

# **HARLOW APPRAISAL SERVICES**

## **Narrative Appraisal** Real Estate Appraisal Report

**Of**

Vacant Land



2801 Highway 95, Lake Havasu City,  
Mohave County AZ, 86406

**As of**

May 25, 2023

**Prepared For**

Lake Havasu City  
Attn: Jeff Thuneman, C.B.O.  
Development Services Director  
2330 McCulloch Blvd N  
Lake Havasu City, AZ 86403

**Prepared by**

Harlow Appraisal Services  
Michael Harlow, AZ-#32236

**File Name:** MH2023-097

# HARLOW APPRAISAL SERVICES

November 13, 2023

**FILE: MH2023-061**

Michael G  
Harlow  
  
Harlow Appraisal  
Services

Lake Havasu City  
Attn: Jeff Thuneman, C.B.O.  
Development Services Director  
2330 McCulloch Blvd N  
Lake Havasu City, AZ 86406  
Email: ThunemanJ@lhcaz.gov

**Real Estate  
Appraisal &  
Real Estate  
Consulting**

*RE: For an appraisal report communicated in narrative appraisal format as defined by USPAP Standards 2-2(a). We have been asked to provide the Current "as is" and Hypothetical "as is" market value of the property identified by the physical address of 2801 Highway 95, Lake Havasu City, Mohave County, AZ 86406. The property can also be identified by the Mohave County Assessor Parcel Number: 106-28-050A. This is a REVISED version of the original report dated 6/29/2023. We have been asked to revise the original report due to a terms and conditions of sale with the subject property that was recently provided to the appraiser after the original appraisal report date. This additional information was not provided to the appraiser for the original appraisal. Other additional site information was also found and updates made. The terms and conditions of sale is detailed in the report (see Addendum for full details. This additional information (from additional interviews and the terms and conditions of sale) changes the HBU of the site (the zoning and the land sales change as well). Also, after a recent interview with LHC Planning and Zoning, a zoning change to remove the PD is also under consideration. For this reason, a hypothetical 'as is' value (assuming the PD is removed with a C-2 zoning change) has also been included in the analysis. The value conclusions HAVE changed as a result.*

**Including:**

Financing

Condemnation

Partial Interests

Lease-by-Lease

Dear Jeff:

**Leasehold  
Interests**

In response to your request and authorization, Michael G Harlow has prepared an appraisal report utilizing all applicable approaches to value with the conclusions and supporting data reported in an appraisal report format.

**General  
Consulting**

The purpose of this appraisal is to estimate the Current 'as is' and Hypothetical 'as is' Market Value for the subject property. The intended use of this appraisal will be for the client to use for internal decision making regarding the potential sale of the subject property, and the appraisal will assist in this matter. The client is identified as Lake Havasu City, Attn: Jeff Thuneman, C.B.O., Development Services Director for Lake Havasu City. The client is the only identified user of this appraisal. No additional assignees have been identified. Any use of the appraisal by a third party, or for a use other than the use stated above, is an unintended and unauthorized use.

Please reference the scope of work section of this report for information regarding the scope of research and analysis employed for this appraisal, including property identification, inspection, highest and best use analysis, and valuation methodology. We certify that we have no present or contemplated future interest in the property beyond this estimate of value. Your attention is directed to the limiting conditions and general assumptions section of this

## HARLOW APPRAISAL SERVICES

report. The acceptance of this report constitutes an agreement with these conditions and assumptions.

The analyses, opinions, and conclusions were developed based on, and this report has been prepared in conformance with, our interpretation of the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP); the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

The definition of market value is provided in the definitions section of the appraisal. The summary of support for our estimate of a reasonable exposure and marketing period is provided in the summary of salient facts.

The client has requested an appraisal report which will include all applicable approaches to value, a discussion of significant data, analysis and support of assignment results, and an in-depth market analysis. The reporting option for the conclusions reached is considered an Appraisal Report per USPAP Standards 2-2(a). The report has been prepared based upon the intended use and intended user. There is enough supporting data provided in the report for the intended user to understand the property and improvements, market area conditions, highest and best use and the reasoning for the conclusions reached. Additional supporting documentation is retained in the work file for the interested reader.

We have completed the appraisal presuming the subject is free and clear of any encumbrances and/or adverse easements. We were not provided with a title report and found no other evidence of adverse encumbrances or easements.

We have not been provided with an environmental assessment or study pertaining to the appraised subject parcel. For the purposes of this report, we have employed several assumptions including the presumption that environmental and/or any other unknown conditions do not exist or adversely affect the subject property. We have not been informed of any adverse environmental soil, mineral, or otherwise adverse conditions. Please refer to the Limiting Conditions and General Assumptions sections for more details.

# HARLOW APPRAISAL SERVICES

Based on the data summarized in this report and retained in our workfile, and taking into consideration the limiting conditions and general assumptions reported as part of this analysis, we have provided a supported opinion for the **Hypothetical** Current “as is”, Fee Simple market value for the subject property as of May 25, 2023 to be as follows:

**TWO MILLION SIX HUNDRED THOUSAND DOLLARS**

**\$2,600,000\*\*\***

*\*Rounded to the Nearest \$10,000*

*\*\*See Extraordinary Assumption*

*\*\*\*See Hypothetical Condition*

Based on the data summarized in this report and retained in our workfile, and taking into consideration the limiting conditions and general assumptions reported as part of this analysis, we have provided a supported opinion for the Current “as is”, Fee Simple market value for the subject property as of May 25, 2023 to be as follows:

**ONE MILLION SEVEN HUNDRED FORTY THOUSAND DOLLARS**

**\$1,740,000\*\***

*\*Rounded to the Nearest \$10,000*

*\*\*See Extraordinary Assumption*

Thank you for giving us the opportunity of appraising this property for you. If there are any questions concerning this appraisal report, please do not hesitate to contact us.

**Respectfully submitted,**



**Michael G Harlow**  
**Certified General Appraiser**  
Arizona General Certification #32236  
Expires 08/31/2025

# HARLOW APPRAISAL SERVICES

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## ADDENDUM

PROFESSIONAL QUALIFICATIONS OF THE APPRAISER  
STATE APPRAISER CERTIFICATION  
ENGAGEMENT LETTER  
PHOTOGRAPHS  
ZONING REGULATIONS  
ASSESSOR PAGE & LEGAL DESCRIPTION  
LHC ORDINANCE 08-936  
ABBREVIATIONS

**SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS****GENERAL**

**SUBJECT:** 2801 Highway 95, Lake Havasu City, Mohave County, AZ 86406  
APN: 106-28-050A

**OWNER:** Lake Havasu City

**LEGAL DESCRIPTION:** LOT 19 AND ABANDONED CUL DE SAC'S FOR DEEPWATER DR AND CACTUS WREN LN PER ABANDONMENT 7182/906 RES #08-2277, BLK 2, TRACT 2277, SEC 3, T13N, R20W, LAKE HAVASU CITY, MOHAVE COUNTY, AZ (See addendum for full Mohave County Assessor details).

**ORIGINAL REPORT DATE:** June 29, 2023

**INSPECTION DATE:** May 25, 2023

**EFFECTIVE DATE:** May 25, 2023

**REVISED REPORT DATE:** November 13, 2023

**INTENDED USE:** The intended use of this appraisal will be for the client to use for internal decision making regarding the potential sale of the subject property, and the appraisal will assist in this matter.

**INTENDED  
USER(S):**

The client, Lake Havasu City, Attn: Jeff Thuneman, C.B.O., Development Services Director, Lake Havasu City. The appraisal report is written specifically for the client. Any use of the appraisal by a third party, or for a use other than the stated below, is an unintended and unauthorized use. We note the previous appraisal listed Luke Morris, AICP as an intended user; however, Luke has since retired and Jeff Thuneman, C.B.O. has taken over his position as the intended user of this revised appraisal report. The client remains the same, Lake Havasu City. No other users are intended by Appraiser.

**PURPOSE OF  
APPRAISAL:**

The purpose of this appraisal is to estimate the Current 'as is' Market Value and Hypothetical 'as is' Market Value for the subject property.

*There was additional information that was not previously provided to the appraiser for the original appraisal. The terms and conditions of sale is detailed in the report (see Addendum for full details) and changes to the HBU of the site (zoning changes and updated land sales as well) were warranted. Also, after a recent interview with LHC Planning and Zoning, a zoning change to remove the PD is also under consideration. For this reason, a hypothetical 'as is' value (assuming the PD is removed with a C-2 zoning change) has also been included in the analysis. The value conclusions HAVE changed as a result.*

**2022 ASSESSMENT:**

Taxes are currently exempt due to government ownership.

**SALE HISTORY:**

The subject has not sold, and no prior transfers were found in the last three years according to Mohave County and recorder record. We note the subject did go to auction on 8/7/2023. Per an interview with the client, there was only one bid for \$2,100,000 and the terms and conditions of sale was in place at that time. Given the limited demand at the auction for the subject property (only one bid) this bid price is given little consideration in the analysis but is one indication of a floor value indication for the subject property.

**CURRENT  
LISTING/CONTRACT(S):**

Subject is not currently listed and no listing history was found within the last 12 months, per our search of FlexMLS and LoopNet.



**LAND:**

Land Summary						
Parcel ID	Gross Land Area	Gross Land Area (Sq Ft)	Usable Land Area (Acres)	Usable Land Area (Sq Ft)	Topography	Shape
106-28-050A	10.29	448,232	10.29	448,232	Sloping	Rectangular

Notes: See Planned Development Ordinance for details regarding the additional setbacks being located near SFR type uses. This decreases the overall net usable area of the site.

**ZONING:** C-1/PD; Limited Commercial, Planned Development Overlay. C-2 PD zoning is a likely zoning change per LHC. See HBU and Zoning Section for more details.

**TYPE OF VALUE:** Current 'as is' Market Value

**Marketing and Exposure Time:** There have been limited sales over the past 12-18 months for similar larger vacant land parcels within the Lake Havasu market area. Based upon the limited number of sales, interviews with market participants, and an analysis of current supply we have concluded a reasonable exposure time for the subject property is 6-12 months (for the 'as is' condition and the hypothetical 'as is' condition). Market conditions in this segment have been improving, and most market indicators support an average exposure and marketing period of 6-12 months (for the 'as is' condition and the hypothetical 'as is' condition) if marketed aggressively near the value conclusion opined herein.

Marketing and exposure times will be similar due to a forecast of relatively stable market conditions over the next 12 to 18 months.

VALUE INDICATIONS		
<b>Land Value:</b>	\$2,600,000***	\$1,740,000**
<b>Cost Approach:</b>	NA	NA
<b>Sales Comparison Approach:</b>	\$2,600,000***	\$1,740,000**
<b>Income Approach:</b>	NA	NA
<b>Reconciled Value(s):</b>	<b>Hypothetical As Is</b>	<b>Current As Is</b>
Value Conclusion(s)	\$2,600,000***	\$1,740,000**
Effective Date (s)	May 25, 2023	May 25, 2023
Property Rights	Fee Simple	Fee Simple
*Rounded to the nearest \$10,000		
**See Extraordinary Assumption		
***See Hypothetical Condition		

## GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

Acceptance of and/or use of this report constitutes acceptance of the following limiting conditions and assumptions; these can only be modified by written documents executed by both parties.

1. This appraisal is to be used only for the purpose stated herein. While distribution of this appraisal in its entirety is at the discretion of the client, individual sections shall not be distributed; this report is intended to be used in whole and not in part.
2. No part of this appraisal, its value estimates or the identity of the firm or the appraiser(s) may be communicated to the public through advertising, public relations, media sales, or other media.
3. No responsibility is assumed for the legal description provided or for matters pertaining to legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
4. All files, work papers and documents developed in connection with this assignment are the property of Harlow Appraisal Services. Information, estimates and opinions are verified where possible, but cannot be guaranteed. Plans provided are intended to assist the client in visualizing the property; no other use of these plans is intended or permitted.
5. No hidden or unapparent conditions of the property, subsoil or structure, which would make the property more or less valuable, were discovered by the appraiser(s) or made known to the appraiser(s). No responsibility is assumed for such conditions or engineering necessary to discover them. Unless otherwise stated, this appraisal assumes there is no existence of hazardous materials or conditions, in any form, on or near the subject property.
6. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyl, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, was not called to the attention of the appraiser nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test for such substances. The presence of such hazardous substances may affect the value of the property. The value opinion developed herein is predicated on the assumption that no such hazardous substances exist on or in the property or in such proximity thereto, which would cause a loss in value. No responsibility is assumed for any such hazardous substances, nor for any expertise or knowledge required to discover them.
7. Unless stated herein, the property is assumed to be outside of areas where flood hazard insurance is mandatory. Maps used by public and private agencies to determine these areas are limited with respect to accuracy. Due diligence has been exercised in interpreting these maps, but no responsibility is assumed for misinterpretation.
8. Good title, free of liens, encumbrances and special assessments is assumed. No responsibility is assumed for matters of a legal nature.

9. Necessary licenses, permits, consents, legislative or administrative authority from any local, state or Federal government or private entity are assumed to be in place or reasonably obtainable.
10. It is assumed there are no zoning violations, encroachments, easements or other restrictions which would affect the subject property, unless otherwise stated.
11. The appraiser(s) are not required to give testimony in Court in connection with this appraisal. If the appraisers are subpoenaed pursuant to a court order, the client agrees to pay the appraiser(s) Harlow Appraisal Services regular per diem rate plus expenses.
12. Appraisals are based on the data available at the time the assignment is completed. Amendments/modifications to appraisals based on new information made available after the appraisal was completed will be made, as soon as reasonably possible, for an additional fee.
13. I acknowledge that any intentional or negligent misrepresentation(s) contained in the appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws. I understand that a substantial or gross valuation misstatement resulting from an appraisal of the value of property that the appraiser knows, or reasonable should have known, would be used in a connection with a return or claim for refund, may subject the appraiser to a civil penalty under §6695A.

The appraisal report has been made with the following general limiting conditions:

1. Any allocation of the total value estimated in this report between the land and the improvements applied only under the stated program of utilization. The separate values allocated to the land and the buildings must not be used in conjunction with any other appraisal and are invalid if so used.
2. Possession of this report, or a copy thereof, does not carry with it the right of publication.
3. The appraiser, by reason of this appraisal, is not required to give further consultation or testimony or to be in attendance in court with reference to the property in question unless arrangements have been previously made.
4. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser.
5. Any opinions of value provided in the report apply to the entire property, and any pro-ration or division of the total into fractional interests will invalidate the opinion of value, unless such pro-ration or division of interests has been set forth in the report.
6. Only preliminary plans and specifications were available for use in the preparation of this appraisal; the analysis, therefore, is subject to a review of the final plans and specifications when available.
7. Any proposed improvements are assumed to have been completed unless otherwise stipulated, so any construction is assumed to conform to the building plans referenced in the report.
8. The appraiser assumes that the reader or user of this report has been provided with copies of available building plans and all leases and amendments, if any, that encumber the property.
9. No legal description or survey was furnished, so the appraiser used the county tax plat to ascertain the physical dimensions and acreage of the property. Should a survey prove this information to be inaccurate, it may be necessary for this appraisal to be adjusted at possible additional expense to the client.
10. The forecasts, projections, or operating estimates contained herein are based on current market conditions, anticipated short-term supply and demand factors, and a continued state economy. These forecasts are, therefore, subject to changes with future conditions.
11. The Americans with 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.

## Appraisal Definitions

**Market Value:** As defined by the Office of the Comptroller of Currency (OCC) under 12 CFR, Part 34, Subpart C-Appraisals, 34.42 Definitions, the Board of Governors of the Federal Reserve System (FRS) and the Federal Deposit Insurance Corporation in compliance with Title XI of FIRREA, as well as by the Uniform Standards of Appraisal Practice as promulgated by the Appraisal Foundation, is as follows.

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

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interest;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

A **Fee Simple** interest is defined<sup>1</sup> as:

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

A **Leased Fee** interest is defined<sup>1</sup> as:

An ownership interest held by a landlord with the rights of use and occupancy conveyed by a lease to others. The rights of the lessor (the leased fee owner) and the leased fee are specified by contract terms contained within the lease.

**Marketing Time** is defined<sup>1</sup> as:

1. The time it takes an interest in real property to sell on the market subsequent to the date of an appraisal.
2. Reasonable marketing time is an estimate of the amount of time it might take to sell an interest in real property at its estimated market value during the period immediately after the effective date of the appraisal; the anticipated time required to expose the property to a pool of prospective purchasers and to allow appropriate time for negotiation, the exercise of due diligence, and the

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<sup>1</sup> Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 5th ed. (Chicago: Appraisal Institute, 2010)

consummation of a sale at a price supportable by concurrent market conditions. Marketing time differs from exposure time, which is always presumed to precede the effective date of the appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions" address the determination of reasonable exposure and marketing time.)

**Exposure Time** is defined<sup>1</sup> as:

1. The time a property remains on the market.
2. The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market. Exposure time is always presumed to occur prior to the effective date of the appraisal. The overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort. Exposure time is different for various types of real estate and value ranges and under various market conditions. (Appraisal Standards Board of The Appraisal Foundation, Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions")

Market value estimates imply that an adequate marketing effort and reasonable time for exposure occurred prior to the effective date of the appraisal. In the case of disposition value, the time frame allowed for marketing the property rights is somewhat limited, but the marketing effort is orderly and adequate. With liquidation value, the time frame for marketing the property rights is so severely limited that an adequate marketing program cannot be implemented. (The Report of the Appraisal Institute Special Task Force on Value Definitions qualifies exposure time in terms of the three above-mentioned values.) See also marketing time.

**Gross Building Area (GBA)** is the total floor area of a building, including below-grade space but excluding unenclosed areas, measured from the exterior of the walls. Gross building area for office buildings is computed by measuring to the outside finished surface of permanent outer building walls without any deductions. All enclosed floors of the building including basements, mechanical equipment floors, penthouses, and the like are included in the measurement. Parking spaces and parking garages are excluded.<sup>1</sup>

**Rentable Area (RA)** is the amount of space on which the rent is based; calculated according to local practice.<sup>1</sup>

**Gross Leasable Area (GLA)** the total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines, and measured from the center of interior partitioning to outside wall surfaces; the standard measure for determining the size of shopping centers where rent is calculated based on the GLA occupied. The area for which tenants pay rent.<sup>1</sup>

**As Is Value**

The value of specific ownership rights to an identified parcel of real estate as of the effective date of the appraisal; relates to what physically exists and is legally permissible and excludes all assumptions concerning hypothetical market conditions or possible rezoning.<sup>1</sup>

**Stabilized Value**

1. A value opinion that excludes from consideration any abnormal relationship between supply and demand such as is experienced in boom periods, when cost and sale price may exceed the long-term value, or during periods of depression, when cost and sale price may fall short of long-term value.
2. A value opinion that excludes from consideration any transitory condition that may cause excessive construction costs, e.g., a bonus or premium for material, the abnormal inefficiency of labor, the cost of delay or an excessive sale price, e.g., a premium paid due to a temporary shortage of supply.<sup>1</sup>

In layman's terms, stabilized value is the prospective value of a property after construction has been completed and market occupancy and cash flow have been achieved.<sup>2</sup>

**As Complete Value**

The prospective value of a property after all construction has been completed. This value reflects all expenditures for lease-up and occupancy that may be expected to have occurred at that point in time, which may or may not put the property at stabilized value.<sup>1</sup>

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<sup>2</sup> Narrative1.com. Thomas W. Armstrong, MAI

## Scope of Work

According to the Uniform Standards of Professional Appraisal Practice, it is the appraiser's responsibility to develop and report a scope of work that results in credible results that are appropriate for the appraisal problem and intended user(s). Therefore, the appraiser must identify and consider:

- the client and intended users;
- the intended use of the report;
- the type and definition of value;
- the effective date of value;
- assignment conditions;
- typical client expectations; and
- typical appraisal work by peers for similar assignments.

This appraisal is prepared for Lake Havasu City, Attn: Jeff Thuneman, C.B.O., Development Services Director, Lake Havasu City. The problem to be solved is to estimate the Current 'as is' Market Value for the subject property.

The intended use of this appraisal will be for the client to use for internal decision making regarding the potential sale of the subject property, and the appraisal will assist in this matter. This appraisal is intended for the use of the client, Lake Havasu City, Attn: Jeff Thuneman, C.B.O., Development Services Director, Lake Havasu City. The appraisal report is written specifically for the client. Any use of the appraisal by a third party, or for a use other than the stated below, is an unintended and unauthorized use. No other users are intended by Appraiser.

The appraiser has not performed any prior services regarding the subject within the previous three years of the appraisal date.

I have completed multiple appraisal assignments for similar property types, and I am competent to complete this assignment. I have an extensive experience level in the market area and retain a comprehensive current and historical database of sales.

### SCOPE OF WORK

Report Type:	This is an Appraisal Report as defined by Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2(a). This format provides a summary of the appraisal process, subject and market data and valuation analyses.
Property Identification:	The subject has been identified by the legal description and the assessors' parcel number.
Inspection:	A complete exterior inspection of the subject property has been made, and photographs taken. Michael G. Harlow has inspected the above-referenced property.



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Professional Assistance:	James Cosmas, a registered trainee in the state of Arizona (RTA # 1026627), has provided professional assistance with the completion of this appraisal. Mr. Cosmas assisted with the viewing of the subject, neighborhood, and sales used. He also completed research regarding the subject property, market analysis data specific to the subject property, comparable data searches, and he conducted some of the market participant interviews. Mr. Cosmas assisted with the write up of our conclusions and was under the direct supervision of the general certified appraiser, Michael G Harlow, throughout the appraisal process. The conclusions reached are based upon the opinion of the general certified appraiser.
Market Area and Analysis of Market Conditions:	A complete analysis of market conditions has been made. The appraiser maintains and has access to comprehensive databases for this market area and has reviewed the market for sales and listings relevant to this analysis.
Highest and Best Use Analysis:	A complete as vacant highest and best use analysis for the subject has been made. Physically possible, legally permissible and financially feasible uses were considered, and the maximally productive use was concluded.
Type of Value:	Current 'as is' and Hypothetical 'as is' Market Value
<u>Valuation Analyses</u>	
Cost Approach:	A cost approach was not applied as the subject is vacant land and the cost approach is not relevant.
Sales Comparison Approach:	A sales approach was applied as there is adequate data to develop a value estimate and this approach reflects market behavior for this property type. The sales approach is given some consideration in the final reconciliation of value.
Income Approach:	An income approach was not applied as the subject is not an income producing property and this approach does not reflect market behavior for this property type given the current condition of sale in place for the subject site.

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Hypothetical Conditions:	The hypothetical 'as is' market value is based upon the hypothetical condition that the zoning ordinance (PD) from LHC is NOT in place and the zoning code has been changed to C-2 (no PD in place). Per an interview with the client, LHC is also considering allowing a zoning change to C-2 with no PD in place if the future owner of the site requests such a zoning change. This would affect the development costs and overall building pad area of the site. These changes are taken into consideration and significantly affect the overall market value of the site. If this hypothetical condition was not in place, the 'as is' value would be the Current 'as is' value also detailed herein (PD would be in place). If this is found to be false, or the zoning change (PD) is different than described herein, the value is subject to change. The use of these hypothetical conditions and extraordinary assumptions may have affected the assignment results.
Extraordinary Assumptions:	We have made the extraordinary assumption the overall building pad area for the subject site is as detailed herein. This overall building pad area is based upon the setbacks provided within the Planned Development Zoning Ordinance detailed herein. If the zoning ordinance, setbacks, or the overall building pad size is different than described herein, the value is subject to change. The use of these hypothetical conditions and extraordinary assumptions may have affected the assignment results.
Information Not Available:	No Title Information Was Provided. We have completed the appraisal presuming a free and clear title.  No legal descriptions were provided. I have relied upon previously recorded documents for the legal description. Please see Extraordinary Assumptions.

## **SCOPE OF WORK SUMMARY**

The scope of work performed for this analysis summarized in the following bullet list:

- Received engagement letter and reviewed purpose and intended use of the report along with client requirements.
- Researched previous appraisal files, Assessor records, Recorder records, the GIS system, the local MLS and interviewed brokers and developers to assemble primary and secondary market information. We were able to confirm each of the sales used with a primary source when possible.
- Viewed the neighborhood, listings, and sales.
- Completed the highest and best use analysis.
- Completed all applicable approaches to value.
- Reported our conclusions in this appraisal format per USPAP 2-2(a).

## **SUMMARY OF CRITICAL APPRAISAL PROBLEMS**

The term “appraisal problems” is referred to in the text of the Uniform Appraisal Standards for Federal Land Acquisitions (USFLA) as a description of the principal problems presented in estimating the market value of the property under appraisal.

The definition also suggests that the appraisers describe the estate (i.e. property rights). The estate, as mentioned previously, is the Fee Simple estate. There are no land leases in place and the subject is in the Fee Simple estate.

The most critical problem for the subject property is finding similar sales that are relatively current due to the limited supply of similar properties in the market area, and estimating a reasonable marketing and exposure time. We were able to find several recent sales and dated sales in the larger market area and market condition adjustments have been supported and used for the dated sales.

To the best of our ability, we have attempted to reflect the best expectations of the market in our attempt to handle the requirements of USPAP in the Scope of Work Rule “Problem Identification” section. We recognize that the limited competitive product available creates difficulty in supporting our conclusions with a large level of comparative data. We have analyzed all data available to us that the appraisers considered necessary and applicable in the formulation of our value opinions herein, however, limited the applicable data may be.



**FIGURE 2 NEIGHBORHOOD OVERVIEW**

**NORTH**



## SUMMARY OF KEY ECONOMIC INDICATORS

### REGIONAL ECONOMIC ANALYSIS

#### INTRODUCTION

Our macro-economic analysis focuses on the Lake Havasu City-Kingman MSA (hereafter referred to as “Havasu-Kingman MSA”), the fourth-largest MSA in the state of Arizona, with a population of 207,200 (2018 estimate). It is one of seven MSAs in the state of Arizona, which include:

	MSA	Population (2021)	Median HH Income
1	Phoenix-Mesa-Chandler MSA	4,998,484	\$68,676
2	Tucson MSA	1,077,673	\$55,823
3	Prescott MSA	251,413	\$51,749
<b>4</b>	<b>Lake Havasu City-Kingman MSA</b>	<b>226,707</b>	<b>\$50,624</b>
5	Yuma MSA	220,253	\$45,761
6	Flagstaff MSA	152,262	\$57,404
7	Sierra Vista-Douglas MSA	134,407	\$46,860

SOURCE: *STDB Online*

Note that while the Havasu-Kingman MSA has the fourth-largest in terms of population and ranks 5<sup>th</sup> in terms of median household income, indicative of its large senior community, many of whom are on a fixed income. It is critical to point out, many seniors within Lake Havasu have substantial net wealth; which is not reflected in the median income numbers (based upon employment).

