

SITE DESCRIPTION

The subject property is a developed site located within the Pinal Airpark. The property is further described as follows:

Site Area:	1,582,282 Square feet/36.3242 acres
Shape/Dimensions:	Irregular. The property is a rectangular shaped parcel with an area excepted out of the rectangular area, resulting in an irregular-shaped parcel.
Topography:	Generally level and at grade with surrounding properties.
Soil:	Typical for the area; the soil is assumed adequate to support potential improvements.
Drainage:	No adverse conditions noted; drainage is assumed adequate to protect potential improvements
Type Lot:	Interior lot
Roadway Frontage:	Adequate along the northeast side of East Pinal Airpark Road and along multiple, unnamed bladed gravel roads
Flight Line Access:	None
Traffic Count	Not available
Street Improvements:	Pinal Airpark Road is a two-lane, asphalt paved roadway within no curbs, gutters, sidewalks or street lights in fair condition
Flood Zone:	According to Federal Emergency Management Agency Flood Insurance Rate Map Number 04019C0415L, dated June 16, 2011, the subject property is located in Flood Zone X.
General Plan Designation:	According to the Pinal County Comprehensive Plan map, the subject is located in an area targeted for Employment Uses. Employment uses include a combination of office and light industrial uses.

Zoning: The properties are zoned GR (Rural-General) by Pinal County. The General Rural District is a low-density residential classification that allows single-family residential uses, agricultural uses and public uses.

Probability of Zoning Changes: Recognizing the comprehensive plan designation for employment uses and the location of the properties within the Pinal Airpark, a zoning change to allow a variety of employment uses is likely.

Easements and Restrictions: Based on our inspection, the subject property does not appear to be affected by any atypical easements or restrictions that would adversely affect the highest and best use or marketability; however, we were not provided with a title report or ALTA survey.

Utilities:

Water: MAS (from wells)
Sanitary Sewer: MAS (with drainage pond northwest of the airpark)
Electric: Trico Electric to Pinal Airpark, distributed and sub-metered by MAS within the airpark
Telephone: Unknown. We observed telephone boxes in the airpark; however, some appeared to be in disrepair.

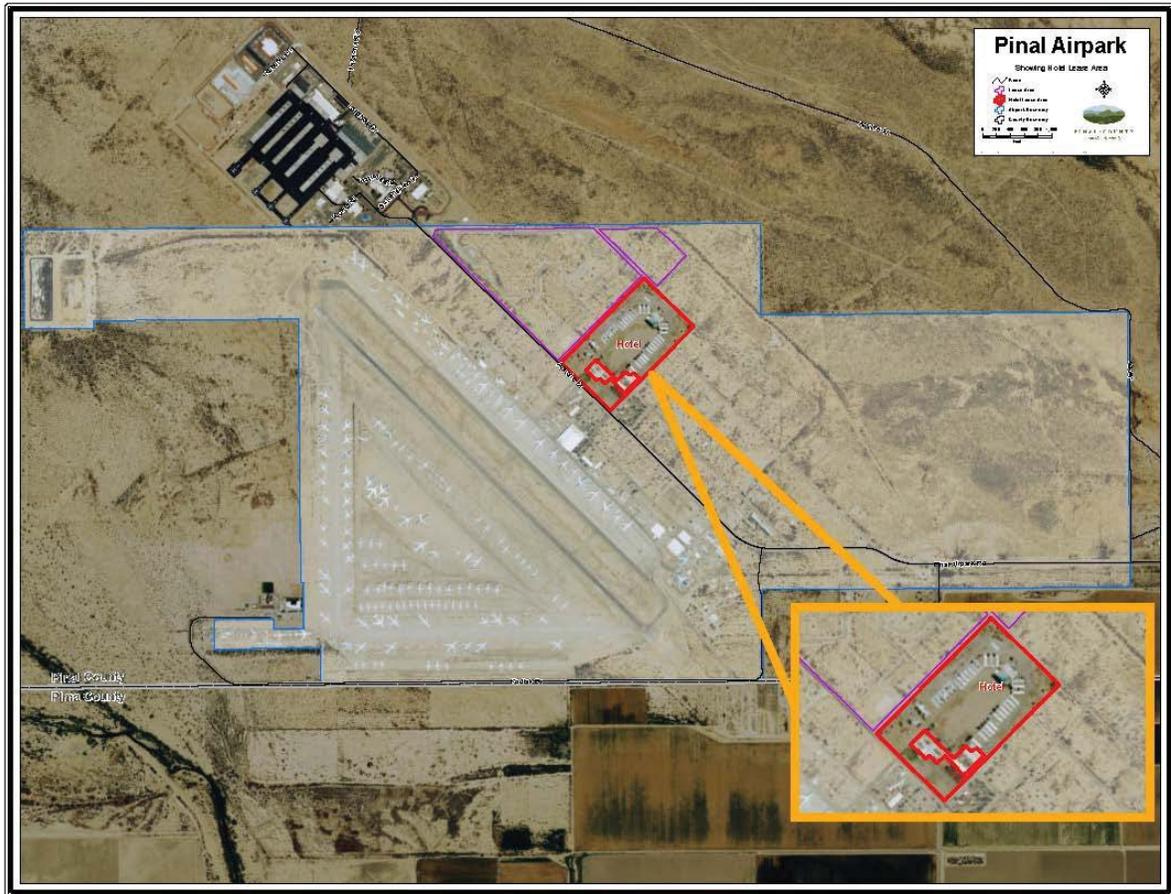
Comments: The utilities throughout the airpark are reportedly antiquated and require upgrades. The utilities experience frequent outages. The sewer lines are reportedly very shallow. Use of the sewer lines may require development of a lift station or extending lines beyond the boundaries of the property. The utility services are maintained and operated by MAS.

Adjacent Land Uses:

Northwest: A driver training track, followed by a National Guard facility and undeveloped land
Southeast: Undeveloped land within the Pinal Airpark
Northeast: A firing range and undeveloped land within the Pinal Airpark, followed by desert land
Southwest: Other portions of the Pinal Airpark

Compatibility:	The subject property is generally compatible with other uses in the Pinal Airpark.
Apparent Adverse Factors:	None noted other than those items already identified that would affect the utility of the property
Unapparent Adverse Factors:	We again refer the reader to the Underlying Assumptions and Contingent Conditions. We repeat that we are not qualified to determine the presence of hazardous substances as they affect the site. This would include, but not be limited to, toxic chemicals, radon gas, methane, etc. Unless otherwise stated, the site is assumed to be unaffected by these substances.
Functional Adequacy and Utility:	Recognizing the fact that utilities in the airpark are unreliable and that the roadways adjacent to the properties are in fair condition, the functional adequacy and utility of the subject site are fair for potential uses.
Site Accessibility:	The subject site currently has adequate access from adjacent roadways.
Assessor's Parcel Number:	410-08-007G (portion of)
Full Cash Values And Real Estate Taxes:	As county owned land, real estate taxes and full cash values for the subject property were not available.

