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Southern Impact Fee Area Land Use Study

City of Phoenix Finance Department
251 West Washington Street
Phoenix, Arizona 85003-1611

BBG File #0123127425
Client File #CC: 8591000000

Prepared For

Mr. Burton Byars
City of Phoenix Finance Department
251 West Washington Street, 8th Floor
Phoenix, AZ 85003-1611

Report Date

April 1, 2024

Prepared By

BBG, Inc., Phoenix Office
2850 E. Camelback Road, Suite 330
Phoenix, AZ 85016
602-648-8600

Client Manager: Albert Nava, MAI, SGA
anava@bbgres.com

BBG Website

bbgres.com



April 1, 2024

Mr. Burton Byars
City of Phoenix Finance Department
251 West Washington Street, 8th Floor
Phoenix, AZ 85003-1611

Re: Consultation of Real Property
Consulting Assignment
251 West Washington Street
Phoenix, Arizona 85003-1611
BBG File #0123127425
Client File #CC: 8591000000

Dear Mr. Byars:

In accordance with your authorization (per the engagement letter found in the *Addenda* of this report), an Appraisal/ Consultation Report has been prepared.

The attached consultation report provides estimates of projected land costs within the **Southern Impact Fee Areas** defined by the City of Phoenix. More specifically and per the requested scope of work, the analysis focuses on the Planning Villages of Laveen and Estrella (west of 43rd Avenue).

The purpose of this study is to provide a basis for projections and a mechanism for recognizing the possible increase or decrease in land values over the coming year for certain types of lands to be acquired through impact fees as part of the Infrastructure Financing Plans for these districts. The intended use of this report is for internal decision making to allow the City a better means of aligning future acquisition costs and the monies collected through the City's impact fee program. The intended users of this report are the Real Estate Division and Planning and Development Department of the City of Phoenix.

The purpose of this analysis is to assist the City of Phoenix in establishing reasonable estimates of the costs for certain land use types to be acquired through impact fees as part of the Infrastructure Financing Plans. ***Although land values presented herein have been estimated on a per acre and/or per square foot basis by the consultant, it must be made clear that land values presented have been estimated on a macro basis and for various land use types, assuming typical market terms and conditions, and are not intended to represent actual prices to be paid for any specific parcel of land.*** The value estimates presented herein are of only a *typical land use type* based on specific hypothetical criteria for a given land use and do not reflect the value of any particular site. A typical land use type was determined from data and descriptions provided through conversations with representatives of relevant City departments and it includes both residential and commercial uses. Summaries of the physical, legal and economic characteristics of the typical land use type and information regarding the Southern Impact Fee Area are presented in the attached document.

This Appraisal/Consultation Report was prepared to conform with the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP). This report has been written in accordance with the Code of Ethics and the Standards of Professional Practice of the Appraisal Institute. This report is also intended to be in compliance with additional requirements of the City of Phoenix Finance Department (client) as applicable. This report is to be used by the intended user(s) named herein; no other party may rely upon the opinions presented in this report.

EXTRAORDINARY ASSUMPTION(S) AND HYPOTHETICAL CONDITION(S)

The values presented within this consultation report are subject to the extraordinary assumptions and hypothetical conditions listed below. Pursuant to the requirement within Uniform Standards of Professional Appraisal Practice Standards, it is stated here that the use of any extraordinary assumptions and/or hypothetical conditions might have affected the assignment results.

Extraordinary Assumption(s) - The land values presented herein have been estimated on a macro basis and for various land use types, assuming typical market terms and conditions, and are not intended to represent actual prices to be paid for any specific parcel of land.

Hypothetical Condition(s) - None employed in this analysis.

The effective date of the land cost estimates presented herein is March 30, 2024. Based on the data and analysis summarized in the attached report, our conclusions are as follows:

SOUTHERN IMPACT AREA						
Use	Typical Size Acres	Typical Underlying Use	Villages			
			Laveen		Estrella	
			Per SF	Per Acre	Per SF	Per Acre
<u>Acquisitions</u>						
Fire Stations	1.0 - 4.0	Commercial	\$15.00	\$650,000	\$15.00	\$650,000
Police Stations	5.0 - 10.0	Commercial	\$15.00	\$650,000	\$15.00	\$650,000
Libraries	1.0 - 3.0	Commercial	\$15.00	\$650,000	\$15.00	\$650,000
Neighborhood Parks	20	Residential	\$4.00	\$170,000	\$4.00	\$170,000
District/Community Parks	30	Residential	\$4.00	\$170,000	\$4.00	\$170,000
Water Wells	.25 - .50	Residential	\$3.00	\$130,000	\$3.00	\$130,000
Water Booster Stations	1.0	Residential	\$3.00	\$130,000	\$3.00	\$130,000
Water Pressure Reducing Valve Stations	1.0	Residential	\$3.00	\$130,000	\$3.00	\$130,000
Water Reservoirs	2.0 - 6.0	Residential	\$3.00	\$130,000	\$3.00	\$130,000
Waste Water Lift Stations	1	Residential	\$3.00	\$130,000	\$3.00	\$130,000
Storm Drainage Stations	20 - 40	Residential	\$4.00	\$170,000	\$4.00	\$170,000
Channels	40' - 100'	Residential	\$4.00	\$170,000	\$4.00	\$170,000
<u>Easements (Full Fee Simple Value)</u>						
Water Transmission Mains	50' - 80'	Residential	\$4.00	\$170,000	\$4.00	\$170,000
Wastewater Gravity Sewer Mains	40' - 80'	Residential	\$4.00	\$170,000	\$4.00	\$170,000
Wastewater Lift Station Force Mains	40' - 80'	Residential	\$4.00	\$170,000	\$4.00	\$170,000

This letter must remain attached to the report, which should be transmitted in its entirety, in order for the value opinion(s) set forth above to be relied upon by the intended user(s).

BBG, Inc. appreciates the opportunity to have performed this appraisal/consultation assignment on your behalf. If we may be of further service, please contact the Client Manager.

Sincerely,



Albert Nava, MAI, SGA
 AZ Certified General Appraiser
 License #: CGA 30806
 602-648-8600
 anava@bbgres.com

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SCOPE OF WORK

The scope of work best defines the needs of the client(s) and intended user(s) of the report and dictates what factors an appraiser/consultant considered during the valuation process. The scope of work summarized below has been deemed acceptable as it meets or exceeds both the expectations of parties who are regularly intended users for similar assignments and what peers' actions would be in performing the same or a similar assignment. As such, the scope of work summarized below is deemed appropriate for this assignment based on its parameters and will produce credible assignment results. Additional scope details are included in appropriate sections of this report.

BBG, Inc. has been engaged by the City of Phoenix to provide estimates of land cost per acre and/or per square foot, based on such factors as acreage requirements for different types of city facilities, based on facility types and attributes; probable zoning designation of the site(s); and other land pricing factors. Impact Fee Areas include the following:

Northern Impact Fee Areas	Southern Impact fee Areas
North Gateway Desert View Deer Valley	Laveen Estrella (West of 43rd Avenue)

It should be noted that past land cost studies performed by the consultant also included the Ahwatukee Foothills village. However, per Mr. David Neal, Principal Planner with the City of Phoenix Planning and Development Department, the Ahwatukee area is no longer needed.

Specifically, the following is requested:

1. Provide a discussion of the factors that affect land costs in the Impact Fee Areas.
2. Interview representatives from the relevant city departments to obtain descriptions of the typical site needs and locational requirements. Develop prototype descriptions for each type of site; assign specific attributes to those sites, such as but not limited to minimum land sizes, locational requirements, including street access and estimate land costs for each of the prototypical sites. The anticipated facilities will likely include:
 - Community parks
 - Neighborhood parks
 - District parks
 - Lift, booster or PRV stations
 - Police precinct stations
 - Police neighborhood stations
 - Brach libraries
 - Fire stations
 - District fire stations
 - Raw land
3. Calculate most probable land costs for the following land uses:
 - Raw land
 - Single-family residential
 - Commercial
 - Industrial
 - Specific uses as cited above

4. Utilize research on trends in residential unit pricing in the Impact Fee Area. Commercial land costs shall be based on an estimate of the cost per square foot and/or per acre for the land. All land cost estimates shall consider the location factors arising from City facility needs (listed in No. 2 above). The cost of all land needed for the development of needed right-of-way will be valued as the same rate as low-density residential uses.
5. Define a method of estimating land costs that improves on the process of simply providing a weighted average of all large land sale costs. Consideration should be given to the likely placing of public facilities.
6. Provide a recommended mechanism for adjusting the impact fees paid or credits provided (which should occur at least annually) based on possible increases or decreases in land values through the end of 2024/first quarter 2025 and when the adjustments should be made.
7. Provide modifications to the analyses draft, as needed.
8. The projections made for each of the above listed items need to be separated by the North and South Impact Fee Areas AND made for each of the individual growth areas within the Impact Fee Areas listed above.
9. All provided information and maps MUST be reverified, regenerated and/or updated as necessary to complete the assignment.

This particular report addresses the Southern Impact Fee Areas only.

LEVEL OF REPORTING DETAIL

Standards Rule 2-2 (Real Property Appraisal, Reporting) contained in USPAP requires each written real property appraisal report to be prepared as either an Appraisal Report or a Restricted Appraisal Report.

This report is prepared as an **Appraisal Report**. An Appraisal Report must at a minimum summarize the appraiser's analysis and the rationale for the conclusions. This report has been prepared in a summary format presenting only the results of our investigations. All supporting documentation has been retained in our files.

INTRODUCTION

IMPACT FEE PROGRAM DESCRIPTION

The City of Phoenix, Arizona (the “City”) requires a study of the projected land costs within the Northern Impact Fee Area and the Southern Impact Fee Area (together the “Impact Fee Areas”) through 2024/first quarter 2025. The study needs to provide a basis for its projections, to include the factors listed herein, and a mechanism for recognizing future changes in land values.

The Impact Fee Program was established by the City in 1988 to help pay for the cost of developing need infrastructure in rapidly growing areas of Phoenix or for expanding existing facilities to provide services in those areas. Impact fees are charged only on new construction or when changes are made to existing developments. By collecting impact fees that consider the future tax generating capabilities of the new developments, the City can show its citizens that new growth is paying its fair share of infrastructure costs.

Chapter 29 of the Phoenix City Code requires that new development pay its fair share of the costs associated with the provision of public facilities necessary to support the new development. Before assessing development impact fees, the City must adopt a Specific Infrastructure-Financing Plan for the planning area in which the development impact fees will apply. Specific Infrastructure Plans must be adopted and amended as a specific plan in accordance with Section 9-461.09, Arizona Revised Statutes, and the City’s impact fee must be consistent with the requirements established in Section 9-463.05, Arizona Revised Statutes.

The City currently charges impact fees in several areas under its jurisdiction. Impact fees make up the difference between the total cost of needed infrastructure and a variety of revenue sources collected through traditional means (secondary property taxes, water rates, etc.). Impact fees are charged in the northern and southern growth areas of Phoenix because they require extensive infrastructure improvements. The growth areas, known as the Northern and Southern Impact Fee Areas, contain six infrastructure financing plans.

This report addresses the Northern Impact Area and specifically the planning villages of Deer Valley, Desert View and North Gateway. Costs are estimated across a number of Capital Facilities Categories representing the needs of different departments or divisions of City government in developing districts. See following chart for uses.

Acquisitions

Fire Stations

Police Stations

Libraries

Neighborhood Parks

District/Community Parks

Water Wells

Water Booster Stations

Water Pressure Reducing Valve Stations

Water Reservoirs

Waste Water Lift Stations

Storm Drainage Stations

Channels

Easements (Full Fee Simple Value)

Water Transmission Mains

Wastewater Gravity Sewer Mains

Wastewater Lift Station Force Mains

METHODOLOGY

Members of BBG, Inc. have spoken on several occasions with members of the City of Phoenix Planning and Development Department and the Real Estate Division to determine the complexity of the issues. Relevant data was gathered from a number of sources and analyzed. Macro data gathered included information on social, economic, governmental, and environmental trends and conditions which might affect the lands in the various Financing Districts. Sources of data included CoStar Comps for historical land sales, conversations with brokers active in these areas and the Phoenix area MLS. Included within the report are the following.

- An overview of the City of Phoenix' infrastructure financing plans;
- A brief description of the Northern Impact Fee Areas;
- Descriptions of the typical sites;
- A summary of the data and analysis considered to determine costs estimates for each of the typical sites within each financing district, and;
- A summary of the mechanism for adjusting impact fees or credits based on possible increases or decreases as determined from the market.

The value estimates presented herein are of only a *typical land use type* based on specific hypothetical criteria for a given land use and do not reflect the value of any particular site. A typical land use type was determined from data and descriptions provided through conversations with representatives of relevant City departments and the Planning and Development Department's Northern and Southern Impact Fee Areas Infrastructure-Financing Plans.

The purpose of this analysis is to assist the City of Phoenix in establishing reasonable estimates of the costs for certain land use types to be acquired through impact fees as part of the Infrastructure Financing Plans. ***Although land values presented herein have been estimated on a per acre and/or per square foot basis by the consultant, it must be made clear that land values presented have been estimated on a macro basis and for various land use types, assuming typical market terms and conditions, and are not intended to represent actual prices to be paid for any specific parcel of land.***

The land values estimated herein play two important roles in the administration of the Impact Fee program, (1) calculation of the fees assessed to new development; and (2) a provision of credit for land dedicated to the city in return for credit against Impact Fees.

Land values are also an important component of the total infrastructure costs that are used to develop gross cost per Equivalent Demand Unit (EDU) amounts. The City staff and their consultants estimate the costs of constructing new facilities in these growth areas, such as a new water reservoir or fire station and parks, and an estimate of the cost of the underlying land for the project is needed to project the overall cost of the completed facility. Because in many cases the specific location (parcel or even general cross streets) of future facilities is not known, generic land costs for the mostly likely land use in the service area are required.

Land values provided in an exercise of this type may also be used to help with crude 'rule of thumb' type preliminary project estimation of costs that are frequently done by City staff and developers when more specific information is not yet available.

Land cost data collected for the Impact Fee program has also been used extensively for making preliminary or rudimentary estimates of future costs for capital improvement program projects or for developer-driven projects in which the City participates. Often, lacking any other information, city staff and developers will use the costs included in the infrastructure financing plan to produce an estimate of what a large water, wastewater, drainage or street project might cost prior to seeking more refined numbers from engineers, surveyors, appraisers and construction

management specialists. In these situations, an average or generic cost (including land cost) is often useful for evaluating the financial impact of proposed or anticipated projects.

Once the estimated costs are known and impact fee amounts have been developed and the infrastructure financing plans have been adopted by Council, developers may acquire and/or construct and then dedicate to the City land and/or facilities that will reduce their impact fee liability. If land or facilities that are dedicated are included in the financing plans, the City will provide credit that can be used to reduce specific types of impact fees (e.g. water, fire, park, etc.) in specific service areas. The amount of credit provided is partially dependent on cost assumptions included in the plans since the ordinance currently requires that credit be granted on the basis of the lower of actual cost or costs assumed in the plans.