#### POPULATION TRENDS

The historical and projected population trends for the Havasu-Kingman MSA and Arizona are charted in the table below:

Population Growth							
Area	2000	2010	% Change 2000-2010	2015	% Change 2010-2015	2020	% Change 2015-2020
MSA	155,037	200,188	29.1%	206,685	3.3%	225,628	9.2%
Arizona	5,130,652	6,392,014	24.6%	6,802,693	6.4%	7,404,282	8.8%

Source: *Alteryx Analytics*

The population of the Havasu-Kingman MSA increased by 3.3% from 2010-2015, compared to the growth in Arizona of 6.4%. Looking ahead, the Havasu-Kingman MSA and Arizona are anticipated to experience continued growth. For the period 2015-2020, the populations of the Havasu-Kingman MSA and Arizona are expected to change by an average of 9.2% and 8.8%,



respectively. The number of retirees has seen an increase of roughly 4.75% per year; however, the employment base has seen a slight decline over the last 12 months.

Please refer to the figure on the following page for a visual illustration of historical population growth in Lake Havasu City.

## ***INCOME TRENDS***

Pertinent income data is as follows:

<b>Income Levels</b>			
<b>Area</b>	<b>2021 Average HH Income</b>	<b>2021 Median HH Income</b>	<b>2021 Per Capita Income</b>
Havasus-Kingman MSA	\$63,715	\$50,624	\$26,508
Arizona	\$85,728	\$61,580	\$31,944

Source: *STDB Online*

Current MSA income levels are below the statewide average in all three income categories.

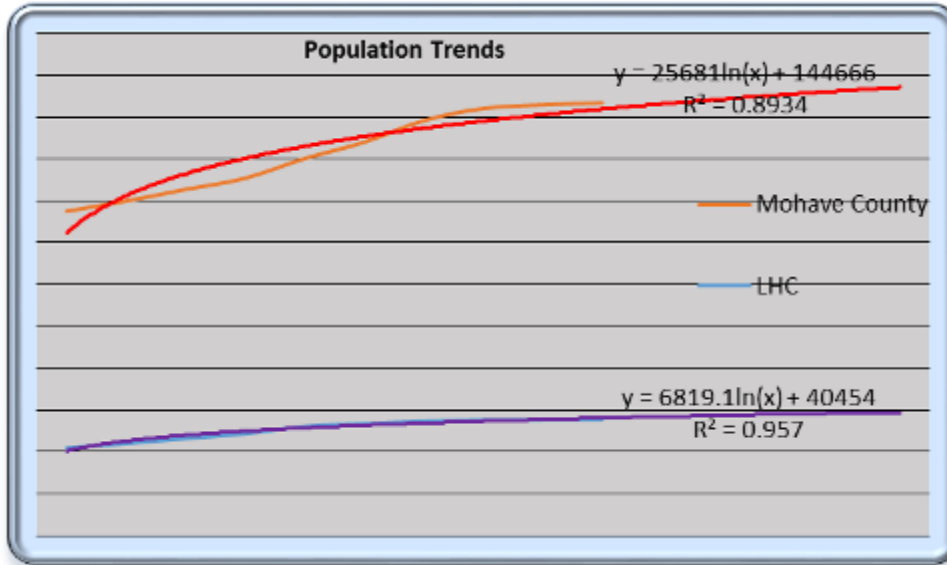
## **CONCLUSION**

The Havasu-Kingman MSA economy, based to a large extent on the tourist and leisure sectors, appears fairly stable, with government, health and trade sectors adding diversity to the employment portfolio. That said, income numbers do lag both state and federal averages, but this can be largely explained by the high percentage of senior residents in the market, many on a fixed income. When looking at net wealth, Lake Havasu is by far the most affluent area of Mohave County. Much of the affluence is not dependent upon jobs.

## **LAKE HAVASU CITY ECONOMIC OVERVIEW**

The Lake Havasu City market has been steadily increasing in most segments since the bottom of the market in 2011/2012. Retail and professional office segments have been slightly lagging other sectors of the market; Residential, medical office, industrial, and industrial flex type uses are at or near stabilization and have seen steady increases over the past several years. We expect most segments to remain relatively stable to slightly increasing through 2019 and into 2020.

The following section will detail key economic indicators and macro factors, followed by a more specific demographic study from STDB online. Key economic indicators for Lake Havasu City are summarized in the following figures with a discussion following. These key indicators lead to conclusions regarding the health of the market and provide good support for forecasting conditions looking forward.

**FIGURE 3 POPULATION GROWTH**

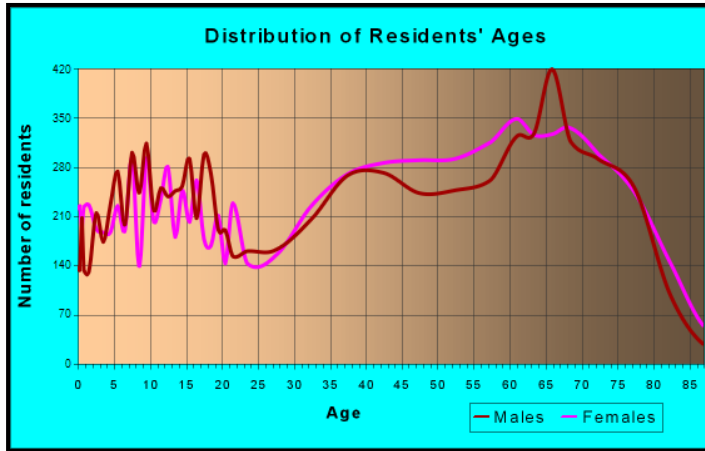
Since 2000, Mohave County had one of the largest population growths per capita in the state of Arizona. Arizona has been the 2nd fastest growing state. The growth rate of Lake Havasu City and Mohave County has been relatively similar since the year 2000. Both have increased by nearly 33% since 2000, while the state of Arizona has experienced an increase of roughly 28%. The 2010 Census estimate for Mohave County is 200,186 persons, slightly lower than what was estimated from the previous source, but still nearly a 30% growth rate over the prior decade.

### ***AGE DISTRIBUTION***

The average age of a resident in Lake Havasu City is just over 52 years. This is higher than the average for Arizona and significantly higher than the average for the nation. Lake Havasu City has experienced a large portion of the growth in the older demographic groups. Lake Havasu City is known for seasonal users, and as being a destination for retirees. As baby boomers continue to retire, the population growth of Lake Havasu City is anticipated to continue to increase, but the average age of residents will likely also increase.



**FIGURE 4 AGE DISTRIBUTION**



Source: City-Data.Com

**HOUSING**

Based upon an STDB Online survey, the total number of housing units in Lake Havasu City was at 33,714. Roughly 71.1% were owner-occupied. Please refer to the figure below for estimates and forecasts for key housing variables.

**FIGURE 5 HOUSING UNIT TRENDS AND FORECASTING**

Total Housing Units by Occupancy		
Total	33,714	100.0%
Occupied Housing Units	24,007	71.2%
Vacant Housing Units		
For Rent	888	2.6%
Rented, not Occupied	53	0.2%
For Sale Only	670	2.0%
Sold, not Occupied	116	0.3%
For Seasonal/Recreational/Occasional Use	7,258	21.5%
For Migrant Workers	1	0.0%
Other Vacant	721	2.1%
Total Vacancy Rate	28.6%	
Households by Tenure and Mortgage Status		
Total	24,007	100.0%
Owner Occupied	17,075	71.1%
Owned with a Mortgage/Loan	11,281	47.0%
Owned Free and Clear	5,793	24.1%
Average Household Size	2.18	
Renter Occupied	6,932	28.9%
Average Household Size	2.43	

The rate of change in housing units from 2000 to 2008 was 3.99%. The overall ten-year rate was lower, as record low building permits were recorded in 2008 and 2009. The rate of change looking forward (over the next five years) is slightly lower over the previous five years, primarily based upon the large increase in construction from the bottom of the market in 2012/2013 to 2017, but a steady rate of increase is projected for the next few years. We expect building permits to exceed the expectation of .74% average growth over the next five years, but the norm near 4% annually (2000-2006) is now considered overly optimistic.

Lake Havasu has historically had a higher percentage of vacant housing due to seasonal use from snowbirds and summer water recreation users. STDB online projects the percentage of vacant housing to remain relatively stable over the next five years. Given the fact that future trends are anticipated to see even a higher percentage of growth from the retirees, a higher-than-average vacancy in housing is expected and considered normal for the market. This market has always had a high percentage of vacant housing, and this is not expected to change significantly looking forward.

### ***MEDIAN INCOME***

Pertinent income data is as follows:

<b>Income Levels</b>			
<b>Area</b>	<b>2019 Average HH Income</b>	<b>2019 Median Household Income</b>	<b>2019 Per Capita Income</b>
PMA	\$68,414	\$50,376	\$30,448
Arizona	\$81,141	\$57,771	\$30,141

Source: STDB Online

Current PMA income levels are below the statewide average for average household income and median household income, while slightly above the average for per capita income.

### ***EMPLOYMENT***

Recent unemployment figures show a slowly decreasing rate over the past several years. One of the larger employers relocated to Henderson in 2014 and there have been no major new employers moving to the area since that time. The primary reason for the increase in unemployment from 2006/2007 was the lack of construction activity in the market area, slower retail sales, and a general slowdown in the national economy. New construction is beginning to improve again and has been steadily increasing since the bottom of the market around 2012/2013. With each new building permit, an estimated 2.25-2.30 permanent jobs are created. The unemployment rate has been decreasing due to the increase in building permits and the overall improvement of the market area.

**FIGURE 6 HISTORICAL UNEMPLOYMENT RATE**

**LAKE HAVASU CITY, ARIZONA  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

Fiscal Year	(1) Population	(5) Personal Income	(2) Per Capita Personal Income	(2) Median Age	(3) School Enrollment	(4) Unemployment Rate
2013	52,720	\$ 1,456,548,000	\$ 27,628	50.7	5,622	10.7 %
2014	52,908	1,420,686,000	26,852	51.0	5,561	9.4
2015	53,193	N/A	N/A	51.4	5,559	7.6
2016	53,583	1,293,279,000	24,136	52.2	5,488	7.0
2017	53,796	1,307,942,000	24,313	53.0	5,385	5.2
2018	54,801	1,422,141,000	25,951	54.0	5,404	4.9
2019	55,600	1,566,530,000	28,175	54.0	4,925	5.2
2020	56,738	1,598,593,000	28,175	54.0	5,343	11.9
2021	57,464	1,848,042,000	32,160	55.4	5,163	7.4
2022	57,974	1,982,247,000	34,192	53.5	5,394	3.8

(1) Arizona Economic Estimates Commission and the Arizona Office of Employment and Population Statistics [www.azstats.gov/www.azecconomy.org](http://www.azstats.gov/www.azecconomy.org) (2022)

(2) Demographics Now estimates used until 2014. Per Capita Personal Income unavailable for 2015. U.S. Census Bureau used for per capita income. Began using report from Mohave County Economic Development in 2015 for Median Age.

(3) Lake Havasu Unified School District No. 1

(4) Fiscal year 2012 to present Arizona Department of Administration, Office of Employment & Population Statistics. All other years from Arizona Workforce Informer.

(5) Unable to calculate Personal Income without Per Capita Income, which is unavailable for 2015.

[https://lhcaz.gov/docs/default-source/department-documents/comprehensive-annual-financial-report-2018-\(cafr\).pdf?sfvrsn=cd9e87c\\_4](https://lhcaz.gov/docs/default-source/department-documents/comprehensive-annual-financial-report-2018-(cafr).pdf?sfvrsn=cd9e87c_4)

**FIGURE 7 EMPLOYMENT PROFILE**

Employment Profile	
Total Businesses	2,897
Total Employees	20,030

As of 2017, the occupational distribution of the employed population is:

1. 54.4% White Collar Jobs (compared to 60.5% of the US employment)
2. 23.9% Service Jobs (compared to 18.5% of the US employment)
3. 21.7% Blue Collar Jobs (compared to 21% of the US employment)

The average travel time to work in 2017 was 19 minutes in Lake Havasu City compared to the US average of 25.5 minutes. Those trends have not changed significantly in the past 5 years.

<http://www.lakehasasu.org/demographics2013AA.pdf>

**Business Size:** Another way to understand the composition of the economic base in Lake Havasu City is to look at the distribution of business establishments by size.

About **79 percent of establishments in Lake Havasu City have less than 10 employees**, compared to 72 percent of establishments in the state overall and **57% have less than 4 employees** or are sole proprietors. Only 1 percent of establishments in Lake Havasu City have 100 or more employees.

**Table 6b: Establishments by Size**

Employees	Lake Havasu City		State of Arizona	
	Establishments	Distribution	Establishments	Distribution
1 to 4	811	57%	72,013	54%
5 to 9	315	22%	24,155	18%
10 to 24	152	11%	16,943	13%
25 to 49	113	8%	12,218	9%
50 to 99	24	2%	4,139	3%
100 to 249	14	1%	2,332	2%
250 to 499	2	0%	603	0%
500 and higher	1	0%	359	0%
<b>Total</b>	<b>1,432</b>	<b>100%</b>	<b>132,762</b>	<b>100%</b>

Source: County Business Patterns, 2013.

**Table 6c: Active Business Licenses by Type**

Business Type	Establishments
<b>Total</b>	<b>3,473</b>
Associations and Non-Profit Organizations	106
Business/Office	91
Child Care Services	13
Churches	18
Construction Contractors	421
Group Homes and Assisted Living	27
Handyman Services	211
Health Care Providers	121
Home Based Businesses	230
Hotels and Motels	17
Manufacturing	48
Mobile Businesses	424
Mobile Home and RV Parks	5
Property Management	128
Recreation	6
Restaurants and Bars	124
Retail	420
Schools	14
Services	943
Storage Facilities	24
Swap Meet	55
Utilities	2
Veterinarians	5
Wholesale	20

Source: Lake Havasu City Business License Database, 2015.

<http://havasuvision2020.com/wp-content/uploads/2015/11/App-F-Lake-Havasu-City-Economic-Scan-2007-2014.pdf>

**FIGURE 8 EMPLOYMENT BY OCCUPATION**

Executive, Managers, and Administrators	2,238	11.54	<a href="#">map ▶</a>
Protective Services	419	2.16	<a href="#">map ▶</a>
Farming, Forestry, and Fishing	79	0.41	<a href="#">map ▶</a>
Business and Financial Operations	388	2.00	<a href="#">map ▶</a>
Computer and mathematical occupations	95	0.49	<a href="#">map ▶</a>
Architecture and engineering	81	0.42	<a href="#">map ▶</a>
Life/Physical/Social Science occupations	37	0.19	<a href="#">map ▶</a>
Community and Social Services	177	0.91	<a href="#">map ▶</a>
Legal	41	0.21	<a href="#">map ▶</a>
Education/Training/Library	1,116	5.76	<a href="#">map ▶</a>
Health Diagnosing and Treating Practitioners	661	3.41	<a href="#">map ▶</a>
Health Technologists/Technicians	324	1.67	<a href="#">map ▶</a>
Healthcare support	555	2.86	<a href="#">map ▶</a>
Food Preparation/Serving	1,290	6.65	<a href="#">map ▶</a>
Building and Grounds maintenance	774	3.99	<a href="#">map ▶</a>
Personal care and service	353	1.82	<a href="#">map ▶</a>
Sales	2,419	12.48	<a href="#">map ▶</a>
Office and Administrative support	2,966	15.30	<a href="#">map ▶</a>
Construction and Extraction	1,439	7.42	<a href="#">map ▶</a>
Installation/Maintenance and Repair workers	887	4.57	<a href="#">map ▶</a>
Production Workers	1,342	6.92	<a href="#">map ▶</a>
Transportation Workers	696	3.59	<a href="#">map ▶</a>
Material Moving	670	3.46	<a href="#">map ▶</a>

<http://lakehavasuu.org/demographics.html>

**LAKE HAVASU CITY, ARIZONA  
PRINCIPAL EMPLOYERS  
CURRENT AND NINE YEARS AGO**

Employer	2022			2013		
	Employees	Rank	Percentage of Total City Employment (1)	Employees	Rank	Percentage of Total City Employment (1)
Havasu Regional Medical Center	671	1	2.26 %	695	1	3.08 %
Lake Havasu City	605	2	2.03	643	2	2.85
Lake Havasu School District	578	3	1.94	590	3	2.61
Anderson Auto Group	334	4	1.12	-		
Walmart	305	5	1.03	300	5	1.33
Shugrue's Restaurants	300	6	1.01	200	7	0.89
Sterilite Corporation	279	7	0.94	425	4	1.88
London Bridge Resort	250	8	0.84	250	6	1.11
Bashas' (2 locations)	150	9	0.50	182	8	0.81
River Medical	148	10	0.50	165	9	0.73
Mohave Community College				156	10	0.69
<b>Total</b>	<b>3,620</b>		<b>12.17 %</b>	<b>3,606</b>		<b>15.98 %</b>

Total Employees in Lake  
Havasu City

29,735 (1b)

22,579 (1a)

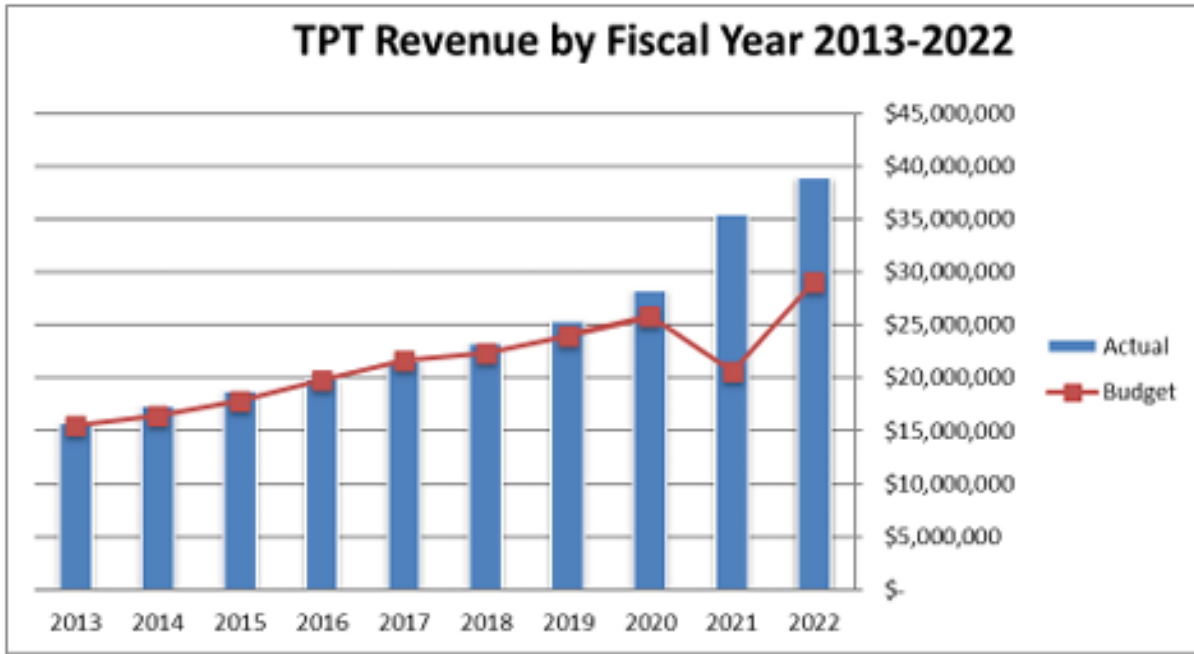
Source: Lake Havasu Partnership for Economic Development.

(1a) Arizona Workforce Informer.

(1b) Arizona Department of Administration-Office of Employment and Population Statistics [www.azstats.gov/laus-data-query-tool/](http://www.azstats.gov/laus-data-query-tool/)

[https://www.lhcaz.gov/docs/default-source/departments-documents/annual-comprehensive-financial-report-2022.pdf?sfvrsn=de3bf7c\\_11](https://www.lhcaz.gov/docs/default-source/departments-documents/annual-comprehensive-financial-report-2022.pdf?sfvrsn=de3bf7c_11)

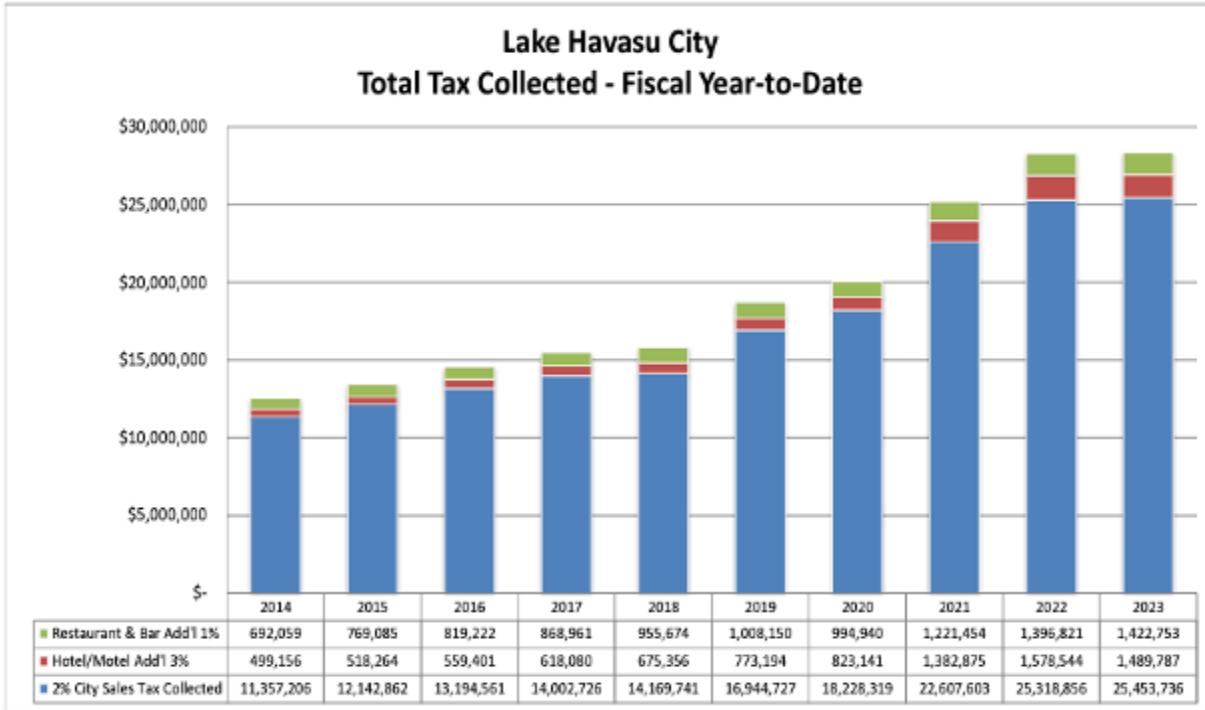
**FIGURE 9 TAX REVENUE TREND ANALYSIS**



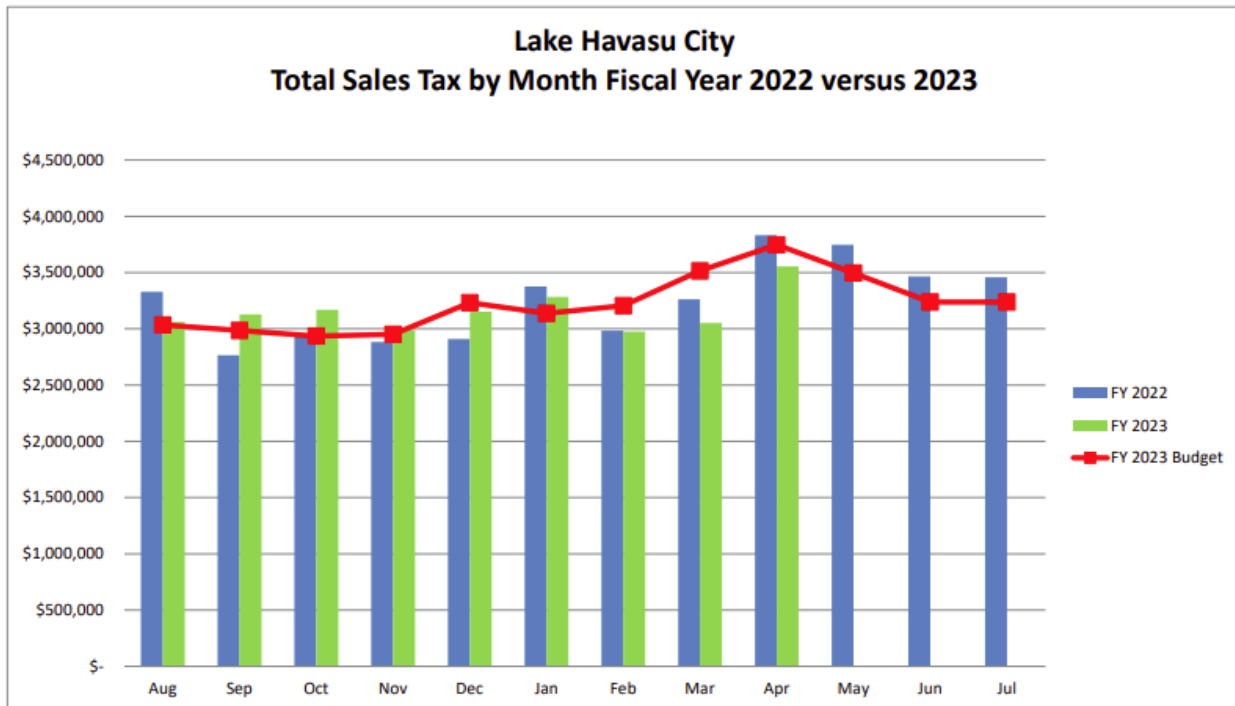
Source: LHC Financial Department:

[https://www.lhcaz.gov/docs/default-source/department-documents/sales-tax-report---april-23.pdf?sfvrsn=a7109e7c\\_3](https://www.lhcaz.gov/docs/default-source/department-documents/sales-tax-report---april-23.pdf?sfvrsn=a7109e7c_3)