Aerial Photograph



IMPROVEMENT DESCRIPTION - MOTEL BUILDINGS

This portion of the subject property is improved with 4 motel buildings. Three of the buildings have 6 motel rooms each (18 total rooms) with one building utilized as the motel office. These improvements are described as follows:

Building Improvements

Building Area: The subject buildings are summarized as follows:

<u>Building</u>	<u>Description</u>	<u>Lease Area In Sq. Ft.</u>
21	Motel Office	2,290
23	Motel Building	2,290
24	Motel Building	2,290
25	Motel Building	2,290
Total Building Area		9,160

Foundations and Floors: Concrete slab over ABC fill with continuous concrete footings (assumed).

Building Type: Concrete block

Construction Year: 1950

Chronological Age: Approximately 65 years

Effective Age: Approximately 45 years

Economic Life: Approximately 45 Years

Remaining Economic Life: Due to their physical condition and lack of demand in the area, the improvements are nearing the end of their economic life. With renovations and increased activity in the area, the economic life of the improvements may be extended.

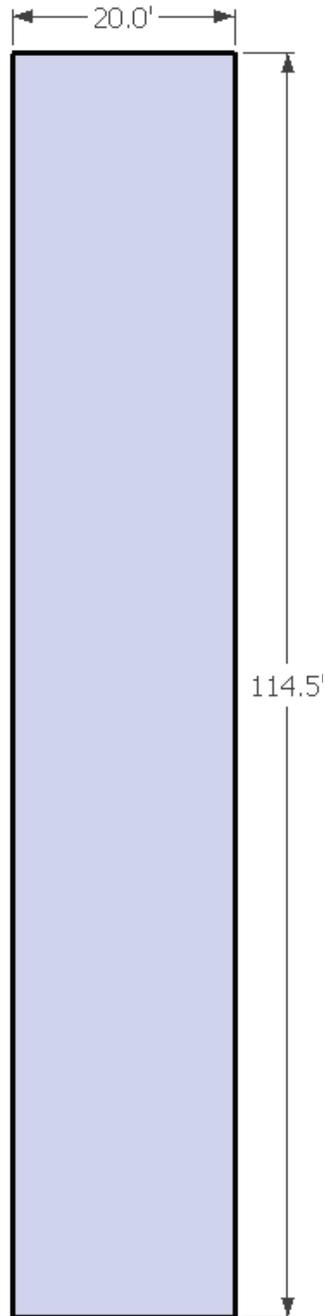
Exterior Walls: Concrete block

Roof System: Wood trusses or joists with asphalt shingles, or rolled roofing covered with sprayed-on foam.

Fire Protection: No fire protection was noted at the time of inspection.

Heating, Cooling, Air-Conditioning and Ventilation:	Wall-mounted A/C units
Restrooms:	Each motel room has one restroom. Each restroom includes a toilet, sink and shower. The restrooms have taped, textured and painted drywall.
Electrical:	120/240 Volt, 3-phase, 4-wire with 200 Amps of power
Insulation:	Insulation in the buildings was not visible and is assumed to be adequate.
Doors:	All exterior and interior doors are wood doors.
Windows:	Glass in aluminum or steel frames.
<u>Site Improvements</u>	
Driveways and Parking:	The site improvements are minimal and consist of covered concrete walkways and open concrete walkways with minimal landscaping. Parking areas are unmarked and appear to be adequate for the current usage.
Quality and Condition:	The buildings are in fair condition overall with several items of deferred maintenance noted, including dry-rot on the fascia boards.
Non-apparent Adverse Conditions:	We again refer the reader to the Underlying Assumptions and Contingent Conditions. We are not qualified to determine the presence of hazardous conditions within the structure(s) described. This would include, but would not be limited to, urea formaldehyde, asbestos, toxic chemicals of all kinds, dangerous electromagnetic fields, etc. Unless otherwise stated, the structures are assumed to be unaffected.

Motel Buildings Sketch



All four motel buildings have the same footprint.

Motel Buildings Improvement Photographs



BUILDING 21



BUILDING 23



BUILDING 24



BUILDING 25

IMPROVEMENT DESCRIPTION - DORMITORY BUILDINGS

This portion of the subject property is improved with 9 dormitory buildings with a total of 137 units. Each of the buildings have either 13 and 17 rooms. The buildings that have 13 rooms (37, 39, 43 and 45) have a common area lounge room that is a single open room. The dormitory rooms are approximately 86 square feet in size and every two rooms share a 45 square foot bathroom. These improvements are further described as follows:

Building Improvements

Building Area: The subject buildings are summarized as follows:

<u>Building</u>	<u>Description</u>	<u>Lease Area In Sq. Ft.</u>
37	13 room dormitory/lounge/utility	2,290
38	17 room dormitory/utility	2,290
39	13 room dormitory/lounge/utility	2,290
40	17 room dormitory/utility	2,290
42	17 room dormitory/utility	2,290
43	13 room dormitory/lounge/utility	2,290
44	17 room dormitory/utility	2,290
45	13 room dormitory/lounge/utility	2,290
46	17 room dormitory/utility	2,290
Total Net Size		20,610

Foundations and Floors: Concrete slab over ABC fill with continuous concrete footings (assumed).

Building Type: Dormitory

Construction Year: 1950

Chronological Age: Approximately 65 years

Effective Age: Approximately 45 years

Economic Life: Approximately 45 Years

Remaining Economic Life: Due to their physical condition and lack of demand in the area, the improvements are nearing the end of their economic life. With renovations and increased activity in the area, the economic life of the improvements may be extended.

Exterior Walls: Concrete block and wood frame

Roof System:	Wood trusses or joists with asphalt shingles or rolled roofing covered with sprayed-on foam.
Fire Protection:	No fire protection was noted at the time of inspection.
Heating, Cooling, Air-Conditioning and Ventilation:	Roof-mounted A/C units
Restrooms:	The dormitory rooms share a bathroom between every two units. Restrooms include a toilet, a sink and a shower. The restrooms have taped, textured and painted drywall.
Electrical:	120/240 Volt, 3-phase, 4-wire with 200 Amps of power
Insulation:	Insulation in the buildings was not visible and is assumed to be adequate.
Doors:	All exterior and interior doors are wood doors.
Windows:	Glass in aluminum or steel frames.

