are relatively narrow parcels which are not large enough to be viewed as stand-alone economic entities.

Based on the physical descriptions of the lots, the only *economically feasible* uses of the lots are for use as a public roadway, private roadway or assemblage with adjoining parcels for use as privately owned land. Because the conjoined parcel ends at a drainage wash which is in the floodway, it does not appear to be a good candidate for extension to allow its use as a public roadway. Therefore, this use may be removed from consideration. Accordingly, the *maximally productive* uses of the lots are for use as a private roadway by adjoining property owners and/or use as privately owned land which is designated for uses other than a driveway.

AS IMPROVED

It is a hypothetical condition of this appraisal that the subject parcel is unimproved. Therefore, no analysis of the highest and best use of this property, as improved, is warranted.

MARKET/MARKETABILITY ANALYSIS

The term *market analysis* is used broadly in economics but has more specific meaning within the appraisal discipline. For appraisers, market analysis is the identification and study of the market for a particular economic good or service. Appraisers generally consider market analysis at two levels:

- First, from the perspective of a broad market, when a specific property is not the focus of the study (*market study*).
- Second, from the perspective of the market in which a given property competes (*marketability study*).

The market analysis component of an appraisal relates market conditions to the subject property and shows how the interaction of supply and demand affects the value of the subject property. It is also used to determine whether there is appropriate market support for an existing property under a specified use. The market analysis for a property also forms the basis for the highest and best use analysis of the property.⁹

While market analysis is typically a fundamental step in the appraisal process, the atypical nature of the subject property, i.e. that it is essentially a part of the Antelope Way street alignment, the property is not likely to be the subject of a transaction except that it might be acquired by an adjacent property owner. It does not appear to be subject to the typical influences of supply and demand. Therefore, no further market analysis is applicable.

⁹ The Appraisal of Real Estate, Tenth Edition, The Appraisal Institute, Chicago, Ill. Page 50

APPROACHES TO VALUE

In the valuation of real estate, three approaches to value are generally recognized.

COST APPROACH: *That approach in appraisal analysis which 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 involves 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 exists no comparable properties on the market.*¹⁰

SALES COMPARISON APPROACH: *Traditionally, an appraisal procedure in which the market value estimate is predicated upon prices paid in actual market transactions and current listings, the former fixing the lower limit of value in a static or advancing market (price wise), and the latter fixing 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 sales data, (c) the degree of comparability or extent of adjustment necessary for time differences, and (d) the absence of non-typical conditions affecting the sale price.*¹¹

INCOME CAPITALIZATION APPROACH: *That procedure in appraisal analysis which converts anticipated benefits (dollar income or amenities) to be derived from the ownership of property into a value estimate. The income approach is widely applied in appraising income-producing properties. Anticipated future income and/reversion are discounted to a present worth figure through the capitalization process.*¹²

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 presumed to be market derived.

Only one of the three approaches, the sales comparison approach is processed in the valuation of the subject property.

¹⁰ Byrl N. Boyce, Ph.D. Real Estate Appraisal Terminology (Cambridge, Mass., 1975) page 53

¹¹ Boyce, Real Estate Appraisal Terminology, page 136

¹² Boyce, Real Estate Appraisal Terminology, page 112

LAND VALUATION

SALES COMPARISON APPROACH

In order to estimate the value of the subject land, a search has been made for recent sales and listings of parcels of vacant land which are similar to the subject in location, land area, utility and physical characteristics. The appraiser has conducted a search for such parcels in the subject's immediate area and in competing locations in Dewey - Humboldt. This search revealed several sales of vacant parcels, which are meaningful in the valuation of the subject site.

The land valuation is based upon the economic theory of substitution, which holds that an informed buyer would pay no more for a piece of property than an equally desirable one. The most common unit of comparison for such parcels in this market is price per square foot. Therefore, each comparable sale is reduced to this unit of comparison.

Of the many sales and listings initially researched by the appraiser, six are formally introduced as comparables in this analysis. The transactions used in the valuation of the subject site are summarized below. More complete information about these transactions is retained in the appraiser's files.

COMPARABLE LAND SALES & LISTINGS

1. AP# 402-02-386H (Yavapai); Highway 169, Dewey-Humboldt
9/20 Sale @ \$46,500/70,002 SF = \$.66/SF
2. AP# 402-02-504G (Yavapai); 825 S. Gunsmoke Drive, Dewey-Humboldt
3/20 Sale @ \$80,000/87,197 SF = \$.92/SF
3. AP# 402-02-266G (Yavapai); Cherry Circle, Dewey-Humboldt
9/19 Sale @ \$61,444/70,089 SF = \$.88/SF
4. AP# 402-05-409A (Yavapai); 1264 S. Gladstone Avenue, Dewey-Humboldt
8/19 Sale @ \$49,000/81,115 SF = \$.60/SF
5. AP# 402-05-046 (Yavapai); 14235 E. Bradshaw Drive, Dewey-Humboldt
4/19 Sale @ \$30,000/47,916 SF = \$.63/SF
6. AP# 402-02-305 (Yavapai); 14393 E. White Drive, Dewey-Humboldt
4/19 Sale @ \$65,000/93,949 SF = \$.69/SF

The comparable sales represent vacant parcels of land in locations which may be considered alternatives to the subject location. The comparable sales are summarized in the table below.

COMPARABLE LAND CHART

COMP #	PROPERTY ID	SALE DATE	EFFECTIVE* PRICE	SIZE SQ. FT.	ZONING	PRICE \$/SF
1.	Highway 169	9/20	\$46,500	70,002 SF	R1L-70	\$.66
2.	825 S. Gunsmoke Dr.	3/20	\$80,000	87,197 SF	R1L-70	\$.92
3.	Cherry Circle	9/19	\$61,444	70,089 SF	R1L-70	\$.88
4.	1264 S. Gladstone Ave.	8/19	\$49,000	81,115 SF	R1L-70	\$.60
5.	14235 E. Brandshaw Dr.	4/19	\$30,000	47,916 SF	R1-70	\$.63
6.	14393 E. White Drive	4/19	\$65,000	93,949 SF	R1-70	\$.69
Means:				75,045 SF		\$.73
Subject Lot A:				23,183 SF	N/A	
Subject, Lot B:				7,589 SF	N/A	

*May reflect adjustments for: Rights Conveyed, Financing Terms, Conditions of Sale, Expenditures After Sale.

Discussion of Comparable Sales

All of the comparable sales are residential properties in locations similar to the subject location in Dewey-Humboldt.

Adjustments to the Comparable Sales

The comparable sales are analyzed with respect to various *elements of comparison*. Such characteristics as *property rights conveyed, financing terms, conditions of sale, expenditures after the sale, market conditions, location, physical characteristics, and zoning* have been studied in the analysis of the comparable sales.

1. The *rights conveyed* for all of the comparables are essentially the fee simple interest as impacted by typical easements. There are no atypical easements or deed restrictions and no adjustments are required for this element of comparison.
2. Each of the sales was for cash or terms that are found to be substantially cash equivalent. None of the comparables requires adjustment for *financing terms*.
3. None of the comparables was characterized by atypical *conditions of sale* and no adjustments are made for this element of comparison.
4. None of the comparables had environmental contamination or other issues which required *expenditures after the sale*. Therefore, no adjustments are required for this element of comparison.
5. No adjustments are made to the closed sales for *market conditions* in the absence of persuasive data which indicates advances in market conditions for residential sites in Dewey-Humboldt over the period of time represented by the comparable sales.
6. No adjustments are made for *location* since the comparable properties generally resemble the subject in location.
7. No adjustments are made for *size* since all of the comparables are fairly typical of residential lots in this market.
8. No adjustments are required for *configuration* since the subject and all of the comparables are fairly regularly shaped.
9. The subject contains a significant amount of land which is negatively impacted by location in an identified *flood hazard* area. While the utility of such land is diminished, it can typically still be used for the outdoor storage of vehicles, equipment, materials, etc.
10. The subject and all of the comparables are generally similar to one another with respect to *infrastructure*. Therefore, no adjustments are made to the comparables for this element of comparison.

11. No adjustments are made for *zoning, density or use* since the subject and all of the comparables are characterized by Town of Dewey-Humboldt residential zoning districts. The market for such parcels does not appear to differentiate between the R1L-70 and R1-70 zoning districts. Therefore, no adjustments are made to these comparables for this element of comparison.

