

August 5, 2005

Pima County Department of Transportation
Property Management Division
201 N. Stone Avenue, 6th Floor
Tucson, Arizona 85701
Attn.: Doug Laney, MAI
Appraisal Supervisor

Property Owner: Pima County
Address: 6856 North Thornydale Road

Dear Mr. Laney:

Pursuant to your request, I have prepared an appraisal report of the property more specially identified as follows.

Lot 255 Horizon Hills - Single Family Residence. 6856 N. Thornydale Road
Lot 254 Horizon Hills - Vacant Lot - With existing improvements to be removed by Pima County

The accompanying report is based on a site inspection of the improvements, investigation of the subject's neighborhood, areas of influence, and review of sales, cost and income data for similar properties. This appraisal has been made with particular attention to applicable value, influencing economic conditions and has been processed in accordance with nationally recognized appraisal guidelines.

This is a Summary Appraisal Report which is intended to comply with the reporting set forth under Standards Rule 2-2(b) of the Uniform Standards of the Professional Appraisal Practice for a Summary Appraisal Report. As such, it presents only summary discussions of the data, reasoning, and the analysis that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation that is not provided with the report concerning the data, reasoning, and analyses is retained in the appraiser's files. The depth of the discussion contained in this report is specific to the needs of the client and not responsible for unauthorized use of this report.

To develop the opinion of value, the appraiser performed a completed appraisal, as defined by the Uniform Standards of Professional Appraisal Practice. This means that no departures from the Standard 1 were invoked (except the Income Approach as home are generally owner occupied, thus the Income approach was not deemed reliable.)

The value conclusions stated herein are as of July 1, 2005, and contingent upon the certification, limiting conditions, and extraordinary assumptions.

It is assumed that Lot 254 Horizon Hills - Vacant Lot - the existing improvements will be removed by Pima County and that the site will NOT have any development restrictions, by any governmental entity, other than typical development requirements imposed by Zoning and Development Services - plan review process.

It is assumed that Lot 255 Horizon Hills - Single Family Residence - 6856 N. Thornydale Road will NOT have any development restrictions, by any governmental entity, other than typical development requirements imposed by Zoning and Development Services.

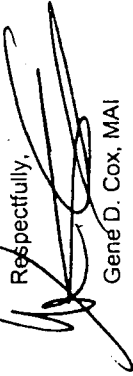
The appraiser is not a home inspector. This report should not be relied upon to disclose any conditions present in the subject property. The appraisal report does not guarantee that the property is free of defects. A professional home inspection is recommended

This appraisal report is prepared for the sole and exclusive use in a trade with Pima County & Mr. Bob Zimmerman only. It is not to be relied upon by any third parties for any purpose, whatsoever.

Estimated Market Value - Lot 255 - Single Family Residence - \$150,000
Estimated Market Value - Lot 254 - Vacant Land - \$ 73,000

Please do not hesitate to contact me if I can be of additional service to you.

Respectfully,



Gene D. Cox, MAI
General Real Estate
Appraiser #30288

Steven R. Cole, MAI
General Real Estate
Appraiser #30130

Summary Appraisal Report

UNIFORM RESIDENTIAL APPRAISAL REPORT

Pima County

Property Address 6856 North Thornydale Road City Tucson State AZ Zip Code 85741-2733
Legal Description Lot 255 Horizon Hills County Pima
Assessor's Parcel No. 101-03-2690 Tax Year Exempt R.E. Taxes \$ 0.00 Special Assessments \$ 0.00
Borrower Pima County Current Owner Pima County Occupant Owner Tenant Vacant
Property rights appraised Fee Simple Leasehold Project Type PUD Condominium (HUDVA only) HOA \$ None /Mo
Neighborhood or Project Name Horizon Hills Map Reference Sec. 5 T13S, R13E Census Tract 0046.13
Sale Price \$ None Date of Sale None Description and \$ amount of loan charges/concessions to be paid by seller Typical for Market
Lender/Client Pima County Address 201 N. Stone Avenue, 6th Floor, Tucson, AZ 85701
Appraiser Gene D. Cox, MAI Address 1651 W. Bird Of Paradise Drive, Tucson, AZ 85737

Table with 4 columns: Location, Predominant occupancy, Single family housing PRICE \$(000), Present land use %, Land use change. Includes rows for Urban, Suburban, Rural, etc.