**FIGURE 10 TAX COLLECTED COMPARISON BY FY**

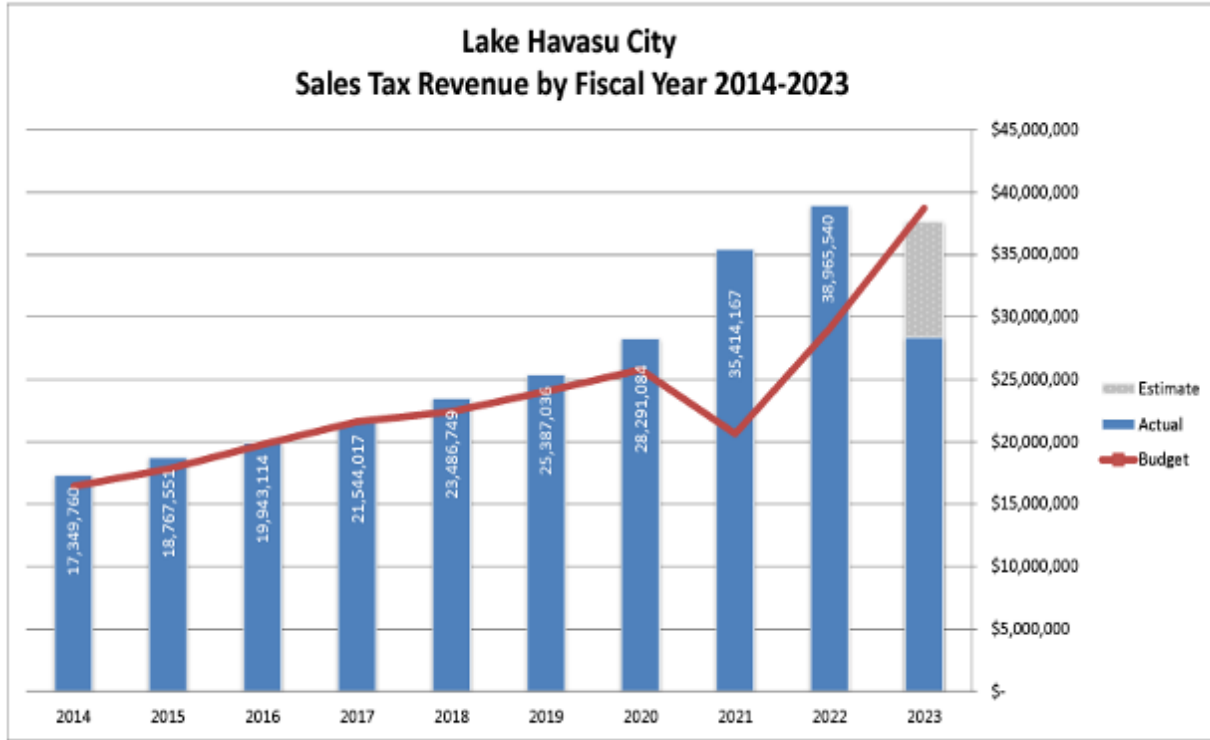


Source: LHC Financial Department: [https://www.lhcaz.gov/docs/default-source/department-documents/sales-tax-report---april-23.pdf?sfvrsn=a7109e7c\\_3](https://www.lhcaz.gov/docs/default-source/department-documents/sales-tax-report---april-23.pdf?sfvrsn=a7109e7c_3)



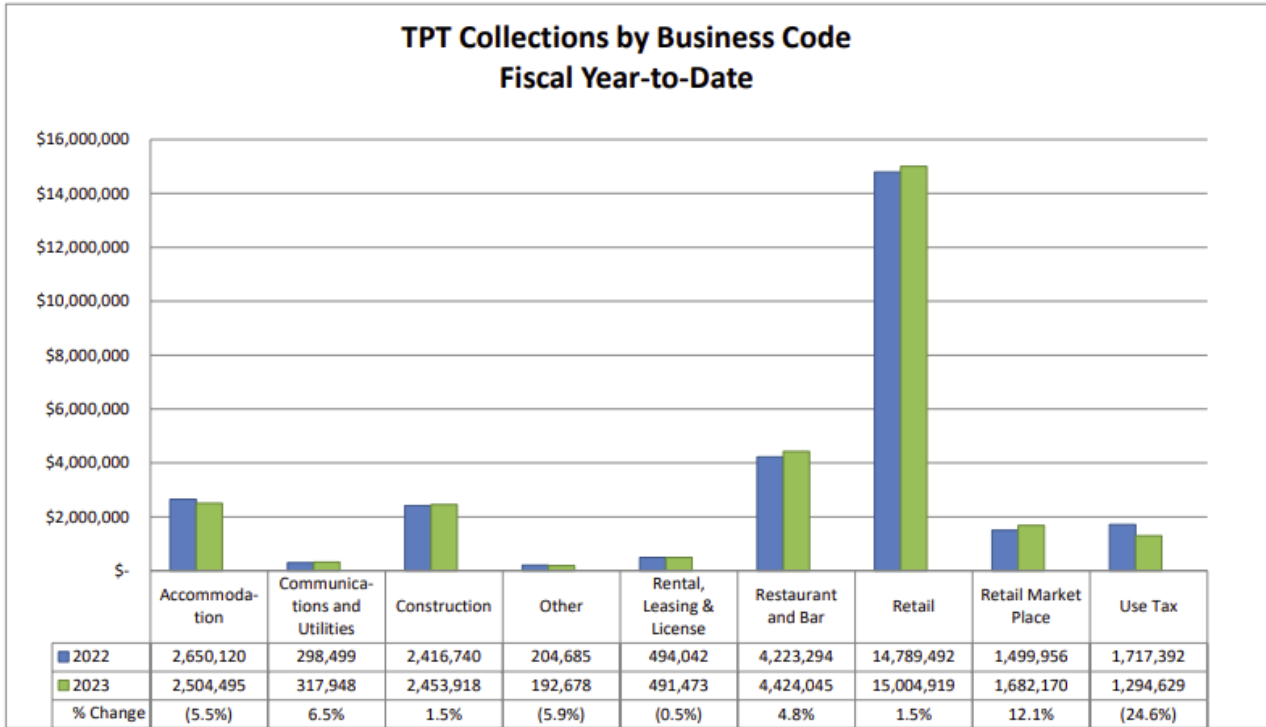
[https://www.lhcaz.gov/docs/default-source/department-documents/sales-tax-report---april-23.pdf?sfvrsn=a7109e7c\\_3](https://www.lhcaz.gov/docs/default-source/department-documents/sales-tax-report---april-23.pdf?sfvrsn=a7109e7c_3)





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**FIGURE 11 SALES TAX COLLECTED BY INDUSTRY**



Source: LHC Financial Department:

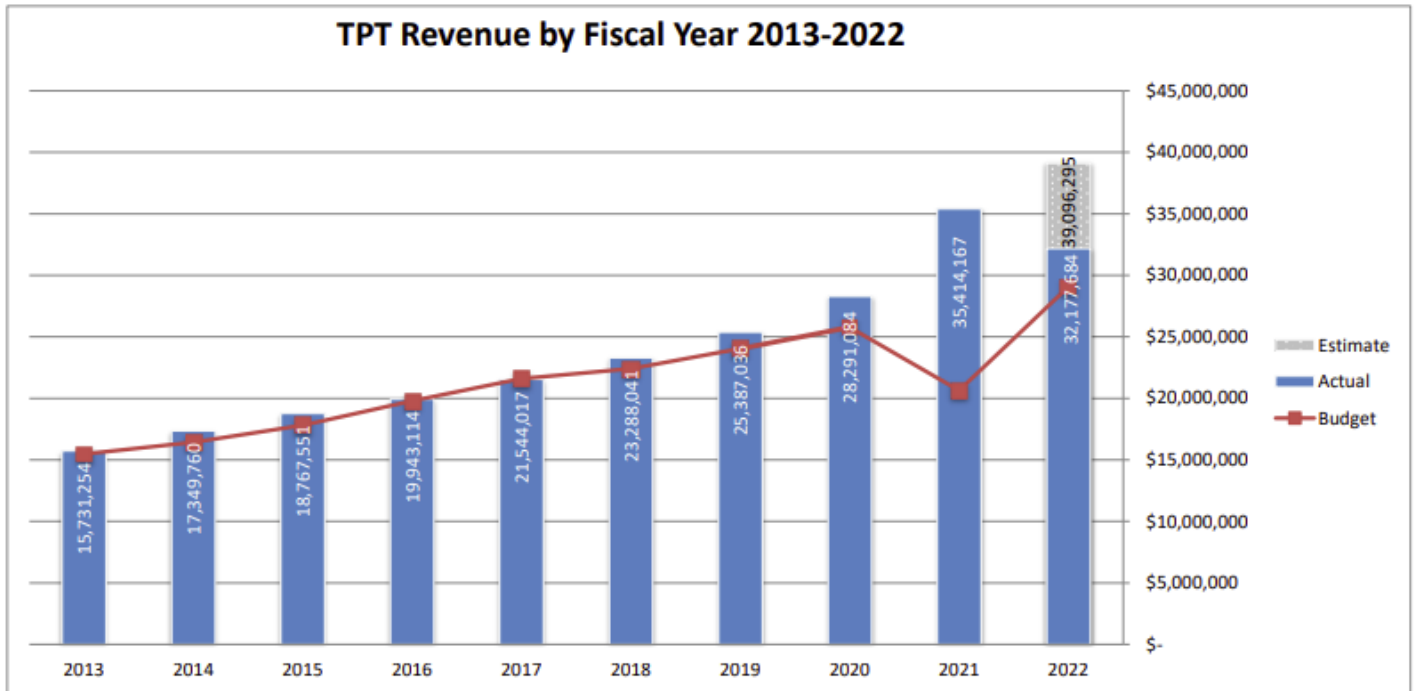
[https://www.lhcaz.gov/docs/default-source/department-documents/sales-tax-report---april-23.pdf?sfvrsn=a7109e7c\\_3](https://www.lhcaz.gov/docs/default-source/department-documents/sales-tax-report---april-23.pdf?sfvrsn=a7109e7c_3)

**Month vs. Month Prior Year**

Tax Type	April 2023	April 2022	% Increase/Decrease over Prior Year
Restaurant & Bar Additional 1%	\$ 194,424	\$ 186,405	4.3%
Hotel/Motel Additional 3%	\$ 214,225	\$ 256,847	-16.6%
2% City Sales Tax Collected	\$ 3,145,476	\$ 3,388,529	-7.2%

Tax Type	2023 FYTD	2022 FYTD	% Increase/Decrease over Prior Year
Restaurant & Bar Additional 1%	\$ 1,422,753	\$ 1,396,821	1.9%
Hotel/Motel Additional 3%	\$ 1,489,787	\$ 1,578,544	-5.6%
2% City Sales Tax Collected	\$ 25,453,736	\$ 25,318,856	0.5%

**FIGURE 12 HISTORICAL FISCAL YEAR REVENUES**



[https://www.lhcaz.gov/docs/default-source/departement-documents/sales-tax-report---april-23.pdf?sfvrsn=a7109e7c\\_3](https://www.lhcaz.gov/docs/default-source/departement-documents/sales-tax-report---april-23.pdf?sfvrsn=a7109e7c_3)

Local sales tax is the City’s largest General Fund revenue source and is second only to utility revenues citywide. Overall Transaction Privilege Tax (TPT) collections increased 25.3% from fiscal year 2020 to 2021. This is a continuing trend of recovery for the City, which has experienced steady growth in sales tax revenue since fiscal year 2010. The City’s 3% hotel/motel tax (bed tax), increased 115.1%, and the restaurant and bar one-cent tax increased 38.1% from fiscal year 2020. This was largely driven by the vacation rentals, as previously discussed. Restaurant and Bar TPT decreased in February thru April of 2020 as a direct result of State-mandated Covid-19 closures; in 2021, the same three months contributed 27% of the year-over-year increase. Restaurant and Bar TPT exceeded prior year revenue in 11 of 12 months. Most recent overall data from FY2021-2022 Transaction Privilege Tax (TPT) collections increased 10.71% from fiscal year 2021 to 2022. This most recent year represents a stable upward trend for the City, which has experienced steady growth in sales tax revenue since fiscal year 2010. The City’s 3% hotel/motel tax (bed tax), increased revenues 12.4% from fiscal year 2021 to fiscal year 2022 and this steady upward trend is expected to continue.

Residential permits saw an overall increase of 21% over the prior year, with single-family housing permits up by 35% and multi-family housing permits increasing 100%. Residential valuations increased 32%, from \$106 million in fiscal year 2020 up to \$140 million in fiscal year 2021. Although there was a slight decrease overall of 5% in commercial permits, new commercial projects increased 143%, and commercial valuations were also up 4% over the previous year. Revenue generated from residential and commercial building permits increased 26%, from \$1.9 million in fiscal year 2020 up to \$2.4 million in fiscal year 2021.

Residential and commercial growth has been promoted by rezones and general plan amendments such as allowing high-density residential near Victoria Farms Road and

allowing mixed-use development on a 12-acre property across from AZ State Park’s Windsor boat launch.

The building industry in Lake Havasu has continued to thrive. The Foothills development is on track, with several subdivisions in Phases I and II completed or in process, to include The Arroyos, The Villas, The Enclaves, Ladera South, and Ladera North, and Phase III is now in the beginning planning stages. The Havasu Riviera development also continues to grow with subdivisions Black Rock and The Ridges.

**LAKE HAVASU CITY BUILDING PERMITS**

Building permit figures have continued to improve since the bottom of the market with a total of 9 commercial construction permits pulled in the 2011/2012 fiscal year. There have been several commercial property developments over the last 12-24 months, for medical & professional office, RV/boat storage, multi-family type projects, and assisted living. There remains some external obsolescence for retail type uses; however, most segments are showing signs of recovery with feasible new uses. Most segments of the commercial market are at or near stabilization with some markets showing signs of feasibility.

SFR permits began increasing relatively significantly for the first time since the 2009/2010 fiscal year. For the 2019/2020 FY, there have been 327 SFR permits pulled and 440 pulled in 2020/21. I estimate there will be roughly 350-400 total permits pulled for the 22/23 FY, a slight increase from the previous FY.

The strong growth in new residential construction demand suggests external obsolescence in the residential segment of the market has been eliminated. Increasing prices and inventory levels below 6 months are further evidence of this fact. The continued increase in the number of building permits pulled will have a positive impact on other segments of the market. Each new construction permit is anticipated to create 2.3 permanent jobs in the local market. If the market reaches 500 building permits in the next two years it would correlate to a substantial improvement in the construction employment and that would flow into other segments of the market including population growth.

Historically, Lake Havasu City has been driven by the construction segment of the market. The Wall Street Journal reported Lake Havasu City as having one of the top ten construction based economies in the United States, factoring in the housing boom from 2004-2006. As a result, the increase in building permits will have a substantial impact on new employment, and indirectly on other segments of the employment market due to the increased need for other services. As a result, I expect population growth to increase more substantially as new construction activity continues to grow to add jobs to a market that has not had increases in the total number of jobs for several years.

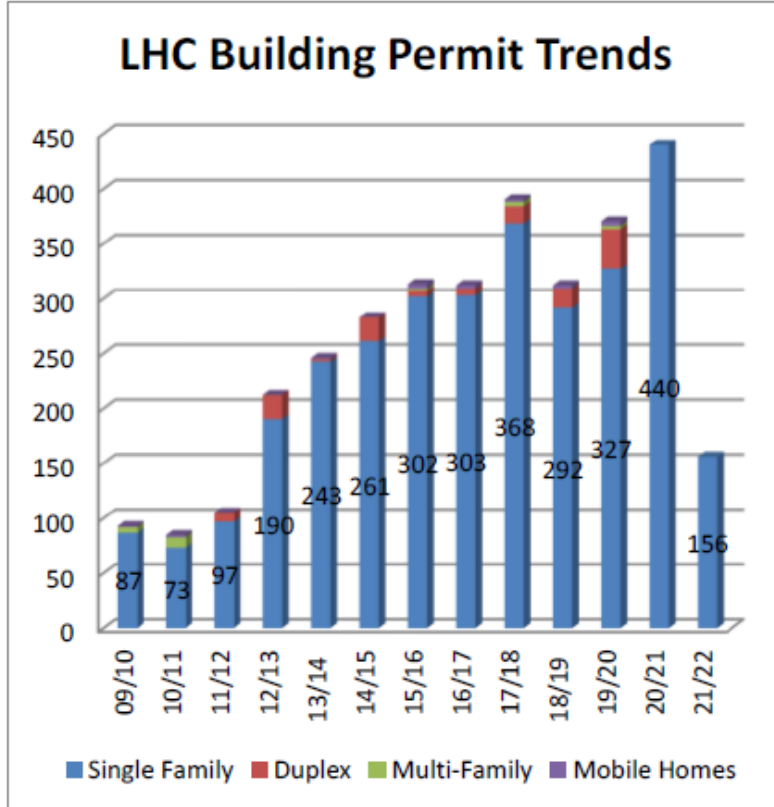
Please refer to the following figure for historical building permits in Lake Havasu City

**FIGURE 13 BUILDING PERMITS**

Property	Lake Havasu City Units Permitted, Fiscal Year FY 08/09 Through July FY 21/22												
	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
Single Family	87	73	97	190	243	261	302	303	368	292	327	440	156
Duplex	0	0	8	22	2	22	5	6	16	17	36	19	15
Multi-Family	5	10	0	0	0	0	2	0	4	0	3	6	5
Mobile Homes	1	2	0	0	1	0	4	3	2	3	4	2	1
<b>Total Units</b>	<b>93</b>	<b>85</b>	<b>105</b>	<b>212</b>	<b>246</b>	<b>283</b>	<b>313</b>	<b>312</b>	<b>390</b>	<b>312</b>	<b>370</b>	<b>467</b>	<b>177</b>

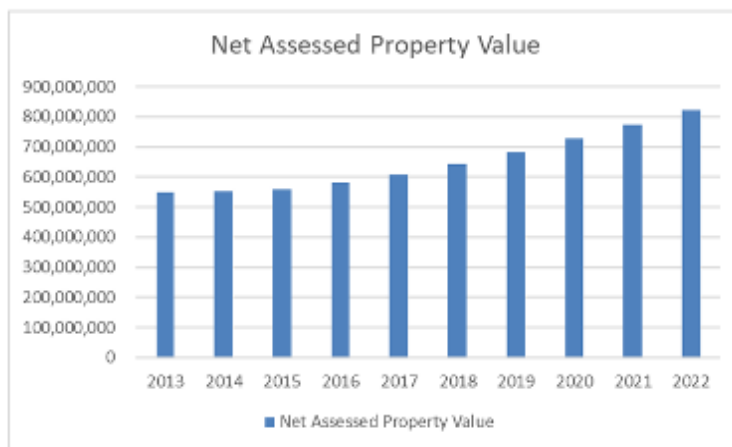
<http://www.lhcaz.gov/documents?taxonomy=categories&propertyName=category&taxon=%2fbuilding>

I note there have been 177 SFR building permits from FY 21/22 YTD (thru December 2021), which equates to roughly 15 permits per month and is projected to reach 354 SFR building permits by the end of the 21/22 fiscal year. This is a decrease of -19.55% from the previous year, but is within the range found over the last seven years (300+ permits since FY15/16). I expect a steady increase moving forward through 2022 and into 2023.



LHC Building Department

FIGURE 14 NET ASSESSED VALUE COMPARISON



[https://lhcaz.gov/docs/default-source/department-documents/comprehensive-annual-financial-report-2022-\(cafr\).pdf?sfvrsn=cd9e87c\\_4](https://lhcaz.gov/docs/default-source/department-documents/comprehensive-annual-financial-report-2022-(cafr).pdf?sfvrsn=cd9e87c_4)

Total net assessed property values in the City have not yet reached the level of values prior to the Recession, but have been increasing since 2012. Total net assessed property values in the City have not yet reached the level of values prior to the Recession but have been increasing since 2012. Total primary property values are \$786 million in 2021, an increase of 10%, and \$802 million in 2022, an increase of 6%. The City is statutorily allowed to set the primary property tax rate at a 2% annual growth in revenues plus new construction.

### **SUMMARY OF CONCLUSIONS FOR ECONOMIC OVERVIEW**

Overall SFR average and median sale prices stabilized around 2011 and most segments of the residential market have experienced increases since the bottom of the market near 2012/2013. Supply levels have dropped from 12 to 15 months from the bottom of the market down to around 6-10 months--near equilibrium around 2014/2015 and given the current supply and the average per month homes sales of roughly 160 (as noted on the previous SFR trend page), the current supply level is under 6 months, an indication from historical trends that prices will be higher in the following year. Foreclosures are now a small portion of inventory available. Some of the paired and extracted data from the \$250,000 and less category of housing are showing 60% to 90% increases since the low of 2010 (roughly 5-8% annually). The lower level of foreclosures is a positive sign that LHC has recovered from the recession and have been stabilizing over the past several years. Overall, commercial occupancy levels have been steadily improving in the past 12 months as well.

For the general commercial market, occupancy levels appear to have bottomed out in early 2011-2012 with steady improvements since that time; steady improvements are expected to continue for the next 12 to 24 months given current demographic and supply/demand characteristics. Sales activity and leasing activity have improved in last several years but using demand from the past 12 months, and with current supply levels, RV storage units and medical office space have the lowest vacancy levels and the smallest change in vacancy over the past seven years (they have still decreased, but to lesser degrees than other segments). These are two financially feasible segments and I have seen professional office spaces and multifamily developments within the past 24 months (retail space is currently not feasible unless it has excellent location appeal with high traffic counts; but it is getting closer). I would expect feasibility for the subject property given the low vacancy rates and increased rental rates over the last 12-24 months.

Future new development within City limits includes the Havasu Foothills with 373 residential lots at the beginning of 2017 (several additional Havasu Foothills phases are currently under construction and Havasu Foothills Phase II has plans for development within the next 12-18 months. The Lizards Trail development will start infrastructure improvements in 2017 and 97 residential lots in 2018. The Window Rock development will start construction of infrastructure in 2017 and 118 residential lots in 2018. The View Point Estates will have roughly 298 sites. The Havasu Riviera residential development has begun selling several phases. The North Pointe Estates subdivision recently added an additional 42 lots as well. A 124-room Homewood Suites is also in the pipeline. A continuing care retirement community with 79 independent senior-living units was previously finished back in 2019, which also consisted of 50 assisted-living units and 13 memory care units.

I note the catalyst project funded by the City and Lake Havasu City Planning and Economic Development is in the pipeline (actual time of construction is not yet determined) and will be some type of retail/restaurant uses adjacent to the west of the subject property. I would expect this project to be underway within the next 1-3 years, although it is still uncertain. Another parcel within the Uptown McCulloch District is anticipated to be developed as some type of co-op

(professional office with some retail uses). The actual time of development for this project is also unknown, although it appears the project may begin construction within the next 12 months.

The overall LHC market area has been steady increases over the past several years for the residential and commercial sectors with several new commercial construction projects and subdivision projects underway. From a micro economic standpoint from the recent data over the last 12-18 months detailed on the previous pages, I expect the LHC market area to continue to steadily increase for the foreseeable future. The LHC market area has seen market increases and overall employment rates and City revenues have remained stable to slightly increasing and building permits also remain increasing year over year. I expect relatively stable to slightly increasing market conditions within the overall LHC for the foreseeable future.

### MARKET AREA ANALYSIS

#### Area Description & Boundaries

The subject is located in the northwestern part of Lake Havasu City. The larger market area is the LHC market. Based upon the different geographical areas within the city as defined by the MLS, this is a northern Lake Havasu City neighborhood. The immediate neighborhood boundaries extend from Kiowa Blvd to the north, Industrial Blvd to the south, London Bridge Rd to the west, and Lake Havasu Ave to the east. The neighborhood trends and characteristics are summarized below and are based upon the larger Lake Havasu City market area over the past 12-18 months.

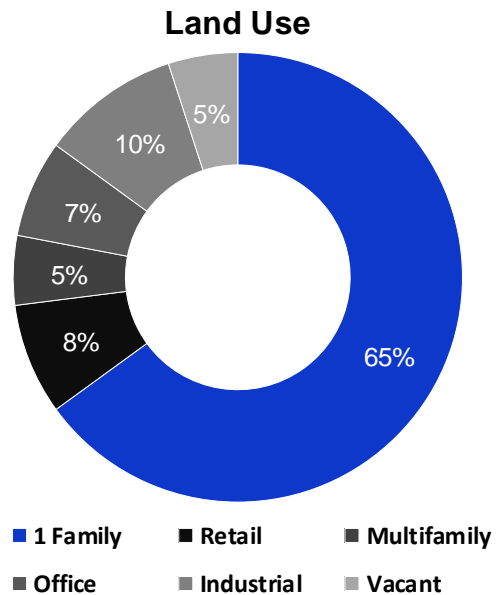
#### Area & Property Use Characteristics

Location	<input type="checkbox"/> Urban	<input checked="" type="checkbox"/> Suburban	<input type="checkbox"/> Rural	Population Trend	<input type="checkbox"/> Up	<input checked="" type="checkbox"/> Stbl	<input type="checkbox"/> Dn
Build Up	<input checked="" type="checkbox"/> Over 75%	<input type="checkbox"/> 25% to 75%	<input type="checkbox"/> Under 25%	Employment Trend	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Built Up <input type="checkbox"/> Fully Dev.	<input type="checkbox"/> Rapid	<input type="checkbox"/> Steady	<input checked="" type="checkbox"/> Slow	Personal Income Level	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Property Values	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining	Retail Sales	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Demand/Supply	<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In Balance	<input type="checkbox"/> Over Supply	New Construction	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vacancy Trend	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	Vacancy Trend	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Change in Economic Base	<input type="checkbox"/> Likely	<input checked="" type="checkbox"/> Unlikely	<input type="checkbox"/> Taking Place	Rental Demand	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

#### Land Use Trends

Present Land Use	Supply/Demand			Vacancy
	Under	In Bal.	Over	
65% 1 Family	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5%
8% Retail	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	8%
5% Multifamily	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	5%
7% Office	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	8%
10% Industrial	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8%
5% Vacant	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
<u>100%</u>				

Change in Land Use	Likely	<input type="checkbox"/>
	Not Likely	<input checked="" type="checkbox"/>
	Taking Place	<input type="checkbox"/>



Land uses in the neighborhood consist of primarily industrial flex, retail, warehouse, storage properties as well as single family residential uses to the south and west. The subject parcel has good traffic exposure and visibility located on the LHC market area's major arterial (HWY 95). There are no external conditions that would have an adverse impact on the marketability of the subject property.

#### Adjacent Property Use

Adjacent property uses include single family residential uses to the south and west of subject and a RV retail use (C-2/PD RV) to the immediate north of subject. To the east are industrial flex type uses. There are no characteristics that would negatively affect the marketability of the subject property. The subject site conforms well within the LHC market area.



**FIGURE 15 SUBJECT AERIAL MAP**

**NORTH**



## Property Description

The following description is based on our property inspection, assessment records, MLS and LoopNet data, and interviews with property owners and market participants.

<b>SITE</b>	
Location:	2801 Highway 95, Lake Havasu City, Mohave County, AZ 86406
Current Use of the Property:	Vacant Land
Site Size:	Total: 10.29 acres; 448,232 square feet Usable: 10.29 acres; 448,232 square feet  See PD for zoning setbacks, buffers, and deceleration lane from Hwy 95 that decreases the overall building pad area to 7.68 acres (see following page for details regarding the developable area of the site with and without the ordinance in place.
Shape:	Rectangular
Frontage/Access:	The subject property has legal access from Highway 95 per LHC development services (curbs are currently not cut). There is access along a cul-de-sac along the southern property line of the site, but this ingress/egress is not allowed for any commercial type use (Per LHC Planning and Zoning Department).  Frontage as follows: <ul style="list-style-type: none"> <li>• Highway 95: approximately 917 ft</li> </ul> The site has an average depth of approximately 489 ft. It is not a corner lot.
Visibility:	Good  Good traffic exposure and visibility along Highway 95.
Topography:	Sloping  The site has areas of slope which will require grading and exporting dirt to reach the 570 ft elevation level required by the PD in place.
Soil Conditions:	The soil conditions observed at the subject appear to be typical of the region and adequate to support development.
Utilities:	Electricity: To property line.  Sewer: To property line  Water: To property line  Natural Gas: Available  Underground Utilities: To property line.
Site Improvements:	<ul style="list-style-type: none"> <li>• Street Lighting: None</li> <li>• Sidewalks: None, asphalt bike path along the eastern property line noted.</li> </ul>

- Curb and Gutter: Yes, CC Curb and Gutter along Hwy 95
- Landscaping: none noted

Flood Zone: The subject is located in an area mapped by the Federal Emergency Management Agency (FEMA). The subject is located in FEMA flood zone X, which is not classified as a flood hazard area.  
FEMA Map Number: 04015C5938G  
FEMA Map Date: November 18, 2009

Wetlands/Watershed: No wetlands were observed during our site inspection.