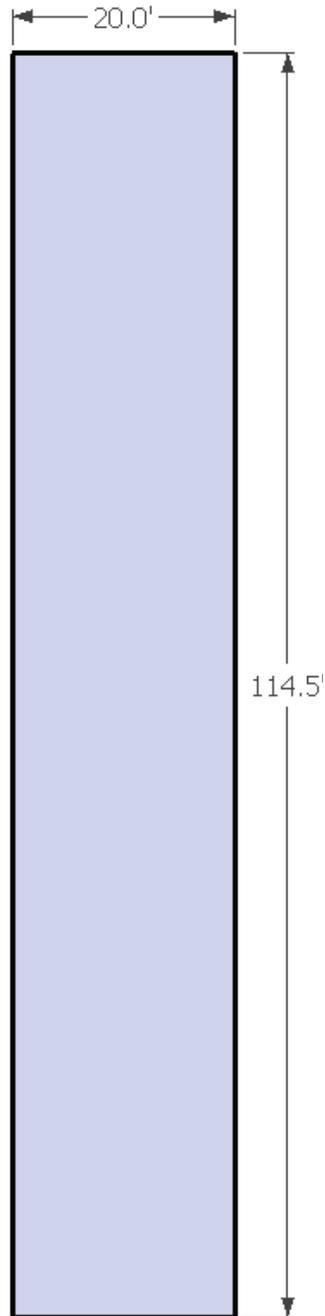
Site Improvements

Driveways and Parking: The site improvements are minimal and consist of covered concrete walkways and open concrete walkways with minimal landscaping. Parking areas are unmarked and appear to be adequate for the current usage.

Quality and Condition: The buildings are in fair condition overall with several items of deferred maintenance noted, including dry-rot on the fascia boards.

Non-apparent Adverse Conditions: We again refer the reader to the Underlying Assumptions and Contingent Conditions. We are not qualified to determine the presence of hazardous conditions within the structure(s) described. This would include, but would not be limited to, urea formaldehyde, asbestos, toxic chemicals of all kinds, dangerous electromagnetic fields, etc. Unless otherwise stated, the structures are assumed to be unaffected.

Dormitory Buildings Sketch



All nine dormitory buildings have the same footprint.

Dormitory Buildings Improvement Photographs



BUILDING 37



BUILDING 38



BUILDING 39



BUILDING 40



BUILDING 42



BUILDING 43



BUILDING 44



BUILDING 45



BUILDING 46

IMPROVEMENT DESCRIPTION - APARTMENT BUILDINGS

This portion of the subject property is improved with 4 apartment buildings. Each building has 4 one bedroom/one bathroom units. Each unit is approximately 534 square feet in size. These improvements are described as follows:

Building Improvements

Building Area: The subject buildings are summarized as follows:

Building	Description	Lease Area In Sq. Ft.
33	Apartment Building	2,290
34	Apartment Building	2,290
35	Apartment Building	2,290
36	Apartment Building	2,290
Total Building Area		9,160

Foundations and Floors: Concrete slab over ABC fill with continuous concrete footings (assumed).

Building Type: Concrete block

Construction Year: 1950

Chronological Age: Approximately 65 years

Effective Age: Approximately 45 years

Economic Life: Approximately 45 Years

Remaining Economic Life: Due to their physical condition and lack of demand in the area, the improvements are nearing the end of their economic life. With renovations and increased activity in the area, the economic life of the improvements may be extended.

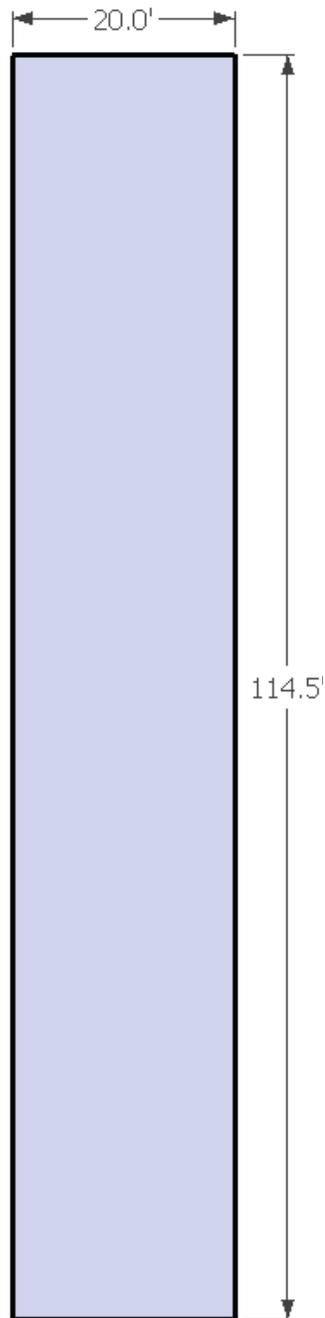
Exterior Walls: Concrete block

Roof System: Wood trusses or joists with asphalt shingles or rolled roofing covered with sprayed-on foam.

Fire Protection: No fire protection was noted at the time of inspection.

Heating, Cooling, Air-Conditioning and Ventilation:	Wall-mounted A/C units
Restrooms:	Each unit has one restroom. Restrooms include a toilet, sink and shower. The restrooms have taped, textured and painted drywall.
Electrical:	120/240 Volt, 3-phase, 4-wire with 200 Amps of power
Insulation:	Insulation in the buildings was not visible and is assumed to be adequate.
Doors:	All exterior and interior doors are wood doors.
Windows:	Glass in aluminum or steel frames.
<u>Site Improvements</u>	
Driveways and Parking:	The site improvements are minimal and consist of covered concrete walkways and open concrete walkways with minimal landscaping. Parking areas are unmarked and appear to be adequate for the current usage.
Quality and Condition:	The buildings are in fair condition overall with several items of deferred maintenance noted, including dry-rot on the fascia boards.
Non-apparent Adverse Conditions:	We again refer the reader to the Underlying Assumptions and Contingent Conditions. We are not qualified to determine the presence of hazardous conditions within the structure(s) described. This would include, but would not be limited to, urea formaldehyde, asbestos, toxic chemicals of all kinds, dangerous electromagnetic fields, etc. Unless otherwise stated, the structures are assumed to be unaffected.

Apartment Buildings Sketch



All four buildings have the same footprint.