Note: Race and the racial composition of the neighborhood are not appraisal factors. Neighborhood boundaries and characteristics: Cortlaro Farms Road to the North, Shannon Road the East, Interstate I-10 to the West and the Rillito River to the South

Factors that affect the marketability of the properties in the neighborhood (proximity to employment and amenities, employment stability, appeal to market, etc.): There were no apparent adverse factors that should affect the subject marketability. The subject market appears to be stable, with an estimated marketing time from 30 to 120 days, at this time. The subject improvements conform well to the neighborhood. The subject is convenient to most public amenities. The CBD is located approximately 12 miles southeast of the subject's subdivision. Overall appeal to market is average.

Market conditions in the subject neighborhood (including support for the above conclusions related to the trend of property values, demand/supply, and marketing time -- such as data on competitive properties for sale in the neighborhood, description of the prevalence of sales and financing concessions, etc.): Financing is readily available at this time and sellers are not using financial concessions in order to sell. Exposure and marketing times appear to be in balance at this time. In the past 3 months, the listing period in the subject's market is stable, from 30 to 120 days. There has been no significant increase or decrease in the average market times. When properly priced, homes seem to be selling within the stated market times, with a 95% average listing to sale price. I have considered relevant competitive listings/contract offerings in performing this appraisal, and any trend indicated by that data is supported by the listing/offering information included in this report.

Project Information for PUDs (if applicable) - - Is the developer/builder in control of the Home Owners' Association (HOA)? Approximate total number of units for sale in the subject project

Describe common elements and recreational facilities: Dimensions 85' X 105' (Per Assessor's Map) Corner Lot Yes No
Site area 8,925 Square Feet
Specific zoning classification and description CR-3 - Single Family Residence/Recorded Plat
Zoning compliance Legal Illegal No zoning
Highest & best use as improved: Present use Other use (explain)

Utilities: Electricity, Gas, Water, Sanitary sewer, Storm sewer. Off-site improvements: Street, Asphalt, Concrete, Curbs/gutters, Concrete, Sidewalk, Concrete, Street lights, None, Alley, In Rear - Dirt

Comments (apparent adverse easements, encroachments, special assessments, side areas, illegal or legal nonconforming zoning use, etc.): This is a competitive site in an established residential neighborhood. The site is located on a frontage road, which is slightly below grade of Thornydale Road. FEMA flood hazard area is based on maps available.

Table with 2 columns: GENERAL DESCRIPTION, FOUNDATION. Rows include No. of Units, No. of Stories, Type (Det./Att.), Design (Style), Existing/Proposed, Age (Yrs), Effective Age (Yrs), ROOMS, Basement, Level 1, Level 2.

Table with 2 columns: EXTERIOR DESCRIPTION, INSULATION. Rows include Foundation, Exterior Walls, Roof Surface, Gutters & Dwnspits, Window Type, Storm/Screens, Manufactured House, Dining, Kitchen, Den, Family Rm, Rec. Rm, Bedrooms, Bathrooms, # Baths, Laundry, Area Sq. Ft., Other.

Table with 2 columns: DESCRIPTION OF IMPROVEMENTS, AMENITIES. Rows include Finished area above grade contains: 6 Rooms, 3 Bedroom(s), 2 Bath(s); INTERIOR: Floors, Walls, Trim/Finish, Bath Floor, Bath Wainscot, Doors; KITCHEN EQUIP., ATTIC, FIREPLACES, # None, # of cats; CAR STORAGE: Yes, None, Carport, # of cars.

Additional features (special energy efficient items, etc.): Front & rear yards have limited low care landscaping. In rear yard there is an enclosed covered porch, and a chain link fence around the rear yard area. Condition of the improvements, depreciation (physical, functional, and external), repairs needed, quality of construction, remodeling/additions, etc.: Minimal physical depreciation was noted. There is no measurable evidence of functional or external obsolescence. This is typical for homes of this age and quality. The floor plan (layout) is competitive with other homes in this market. There is some differed maintenance: yard grooming, interior & exterior painting, replacing floor covering, and kitchen & bathrooms updating. The condition of roof & mechanical system is unknown. Adverse environmental conditions (such as, but not limited to, hazardous wastes, toxic substances, etc.) present in the improvements, on the site, or in the immediate vicinity of the subject property: There are no known apparent adverse environmental conditions, which would negatively impact the value of the property.