Environmental Issues: There are no known adverse environmental conditions on the subject site. Please reference Limiting Conditions and Assumptions.

Encumbrance / Easements: There are no known adverse encumbrances or easements. Please reference Limiting Conditions and Assumptions.

Site Comments: Per an interview with local developers, the subject will require significant exporting of fill dirt costs (exporting dirt likely needed) with a 570 ft level elevation building pad requirement by the PD in place which would set the pad below Hwy 95 street level. The parcel has good traffic visibility and exposure along Hwy 95. The site has areas of moderate slopes and sits below street level with all utilities to the property line. There are no external conditions noted that are anticipated to create obsolescence.

The ordinance requires limiting the windows on the building, which is hard to quantify if there would be any functional obsolescence to the land due to this restriction but having that restriction will certainly have an impact on a buyers decision. Most C-2 uses don't need multi-stories, so a height restriction will not likely have a significant impact to site development but limiting windows on the south and west side of the building will create a structure that is different than most C-2 uses would otherwise desire. This has been considered in the analysis..

**ADDITIONAL CONSTRUCTION COST ESTIMATES FOR PD ORDINANCE IN PLACE**

The subject has development costs for grading, exporting dirt, a 10 ft high block wall along the southern and western property line, and additional landscape needed per the PD. We have interviewed local developers to get estimated costs for these items. These are detailed below.

**Grading & Exporting Dirt:**

The ordinance requires the building pad to be at 570'. Assuming 3:1 slopes from the Hwy down to the pad elevation (16ft drop); this will require approx. 50,000-60,000 yard export for the dirt. That is expected to cost between \$10 and \$12 per yard (per interviews with local developers), but the cuts required for the mass grading will be done; effectively reducing the cost of the remaining grading. Assuming the \$10/yard; the total export cost will be roughly \$550,000; but it will reduce the remaining grading by around \$100,000 to \$120,000; therefore, the impact from this ordinance is closer to \$430,000 to \$450,000 on overall development costs for grading and exporting dirt. We have reconciled to a grading and exporting additional cost due to the ordinance in place at roughly \$450,000.

**10 ft High Block Wall Along the Southern and Western Property Lines:**

The other major impact is the required screen walls. The zoning ordinance requires a 10ft good quality masonry screen wall that will equate to roughly 1,250 linear feet of a 10ft screen wall; or roughly 12,500 square feet (approx. \$562,500). Jeff Gilbert, the owner of Masonry and More in LHC quoted current costs of around \$45/SF for this type of wall, including footings. In addition, because the walls must be built inside of the buffer line, roughly 1.50 acres of the site becomes unusable. This \$562,500 cost is taken into account as an additional cost due to the ordinance.

In addition, the site has 2-3 Phase II environmental monitoring wells on the west portion of the site (within the required buffer area (estimated at roughly 20x500 ft within the buffer area along the west property line). The monitoring well area is still part of the sloped areas along the property lines to the south and west due to development of the site; there is no additional loss of developable area; however, we do note the risk associated with environmental monitorization and an adjustment between 2-5% is warranted within the sales analysis (a developer would likely believe there is some risk associated with these monitoring wells when comparing the subject to a similar site without this issue). The site has been cleaned up and there are no known environmental conditions noted (see General Assumptions and Limiting Conditions).

**Landscape regulations:**

The other direct ordinance impact is the requirement for upgraded and specific landscaping. Assuming the ordinance was not in place, a typical landscaping allowance would be around \$75,000. Per our interview with local developers, I would estimate this ordinance creates around \$30,000 to \$80,000 in additional costs (additional trees, larger trees, additional irrigation). We have reconciled to an additional landscape cost at roughly \$50,000.

**ADOT Access from Hwy 95:**

The other unique conditions the site has, whether the ordinance is in place or not, is the potential for ADOT access. Per our interview with local developers, ADOT is likely going to require the access to be on the south side of the site to create as much separation from the existing stop light intersection at Kiowa as possible. It is unlikely they will allow for more than 1 point of ingress

and egress to the Hwy. Also, it will require 6-8 months to get guidance from ADOT (holding up construction start date) to get answers on what they will require. They are most likely going to at least require a deceleration lane; and this could easily be a \$300,000 to \$450,000 additional cost; also, there is uncertainty of potentially also requiring an acceleration lane, and potentially even some type of median. We have estimated this cost to be on the higher end of the range at \$450,000 after considering the uncertainty and the length of time it will take to get ADOT approval. Adjustments to sales that do not require additional access has been taken into consideration.

### **Total Cost Estimate/Ordinance Expenditure**

These total additional costs from the grading/exporting dirt, landscape, and block wall add to approx. \$1,062,500 (\$450,000 exporting dirt, \$562,500 block wall, and \$50,000 landscape). A developer would do their due diligence regarding these costs and the likelihood the ordinance could be removed with a zoning change prior to purchasing a similar property. We believe there is roughly a 50% chance the ordinance could be removed completely with a zoning application/change to C-2. For this reason, we have given the expenditures above a deduction of 50% given the risk for a total expenditure of **\$531,250** to be used as a bottom line adjustment within the sales analysis.

### **Current Site Size with PD in Place:**

10.29 Gross Acres

1.56 Ac Setbacks & Buffer Areas

An estimated 20x500 ft unusable area due to 2-3 monitoring wells in place along the northwestern property line. The monitoring well area is still part of the sloped areas along the property lines to the south and west due to development of the site; no additional decrease in usable area due to the monitoring wells.

.86 Ac Slope Down to pad for deceleration lane

A recent interview with local developers indicated that there would need to be roughly a 50-foot setback along the from property line along Hwy 95 for a deceleration lane due to the lower elevation change to the building pad. If the elevation change to the pad was changed or revised, the setback will also likely change as a result.

.19 Ac setback along N Property Line

Approx. 7.68 Ac Building Pad

### **Net Usable Area with NO PD in place (Hypothetical 'as is' value):**

10.29 Gross Acres

.34 Ac Slope Down to pad for deceleration lane

This area changes from .86 to roughly .34 due to a higher overall elevation for the building pad if the PD Ordinance was removed (the slope down to the pad would be less, and therefore the width of the deceleration area would also be 40% of the 3 to 1 slope for access (.86 acres).

.19 Ac setback along N Property Line

.78 Ac - 50% of the buffer area would be slopes due to development/grading with the other 50% being usable area

Approx. 8.98 Ac Building Pad (10.29 ac-.19 ac-.34 ac-.78 ac)

**Total Net Usable Area Decrease Due to PD in Place:**

1.30 Ac (8.98 ac – 7.68 ac)

**Usable Area Difference Table**

	<b>With Ordinance</b>	<b>Without Ordinance</b>
buffer area	1.56	0.78
setback area	0.00	0.00
monitoring well area (part of buffer area)	0.00	0.00
3 to 1 slope for access	0.86	0.34
N prop line setback	0.19	0.19
<b>Non-buildable Area</b>	2.61	1.31
<b>Gross Site Size</b>	10.29	10.29
<b>Developable Area (6.07 Ac bld pad)</b>	<b>7.68</b>	<b>8.98</b>
<b>Total Difference</b>		<b>1.30</b>

We note the usable area of the property is decreased by 2.61 acres due to the ordinance in place and there is a difference between 1.30 acres between developable area with and without the ordinance. This 1.30 acres of developable area is taken into consideration within the analysis and is deducted from the Hypothetical 'as is' value to reach the Current 'as is' value of the property with the ordinance in place (**1.30 acres x \$5.81 per SF = \$328,876**). See Sales Approach Reconciliation for more details.

**FIGURE 16 SITE SIZE WITH ORDINANCE IN PLACE**

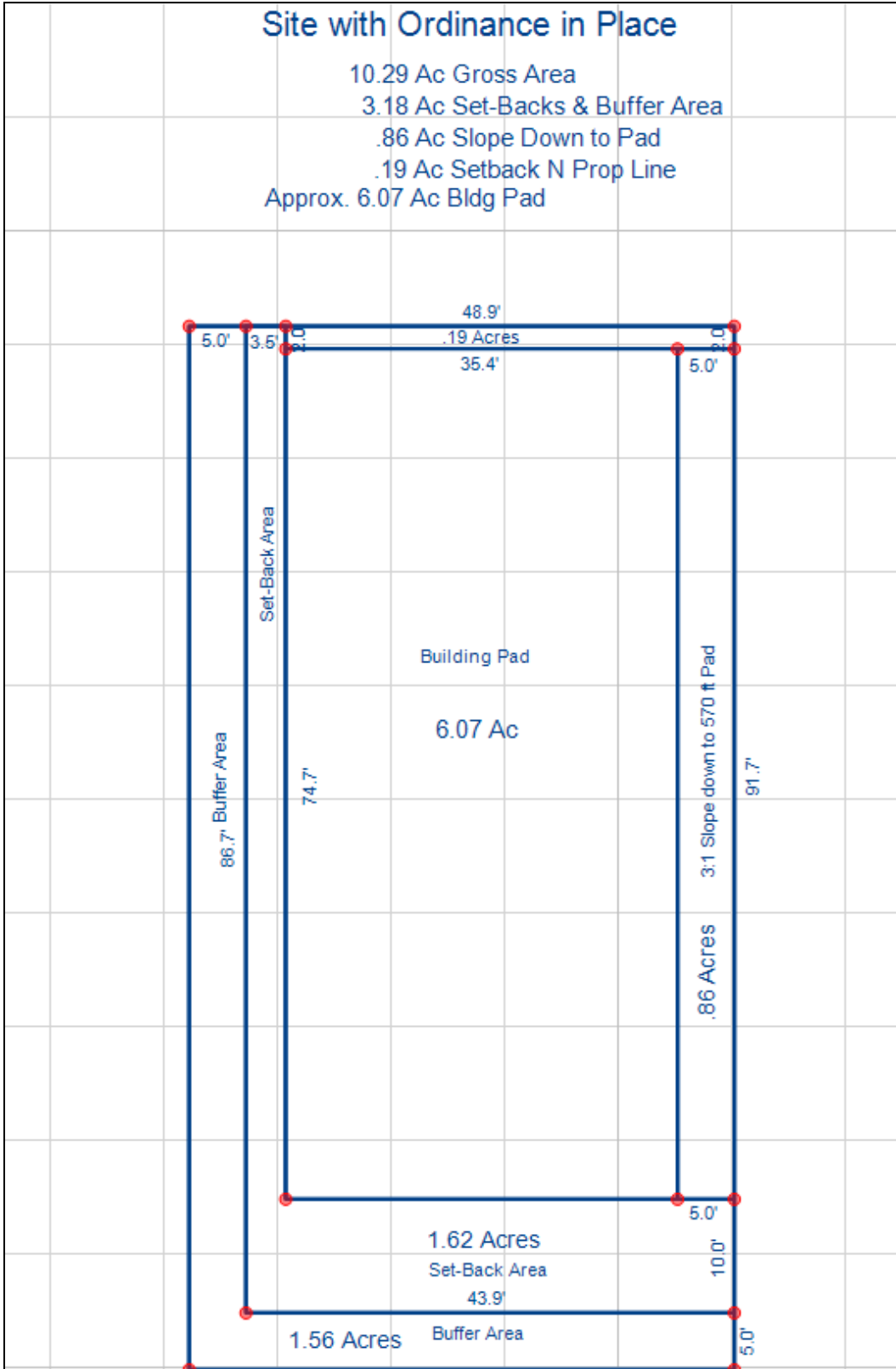


FIGURE 17 ASSESSOR PARCEL MAP

NORTH

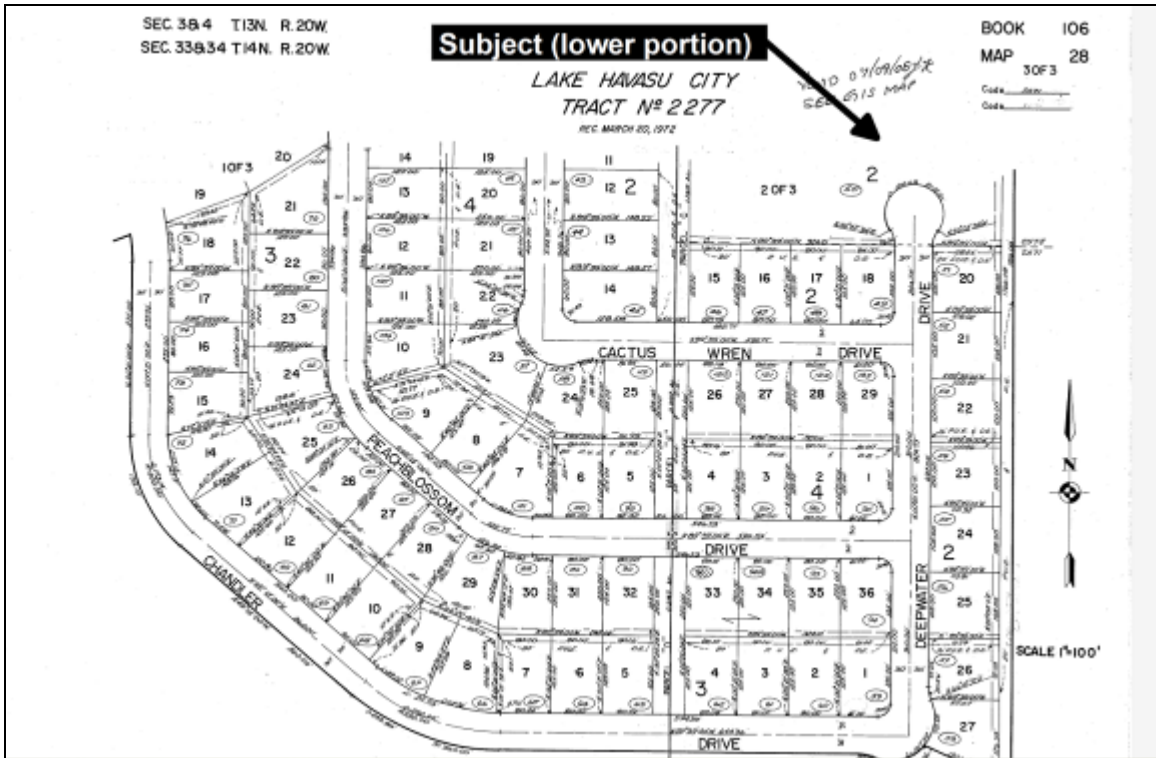
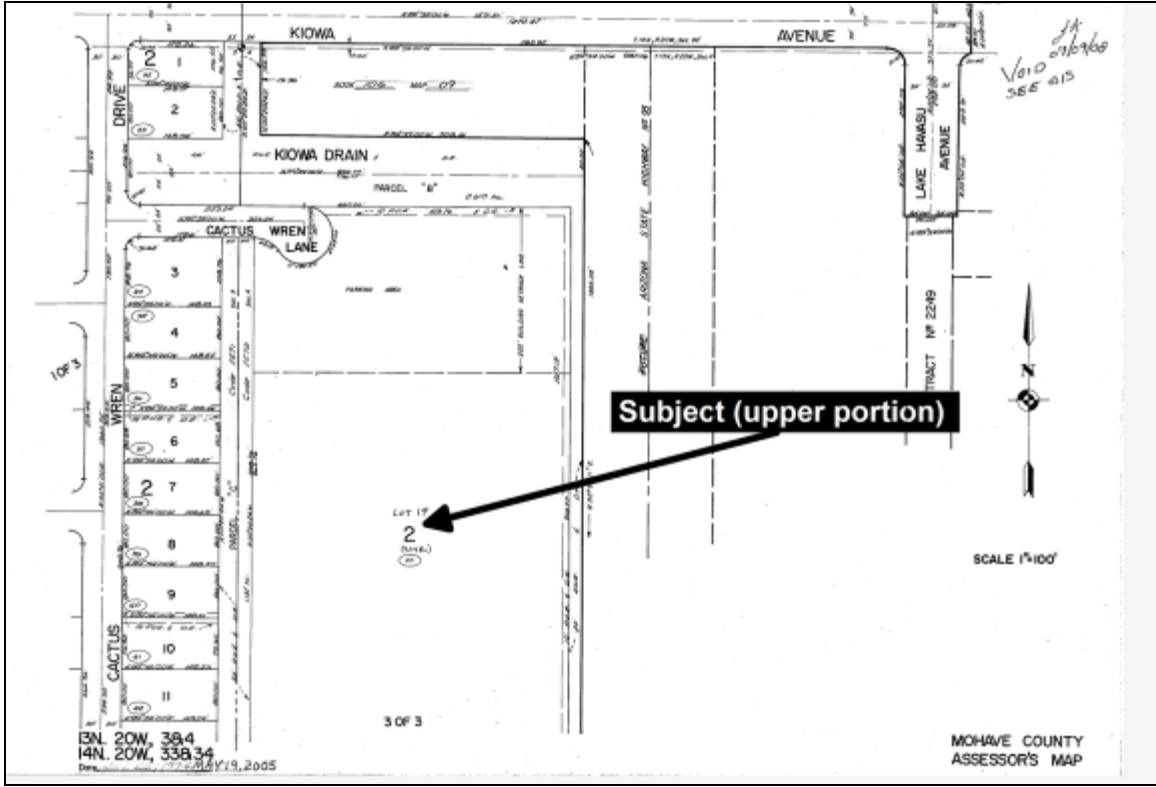
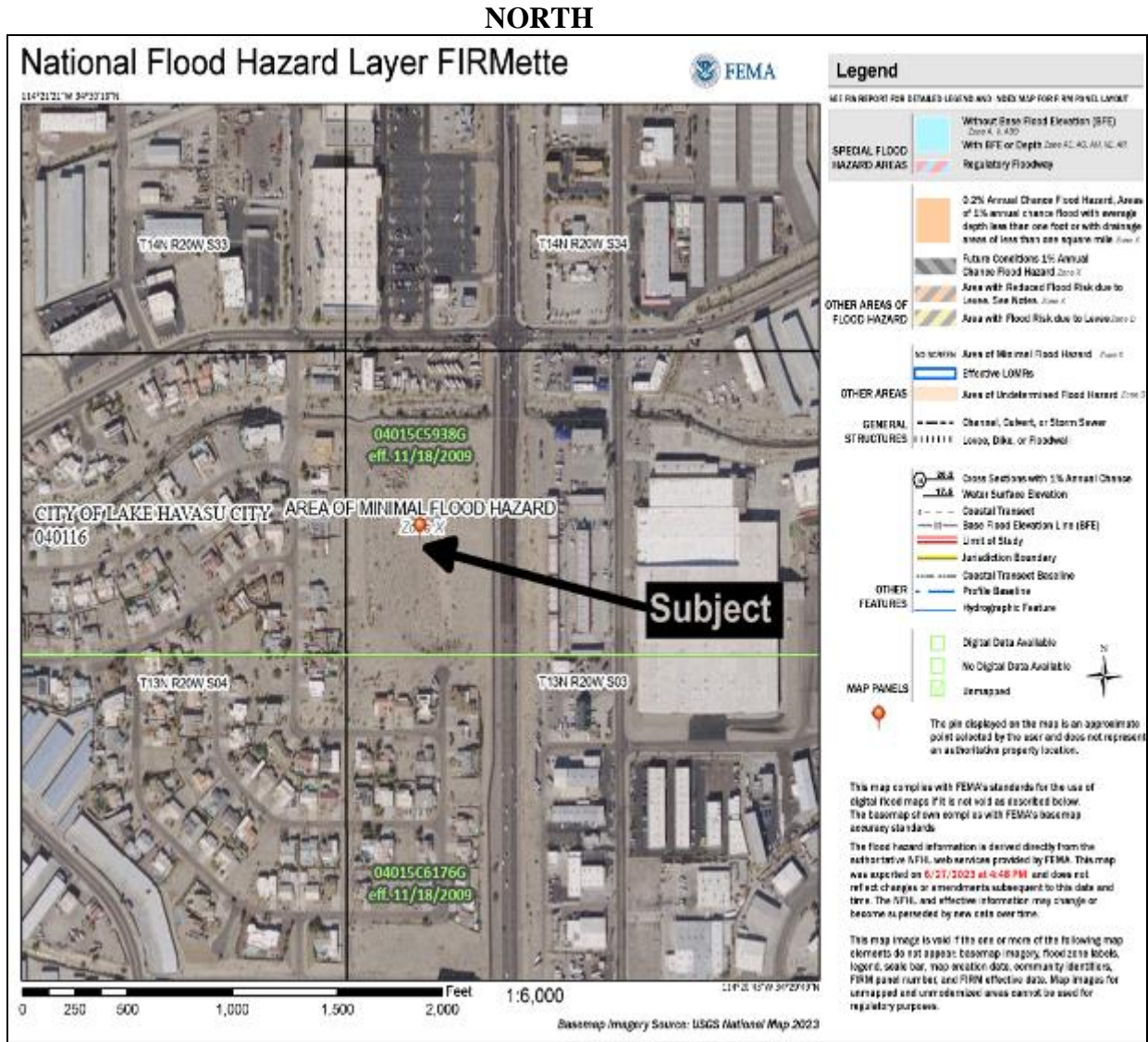




FIGURE 18 FLOOD MAP



## Zoning

LAND USE CONTROLS	
Zoning Code	C-1/PD
Zoning Description	Limited Commercial, Planned Development Overlay
Zoning Density/FAR	See Addendum
Actual Density of Use	See Addendum
Current Use Legally Conforming	The subject is legal and conforming use.
Zoning Change Likely	<p>A zoning change is likely.</p> <p>Per an interview with Jeff Thuneman, C.B.O., Development Services Director, Lake Havasu City, the subject could be re-zoned to C-2 through the re-zoning process. This is being considered by the City as a possible zoning code for the site if the future owner applied for this type of change through the re-zoning process. The most likely zoning is C-2PD per our interview with the client. The current 'as is' market value of the subject has been analyzed based upon this C-2 PD and a hypothetical 'as is' value has been considered based upon the C-2 zoning for these reasons.</p>
Set Back Distance	See Addendum for zoning specifics
Side Yard Distance	See Addendum for zoning specifics

## Zoning Comments

The current zoning code for the subject is C-1 PD. This district (C-1) is intended to provide for a limited range of smaller scale commercial activities that may often be oriented toward automobile access and visibility from arterial streets, but that also allow and encourage nonvehicular connectivity and walkability between the permitted uses.

The Planned Development restricts the site development to some degree regarding additional setbacks, buffer zone, and a perimeter wall needed along with other regulations given the proximity to the SFR homes. See the following pages and Addendum for more details. These restrictions, additional setbacks and buffer zones, and building requirements are given consideration within the analysis of this report; however, given our interview with Lake Havasu City Development Services (Jeff Thuneman), the site is likely to be re-zoned to C-2 with the PD restrictions in place. This is given consideration in the analysis as the Development Services Department is stating this is a potential and likely zoning change and would allow this zoning with a re-zoning application. The current 'as is' market value has this zoning in place (C-2PD) as this is the most likely zoning for the site upon the sale. Given the likelihood of the C-2PD zoning code based upon our interview with the client, this does not warrant an extraordinary assumption and is used in the analysis of the current 'as is' market value of the site.

Please refer to the Addendum for details of the existing zoning regulations per the Lake Havasu City Planning & Zoning Department and Lake Havasu City Council **Ordinance No. 08-936** for additional requirements pertaining to planned development for subject property.

**FIGURE 19 PLANNED DEVELOPMENT ZONING ORDINANCE****ORDINANCE NO. 08-936**

**AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF LAKE HAVASU CITY, MOHAVE COUNTY, ARIZONA, AMENDING THE ZONING CLASSIFICATION AND DISTRICT BOUNDARY FOR TRACT 2277, BLOCK 2, LOT 19, LOCATED WITHIN THE CORPORATE LIMITS OF LAKE HAVASU CITY FROM R-1 (SINGLE-FAMILY RESIDENTIAL) ZONING DISTRICT TO THE C-1 (LIMITED COMMERCIAL)**

**BE IT ORDAINED**, by the Mayor and City Council of Lake Havasu City, Mohave County, Arizona, as follows:

That property described hereto as Tract 2277, Block 2, Lot 19 lying within the boundaries of Lake Havasu City, Arizona, shall be and is hereby reclassified from R-1 (Single-Family Residential) zoning district to the C-1 (Limited Commercial) with the following conditions:

1. Along the western property line there shall be an improved 50-foot buffer provided by the existing utility parcel and a 35-foot building setback.

Along the southern property line a 50-foot improved buffer and an additional 100-foot building setback shall be provided.

2. Ingress/egress be limited to Highway 95; no business access through neighborhood.
3. Lighting poles be limited to 16 feet in height. Perimeter building lighting be mounted at no higher than 9 feet with no lighting permitted on west side of building. Lighting after business hours be limited and shielded to ensure no light spill onto adjacent properties.
4. Building(s) have no windows facing the South or West.
5. The maximum building pad elevation shall not exceed 570 feet.
6. A solid perimeter wall 10 feet in height along the east side of the 50-foot buffer along the west property line and north of the 50-foot buffer along the southern property line.

The wall shall be designed in a manner that ensures compatibility with adjacent neighborhood. The wall shall be made of quality masonry materials, shall not have abstract designs, and shall be approved by the Planning Commission during the public hearing required by the design review process.

7. A landscape plan, that will be approved by the Planning Commission during the public hearing required by the design review process, include mature landscaping along perimeter wall that shows plantings in 10-foot intervals with trees starting at a minimum 5 feet in height.

Pedestrian access shall be limited to an improved area at the end of Deepwater Lane as approved by the Planning Commission during the public hearing required by the design review process. Direct pedestrian access shall be prohibited through adjacent residential properties.

In addition, the landscape plan shall show how mature planting materials adjacent to the proposed structure will be used to mitigate possible negative visual impacts to adjacent owners approved by the Planning Commission during the public hearing required by the design review process.

8. Overnight parking of delivery trucks be prohibited.
9. All deliveries and trash pickup occur between 7:00 a.m. and 8:00 p.m.
10. Design review be approved by the Planning Commission.