The adjustments required for the comparables in the analyses of the subject parcel are summarized in the adjustment grid on the following page.

LAND ADJUSTMENT GRID

Comparable Number	1	2	3	4	5	6	
Property Identification	Highway 169	825 S Gunsmoke	Cherry Cir	1264 S Gladstone	14235 E Bradshaw	14393 E White	Means
Size In Square Feet	70,002	87,197	70,089	81,115	47,916	93,949	75,045
Transaction Price	\$46,500	\$80,000	\$61,444	\$49,000	\$30,000	\$65,000	
Price Per SF	\$0.66	\$0.92	\$0.88	\$0.60	\$0.63	\$0.69	\$0.73
Rights Conveyed	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	
Adjustment %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Adjustment \$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Financing Terms	Cash	Cash	Cash	Cash	OCB	OCB	
Adjustment %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Adjustment \$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Conditions of Sale	Typical	Typical	Typical	Typical	Typical	Typical	
Adjustment %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Adjustment \$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expend. After Sale	Typical	Typical	Typical	Typical	Typical	Typical	
Adjustment %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Adjustment \$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adjusted Price	\$46,500	\$80,000	\$61,444	\$49,000	\$30,000	\$65,000	
Adjusted Price/SF	\$0.66	\$0.92	\$0.88	\$0.60	\$0.63	\$0.69	\$0.73
Market Conditions	9/20 Sale	3/20 Sale	9/19 Sale	8/19 Sale	4/19 Sale	4/19 Sale	
Adjustment %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Adjustment \$	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MC-Adjusted Price	\$46,500	\$80,000	\$61,444	\$49,000	\$30,000	\$65,000	
MC-Adjusted \$/SF	\$0.66	\$0.92	\$0.88	\$0.60	\$0.63	\$0.69	\$0.73
Location	Similar	Similar	Similar	Similar	Similar	Similar	
Adjustment %	0%	0%	0%	0%	0%	0%	0%
Adjustment \$	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Physical Character,							
Size in Square Feet	70,002	87,197	70,089	81,115	47,916	93,949	
Configuration	Similar	Similar	Similar	Similar	Similar	Similar	
Adjustment %	0%	0%	0%	0%	0%	0%	0%
Adjustment \$	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Corner	No	No	No	No	No	No	
Adjustment %	No Adjust.	No Adjust.	No Adjust.	No Adjust.	No Adjust.	No Adjust.	No Adjust.
Adjustment \$	No Adjust.	No Adjust.	No Adjust.	No Adjust.	No Adjust.	No Adjust.	No Adjust.
Topo/Flood/Veg.	Similar	Similar	Similar	Similar	Similar	Similar	
Adjustment %	0%	0%	0%	0%	0%	0%	0%
Adjustment \$/SF	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Infrastructure	Similar	Similar	Similar	Similar	Similar	Similar	
Adjustment %	0%	0%	0%	0%	0%	0%	0%
Adjustment \$/SF	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Zoning/Density/Use	Similar	Similar	Similar	Similar	Similar	Similar	
Adjustment %	0%	0%	0%	0%	0%	0%	0%
Adjustment \$/SF	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Indicated Price \$/SF	\$0.66	\$0.92	\$0.88	\$0.60	\$0.63	\$0.69	\$0.73
Net Adjustment \$/SF	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Net Adjustment %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Conclusion of Land Value: As 'Typical' Residential Lots

The unadjusted unit prices extracted from the comparables is from \$.60 to \$.92 per square foot, a fairly wide range. The mean price is \$.73 per square foot. No adjustments are made and the fully adjusted range of value is the same as the unadjusted values.

The sizes of the subject parcels are atypical due to the unusual nature of the parcels, i.e. that they are portions of a right of way which is to be abandoned. Therefore, roughly equal emphasis is placed on the values extracted from each of the comparables and a unit value equal to the mean for all of the values, \$.73 per square foot is concluded to be a good indication of value of *typical* parcels of land which generally resemble the subject parcels in other respects.

Based on these analyses, a unit value equal to \$.73 per square foot is concluded for the subject parcels. This unit value is applied to the land areas contained in the subject parcels as shown below.

Subject property Lot A

23,183 Square Feet @ \$.73/SF = \$16,924

Subject property Lot B

7,589 Square Feet @ \$.73/SF = \$ 5,540

Valuation 'As Is'

As noted, the foregoing valuation procedure pertains to the property given the hypothetical condition that the property is characterized by typical size, shape and other characteristics which are common for single family residential parcels in the subject sub-market. However, the second step in the valuation procedure must be developed. In this step, the utility offered by the subject property given its actual physical characteristics is compared with the utility it would offer given the hypothetical condition that it is a 'typical' residential lot.

It has been established that the small size and irregular shape of the subject parcels dramatically diminishes its utility. It has been concluded that the property probably offers utility only to an adjoining property owner who may extract some small amount of additional utility from the property in the assemblage program.

Even if assembled with an adjoining parcel, the subject property would provide utility only for peripheral uses. Such properties may be acquired for such uses as:

- A buffer zone from adjoining properties;
- To meet setback requirements allowing the preservation of a greater amount of the more usable portion of the parcel;
- Storage of equipment or materials in an area which would not support construction of a building;
- Placement of an easement;

While such peripheral or ancillary uses may be demanded, it is doubtful that a prospective purchaser would pay an amount for such low-utility land as he would for land which supplied a full measure of utility. Therefore, a percentage of the previously concluded value is appropriate in considering the value of the subject property in the 'As Is' valuation scenario.

The estimate of the percentage of utility offered by parcels of land such as the subject parcels relative to the utility which would be offered if it were a typical residential parcel is necessarily very subjective. The modest amount of utility offered by the property suggests that this percentage should be very low.

It is noted that some governmental agencies pay 90% of the full value of a parcel of land when it needs to acquire a slope or drainage easement. This observation suggests that the sovereign has taken 90% of the utility of the parcel leaving only 10% of the utility of the property at the disposal of the property owner. This analysis suggests that the value of the subject parcels would be 10% of the \$.73 per square foot concluded for a 'typical' residential parcel.

However, the land contained in the subject parcels – particularly Lot A - likely furnishes a greater amount of utility since it essentially expands the size of the parcels which are adjacent to the right of way and can be used without a significant reduction in the utility. An alternate thought process in concluding a value for the subject parcels in the 'as is' valuation scenario would be to assign some percentage discount to the value with access. Again, significant subjectivity is required but percentage discounts of from 50% to 70% are suggested yielding 'as is' values of from \$.22 to \$.37 per square foot.

Yet another analysis focuses on the values paid for the least desirable residential lots in the subject sub-market. Two supplemental comparable sales are introduced for use in this analysis.

- 7. AP# 402-24-127 (Yavapai); 13649 E. Quarterhorse Lane, Dewey-Humboldt
8/19 Sale @ \$26,500/89,992 SF = \$.29/SF
- 8. AP# 402-05-157D (Yavapai); 2274 S. Tiffany Lane, Dewey-Humboldt
11/18 Sale @ \$27,000/109,088 SF = \$.25/SF

The various indications of the value of the subject parcels in the 'as is' valuation scenario (with diminished utility due to small size and irregular configuration) are summarized below.

90% Discount in Value =	\$.07/SF
70% Discount in Value =	\$.22/SF
Unit Sales Price of Supplemental Comparable #8 =	\$.25/SF
Unit Sales Price of Supplemental Comparable #7 =	\$.29/SF
50% Discount in Value =	\$.37/SF

These analyses result in indications of value of from \$.07 to \$.37 per square foot. Values within this range are concluded to be appropriate for the two subject parcels.

Valuation of Subject Lot A

Subject Lot A is larger and is minimally impacted by flood zone status. Therefore, a value nearer the high end of the refined range is appropriate. A unit value equal to \$.30 per square foot is concluded for this subject parcel. The value of Lot A is calculated as shown below.

Subject Lot A: 23,183 SF @ \$.30/SF = \$6,955

Valuation of Subject Lot B

Subject Lot B is smaller and is more significantly impacted by flood zone status since it is approximately 60% in the floodway. Therefore, a value nearer the low end of the refined range is appropriate. A unit value which approximates the midpoint of the two lower indications of value, say \$.15 per square foot, is concluded for this subject parcel. The value of Lot B is calculated as shown below.

$$\text{Subject Lot B: } 7,589 \text{ SF @ } \$.15/\text{SF} = \$1,138$$

VALUE CONCLUSIONS

The value concluded for the subject property using the applicable approaches to value are summarized below.