Basic land sales search criteria included the following:

1. Sales were preferably located within the respective Impact Fee Areas.
2. Sales must have occurred within the past three+ years (2021, 2022, 2023 and 2024 or post COVID).
3. Commercial/industrial sales must be under 5 acres.
4. Small residential sales must be between 1 and 10 acres.
5. Large residential sales must be larger than 10 acres.

Several hundred land sales from 2021, 2022, 2023 and early 2024 that generally fit within the search criteria were initially considered and researched through CoStar. Information was cross checked with the Maricopa County Assessor's and Recorder's data. For purposes of consistency, land areas used herein were based on what is shown by the assessor's office as CoStar may use land sizes reported in brokers' marketing brochures. In some cases, zoning at the time of sale was not consistent with the estimated highest and best use of a site as several sites were zoned with very low holding designations which will likely be changed. Therefore, sales were categorized based on their perceived highest and best use.

Many sales were eliminated for various reasons (i.e. transfers could not be verified in county records, CoStar data did not match recorded information, sales of residential parcels were found that were confirmed as bulk sales of residential lots, sales were too far from the defined Impact Areas, etc.). Sales of commercial outparcels within regionally or nationally anchored centers were also eliminated as selling prices are typically of finished building pads and can be heavily influenced by the anchor tenant. In some instances, it was necessary to use land sales that occurred outside of defined Impact Fee Areas as there was either no or limited sales that fit the search criteria within those areas. In those cases, the analyst made every attempt to consider sales that were within a reasonable distance to provide a reliable and supportable indication of land values within the defined impact area. Finally, sales were categorized based on the date of transfer shown in the respective affidavits as many recorded dates may have been months or even one to two years after the sale actually occurring.

DEFINITIONS

The following definitions are for specific terms that may be used herein. The source is the Infrastructure-Financing Plan prepared by the City of Phoenix, Planning and Development Department.

Impact Fees: Fees charged pursuant to A.R.S. §9.463.05 to contribute to costs associated with infrastructure and public services that need to be expanded as a direct result of new development in the growth areas of the City of Phoenix, as defined in the General Plan. These growth areas still require substantial investment and construction of capital facilities before or in conjunction with future development.

Impact Fees Areas: Since not all areas have the same capital facility requirements, the growth areas are divided into separate fee areas, so that the fees charged in any one fee area pay only for infrastructure which provides a direct benefit to that particular fee area. For example: the Parks Impact Fee for Estrella South funds only parks in the Southwest service area. It does not fund parks in the Northern service areas, which are unlikely to be used on a regular basis by the residents of Estrella South. In addition, fees vary by use and size of development.

Capital Facilities: Necessary public services that are permanent additions to the City's assets, which are primarily financed by long-term debt instruments, impact fees, and not from the City's annual operating budget. This term refers to buildings, systems, equipment, or land required for provision of a public service. For example, capital facilities for water may refer to a transmission pipe, or booster station, or pressure reducing valve. The term "infrastructure" is often used interchangeably with "capital facilities." Capital Facilities include the purchase of land, studies leading to design, as well as the design and construction of buildings and facilities.

Capital Facility Category: A classification of capital facilities as set out in Sec. 29-5.B.1 of the Phoenix City Code that generally corresponds with the capital program area of the most recent City of Phoenix Capital Improvement Program.

Equivalent Dwelling Unit (EDU): This term is utilized so that all types of uses - apartments, retail, industrial, etc. can be measured against the base standard of one EDU, which is one standard single-family home. So if a shopping plaza is said to have 45 EDU's, it means that the plaza places the same demand on infrastructure as 45 single-family homes.

Net Impact Fee: This is the amount actually charged to the customer and is equal to the Gross Impact Fee minus any applicable Offsets. However, if credits apply, the amount charged to the customer will be further reduced.

Gross Impact Fee: This term refers to the total impact fee to be assessed against a subject development prior to subtraction of any Offsets, which is generally NOT the same amount that the customer is actually charged. However, in

the few cases where no Offset applies, the Gross Impact Fee will then be the same as the Net Impact Fee.

The Gross Impact Fee is calculated by multiplying the Gross Impact Fee per EDU (for each category of Necessary Public Service) by the applicable number of EDUs within the Subject Development.

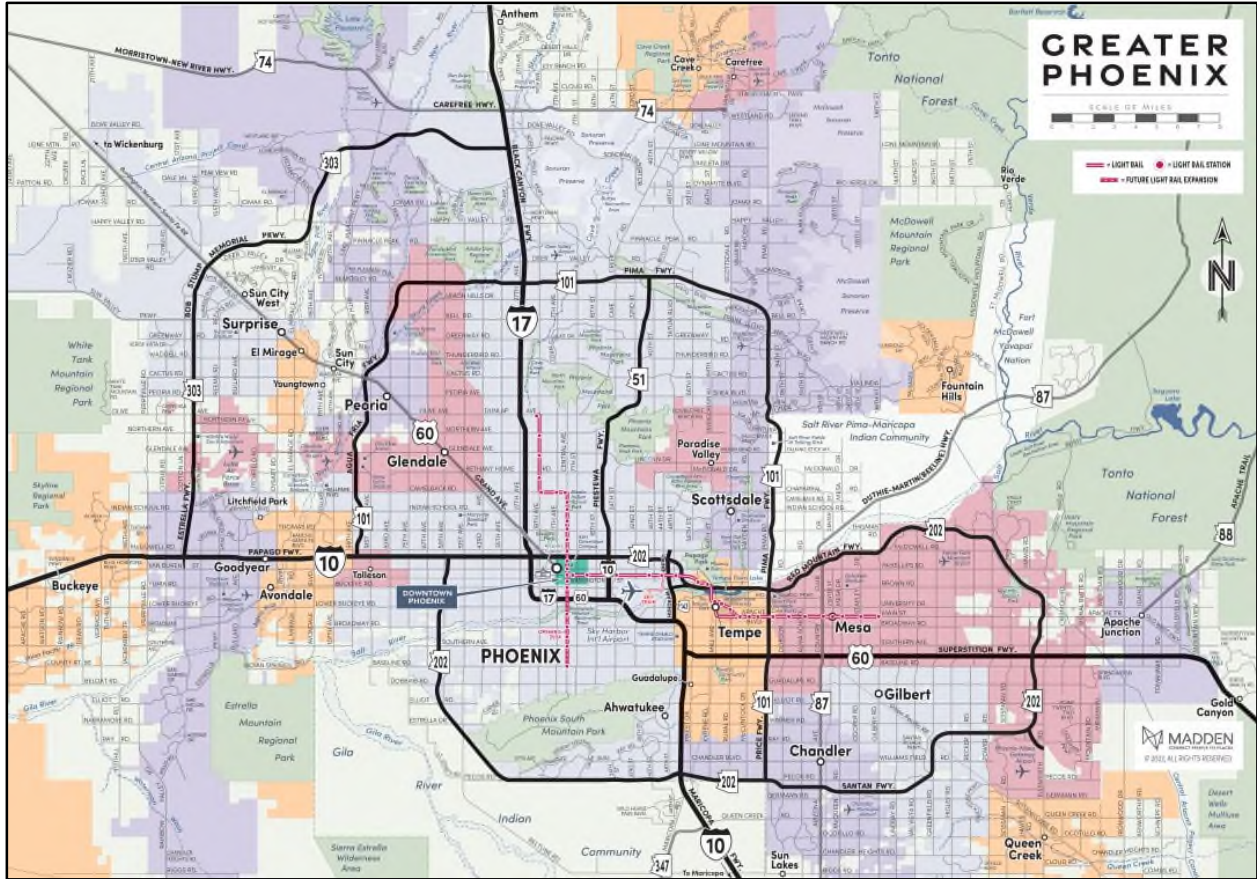
Offset:

An amount which is subtracted from the overall costs of providing Necessary Public Services to account for those capital components of existing infrastructure or associated debt that have been or will be paid for by a development through taxes, fees (except for Impact Fees), and other revenue sources, as determined by the City pursuant to Section 29-8 of this Chapter.

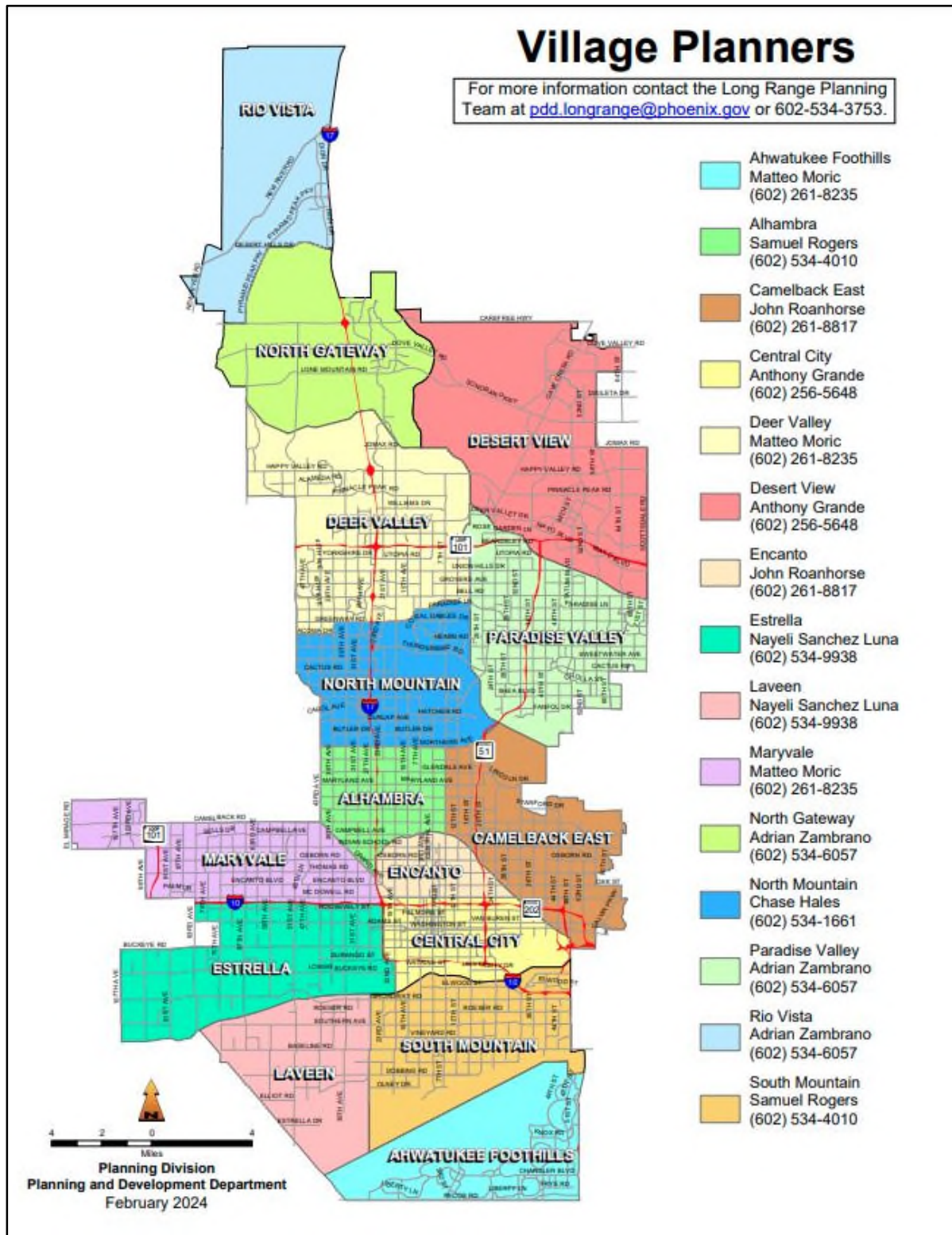
Standard of Service:

The amount and quality of service provided by a capital facility for the population and land uses it serves.

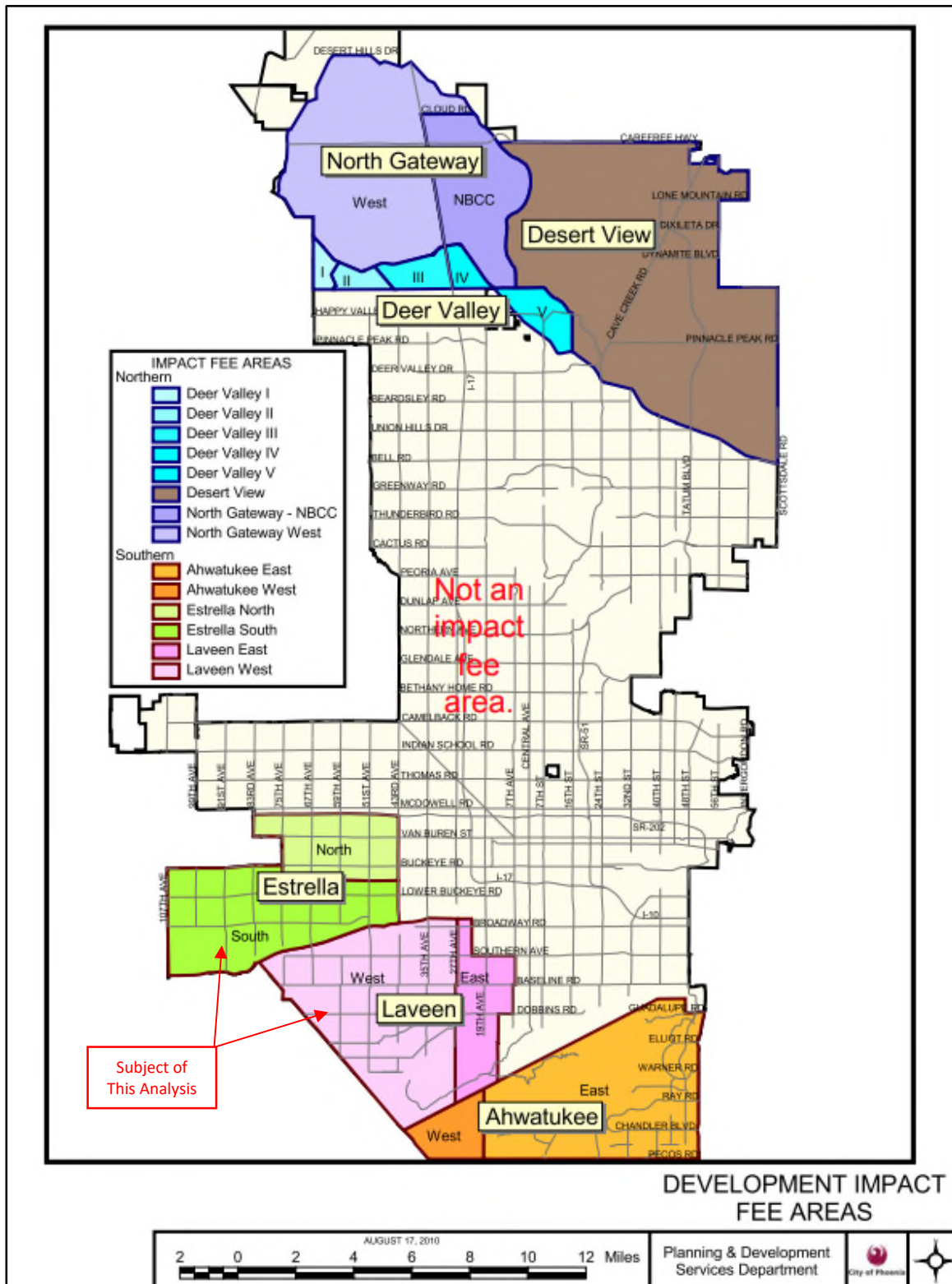
On the following pages are the Phoenix metro area map and City of Phoenix maps showing the Impact Fee Areas. As noted, this report focuses on the Southern Impact Area and specifically the planning villages of Estrella (west of 43rd Avenue) and Laveen.