Apartment Buildings Improvement Photographs



BUILDING 33



BUILDING 34



BUILDING 35



BUILDING 36

IMPROVEMENT DESCRIPTION - RESIDENTIAL BUILDINGS

This portion of the subject property is improved with 8 residential buildings. The buildings have between 3 and 6 bedrooms. Buildings 47, 48, 49, 50, 51 and 52 each have a 960 square foot storage area which is not considered livable area, and attached Arizona rooms that are also not considered livable area. Buildings 54 and 55 have covered carports for vehicle parking. These improvements are further described as follows:

Building Improvements

Building Area: The subject buildings are summarized as follows:

Building	Description	Lease Area In Sq. Ft.
47	3 bedrooms/ 2 bathrooms	1,561
48	3 bedrooms/ 2 bathrooms	1,701
49	3 bedrooms/ 2 bathrooms	1,561
50	3 bedrooms/ 2 bathrooms	1,701
51	3 bedrooms/ 2 bathrooms	1,561
52	3 bedrooms/ 2 bathrooms	1,701
54	6 bedrooms/ 3 bathrooms	2,520
55	3 bedrooms/ 3 bathrooms	2,178
Total Net Size		14,484

Foundations and Floors: Concrete slab over ABC fill with continuous concrete footings (assumed).

Building Type: Residential

Construction Year: 1950

Chronological Age: Approximately 65 years

Effective Age: Approximately 45 years

Economic Life: Approximately 45 Years

Remaining Economic Life: Due to their physical condition and lack of demand in the area, the improvements are nearing the end of their economic life. With renovations and increased activity in the area, the economic life of the improvements may be extended.

Exterior Walls: Concrete block and wood frame

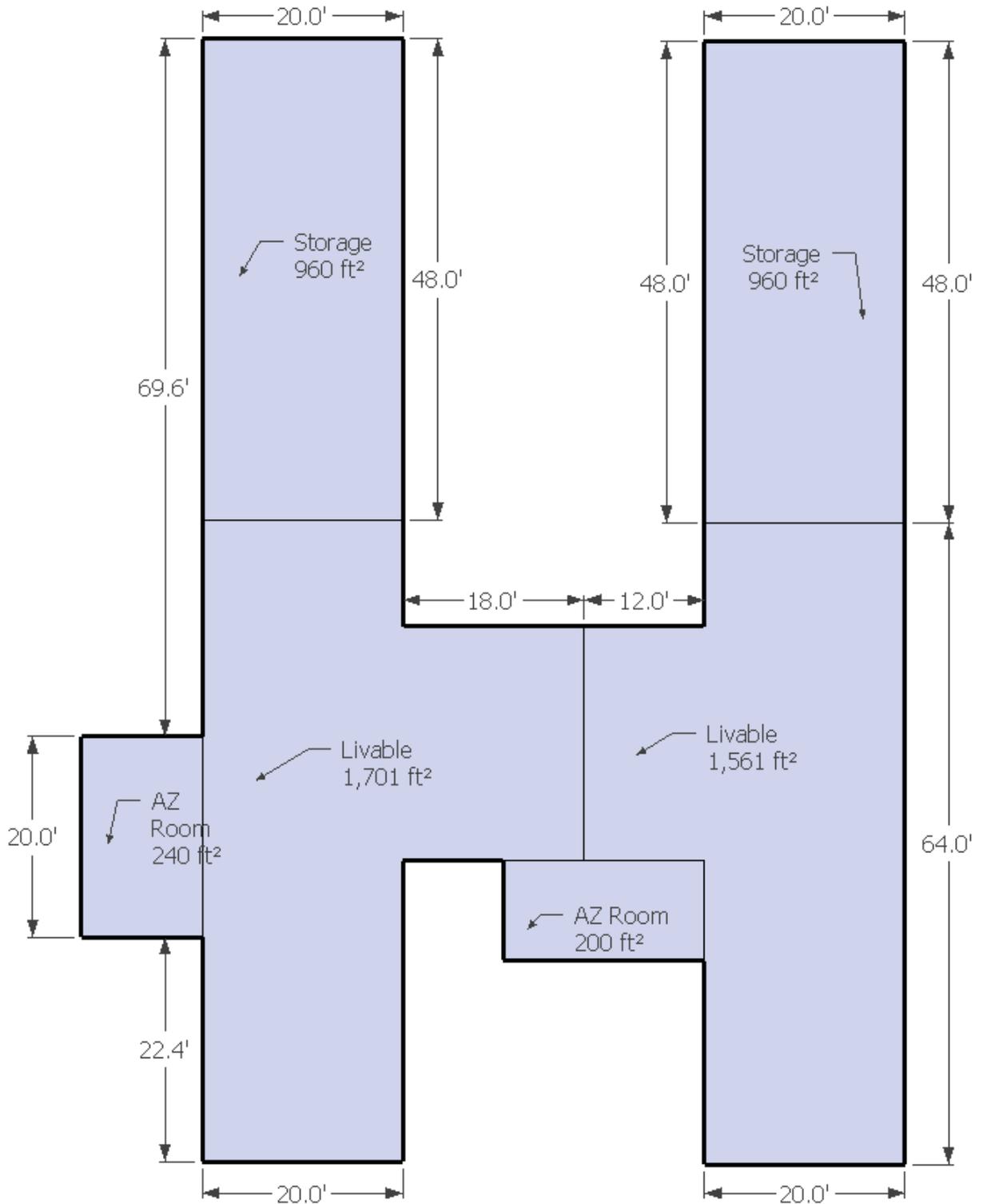
Roof System: Wood trusses or joists with asphalt shingles or rolled roofing covered with sprayed-on foam.

Fire Protection:	No fire protection was noted at the time of inspection.
Heating, Cooling, Air-Conditioning and Ventilation:	Roof-mounted A/C units
Restrooms:	Buildings 47, 48, 49, 50, 51 and 52 have two restrooms each. Buildings 54 and 55 have three restrooms each. Restrooms include a toilet, a sink and a bathtub/shower. The restrooms have taped, textured and painted drywall.
Electrical:	120/240 Volt, 3-phase, 4-wire with 200 Amps of power
Insulation:	Insulation in the buildings was not visible and is assumed to be adequate.
Doors:	All exterior and interior doors are wood doors.
Windows:	Glass in aluminum or steel frames.