Subject Parcel Lot A

Sales Comparison Approach: \$6,955
Cost Approach: N/A
Income Capitalization Approach: N/A

Subject Parcel Lot B

Sales Comparison Approach: \$1,138
Cost Approach: N/A
Income Capitalization Approach: N/A

By reason of my investigation and having given careful consideration to the factors which affect real estate value, I have concluded the following market value of the fee simple interest in subject property Lot A, 'As Is', as of October 17, 2020:

**SIX THOUSAND, NINE HUNDRED FIFTY FIVE DOLLARS
(\$6,955)**

By reason of my investigation and having given careful consideration to the factors which affect real estate value, I have concluded the following market value of the fee simple interest in subject property Lot B, 'As Is', as of October 17, 2020:

**ONE THOUSAND, ONE HUNDRED THIRTY EIGHT DOLLARS
(\$1,138)**

There are no items of personal property, FF&E, going concern or intangibles associated with the subject property in any of the valuation scenarios.

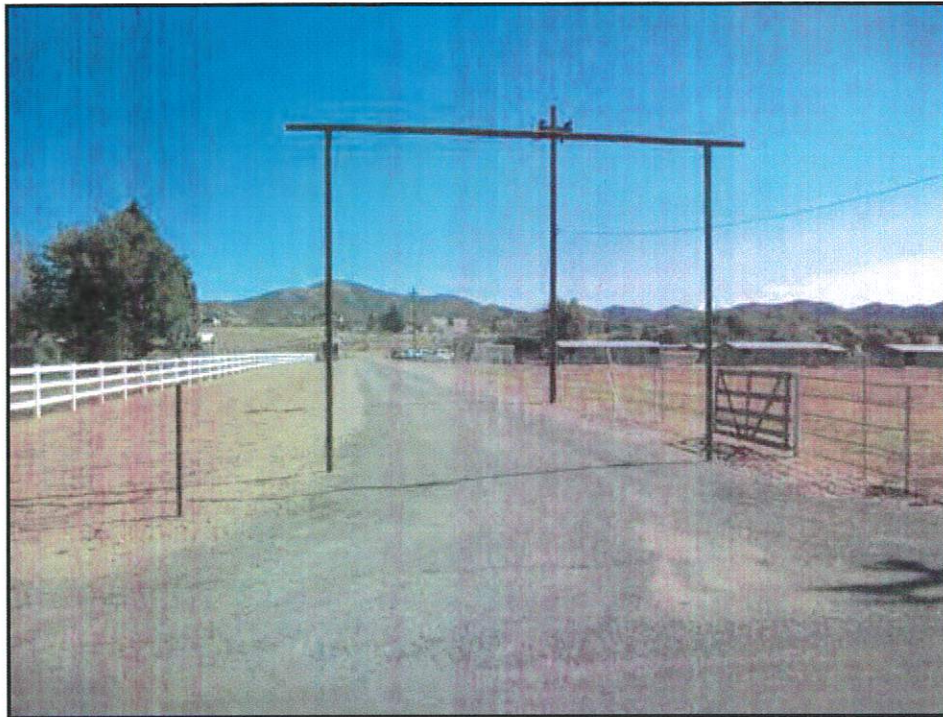
EXPOSURE TIME & MARKETING TIME

Typical exposure time and marketing time are not applicable for atypical parcels such as the subject lots since such parcels are not commonly exposed to the market and are not subject to typical marketing programs.

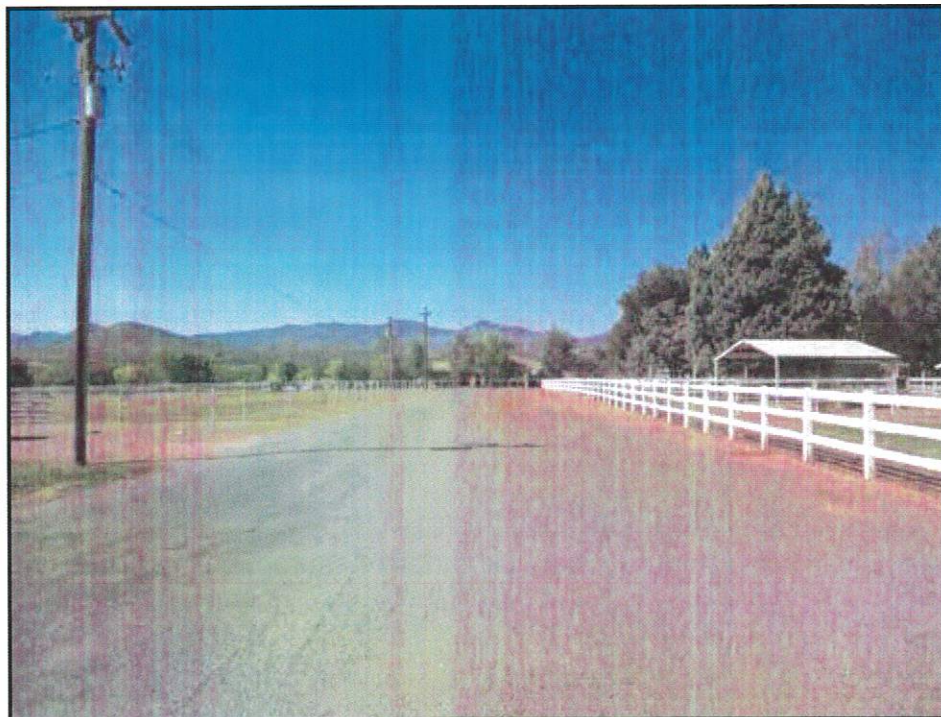
A D D E N D A

Subject Photos
Land Survey
Legal Descriptions
Zoning Ordinance
Comparable Location Map
Comparable Photos
Letter of Engagement
Certification
Standard Assumptions and Limiting Conditions
Appraiser's State Certificate
Appraiser's Qualifications

Antelope Way Right of Way, Dewey-Humboldt, Arizona
Subject Photographs



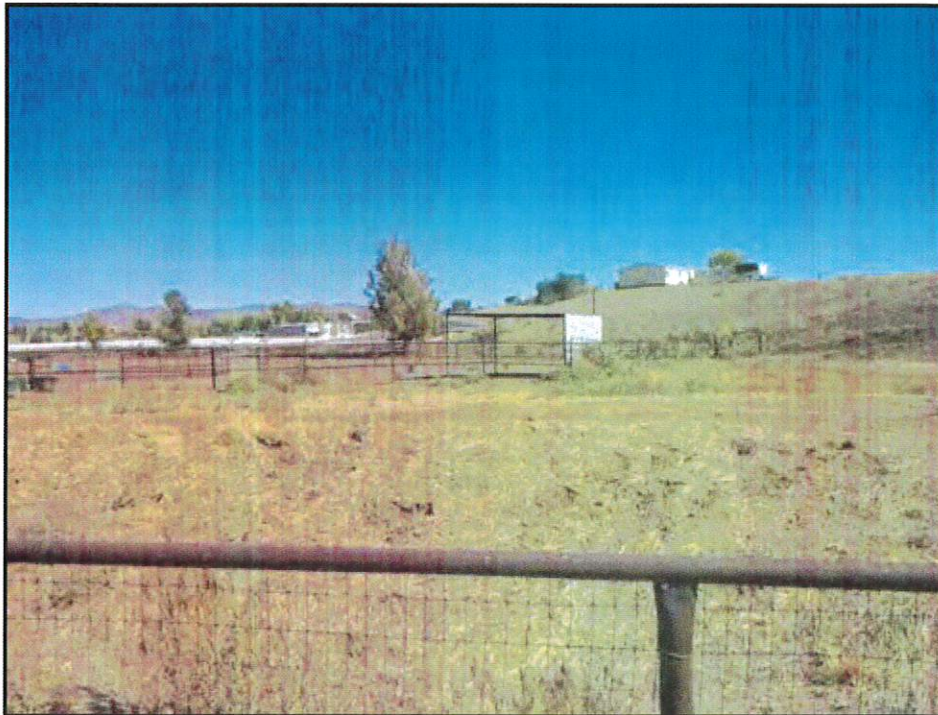
Street view looking east on Antelope Way.



Street view looking west on Antelope Way.