City of Phoenix Village Planning Areas



City of Phoenix Impact Fee Service Areas



Not an impact fee area.

Subject of This Analysis

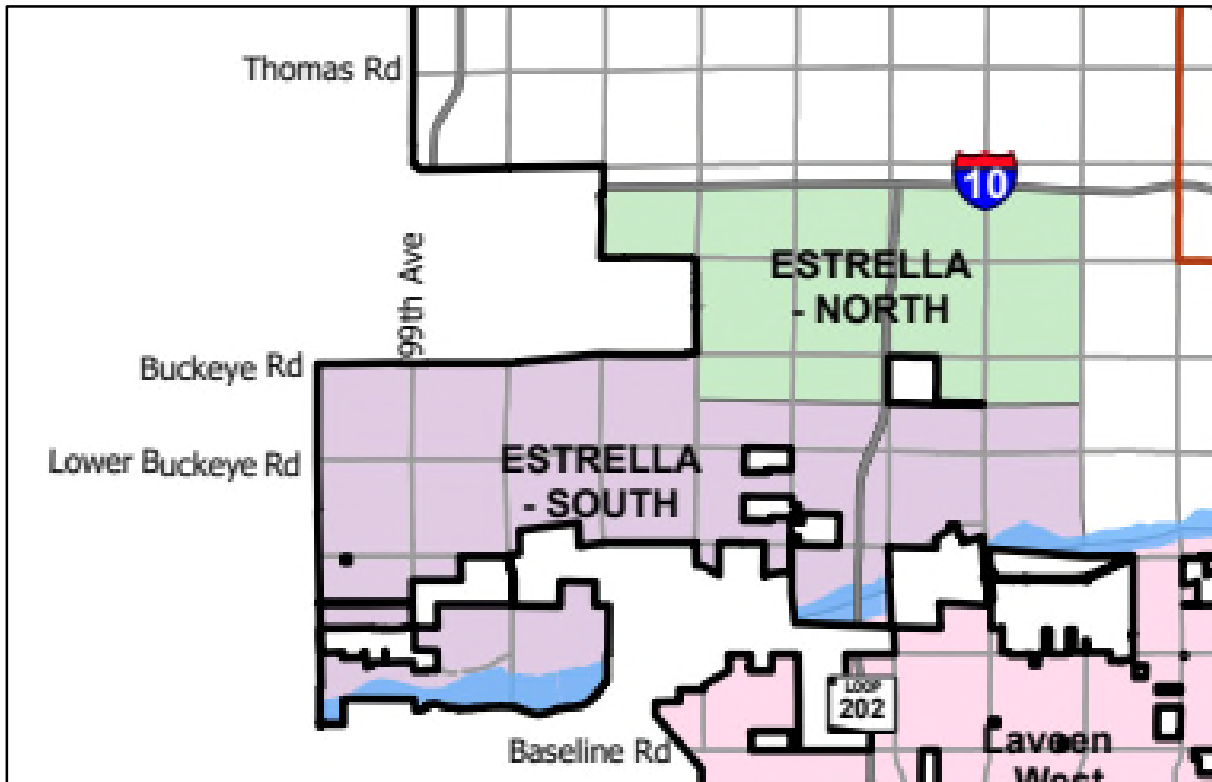
Description of the Southern Growth Areas

The Estrella, Laveen and Ahwatukee Foothills subareas comprise the Southern Growth Area (total acreage unknown). **However, per Mr. David Neal, Principal Planner with the City of Phoenix Planning and Development Department, the Ahwatukee Foothills area is no longer needed and was not included herein.**

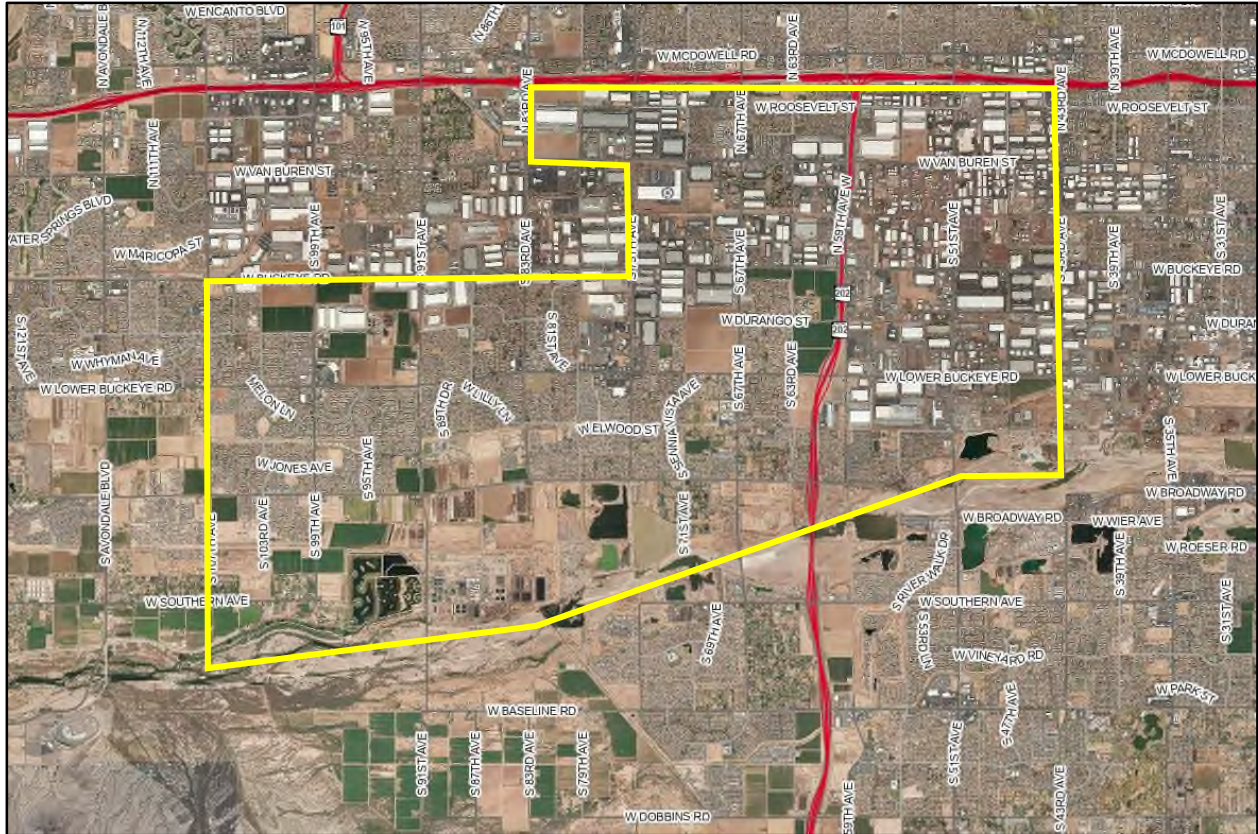
The following pages and maps describe the basic characteristics of each area. **Information concerning acreages and expected development densities for the various subfee areas was provided by Planning and Development Department information.** The social, economic, governmental and environmental forces influencing property values in each area were analyzed. More specifically, the average base home pricing for new development in each area was estimated based on the average home pricing in these areas as reported by the Phoenix MLS.

Estrella Village

The first area considered is the Estrella (west of 43rd Avenue) Area, which is divided by the Planning and Development Department into north and south as shown in the following maps. For purposes of this analysis both areas have been combined and considered as one.

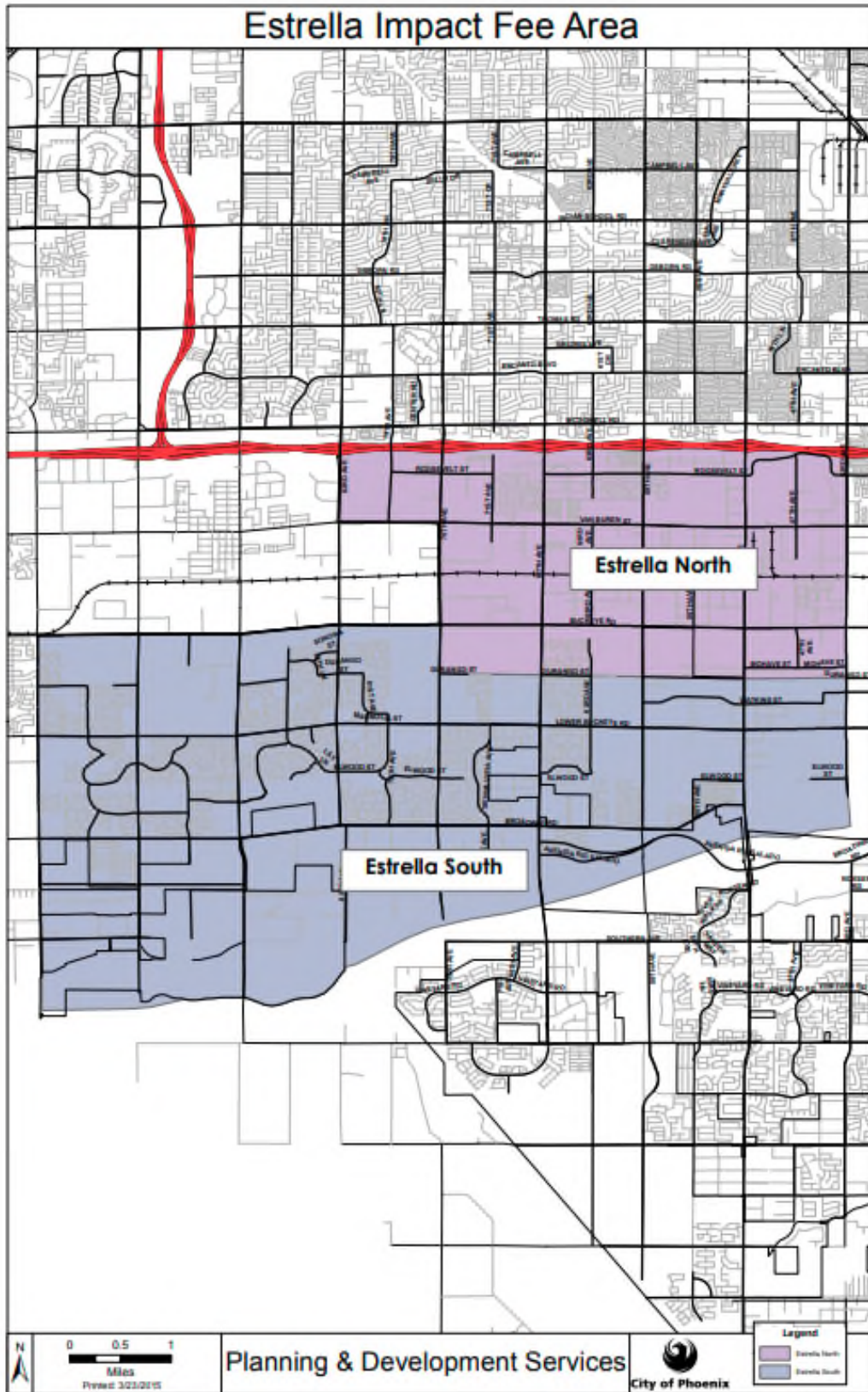


Source: City of Phoenix



Note: Impact Fee Area boundaries (yellow) are approximate for illustrative purposes only.

Source: Maricopa County Assessor office (map) and City of Phoenix



Note: Approximate North Gateway Impact Area boundaries denoted in Red.

The Estrella Impact Fee Area is part of the larger Estrella Village, and further subdivided into two Impact Fee areas (North and South). The North portion is generally bounded by the Papago Freeway (Interstate 10) on the north, 43rd Avenue on the east, Durango Street on the south, and 75th to 83rd Avenues on the west. The South portion is bounded by Buckeye Road and Durango Street on the north, 43rd Avenue on the east, the Salt River on the south and 107th Avenue on the west. However, due to their overall similarity in property uses and character, they were considered as one area for the analysis.

Due to its proximity to the Salt River and large portions of level land, this area has historically been agricultural in nature, but has been transitioning to single-family development over the past 20 years. The North portion of this sub area, from 43rd Avenue (east) to 83rd Avenue (west), is dominated by light to heavy industrial uses because of its proximity to Interstate 10. The South portion is split between agricultural and single-family uses. Rather than large master-planned communities, residential is developing as smaller, but well-planned subdivisions.

The westerly extension of Loop 202, the South Mountain Freeway completed in late 2019, traverses the Estrella district in a north/south alignment connecting to Interstate 10 generally along the 59th Avenue alignment. As can be seen in the maps on following pages, it also impacts the Laveen Impact Fee area. The completion of this freeway significantly changed property uses in the areas, especially along the freeway corridor. This area is rapidly transitioning from agricultural uses to single-family residential with supporting commercial.