**PASSED AND ADOPTED** by the City Council of Lake Havasu City, Arizona, this 12th day of August, 2008.



## FIGURE 20 SALE NOTICE FROM LHC WITH ADDITIONAL SALES TERMS AND CONDITIONS



LAKE HAVASU CITY  
DEVELOPMENT SERVICES DEPARTMENT  
◆ BUILDING ◆ CODE ENFORCEMENT ◆ PLANNING AND ZONING

### NOTICE SALE OF CITY REAL PROPERTY – ONLINE AUCTION

Tract 2277, Block 2, Lot 19 and Abandoned Cul De Sac's for Deepwater Dr and Cactus Wren Ln  
APN 106-28-050A, 2801 Highway 95

#### 1. OFFER TO PURCHASE ONLINE AUCTION

Lake Havasu City ("City") invites offers to purchase the Property described below and currently owned by the City. Purchase Offers will be web-based and placed in connection with an online auction through GovDeals from 5:00 p.m. Arizona Time on Monday, August 7, 2023, until 3:00 p.m. Arizona Time on Wednesday, September 6, 2023, or as extended by GovDeals based on auction activity. Any and all sales are subject to award by the Mayor and City Council, and the City reserves the right to reject any and all offers.

#### 2. PROPERTY DESCRIPTION

The Property, APN 106-28-050A, Tract 2277, Block 2, Lot 19 and Abandoned Cul De Sac's for Deepwater Dr and Cactus Wren Ln, is approximately 10.29 acres. The parcel is located on Highway 95, Lake Havasu City, Arizona. The Property is currently zoned Limited Commercial/Planned Development (C-1/PD) and has conditions per Lake Havasu City Ordinance 08-936.

#### 3. DISCLOSURE

Purchaser is informed that a release of hazardous substances and/or regulated substances occurred at or near the property. The property includes three groundwater monitoring wells. Upon purchase of this property, the new owner will assume responsibility for the wells and shall grant the right of access to the wells to the Arizona Department of Environmental Quality.

#### 4. ADDITIONAL SALES TERMS AND CONDITIONS

Prior to approval of the sale, the purchaser shall enter into an agreement with the City. The agreement will include a requirement that the owner shall obtain a building permit for the structure of primary use of the property within 36 months and obtain a Certificate of Occupancy within 72 months of the winning bid date. If this condition is not met, the property shall revert to the City and the City shall refund to the current property owner the lesser of the original bid purchase price or the appraised value of the property less the appraisal fee at the time of this condition default. The obligations under the separate agreement required by this Section 4 shall survive closing of the sale of property that is the subject of this Notice.

#### 5. OFFER PRICE

Offer Price should be no less than the auction reserve price set by the City; however, all offers will be considered. Final purchase price will also include all costs incurred for the sale of the Property, including but not limited to a 4% online auction buyer's premium and closing costs. If the successful bidder is not the applicant who submitted the initial request, then the successful bidder will reimburse the \$2,250 appraisal cost and the \$300 title report fee to the applicant.

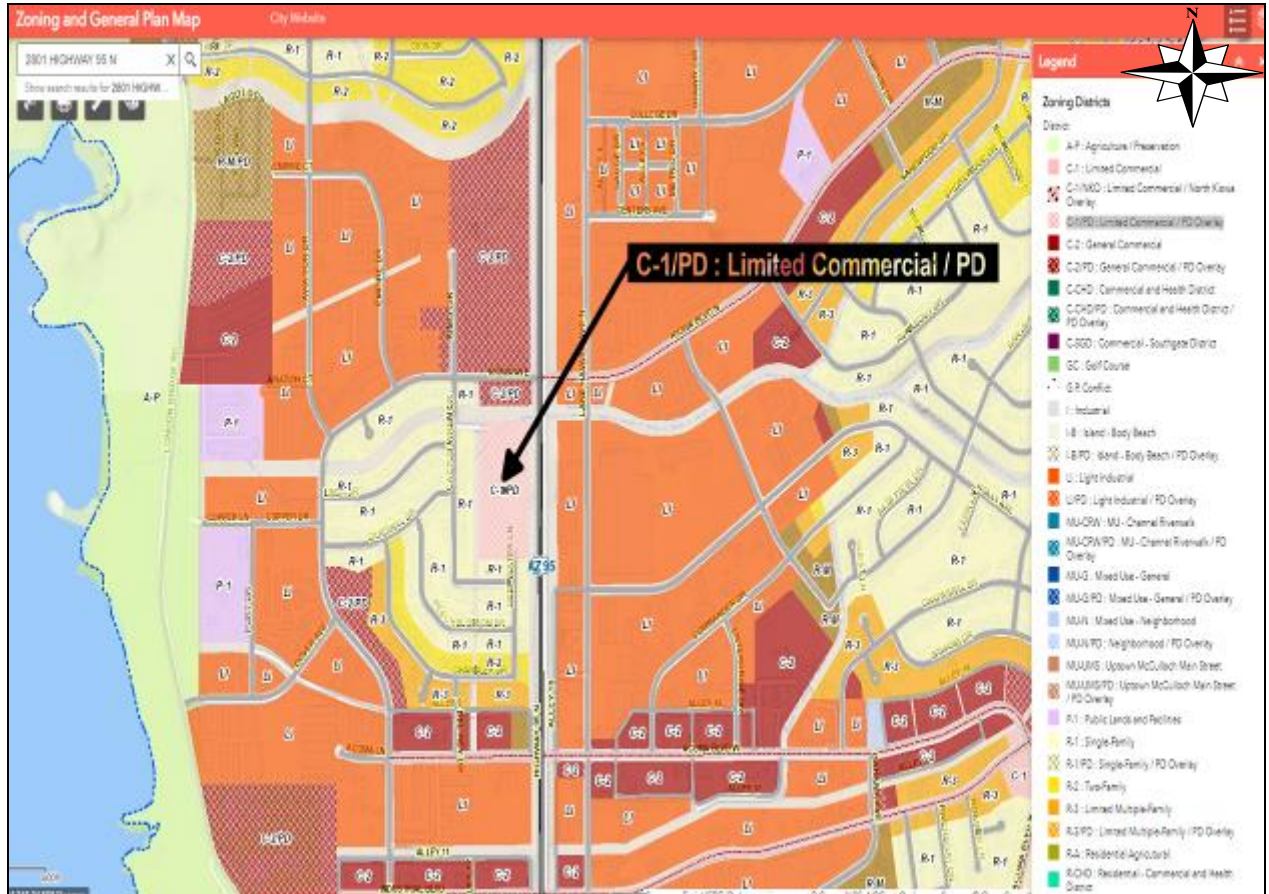
#### 6. OFFER SECURITY

Each bidder is required to submit a bid deposit in the amount of \$5,000. The deposit will be fully refunded to those who do not win the auction. You must register to become a bidder with GovDeals before your bid deposit can be posted. Bid deposit instructions are available on the auction site.

**Additional information on reverse side.**

2330 McCulloch Blvd N. Lake Havasu City, Arizona 86403-5950 928.453.4148  
[www.lhcaz.gov](http://www.lhcaz.gov)

FIGURE 21 ZONING MAP



**Legend**

**Zoning Districts**

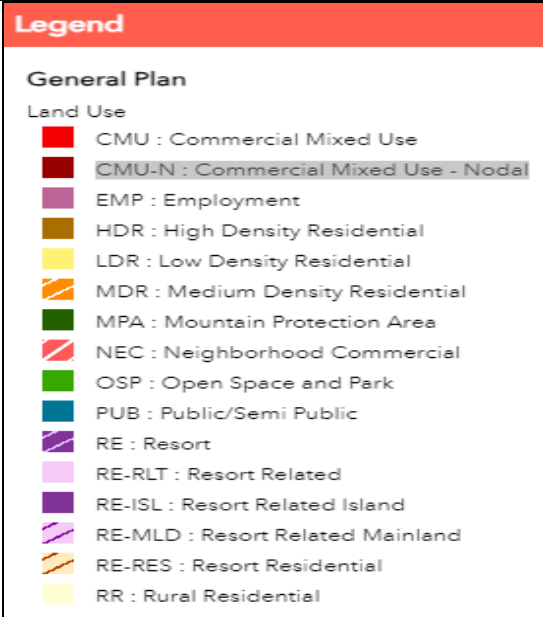
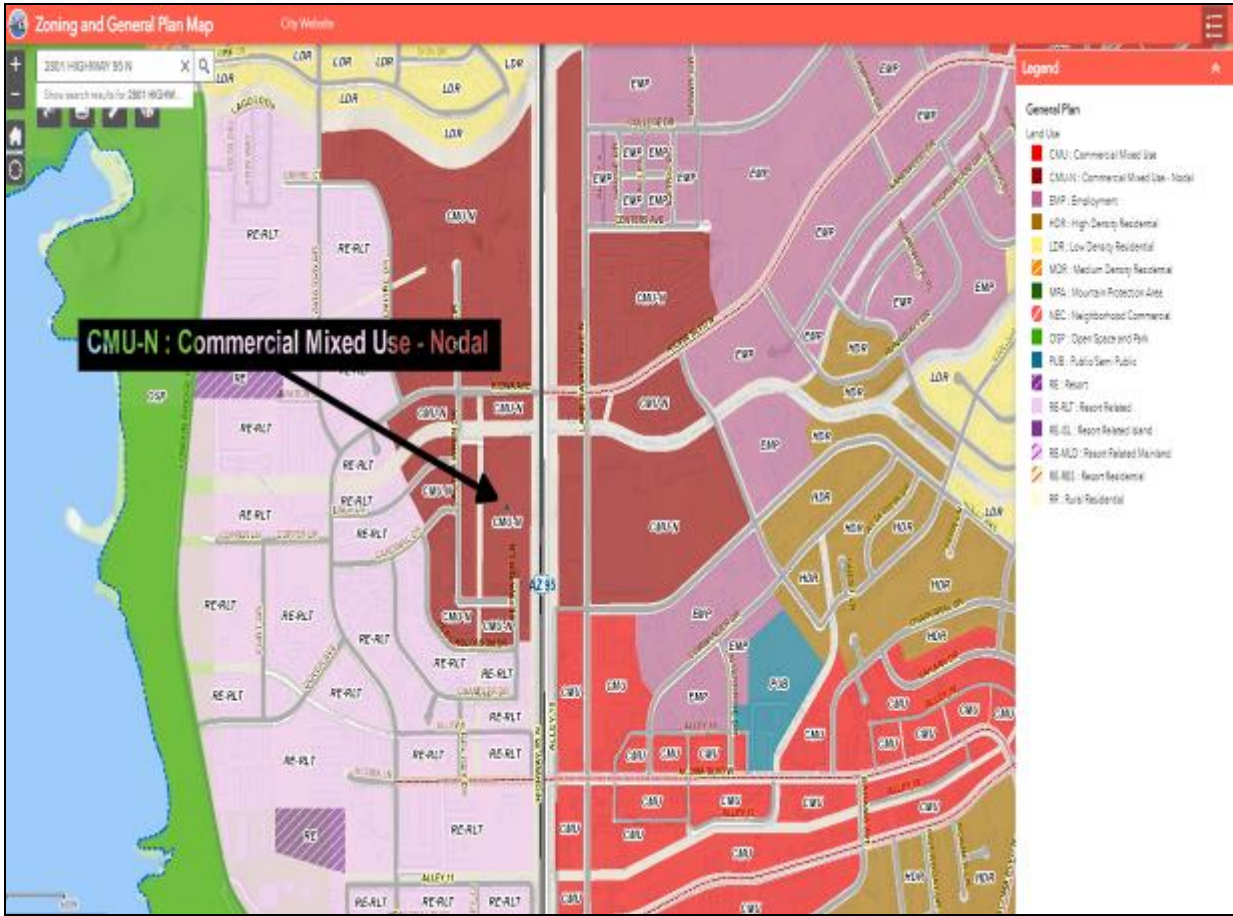
District

- A-P : Agriculture / Preservation
- C-1 : Limited Commercial
- C-1/NKO : Limited Commercial / North Kiowa Overlay
- C-1/PD : Limited Commercial / PD Overlay**
- C-2 : General Commercial
- C-2/PD : General Commercial / PD Overlay
- C-CHD : Commercial and Health District
- C-CHD/PD : Commercial and Health District / PD Overlay
- C-SGD : Commercial - Southgate District
- GC : Golf Course

(See Zoning Section and HBU for most likely zoning code upon sale)



FIGURE 22 GENERAL PLAN





## HIGHEST AND BEST USE

### *Introduction*

The purpose of the highest and best use analysis is to determine the optimal use of the subject parcel "as vacant". The purpose of the "as vacant" analysis is to determine if the site should be developed, and if so, with what use the site should be developed.

The definition of Highest and Best Use is defined in the *Dictionary of Real Estate Appraisal, Fifth Edition, 2010* as follows:

“The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property—specific with respect to the user and timing of the use—that is adequately supported and results in the highest present value.”

Highest and best use is often looked upon as a sifting out process. Many uses can be eliminated from reasonably probable consideration by investigating legal permissibility and physical possibility. After analyzing legal permissibility and physical possibility, an analysis of the financial feasibility and maximum profitability of a site further winnow down the most likely candidates for the highest and best use of a site. Typically one is left with one or several reasonably probable uses for a site before determination of which use may be maximally productive.

The Appraisal Institute has suggested limitations in its code of Professional Ethics as to what may be considered in an appraisal assignment and its corresponding effect on the highest and best use conclusion of a parcel. It is deemed unethical to agree to provide or provide a service (appraisal, appraisal review, appraisal consulting, or real property consulting) that includes a hypothetical condition, unless: a) the use of the hypothetical condition is clearly required for legal purposes, for purposes of reasonable analysis, or for purposes of comparison; and b) the use of the hypothetical condition results in a credible analysis; and c) the Member complies with the applicable disclosure requirements set forth in USPAP for the hypothetical conditions. We have NOT employed hypothetical conditions or extraordinary assumptions for the value scenarios requested.

## ***Highest and Best Use of a Site As Though Vacant***

The definition of Highest and Best Use of land or a site as though vacant is defined in the *Dictionary of Real Estate Appraisal, Fifth Edition, 2010* as follows:

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

The following analysis presents our estimation of the physically possible, legally permissible, financially feasible, and maximally productive use of the subject site.

1. **Permissible Use.** The most likely legally permissible use for the subject property is a retail type use. The Planned Development restricts the site development to some degree regarding additional setbacks, buffer areas, and a perimeter wall needed along with other regulations given the proximity to the SFR homes. See the following pages and Addendum for more details. These restrictions, additional setbacks and buffer areas, and building requirements are given consideration within the analysis of this report when considering additional development costs and the overall building pad area of the site; however, given an interview with Lake Havasu City Development Services (Jeff Thuneman), the site is likely to be re-zoned to C-2 with the PD restrictions in place and the additional sales terms and conditions in place as well (36 months to obtain a building permit for the structure and 72 months to obtain a C of O). This is given consideration in the analysis as the Development Services Department is aware of the potential zoning change and would allow this with a re-zoning application, per our interview.

We also note a potential zoning change to C-2 without the PD in place is also under consideration with LHC per our interview with Planning and Zoning (not 100% guaranteed). This would significantly change the development of the site (larger building pad size and lower development costs) and has also been considered in the analysis (hypothetical ‘as is’ value) given the intended use and intended user of the appraisal report (Per our interview, LHC is not 100% sure as to how they would like to proceed with the zoning code for the site at this time).

The Development Services Department stated the C-1 PD was for a retail type use. Currently, the subject is zoned C-1/PD: Limited Commercial, Planned Development Overlay. It is intended to provide for a limited range of smaller scale commercial activities that may often be oriented toward automobile access and visibility from arterial streets, but that also allow and encourage non-vehicular connectivity and walkability between the permitted uses. The General Plan calls for a commercial mixed use type development. The site is not likely to be re-zoned to R-1, per LHC Development Services. Given the likely C-2/PD zoning change and the current terms and conditions of the sale (the site has to be developed within 72 months with building permits within 36 months; this restricts the site to one large development and cannot be split into several smaller sites and sold off separately) and surrounding land uses, a retail type use is most likely (a similar retail type use is also likely if the zoning were to be changed to C-2).

2. **Possible Use.** The subject is 10.29 gross acres and approx. 6.07 of building pad area given the PD in place, rectangular in shape, has utilities to the property line, and has sloping topography (not adverse). The setback to the west of 35 feet and the 50 ft buffer

and an additional 100 ft building setback are taken into consideration; these setbacks decrease the overall building pad size to approx. 6.07 acres (see Site Size Sketch within the Site Description section on the previous pages). Given the terms and conditions of the Notice of Sale on the previous pages, the site has to have building permits pulled within 36 months and a C of O obtained within 72 months of purchase of the site or the site reverts back to the City (see Notice of Sale for more details). This rules out any subdivision and sell-off of the sites; the site must be used as one developable property. The parcel is large enough to accommodate a number of different uses. There are no physical conditions that limit the use potential of the subject parcel. It would be physically possible to accommodate most general commercial type uses. Given the terms and conditions of sale in place which states the buyer of the site will have 36 months to pull all building permits and have a C of O within 72 months, otherwise the site reverts back to the city, the land is best utilized as one large developable site. The site could be split into roughly 5 total sites of roughly 1.50-2.00 acre in size; however, the terms and conditions of the sale (and additional developer costs and development analysis from recent interviews with local developers (see letter of transmittal for details)) restricts this type of use by stating the site must be developed within 72 months and permits pulled within 36 months of the purchase, which leads to the most likely buyer of the site being a single user. Per our most recent interview with local developers, subdividing the sites is also not likely given the large deceleration and potential acceleration lanes from Hwy 95 that would possibly be required upon development. The sloping topography and ingress/egress (deceleration lane) from Hwy 95 does create additional site costs but given the limited supply of C-2 zoned parcels with good location appeal and traffic exposure in the LHC market area, it is still feasible to develop as a retail type use. Given the size and physical characteristics of the site, the good location appeal being near the center of town with good traffic exposure and visibility, the likely future zoning (C-2 PD), and surrounding land uses, a single retail type use is most likely. A similar retail type use is most likely if the zoning were to be changed to C-2 (hypothetical condition) and the PD removed from the development of the site.

3. **Feasible Use.** The subject parcel is currently feasible to build a retail type use. The location appeal is good with good traffic visibility and exposure from Hwy 95 (currently no direct access). Newer good quality retail units with good location appeal, good traffic exposure, and lower FAR (additional parking) are currently being leased for roughly \$2.00-\$3.00/sf NNN depending upon the type of build-out (450 Lake Havasu Ave being one example) and size of the unit. Recent improved sales have been reviewed to analyze the amount of external obsolescence for different improvement types, and the external obsolescence has been decreasing over the past several years and there is currently no external obsolescence for retail type improvements although we note given the rising mortgage interest rates and construction costs, feasibility is becoming less. Office and retail type units are currently at or near equilibrium with vacancy rates near 5-8% for good quality type space. Based upon market extracted data, vacancy rates, and rental rates, we believe it is currently feasible to construct a retail type improvement at this time.
4. **Maximally Productive.** The maximally productive use at this time, “as if vacant and unimproved” would be to develop as a retail type use that would take advantage of the high traffic counts being on a main arterial with good traffic exposure and visibility (for the ‘as is’ condition and the hypothetical ‘as is’ condition of the property). The future ideal improvements would likely be a one or two-story retail building with good Class D or Class C construction with a FAR between 10-25%, or roughly 26,400 SF up to 66,100

SF. The site would have at least a 10% ratio of landscaping (higher given the PD in place) with concrete paved parking that provides at least 3.5 to 5 spaces per 1,000 SF of GBA, depending upon retail components of the use. The most likely buyer of the subject 'as if vacant' would be an owner user (for the 'as is' condition and the hypothetical 'as is' condition of the property). \*Note: The planned development of the subject property must comply with the terms and conditions of sale and the conditions established by LHC Mayor and Council Ordinance No. 08-936 and must be reviewed and approved by the LHC Planning Commission (See addendum for development conditions).

## VALUATION METHODOLOGY

Three basic approaches may be used to arrive at an estimate of market value. They are:

1. The Cost Approach
2. The Income Approach
3. The Sales Comparison Approach

### Cost Approach

The Cost Approach is summarized as follows:

Cost New  
- Depreciation  
+ Land Value  
= Value

### Income Approach

The Income Approach converts the anticipated flow of future benefits (income) to a present value estimate through a capitalization and or a discounting process.

### Sales Comparison Approach

The Sales Comparison Approach compares sales of similar properties with the subject property. Each comparable sale is adjusted for its inferior or superior characteristics. The values derived from the adjusted comparable sales form a range of value for the subject. By process of correlation and analysis, a final indicated value is derived.

### Final Reconciliation

The appraisal process concludes with the Final Reconciliation of the values derived from the approaches applied for a single estimate of market value. Different properties require different means of analysis and lend themselves to one approach over the others.

### *Analyses Applied*

A **cost analysis** was considered and was not developed because the subject is vacant land and the cost approach is not relevant.

A **sales comparison analysis** was considered and was developed because there is adequate data to develop a value estimate and this approach reflects market behavior for this property type. The sales approach is given some consideration in the final reconciliation of value.

An **income analysis** was considered and was not developed because as the subject is not an income producing property and this approach does not reflect market behavior for this property type given the current condition of sale in place for the subject site.

## LAND SALES COMPARISON APPROACH

The Sales Comparison Approach is based on the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. It is based on the principles of supply and demand, balance, substitution and externalities. The following steps describe the applied process of the Sales Comparison Approach.

- The market in which the subject property competes is investigated; comparable sales, contracts for sale and current offerings are reviewed.
- The most pertinent data is further analyzed and the quality of the transaction is determined.
- The most meaningful unit of value for the subject property is determined.
- Each comparable sale is analyzed and where appropriate, adjusted to equate with the subject property.
- The value indication of each comparable sale is analyzed and the data reconciled for a final indication of value via the Sales Comparison Approach.

### ***Comparables***

We have researched several vacant land sales dating back several years and have selected the seven comparables that are the most similar to the subject and bracket the critical elements of comparison for this analysis; these are documented on the following pages followed by a location map and analysis grid. All sales have been researched through numerous sources, inspected and verified by a party to the transaction, when possible.

**FIGURE 23 COMPARABLE VACANT LAND SALES TABLE**

<b>Comp</b>	<b>Address</b>	<b>Price</b>	<b>Date</b>	<b>Price Per Land SF</b>	<b>Zoning</b>	<b>Days on Market</b>	<b>Acres</b>
<b>Subject</b>	2801 Highway 95	TBD	TBD	TBD	C-2 (see HBU)	TBD	10.29
<b>1</b>	3630 N Hwy 95	\$610,000	11/29/22	\$5.51	C2-H	0	2.54
<b>2</b>	6701 Hwy 95 N	\$1,650,000	7/11/22	\$4.21	C2/PD	174	9.00
<b>3</b>	145 Park Ave	\$1,150,000	7/13/21	\$13.13	C-2/PD	10	2.01
<b>4</b>	2382 E Hyde Park Ave	\$1,200,000	12/28/21	\$4.59	C2-H	See Comments	6.00
<b>5</b>	0 Showplace Ave	\$895,000	8/25/21	\$4.56	C-2/PD	234	4.50
<b>6</b>	APN 120-56-001	\$500,000	8/28/20	\$3.00	C-1	See Comments	3.83
<b>7</b>	APN 120-56-002	\$3,000,000	3/16/20	\$3.85	RMH	0	17.91

**Land Comparable 1**



**Transaction**

<b>ID</b>	2457	<b>Date</b>	11/29/2022
<b>Address</b>	3630 N Hwy 95	<b>Price</b>	\$610,000
<b>City</b>	Lake Havasu City	<b>Price Per Land SF</b>	\$5.51
<b>State</b>	AZ	<b>Financing</b>	Cash Sale
<b>Tax ID</b>	120-05-198	<b>Property Rights</b>	Fee Simple
<b>Grantor</b>	NDS LLC	<b>Days On Market</b>	0
<b>Grantee</b>	GCS Harley LLC	<b>Sale Data Source</b>	Mohave County Assessor/WardexMLS/Realist
<b>Legal Description</b>	Lengthy Legal	<b>Sale Verification Source</b>	Luke Still
<b>Prior Sale Past 3 Yrs</b>	None	<b>Sale Verification Phone</b>	(702) 349-3717

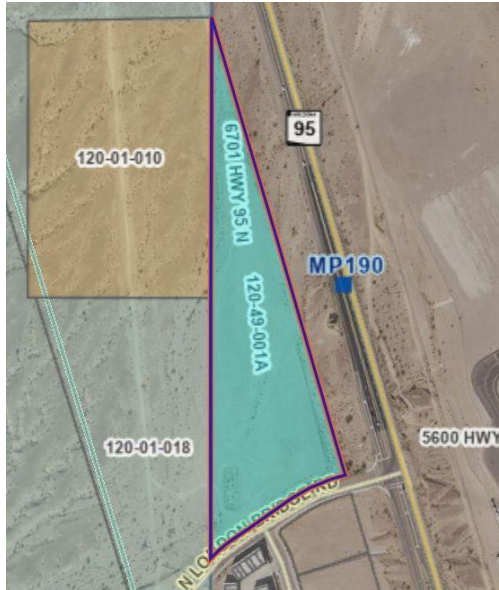
**Site**

<b>Acres</b>	2.54	<b>Topography</b>	Slightly Sloping
<b>Land SF</b>	110,642	<b>Zoning</b>	C2-H
<b>Road Frontage</b>	Yes	<b>Flood Zone</b>	AE
<b>Shape</b>	Irregular (not adverse)	<b>Encumbrance or</b>	None Noted
<b>Utilities</b>	To Property Line	<b>Environmental Issues</b>	None Noted

**Comments**

2.54 acre parcel with good access and visibility from Hwy 95. Some areas of slope and majority of parcel is in FEMA Zone AE. 100% all cash transaction, 0 days on market, arm's length transaction per primary source Luke Still. \$240,157/acre or \$5.51/Sf.

**Land Comparable 2**



<b>Transaction</b>			
<b>ID</b>	2269	<b>Date</b>	7/11/2022
<b>Address</b>	6701 Hwy 95 N	<b>Price</b>	\$1,650,000
<b>City</b>	Lake Havasu City	<b>Price Per Land SF</b>	\$4.21
<b>State</b>	AZ	<b>Financing</b>	Cash Sale
<b>Tax ID</b>	120-49-001A	<b>Property Rights</b>	Fee Simple
<b>Grantor</b>	10 Acre LLC	<b>Days On Market</b>	174
<b>Grantee</b>	38 Olympic Hills LLC	<b>Sale Data Source</b>	Mohave County Assessor/Monsoon
<b>Legal Description</b>	Lengthy metes & bounds	<b>Sale Verification Source</b>	Jessica Eidson
<b>Prior Sale Past 3 Yrs</b>	None	<b>Sale Verification Phone</b>	(928) 208-7127
<b>Site</b>			
<b>Acres</b>	9.00	<b>Topography</b>	Mostly Level-Rough
<b>Land SF</b>	392,040	<b>Zoning</b>	C2/PD
<b>Road Frontage</b>	Yes	<b>Flood Zone</b>	AO
<b>Shape</b>	Irregular	<b>Encumbrance or</b>	None Noted
<b>Utilities</b>	To Property Line	<b>Environmental Issues</b>	None Noted
<b>Comments</b>			

10.26 acre vacant lot on corner of London Bridge Rd and Highway 95(good visibility). Property is triangular in shape and rough graded. Total usable area closer to 9.00 acres. This has been used to calculate the \$/sf sales price above. Property was on market adequate period of time and sold in a 100% all cash, arm's length transaction for \$155,367/acre. No atypical terms or conditions noted and no prior sales in the last 3 years.