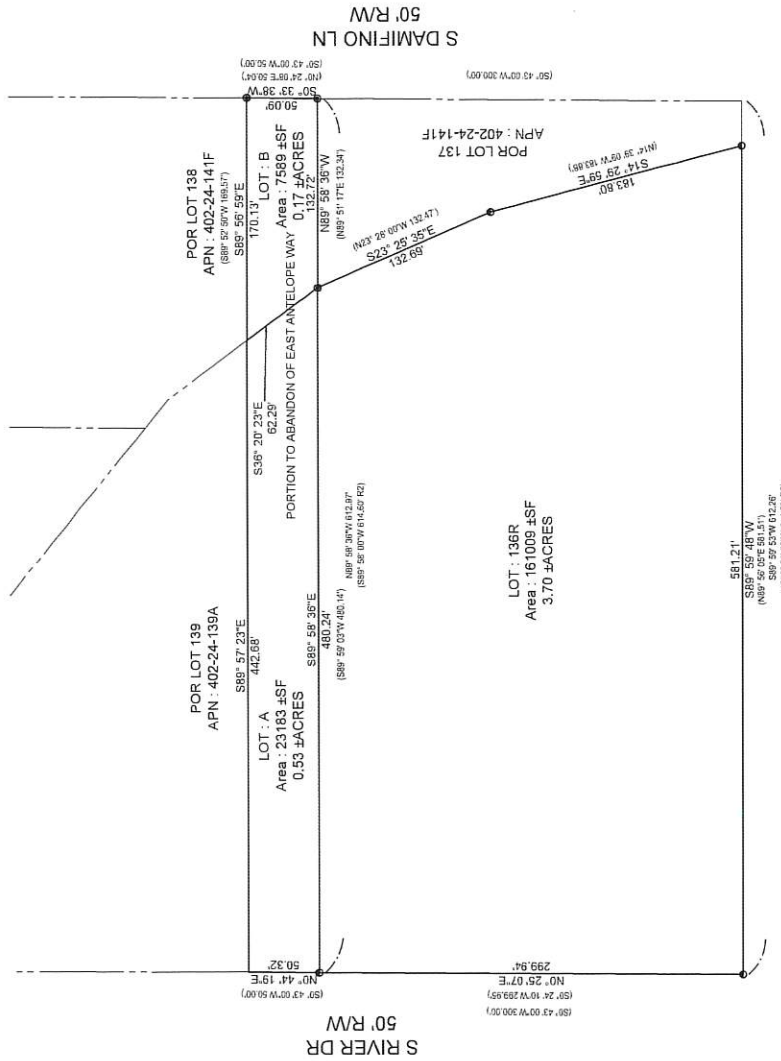
Street view looking north on River Drive.



View of the adjoining property to the south of Antelope Way.

RECORD OF SURVEY

OF LOT 136 & A PORTION OF LOT 137, SIERRA DELLS 17/2 MAPS
SECTION 11, TOWNSHIP 13 NORTH, RANGE 1 EAST
GILA & SALT RIVER BASE & MERIDIAN
YAVAPAI COUNTY, ARIZONA



- LEGEND**
- SURVEYED PARCEL LINES
 - - - EXISTING FENCE
 - PROPERTY LINE
 - - - EASEMENT LINE

- FOUND X: REBAR WITH CAP LS 22276
 - FOUND X: REBAR WITH CAP LS 13011
 - FOUND X: PIPE
 - FOUND X: REBAR AFFIXED CAP LS 53800
- (RT) RECORD BEARING AND DISTANCE PER RT OR AS NOTED SEE NOTES

IE-PUE IMPRESS EGRESS & PUBLIC UTILITY EASEMENT

NOTES

1. ALL BUILDINGS WERE PRESENT AT TIME OF SURVEY
2. LOT A OWNERSHIP SHOULD TRANSFER TO APN 402-24-139A
3. LOT B OWNERSHIP SHOULD TRANSFER TO APN 402-24-141F
4. TITLE RECORDS SHOW THAT THE SURVEYED PARCELS ARE NOT ALL EASEMENTS OF RECORD AND SHOULD BE RECORDED BEFORE RECORDING OF THIS RECORD OF SURVEY
5. DOCUMENTS OF RECORD REFERENCE FOR SURVEY YCRO
 - RT: SIERRA DELLS 17/2 MAPS

SITE INFORMATION

APN: 402-24-139A
ADDRESS: 1655 S RIVER DR
1655 S RIVER DR

OWNER INFORMATION

VICTOR A HAMBREK
DEWEY, AZ

BASIS OF BEARING

THE BEARINGS AND DISTANCES ARE RELATIVE TO THE ARIZONA STATE PLANE COORDINATE SYSTEM OF 1983, CENTRAL ZONE, LINEAR DIMENSIONS AND COORDINATE VALUES ARE IN INTERNATIONAL FEET.

APPROVALS
APPROVED BY THE COMMUNITY DEVELOPMENT PLANNER OF THE TOWN OF DEWEY-HUMBOLDT ON THIS _____ DAY OF _____

COMMUNITY PLANNER

CERTIFICATION
I, VICTOR A HAMBREK, DO HEREBY CERTIFY THAT I AM A REGISTERED LAND SURVEYOR IN THE STATE OF ARIZONA. THAT THE SURVEY DESCRIBED AND SHOWN HEREON WAS MADE BY ME DURING THE MONTH OF SEPTEMBER, 2020. THAT THE SURVEY IS CORRECTLY SHOWN, AND THAT SAID MONUMENTS ARE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED.



VELAND SURVEYING
1550 E THUNDERBOLT BLVD
SUITE 100
DEWEY, ARIZONA 86001
TEL: 928-228-1111
WWW.VELANDSURVEYING.COM

SURVEYED BY: VICTOR A HAMBREK
PROJECT NO.: 2020-001
DATE: 10/20/20

SHEET NO. 1 OF 1 SHEETS

EXHIBIT A

LOT A

A portion of East Antelope Way, located between Parcel 136, 137, 138, 139, as recorded Sierra Dells in Book 17 of Maps, Page 2, Yavapai County Recorder's Office, located in Section 11, Township 13 North, Range 1 East, of the Gila and Salt River Meridian, Yavapai County, Arizona described as follows:

BEGINNING at the Northwest corner of said Parcel 136, also being the intersection of the southerly right of way line of said Antelope Way and the Easterly right of way of River Drive in said Sierra Dells, from which the Southwest corner bears South 00° 25' 07" West, 299.94 feet, (of record South 00° 43' 00" West 300.00').

Thence along the extension of the Easterly right of way of River Drive in said Sierra Dells North 00° 44' 19" East, 50.32 feet (of record North 00° 43' 00" East 50.00');

Thence along the Northerly right of way of said Antelope Way, South 89° 57' 23" East, 442.68 feet (of record North 89° 58' 00" East);

Thence, South 36° 20' 23" East, 62.29 feet;

Thence along the Southernly right of way of said Antelope Way, North 89° 58' 36" West, 480.24 feet to the POINT OF BEGINNING;

Said described parcel contains 23183 square feet (0.53 acres), more or less, subject to any and all easements, reservations, restrictions and conveyances of record.



EXHIBIT A

LOT B

A portion of East Antelope Way, located between Parcel 137 & 138 as recorded Sierra Dells in Book 17 of Maps, Page 2, Yavapai County Recorder's Office, located in Section 11, Township 13 North, Range 1 East, of the Gila and Salt River Meridian, Yavapai County, Arizona described as follows:

COMMENCING at the Northwest corner of said Parcel 136, also being the intersection of the southerly right of way line of said Antelope Way and the Easterly right of way of River Drive in said Sierra Dells, from which the Southwest corner bears South 00° 25' 07" West, 299.94 feet, (of record South 00° 43' 00" West 300.00').