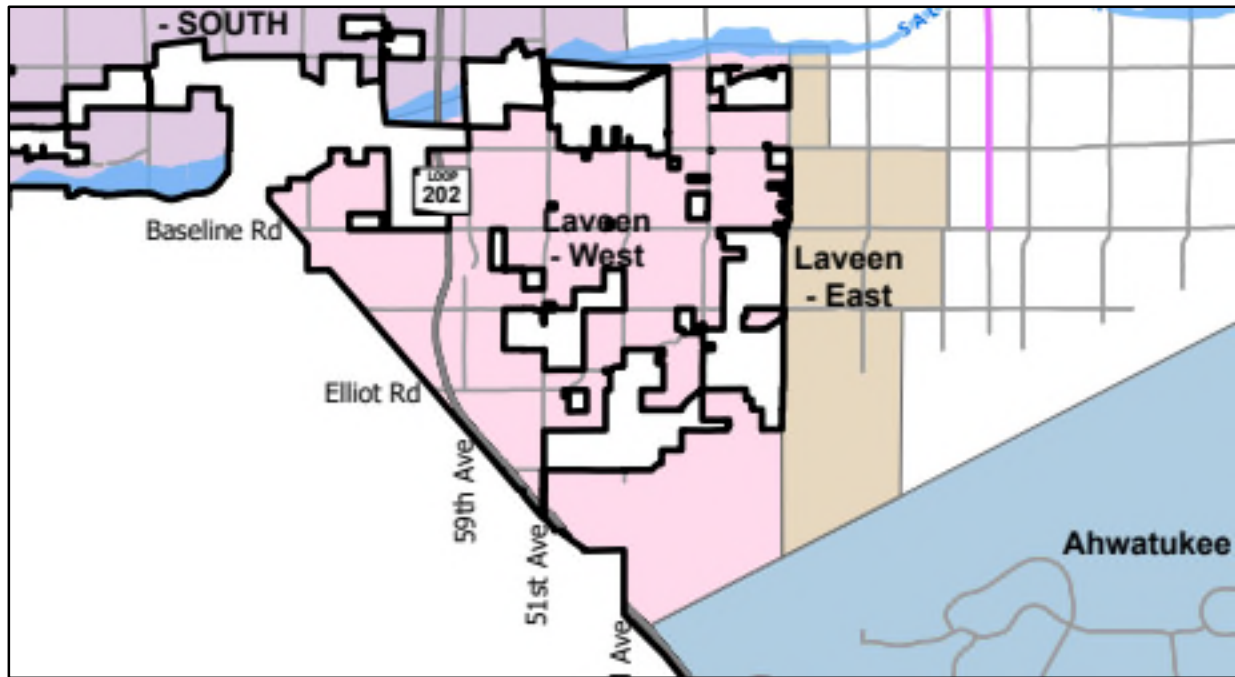
The current average price (last 12 months) of newer single-family housing (built after 2020) in the Estrella Village is \$415,602, with all sales averaging \$403,567. This is well below the metro area averages for both newer single-family housing at \$700,244 and \$639,775 for all home sales. The average sales price per square foot of housing in the subject market area is \$230.16 for newer homes and \$226.17 for all homes, also below the metro area for newer homes of \$279.96 and all homes of \$289.78 per square foot, respectively. This is partially the result of the subject area having a much smaller average home size of 1,851 square feet versus a metro area average of 2,106 square feet.

Based on information provided by the City of Phoenix Planning and Development Department, the overall Estrella Village area encompasses about 41 square miles of the southwestern portion of the City and is generally south of Interstate 10 to the Salt River, and west of 19th Avenue to 107th Avenue. It is a developing portion of the metro area with still large portions of undeveloped desert or active agriculture. It is estimated by the City that approximately 35% of the area will be developed with single family residential uses to a density of up to 5 dwelling units per acre.

Per Spotlight (Claritas, Inc.), the population estimated for the Estrella (west of 43rd Avenue) Impact Area in 2020 approximated 67,968 persons, and over the next eight years to 2028 it is expected to grow to an estimated 76,549 persons, indicating a growth rate of 12.6% or 1.6% per year on average.

Laveen Village

The Laveen Impact Fee Area includes all of the Laveen Village and a portion of the South Mountain Village and encompasses the portion of the City designated as Laveen. It is further subdivided into two Impact Fee areas (East and West). The East portion is generally bounded by the Salt River on the north, 23rd Avenue to 7th Avenue to 15th Avenue on the east, South Mountain Park on the south, and 27th Avenue on the west. As noted, the East portion is actually in the South Mountain Village Planning Area but is included within the Laveen Impact Fee Area by the City for this analysis. The West portion is bounded by the Salt River on the north, 27th Avenue on the east, South Mountain Park on the southeast and the Gila River Indian Community on the southwest.

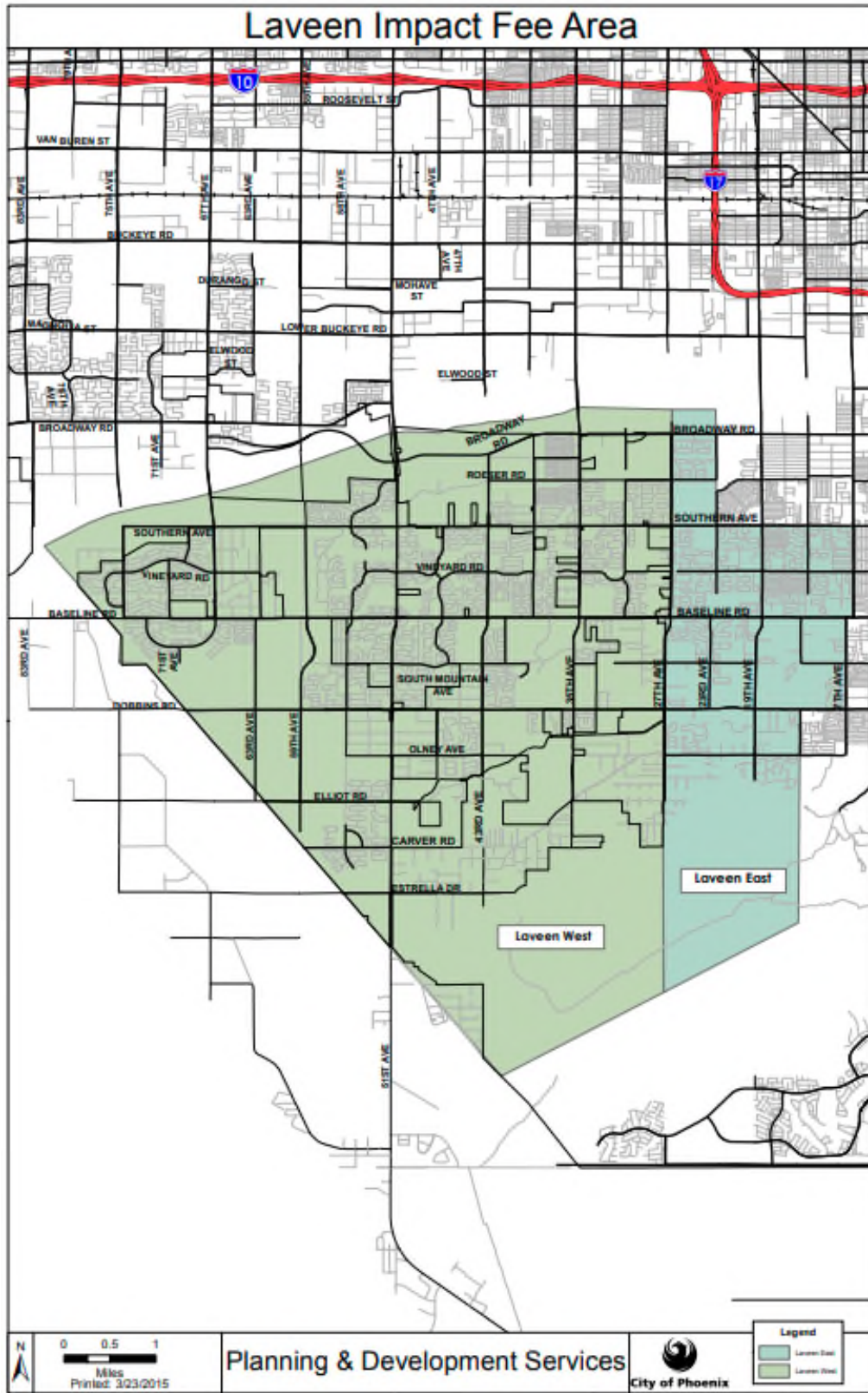


Source: City of Phoenix



Note: Impact Fee Area boundaries (yellow) are approximate for illustrative purposes only.

Source: Maricopa County Assessor office (map) and City of Phoenix



Note: Approximate Desert View Impact Area boundaries denoted in Blue (per consultant).

According to the City of Phoenix Planning Village information, “Steeped in natural beauty and agricultural heritage, the Laveen Village has been long valued by farmers, equestrians, and those looking for solitude and mountain access. The Village, nestled between South Mountain and the Salt River, attracts residents for its rural character, community-focused traditions and the abundance of recreational amenities. The growth the area provides needed amenities while maintaining a rural, easy living flair”.

The Laveen Impact Fee area encompasses about 25,142 acres of land (39.3 square miles), of which roughly 3,976 acres are comprised of washes and other non-developable areas like the Salt River. Thus, only about 21,166 acres is potentially developable land. It is anticipated that roughly 63% of developable land will be devoted to single-family uses, yielding about 13,335 gross acres of land intended for single-family development. It is estimated that this area’s residential land will be developed at overall densities ranging up to 5 dwelling units per net acre.

Due to its proximity to the Salt River, this area has historically been agricultural in nature, but is rapidly transitioning to single-family development with supporting commercial development. Rather than large master-planned communities, residential is developing as smaller, but well-planned subdivisions. Many new subdivisions are underway and/or planned by various builders in existing communities.

The December 2019 completion of the Loop 202 extension or South Mountain Freeway, greatly enhanced access to the area, changing land uses in the corridor and providing for a more rapid development of the area.

Per Spotlight (Claritas, Inc.), the 2020 population estimated for this area approximated 87,080 persons, and over the next eight years to 2028 is projected to increase to 97,708. This is a moderate growth rate of 12.2%, or about 1.5% per year on average.

TYPICAL SITE DESCRIPTIONS

The Scope of Work requires cost estimates for four different land uses that will be used to project costs for the following typical sites. Included in this requirement are costs for fire, libraries and police. It is recognized that these uses can be found in more than one land use type (*i.e.* streets can be built on commercial or residential land). However, this analysis considers the most likely land use where City facilities will be constructed.

Fire stations, libraries and police stations will tend to be located in commercial areas. The following paragraphs present descriptions of the various typical sites (including acreage requirements) derived through conversations with representatives of the City of Phoenix Planning and Development Department.

POLICE STATIONS

A police site tends to be about 5 to 10 acres and typically fronts on two paved streets, one of which is an arterial. Although it may be built on residentially zoned land, a police station is most likely to be built on commercially zoned land in an area with established residential support and supporting commercial development. This tract does not require any extraordinary work to mediate topographical, floodplain, archeological, environmental or soils issues. Finished commercial sites have all utilities and infrastructure in place.

BRANCH LIBRARIES

The library site is generally 1 to 3 acres and can be located in a larger commercial development, or on an off-arterial location near arterial access. This site is typically located in proximity to public transportation in areas that are, for the most part, built out. The library site is most likely to be built on commercially zoned land in an area with established residential support and supporting commercial development. This tract does not require any extraordinary work to mediate topographical, floodplain, archeological, environmental or soils issues. Finished commercial sites have all utilities and infrastructure in place and tend to sell on the basis of dollars per square foot.

FIRE STATIONS

This is generally a 1 to 4-acre site typically fronting a major arterial roadway. It may also front one or two collector streets. Although a fire station could be found in a residential area, it is most likely to be located in a commercially zoned area in proximity to the surrounding residential base. Commercial sites tend to be zoned C-1, C-2 or C-3 and are mostly located along major arterials, sometimes more than one. The tract does not require any extraordinary work to mediate topographical, floodplain, archeological, environmental or soils issues. Finished commercial sites have all utilities and infrastructure in place and tend to sell on the basis of dollars per square foot.

The following categories tend to be located in residential areas although some smaller sites can be found in commercial or industrial areas as well.

PARKS

Parks are subdivided into three categories – District, Community and Neighborhood parks.

District and Community parks are designed to accommodate large volumes of vehicular traffic drawing from an area of 1.5 miles and serving a population of up to 50,000 people. They tend to be around 30 acres and are intended to serve many neighborhoods. Most community parks include lighted multi-use fields, basketball and volleyball courts, playgrounds, picnic areas and restroom facilities. Some may include swimming pools, lighted tennis courts and picnic ramadas. Community park sites generally front two paved streets. One may be an existing arterial that may not yet be fully developed when acquired and the second is a residential collector. The area is generally in an early stage of development, with undeveloped residential land in the immediate area and adjacent to the site. All required

utilities are available. Although a community park site could be located in a commercial area, the most likely zoning of a typical community park site would be low-density residential.

Neighborhood parks are planned to serve an area within a radius of about one-half mile and a population of 4,000 to 7,000 people. They are typically around 20-acre sites and are bordered by local or collector streets. They may include restrooms and passive and active recreation improvements including lighted basketball and volleyball courts, playgrounds, picnic areas, and open space for informal play. Planned unit developments may also provide some recreational open space at the neighborhood level, but these areas tend to be small and are limited in the types of recreation offered. This area is generally in an early stage of development, with undeveloped residential land in the immediate area and adjacent to the site. All required utilities are available to the site. The most likely zoning of a typical neighborhood park site would be low-density residential.

WATER FACILITIES

There are several categories of water facilities in the City of Phoenix.

Wells

These are small sites, typically 0.25 to 0.50 acres, that can be located on both residential and commercially zoned land, depending on where the well has to be located at a water source.

Booster Stations

These are typically on approximate 1-acre sites and are often located near a zone break (zones are based on elevation contours), typically on sites that could have been used for single family residential but also on sites that are suitable for commercial, industrial, multi-family or open space uses. Access roads, usually gravel, are generally required to connect facilities to nearby streets to allow City vehicles to provide maintenance, repairs, rehabilitation, etc.

Pressure Reducing Valve Station

These are typically on approximate 1-acre sites and are often located near a zone break (zones are based on elevation contours), typically on sites that could have been used for single family residential but also on sites that are suitable for commercial, industrial, multi-family or open space uses. Access roads, usually gravel, are generally required to connect facilities to nearby streets to allow City vehicles to provide maintenance, repairs, rehabilitation, etc.

Reservoir

These are typically on sites having between 2 and 6 acres, depending on size (reservoirs can be between 1- and 40-million-gallon capacities), generally located on a site above the water zone being served, typically on sites that could have been used for single family residential but also on sites that are suitable for commercial, industrial, multi-family or open space uses. Access roads, usually gravel, are generally required to connect facilities to nearby streets to allow City vehicles to provide maintenance, repairs, rehabilitation, etc.

Water Transmission Mains (16" or larger)

Easements are sometimes required when lines cannot be located in street ROWs, usually between 50 and 80 feet wide, often running for miles, and can pass through single family residential, multifamily residential, commercial, industrial, agricultural and open space areas. Access roads, usually gravel, are generally required to connect facilities to nearby streets to allow City vehicles to provide maintenance, repairs, rehabilitation, etc.

WASTEWATER FACILITIES

There are several categories of wastewater facilities in the City of Phoenix.

Lift Stations

These are typically on approximate 1-acre sites and are often located near a ridge line, highway, canal, or other barrier that makes gravity sewers impossible, typically on sites that could have been used for single family residential but also on sites that are suitable for commercial, industrial, multi-family or open space uses. Access roads, usually gravel, are generally required to connect facilities to nearby streets to allow City vehicles to provide maintenance, repairs, rehabilitation, etc.