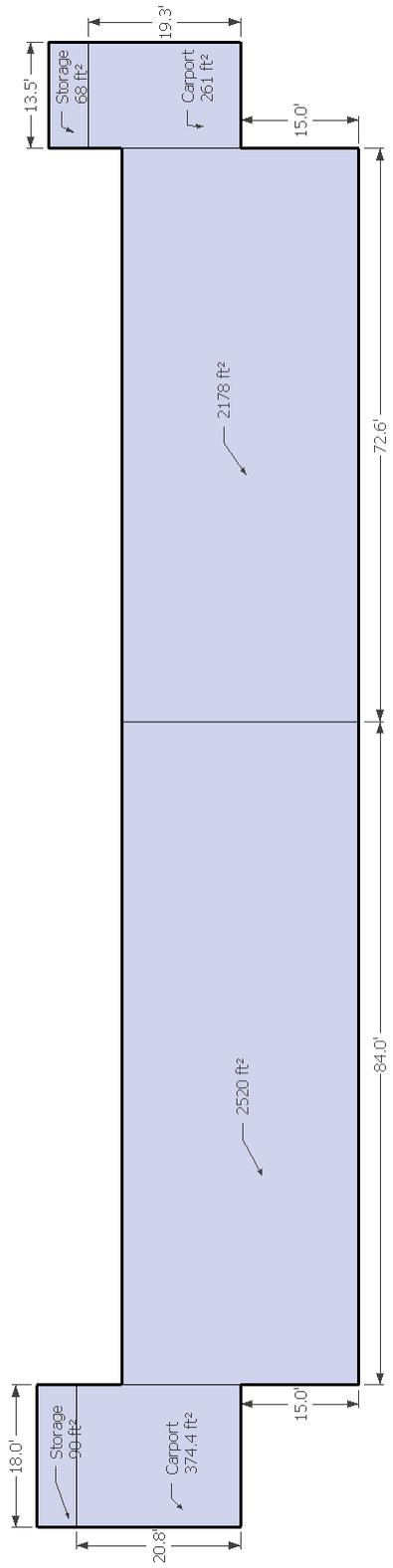
Site Improvements

Driveways and Parking:	The site improvements are minimal and consist of covered concrete walkways and open concrete walkways with minimal landscaping. Parking areas are unmarked and appear to be adequate for the current usage.
Quality and Condition:	The buildings are in fair condition overall with several items of deferred maintenance noted, including dry-rot on the fascia boards and evidence of roof leaks.
Non-apparent Adverse Conditions:	We again refer the reader to the Underlying Assumptions and Contingent Conditions. We are not qualified to determine the presence of hazardous conditions within the structure(s) described. This would include, but would not be limited to, urea formaldehyde, asbestos, toxic chemicals of all kinds, dangerous electromagnetic fields, etc. Unless otherwise stated, the structures are assumed to be unaffected.

Building Sketch - Buildings 52, 51, 50, 49, 48 and 47



Building Sketch - Buildings 54 and 55



Residential Buildings Improvement Photographs



BUILDING 47



BUILDING 48



BUILDING 49



BUILDING 50



BUILDING 51



BUILDING 52



BUILDING 54



BUILDING 55

IMPROVEMENT DESCRIPTION - MISCELLANEOUS BUILDINGS "A"

This portion of the subject property is improved with 7 multi-purpose buildings. The buildings have been used for a variety of uses including general storage, office and classrooms. These improvements are described as follows:

Building Improvements

Building Area:

The subject buildings are summarized as follows:

Building	Description	Lease Area In Sq. Ft.
26	Classroom/Storage	2,290
27	Classroom/Storage	2,290
28	Classroom/Storage	2,290
29	Classroom/Storage	2,290
30	Classroom/Storage	2,290
31	Classroom/Storage	2,290
32	Classroom/Storage	2,290
Total Building Area		16,030

Foundations and Floors:

Concrete slab over ABC fill with continuous concrete footings (assumed).

Building Type:

Concrete block

Construction Year:

1950

Chronological Age:

Approximately 65 years

Effective Age:

Approximately 45 years

Economic Life:

Approximately 45 Years

Remaining Economic Life:

Due to their physical condition and lack of demand in the area, the improvements are nearing the end of their economic life. With renovations and increased activity in the area, the economic life of the improvements may be extended.

Exterior Walls:

Concrete block

Roof System:

Wood trusses or joists with asphalt shingles or rolled roofing covered with sprayed-on foam. The roof structure of building 27 was partially collapsed at the time of our inspection.

Fire Protection:	No fire protection was noted at the time of inspection.
Heating, Cooling, Air-Conditioning and Ventilation:	Buildings 26, 28 and 29 have A/C units. Buildings 27, 30 and 32 have evaporative coolers. Building 31 has no heating or cooling.
Restrooms:	Each building unit has two restrooms. Restrooms include toilets and sink. The restrooms have taped, textured and painted drywall.
Electrical:	120/240 Volt, 3-phase, 4-wire with 200 Amps of power
Insulation:	Insulation in the buildings was not visible and is assumed to be adequate.
Doors:	All exterior and interior doors are wood doors.
Windows:	Glass in aluminum or steel frames.

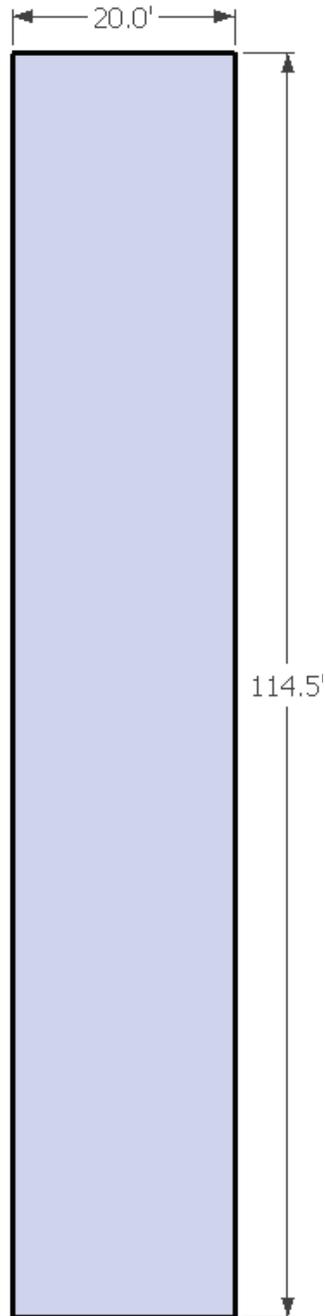
Site Improvements

Driveways and Parking: The site improvements are minimal and consist of covered concrete walkways and open concrete walkways with minimal landscaping. Parking areas are unmarked and appear to be adequate for the current usage.

Quality and Condition: The buildings are in fair condition overall with several items of deferred maintenance noted, including dry-rot on the fascia boards, missing acoustical tile ceiling panels and a partial roof collapse in building 27.

Non-apparent Adverse Conditions: We again refer the reader to the Underlying Assumptions and Contingent Conditions. We are not qualified to determine the presence of hazardous conditions within the structure(s) described. This would include, but would not be limited to, urea formaldehyde, asbestos, toxic chemicals of all kinds, dangerous electromagnetic fields, etc. Unless otherwise stated, the structures are assumed to be unaffected.