UNIFORM RESIDENTIAL APPRAISAL REPORT

Pima County
File No. 7-1C5

Valuation Section ESTIMATED SITE VALUE = \$ 73,000

ESTIMATED REPRODUCTION COST-NEW-OF IMPROVEMENTS: square foot calculation and for HUD, VA and FmHA, the estimated remaining economic life of the property): Site value is based upon review of recent land sales in the subject area. Improvement costs are developed from Marshall & Swift, and supported with various appraisers files and local builders. Physical Depreciation is based upon Age/Life Method, with a remaining economic life of 40+ years.

Dwelling 1,416 Sq. Ft. @ \$ 72.00 = \$ 101,952
 Sq. Ft. @ \$ =
 All Patio & Yard Items = 8,500
 Garage/Carport 400 Sq. Ft. @ \$ 20.00 = 8,000
 Total Estimated Cost New = \$ 118,452
 Less Physical Functional External
 Depreciation 29,613 = \$ 29,613
 Depreciated Value of Improvements = \$ 88,839
 As-is Value of Site Improvements = \$ 3,500
 detail report from these professionals regarding the condition of the home.
 INDICATED VALUE BY COST APPROACH = \$ 165,339

Comments on Cost Approach (such as, source of cost estimate, site value, square foot calculation and for HUD, VA and FmHA, the estimated remaining economic life of the property): Site value is based upon review of recent land sales in the subject area. Improvement costs are developed from Marshall & Swift, and supported with various appraisers files and local builders. Physical Depreciation is based upon Age/Life Method, with a remaining economic life of 40+ years.
 The appraiser is not trained, & he is not an Home Inspector.
 Predominately in this market, buyers and/or sellers obtain a detail report from these professionals regarding the condition of the home.

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
6856 North Thornydale Road	6736 N. Galaxy Road	6821 N. Northlight Drive	7161 N. Northlight Drive	
Proximity to Subject	Approx. 4 Blocks South East	Approx. 1 Block East	Approx. 3 Blocks North East	
Sales Price	\$ 138,000	\$ 149,000	\$ 155,000	
Price/Gross Living Area	109.26	105.97	117.25	
Data and/or Verification Source	Metro/MLS#2511523	Metro/MLS#2512432	Metro/MLS#2510755	

VALUE ADJUSTMENTS	DESCRIPTION	+(-)\$ Adjust.	+(-)\$ Adjust.	+(-)\$ Adjust.
Sales or Financing	Cash			
Concessions	None			
Date of Sale/Time	6/05			
Location	Northwest			
Leasehold/Fee Simple	Fee Simple			
Site	8.9K/Avg			
View	Mountain			
Design and Appeal	Ranch/Avg			
Quality of Construction	Slump Block			
Age	26 Years			
Condition	Fair-Average	+7,500		
Above Grade	Total : Bdrms : Baths			
Room Count	6 : 3 : 2			
Gross Living Area	1,416 Sq. Ft.	+4,500	0	
Basement & Finished Rooms Below Grade	None			
Functional Utility	Average			
Heating/Cooling	FAE/Evap			
Energy Efficient Items	None			
Garage/Carport	2Car-Garage	-2,000		
Porch, Patio, Deck, Fireplace(s), etc.	EnciPorch	+1,500		
Fence, Pool, etc.	None	-2,500		
Days on the Market	8 Days			
Net Adj. (total)		9,000	1,500	3,000
Adjusted Sales Price	Net 6.5 %			
of Comparable	Gross 13.0 %	147,000	150,500	152,000

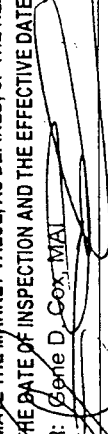
Comments on Sales Comparison (including the subject property's compatibility to the neighborhood, etc.): All comps support the indicated value and are in the same competing market area as the subject. I have considered relevant competitive listings and/or contract offerings in the performance of this appraisal and in the trending information reported in this section. If a trend is indicated, I will attached an addendum providing relevant competitive listings/contract offerings. This is a stable market, therefore no trending information is warranted.