Large Gravity Sewers (15" and larger) and Lift Station Force Mains

Easements are sometimes required when lines cannot be located in street ROWs, usually between 40 and 80 feet wide, often running for miles, and can pass through single family residential, multifamily residential, commercial, industrial, agricultural and open space areas. Access roads, usually gravel, are generally required to connect facilities to nearby streets to allow City vehicles to provide maintenance, repairs, rehabilitation, etc.

STORM DRAINAGE FACILITIES

There are several categories of storm drainage facilities in the City of Phoenix.

Basins (100-year Flood Event Facilities)

These are typically on 20 to 40-acre sites that could have been used for single family residential but also on sites that are suitable for commercial, industrial, multi-family or open space uses. Otherwise unusable open can be chosen if available, but in areas where development has already occurred, remaining land zoned for residential or even commercial uses must sometimes be acquired. Access roads, usually gravel, are generally required to connect facilities to nearby streets to allow City vehicles to provide maintenance, repairs, rehabilitation, etc.

Channels

Some drains can be located underground, but large conduits must often be located in open channels that require adjacent buffers. Rights-of-way or easements are usually between 40 and 100 feet wide, often running for miles, and can pass through single family residential, multifamily residential, commercial, industrial, agricultural and open space areas. Access roads, usually gravel, are generally required to connect facilities to nearby streets to allow City vehicles to provide maintenance, repairs, rehabilitation, etc.

RAW LAND

This is a general category that addresses open space and/or undeveloped acreage. It may include areas that are removed from the current path of development and there is no specific size noted for this category but would likely be 50+ acres.

LAND COST ESTIMATES

We have been asked to provide opinions of land costs for the various sites described in the preceding section on a per acre and/or per square foot basis. Because of the differences in land uses where the various sites may be located, we have segmented land costs into two basic land types. The first land use type is commercial/industrial which tends to be sold on a per square foot basis and the second land use type is residential which also tends to be sold on a per square foot basis. This is the basis for the analysis. Results of the land sales considered are summarized in the following discussion and sales are detailed further in the Addenda of the report.

COMMERCIAL/INDUSTRIAL USES

FIRE STATIONS, POLICE STATIONS, LIBRARIES

The sites addressed in this group are fire station, library, and police station sites. Although these facilities may be built in residential areas, they tend to be found on arterial streets and will most likely be in commercial areas. Additionally, these are generally smaller sites (1 to 5 acres).

These costs were estimated from a review of comparables sales within or near the noted Impact Fee areas. While not all of the sales were from within the noted Impact Fee areas, they are in comparable areas within the same general portion of the Phoenix metro area and would be reasonably comparable to sites within the Impact Fee areas.

Commercial and industrial sales were found occurring in 2021, 2022, 2023 and early 2024. There were 59 total sales considered over this 3+ year period ranging in size from 0.63 to 5.55 acres. Of these sales, 16 occurred in 2023/2024, 17 in 2022 and 26 in 2021. The following summarizes sales considered.

SUMMARY OF COMMERCIAL/INDUSTRIAL SALES							
Year	No. Sales	Size (Acres)			\$/SF		
		Min	Avg	Max	Min	Avg	Max
2023/2024	16	0.63	2.39	5.15	\$8.94	\$18.66	\$46.38
2022	17	0.96	2.60	4.95	\$6.72	\$13.29	\$24.65
2021	26	1.01	3.09	5.55	\$3.13	\$10.31	\$27.03

Sales prices researched ranged widely from \$3.13 to \$46.38 per square foot with most in the \$10.00 to \$20.00 per square foot range. The average selling price increased about 28.9% from 2021 to 2022 and another 40.4% through early 2024. However, it should be noted that because percentage changes can vary widely from year to year depending on the kind, zoning, size and intended use of sales considered, little weight should be given to the actual percentage differences shown. Suffice it to say that there has been a definite upward trend in selling prices over this period.

Most sales have frontage on at least one major arterial (directly or indirectly through another commercial parcel) and are provided good access and visibility. Excluded from this analysis were small corner sites located on major arterials and pad sites in anchored centers of which there were many. These sites tend to be purchased for gas stations, fast food restaurants, and other end users that desire high traffic generation and buyers may pay premiums for specific locations based on projected sales volume. It is unlikely that the City of Phoenix would have to purchase such a site, and these values would have unreasonably skewed values upward.

The highest number of sales were generally near the Loop 202 freeway as its completion has spurred considerable activity in this area.

CONCLUSIONS

The following chart presents commercial/industrial cost estimates for the various Capital Facilities Categories in the Southern Impact Fee Areas. Conclusions are felt to be reasonable considering data from the current market and the generalization of the assignment. Definitions of the “typical sites” used herein were taken from City documentation and conversations with representatives of the Planning and Appraisal Departments of the City. ***Given the macro scale of the assignment the values presented herein are not intended to be an appraisal of any particular site(s).***

The following exhibit summarizes the costs concluded by use and Impact Fee area for the commercially and industrially zoned land uses.

SOUTHERN IMPACT AREA						
Use	Typical Size Acres	Typical Underlying Use	Villages			
			Laveen		Estrella	
			Per SF	Per Acre	Per SF	Per Acre
<i>Acquisitions</i>						
Fire Stations	1.0 - 4.0	Commercial	\$15.00	\$650,000	\$15.00	\$650,000
Police Stations	5.0 - 10.0	Commercial	\$15.00	\$650,000	\$15.00	\$650,000
Libraries	1.0 - 3.0	Commercial	\$15.00	\$650,000	\$15.00	\$650,000

RESIDENTIAL USES

The sites addressed in this group are all of those typically requiring residentially zoned parcels, such as neighborhood and community parks, water facilities, wastewater facilities, storm drainage basins and channels. In addition, there are water and wastewater transmission mains that are typically acquired via easements but require a land value for the easement areas.

These uses require sites ranging from 0.50 to 40 acres, with most uses between 1 and 6 acres. The locations are typically within entitled, residential communities, but some of the uses, such as well sites and reservoirs may be in more or less developed areas depending on the source of water and required location. Overall, the smaller size sites (under 6 acres) are for uses that can typically be in secondary locations and on remnant parcels; thus, not always requiring high profile locations. The analysis will consider this in the final cost estimates.

Costs were estimated from a review of comparables sales within or near the noted Impact Fee areas. While not all of the sales were from within the noted Impact Fee areas, they are in comparable areas within the same general portion of the Phoenix metro area and would be reasonably comparable to sites within the Impact Fee areas.

Residential sales all occurred in 2021, 2022, 2023 and early 2024 and are single and low-density multi-family zoned sites. They have been broken down into large parcels sales (10+ acres) and small parcel sales (under 10 acres).

LARGE RESIDENTIAL PARCELS

There were 22 large parcel sales considered, ranging in size from 12.17 to 175.00 acres, although only two were above 100 acres. Of these sales, two occurred in 2023/2024, seven occurred in 2022 and 13 occurred in 2021. The following chart presents a summary of sales considered.

SUMMARY OF LARGE RESIDENTIAL SALES							
Year	No. Sales	Size (Acres)			\$/SF		
		Min	Avg	Max	Min	Avg	Max
2023/2024	2	20.14	20.87	21.59	\$9.80	\$10.23	\$10.63
2022	7	13.05	42.21	137.55	\$1.63	\$5.13	\$23.25
2021	13	12.17	40.90	175.00	\$1.78	\$4.58	\$18.86

Sales prices ranged widely from \$1.63 to \$23.25 per square foot with most under \$10.00 per square foot. The 2023/2024 sales had an average sale price of \$10.23 per square foot, a considerable jump from the average for both 2021 and 2022. This was partly the result of only two sales occurring in during this time period fitting the search parameters. The lowest sales prices were for the largest properties sold, typically under \$5.00 per square foot.

All sales were for residential or related uses, and many were already entitled for such uses, or in the process of entitlement. Several were unentitled and planned to be held for future development but reflected sale prices for residential land in those areas.

SMALL RESIDENTIAL PARCELS

There were only 10 small parcel sales considered, ranging in size from 2.76 to 10.00 acres. Of these sales, three occurred in 2022 and seven occurred in 2021. After an extensive search, no small residential sales were found that fit into our search criteria during 2023/2024. It is noted that a large number of sales were found within this time period, but all were bulk sales of single-family lots to national or regional homebuilders as this area is rapidly developing into single-family residential subdivisions. The following chart presents a summary of sales considered.

SUMMARY OF SMALL RESIDENTIAL SALES							
Year	No. Sales	Size (Acres)			\$/SF		
		Min	Avg	Max	Min	Avg	Max
2023/2024	0	NA	NA	NA	NA	NA	NA
2022	3	2.76	6.69	9.56	\$2.66	\$6.41	\$18.32
2021	7	2.00	5.84	10.00	\$2.12	\$5.62	\$12.07

Sales prices for these smaller sales ranged from \$2.12 to \$18.32 per square foot with most under \$10.00 per square foot and many under \$5.00 per square foot. Overall, there appeared to be a reasonable consistency between the large and small parcel sales on a per square foot basis, with the smaller sales having slightly higher overall unit prices. This is likely due to the availability of small residential parcels, and the more typically smaller residential projects in this portion of the metro area. However, it should be noted that the uses requiring smaller sites can have secondary locations typically having lower overall land costs.

As with the large residential parcels, these sales were for residential or related uses, and many were already entitled for such uses, or in the process of entitlement.

CONCLUSIONS

The preceding analysis presents residential cost estimates for the various Capital Facilities Categories in the Southern Impact Fee Areas requested by the City of Phoenix Planning and Development Department. Conclusions are felt to be reasonable considering data from the current market and the generalization of the assignment. Definitions of the "typical sites" used herein were taken from City documentation and conversations with representatives of the Planning and Appraisal Departments of the City. ***Given the macro scale of the assignment the values presented herein are not intended to be an appraisal of any particular site(s).***

The following exhibit summarizes the costs concluded by use and Impact Fee area for the residentially zoned land uses.

SOUTHERN IMPACT AREA						
Use	Typical Size Acres	Typical Underlying Use	Villages			
			Laveen		Estrella	
			Per SF	Per Acre	Per SF	Per Acre
Neighborhood Parks	20	Residential	\$4.00	\$170,000	\$4.00	\$170,000
District/Community Parks	30	Residential	\$4.00	\$170,000	\$4.00	\$170,000
Water Wells	.25 - .50	Residential	\$3.00	\$130,000	\$3.00	\$130,000
Water Booster Stations	1.0	Residential	\$3.00	\$130,000	\$3.00	\$130,000
Water Pressure Reducing Valve Stations	1.0	Residential	\$3.00	\$130,000	\$3.00	\$130,000
Water Reservoirs	2.0 - 6.0	Residential	\$3.00	\$130,000	\$3.00	\$130,000
Waste Water Lift Stations	1	Residential	\$3.00	\$130,000	\$3.00	\$130,000
Storm Drainage Stations	20 - 40	Residential	\$4.00	\$170,000	\$4.00	\$170,000
Channels	40' - 100'	Residential	\$4.00	\$170,000	\$4.00	\$170,000
<i>Easements (Full Fee Simple Value)</i>						
Water Transmission Mains	50' - 80'	Residential	\$4.00	\$170,000	\$4.00	\$170,000
Wastewater Gravity Sewer Mains	40' - 80'	Residential	\$4.00	\$170,000	\$4.00	\$170,000
Wastewater Lift Station Force Mains	40' - 80'	Residential	\$4.00	\$170,000	\$4.00	\$170,000

ADJUSTMENT OF IMPACT FEES

Also requested is a mechanism for adjusting the impact fees paid or credits provided (which should occur at least annually) based on possible increases or decreases in land values through the end of 2024/first quarter 2025 and when the adjustments should be made.

A review of the land sales considered for this analysis shows a definite upward trend in land values from 2021 to early 2024. But the amount of change varies considerably from year to year as the market is not perfect and many times not consistent. Percentage changes from year to year will tend to vary considerably as well due to the inconsistency of the data considered. Sales may vary in size, zoning, location, shape, topography, availability of utilities, etc., all of which influence the price paid for a given parcel of land. As there does not appear to be a single, best method of adjusting on a macro level, it is likely best to use an annual percentage adjustment approximating the inflationary rate recognizing that this could change based on market conditions in any given year.

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 with this assignment.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. 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.
7. This appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.
8. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice, as well as the requirements of the state of Arizona.
9. The reported analyses, opinions, and Value Indications were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics, the Standards of Professional Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. As of the date of this report, Albert Nava, MAI, SGA has completed the continuing education program for Designated Members of the Appraisal Institute.
12. Albert Nava, MAI, SGA has not made a personal inspection of the property that is the subject of this report.
13. No one provided significant real property appraisal assistance to the person signing this certification.
14. Albert Nava, MAI, SGA has not provided 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 the agreement to perform this assignment.



Albert Nava, MAI, SGA
AZ Certified General Appraiser
License #: CGA 30806
602-648-8600
anava@bbgres.com

STANDARD ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report has been made with the following general assumptions:

- 1) Notwithstanding that Appraiser may comment on, analyze or assume certain conditions in the appraisal, BBG, Inc. shall have no monetary liability or responsibility for alleged claims or damages pertaining to: (a) title defects, liens or encumbrances affecting the property; (b) the property's compliance with local, state or federal zoning, planning, building, disability access and environmental laws, regulations and standards; (c) building permits and planning approvals for improvements on the property; (d) structural or mechanical soundness or safety; (e) contamination, mold, pollution, storage tanks, animal infestations or other hazardous conditions affecting the property; and (f) other conditions and matters for which licensed real estate appraisers are not customarily deemed to have professional expertise. Accordingly:
 - a) The Appraiser has not conducted any engineering or architectural surveys in connection with this appraisal assignment. Information reported pertaining to dimensions, sizes, and areas is either based on measurements taken by the Appraiser or the Appraiser's staff or was obtained or taken from referenced sources and is considered reliable. The Appraiser and BBG, Inc. shall not be monetarily liable or responsible for or assume the costs of preparation or arrangement of geotechnical engineering, architectural, or other types of studies, surveys, or inspections that require the expertise of a qualified professional.
 - b) Unless otherwise stated in the report, only the real property is considered, so no consideration is given to the value of personal property or equipment located on the premises or the costs of moving or relocating such personal property or equipment. Further, unless otherwise stated, it is assumed that there are no subsurface oil, gas or other mineral deposits or subsurface rights of value involved in this appraisal, whether they are gas, liquid, or solid. Further, unless otherwise stated, it is assumed that there are no rights associated with extraction or exploration of such elements considered. Unless otherwise stated it is also assumed that there are no air or development rights of value that may be transferred.
 - c) Any legal description or plats reported in the appraisal are assumed to be accurate. Any sketches, surveys, plats, photographs, drawings or other exhibits are included only to assist the intended user to better understand and visualize the subject property, the environs, and the competitive data. BBG, Inc. has made no survey of the property and assumes no monetary liability or responsibility in connection with such matters.
 - d) Title is assumed to be good and marketable, and in fee simple, unless otherwise stated in the report. The property is considered to be free and clear of existing liens, easements, restrictions, and encumbrances, except as stated. Further, BBG, Inc. assumes there are no private deed restrictions affecting the property which would limit the use of the subject property in any way.
 - e) The appraisal report 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 appraisal report; additionally, that all applicable zoning, building, and use regulations and restrictions of all types have been complied with unless otherwise stated in the appraisal report. Further, it is assumed that all required licenses, consents, permits, or other legislative or administrative authority, local, state, federal and/or private entity or organization have been or can be obtained or renewed for any use considered in the value opinion. Moreover, unless otherwise stated herein, it is assumed that there are no encroachments or violations of any zoning or other regulations affecting the subject property, that the utilization of the land and improvements is within the boundaries or property lines of the property described, and that there are no trespasses or encroachments.