Building Sketch – Miscellaneous Building “A”



All seven buildings have the same footprint.

Miscellaneous Buildings “A” Improvement Photographs



BUILDING 26



BUILDING 27



BUILDING 28



BUILDING 29



BUILDING 30



BUILDING 31



BUILDING 32

IMPROVEMENT DESCRIPTION - MISCELLANEOUS BUILDINGS "B"

This portion of the subject property is improved with 7 multi-purpose buildings. The buildings have been used for a variety of uses including general storage, office, gymnasium, laundry facilities, exercise room, pool buildings (including pool service equipment, restrooms and showers) and a bar/restaurant. These improvements are described as follows:

Building Improvements

Building Area: The subject buildings are summarized as follows:

Building	Description	Lease Area In Sq. Ft.
41	Laundry/Exercise/Office	2,290
53	Bar/Restaurant	9,636
91	Pool Building	190
92	Pool Building	410
97	Storage	680
99	Office/Gymnasium	2,675
554	Commercial Laundry/Barber/Storage	2,500
Total Net Size		18,381

Foundations and Floors: Concrete slab over ABC fill with continuous concrete footings (assumed).

Building Type: Mostly concrete block

Construction Year: Buildings 41, 53, 91, 92, 99 and 554 were built in 1950. Building 97 was constructed in 1980.

Chronological Age: Approximately 65 years

Effective Age: Approximately 45 years

Economic Life: Approximately 45 Years

Remaining Economic Life: Due to their physical condition and lack of demand in the area, the improvements are nearing the end of their economic life. With renovations and increased activity in the area, the economic life of the improvements may be extended.

Exterior Walls: Buildings 41, 53, 91, 92, 99 and 554 have concrete block exterior walls. Building 97 has wood siding.

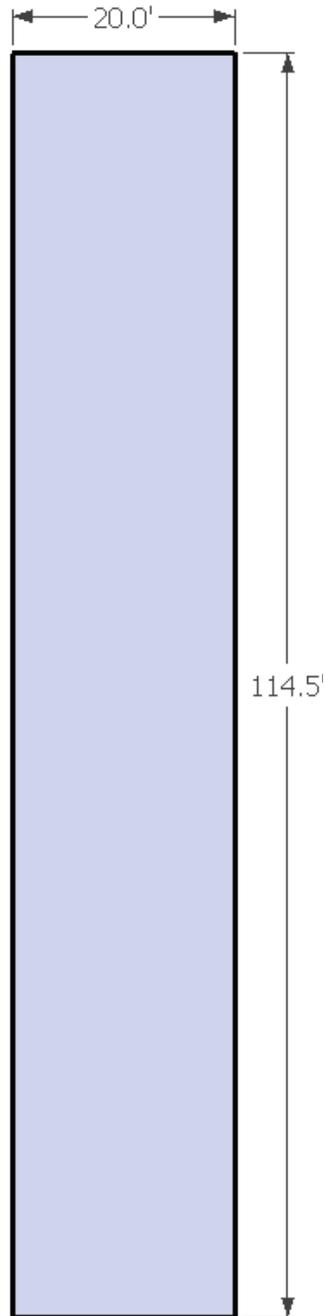
Roof System:	Wood trusses or joists with asphalt shingles or rolled roofing covered with sprayed-on foam. The roof structure of building 97 was partially collapsed at the time of our inspection.
Fire Protection:	No fire protection was noted at the time of inspection.
Heating, Cooling, Air-Conditioning and Ventilation:	Buildings 41, 53, 99 and 554 have A/C units. Buildings 91, 92 and 97 have no heating or cooling.
Restrooms:	Buildings 41, 91, 99 and 554 have two restrooms each. Buildings 92 and 97 have no restrooms. Building 53 has two large restrooms with several fixtures each
Electrical:	120/240 Volt, 3-phase, 4-wire with 200 Amps of power
Insulation:	Insulation in the buildings was not visible and is assumed to be adequate.
Doors:	All exterior and interior doors are wood doors.
Windows:	Glass in aluminum or steel frames.

Site Improvements

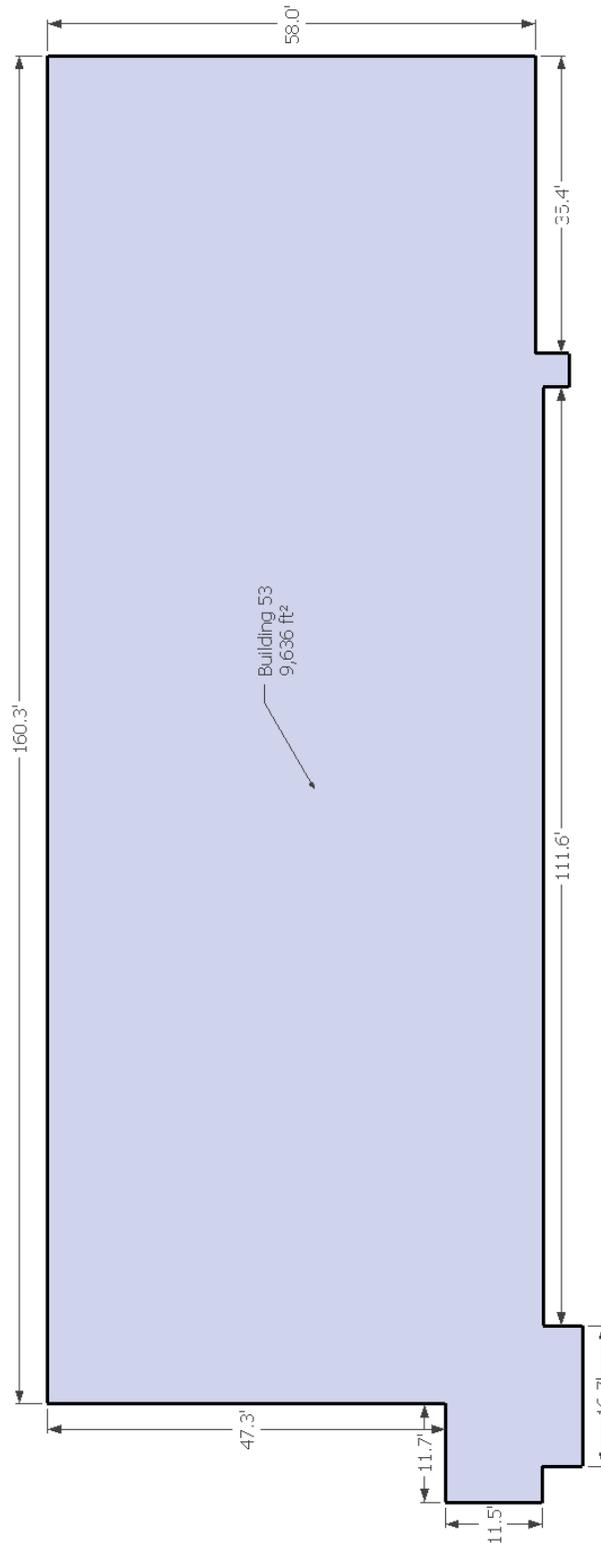
Driveways and Parking:	The site improvements are minimal and consist of covered concrete walkways and open concrete walkways with minimal landscaping. Parking areas are unmarked and appear to be adequate for the current usage.
Quality and Condition:	The buildings are in fair condition overall with several items of deferred maintenance noted, including dry-rot on the fascia boards, missing acoustical tile ceiling panels and a partial roof collapse in building 97.
Non-apparent Adverse Conditions:	We again refer the reader to the Underlying Assumptions and Contingent Conditions. We are not qualified to determine the presence of hazardous conditions within the structure(s)