Thence along the extension of the Easterly right of way of River Drive in said Sierra Dells North 00° 44' 19" East, 50.32 feet (of record North 00° 43' 00" East 50.00');

Thence along the Northerly right of way of said Antelope Way, South 89° 57' 23" East, 442.68 feet (of record North 89° 58' 00" East) to the POINT OF BEGINNING;

Thence along the Northerly right of way of said Antelope Way, South 89° 56' 59" East, 170.13 feet (of record North 89° 58' 00" East);

Thence, South 00° 33' 38" West, 50.09 feet (of record South 00° 43' 00" West 50.00');

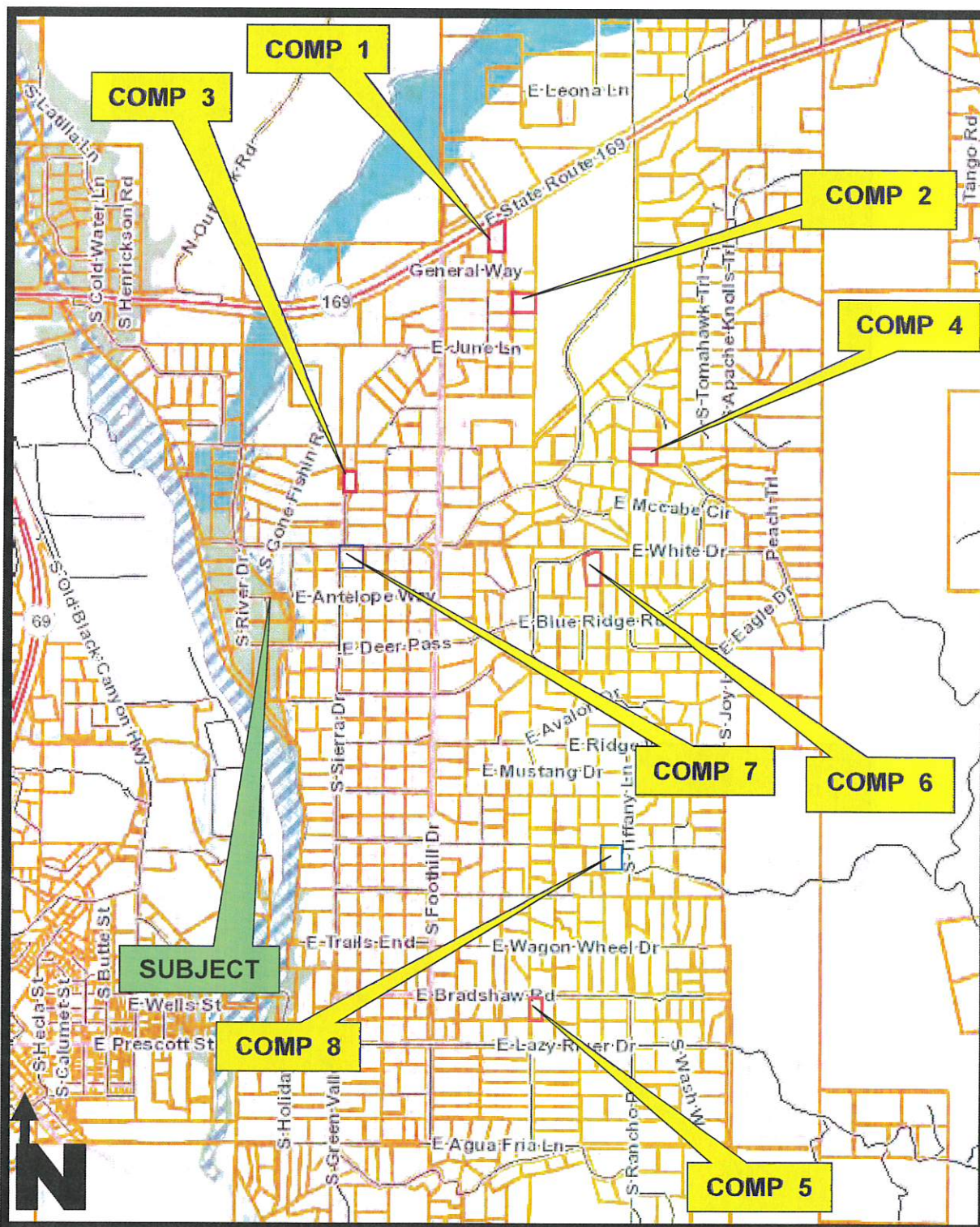
Thence along the Southernly right of way of said Antelope Way, North 89° 58' 36" West, 132.72 feet;

Thence North 36° 20' 23" West, 62.29 feet to the POINT OF BEGINNING;

Said described parcel contains 7589 square feet (0.17 acres), more or less, subject to any and all easements, reservations, restrictions and conveyances of record.



COMPARABLE LAND MAP



COMPARABLE PHOTOS



**LAND COMPARABLE #1
402-02-386H (YAVAPAI)**



**LAND COMPARABLE #2
402-02-504G (YAVAPAI)**



LAND COMPARABLE #3
402-02-266G (YAVAPAI)



LAND COMPARABLE #4
402-02-409A (YAVAPAI)



LAND COMPARABLE #5
402-05-046 (YAVAPAI)



LAND COMPARABLE #6
402-02-305 (YAVAPAI)



**LAND COMPARABLE #7
402-24-127 (YAVAPAI)**



**LAND COMPARABLE #8
402-05-157D (YAVAPAI)**

HUCK APPRAISAL OFFICE

Rec'd
10-14-2020

Robert C. Huck, MAI
724 Gail Gardner Way • Prescott, Arizona 86305
Phone (928) 778-7171 • Email: hanainc@cableone.net

October 9, 2020

Mr. Victor Hambrick
P.O. Box 447
Dewey, Arizona 86327-0447

Email: vichambrick@commspeed.net

Re: Appraisal of a portion of the East Antelope Way right of way, adjacent to 1653 River Drive in Dewey-Humboldt, Arizona.

Dear Victor Hambrick:

As a follow up to our recent communications, I submit the following proposal for an appraisal of the above referenced property.

Subject Property:	Proposed abandonment of East Antelope Way, Dewey-Humboldt
APN:	Portion of 800-27-003C (Yavapai County)
Client:	Victor Hambrick
Intended Users:	Victor Hambrick
Intended Use:	Establish a potential sales price.
Interest Appraised:	Fee simple estate
Appraisal Premise:	'As Is'
Purpose:	Develop an opinion of the market value of the subject property as impacted by legal status and atypical shape.
Date of Valuation:	Current, as of date of inspection
Reporting Option:	USPAP compliant Appraisal Report
Scope:	Inspect subject property, compile and analyze data to complete the sales comparison approach to value; apply appropriate discount to reflect atypical shape and status. Changes to the scope of the appraisal may result in revisions to the fee and/or delivery date.

October 9, 2020
Victor Hambrick:
Page Two

Fee:	\$2,400
Delivery:	3 – 4 weeks from receipt of signed engagement letter and appraisal fee
Number of Copies:	Electronic PDF copy of report
Certification:	Attached

The appraisal shall be prepared for Victor Hambrick, my client, and is for the sole and exclusive use of Victor Hambrick, to assist in his decisions regarding the subject property. I request that you seek my written authorization before releasing the reports to any other party.

The appraisal will be prepared in accordance with the Uniform Standards of Professional Appraisal Practice. Attached to this letter you will find a copy of our Statement of Limiting Conditions and Appraiser's Certification which are attached to all appraisals prepared by this office. Please review and sign the last page of each of these documents and return the executed copy to me indicating your acceptance and approval of the Limiting conditions and Appraiser's Certification.

It is generally the policy of federally insured financial institutions, to select an appraiser approved by their Board of Directors, and be responsible for the origination of the appraisal assignment. This policy has been mandated by federal regulation. By ignoring this procedure, the lender may require a second appraisal by another qualified appraiser. THE OWNER is aware of this policy and acknowledges that THE APPRAISER cannot be held responsible for the actions of the lender.

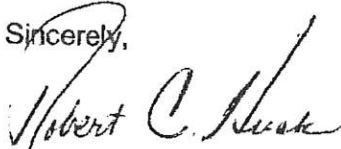
The estimated completion date of the appraisal 3 – 4 weeks from authorization to proceed. I can only complete the appraisal by this date if I receive from you in a timely manner any relevant information needed for the preparation of the report.

I will proceed with the preparation of this appraisal upon receipt of signed copies of this letter, Statement of Limiting Conditions and Appraiser's Certification and the appraisal fee of \$2,400.00.

October 9, 2020
Victor Hambrick:
Page Three

If you have any questions about anything contained in this letter or in any of the attachments, please give me a call.

Sincerely,



Robert C. Huck
Certified General Real Estate Appraiser
Certificate No. 30123

Engagement Letter Accepted:



Victor Hambrick

10/9/2020

Date

CERTIFICATION

(The following certification will be signed by the appraiser and included in the appraisal report.)