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- f) The American Disabilities Act (ADA) became effective January 26, 1992. The Appraiser has not made a specific compliance survey or analysis of the property to determine whether or not it is in conformity with the various detailed requirements of ADA. It is possible that a compliance survey of the property and a detailed analysis of the requirements of the ADA would reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative impact upon the value of the property. Since the Appraiser has no direct evidence relating to this issue, possible noncompliance with the requirements of ADA was not considered in estimating the value of the property.
 - g) No monetary liability or responsibility is assumed for conformity to specific governmental requirements, such as fire, building, safety, earthquake, or occupancy codes, except where specific professional or governmental inspections have been completed and reported in the appraisal report.
 - h) It is assumed the subject property is not adversely affected by the potential of floods; unless otherwise stated herein. Further, it is assumed all water and sewer facilities (existing and proposed) are or will be in good working order and are or will be of sufficient size to adequately serve any proposed buildings.
 - i) Unless otherwise stated within the appraisal report, the depiction of the physical condition of the improvements described therein is based on visual inspection. No monetary liability or responsibility is assumed for (a) the soundness of structural members since no engineering tests were conducted; (b) the condition of mechanical equipment, plumbing, or electrical components, as complete tests were not made; and (c) hidden, unapparent or masked property conditions or characteristics that were not clearly apparent during the Appraiser's inspection.
 - j) If building improvements are present on the site, it is assumed that no significant evidence of termite damage or infestation was observed during physical inspection, unless so stated in the appraisal report. Further, unless so stated in the appraisal report, no termite inspection report was available. No monetary liability or responsibility is assumed for hidden damages or infestation.
 - k) Unless subsoil opinions based upon engineering core borings were furnished, it is assumed there are no subsoil defects present, which would impair development of the land to its maximum permitted use or would render it more or less valuable. No monetary liability or responsibility is assumed for such conditions or for engineering which may be required to discover them.
 - l) BBG, Inc., excepting employees of BBG Assessment, Inc., and the appraiser(s) are not experts in determining the presence or absence of hazardous substances toxic materials, wastes, pollutants or contaminants (including, but not limited to, asbestos, PCB, UFFI, or other raw materials or chemicals) used in construction or otherwise present on the property. BBG, Inc. and the appraiser(s) assume no monetary liability or responsibility for the studies or analyses which would be required to determine the presence or absence of such substances or for loss as a result of the presence of such substances. The Client is free to retain an expert on such matters in this field; however, Client retains such expert at Client's own discretion, and any costs and/or expenses associated with such retention are the responsibility of Client.
 - m) BBG, Inc. is not an expert in determining the habitat for protected or endangered species, including, but not limited to, animal or plant life (such as bald eagles, gophers, tortoises, etc.) that may be present on the property. BBG, Inc. assumes no monetary liability or responsibility for the studies or analyses which would be required to determine the presence or absence of such species or for loss as a result of the presence of such species. The Appraiser hereby reserves the right to alter, amend, revise, or rescind any of the value opinions contained within the appraisal report based upon any subsequent endangered species impact studies, research, and investigation that may be provided. However, it is assumed that no environmental impact studies were either requested or made in conjunction with this analysis, unless otherwise stated within the appraisal report.
- 2) If the Client instructions to the Appraiser were to inspect only the exterior of the improvements in the appraisal process, the physical attributes of the property were observed from the street(s) as of the

inspection date of the appraisal. Physical characteristics of the property were obtained from tax assessment records, available plans, if any, descriptive information, and interviewing the client and other knowledgeable persons. It is assumed the interior of the subject property is consistent with the exterior conditions as observed and that other information relied upon is accurate.

- 3) If provided, the opinion of insurable replacement cost is included at the request of the Client and has not been performed by a qualified insurance agent or risk management underwriter. This cost estimate should not be solely relied upon for insurable replacement cost purposes. The Appraisers are not familiar with the definition of insurable replacement cost from the insurance provider, the local governmental underwriting regulations, or the types of insurance coverage available. These factors can impact cost estimates and are beyond the scope of the intended use of this appraisal. The Appraisers are not cost experts in cost estimating for insurance purposes.
- 4) The dollar amount of any value opinion herein rendered is based upon the purchasing power and price of the United States Dollar as of the effective date of value. This appraisal is based on market conditions existing as of the date of this appraisal.
- 5) The value opinions reported herein apply to the entire property. Any proration or division of the total into fractional interests will invalidate the value opinions, unless such proration or division of interests is set forth in the report. Any division of the land and improvement values stated herein is applicable only under the program of utilization shown. These separate valuations are invalidated by any other application.
- 6) Any projections of income and expenses, including the reversion at time of resale, are not predictions of the future. Rather, they are BBG, Inc.'s best estimate of current market thinking of what future trends will be. No warranty or representation is made that such projections will materialize. The real estate market is constantly fluctuating and changing. It is not the task of an appraiser to estimate the conditions of a future real estate market, but rather to reflect what the investment community envisions for the future in terms of expectations of growth in rental rates, expenses, and supply and demand. The forecasts, projections, or operating estimates contained herein are based on current market conditions, anticipated short-term supply and demand factors, and a continued stable economy. These forecasts are, therefore, subject to changes with future conditions.
- 7) The Appraiser assumes no monetary liability or responsibility for any changes in economic or physical conditions which occur following the effective date of value within this report that would influence or potentially affect the analyses, opinions, or conclusions in the report. Any subsequent changes are beyond the scope of the report.
- 8) Any proposed or incomplete improvements included in the appraisal report are assumed to be satisfactorily completed in a workmanlike manner or will be thus completed within a reasonable length of time according to plans and specifications submitted.
- 9) If the appraisal report has been prepared in a so-called "public non-disclosure" state, real estate sales prices and other data, such as rents, prices, and financing, are not a matter of public record. If this is such a "non-disclosure" state, although extensive effort has been expended to verify pertinent data with buyers, sellers, brokers, lenders, lessors, lessees, and other sources considered reliable, it has not always been possible to independently verify all significant facts. In these instances, the Appraiser may have relied on verification obtained and reported by appraisers outside of our office. Also, as necessary, assumptions and adjustments have been made based on comparisons and analyses using data in the report and on interviews with market participants. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.
- 10) Although the Appraiser has made, insofar as is practical, every effort to verify as factual and true all information and data set forth in this report, no responsibility is assumed for the accuracy of any information furnished the Appraiser either by the Client or others. If for any reason, future investigations should prove any data to be in substantial variance with that presented in this report, the Appraiser reserves the right to alter or change any or all analyses, opinions, or conclusions and/or opinions of value.

- 11) The right is reserved by the Appraiser to make adjustments to the analyses, opinions, and conclusions set forth in the appraisal report as may be required by consideration of additional or more reliable data that may become available. No change of this report shall be made by anyone other than the Appraiser. The Appraiser shall have no monetary liability or responsibility for any unauthorized change(s) to the report.
- 12) The submission of the appraisal report constitutes completion of the services authorized and agreed upon. Such appraisal report is submitted on the condition the Client will provide reasonable notice and customary compensation, including expert witness fees, relating to any subsequent required attendance at conferences, depositions, or judicial or administrative proceedings. In the event the Appraiser is subpoenaed for either an appearance or a request to produce documents, a best effort will be made to notify the Client immediately. The Client has the sole responsibility for obtaining a protective order, providing legal instruction not to appear with the appraisal report and related work files, and will answer all questions pertaining to the assignment, the preparation of the report, and the reasoning used to formulate the opinion of value. Unless paid in whole or in part by the party issuing the subpoena or by another party of interest in the matter, the Client is responsible for all unpaid fees resulting from the appearance or production of documents regardless of who orders the work.
- 13) Client shall not disseminate, distribute, make available or otherwise provide any Appraisal Report prepared hereunder to any third party (including without limitation, incorporating or referencing the Appraisal Report, in whole or in part, in any offering or other material intended for review by other parties) except to (a) any third party expressly acknowledged in a signed writing by Appraiser as an "Intended User" of the Appraisal Report provided that either Appraiser has received an acceptable release from such third party with respect to such Appraisal Report or Client provides acceptable indemnity protections to Appraiser against any claims resulting from the distribution of the Appraisal Report to such third party, (b) any third party service provider (including rating agencies and auditors) using the Appraisal Report in the course of providing services for the sole benefit of an Intended User, or (c) as required by statute, government regulation, legal process, or judicial decree. In the event Appraiser consents, in writing, to Client incorporating or referencing the Appraisal Report in any offering or other materials intended for review by other parties, Client shall not distribute, file, or otherwise make such materials available to any such parties unless and until Client has provided Appraiser with complete copies of such materials and Appraiser has approved all such materials in writing. Client shall not modify any such materials once approved by Appraiser. In the absence of satisfying the conditions of this paragraph with respect to a party who is not designated as an Intended User, the receipt of an Appraisal Report by such party shall not confer any right upon such party to use or rely upon such report, and Appraiser shall have no liability for such unauthorized use or reliance upon such report. In the event Client breaches the provisions of this paragraph, Client shall indemnify, defend and hold Appraiser, and its affiliates and their officers, directors, employees, contractors, agents and other representatives (Appraiser and each of the foregoing an "Indemnified Party" and collectively the "Indemnified Parties"), fully harmless from and against all losses, liabilities, damages and expenses (collectively, "Damages") claimed against, sustained or incurred by any Indemnified Party arising out of or in connection with such breach, regardless of any negligence on the part of any Indemnified Party in preparing the Appraisal Report.

Company Overview

BBG OVERVIEW

BBG is one of the nation's largest real estate services firms with more than 45 offices across the country serving more than 4,500 clients. We deliver best-in-class valuation, advisory and assessment services with a singular focus of meeting our clients' needs.

Our professional team offers broad industry expertise and deep market knowledge to help clients meet their objectives throughout the real estate life cycle.

BBG clients include commercial real estate professionals, investors, lenders, attorneys, accountants and corporations.

THE BBG DIFFERENCE

National Footprint. BBG is one of only two national firms offering in-house valuation and environmental and property condition assessment services for all commercial property types.

Customer-focused Growth. BBG is one of the largest national due diligence firms because we deliver best-in-class work product and provide excellent customer care.

Qualified Team. Over 50 percent of BBG appraisers are MAI designated and offer deep industry expertise gained through real-world experience.

Unbiased Independence. By focusing exclusively on due diligence services, BBG guarantees an independent perspective free from potential conflicts of interest.

Innovative Technology. BBG has made significant analytics and IT investments to continually improve our data and report quality.

For more information, please visit www.bbgres.com

SERVICES

Valuation

- + Single Asset Valuation
- + Portfolio Valuation
- + Institutional Asset Valuation
- + Appraisal Review
- + Appraisal Management
- + Lease and Cost Analysis
- + Insurance Valuation
- + Arbitration & Consulting
- + Feasibility Studies
- + Highest and Best Use Studies
- + Evaluation
- + Investment analysis
- + Tax appeals
- + Litigation Support
- + Manufactured Housing and Campgrounds

Advisory

- + ASC 805 Business combinations
- + ASC 840 Leases
- + Purchase Price Allocations
- + Portfolio Valuations for reporting net asset values (NAV)
- + Public and non-traded REIT valuations
- + Valuations for litigation and litigation support
- + Sale-leaseback valuation analysis
- + Valuations for bankruptcy/fresh start accounting
- + Cost segregation analysis

Assessment

- + Environmental due diligence
- + Building Services
- + Construction Risk Management
- + HUD
- + Energy Efficiency Services
- + Land Surveying
- + Zoning

ADDENDA

Appraiser QualificationsA

Letter of EngagementB

Southern Impact Fee Area Land SalesC



APPRAISER QUALIFICATIONS

Profile

Albert Nava, MAI, SGA is a valuation director at BBG working out of the Phoenix office. Mr. Nava has been involved in the appraisal of commercial real estate throughout the United States since 1976 and has been a member of the Appraisal Institute since 1986. He is also a member of the Society of Golf Appraisers. With more than 45 years of experience, his scope of competency and experience includes the appraisal of and consultation on a broad range of real estate.

Mr. Nava began his appraisal career in El Paso, Texas before moving to Houston, Texas in 1981 and furthering his career with both a local firm and a national firm. He moved to the Phoenix area in 1995 as a partner in the firm of Ralph J. Brekan & Co. which later became the Brekan Nava Group.

In addition to the appraisal of land, subdivisions, retail, industrial and office properties, Mr. Nava specializes in the valuation of golf courses and country clubs, multifamily properties with a specialization in affordable housing, and marinas. Prior to joining BBG, his company was involved in the valuation and consultation of some 1,000 golf courses in more than 20 states around the country, both proposed and existing. His experience with affordable housing includes the appraisal of more than 100 LIHTC properties throughout Arizona and the southwestern United States, court testimony, and the preparation and presentation of seminars for local taxing authorities concerning LIHTC valuation. Mr. Nava also has substantial experience in the preparation of appraisals and consultation for litigation support with extensive court testimony experience.