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Date, Price and Data Source, for prior sales within year of appraisal	N/A	None	None	None
Analysis of any current agreement of sale, option, or listing of subject property and analysis of any prior sales of subject and comparables within one year of the date of appraisal: The subject has not sold in the past 36 months & has not been listed in the past 12 months. None of the comparable sales had a prior resale history over the past 36 months per Metroscan and MLS. Comp#1 is currently listed for \$200,000 and has been updated.	N/A	N/A	N/A	N/A
INDICATED VALUE BY SALES COMPARISON APPROACH	Metro/MLS	Metro/MLS	Metro/MLS	Metro/MLS
INDICATED VALUE BY INCOME APPROACH (if Applicable)				
INDICATED VALUE BY SALES COMPARISON APPROACH				
INDICATED VALUE BY INCOME APPROACH (if Applicable)	Estimated Market Rent	\$ None	/Mo. x Gross Rent Multiplier	None = \$ None
This appraisal is made "as is" subject to the repairs, alterations, inspections or conditions listed below subject to completion per plans & specifications.				
Conditions of Appraisal: Extraordinary Assumption: See addendum for comments, conditions and land value comparable sales. *This appraisal report is intended for use in a trade with Pima County & Mr. Bob Zimmerman only. This report is not intended for any other use.*				
Final Reconciliation: The greatest weight is placed upon the Market Data Approach because it indicated typical buyer-seller interaction. The Income Approach was not used due to insufficient data. The Cost Approach reinforces findings.				

The purpose of this appraisal is to estimate the market value of the real property that is the subject of this report, based on the above conditions and the certification, contingent and limiting conditions, and market value definition that are stated in the attached Freddie Mac Form 439/FNMA form 1004B (Revised 6/93).

(WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE REAL PROPERTY THAT IS THE SUBJECT OF THIS REPORT, AS OF July 1, 2005

WHICH IS THE DATE OF INSPECTION AND THE EFFECTIVE DATE OF THIS REPORT) TO BE \$ 150,000

APPRaiser: Gene D. Cox, MAI
 Signature: 
 Name: Gene D. Cox, MAI
 Date Report Signed: August 5, 2005
 State Certification #: 30288
 State: AZ
 Or State License #
 State: AZ
 State Certification #: 30130
 Or State License #
 State: AZ

RECONCILIATION

INDICATED VALUE BY SALES COMPARISON APPROACH

INDICATED VALUE BY INCOME APPROACH (if Applicable)

INDICATED VALUE BY SALES COMPARISON APPROACH

INDICATED VALUE BY INCOME APPROACH (if Applicable)

Estimated Market Rent \$ None /Mo. x Gross Rent Multiplier None = \$ None

This appraisal is made "as is" subject to the repairs, alterations, inspections or conditions listed below subject to completion per plans & specifications.

Conditions of Appraisal: Extraordinary Assumption: See addendum for comments, conditions and land value comparable sales. *This appraisal report is intended for use in a trade with Pima County & Mr. Bob Zimmerman only. This report is not intended for any other use.*

Final Reconciliation: The greatest weight is placed upon the Market Data Approach because it indicated typical buyer-seller interaction. The Income Approach was not used due to insufficient data. The Cost Approach reinforces findings.

Comparable Land Sale

Borrower/Client Pima County
 Property Address 6856 North Thornydale Road
 City Tucson County Pima State AZ Zip Code 85741-2733
 Lender Pima County

LAND SALES

No.:	Subject	1	2	3	4
	Thornydale	Arrowood	Alelier Way	Forgeus Ave	Moonshroud Dr.
	Horizon Hills	Thornydale Terr.	Rancho Vistoso	Grant Road Park	Catalina Shadows
	101-3-2680	225-39-082B	219-53-3540	112-07-0990	220-05-7980
		2/03	5/04	6/05	2/05
	Sales Price:	\$41,100	\$66,000	\$65,000	\$92,000
	Terms:	Cash	Cash	Cash	Cash
	Site Size (Sq. Ft.)	9,340	6,745	5,000	7,000
	Zoning:	CR-3	PAD	R-2	PAD
	Paved Street:	Yes	Yes	Yes	Yes
	Sewer:	Yes	Yes	Yes	Yes
	Price/Site	\$41,100	\$66,000	\$65,000	\$92,000
	Price/Sq. Ft.:	\$4.40	\$9.79	\$13.00	\$13.14

Adjustments:

Time	0.9	0.4	0	0
Location:	-0.15	-0.2	0.15	-0.2
Size:	0	0	0	0
Zoning:	0	0	0	0
Site Development:	0	0	0	0
Utilities:	0	0	0	0
Net Adjustments:	0.75	0.2	0.15	-0.2
Adj. Price/Site:	\$71,925	\$79,200	\$74,750	\$73,600
Adj. Price/Sq. Ft.:	\$7.70	\$11.74	\$14.95	\$10.51

Time Adjustment Support:

No.:	A	B	C
Lot:	375	69	7
Subdivision:	Catalina Shadows	Catalina Shadows	Fairway Village
Sales Date:	6/04	4/03	10/03
Sales Price:	\$74,300	\$60,000	\$61,552
No.:	AA	BB	CC
Lot:	375	69	7
Subdivision:	Catalina Shadows	Catalina Shadows	Fairway Village
Sales Date:	2/05	6/04	11/04
Sales Price:	\$92,000	\$86,500	\$85,000
Time Adjustment:	\$17,700	\$26,500	\$23,448
Time Adjustment/Month	\$2,528.57	\$2,038.46	\$1,954.00

Based on these comparable sales the estimated market value of the site, as of July 1, 2005:

Estimate Market Value of Site: \$73,000.00

Borrower/Client	Pima County
Property Address	6856 North Thornydale Road
City	Tucson
Lender	Pima County
County	Pima
State	AZ
Zip Code	85741-2733

Comments and Conditions

The following comments are related to the content of this specific report, and include notations on the analysis of the comparable sales utilized on Page Two of the report form. This addendum is an integral part of the report, and is essential to any decision making related to the subject property, whether by a lender, underwriter, or reviewer.

Extraordinary Assumptions:

This appraisal report is prepared for the sole and exclusive use in a trade with Pima County & Mr. Bob Zimmerman only. It is not to be relied upon by any third parties for any purpose, whatsoever.

The Income Approach was not used since this is a predominately owner occupied, single family home market, with limited data.

It is assumed that Lot 254 Horizon Hills - Vacant Lot - the existing improvements will be removed by Pima County and that the site will NOT have any development restriction, by any governmental entity, other than typical development requirements imposed by Zoning and Development Services with plan review process

It is assumed that Lot 255 Horizon Hills - Single Family Residence - 6856 N. Thornydale Road will NOT have any development restriction, by any governmental entity, other than typical development requirements imposed by Zoning and Development Services with plan review process

The appraiser is not a home inspector. This report should not be relied upon to disclose any conditions present in the subject property. The appraisal report does not guarantee that the property is free of defects. A professional home inspection is recommended.

Site Value:

The site value is based on the Comparable Sales shown on the attached land sale grid.

This format has been used at the request of Pima County, Real Property Division, Doug Laney MAI,

Lot 254 Horizon Hills:

This is a corner lot, containing approximately 9,300 square feet, base on the appraiser rough calculations.

The lot is zoned CR-3, with access to the Thornydale Frontage Road and Starburst Drive.

The lot is presently improvement with a single family residence, which will be removed according to Pima County, Doug Laney.

It is assumed the improvement will be removed a the expense of Pima County.