**Land Comparable 3**



**Transaction**

<b>ID</b>	1629	<b>Date</b>	7/13/2021
<b>Address</b>	145 Park Ave	<b>Price</b>	\$1,150,000
<b>City</b>	Lake Havasu City	<b>Price Per Land SF</b>	\$13.13
<b>State</b>	AZ	<b>Financing</b>	Cash Sale
<b>Tax ID</b>	107-78-004	<b>Property Rights</b>	Fee Simple
<b>Grantor</b>	Surf Thru Inc	<b>Days On Market</b>	10
<b>Grantee</b>	C2LH LLC	<b>Sale Data Source</b>	Aff of Value Fee
<b>Legal Description</b>	Lot 4, Park Avenue Subdivision, Section 15, T13N, R20W, Lake Havasu City, Mohave County, AZ	<b>Sale Verification Source</b>	Mike Dagon
<b>Prior Sale Past 3 Yrs</b>	See Comments	<b>Sale Verification Phone</b>	928-716-0101

**Site**

<b>Acres</b>	2.01	<b>Topography</b>	Sloping
<b>Land SF</b>	87,555	<b>Zoning</b>	C-1 Limited Commercial
<b>Road Frontage</b>	328 ft	<b>Flood Zone</b>	X
<b>Shape</b>	Irregular (not advese)	<b>Encumbrance or</b>	None Noted
<b>Utilities</b>	City water & sewer	<b>Environmental Issues</b>	None Noted

**Comments**

2.01 acre C-1 Limited Commercial vacant land which is on main arterial corner of Park Ave and Hwy 95 . Property originally listed for \$1,200,000 and sold in an all cash transaction for \$1,150,000 on 7/13/2021 after 10 days on market per Affidavit of Value Fee #2021056264, FlexMLS#1013062. The property also sold 10/19/2018 for \$1,100,000, 100% cash sale and was on the market for an adequate period of 56 days per FlexMLS#1002003. The increase in sales price is due to increasing market conditions since that time. No other prior sales found within the last 3 years.

**Land Comparable 4**



**Transaction**

<b>ID</b>	2458	<b>Date</b>	12/28/2021
<b>Address</b>	2382 E Hyde Park Ave	<b>Price</b>	\$1,200,000
<b>City</b>	Lake Havasu City	<b>Price Per Land SF</b>	\$4.59
<b>State</b>	AZ	<b>Financing</b>	Cash Sale
<b>Tax ID</b>	120-05-144	<b>Property Rights</b>	Fee Simple
<b>Grantor</b>	REVOCABLE	<b>Days On Market</b>	See Comments
<b>Grantee</b>	Milestone Mohave 1 LLC	<b>Sale Data Source</b>	Mohave County Assessor
<b>Legal Description</b>	Lengthy Metes & Bounds	<b>Sale Verification Source</b>	Luke Still
<b>Prior Sale Past 3 Yrs</b>	None	<b>Sale Verification Phone</b>	(702) 349-3717

**Site**

<b>Acres</b>	6.00	<b>Topography</b>	Mostly Level, Some
<b>Land SF</b>	261,360	<b>Zoning</b>	C2-H
<b>Road Frontage</b>	Yes	<b>Flood Zone</b>	X
<b>Shape</b>	Irregular (not adverse)	<b>Encumbrance or</b>	None Noted
<b>Utilities</b>	To Property Line	<b>Environmental Issues</b>	None Noted

**Comments**

6 acre parcel with good access and visibility from Hwy 95. 100% all cash Non-MLS transaction (\$200,000/per acre or \$4.59/Sf.). Per market area developer Luke Still transaction was arm's length and no atypical terms or conditions noted.(Aff#2021096415). ATOS HBU was for future storage facility development.

**Land Comparable 5**



<b>Transaction</b>			
<b>ID</b>	1717	<b>Date</b>	8/25/2021
<b>Address</b>	0 Showplace Ave	<b>Price</b>	\$895,000
<b>City</b>	Lake Havasu City	<b>Price Per Land SF</b>	\$4.56
<b>State</b>	AZ	<b>Financing</b>	Seller Carryback
<b>Tax ID</b>	120-55-005	<b>Property Rights</b>	Fee Simple
<b>Grantor</b>	Lakeside Development LLC	<b>Days On Market</b>	234
<b>Grantee</b>	Showplace Storage LLC	<b>Sale Data Source</b>	MLS/Assessor
<b>Legal Description</b>	Lot 5, Tract 2395, Sec 4, T14N, R20W, Lake Havasu City, Mohave County, AZ	<b>Sale Verification Source</b>	Aff of Value #2021067230, MLS#1014654
<b>Prior Sale Past 3 Yrs</b>	None	<b>Sale Verification Phone</b>	928-275-8040
<b>Site</b>			
<b>Acres</b>	4.50	<b>Topography</b>	Mostly Level
<b>Land SF</b>	196,020	<b>Zoning</b>	C-2/PD
<b>Road Frontage</b>	Approx 382 ft	<b>Flood Zone</b>	X & AO
<b>Shape</b>	Trapezoidal	<b>Encumbrance or</b>	None Noted
<b>Utilities</b>	City water & sewer	<b>Environmental Issues</b>	None Noted
<b>Comments</b>			

Just north of Walmart and across street from airport, 4.5 ac C-2/PD zoned lot listed 1/22/2021 and closed 8/25/2021 for \$895,000 per FlexMLS/Monsoon#1014654 and affidavit of property value. Arm's length transaction, no atypical terms noted, \$451,500 down payment with Seller Loan (Carryback) per Affidavit of Property Value Fee #2021067230. Approx 0.11 acres of parcel on west side is in a FEMA defined flood zone AO; this is common for the LHC area. Comment on prior sale: 3/11/2022 per affidavit of value #2022016140 portion of parcel (approx. 0.74 acres, APN 120-55-005A) was purchased for \$147,649 in a 100% all cash transaction.

**Land Comparable 6**



Transaction			
<b>ID</b>	1481	<b>Date</b>	8/28/2020
<b>Address</b>	APN 120-56-001	<b>Price</b>	\$500,000
<b>City</b>	Lake Havasu City	<b>Price Per Land SF</b>	\$3.00
<b>State</b>	AZ	<b>Financing</b>	Cash Sale
<b>Tax ID</b>	120-56-001	<b>Property Rights</b>	Fee Simple
<b>Grantor</b>	Thomas Staben	<b>Days On Market</b>	See Comments
<b>Grantee</b>	Michelle Jackson Bradley	<b>Sale Data Source</b>	See Comments
<b>Legal Description</b>	Parcel A, Retail Centre 2, Sec 9, T14N, R20W, LHC, Mohave County, AZ	<b>Sale Verification Source</b>	Affidavit of Value (#2020048892)
<b>Prior Sale Past 3 Yrs</b>	None	<b>Sale Verification Phone</b>	--
Site			
<b>Acres</b>	3.83	<b>Topography</b>	Sloping/some wash
<b>Land SF</b>	166,835	<b>Zoning</b>	C-2
<b>Road Frontage</b>	1,100 ft	<b>Flood Zone</b>	X & AO
<b>Shape</b>	Rectangular	<b>Encumbrance or</b>	None Noted
<b>Utilities</b>	To Property Line	<b>Environmental Issues</b>	None Noted

**Comments**

Parcel sold 100% cash. Property was not found on the local MLS(flex), DOM is unknown. The parcel has a gross area of 7.33 acres, but roughly 3.50 acres is within flood zone AO, a flood hazard area; significant amounts of fill dirt and retention areas are likely needed. The net usable area for the site is estimated at roughly 3.83 acres. This net usable area has been used within the \$/sf and \$/acre above. We attempted to confirm the sale with a primary source, Trent Timothy, Realty Executives, but he was unaware of the sale. This sale should be given less weight for this reason. . No prior sale or listings in the last 12 months were found.



**Land Comparable 7**

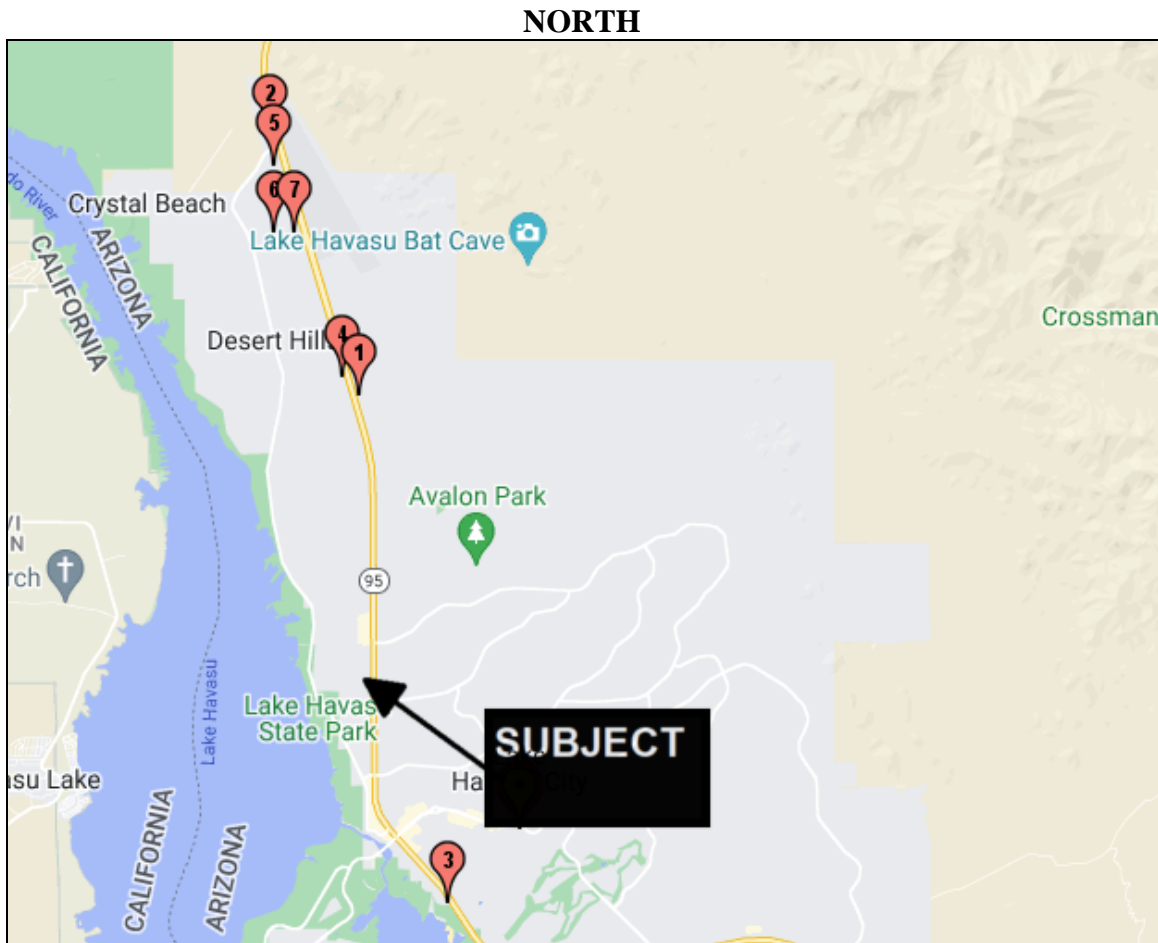


<b>Transaction</b>			
<b>ID</b>	3480	<b>Date</b>	3/16/2020
<b>Address</b>	APN 120-56-002	<b>Price</b>	\$3,000,000
<b>City</b>	Lake Havasu City	<b>Price Per Land SF</b>	\$3.85
<b>State</b>	AZ	<b>Financing</b>	Seller Carry
<b>Tax ID</b>	120-56-002	<b>Property Rights</b>	Fee Simple
<b>Grantor</b>	Michelle Bradley	<b>Days On Market</b>	See Comments
<b>Grantee</b>	Yenomom Havasu LLC	<b>Sale Data Source</b>	Assessor
<b>Legal Description</b>	Parcels B & C, Sec 9, T14N, R20W, Mohave County, AZ	<b>Sale Verification Source</b>	See Comments
<b>Prior Sale Past 3 Yrs</b>	See Comments	<b>Sale Verification Phone</b>	--
<b>Site</b>			
<b>Acres</b>	17.91	<b>Topography</b>	Sloping/fill dirt needed
<b>Land SF</b>	780,160	<b>Zoning</b>	RMH
<b>Road Frontage</b>	400 ft	<b>Flood Zone</b>	AO & X
<b>Shape</b>	Irregular (not adverse)	<b>Encumbrance or</b>	None Noted
<b>Utilities</b>	To property line	<b>Environmental Issues</b>	None Noted

**Comments**

Property sold with seller carry terms, \$600,000 down. The sale was not found on the MLS. This sale should be given less weight for this reason. Site has a large wash running through the middle of the site; fill dirt and large retention areas is most likely required prior to development. HBU is some type of residential mobile home type development. No prior sales in the last 12 months were found but we do note the subject appear to be pending as of 11/2/2023 for \$4,00,000; this is per out interview with a local realtor, Luke Still, Keller Williams. Given this sale was not listed on the MLS and has not closed, this pending transaction is only used as one indication of increasing market conditions since the date of sale, which equates to roughly 7.5% annually.

**FIGURE 24 LAND SALES COMPARABLE MAP**



## Analysis Grid

The above sales have been analyzed and compared with the subject property. We have considered adjustments in the areas of:

- Property Rights Sold
- Financing
- Conditions of Sale
- Market Trends
- Location
- Physical Characteristics

On the following page is a sales comparison grid displaying the subject property, the comparables and the adjustments applied. The most applicable unit of comparison is this instance is a price per square foot. The sales have been compared to the subject based upon a price per square foot comparison.

Given the lack of ideal sales, we have also included a figure illustrating some of the most similar and pertinent listings. The listings are helpful in supporting our exposure time estimate and determining an approximate ceiling value indication for the subject property.

### FIGURE 25 ACTIVE LISTINGS

We were able to find one active listing that is overall superior to the subject property. This 2.87-acre property is located at 421 N Lake Havasu Ave, Lake Havasu City, AZ and is currently listed for \$2,500,000 or \$783,972 per acre, or \$18.00 per SF (MLS#1020995, DOM 570). The site is slightly sloping with good traffic exposure and visibility along Lake Havasu Ave. A slight upward adjustment for size (marginal utility) is warranted. A downward adjustment for overall size is needed (marginal utility) and a downward adjustment for ingress/egress is needed. Overall, based upon this listing, a ceiling value between \$6.00-\$8.00 per SF is most reasonable for the subject property. See sales abstract and adjustment grid for further analysis of the adjustments made.

**FIGURE 26 SALES COMPARABLE ANALYSIS GRID**

Land Analysis Grid		Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Comp 6	Comp 7	
Address	2801 Highway 95	3630 N Hwy 95	6701 Hwy 95	145 Park Ave	2382 E Hyde Park	0 Showplace	APN 120-56-001	APN 120-56-002	
City	Lake Havasu City	Lake Havasu City	Lake Havasu	Lake Havasu	Lake Havasu City	Lake Havasu	Lake Havasu	Lake Havasu	
State	AZ	AZ	AZ	AZ	AZ	AZ	AZ	AZ	
Date	5/25/2023	11/29/2022	7/11/2022	7/13/2021	12/28/2021	8/25/2021	8/28/2020	3/16/2020	
Price	TBD	\$610,000	\$1,650,000	\$1,150,000	\$1,200,000	\$895,000	\$500,000	\$3,000,000	
Land SF	448,232	110,642	392,040	87,555	261,360	196,020	166,835	780,160	
Land SF Unit Price	TBD	\$5.51	\$4.21	\$13.13	\$4.59	\$4.57	\$3.00	\$3.85	
<b>Transaction Adjustments</b>									
Property Rights	Fee Simple	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%
Financing	Conventional	Cash Sale	0.0%	Cash Sale	0.0%	Cash Sale	0.0%	Seller Carry	0.0%
Conditions of Sale	Cash	Normal	0.0%	Normal	0.0%	Normal	0.0%	Normal	0.0%
<b>Adjusted Land SF Unit Price</b>		<b>\$5.51</b>	<b>\$4.21</b>	<b>\$13.13</b>	<b>\$4.59</b>	<b>\$4.57</b>	<b>\$3.00</b>	<b>\$3.85</b>	
Market Trends Through	5/25/2023	0.0%	0.0%	5.0%	11.0%	9.0%	11.0%	15.0%	17.0%
<b>Adjusted Land SF Unit Price</b>		<b>\$5.51</b>	<b>\$4.42</b>	<b>\$14.58</b>	<b>\$5.00</b>	<b>\$5.07</b>	<b>\$3.45</b>	<b>\$4.50</b>	
Location	Good	Avg-Gd	Avg (cmr)	Exc	Avg-Gd (cmr)	Avg	Avg	Avg	
% Adjustment		20%	50%	-15%	10%	60%	60%	60%	
\$ Adjustment		\$1.10	\$2.21	-\$2.19	\$0.50	\$3.04	\$2.07	\$2.70	
Acres	10.29 Ac	2.54	9.00 (bldg pad)	2.01	6.00	4.50	3.83	17.91	
% Adjustment		-20%	0%	-20%	-10%	-12%	-15%	5%	
\$ Adjustment		-\$1.10	\$0.00	-\$2.92	-\$0.50	-\$0.61	-\$0.52	\$0.22	
Topography	Sloping/monitoring wells	Sloping/fill dirt needed	Mostly Level	Mostly Level	Sloping/fill dirt needed	Mostly Level	Sloping/wash areas/fill dirt	Sloping/fill dirt needed	
% Adjustment		5%	-10%	-10%	5%	-10%	40%	5%	
\$ Adjustment		\$0.28	-\$0.44	-\$1.46	\$0.25	-\$0.51	\$1.38	\$0.22	
Shape	Rectangular	Trapezoidal	Irregular (not adverse)	Irregular (not adverse)	Irregular (not adverse)	Trapezoidal	Rectangular	Irregular (not adverse)	
% Adjustment		0%	0%	0%	0%	0%	0%	0%	
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Utilities	To property line, ingress/egress needed from Hwy 95	To property line, ingress/egress needed from Hwy 95	To property line	To property line	To property line, ingress/egress needed from Hwy 95	To property line	To Property line	To property line	
% Adjustment		0%	-20%	-10%	0%	-20%	-30%	-20%	
\$ Adjustment		\$0.00	-\$0.88	-\$1.46	\$0.00	-\$1.01	-\$1.03	-\$0.90	
<b>Adjusted Land SF Unit Price</b>		<b>\$5.79</b>	<b>\$5.30</b>	<b>\$6.56</b>	<b>\$5.25</b>	<b>\$6.08</b>	<b>\$5.27</b>	<b>\$6.84</b>	
<b>Weighting</b>		<b>20%</b>	<b>15%</b>	<b>15%</b>	<b>20%</b>	<b>10%</b>	<b>10%</b>	<b>10%</b>	
<b>Net Adjustments</b>		<b>5.0%</b>	<b>20.0%</b>	<b>-55.0%</b>	<b>5.0%</b>	<b>20.0%</b>	<b>53.0%</b>	<b>52.0%</b>	
<b>Gross Adjustments</b>		<b>45.0%</b>	<b>80.0%</b>	<b>55.0%</b>	<b>25.0%</b>	<b>104.0%</b>	<b>147.0%</b>	<b>92.0%</b>	



## **Comparable Land Sale Adjustments**

### **Property Rights**

The subject and all comparables are fee simple. No adjustments are needed.

### **Financing**

Our value conclusion presumes a cash equivalent transaction. Any sales that had favorable financing, to either party, must be adjusted to reflect the cash equivalent sales price. All sales are either 100% cash transactions or cash equivalent transactions. No adjustments are necessary. Please see sale abstracts for additional details.

### **Conditions of Sale**

No sales required an adjustment for the conditions of sale. All sales were sold under normal conditions with no atypical concessions or conditions noted. No adjustments are needed.

### **Economic Trends**

Based upon historical sales and paired data, market conditions for vacant land similar to the subject parcel in the LHC market area have been steadily increasing over the past 12-24 months. Based upon market extracted data and market participant interviews, a market conditions adjustment of roughly .50-.75% per month is warranted over the last 12-18 months until the beginning of 2023, which has seen relatively stable market conditions due to increasing interest rates. Adjustments are made accordingly.

### **Location**

The location adjustment takes into consideration the traffic exposure, visibility (road frontage), zoning, and use potential (timing of future use) of each site as it compares to the subject. The subject is located on Hwy 95 with good traffic exposure and visibility. Sales one, two, four, five, six, and seven have inferior location appeal being further from the center of town and upward adjustments are needed. Sale three is located near the center of town along Hwy 95 with good corner orientation along a stop light intersection and a downward adjustment is needed. Sale four is located slightly further from town along Hwy 95 when compared to the subject and a slight upward adjustment is needed. Sale one is also located further from the center of town along Hwy 95 and an upward adjustment is required. The degree of the adjustments is based upon historical and paired sales for land sales near the regional mall when compared to other similar sites closer to the center of town (the further from the center of town, the lower the price per SF, all else being equal). Adjustments to each sale are made accordingly.

### **Physical Characteristics**

Adjustments are needed for size for each of the sales. All of the sales, except for sale two warrant varying degrees of downward adjustments for size (the larger the size, the lower the price per SF, all else being equal). Adjustments are made based primarily from previous marginal utility studies conducted by this appraiser for commercially zoned land and paired and historical land sales.

The subject parcel has sloping topography with ingress and egress (deceleration lane likely) required along Hwy 95. Sales one, four, six, and seven require upward adjustments for topography and sales two, three, and five require downward adjustments. Sales two, three, five, six, and seven require downward adjustments for differences in ingress/egress. The monitoring

well area is still part of the sloped areas along the property lines to the south and west due to development of the site; there is no additional loss of developable area; however, we do note the risk associated with environmental monitorization and an adjustment between 2-5% is warranted within the sales analysis (a developer would likely believe there is some risk associated with these monitoring wells when comparing the subject to a similar site without this issue). The amount of these two adjustments are based upon paired historical sales and market participant interviews (local developers) regarding the estimated development costs for ingress/egress along Hwy 95, and grading/fill dirt costs. Ingress and egress costs for the subject are estimated to range between \$300,000-\$450,000 (see Site Description section for more details). Grading costs are estimated at \$25,000 per acre with total topography adjustments for each sale dependent upon total grading and fill dirt cost differences when compared to the subject.

**Sales Comparison Approach Conclusion**

The adjusted values of the comparable properties shows a relatively narrow range from \$5.25 to \$6.84 per SF; the average is \$5.87 er SF. The range is further narrowed by applying weight to the most similar sales (sales one and four). I have concluded to a value that is near the weighted average at \$5.81 per square foot.

Please refer to the Site Description section for details regarding the ordinance expenditures and the decrease in building pad size due to the setbacks and buffer areas required by the ordinance in place.

<b>Ranges &amp; Reconciled Values</b>	
<b>Number of Comps:</b>	7
<b>Low:</b>	\$5.25
<b>High:</b>	\$6.84
<b>Average:</b>	\$5.87
<b>Weighted Average:</b>	\$5.81
<b>Reconciled Value/Unit Value:</b>	<b>\$5.81</b>
<b>Subject Size:</b>	<b>448,232</b>
<b>Type of Unit Value:</b>	<b>square foot</b>
<b>Hypothetical 'as is' Indicated Value:</b>	\$2,603,183
<b>Hypothetical 'as is' Rounded:</b>	\$2,600,000
<b>Less LHC Ordinance Expenditures:</b>	-\$531,250
<b>Less Decrease in Building Pad Size Due to Setbacks and Buffer Areas (1.30 Ac):</b>	-\$328,876
<b>Current 'as is' Reconciled Final Value</b>	\$1,743,056
<b>Current 'as is' Rounded:</b>	<b>\$1,740,000</b>
<b>One Million Seven Hundred Forty Thousand Dollars</b>	

Based on the Sales Approach, and taking into consideration the assumptions and limiting conditions contained herein, and presuming the subject has no adverse encumbrances or easements, the estimated **Hypothetical** Current 'as is' Fee Simple market value for the subject property as of May 25, 2023 has been estimated as follows:

**TWO MILLION SIX HUNDRED THOUSAND DOLLARS**

**(\$2,600,000)\*\*\***

*\*Rounded to the nearest \$10,000*

*\*\*See Extraordinary Assumption*

*\*\*\*See Hypothetical Condition*

Based on the Sales Approach, and taking into consideration the assumptions and limiting conditions contained herein, and presuming the subject has no adverse encumbrances or easements, the estimated Current 'as is' Fee Simple market value for the subject property as of May 25, 2023 has been estimated as follows:

**ONE MILLION SEVEN HUNDRED FORTY THOUSAND DOLLARS**

**(\$1,740,000)\*\***

*\*Rounded to the nearest \$10,000*

*\*\*See Extraordinary Assumption*

## Final Reconciliation

The process of reconciliation involves the analysis of each approach to value. The quality of data applied, the significance of each approach as it relates to market behavior and defensibility of each approach are considered and weighed. Finally, each is considered separately and comparatively with each other.

VALUE INDICATIONS		
<b>Land Value:</b>	\$2,600,000***	\$1,740,000**
<b>Cost Approach:</b>	NA	NA
<b>Sales Comparison Approach:</b>	\$2,600,000***	\$1,740,000**
<b>Income Approach:</b>	NA	NA
<b>Reconciled Value(s):</b>	<b>Hypothetical As Is</b>	<b>Current As Is</b>
Value Conclusion(s)	\$2,600,000***	\$1,740,000**
Effective Date (s)	May 25, 2023	May 25, 2023
Property Rights	Fee Simple	Fee Simple
<i>*Rounded to the nearest \$10,000</i>		
<i>**See Extraordinary Assumption</i>		
<i>***See Hypothetical Condition</i>		

## Sales Comparison Approach

The sales comparison approach was considered and was attempted. We were able to find relatively recent and similar sales that bracket the critical elements of comparison for the subject. The adjusted range of value from the most similar sales is relatively narrow and well supported from other checks of reasonableness. A potential buyer would put significant weight on this approach. This approach is given consideration in the final reconciliation.

### **Summary of Reconciled Value Conclusion**

The most applicable approach to value has been given primary weight in the final reconciliation of value. Current listing indications and other tests of reasonableness have been taken into consideration before arriving at the final opinion of value. There is enough empirical market evidence and additional inferred support to reach a credible and reliable opinion of value in this instance. A reliable and credible conclusion is reached using the direct capitalization approach and it is given substantial weight in our final reconciliation of value.