Mr. Nava is a registered certified general real estate appraiser in the states of Arizona, Nevada and California. Given his long-time experience, Mr. Nava has served a variety of clients, both on a national and local level

Professional Affiliations

Appraisal Institute
Member MAI

Society of Golf Appraisers
Member SGA

General Certified Appraiser:
State of Arizona – Certified General Appraiser No. 30806
State of California - Certified General Appraiser No. 3004725

Education

BBA (accounting) - University of Texas at El Paso

Department of Insurance and Financial Institutions

State of Arizona

CGA - 30806

ALBERT NAVA

This document is evidence that:

has complied with the provisions of

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

Certified General Real Estate Appraiser

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

Certified General Real Estate Appraiser

ALBERT NAVA

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

Expiration Date : **May 31, 2025**

LETTER OF ENGAGEMENT



City of Phoenix
FINANCE DEPARTMENT
REAL ESTATE DIVISION

December 28, 2023

Albert Nava, MAI
BBG, Inc
2850 E. Camelback Rd. Ste 330
Phoenix, 85016

SUBJECT: Land Cost Study; Project: Land Cost Study Analysis – Planning and Development; CC: 8591000000

Dear Mr. Nava:

This letter is your authorization to develop a Land Cost Study analysis that documents and supports your estimated market values of the property types and locations; in accordance with the Scope of Work, as identified below:

Northern and Southern Impact Fee Areas, contains six infrastructure financing plans:

Northern Impact Fee Area

Deer Valley
Desert View
North Gateway

Southern Impact Fee Area

Ahwatukee Foothills
Estrella (West of 43rd Avenue)
Laveen

SCOPE OF WORK

The requested study needs to provide an estimate of the land cost per acre and square foot, based on such factors as the acreage requirements for different types of city facilities, based on facility types and attributes; probable zoning designation of the site(s); and other land pricing factors. Specifically, the following is requested:

1. Provide a detailed discussion of the factors that affect land costs in the Impact Fee Areas.
2. Interview representatives from the relevant city departments to obtain descriptions of the typical site needs and locational requirements. Develop prototype descriptions for each type of site; assign specific attributes to those sites, such as but not limited to, minimum land sizes, locational requirements, including street access; and estimate land costs for each of the prototypical sites. The anticipated facilities will likely include:
 - Community parks,

- Neighborhood parks,
 - District parks,
 - Lift, booster or PRV stations,
 - Police precinct stations,
 - Police neighborhood stations,
 - Branch libraries,
 - Fire stations,
 - District fire stations, and
 - Raw land.
3. Calculate most probable land costs for the following land uses:
 - Raw land,
 - Single-family residential,
 - Commercial,
 - Industrial and
 - Specific uses as cited above.
 4. Utilize research on trends in residential unit pricing in the Impact Fee Areas and the percentage of pricing that represents the lot price. Commercial land costs shall be based on an estimate of the cost per square foot for the land. All land cost estimates shall consider the location factors arising from City facility needs (listed in No. 2 above). The cost of all land needed for the development of needed right-of-way will be valued at the same rate as low-density residential uses.
 5. Define a method of estimating land costs that improves on the process of simply providing a weighted average of all large land sale costs. Consideration should be given to the likely placing of public facilities.
 6. Provide a recommended mechanism for adjusting the impact fees paid or credits provided (which should occur at least annually) based upon possible increases or decreases in land values through the end of 2023/first quarter of 2024 and when the adjustments should be made.
 7. Provide modifications to the analyses draft, as needed.
 8. The projections made for each of the above listed items need to be separated by the North and South Impact Fee Areas AND made for each of the individual growth areas within the Impact Fee Areas listed above.
 9. All provided information and maps **MUST** be reverified, regenerated and/or updated as necessary to complete the assignment.

The contents of the analysis shall be considered public records of the City. All materials submitted in the completion of this analysis shall become the property of the City upon delivery to the address set forth herein. You further acknowledge and agree that the City is a public entity which is required to abide by public records laws and shall not be liable for disclosures required by law.

The purpose of this assignment is to analyze the land costs in the Northern and Southern Development Impact fee areas, as detailed below:

INTRODUCTION AND IMPACT FEE PROGRAM DESCRIPTION

The City of Phoenix, Arizona (the “City”) requires a study of the projected land costs within the Northern Impact Fee Area and the Southern Impact Fee Area (together the “Impact Fee Areas”) through 2023/first quarter of 2024. The study needs to provide a basis for its projections, to include the factors listed herein, and a mechanism for recognizing future changes in land values.

The Impact Fee Program was established by the City in 1988 to help pay for the cost of developing needed infrastructure in rapidly growing areas of Phoenix or for expanding existing facilities to provide services to those areas. Impact fees are charged only on new construction or when changes are made to existing developments. By collecting impact fees that take into account the future tax-generating capabilities of the new developments, the City can show its citizens that new growth is paying its fair share of infrastructure costs.

WHERE IMPACT FEES ARE ASSESSED

The City currently charges impact fees in several areas under its jurisdiction. Impact fees make up the difference between the total cost of needed infrastructure and a variety of revenue sources collected through traditional means (secondary property taxes, water rates, etc.). Impact fees are charged in the northern and southern growth areas of Phoenix because they require extensive infrastructure improvements. The growth areas, known as the Northern and Southern Impact Fee Areas, contain six infrastructure financing plans.

Your analysis and final report must comply with the current edition of the Uniform Standards of Professional Appraisal Practice and any applicable the City of Phoenix Appraisal Requirements (01/2020).

Your stated fee for this work is a combined flat fee total of \$13,000. Please submit one electronic copy of the analysis no later than **March 31, 2024**. If the completed analysis is not delivered to the City’s Appraisal Section on or before the contractual due date and no written extension has been agreed upon by both parties at least three days prior to the deadline, \$300 per day may be deducted as a late delivery penalty.

Albert Nava, MAI
BBG
Page 4 of 4

By reference, this agreement incorporates all the terms and conditions specified in the City Contract 21-038 and any applicable City of Phoenix Appraisal Requirements (Rev. 01/2020).

If you agree with the above, please sign and return a copy of this letter.

Sincerely,

Burton Byars

Burton Byars
Review Appraiser
City of Phoenix

APPROVED:

Albert Nava, MAI, SGA
Certified General Real Estate Appraiser No. 30806
Clerk # 154072 / SRM # 4701007996 / Vendor # 3550328

SOUTHERN IMPACT FEE AREA LAND SALES

SOUTHERN IMPACT FEE AREA															
COMMERCIAL/INDUSTRIAL LAND SALES UNDER 5 ACRES - 2023															
Sale No.	Address/Location	Zip Code	City	Land Area		Date of Sale		Selling Price			Zoning	Utilities Available !	Flood Zone	Comments	
				SF *	Acres **	Month	Year	Total \$	\$/Acre	\$/SF				Intended/Potential Use	APN
1	NEC Southern Avenue & 27th Avenue	85041	Phoenix	88,404	2.03	3	2024	\$1,623,570	\$799,994	\$18.37	C-1	Yes	X	Commercial Retail	105-65-003E
2	3228 W Pima Street	85009	Phoenix	50,030	1.15	1	2024	\$750,000	\$653,008	\$14.99	Comm	Yes	X	Industrial Storage Yard	105-11-019, 020
3	13030 W Rancho Santa Fe Boulevard	85392	Avondale	123,088	2.83	1	2024	\$1,100,000	\$389,282	\$8.94	C-2	Yes	X	Interior comm site. Limited access	500-02-077B
4	8301 W Sherman Street	85353	Tolleson	104,290	2.39	12	2023	\$1,200,000	\$501,218	\$11.51	I-1	Yes	X	Secondary Location. Industrial Area.	101-12-625
5	5922 W Southern Avenue	85339	Laveen	224,160	5.15	12	2023	\$2,600,000	\$505,246	\$11.60	I-2	Yes	X	Industrial parcel. E of Loop 202.	104-72-003J
6	5543 W Baseline Road	85339	Laveen	27,443	0.63	11	2023	\$1,000,000	\$1,587,290	\$36.44	C-2	Yes	X	Commercial Retail	300-02-078B
7	SWC W Buckeye Road & 83rd Avenue	85353	Tolleson	89,152	2.05	11	2023	\$1,961,344	\$958,320	\$22.00	C-2	Yes	X	Commercial Retail	101-12-648B
8	W/SWC Van Buren St & Fairway Dr (W of Avondale)	85323	Avondale	129,949	2.98	9	2023	\$3,050,191	\$1,022,450	\$23.47	Comm	Yes	X	Former City of Avondale site	500-27-014
9	4402 S 35th Avenue	85041	Phoenix	167,471	3.84	8	2023	\$1,700,000	\$442,178	\$10.15	C-2	Yes	X	Commercial/Light Industrial	105-69-001D
10	5152 W Southern Avenue	85339	Laveen	58,718	1.35	7	2023	\$2,400,000	\$1,780,442	\$40.87	R-43	Yes	X	Commercial Retail	104-74-004N
11	302 N 51st Avenue	85043	Phoenix	48,759	1.12	5	2023	\$1,800,000	\$1,608,072	\$36.92	LC/A-1	Yes	X	NWC 51st Ave/Van Buren St	103-29-025
12	7616 S 56th Avenue	85339	Laveen	29,646	0.68	5	2023	\$1,375,000	\$2,020,340	\$46.38	C-2	Yes	X	Commercial pad	300-02-061D
13	E/SEC I-10 & Litchfield Road	85338	Goodyear	174,488	4.01	5	2023	\$4,021,500	\$1,003,946	\$23.05	PAD	Yes	X	Auto dealership auto park	500-03-340A
14	S/Side McDowell Road, W of Bullard Avenue	85395	Goodyear	82,518	1.89	4	2023	\$1,600,000	\$844,616	\$19.39	Comm	Yes	X	Commercial Retail	500-10-904
15	3140 W Broadway Road	85041	Phoenix	169,065	3.88	2	2023	\$2,871,000	\$739,720	\$16.98	A-2, I-2	Yes	X	Industrial Site	105-49-002C
16	SWC 99th Avenue & Van Buren Street	85323	Avondale	97,887	2.25	1	2023	\$2,015,000	\$896,681	\$20.58	Comm	Yes	X	Light Industrial parcel	101-04-981C, 981D, 981E
Totals/Weighted Averages				1,665,068	38.22			\$31,067,605	\$812,763	\$18.66					

* Per Maricopa County Assessor's office

** Rounded to 2 places.

! Utilities in the area

SOUTHERN IMPACT FEE AREA															
COMMERCIAL/INDUSTRIAL LAND SALES UNDER 5 ACRES - 2022															
Sale No.	Address/Location	Zip Code	City	Land Area		Date of Sale		Selling Price			Zoning	Utilities Available !	Flood Zone	Comments	
				SF *	Acres **	Month	Year	Total \$	\$/Acre	\$/SF				Intended/Potential Use	APN
1	4901 W Magnolia Street	85043	Phoenix	41,800	0.96	12	2022	\$950,000	\$990,000	\$22.73	L-1	Yes	X	Industrial Storage Yard	104-41-020
2	4402 S 35th Avenue	85041	Phoenix	167,471	3.84	10	2022	\$1,125,000	\$292,618	\$6.72	C-2	Yes	X	SWC 35th Ave & Broadway Rd	105-89-001D
3	7145 S 51st Avenue	85339	Laveen	132,547	3.04	10	2022	\$3,000,000	\$985,914	\$22.63	C-2	Yes	X	N/NEC Baseline Rd & 51st Ave	104-89-007H
4	3328 W Adams Street	85009	Phoenix	101,671	2.33	9	2022	\$1,300,000	\$556,973	\$12.79	A-1	Yes	X	Secondary location. Industrial Lot.	109-38-017B
5	SWC Baseline Road & 27th Avenue	85042	Phoenix	126,762	2.91	8	2022	\$1,200,000	\$412,363	\$9.47	S-1	Yes	X	Light Industrial Lot.	300-17-002B
6	5703 W Dobbins Road	85339	Laveen	95,832	2.20	8	2022	\$1,530,000	\$695,455	\$15.97	R-43	Yes	X	Commercial Lot	300-02-059B (orig)
7	14040 W Van Buren Street	85338	Goodyear	76,607	1.76	6	2022	\$899,000	\$511,186	\$11.74	PAD, C-2	Yea	X	Interior Commercial Lot	500-10-871A
8	S/SWC Van Buren Street & Eliseo Felix Way	85323	Avondale	106,026	2.43	6	2022	\$1,500,000	\$616,264	\$14.15	A-1	Ye	X	Light Industrial area	500-25-013B
9	6128 W Van Buren Street	85043	Phoenix	92,859	2.13	6	2022	\$1,200,000	\$562,918	\$12.92	A-1	Yes	X	W/NWC 51st Ave & Van Buren St	103-29-025, 026
10	1770 N Litchfield Road	85395	Goodyear	89,246	2.05	5	2022	\$2,200,000	\$1,073,796	\$24.65	PAD	Yes	X	Interior pad in heavy retail area	501-76-953
11	3121 S 51st Avenue	85043	Phoenix	185,339	4.25	4	2022	\$2,100,000	\$493,560	\$11.33	A-1	Yes	X	S/SEC Lower Buckeye & 51st Ave	104-44-030
12	NWC I-10 & 83rd Avenue	85353	Tolleson	52,932	1.22	4	2022	\$1,000,000	\$822,943	\$18.89	C-2	Yes	X	Commercial Retail site	102-47-060
13	NWC Lower Buckeye Road & 99th Avenue	85353	Tolleson	85,005	1.95	4	2022	\$1,600,000	\$819,905	\$18.82	C-1	Yes	X	Commercial site across from Target	101-15-909
14	5910 W Southern Avenue	85339	Laveen	87,318	2.00	3	2022	\$1,350,000	\$673,469	\$15.46	I-2	Yes	X	E/NEC Loop 202 & Southern Ave	104-72-003K
15	11842 S 51st Avenue	85339	Laveen	215,523	4.95	2	2022	\$1,800,000	\$363,803	\$8.35	R-43	Yes	X	Commercial/Residential Lot	300-03-011H, 011J
16	5152 W Southern Avenue	85339	Phoenix	150,540	3.46	2	2022	\$1,370,966	\$396,700	\$9.11	S-1	Yes	X	N/NWC Southern Ave & 51st Ave	104-74-659B, 659C
17	1950 N Litchfield Road	85338	Goodyear	114,859	2.64	1	2022	\$1,425,000	\$540,428	\$12.41	PAD	Yes	X	Palm Lane, W of McDowell Road	501-76-951
Totals/Weighted Averages				1,922,337	44.13			\$25,549,966	\$578,960	\$13.29					