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. 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.
4. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. 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.
8. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
9. I have made a personal inspection of the property that is the subject of this report.
10. No one provided significant real property appraisal assistance to Robert C. Huck, MAI, the person signing this report.
11. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

CERTIFICATION

Page Two

12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

13. As of the date of this report, I, Robert C. Huck, MAI, have completed the continuing education program for designated members of the Appraisal Institute.

14. The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.


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

16. All extraordinary assumptions, hypothetical conditions and limiting conditions imposed by the terms of the assignment or by the undersigned, affecting the analysis, opinions and conclusions contained in this report are contained herein.

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

(The preceding certification will be signed by the appraiser and included in the appraisal report.)

I acknowledge receipt of this certification:



Victor Hambrick

10/9/2020

Date

STANDARD ASSUMPTIONS AND LIMITING CONDITIONS

(The following Statement of Standard Assumptions and Limiting Conditions will be included in the appraisal report)

By this notice, all persons and firms reviewing, utilizing or relying on this report in any manner bind themselves to accept these assumptions and limiting conditions. Do not use this report if you do not so accept. These conditions are a part of the appraisal report, they are a preface to any certification, definition, fact or analysis, and are intended to establish as a matter of record that the appraiser's function is to provide a present market value for the subject property based upon the appraiser's observations as to the subject property and real estate market. This appraisal report is an economic study to estimate value as defined in it. It is not an engineering, construction, legal or architectural study nor survey and expertise in these areas, among others, is not implied.

This is an Appraisal Report which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.

1. LIMIT OF LIABILITY: The liability of Huck Appraisal of Northern Arizona, Inc. and employees and affiliated independent contractors is limited to the client only and to the fee actually received by the appraiser (total per appraisal). Furthermore, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than client, the client shall make such party aware of all limiting conditions and assumptions of the assignments and related discussions. The Appraiser is in no way to be responsible for any costs incurred to discover or correct any deficiencies of any type present in the property, physically, financially, and/or legally. In the case of limited partnerships or syndication offerings or stock offerings in real estate, the client agrees that in case of a lawsuit (brought by the lender, partner or part owner in any form of ownership, tenant, or other party), any and all awards, settlements of any type in such suit, regardless of outcome, the client will hold the Appraiser completely harmless in any such action.

2. COPIES, PUBLICATION, DISTRIBUTION, USE OF REPORT: 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 of the client, the fee being for the analytical services only. The Bylaws and Regulations of the Appraisal Institute 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

STANDARD ASSUMPTIONS AND LIMITING CONDITIONS

Page 2

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 this appraisal report. Neither all nor any part of this appraisal report shall be disseminated to the general public for use by the advertising media, public relations, news, sales or other media for public communication without the prior written consent of the Appraiser.

3. CONFIDENTIALITY: This appraisal is to be used only in its entirety and no part is to be used without the whole report. All conclusions and opinions concerning the analysis as set forth in the report were prepared by the Appraiser(s) whose signature(s) appears on the appraisal report, unless indicated as "Review Appraiser". No change of any item in the report shall be made by anyone other than the Appraiser and/or officer of the firm. The Appraiser and firm shall have no responsibility if any such unauthorized change is made.

The Appraiser 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 designate as specified in writing except as may be required by the Appraisal Institute as they may request in confidence for ethics enforcement, or by a court of law or body with the power of subpoena.

4. TRADE SECRETS: This appraisal was obtained from Huck Appraisal of Northern Arizona, Inc. or related companies and/or its individuals of related independent contractors and consists of "trade secrets and commercial or financial information" which is privileged and confidential and exempt from disclosure under 4 U.S.C. 552 (b) (4). (Notify the Appraiser(s) signing report or an officer of Huck Appraisal of Northern Arizona, Inc. of any request to reproduce this report in whole or part.)

5. INFORMATION USED: No responsibility is assumed for accuracy of information furnished by the work of others, the client, his designate, or public records. We are not liable for such information or the work of possible subcontractors. Be advised that some of the people associated with Huck Appraisal of Northern Arizona, Inc. and possibly signing the report are independent contractors. 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 engineering and market related information. (It is suggested that the client consider independent verification as prerequisite to any transaction involving sale, lease, or other significant commitment of funds on the subject property.)

STANDARD ASSUMPTIONS AND LIMITING CONDITIONS

Page 3

6. TESTIMONY, CONSULTATION, COMPLETION OF CONTRACT FOR APPRAISAL SERVICE: The contract for appraisal, consultation or analytical service is fulfilled, and the total fee is payable upon completion of the report. The Appraiser(s) 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 any subpoena, the client shall be responsible for any additional time, fees, and charges regardless of issuing party.

7. EXHIBITS: 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 may be included for the same purpose. Site plans are not surveys unless shown from a separate surveyor.

8. LEGAL, ENGINEERING, FINANCIAL, STRUCTURAL, OR MECHANICAL, HIDDEN COMPONENTS, SOIL: The Appraiser and/or firm has no responsibility for matters legal in character or nature, 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 legal description is assumed to be correct as used in this report as furnished by the client, his designate, or as derived by the Appraiser.

Please note that no advice is given regarding mechanical equipment or structural integrity or adequacy, nor soils and potential for settlement, drainage, and such (seek assistance from qualified architect and/or engineer) nor matters concerning liens, title status, and legal marketability (seek legal assistance) and such. The lender and owner should inspect the property before any disbursement of funds; further it is likely that the lender or owner may wish to require mechanical or structural inspections by a qualified and licensed contractor, civil or structural engineer, architect, or other expert.

The Appraiser has inspected as far as possible, by observation, the land and the improvements; however, it was not possible to personally observe conditions beneath the soil or hidden structural or other components. We have not critically inspected mechanical components within the improvements and no representation is made herein as to these matters unless specifically stated. Unless stated, the value estimate assumes no such conditions that would cause a loss of value. The land or the soil of the area being appraised appears firm; however, the Appraiser(s) do not warrant against this condition or occurrence of problems arising from soil conditions.

STANDARD ASSUMPTIONS AND LIMITING CONDITIONS

Page 4

The appraisal is based on there being no hidden, unapparent conditions of the property site, subsoil, structures or toxic materials which would render it more or less valuable. The appraiser and firm have no responsibility for any such conditions or for any expertise or engineering to discover them. Conditions of heating, cooling, ventilation, electrical and plumbing equipment are considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. No judgment may be made by us as to adequacy of insulation, type of insulation, or energy efficiency of the improvements or equipment which is assumed or made for any costs associated with obtaining same or for any deficiencies discovered before or after they are obtained. No representation or warranties are made concerning obtaining the above mentioned items.

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

9. LEGALITY OF USE: The appraisal is based on the premise that there is full compliance with all applicable federal, state and local environmental regulations and laws unless otherwise stated in the report; further, that all applicable zoning, building, 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 whether local, state, federal and/or private, have been or can be obtained or renewed for any use considered in the value estimate.

10. COMPONENT VALUES: The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.

11. AUXILIARY AND RELATED STUDIES: No environmental or impact studies, special market study of analysis, highest and best use analysis study or feasibility study has been requested or made unless otherwise specified in an agreement for services or in the report.

12. DOLLAR VALUES, PURCHASING POWER: The market value estimated, and the costs used, are as of the date of the estimate of value. All dollar amounts are based on the purchasing power and the price of the dollar as of the date of the value estimate.

13. EXCLUSIONS: Furnishings, equipment, personal property and business operations, except as specifically indicated or if typically considered a part of the real estate, have been disregarded. Only the real estate is considered in the value estimate unless otherwise stated. In some property types, business and real estate interests and values are combined.

STANDARD ASSUMPTIONS AND LIMITING CONDITIONS

Page 5

14. PROPOSED IMPROVEMENTS: Proposed improvements and repairs are assumed to be completed in good and workmanlike manner according to information submitted and/or considered by the appraisers. The estimate of market value is as of the date shown and assumes completion as described in the report. Completion significantly different than described may change the value estimate.

15. VALUE CHANGE, DYNAMIC MARKET, INFLUENCES, ALTERATION OF ESTIMATE BY APPRAISER: 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.

In cases of appraisals involving the capitalization of income benefits, the estimate of market value, investment value, or value in use is a reflection of such benefits and Appraiser's interpretation of income and yields and other factors derived from general and specific client and market information. Such estimates are as of the date of valuation and are subject to changing market conditions.

The "Estimate of Market Value" or "Opinion 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.

The appraisal report and value estimate are subject to change if the physical or legal entity, or financing are different than that envisioned in this report.