Based on the data summarized in this report and retained in our workfile, and taking into consideration the limiting conditions and general assumptions reported as part of this analysis, we have provided a supported opinion for the **Hypothetical** Current “as is”, Fee Simple market value for the subject property as of May 25, 2023 to be as follows:

**TWO MILLION SIX HUNDRED THOUSAND DOLLARS**

**\$2,600,000\*\*\***

*\*Rounded to the Nearest \$10,000*

*\*\*See Extraordinary Assumption*

*\*\*\*See Hypothetical Condition*

Based on the data summarized in this report and retained in our workfile, and taking into consideration the limiting conditions and general assumptions reported as part of this analysis, we have provided a supported opinion for the Current “as is”, Fee Simple market value for the subject property as of May 25, 2023 to be as follows:

**ONE MILLION SEVEN HUNDRED FORTY THOUSAND DOLLARS**

**\$1,740,000\*\***

*\*Rounded to the Nearest \$10,000*

*\*\*See Extraordinary Assumption*

**APPRAISERS' CERTIFICATION**

I hereby certify that I am a competent appraiser of real estate and am competent and qualified to appraise the subject property. My expertise and experience encompasses over nine years in real estate consulting, appraising, and management. Consulting and appraisal assignments have included various commercial real estate projects, industrial properties, vacant commercial land, shopping centers, subdivisions and offices. I also have experience doing feasibility studies and appraising for special-use properties. I have a broad experience conducting real estate market studies and market analyses.

The undersigned do hereby certify that, except as otherwise noted in this appraisal report, the following is true and correct to the best of our knowledge and belief.

**USPAP 2022-23 CERTIFICATION**

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 is our personal, unbiased professional analyses, opinions, and conclusions. All contingent and limiting conditions and/or assumptions are contained herein.
3. We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest or bias with respect to the parties involved.
4. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. Our 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 or the property owner, 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. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the *Uniform Standards of Professional Appraisal Practice (USPAP)*. The report has also been prepared in conformance with the Code of Professional Ethics and the Supplemental Standards of Professional Practice of the Appraisal Institute.
8. I have made a personal inspection of the property that is the subject of this report. Michael G. Harlow has made an interior and exterior inspection of the subject as of the effective date.
9. James Cosmas, a registered trainee in the state of Arizona (RTA # 1026627), has provided professional assistance with the completion of this appraisal. Mr. Cosmas assisted with the viewing of the subject, neighborhood, and sales used. He also completed research regarding the subject property, market analysis data specific to the subject property, comparable data searches, and he conducted some of the market participant interviews. Mr. Cosmas assisted with the write up of our conclusions and was under the direct supervision of the general certified appraiser, Michael G Harlow, throughout the appraisal process. The conclusions reached are based upon the opinion of the general certified appraiser.
10. The appraiser has not performed any prior services regarding the subject within the previous three years of the appraisal date.

**ADDITIONAL CERTIFICATIONS**

1. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice. (AI C.S.R. 1-1)
2. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. (AI C.S.R. 1-2)
3. As of the date of this report, I Michael G Harlow, have completed the continuing education program of the Appraisal Institute. (AI C.S.R. 1-5)

4. The "Estimate of Market Value" in the appraisal report is not based in whole or in part upon the race, color, or national origin of the prospective owners or occupants of the property appraised, or upon the race, color, or national origin of the present owners or occupants of the properties in the vicinity of the property being appraised.
5. Our compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this report. Neither the employment to make the appraisal nor the compensation for it is contingent upon the appraised value of the property.
6. To the best of the appraisers' knowledge and belief, all statements and information in this report are true and correct, and the appraiser(s) have not knowingly withheld any significant information.
7. To the best of the appraiser(s) ability, the analyses, opinions, and conclusions contained in the appraisal were developed; and the report was prepared in accordance with the appraisal standards of the client.
8. The appraiser(s) that have prepared this report have not had their Arizona State general appraisal certification, or Arizona State residential certification revoked, suspended, canceled, or restricted.
9. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or a pre-determined valuation.



Based on the data summarized in this report and retained in our workfile, and taking into consideration the limiting conditions and general assumptions reported as part of this analysis, we have provided a supported opinion for the **Hypothetical** Current “as is”, Fee Simple market value for the subject property as of May 25, 2023 to be as follows:

**TWO MILLION SIX HUNDRED THOUSAND DOLLARS**

**\$2,600,000\*\*\***

*\*Rounded to the Nearest \$10,000*

*\*\*See Extraordinary Assumption*

*\*\*\*See Hypothetical Condition*

Based on the data summarized in this report and retained in our workfile, and taking into consideration the limiting conditions and general assumptions reported as part of this analysis, we have provided a supported opinion for the Current “as is”, Fee Simple market value for the subject property as of May 25, 2023 to be as follows:

**ONE MILLION SEVEN HUNDRED FORTY THOUSAND DOLLARS**

**\$1,740,000\*\***

*\*Rounded to the Nearest \$10,000*

*\*\*See Extraordinary Assumption*

**Respectfully submitted,**



Michael Harlow  
Harlow Appraisal Services  
General Certified Appraiser  
AZ General Certification #32236  
Expires: 8/31/2025



# **ADDENDUM**



# **APPRAISER'S QUALIFICATIONS**



**POSITION** Certified General Appraiser, Harlow Appraisal Services

**BIOGRAPHY** I moved to Arizona in December of 2013 and started working for Lucas P. Still, MAI to achieve experience for a general certification. Started working in the Appraisal Profession in April of 2014 in Lake Havasu City, Arizona. Received the Arizona General Certification in September of 2017. I specialize in Mohave, La Paz, and Coconino County. Working with the same market participants for many years gives Harlow Appraisal Services a unique ability track market conditions, trends and provide meaningful analysis.

**EDUCATION** **COLLEGE EDUCATION**

BA, Political Science - University of Arizona – Tucson, 2011

**COURSES SUCCESSFULLY PASSED, SPONSORED BY THE DEPARTMENT OF FINANCIAL INSTITUTIONS FOR THE STATE OF ARIZONA:**

1. -Course (ABA #0707-672-8): AP-08 Statistics, Modeling, Finance Class 1, 2014, 15 Hours
2. Course (ABA 0713-1190) Supervising Beginning Appraisers, 2014, 4 Hours
3. Course (ABA D0714-1311) Online Business Practices and Ethics, 2016, 5 Hours
4. Course (ABA 0906-570-2) Basic Appraisal Procedures, 2014, 30 Hours
5. Course Basic Appraisal Principals, 2014, 30 Hours
6. Course (ABA 1213-1241-03) National USPAP, 2014, 15 Hours
7. -Course (ABA D0214-1278-13): Online General Appraiser Sales Comparison Approach, 2015, 30 Hours
8. -Course (ABA 0612-1100-14): General Appraiser Income Approach/Part 1, 2015, 30 Hours
9. -Course (ABA 0315-1387-14): General Appraiser Income Approach/Part 2 2015, 30 Hours
10. -Course (ABA 0214-1275-11): General Appraiser Market Analysis and Highest & Best Use, 2015, 30 Hours,
11. -Course (ABA 1113-1222-10): Advanced Market Analysis and Highest & Best Use, 2015, 35 Hours
12. -Course (ABA 0612-1102-12): General Appraiser Site Valuation & Cost Approach, 2015, 30 Hours
13. -Course (ABA 0214-1276-15): General Appraiser Report Writing and Case Studies, 2016, 30 Hours
14. Course: Appraising Automobile Dealerships, 2018, 7 Hours

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PO Box 3474  
Lake Havasu City, AZ 86405  
Phone: (702) 727-7347  
Mgharlow03@gmail.com

15. Course: Appraising Convenient Stores, 2018, 7 Hours
16. Course (ABA 0118-1582) National USPAP, 2018, 7 Hours
17. Course (ABA 0214-1269-10) Advanced Income Capitalization, 2019, 33 Hours
18. Course (D0920-0000041) Subdivision Valuation, 2021, 7 Hours
19. Course (ABA D0612-1093) Forecasting Revenue, 2021, 7 Hours
20. Course (D0618-1703) Analyzing Operating Expenses, 2021, 7 Hours
21. Course (D0120-0000003) National USPAP, 2021, 7 Hours
22. Course (60269) Supervisory Appraiser/Trainee Appraiser, 2022, 4 Hours
23. Course (76615) Quantitative Analysis, 2022, 35 Hours
24. Course (74437) Advanced Concepts & Case Studies, 2022, 38 Hours
25. Course (80386) National USPAP, 2023, 7 Hours
26. Course (60077) Appraisal of Medical Office Buildings, 2023, 7 Hours
27. Course (82178) Small Hotel/Motel Valuation, 2023, 7 Hours
28. Course (61721) Appraising Automobile Dealerships, 2023, 7 Hours
29. Course (48279) Business Practice and Ethics, 2023, 6 Hours

**RANGE OF EXPERIENCE**

Over nine years of Real Estate Appraisal and consulting experience for a wide variety of local, regional, and national clients in Southern Nevada, Northwestern Arizona, and California (San Bernardino County).

Significant valuation experience involves a wide range of residential properties including mixed use and complex valuation assignments. Specialized valuation experience includes Residential subdivisions, Apartments, Custom Built Homes, Federal Land Acquisition, Highest and Best Use, Leased Fee, Leasehold, Limited Market Property, Public and Private Easements, Special Use Property (a.k.a. Special Purpose Property), Undivided Partial Interests, etc. I have worked with Luke Still, MAI on expert witness court cases primarily for deficiency judgments and fair market value proceedings. My strongest areas of expertise include subdivision analysis, development consulting, and financial feasibility studies.

**PROFESSIONAL AND BUSINESS HISTORY**

LS Appraisal Services, Appraiser Trainee (#T0004), April 2014-September 2017, Lake Havasu City, AZ

LS Appraisal Services, Certified General Appraiser, September 2017-May 2019, Lake Havasu City, AZ

Harlow Appraisal Services, Certified General Appraiser, May 2019-Present, Lake Havasu City, AZ

**PROFESSIONAL CERTIFICATIONS**

Arizona General Certification: #32236, Expires: 08/31/2025

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Harlow Appraisal Services  
PO Box 3474  
Lake Havasu City, AZ 86405  
Phone: (702) 727-7347  
Mgharlow03@gmail.com

## **PARTIAL LIST OF IMPORTANT CLIENTS SERVED:**

### Lending/Financial/Insurance Institutions

1. Lake Havasu City	2. Wells Fargo
3. First Savings Bank	4. National Bank of Arizona
5. Bank of America	6. Bank West of Arizona
7. Mohave State Bank	8. Met Life Home Loans
9. Jim and Ken Komick (Developers)	10. Zions National Bank
11. Mohave County	12. Horizon Community Bank
13. San Bernardino County	14. Compass Bank
15. Mutual Bank of Omaha	16. Mercury Real Estate Solutions
17. Mission Bank	18. Army Corps of Engineers
19. City of Kingman	20. Bullhead City
21. Mohave County	22. Department of Economic Security
23. 1 <sup>st</sup> National Bank of Arizona	24. Bank One

### **APPRAISER**

#### **SERVICE AREAS**

Mohave County (AZ), La Paz County (AZ), San Bernardino County (CA), Coconino County, Navajo County, Yavapai County

### **PROPERTY TYPES**

#### **APPRAISED**

All commercial properties including but not limited to: Residential subdivisions, apartment complexes, industrial flex, industrial, multi-family, office (professional and medical), retail, RV/boat storage complexes, mixed use type properties, and vacant land.

All residential properties including but not limited to: Single Family Residential 1-4 units, condominiums, custom built homes, new construction.

**COPY OF ARIZONA REAL ESTATE  
CERTIFICATION**





**Department of Insurance and Financial Institutions**  
**State of Arizona**

**CGA - 32236**

This document is evidence that:  
Arizona Revised Statutes, relating to the establishment and operation of a:

**MICHAEL G HARLOW**

has complied with the provisions of

**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**

**MICHAEL G HARLOW**

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 : **August 31, 2025**

# **ENGAGEMENT LETTER**



APPRAISAL ENGAGEMENT LETTER

5/25/2023

File: MH2023-061

**Michael G. Harlow,  
President**

**Real Estate Appraisal  
& Real Estate  
Consulting**

**Including:**

**Financing**

**Condemnation**

**Partial Interests Lease-**

**by-Lease**

**Leasehold Interests**

**General Consulting**

Michael G. Harlow  
Harlow Appraisal Services  
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Email: mgharlow03@gmail.com

Luke W Morris, AICP  
Planning Division Manager  
Lake Havasu City  
Phone: (928) 854-0722  
Email: MorrisL@LHCAZ.GOV

Dear Mr. Luke Morris,

Thank you for choosing Harlow Appraisal Services for your valuation services needs. I am confident that you will be very satisfied with the services that we offer.

Enclosed please find our Agreement for Services. If this Agreement is acceptable to you, please sign and return to our office via mail or email. Once we receive the executed Agreement from you and retainer of [REDACTED] we will expedite your request and inspect the subject property.

If you have questions, please don't hesitate to contact me. I can be reached at 702-727-7347.

Again, thank you for choosing Harlow Appraisal Services.

Respectfully submitted,



**Michael G. Harlow**  
Arizona Certified General Appraiser's License #  
32236 Expires 08/31/2023

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Michael G. Harlow  
4646 Fossil Creek Dr, Lake Havasu City, AZ 86015  
Phone: 702-727-7347

## AGREEMENT FOR PROFESSIONAL VALUATION SERVICES

DATE OF AGREEMENT: May 25, 2023

**PARTIES TO AGREEMENT: Client:**

Luke W Morris, AICP  
Planning Division Manager  
Lake Havasu City  
Phone: (928) 854-0722  
Email: MorrisL@LHCAZ.GOV

**Appraiser:**

Michael G. Harlow  
Mail to: 4646 Fossil Creek Dr  
Bellemont, AZ 86015  
Phone: 702-727-7347  
Email: mgharlow03@gmail.com

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### PROPERTY IDENTIFICATION

2801 HWY 95, Lake Havasu City, AZ 86406 (APN 106-28-050A)

#### PROPERTY TYPE

Vacant Land

#### INTEREST VALUED

Fee Simple

#### INTENDED USERS

The client is Luke W. Morris, AICP, Planning Division Manager for Lake Havasu City. The appraisal report is written specifically for the client. Any use of the appraisal by a third party, or for a use other than the stated below, is an unintended and unauthorized use.

*Note: No other users are intended by Appraiser. Appraiser shall consider the intended users when determining the level of detail to be provided in the market rent report.*

#### PURPOSE OF REPORT

The purpose of this report is to provide an 'as is' market value of the subject property per the definition sourced from FIRREA.

#### INTENDED USE

The intended use of this appraisal will be for the client to use for internal decision making regarding the subject property, and the appraisal will assist in this matter.

*Note: No other use is intended by Appraiser. The intended use as stated shall be used by Appraiser in determining the appropriate Scope of Work for the assignment.*

#### TYPE OF VALUE

Current "as is" market value

#### DATE OF OPINION

Current

#### ADDITIONAL PROPERTY TO BE VALUED

None

#### HYPOTHETICAL CONDITIONS, EXTRAORDINARY ASSUMPTIONS

None

**APPLICABLE REQUIREMENTS OTHER THAN THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE (USPAP)**

The Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute/Applicable State of Arizona appraisal requirements.

**ANTICIPATED SCOPE OF WORK**

**Site visit:**

Exterior observation of the property being appraised.

**Valuation approaches:** All applicable approaches to value will be employed. Note: Appraiser shall use all approaches necessary to develop a credible opinion of value

**Appraisal REPORT**

**Report option:**

Appraisal Report (USPAP Standard 2-2a)

**Form or format:**

Appraisal Report (one specific user is identified).

**CONTACT FOR PROPERTY ACCESS, IF APPLICABLE**

Client Contract Information (Please Provide): \_\_\_\_\_

Phone: \_\_\_\_\_

**PROPERTIES UNDER CONTRACT FOR SALE**

If there is a sales contract in place, an offer on the property or any listing history for the subject in the past 12 months, please provide details. USPAP requires the appraiser to report all known sales information in the past 3 years and any listing information from the past 12 months.

**ADDITIONAL DOCUMENTATION**

Client agrees to provide Appraiser with the documentation as required to complete this appraisal assignment. This documentation should be provided with the signed engagement letter and retainer fee for appraisal services. Failure to provide such documentation could result in an extended delivery date.

**DELIVERY DATE**

I will deliver this report in approximately 4 weeks from the date the assignment is engaged.

**DELIVERY METHOD**

Electronic Delivery (PDF copy)

**NUMBER OF COPIES**

Hard Copies provided upon request

**PAYMENT TO APPRAISER**

The total appraisal fee for the assignment will be [REDACTED]. A retainer of [REDACTED] will be required upon engagement, with the balance being due and payable prior to receipt to receipt of the appraisal reports.

If further litigation support is needed, the hourly fee will be [REDACTED] hour and another engagement letter will be provided with an appropriate retainer paid.

---

Michael G. Harlow  
4646 Fossil Creek Dr, Lake Havasu City, AZ 86015  
Phone: 702-727-7347

**WHEN APPRAISER'S OBLIGATIONS ARE COMPLETE**

Appraiser's obligations pursuant to this Agreement are complete when the Report in the form specified in this Agreement is delivered to Client pursuant to this Agreement. Appraiser agrees to be responsive to Client's legitimate inquiries regarding the contents of the report after delivery.

**CONFIDENTIALITY**

Appraiser shall not provide a copy of the written Report to, or disclose the results of the market rent analysis prepared in accordance with this Agreement to, any party other than Client, unless Client authorizes, except as stipulated in the Confidentiality Section of the Ethics Rule of the Uniform Standards of Professional Appraisal Practice (USPAP). In addition, I have reviewed and signed an additional confidentiality agreement provided by the client which will be retained in the appraisers' workfile.

**USE OF EMPLOYEES OR INDEPENDENT CONTRACTORS**

Appraiser may use employees or independent contractors at Appraiser's discretion to complete the assignment, unless otherwise agreed by the parties. Notwithstanding, Appraiser shall sign the written Report and take full responsibility for the services provided as a result of this Agreement.

**SERVICES NOT PROVIDED**

The fees set forth in this Agreement apply to the appraisal consulting services rendered by Appraiser as set forth in this Agreement. Unless otherwise specified herein, Appraiser's services for which the fees in this Agreement apply shall not include meetings with persons other than Client or Client's agents or professional advisors; Appraiser's deposition(s) or testimony before judicial, arbitration or administrative tribunals; or any preparation associated with such depositions or testimony. Any additional services performed by Appraiser not set forth in this Agreement will be performed on terms and conditions set forth in an amendment to this Agreement, or in a separate agreement.

**TESTIMONY AT COURT OR OTHER PROCEEDINGS**

Unless otherwise stated in this Agreement, Client agrees that Appraiser's assignment pursuant to this Agreement shall not include Appraiser's participation in or preparation for, whether voluntarily or pursuant to subpoena, any oral or written discovery; sworn testimony in a judicial, arbitration or administrative proceeding; or attendance at any judicial, arbitration or administrative proceeding relating to this assignment.

**CHANGES TO AGREEMENT**

Any changes to the assignment as outlined in this Agreement shall necessitate a new Agreement. The identity of the Client, intended users, or intended use; the date of value; type of value; or property appraised cannot be changed without a new Agreement.

**CANCELLATION**

Client may cancel this Agreement at any time prior to report's Appraiser's delivery of the Report upon written notification to Appraiser. Client shall pay Appraiser for work completed on assignment prior to Appraiser's receipt of written cancellation notice, unless otherwise agreed upon by Appraiser and Client in writing.

**GOVERNING LAW AND JURISDICTION**

This Agreement shall be governed by the law of the state in which Appraiser's office as specified in this Agreement is located, exclusive of that state's choice of law rules. The parties agree that any legal proceeding brought by either party to interpret or enforce this Agreement, or to enforce an arbitration award entered pursuant to this Agreement, shall be brought in a state or federal court having jurisdiction over the location of Appraiser's office as specified in this Agreement, and the parties hereby waive any objections to the personal jurisdiction of said court.

**APPRAISER INDEPENDENCE**

Appraiser cannot agree to provide a value opinion that is contingent on a predetermined amount. Appraiser cannot guarantee the outcome of the assignment in advance. Appraiser cannot ensure that the opinion of value developed as a result of this Assignment will serve to facilitate any specific objective of Client or others or advance any particular cause. Appraiser's opinion of value will be developed competently and with independence, impartiality and objectivity.

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Michael G. Harlow  
4646 Fossil Creek Dr, Lake Havasu City, AZ 86015  
Phone: 702-727-7347



**NOTICES**

Any notice or request required or permitted to be given to any party shall be given in writing and shall be delivered to the receiving party by: a) registered or certified mail, postage prepaid; (b) overnight courier, such as Federal Express, United Parcel Service or equivalent; or (c) hand delivery. The address for delivery of any notice shall be the address for the party as specified in this Agreement, or at such other address as party may designate by written notice to the other party in conformance with this paragraph. Unless otherwise specified herein, notice shall be effective the date it is postmarked or given to a third party for delivery to the receiving party, whether or not the receiving party signs for or accepts delivery of such notice.

**NO THIRD-PARTY BENEFICIARIES**

Nothing in this Agreement shall create a contractual relationship between Appraiser or Client and any third party, or any cause of action in favor of any third party. This Agreement shall not be construed to render any person or entity a third party beneficiary of this Agreement, including, but not limited to, any third parties identified herein.

**OWNERSHIP OF WORK PRODUCT**

The possession of the market rent analysis, or any copy or portion thereof, by Client or any third party does not include or confer any rights of publication or redistribution of the Report other than to such persons or entities identified in this Agreement who shall be advised in writing of Appraiser's rights under this Agreement prior to their receipt of the Report. All rights, title, and interest in (1) any data gathered by Appraiser in the course of preparing the Report (excluding any data furnished by or on behalf of Client) and (2) the content of the Report prepared pursuant to this Agreement shall be vested in Appraiser. Subject to the foregoing, Client shall have the right to possess a copy of the Report and to disclose the report to Client's attorneys, accountants or other professional advisors in the course of Client's business affairs relating to the property that is the object of the Report, provided that such attorneys, accountants or advisors are advised in writing of Appraiser's rights under this Agreement prior to receipt of such Report.

**MEDIATION & ARBITRATION**

In the event of a dispute concerning the subject matter of this Agreement, the parties shall in good faith attempt to resolve such dispute by negotiation between the parties' principals, or, if such negotiation is unsuccessful, by mediation conducted by a third-party mediator. If such mediation results in an impasse, the parties shall submit their dispute to binding arbitration. Such mediation or, if necessary, binding arbitration shall be conducted pursuant to the mediation procedures or the commercial arbitration rules of the American Arbitration Association. Any arbitration shall be conducted in the city in which Appraiser's office as specified herein is located. The parties shall share equally the costs of any mediation. In the event of binding arbitration, the arbitrators shall, in addition to any relief appropriate to be awarded to the prevailing party, enter an award in favor of the prevailing party for that party's costs of the arbitration, including the party's reasonable attorneys' fees and arbitration expenses incurred in prosecuting or defending the arbitration proceeding. Subject to the right of the prevailing party to recover its share of the costs of the arbitration services pursuant to the arbitrator's award, the costs of the arbitration services shall be borne equally by the parties. If the prevailing party seeks judicial confirmation of any arbitration award entered pursuant to this Agreement, the court shall, in addition to any other appropriate relief, enter an award to the prevailing party in such confirmation proceeding for its reasonable attorneys' fees and litigation expenses incurred in confirming or successfully opposing the confirmation of such an award.

**SPECIAL OR CONSEQUENTIAL DAMAGES**

Neither party shall under any circumstances be liable to the other party for special, exemplary, punitive or consequential damages, including, without limitation, loss of profits or damages proximately caused by loss of use of any property, whether arising from either party's negligence, breach of the Agreement or otherwise, whether or not a party was advised, or knew, of the possibility of such damages, or such possibility was foreseeable by that party. In no event shall Appraiser be liable to Client for any amounts that exceed the fees and costs paid by Client to Appraiser pursuant to this Agreement.

**ASSIGNMENT**

Neither party may assign this Agreement to a third party without the express written consent of the other party, which the non-assigning party may withhold in its sole discretion. In the event this Agreement is assigned by mutual consent of the parties, it shall become binding on the assigning party's permitted assigns.

---

Michael G. Harlow  
4646 Fossil Creek Dr, Lake Havasu City, AZ 86015  
Phone: 702-727-7347

**SEVERABILITY**

In the event any provision of this Agreement shall be determined to be void or unenforceable by any court of competent jurisdiction, then such determination shall not affect any other provision of this Agreement and all such other provisions shall remain in full force and effect.

**CLIENT'S DUTY TO INDEMNIFY APPRAISER**

Client agrees to defend, indemnify and hold harmless Appraiser from any damages, losses or expenses, including attorneys' fees and litigation expenses at trial or on appeal, arising from allegations asserted against Appraiser by any third party that if proven to be true would constitute a breach by Client of any of Client's obligations, representations or warranties made in this Agreement, or any violation by Client of any federal, state or local law, ordinance or regulation, or common law (a "Claim"). In the event of a Claim, Appraiser shall promptly notify Client of such Claim, and shall cooperate with Client in the defense or settlement of any Claim. Client shall have the right to select legal counsel to defend any Claim, provided that Appraiser shall have the right to engage independent counsel at Appraiser's expense to monitor the defense or settlement of any Claim. Client shall have the right to settle any Claim, provided that Appraiser shall have the right to approve any settlement that results in any modification of Appraiser's rights under this Agreement, which approval will not be unreasonably withheld, delayed or conditioned.

**CLIENT'S REPRESENTATIONS AND WARRANTIES**

Client represents and warrants to Appraiser that (1) Client has all right, power and authority to enter into this Agreement; (2) Client's duties and obligations under this Agreement do not conflict with any other duties or obligations assumed by Client under any agreement between Client and any other party; and (3) Client has not engaged Appraiser, nor will Client use Appraiser's Report for any purposes that violate any federal, state or local law, regulation or ordinance or common law.

**EXPIRATION OF AGREEMENT**

This Agreement is valid only if signed by both Appraiser and Client within five (5) days of the Date of Agreement specified.

By Appraiser:



(Signature)

Michael G. Harlow  
Arizona Certified General Appraiser's License #  
32236 Expires 08/31/2023

(Date): May 25, 2023

By Client:

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed name)

\_\_\_\_\_  
(Date)

Client SSN or Tax ID #: \_\_\_\_\_

Michael G. Harlow  
4646 Fossil Creek Dr, Lake Havasu City, AZ 86015  
Phone: 702-727-7347



# **SUBJECT PHOTOGRAPHS**







**SALE OF PROPERTY NOTICE  
&  
SALE TERMS AND CONDITIONS**





LAKE HAVASU CITY  
DEVELOPMENT SERVICES DEPARTMENT  
◆ BUILDING ◆ CODE ENFORCEMENT ◆ PLANNING AND ZONING

**NOTICE  
SALE OF CITY REAL PROPERTY – ONLINE AUCTION**

Tract 2277, Block 2, Lot 19 and Abandoned Cul De Sac's for Deepwater Dr and Cactus Wren Ln  
APN 106-28-050A, 2801 Highway 95

**1. OFFER TO PURCHASE ONLINE AUCTION**

Lake Havasu City ("City") invites offers to purchase the Property described below and currently owned by the City. Purchase Offers will be web-based and placed in connection with an online auction through GovDeals from 5:00 p.m. Arizona Time on Monday, August 7, 2023, until 3:00 p.m. Arizona Time on Wednesday, September 6, 2023, or as extended by GovDeals based on auction activity. Any and all sales are subject to award by the Mayor and City Council, and the City reserves the right to reject any and all offers.