described. This would include, but would not be limited to, urea formaldehyde, asbestos, toxic chemicals of all kinds, dangerous electromagnetic fields, etc. Unless otherwise stated, the structures are assumed to be unaffected.

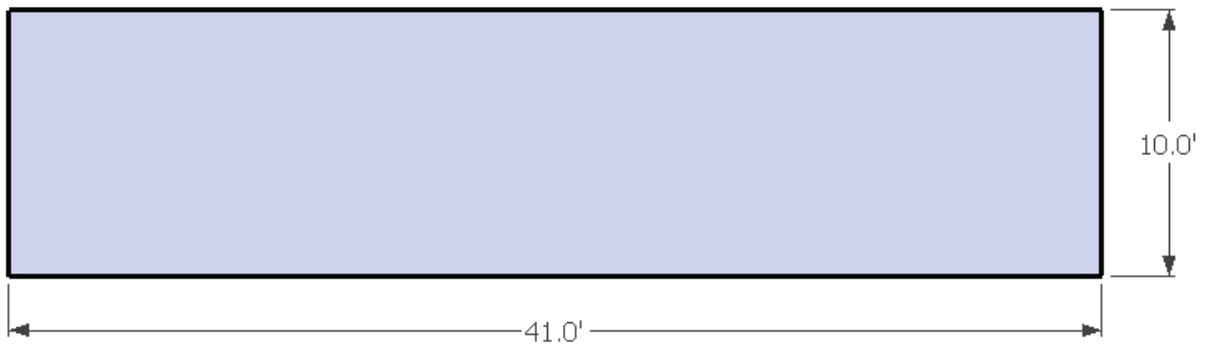
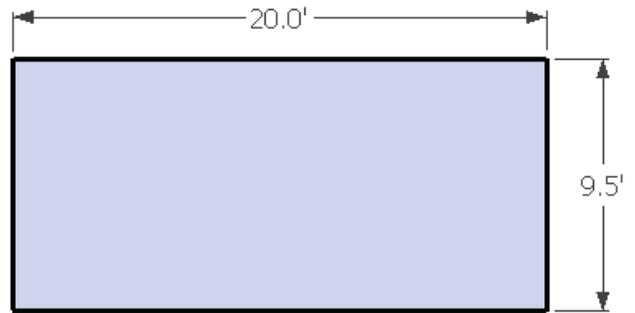
Building Sketch - Building 41