16. MANAGEMENT OF THE PROPERTY: 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.

17. CONTINUING EDUCATION CURRENT: The Appraisal Institute conducts voluntary programs of continuing education for their designated members; MAI and SRPA Designates who meet the minimum standards of this program are awarded periodic educational certification. The MAI signing this report is currently certified under the program(s).

18. FEE: The fee for this appraisal or study is for the service rendered and not for the time spent on the physical report or the physical report itself. The fee for services is not contingent on any predetermined result or approved amount.

19. AUTHENTIC COPIES: The authentic copies of this report have original signatures of the appraiser(s) completing the report. Any copy that does not have the above is unauthorized and may have been altered.

STANDARD ASSUMPTIONS AND LIMITING CONDITIONS

Page 6

20. INSULATION AND TOXIC MATERIALS: Unless otherwise stated in this report, the Appraiser(s) signing this report has (have) no knowledge concerning the presence or absence of toxic or hazardous materials and/or urea-formaldehyde foam insulation in existing improvements; if such is present the value of the property may be adversely affected. The existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser unless otherwise stated. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, radon gas, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. 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 conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
21. REVIEW: Unless otherwise noted herein, named review Appraiser of/from Huck Appraisal of Northern Arizona, Inc., has reviewed the report and has not necessarily inspected the subject nor market comparable properties.
22. CHANGES, MODIFICATIONS: The Appraisers and/or officers of Huck Appraisal of Northern Arizona, Inc. reserve the right to alter statements, analyses, conclusions or any value estimates in the appraisal if facts pertinent to the appraisal process become known which were unknown to us when the report was finished.
23. AFTER TAX ANALYSIS, AND/OR VALUATION: Any "after" tax income or investment analysis and resultant measures of return on investment are intended to reflect only possible and general market considerations, whether as part of estimating value or possible returns on investment at an assumed value or price paid. Note that the Appraiser(s) does not claim expertise in tax matters and advises the client and any other using the appraisal to seek competent tax advice as the Appraiser is in no way to be considered a tax advisor or investment advisor.
24. AMERICANS WITH DISABILITIES ACT: Unless otherwise stated in this report, the subject property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities Act. The presence of architectural and communications barriers that are structural in nature that would restrict access by disabled individuals may adversely affect the property's value marketability or utility.
25. ENVIRONMENTAL CONDITIONS: The appraiser is not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraiser that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment.

STANDARD ASSUMPTIONS AND LIMITING CONDITIONS

Page 7

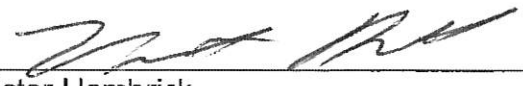
The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The appraiser's value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value unless otherwise stated in this report.

No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraiser's descriptions and resulting comments are the results of the routine observations made during the appraisal process.

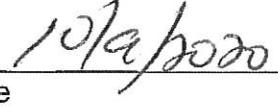
Acceptance of, and/or use of, this appraisal report by the client or any third party constitutes acceptance of the above conditions. Appraiser liability extends only to the stated client and not to subsequent parties or users of any type, and the total liability of appraiser and firm is limited to the amount of fee received by the Appraiser.

(The preceding Statement of Standard Assumptions and Limiting Conditions will be included in the appraisal report)

ACKNOWLEDGED AND ACCEPTED BY:



Victor Hambrick



Date

Department of Insurance and Financial Institutions

State of Arizona

CGA - 30123

This document is evidence that:

ROBERT C. HUCK

has complied with the provisions of

Arizona Revised Statutes, relating to the establishment and operation of a:

Certified General Real Estate Appraiser

and that the Superintendent of Financial Institutions of the State of Arizona has granted this license to transact the business of a:

Certified General Real Estate Appraiser

ROBERT C. HUCK

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

Expiration Date : **August 31, 2022**

QUALIFICATIONS OF ROBERT C. HUCK, MAI
Certified General Real Estate Appraiser, Certificate No. 30123

EDUCATION:

Arcadia High School; Phoenix, AZ, 1965 - 1969, High School Diploma
Southern Methodist University; Dallas, TX 1969 - 1973. Graduated Cum Laude with BA in Economics. Phi Beta Kappa. Extensive course work in Business and Investments.
University of Adelaide; Adelaide, South Australia, 1974. Post Graduate courses in Economics.
Arizona Department of Real Estate: Passed Licensing Exam, 5/81.
Appraisal Institute: Received MAI Designation, July, 1988
State of Arizona Board of Appraisal

EXPERIENCE:

Owner and President of Huck Appraisal of Northern Arizona, Inc., 724 Gail Gardner Way, Prescott, Arizona; May 1997 to Present.
Independent Fee Appraiser, Appraisal Consultants (formerly Russell L. Parker Company), 814 West Gurley Street, Prescott, AZ; July 1984 to May 1997.
Independent Fee Appraiser, RAM Enterprises, Prescott, AZ; 1983 to July 1984.
Real Estate Sales, Sandretto Properties, Inc., Prescott, AZ; 1981-1983; Commercial/Indust. Sales
Owner/President of Squires, Inc., DBA the Two Squires Restaurant, Prescott, Arizona; 1979-1981

PROFESSIONAL DESIGNATIONS

Member, Appraisal Institute (MAI Certificate #7882)
Certified General Real Estate Appraiser, State of Arizona; (Certificate Number 30123)

ORGANIZATION MEMBERSHIPS

Member, Phoenix Chapter, Appraisal Institute
Member, Prescott Kiwanis Club
Member, Prescott United Methodist Church

COURT TESTIMONY

Qualified as an expert witness: Yavapai County Superior Court, Division II
Qualified as an expert witness: U.S. Bankruptcy Court, Phoenix, AZ
Qualified as an expert witness: Mohave County Superior Court
Qualified as an expert witness: Coconino County Superior Court
Qualified as an expert witness: Colorado District Court, Garfield County, CO
Qualified as an expert witness: California District Court, Orange County, CA

SCOPE OF APPRAISAL WORK:

Experience includes the valuation of single & multi-family residential properties, subdivisions, mobile homes, condominium projects, bare land and acreage, retail, office, motel, restaurant, storage, commercial, industrial properties, easement/right of way condemnation and special purpose properties.

APPRAISAL COURSES & SEMINARS

National Association of Independent Fee Appraisers (NAIFA), "Manfctrd Housing Seminar", 2/84
NAIFA, "Mini-Math For Appraisers Seminar," 6/84.
NAIFA, "Member Appraisal Examination," 11/84
Arizona School of Real Estate, "Case Studies, Rules & Regulations Seminar, 4/85
Arizona School of Real Estate, "Introduction to Tax Shelters Seminar," 4/85
NAIFA, "Depreciation Seminar," 7/85
American Institute of Real Estate Appraisers (AIREA), "Problem Solving In Today's Market", 9/85
AIREA, "Standards of Professional Practice," Course Attendance/Exam 2-3, 9/86
AIREA, "Real Estate Appraisal Principles," Challenged & Passed Exam 1A-1, 9/86
AIREA, "Basic Valuation Procedures," Challenged & Passed Exam 1A-2, 9/86
AIREA, "Capitalization Theory & Technique, Part A," Course Attendance/Exam 1B-A 7/87
AIREA, "Capitalization Theory & Technique, Part B," Course Attendance/Exam 1B-B, 6/87
AIREA, "Case Studies in Real Estate Valuation," Course Attendance/Exam 2-1, 10/87
AIREA, "Valuation Analysis and Report Writing," Course Attendance/Exam 2-2, 10/87
AIREA, Submitted "Income-Property Demonstration Appraisal Report," 9/87; Passing Grade, 1/88
AIREA, Wrote "Comprehensive Examination", February, 1988; Received Passing Grade, 3/88
Resolution Trust Corporation (RTC), Seminar "RTC Appraisal Seminar", 12/90
Appraisal Institute (AI), "Standards of Professional Practice, Part A" Attendance/Exam, 2/91
AI, "Exam Preparation Seminar/Arizona Appraisal Law," Seminar Attendance/ Exam, 3/91
AI, "Standards of Professional Practice, Part B" Course Attendance/Exam, 5/92
AI, "Subdivision Analysis", Attended Seminar, 4/93
AI, "Standards of Professional Practice, Part A", Course Attendance/Exam, 4/94
AI, "Market Analysis", Seminar Attendance, 6/94
AI, "Fair Lending & The Appraiser", Seminar Attendance, 6/94
AI, "Understanding Construction Documents", Seminar Attendance, 6/94
AI, "Understanding Limited Appraisals", Seminar Attendance, 6/94
AI, "Standards of Professional Practice, Part B" Course Attendance/Exam, 10/95
AI, "Evaluations", Seminar Attendance, 10/95
AI, "Litigation", Seminar Attendance, 11/95
AI, "Special Purpose Properties", Seminar Attendance, 11/95
AI, "Highest & Best Use Applications", Seminar Attendance, 6/96
AI, "Data Confirmation & Verification", Seminar Attendance, 6/96
AI, "The Internet & Appraising", Seminar Attendance, 10/96
AI, "Tomorrows Appraiser, Videoconference", Seminar Attendance 10/96
AI, "Environmental Law", Seminar Attendance 11/96
AI, "Eminent Domain & Condemnation", Seminar Attendance 9/97
AI, "Internet Strategies for Appraisers", Online Education 2/00