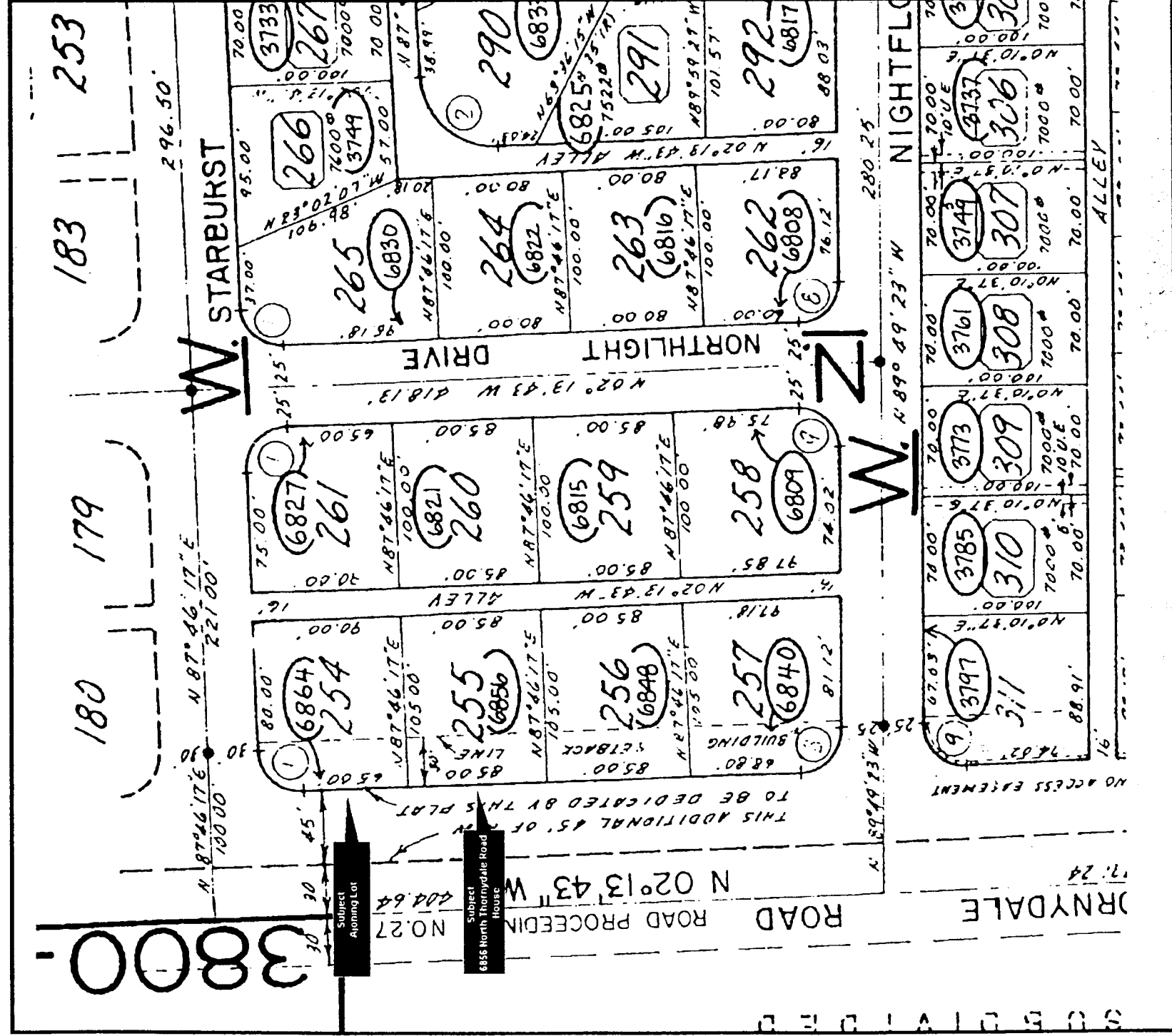
It is also assumed that the lot can be developed according to its existing CR-3 zoning.

There are utilities available to the lot such as water electric and sewer.

The highest an best use of the lot is for residential, conforming to its existing zoning and surrounding uses.

Plat Map

Borrower/Client: Pima County
Property Address: 6856 North Thornydale Road
City: Tucson
Lender: Pima County
County: Pima
State: AZ
Zip Code: 85741-2733