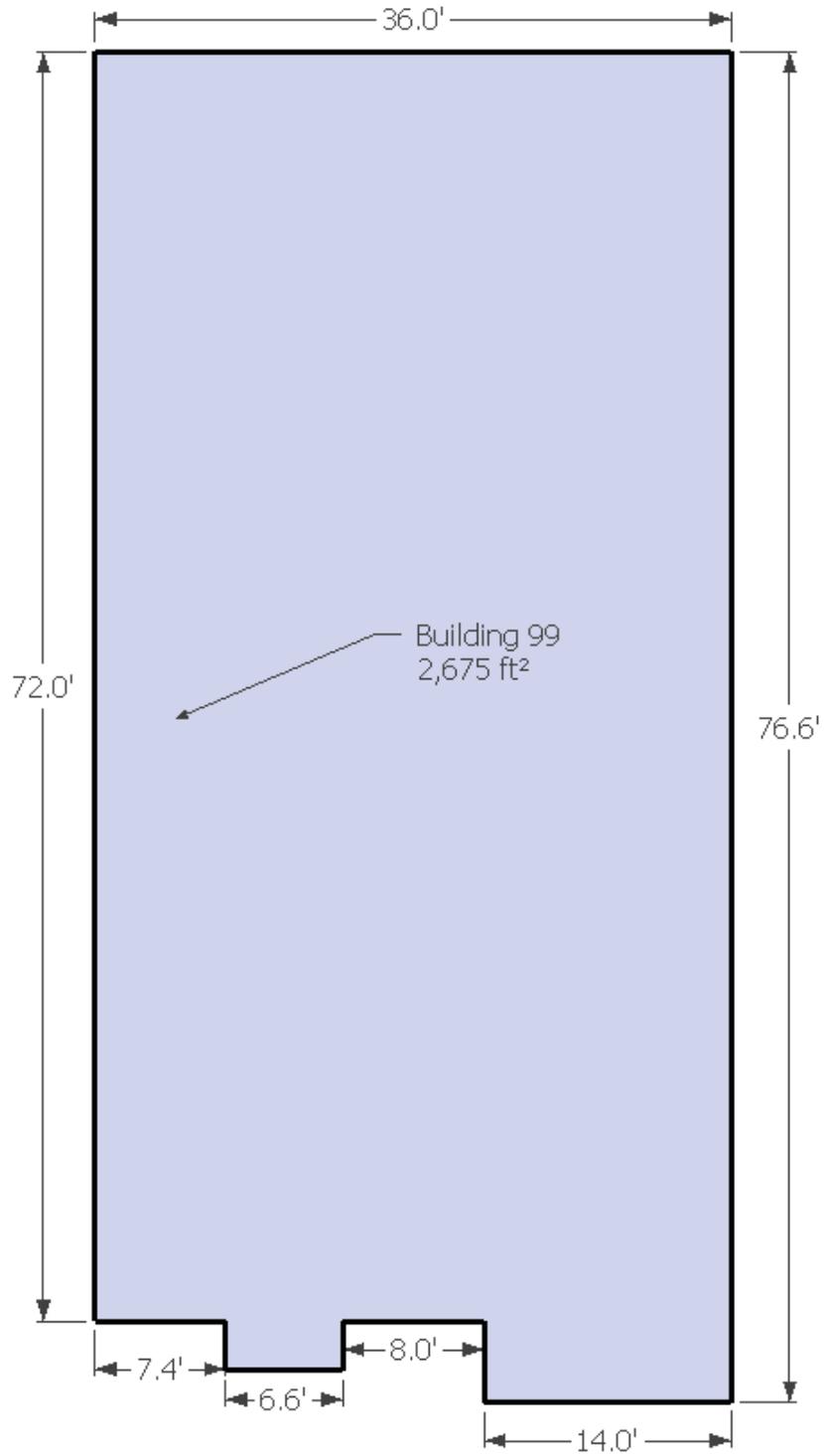
Building Sketch - Building 53



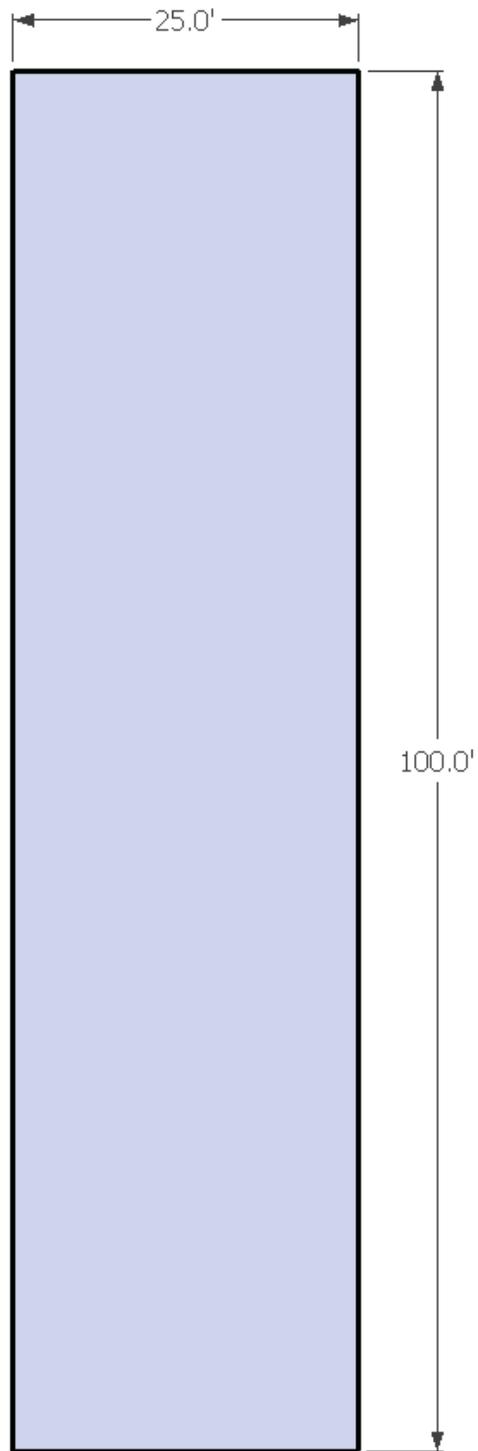
Building Sketch - Buildings 91 & 92



Building Sketch - Building 99



Building Sketch - Building 554



Miscellaneous Buildings “B” Improvement Photographs



BUILDING 41



BUILDING 53



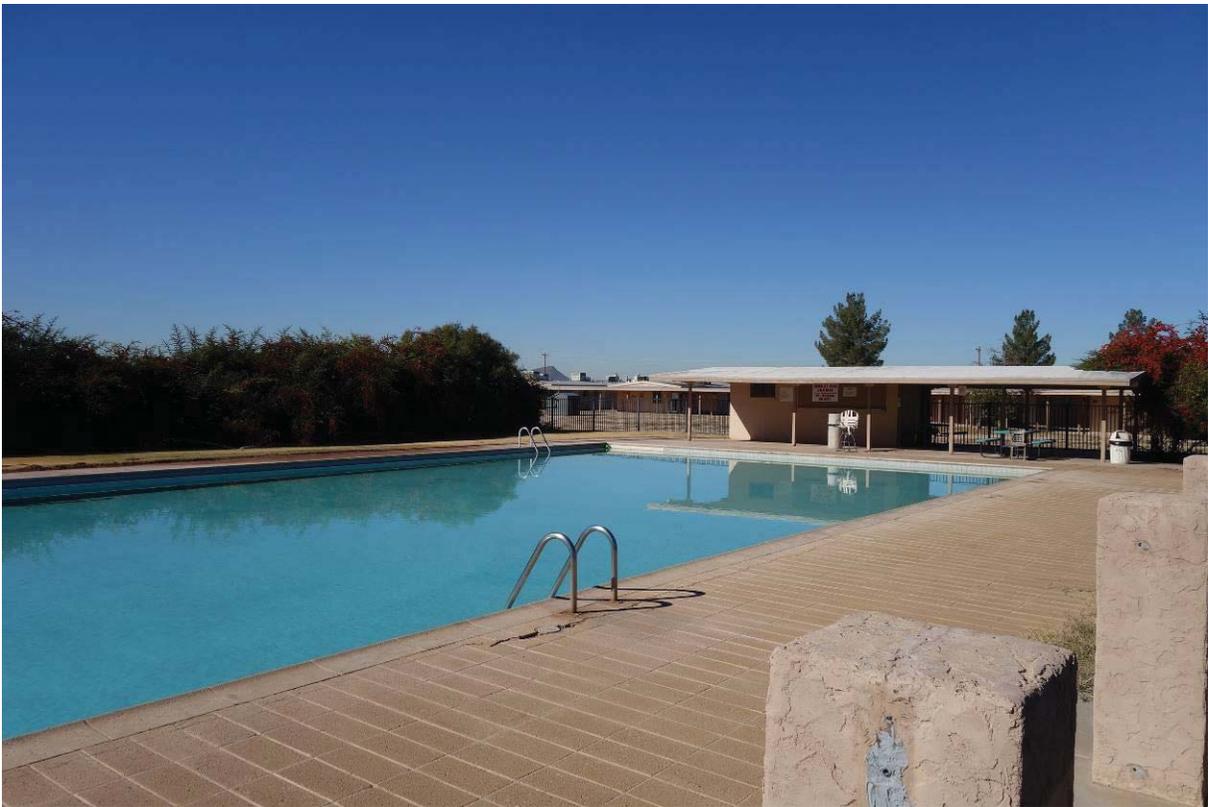
BUILDING 97



BUILDING 99



BUILDING 554



BUILDING 91 AND POOL AREA