APPRAISAL COURSES & SEMINARS (Continued)

AI, "Appraising Non-Conforming Properties", Seminar Attendance 2/00
AI, "Condemnation Appraising", Seminar Attendance 5/00
AI, "Appraising From Blueprints", AI Online Education 10/00
AI, "Residential Database Training", AI Online Education 2/01
AI, "Analyzing Operating Expenses", AI Online Education 3/01
AI, "Introduction to GIS", AI Online Education 10/01
AI, "Using HP12C Calculator", AI Online Education 11/01
AI, "Standards of Professional Practice, Part C" Course Attendance/Exam 11/01
AI, "Appraising Properties with Detrimental Conditions" AI Online Education 12/01
AI, "Energy Performance & Commercial Property Values", Seminar Attendance 5/04
McKissock Schools, "Residential Construction", Seminar Attendance 6/04
McKissock Schools, "Does My Report Comply With USPAP", Seminar Attendance 6/04
McKissock Schools, "Legal Issues for Appraisers", Seminar Attendance 6/04
AI, "Appraising Motels", AI Online Education 11/04
AI, "Interest Strategies For Appraisers", AI Online Education 9/05
AI, "Apartment Appraisal", AI Online Education 1/06
Arizona School of Real Estate, "USPAP 2005 Update", Seminar Attendance 1/06
Arizona School of Real Estate, "USPAP 2006 Update", Seminar Attendance 6/06
AI, "Introduction to International Valuation Standards", AI Online Education 11/06
AI, "Marshall Valuation Service Applications", AI Online Education 1/08
AI, "What Commercial Clients Want to Know", AI Online Education 2/08
AI, "USPAP 2007 Update", Seminar Attendance 5/08
AI, "Data Verification Methods", AI Online Education 8/09
AI, "Valuation of Green Residential Buildings", AI Online Education 9/09
AI, "Valuation of Green Commercial Buildings", AI Online Education 10/09
AI, "Business Practices & Ethics", AI Online Education, 11/09
USPAP 2010-2011 7-hour Update 7/10
AI, "Appraisal Curriculum Overview – Residential, AI Online Education 9/10
AI, "Appraisal Curriculum Overview – Commercial, AI Online Education 9/10
AI, "Apartment Appraisals", AI Online Education 5/11
AI, "Appraisal of Convenience Stores", AI Online Education 8/11
AI, "Analyzing Distressed Properties", AI Online Education 10/11
USPAP 2012-2013 7-hour Update 4/12
AI, "Business Practices & Ethics", AI Online Education 2/14
Arizona Appraiser's State Conference, "USPAP 2014-2015 Update" Seminar Attendance 3/14
AI, "Advanced Internet Search Strategies", AI Online Education 6/14
AI, "Small Hotel/Motel Valuation", AI Online Education 7/14
AI, "Subdivision Valuation", AI Online Education 8/15
AI, "Forecasting Revenue", AI Online Education 2/16
USPAP 2016-2017 7-hour Update Seminar Attendance 2/16 Arizona Appraisal Seminars & Classes
AI, "Rates and Ratios: Making Sense of GIMs, OARs and DCF", AI Online Education 7/16
AI, "Appraisal of Medical Office Buildings", AI Online Education 12/17
USPAP 2018-2019 7-hour Update Seminar Attendance 3/18 Arizona Appraisal Seminars & Classes
AI "Appraisal Business Practices & Ethics", AI Online Education 5/18

PARTIAL CLIENT LIST

American Bank
Apache County
Babbitt Brothers Trading Company
Bank of America (Including banks acquired by Bank of America)
Bayview Financial
California Bank & Trust
Chase Bank (Including banks acquired by Chase)
City Governments (Cottonwood, Page, Prescott, Prescott Valley, Williams, et.al.)
Commercial Capital Bank
Community First Bank
Compass Bank (Including banks acquired by Compass Bank)
Country Bank
Desert Hills Bank
Downey Savings
Farm Credit Services
Fain Family/Fain Signature Group
First American Title Company
First National Bank of Amarillo, Texas
First State Bank
Foothills Bank
Heritage Bank
Home National Bank
Irwin National Bank
Laventhol & Horwath
M & I Bank (Including banks acquired by M & I Bank)
Mission Bank
Mohave State Bank
National Bank of Arizona (Including banks acquired by National Bank)
North American Savings Bank
Northern Trust Bank
Peabody Mining Company
Regions Bank
Resolution Trust Corporation (RTC)
State of Arizona
Summit Bank
Temecula Valley Bank
United States Government,
 Government Services Administration
 U.S. Dept. of Interior, Bureau of Indian Affairs
 U.S. Dept. of Interior, National Park Service
U.S. Post Office
U.S. Veterans Administration
Valley Bank
Wells Fargo Bank (Including banks acquired by Wells Fargo Bank)
Western Bank
Yavapai County

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COUNCIL COMMUNICATION

Regular Council Meeting Date: **November 17, 2020**

Agenda Item: **9.B.**

Submitted By: Edward L. Hanks, Jr., Town Manager

Subject:

Canvass the results of the General Election held on November 3, 2020, for the purpose of nominating and/or electing a candidate to the office of Town Councilmember.

Background:

The Town's General Election was held on November 3, 2020 for the purpose of electing a candidate to the office of Councilmember (4-year term).

State law requires the governing body to canvass the election results not less than six days nor more than 20 days following an election and specifies the information that must be included in the canvass.

Upon canvass of the results, pursuant to Dewey-Humboldt Town Code §30.046, _____ will be declared to office, effective as of the date of the General Election (November 3, 2020). Those elected will assume the duties of office at the first regular meeting of the Council in December (December 1, 2020).

The canvass is being prepared by the Yavapai County Elections Department and will meet all statutory requirements for a canvass.

(If the results aren't in from the County prior to Tuesday, November 17, 2020, a Special Meeting will need to be held to canvass the election.)

Financial Impact:

None.

Direction Requested:

Staff is seeking Council approval of the canvass.

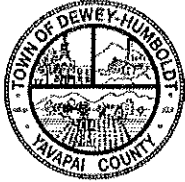
Suggested Motion:

I move to approve the canvass of results of the November 3, 2020, General Election.

Attachments:

The canvass will be provided once it becomes available from the Yavapai County Elections Department.

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TOWN OF DEWEY-HUMBOLDT
P.O. BOX 69
HUMBOLDT, AZ 86329
Phone 928-632-8562 • Fax 928-632-7365

Dewey-Humboldt

OCT 29 2020

Received

COUNCIL AGENDA ACTION REQUEST FORM

Meeting Type: Regular Special Work Session

Meeting Date: November 3, 2020

Date of Request: October 29, 2020

Type of Action: Routine/Consent Regular

Requesting: Action Report Only

Agenda Item Text (a brief description for placement on the agenda; please be exact):
interview new auditors

Purpose and Background Information (Detail of requested action). _____

We have had this auditor for the past 10 years. It is time to change. It is starting to look suspicious keeping the same auditor so long.

Staff Recommendation(s): _____

Budgeted Amount: \$0.00

List All Attachments: _____

Type of Presentation: _____

Special Equipment needed: Laptop Remote Microphone
 Overhead Projector Other: _____

Contact Person: Mayor, Nolan

Note: Per Town Code §30.105(D): Any new item will be placed under "New Business" for the council to determine its disposition. It can be acted upon at that meeting, sent to staff for more work, sent to the appropriate board or commission, set for a work session or tabled for a future date, etc.