Flood Map

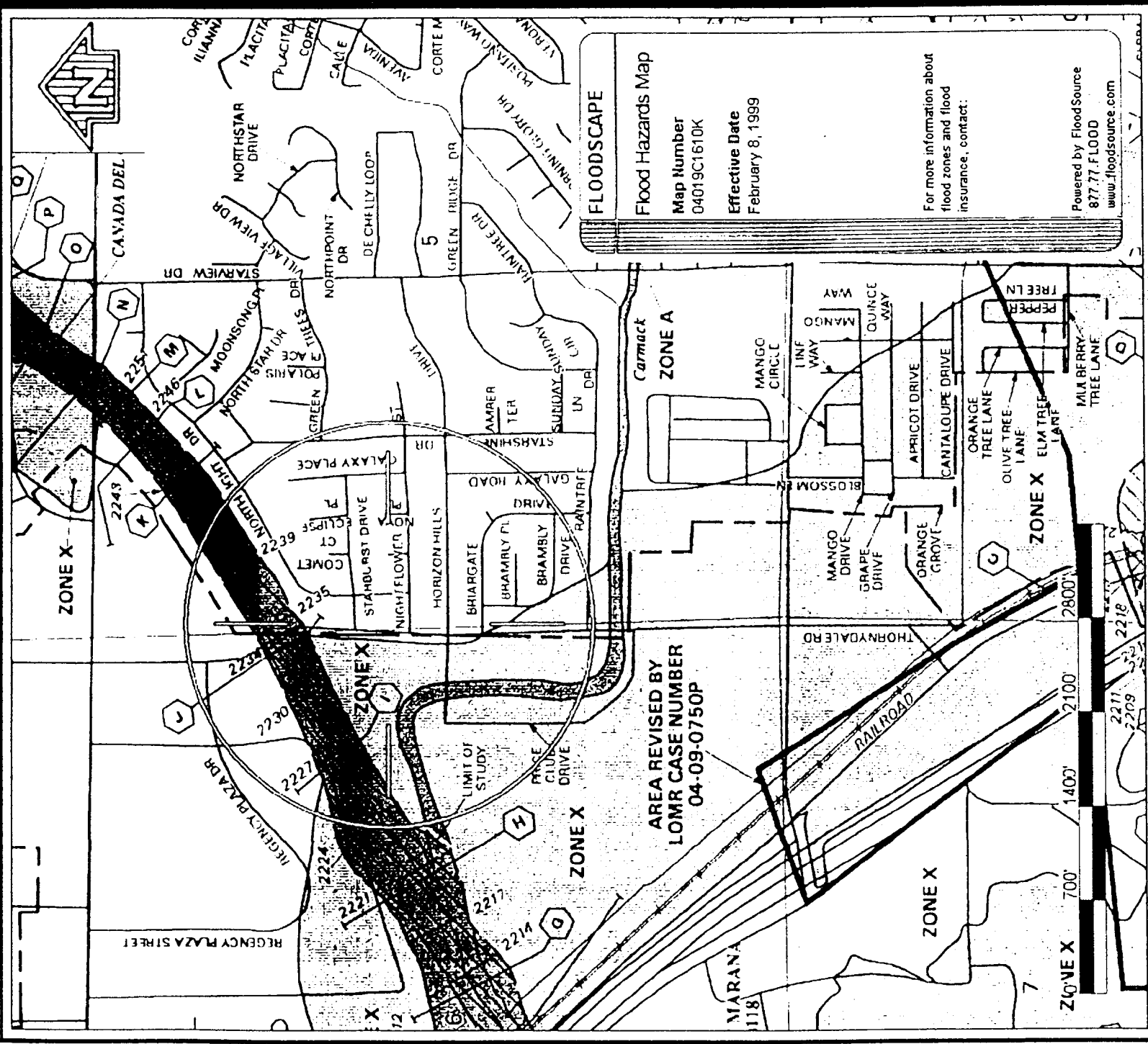
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State: AZ
Zip Code: 85741-2733



www.interflood.com • 1-800-252-6633

Prepared for:
Gene D. Cox

6856 North Thornydale Road
Tucson, AZ 85741



FLOODSCOPE

Flood Hazards Map

Map Number
04019C1610K

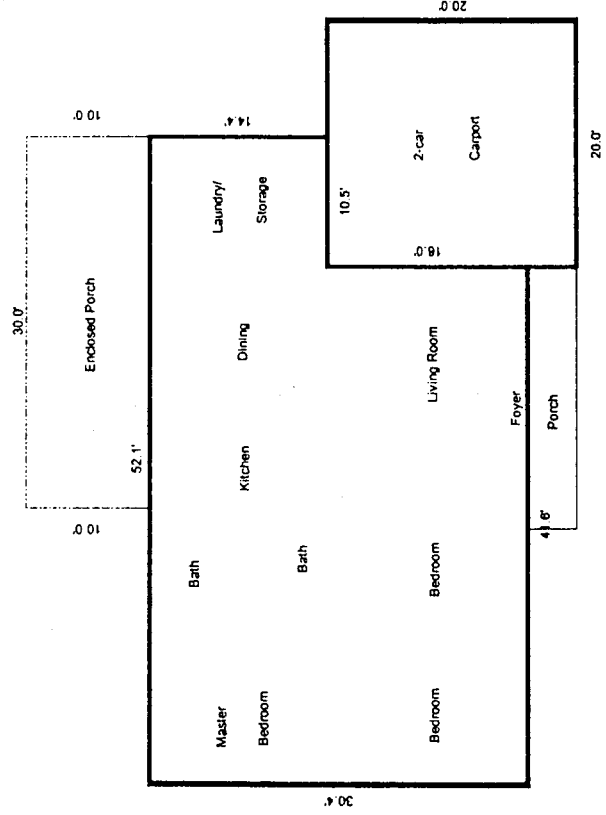
Effective Date
February 8, 1999

For more information about
flood zones and flood
insurance, contact:

Powered by FloodSource
877.77.FLOOD
www.floodsource.com

Building Sketch (Page - 1)

Borrower/Client Pima County
 Property Address 6856 North Thornydale Road
 City Tucson County Pima State AZ Zip Code 85741-2733
 Lender Pima County



Sketch by Apex IV™

Comments:

AREA CALCULATIONS SUMMARY		Net Totals
Code	Description	Net Size
GLA1	First Floor	1415.8
P/P	Enclosed Porch	300.0
GAR	Carport	400.0
Net LIVABLE Area		1416
		(Rounded)

LIVING AREA BREAKDOWN		Subtotals
Breakdown		
First Floor	30.4 x 41.6	1264.6
	10.5 x 14.4	151.2
2 Items	(Rounded)	1416

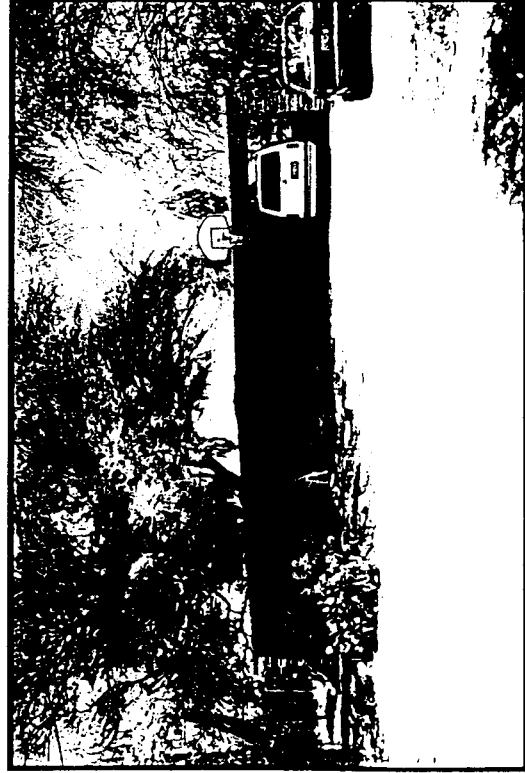
Location Map

Borrower/Client: Pima County	State: AZ	Zip Code: 85741-2733
Property Address: 6856 North Thornydale Road		
City: Tucson	County: Pima	
Lender: Pima County		



Subject Photo Page

Borrower/Client	Pima County
Property Address	6856 North Thornydale Road
City	Tucson
Lender	Pima County
	County Pima
	State AZ
	Zip Code 85741-2733

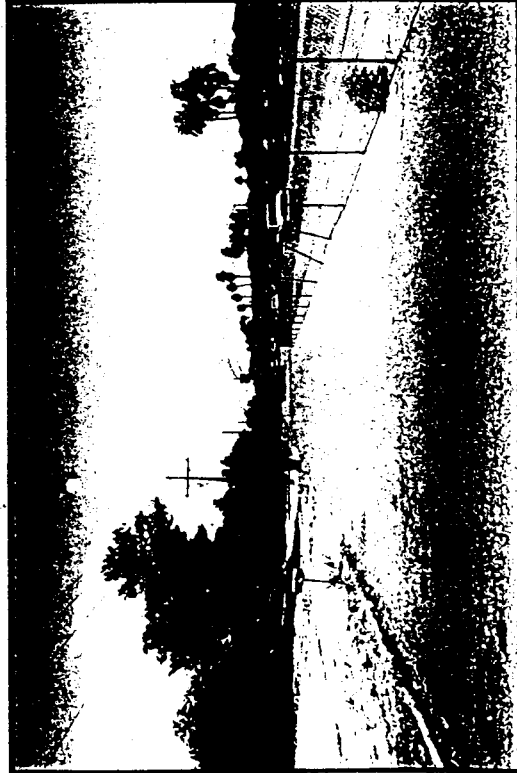


Subject Front

6856 North Thornydale
Sales Price None
Gross Living Area 1,416
Total Rooms 6
Total Bedrooms 3
Total Bathrooms 2
Location Northwest
View Mountains
Site 8.9K/Avg
Quality Slump Block
Age 26 Years



Subject Rear



Subject Street