**2. PROPERTY DESCRIPTION**

The Property, APN 106-28-050A, Tract 2277, Block 2, Lot 19 and Abandoned Cul De Sac's for Deepwater Dr and Cactus Wren Ln, is approximately 10.29 acres. The parcel is located on Highway 95, Lake Havasu City, Arizona. The Property is currently zoned Limited Commercial/Planned Development (C-1/PD) and has conditions per Lake Havasu City Ordinance 08-936.

**3. DISCLOSURE**

Purchaser is informed that a release of hazardous substances and/or regulated substances occurred at or near the property. The property includes three groundwater monitoring wells. Upon purchase of this property, the new owner will assume responsibility for the wells and shall grant the right of access to the wells to the Arizona Department of Environmental Quality.

**4. ADDITIONAL SALES TERMS AND CONDITIONS**

Prior to approval of the sale, the purchaser shall enter into an agreement with the City. The agreement will include a requirement that the owner shall obtain a building permit for the structure of primary use of the property within 36 months and obtain a Certificate of Occupancy within 72 months of the winning bid date. If this condition is not met, the property shall revert to the City and the City shall refund to the current property owner the lesser of the original bid purchase price or the appraised value of the property less the appraisal fee at the time of this condition default. The obligations under the separate agreement required by this Section 4 shall survive closing of the sale of property that is the subject of this Notice.

**5. OFFER PRICE**

Offer Price should be no less than the auction reserve price set by the City; however, all offers will be considered. Final purchase price will also include all costs incurred for the sale of the Property, including but not limited to a 4% online auction buyer's premium and closing costs. If the successful bidder is not the applicant who submitted the initial request, then the successful bidder will reimburse the \$2,250 appraisal cost and the \$300 title report fee to the applicant.

**6. OFFER SECURITY**

Each bidder is required to submit a bid deposit in the amount of \$5,000. The deposit will be fully refunded to those who do not win the auction. You must register to become a bidder with GovDeals before your bid deposit can be posted. Bid deposit instructions are available on the auction site.

**Additional information on reverse side.**



7. OFFER DOCUMENTS

The Purchase Offer instructions and documents, as well as contact information for questions, can be found at the following website: <https://www.govdeals.com/LakeHavasuRealEstate>



For any additional questions regarding this sale of property, please contact Luke Morris at (928) 854-0722 or [MorrisL@lhcaz.gov](mailto:MorrisL@lhcaz.gov).

Luke Morris  
Planning Division Manager  
Lake Havasu City

# ZONING REGULATIONS



### 14.02.02. Summary Table

<b>Table 2-1: Lake Havasu City, Arizona – Zoning District Comparison</b>	
<b>Zoning Districts</b>	
<b>Base Zoning Districts</b>	
<b>Residential</b>	
R-A Residential Agricultural	
R-E Residential Estate	
R-1 Single-Family	
R-2 Two-Family	
R-3 Limited Multiple-Family	
RMH Manufactured Home District	
R-M Multiple-Family	
R-UMS Uptown McCulloch Main Street	
R-CHD Commercial and Health	
R-SGD Southgate District	
<b>Mixed Use and Special Purpose</b>	
MU – N Mixed Use Neighborhood	
MU – G Mixed Use - General	
<b>Mixed Use</b>	<b>Commercial</b>
MU-UMS	
	C-CHD
MU-CRW	
	C-SGD
I-B Island-Beach	
C-1 Limited Commercial	
C-2 General Commercial	
LI Light Industrial	
I Industrial	
A-P Agriculture / Preservation	
P-1 Public Lands and Facilities	
GC Golf Course	
<b>Overlay Districts (3)</b>	
AP-O Airport Overlay	
NK-O North Kiowa Overlay	
PD-O Planned Development Overlay	



C. C-1: LIMITED COMMERCIAL DISTRICT

C. C-1: LIMITED COMMERCIAL DISTRICT

1. PURPOSE

This district is intended to provide for a limited range of smaller scale commercial activities that may often be oriented toward automobile access and visibility from arterial streets, but that also allow and encourage non-vehicular connectivity and walkability between the permitted uses. The principal land uses are commercial sales and service facilities, as provided in Table 3-1 (Permitted Use Table).

**TABLE 2-19**  
**C-1 DISTRICT DIMENSIONAL STANDARD SUMMARY**

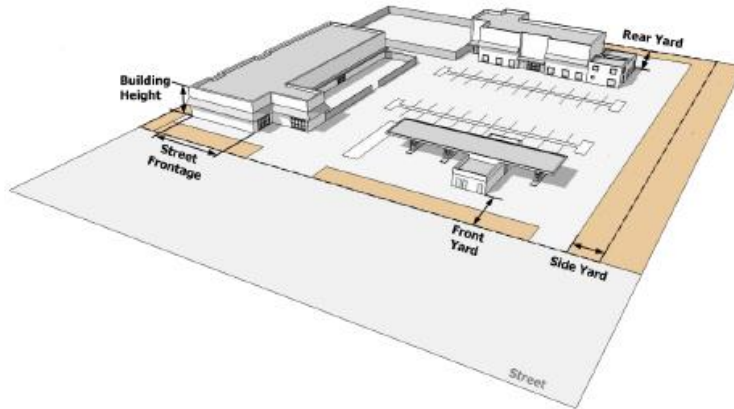
LOT STANDARDS	
Minimum lot area	2,000 sq. ft.
Minimum lot width	N/A
Minimum lot depth	N/A
Maximum lot coverage	N/A
Maximum density	N/A
BUILDING STANDARDS	
Minimum depth front yard	N/A
Minimum width of side yard	N/A
Minimum depth of rear yard	N/A
Maximum height of primary building	25 ft.

This Table is a summary of selected standards; refer to Article 4 Dimension Standards, for additional regulations.

2. EXAMPLES



3. ILLUSTRATION



4. OTHER STANDARDS

All development shall comply with all other applicable regulations in this Development Code including, without limitation, the Permitted Use regulations in Article 3 and the Form and Development regulations in Article 4.

## Permitted Uses

Table 3-1: Lake Havasu City Permitted Use Table																									
P = Permitted Use   C = Conditional Use   A = Accessory Use   T = Temporary																									
Zoning District	Residential Use					Mixed Use				Special Purpose					Use-Specific Standards										
	R-A	R-E	R-1	R-2	R-3	R-M	R-MH	R-UMS	R-CHD	R-SGD	C-CHD	MU-N	MU-G	MU-UMS		MU-CRW	C-SGD	C-1	C-2	LI	I	I-B	A-P [1]	P-1	GC
<b>Land Use Category</b>																									
<b>RESIDENTIAL USES</b>																									
<b>Household Living</b>																									
Dwelling, single-family detached	P	P	P	P	P	P	P	P	P	P	P											A	A		14.03.03.A.1 14.02.03.G.4.g
Dwelling, single-family attached				P	P	P	P	P	P	P	P														14.03.03.A.2
Dwelling, two-family				P	P	P	P	P	P	P	P														
Dwelling, co-housing				P	P	P	P	P	P	P	P	P	P												14.03.03.A.3
Dwelling, live/work								P	P	P	P	P	P												14.03.03.A.4
Dwelling, multi-family					P	P	P	P	P	P	P	P	P									P			14.03.03.A.5
Dwelling, vacation rental	A/P	A/P	A/P	A/P	A/P	A/P	A/P	A/P	A/P	A/P	A/P	A/P	A/P												14.03.03.A.6
Manufactured housing park								P																	14.03.03.A.7
Manufactured home outside of a manufactured housing park							P																		
<b>Group Living</b>																									
Continuing care retirement community				C	C	C	P	P	P	P	P	P	P												14.03.03.A.8
Residential care facility				C	C	C	P	P	P	P	P	P	P									C			14.03.03.A.9
<b>PUBLIC AND INSTITUTIONAL USES</b>																									
<b>Community Service</b>																									
Cemetery or mausoleum																						P			14.03.03.B.1
Clubs, lodges, and private meeting halls										P	C	P	P	P	P	P	P	P						A	
College or university										C		C	P										P		14.03.03.B.2
Community centers	P	A		A	A	A	A	P	P	P	P	P	C									P	A		
Day care facility	P	P	P	P	P	A	A	A	A	P	P	P	A		P	A	A	P		P	P	P	A		14.03.03.B.3
Elementary and secondary school	P	P	P	P	P	P	P	P	P	P	P											P			
Funeral home or mortuary										P								P	P						
Golf course	P	P									P								P		C	C	P	P	14.03.03.B.4
Hospital										P	P	P			P	P	P	P				P			14.03.03.B.5
Library, museum, or gallery				C	C	C	C	C	C	P	P	P	P	P	P	P	P				P		P		
Long-term medical care facility	P					P		P	P	P					P	P	P	P							
Open space, park, or playground	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	14.03.03.B.6
Public safety facility												P				P	P	P	P	P	P	P	P		
Religious facility	C	C	C	P	P	P	P	P	P	P	P	P	P	P	P	P	P	C							
Water-related facility														A							P				14.03.03.B.7
<b>Utilities &amp; Communications</b>																									
Public utility facility, major																P	P	P	P			P			
Public utility facility, minor	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	14.03.03.B.8
Telecommunications facility			C			A	A	A	A	A	A	A	A	A	C	A	C	C	C	C	C	C	C	A	14.03.03.B.9
<b>COMMERCIAL USES</b>																									
<b>Agriculture and Animal Related</b>																									
Agriculture	P																					P			14.03.03.C.1
Animal boarding	C											C	C	C	C	C	P	P				C			14.03.03.C.2
Animal grooming and care										P	P	P			P	P	P	P							
Community gardens	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	14.03.03.C.3
Plant nursery or garden supply	P											C	C	C	P		P	P	P	P		P			
Veterinary hospital										P	P	P			P	P	P	P							14.03.03.C.4

For general reference only. Contact a Planning and Zoning Division representative for more information. Rev 04/12/2022

## Permitted Uses

Table 3-1: Lake Havasu City Permitted Use Table																									
P = Permitted Use   C = Conditional Use   A = Accessory Use   T = Temporary																									
Zoning District	Residential Use							Mixed Use				Special Purpose				Use-Specific Standards									
	R-A	R-E	R-1	R-2	R-3	R-M	R-MH	R-UMS	R-CHD	R-SGD	C-CHD	MU-N	MU-G	MU-UMS	MU-CRW		C-SGD	C-1	C-2	LI	I	I-B	A-P [1]	P-1	GC
<b>Food &amp; Beverage Service</b>																									
Bar or nightclub										P	P	P	A	P	P	P	P	P	P				A	14.03.03.C.5	
Restaurant										P	P	P	P	P	P	P	P	P	P				P	A	14.03.03.C.6
<b>Lodging</b>																									
Bed and breakfast				A	A	C					P	P	P	P								C	C		14.03.03.C.7
Hotels, motels, and conference facilities											P	P	P	P	P	P	P	P	P					A	14.03.03.C.8
Resort												P	P	P										A	
<b>Office</b>																									
Business, art, or vocational schools										P	C	P	P	C	P	P	P	P	P						
Offices										P	P	P	P	P	P	P	P	P	P					P	
Medical offices and clinics										P	P	P	P	P	P	P	P	P	P						
Research and development laboratory										P	P	P	P	P	P	P	P	P	P						
<b>Personal Services</b>																									
Personal services										P	P	P	P	P	P	P	P	P	P				A		14.03.03.C.9
Self-storage (mini-storage)												P						P	P						14.03.03.C.10
<b>Recreation &amp; Entertainment</b>																									
Entertainment, Adult																				C					14.03.03.C.11
Indoor recreation or entertainment										P	P	P	P	P	P	P	P	P	P				P	A	
Motorsports facility																			C	C					14.03.03.C.13
Outdoor recreation or entertainment											P	P	P				P	P	P	P					
Shooting range																								C	
Studio										P	P	P	P	P	P	P	P	P	P						
Theaters and auditorium												P	P	P	P	P	P	P	P					C	
<b>Retail</b>																									
Alcohol beverage sales										P	P	P	P	P	P	P	P	P	P				P	A	14.03.03.C.14
Building material store															P	P	P	P	P						
Gas Station (fuel sales)												P	C	P	C	P	P	P	P						14.03.03.C.15
General retail, small										P	P	P	P	P	P	P	P	P	P						14.03.03.C.16
General retail, large												P	P		P	P	P	P							14.03.03.C.16
Medical marijuana dispensary or infusion facility																		P	P						14.03.03.C.17
Marijuana establishments and marijuana testing facilities																		P	P						14.03.03.C.17
Retail, adult											P			P	P	P	P	P							14.03.03.C.11
Retail, big box															P	P	P	P	P						
<b>Vehicles &amp; Equipment</b>																									
Airport and support services																								P	
Car wash											P				C	C	P	P	P						
Heavy vehicle and equipment sales, rental, or service																		C	P	P					
Light vehicle sales or rental											C			P	P	P	P	P							
Light vehicle service or repair															P	P	P	P							
Light watercraft sales, rental, or service											C		C	P	P	P	P	P	C						
Marina											C		C							P			P		
Marine equipment sales, rental, service, and storage															P	P	P	P							
Parking facility										A	A	P	P	P	P	A	P	P	P	P				P	

For general reference only. Contact a Planning and Zoning Division representative for more information. Rev 04/12/2022

## Permitted Uses

Table 3-1: Lake Havasu City Permitted Use Table																										
P = Permitted Use   C = Conditional Use   A = Accessory Use   T = Temporary																										
Zoning District	Residential Use				Mixed Use				Special Purpose				Use-Specific Standards													
	R-A	R-E	R-1	R-2	R-3	R-M	R-MH	R-UMS	R-CHD	R-SGD	C-CHD	MU-N		MU-G	MU-UMS	MU-CRW	C-SGD	C-1	C-2	LI	I	I-B	A-P [1]	P-1	GC	
Recreational vehicle park																			C	C	C	C			14.03.03.C.19	
Vehicle and freight terminals																				P	P					
<b>INDUSTRIAL USES</b>																										
<b>Commercial Services</b>																										
Outdoor storage																A		C	P	P			A	A		14.03.03.D.1
Warehouse and wholesale distribution																			P	P	P					
<b>Manufacturing &amp; Processing</b>																										
Heavy industry																					P					
Light industry																				P	P					
Medical marijuana cultivation facility																			C	C	C		P			14.03.03.C.17
Storage or use of hazardous materials																						C				
<b>Waste &amp; Salvage</b>																										
Recycling, large collection or light processing facility																				P	P					
Recycling, small collection facility						A	A	A	A	A	A	A	A	A	A	C	A	P	P	P	P	A	A	A		
<b>ACCESSORY USES</b>																										
Accessory automated teller machine (ATM)											A	A	A	A	A	A	A	A	A	A	A	A	A	A		
Accessory caretaker's quarters											A	A	A	A	A	A	A	A	A	A	A	A	A	A		
Accessory drive-in or drive-through											A	A	A	A	A	A	A	A	A	A	A					
Accessory dwelling unit	A	A	A	A	A	A	A	A	A	A	A	A							A	A	A	A			14.03.03.E.1	
Accessory heliport											A															
Accessory home occupation	A	A	A	A	A	A	A	A	A	A	A	A											A		14.03.03.E.2	
Accessory navigational use																A									14.03.03.E.3	
Accessory outdoor dining											A	A	A	A	A	A	A	A	A	A		A			14.03.03.E.4	
Accessory outdoor retail sales												A	A	A	A	A	A	A	A	A	A			A	14.03.03.E.5	
Accessory residential care home	A	A	A	A	A	A	A	A	A	A	A	A											A		14.03.03.E.6	
Accessory residential recreation facility				A	A	A					A	A	A	A												
Accessory structure, not for occupancy	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	14.03.03.E.7	
Accessory swimming pools	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	14.03.03.E.8	
Accessory water related use												A	A									A				
Accessory use, other customary	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A		
<b>Temporary Uses</b>																										
Temporary construction office or yard	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	14.03.03.F.1	
Temporary event or sales	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	14.03.03.F.2	
Temporary real estate sales office	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	14.03.03.F.3	
Temporary use, other customary	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	14.03.03.F.4	
[1] In the A-P District, land uses are permitted as indicated, provided the applicant obtains any required federal, state, or county permits for the activity.																										



## Permitted Uses

### 14.03.01. General – Using the Permitted Use Table

Table 3-1 (Permitted Use Table) lists each land use available in the City and indicates whether it is allowed by right, with a Conditional Use Permit, as an accessory or temporary use, or prohibited, in each base zoning district. References to additional regulations (i.e., use-specific standards) applicable to a certain land use are also included in the right hand column. Other property uses or restrictions on uses may be contained in the City's base or overlay zoning district regulations in Article 2 (Zoning Districts). If a property is located in a PD-O (Planned Development Overlay) district, the permitted uses, conditional use, and any conditions on those uses are contained in the rezoning ordinance and related documents for that property.

#### A. PERMITTED USES

A "P" in a cell of the Permitted Use Table indicates that the land use is allowed by right in that zoning district, subject to compliance with the use-specific standards referenced in the right hand column for that use.

#### B. CONDITIONAL USES

A "C" in a cell of the Permitted Use Table indicates that the land use is allowed in that zoning district only upon approval of a Conditional Use Permit as described in Section 14.05.04.G (Conditional Use Permit, Minor and Major) and subject to compliance with any use-specific standards referenced in the right hand column for that use.

#### C. PROHIBITED USES

A blank cell in the Permitted Use Table indicates that the land use is prohibited in that zoning district.

#### D. ACCESSORY USES

An "A" in a cell of the Permitted Use Table indicates that the land use is allowed in that zoning district only if it is incidental and subordinate to a permitted primary use of the land in that district (i.e., a P or C use that has been approved for the site).

#### E. TEMPORARY USES

A "T" in a cell of the Permitted Use Table indicates that the use is permitted in that zoning district for a temporary amount of time and only after approval of a Temporary Use Permit (Section 14.05.04.F) and subject to compliance with any use-specific standards referenced in the right hand column for that use.

#### F. OVERLAY DISTRICT PROVISIONS GOVERN

When a property is located within the boundaries of one or more of the overlay districts listed in Section 14.02.06 (Overlay Zoning Districts), the provisions for that overlay district prevail over those in the base zoning district. For example, if a use is prohibited in the base zoning district where the property is located, but is a permitted use in an overlay district applicable to the same property, then the use is allowed on that property. On the other hand, if a use is listed as a permitted use in the base zoning district but is listed as a conditional use in an overlay zoning district applicable to the same property, then the use is a conditional use for that property. Where a property is located in more than one overlay district, then the most restrictive use provision in those overlay zoning districts shall apply to the property.

## Permitted Uses

### **G. USE-SPECIFIC STANDARDS**

When a land use is allowed in a zoning district, there may be additional standards that apply to that specific use. Those additional standards (use-specific standards) are cross-referenced in the right hand column of the Permitted Use Table. These cross-referenced standards appear in Section 14.03.03 (Use-Specific Standards) immediately following the Permitted Use Table.

### **H. UNLISTED USES**

When a proposed land use is not explicitly listed in the Permitted Use Table, the Zoning Administrator shall determine whether or not it is included in the definition of a listed use or is so consistent with the size, scale, operating characteristics and external impacts of a listed use that it should be treated as the same use. Any such interpretation shall be made available to the public and shall be binding on future decisions of the City until the Director makes a different interpretation or this Development Code is amended to treat the use differently.

### **I. LICENSES AND PERMITS REQUIRED**

All uses required by the State of Arizona or the federal government to have an approval, license, or permit to operate, issued by the State or by another public, quasi-public, or regulatory agency, are required by Lake Havasu City to obtain and maintain that State approval, license, or permit at all times. Failure to do so constitutes a violation of this Code.

# **ASSESSOR PAGE & LEGAL DESCRIPTION**





106-28-050A



Show  entries

Refine Search:

Number	Site Address	Owner Name	Additional Owner Info
106-28-050A	2801 HIGHWAY 95	LAKE HAVASU CITY	

Showing 1 to 1 of 1 entries

Previous  Next

Parcel Number: 106-28-050A



Owner(s): LAKE HAVASU CITY;

Ownership Type:

Mailing Address: 2330 MCCULLOCH BLVD N LAKE HAVASU CITY, AZ 864035950

Site Address: 2801 HIGHWAY 95

Multiple Owners: No

Current Tax Bill: [Click Here](#)

GIS Map: [Click Here](#)

	Previous Year	Current Year	Future Year
Tax Year	2022	2023	2024
Tax Area	2571	2571	2571
Land Value	\$882,562	\$1,344,088	\$1,790,543
Improvement Value	\$51,952	\$52,210	\$60,488
Full Cash Value	\$1,034,514	\$1,396,298	\$1,841,031
Assessed Full Cash Value	\$181,040	\$237,371	\$303,771
Limited Value	\$635,799	\$667,589	\$700,968
Assessed Limited Value	\$111,265	\$113,491	\$115,660
Value Method	Cost	Cost	Cost
Exempt Amount	\$111,265	\$113,491	\$115,660
Exempt Type	Government and Schools - LPV	Government and Schools - LPV	Government and Schools - LPV
Assessor Use Code	9720-MUNICIP COMMER PROP	9720-MUNICIP COMMER PROP	9720-MUNICIP COMMER PROP
Assessment Ratio	17.5%	17.0%	16.5%
Property Class	0112	0112	0112

[Assessor Property Reference](#)

Supervisor District	3
Parcel Size	10.29 acres
Parcel Town	13N
Parcel Range	20W
Parcel Section	4
Assessor Description	T13N R20W SEC 3 & 4 LAKE HAVASU CITY TRACT 2277 BLK 2 LOT 19 AND ABANDONED CUL DE SAC'S FOR DEEPWATER DR AND CACTUS WREN LN PER ABANDONMENT 7182/906 RES #08-2277 CONT 448,317 SQ FT OR 10.29 ACRES 106-28-050 & POR OF RDS(106-28-050A) 2009 TAX ROLL

# **LHC City Ordinance No. 08-936**



**ORDINANCE NO. 08-936**

**AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF LAKE HAVASU CITY, MOHAVE COUNTY, ARIZONA, AMENDING THE ZONING CLASSIFICATION AND DISTRICT BOUNDARY FOR TRACT 2277, BLOCK 2, LOT 19, LOCATED WITHIN THE CORPORATE LIMITS OF LAKE HAVASU CITY FROM R-1 (SINGLE-FAMILY RESIDENTIAL) ZONING DISTRICT TO THE C-1 (LIMITED COMMERCIAL)**

**BE IT ORDAINED**, by the Mayor and City Council of Lake Havasu City, Mohave County, Arizona, as follows:

That property described hereto as Tract 2277, Block 2, Lot 19 lying within the boundaries of Lake Havasu City, Arizona, shall be and is hereby reclassified from R-1 (Single-Family Residential) zoning district to the C-1 (Limited Commercial) with the following conditions:

1. Along the western property line there shall be an improved 50-foot buffer provided by the existing utility parcel and a 35-foot building setback.

Along the southern property line a 50-foot improved buffer and an additional 100-foot building setback shall be provided.

2. Ingress/egress be limited to Highway 95; no business access through neighborhood.
3. Lighting poles be limited to 16 feet in height. Perimeter building lighting be mounted at no higher than 9 feet with no lighting permitted on west side of building. Lighting after business hours be limited and shielded to ensure no light spill onto adjacent properties.
4. Building(s) have no windows facing the South or West.
5. The maximum building pad elevation shall not exceed 570 feet.

6. A solid perimeter wall 10 feet in height along the east side of the 50-foot buffer along the west property line and north of the 50-foot buffer along the southern property line.

The wall shall be designed in a manner that ensures compatibility with adjacent neighborhood. The wall shall be made of quality masonry materials, shall not have abstract designs, and shall be approved by the Planning Commission during the public hearing required by the design review process.

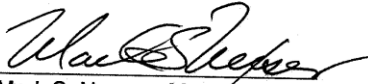
7. A landscape plan, that will be approved by the Planning Commission during the public hearing required by the design review process, include mature landscaping along perimeter wall that shows plantings in 10-foot intervals with trees starting at a minimum 5 feet in height.

Pedestrian access shall be limited to an improved area at the end of Deepwater Lane as approved by the Planning Commission during the public hearing required by the design review process. Direct pedestrian access shall be prohibited through adjacent residential properties.

In addition, the landscape plan shall show how mature planting materials adjacent to the proposed structure will be used to mitigate possible negative visual impacts to adjacent owners approved by the Planning Commission during the public hearing required by the design review process.

8. Overnight parking of delivery trucks be prohibited.
9. All deliveries and trash pickup occur between 7:00 a.m. and 8:00 p.m.
10. Design review be approved by the Planning Commission.

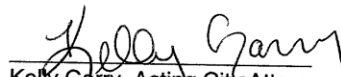
**PASSED AND ADOPTED** by the City Council of Lake Havasu City, Arizona, this 12th day of August, 2008.

APPROVED:   
Mark S. Nexsen, Mayor

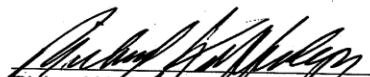
ATTEST:

  
Carla Simendich, City Clerk

APPROVED AS TO FORM:

  
Kelly Garry, Acting City Attorney

REVIEWED BY:

  
Richard Kaffenberger, City Manager

# **GLOSSARY OF ABBREVIATIONS**



## GLOSSARY OF ABBREVIATIONS

AC	Acre
APN	Assessor's Parcel Number
AVE	Avenue
AVG	Average
BLVD	Boulevard
CAM	Common Area Maintenance
CBD	Central Business District
CF	Cash Flow
CPI	Consumer Price Index
CR	Circle
CT	Court
DCR	Direct Capitalization Rate
EGI	Effective Gross Income
E/S	East Si
G	Gross
GC	Golf Course
GIM	Gross Income Multiplier
GLA	Gross Lease Area
GPI	Gross Potential Income
I-15	Interstate 15
I-515	Interstate 515
MO	Month
N	Net
N/A	Not Available/Not Applicable
NOI	Net Operating Income
N/S	North Side
NEC	Northeast Corner
NWC	Northwest Corner
OAR	Overall Rate
PC	(P.C.) Planned Community
PKWY	Parkway
PMA	Primary Market Area
PSF	Per Square Foot
RD	Road
S/S	South Side
SEC	Southeast Corner
SF	(S.F.) Square Feet/Square Foot
SFD	Single-Family Dwelling
SFR	Single-Family Residence
ST	Street
SWC	Southwest Corner
UC	Under Construction
W/S	West Side
UNK	Unknown
UNLV	University of Nevada, Las Vegas
VAC	Vacancy