* Per Maricopa County Assessor's office

** Rounded to 2 places.

! Utilities in the area

SOUTHERN IMPACT FEE AREA

COMMERCIAL/INDUSTRIAL LAND SALES UNDER 5 ACRES - 2021

Sale No.	Address/Location	Zip Code	City	Land Area		Date of Sale		Selling Price			Zoning	Utilities Available †	Flood Zone	Comments	
				SF *	Acres **	Month	Year	Total \$	\$/Acre	\$/SF				Intended/Potential Use	APN
1	5125 W Dobbins Road	85339	Laveen	86,549	1.99	12	2021	\$1,100,000	\$553,629	\$12.71	C-1	Yes	X	SWC 51st Ave & Dobbins Rd	300-02-048Y
2	6705 W Baseline Road	85339	Laveen	76,746	1.76	12	2021	\$585,000	\$332,038	\$7.62	R1-6	Yes	X	Likely Commercial Site	300-01-316C
3	5927 S Avondale Boulevard	85353	Tolleson	117,500	2.70	11	2021	\$750,000	\$278,043	\$6.38	C-2	Yes	X	Commercial Retail	101-43-023A + 3 others
4	4305 W Baseline Road	85339	Laveen	113,692	2.61	11	2021	\$1,000,000	\$383,140	\$8.80	S-1	Yes	X	SWC Baseline Rd & 43rd Ave	300-13-004G (orig)
5	SE of 99th Avenue & Lower Buckeye Road	85353	Tolleson	69,319	1.59	11	2021	\$895,000	\$562,417	\$12.91	C-1	Yes	X	Interior Commercial Lot.	101-26-809C
6	SWC 99th Avenue & Van Buren Street	85353	Tolleson	241,758	5.55	10	2021	\$3,400,000	\$612,613	\$14.06	PAD	Yes	X	Commercial Site	101-04-981
7	NEC Buckeye Road & 99th Avenue	85353	Tolleson	143,587	3.30	10	2021	\$1,000,000	\$303,370	\$6.96	I-1	Yes	X	2 Light Ind. Lots sold as package	101-05-013A, 013C
8	NEC Elliot Road & 59th Avenue	85339	Laveen	196,020	4.50	9	2021	\$2,945,000	\$654,444	\$15.02	C-1	Yes	X	Commercial Site Just W of Loop 202	300-02-933, 935, 937
9	901 S 99th Avenue	85353	Tolleson	206,825	4.75	8	2021	\$1,551,825	\$326,834	\$7.50	Comm	Yes	X	Light Industrial parcel	102-53-358
10	SWC 51st Avenue & Southern Avenue	85339	Laveen	49,724	1.14	8	2021	\$540,000	\$473,059	\$10.86	C-2	Yes	X	Commercial Retail	104-79-002K
11	2675 S 67th Avenue	85043	Phoenix	85,102	1.95	8	2021	\$2,300,000	\$1,177,270	\$27.03	C-2	Yes	X	N/NEC 67th Ave & Lower Buckeye Rd	104-37-635
12	W Hilton Way & Avondale Boulevard	85323	Avondale	146,804	3.37	7	2021	\$1,742,563	\$517,057	\$11.87	PAD	Yes	X	Commercial site E of Avondale Blvd	102-56-019
13	I-10 & Litchfield Road	85338	Goodyear	174,488	4.01	7	2021	\$2,268,344	\$566,280	\$13.00	PAD	Yes	X	Commercial Pad on Test Drive	500-03-340A
14	SWC 35th Avenue & Baseline Road	85041	Phoenix	136,433	3.13	6	2021	\$2,125,000	\$678,465	\$15.58	C-2	Yes	X	Commercial Retail	300-14-201, 202 (orig)
15	5125 W Southern Avenue	85339	Laveen	49,724	1.14	6	2021	\$540,000	\$473,059	\$10.86	C-2	Yes	X	W/SWC 51st Ave & Baseline Rd	104-79-002K
16	NEC McDowell Road & 107th Avenue	85392	Avondale	106,942	2.46	4	2021	\$1,925,000	\$784,098	\$18.00	PAD	Yes	X	Commercial site	102-32-920, 921
17	Test Drive, E of Litchfield Road	85338	Goodyear	219,640	5.04	4	2021	\$1,328,580	\$263,490	\$6.05	PAD	Yes	X	Commercial autoplex site	500-03-352C (orig)
18	13360-13370 W Van Buren Street	85338	Goodyear	200,752	4.61	3	2021	\$1,603,008	\$347,827	\$7.99	C-2	Yes	X	NEC Van Buren St & Central Ave	500-03-537
19	Dysart Road & Van Buren Street	85323	Avondale	201,250	4.62	3	2021	\$630,000	\$136,362	\$3.13		Yes	X	Long, narrow commercial site	500-23-040, 041
20	SEC Fillmore Street & 52nd Avenue	85043	Phoenix	160,296	3.68	3	2021	\$1,134,683	\$308,347	\$7.08	A-1	Yes	X	Industrial Lot	103-29-045A
21	N/NWC 43rd Avenue & Southern Avenue	85339	Laveen	170,162	3.91	2	2021	\$1,100,000	\$281,590	\$6.46	IND-2	Yes	X	Industrial Lot	104-76-011M
22	S Avondale Boulevard & W Lower Buckeye Road	85323	Avondale	145,926	3.35	2	2021	\$1,210,209	\$361,256	\$8.29	PAD	Yes	X	Proposed self storage	101-54-652D (orig)
23	5128 W Van Buren Street	85043	Phoenix	44,100	1.01	2	2021	\$860,000	\$849,469	\$19.50	A-1	Yes	X	W/NWC 51st Ave & Van Buren St	103-29-025
24	5800 S 67th Avenue	85339	Laveen	207,955	4.77	2	2021	\$1,472,000	\$308,337	\$7.08	C-2	Yes	X	NWC 67th Ave & Southern Ave	104-71-007F
25	N/NEC 51st Avenue & Baseline Road	85339	Laveen	75,352	1.73	1	2021	\$1,582,534	\$914,842	\$21.00	C-2	Yes	X	Commercial Retail/Office site	104-89-366 (orig)
26	NEC Lower Buckeye Road & 45th Avenue	85043	Phoenix	73,563	1.69	1	2021	\$514,885	\$304,887	\$7.00	A-1	Yes	X	Industrial Lot	104-42-004A
Totals/Weighted Averages				3,500,209	80.35			\$36,103,631	\$449,309	\$10.31					

* Per Maricopa County Assessor's office

** Rounded to 2 places.

† Utilities in the area

SOUTHERN IMPACT FEE AREA															
LARGE RESIDENTIAL LAND SALES (10+ ACRES) - 2023															
Sale No.	Address/Location	Zip Code	City	Land Area		Date of Sale		Selling Price			Zoning	Utilities Available †	Flood Zone	Comments Intended/Potential Use	APN
				SF *	Acres **	Month	Year	Total \$	\$/Acre	\$/SF					
1	NEC Estrella Parkway & Cotton Lane	85338	Goodyear	940,600	21.59	1	2024	\$10,000,000	\$463,109	\$10.63	PAD	Yes	X	Plat/Eng SFR Lots. Still vacant.	400-58-783
2	E/Side Calistoga Drive, W of Estrella Parkway	85338	Goodyear	877,168	20.14	9	2023	\$8,600,000	\$427,074	\$9.80	PAD	Yes	X	Potential SFR or MF site	400-58-975C
Totals/Weighted Averages				1,817,768	41.73			\$18,600,000	\$445,720	\$10.23					

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SOUTHERN IMPACT FEE AREA															
LARGE RESIDENTIAL LAND SALES (10+ ACRES) - 2022															
Sale No.	Address/Location	Zip Code	City	Land Area		Date of Sale		Selling Price			Zoning	Utilities Available †	Flood Zone	Comments Intended/Potential Use	APN
				SF *	Acres **	Month	Year	Total \$	\$/Acre	\$/SF					
1	SWC 19th Avenue & South Mountain Avenue	85041	Phoenix	840,708	19.30	11	2022	\$2,965,000	\$153,627	\$3.53	R-43	Yes	X	Approved for 52 SFR lots	300-17-009R, 009S (orig)
2	SEC Broadway Road & Watson Road	85326	Buckeye	5,991,678	137.55	11	2022	\$9,742,149	\$70,826	\$1.63	PR	Yes	X	Plat/End SFT Lots. Still vacant site.	504-42-001C (orig)
3	14935 W Van Buren Street	85338	Goodyear	736,774	16.91	10	2022	\$14,500,000	\$857,278	\$19.68	PAD	Yes	AE	Planned apartment project	500-10-688A
4	NWC Loop 202 & Lower Buckeye Road	85043	Phoenix	2,012,254	46.19	9	2022	\$7,000,000	\$151,532	\$3.48	RE-35	Yes	X	Potential mixed use	104-38-001A
5	Carver Road & 35th Avenue	85339	Laveen	2,103,730	48.29	3	2022	\$5,250,000	\$108,707	\$2.50	R-18	Yes	X	Potential SFR. Size reflects usable.	300-09-018, 006, 007, 009C
6	12730 W Camelback Road	85340	Litchfield Pk	616,345	14.15	1	2022	\$13,387,500	\$946,158	\$21.72	RU-43	No	X	NEC Camelback Rd & 127th Ave	501-03-019B, 019C
7	898 Sarival Avenue	85338	Goodyear	568,271	13.05	1	2022	\$13,212,500	\$1,012,785	\$23.25	AU	Yes	X	N/NWC Sarival Ave & Yuma Rd	500-05-019B + others
Totals/Weighted Averages				12,869,760	295.45			\$66,057,149	\$223,582	\$5.13					

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SOUTHERN IMPACT FEE AREA															
LARGE RESIDENTIAL LAND SALES (10+ ACRES) - 2021															
Sale No.	Address/Location	Zip Code	City	Land Area		Date of Sale		Selling Price			Zoning	Utilities Available †	Flood Zone	Comments Intended/Potential Use	APN
				SF *	Acres **	Month	Year	Total \$	\$/Acre	\$/SF					
1	SEC Lower Buckeye Road & 175th Avenue	85338	Goodyear	1,628,826	37.39	10	2021	\$5,050,000	\$135,053	\$3.10	R1-6	Yes	X	Potential MF site	502-44-968, 969
2	NWC Indian School Road & El Mirage Road	85392	Avondale	795,841	18.27	10	2021	\$5,970,000	\$326,765	\$7.50	PAD	Yes	X	Potential MF site	501-63-021F, 021G (orig)
3	W/SWC Jackrabbit Trail & Van Buren Street	85326	Buckeye	912,131	20.94	8	2021	\$7,400,000	\$353,397	\$8.11	PAD	Yes	A	Planned MF project	502-35-009J
4	W/NWC McDowell & Avondale Boulevard	85392	Avondale	546,590	12.55	7	2021	\$4,367,000	\$348,024	\$7.99	AG	Yes	X	Planned MF project	501-74-889
5	S/side I-10, E of Watson Road	85326	Buckeye	1,608,121	36.92	6	2021	\$12,000,000	\$325,050	\$7.46	CC	Yes	X	SFR now under development	504-19-014Q, 014R (orig)
6	SEC Indian School Road & Verrado Way	85396	Buckeye	744,521	17.09	6	2021	\$7,540,236	\$441,160	\$10.13	NA	Yes	AE	Potential SFR or MF site	502-77-004U, 245 (orig)
7	SEC Lower Buckeye Road & Watson Road	85326	Buckeye	2,768,238	63.55	5	2021	\$4,940,000	\$77,734	\$1.78	PR	Yes	X	Plat/Eng SFR Lots at sale	504-22-038D
8	NWC Van Buren Street & Sarival Avenue	85338	Goodyear	530,125	12.17	4	2021	\$10,000,000	\$821,693	\$18.86	PAD	Yes	X	Potential MF site	500-05-014L
9	SEC 55th Avenue & Olney Avenue	85339	Laveen	3,378,514	77.56	4	2021	\$14,250,000	\$183,729	\$4.22	S-1	Yes	X	Plat/Eng SFR Lots at sale	300-02-045A, 052A (orig)
10	SW Miami Road & 107th Avenue	85353	Avondale	7,623,000	175.00	3	2021	\$22,075,000	\$126,143	\$2.90	R-6	Yes	AE	Potential SFR site	101-23-004B + others
11	SWC Bullaard Avenue & Lower Buckeye Road	85338	Goodyear	708,503	16.26	3	2021	\$3,810,256	\$234,261	\$5.38	PAD	Yes	AE	Potential MF site	500-07-015P
12	12583 W Buckeye Road	85323	Avondale	608,629	13.97	3	2021	\$2,170,000	\$155,308	\$3.57	R1-6	Yes	X	Potential MF site	500-40-008G + others
13	Yuma Road, W of Bullard Avenue	85338	Goodyear	1,306,800	30.00	2	2021	\$6,500,000	\$216,667	\$4.97	PAD	Yes	X	Potential SFR or MF site	500-07-007H, 008J (orig)
Totals/Weighted Averages				23,159,839	531.68			\$106,072,492	\$199,506	\$4.58					

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SOUTHERN IMPACT FEE AREA															
SMALL RESIDENTIAL LAND SALES (1 - 10 ACRES) - 2022															
Sale No.	Address/Location	Zip Code	City	Land Area		Date of Sale		Selling Price			Zoning	Utilities Available !	Flood Zone	Comments Intended/Potential Use	APN
				SF *	Acres **	Month	Year	Total \$	\$/Acre	\$/SF					
1	8034 S Central Avenue	85042	Phoenix	120,058	2.76	7	2022	\$2,200,000	\$798,214	\$18.32	R-3	Yes	X	Proposed Elevation TH	300-43-096 (orig)
2	2202 W South Mountain Avenue	85041	Phoenix	416,434	9.56	6	2022	\$2,508,000	\$262,343	\$6.02	S-1	Yes	X	Now split into 4 SFR Lots	300-17-023B
3	9345 W Broadway Road	85353	Tolleson	338,025	7.76	5	2022	\$900,000	\$115,980	\$2.66	RU-43	Yes	X	Current Farm Land. Potential SFR.	101-36-011H + 3 others
Totals/Weighted Averages				874,517	20.08			\$5,608,000	\$279,336	\$6.41					

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! Utilities in the area

SOUTHERN IMPACT FEE AREA															
SMALL RESIDENTIAL LAND SALES (1 - 10 ACRES) - 2021															
Sale No.	Address/Location	Zip Code	City	Land Area		Date of Sale		Selling Price			Zoning	Utilities Available !	Flood Zone	Comments Intended/Potential Use	APN
				SF *	Acres **	Month	Year	Total \$	\$/Acre	\$/SF					
1	4724 S 35th Avenue	85041	Phoenix	87,009	2.00	12	2021	\$1,050,000	\$525,670	\$12.07	C-2	Yes	X	Villas on 35th. Potential MF	105-69-002N
2	7801 W Alta Vista Road	85339	Laveen	435,600	10.00	10	2021	\$925,000	\$92,500	\$2.12	R-43	No	AE	N of Baseline Rd, W of 75th Ave	104-84-008B
3	6806 S 27th Avenue	85041	Phoenix	340,428	7.82	9	2021	\$1,000,000	\$127,957	\$2.94	S-1	Yes	X	Potential SFR site. Old improvements	105-88-018K + others
4	2301 W Olney Avenue	85041	Phoenix	249,324	5.72	7	2021	\$850,000	\$148,506	\$3.41	R1-10	Yes	X	Plat/Eng SFR Lots. Still undeveloped.	300-16-015, 016 (orig)
5	1201 N 35th Avenue	85009	Phoenix	224,212	5.15	6	2021	\$1,100,000	\$213,708	\$4.91	R-4A	Yes	X	Proposed apartments	109-12-005
6	W/NWC 51st Avenue & Southern Avenue	85339	Laveen	351,439	8.07	6	2021	\$4,200,000	\$520,580	\$11.95	C-2	Yes	X	Potential SFR or MF	104-74-659A
7	9211 S 19th Avenue	85041	Phoenix	93,480	2.15	2	2021	\$884,000	\$411,928	\$9.46	C-2	Yes	A	Potential MF. Flood zone.	300-52-010
Totals/Weighted Averages				1,781,492	40.90			\$10,009,000	\$244,734	\$5.62					

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