



**CUSHMAN &
WAKEFIELD**

APPRAISAL OF REAL PROPERTY

Vacant Land
East 9th Street Right of Way and Unnamed Alley
Roswell, Chaves County, NM 88201

IN AN APPRAISAL REPORT

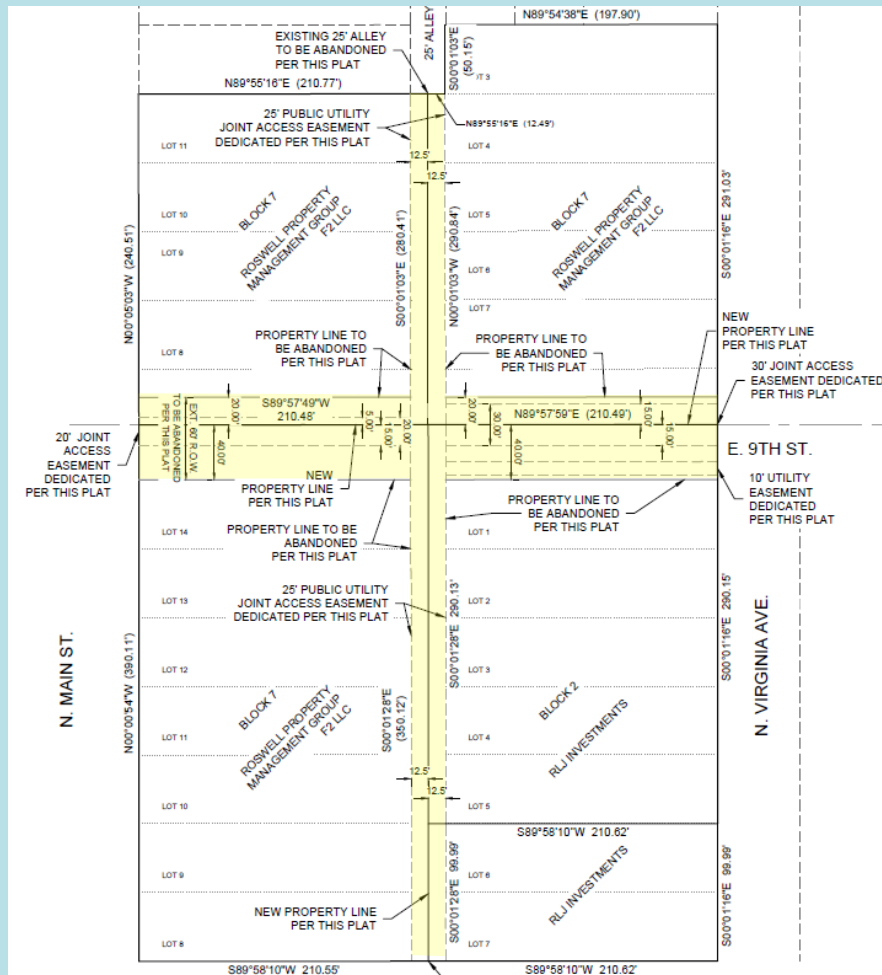
As of April 18, 2025

Prepared For:

TNT Construction
PO Box 1858/2211 W. Second
Roswell, NM 88202

Prepared By:

Cushman & Wakefield Western, Inc.
Valuation & Advisory
900 Wilshire Blvd., Suite 2400
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Vacant Land

East 9th Street Right of Way and Unnamed Alley

Vernon, Chaves County, NM 88201



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April 30, 2025

Mr. Toby Gross
Partner
TNT Construction
PO Box 1858/2211 W. Second
Roswell, NM 88202

Re: Appraisal Report

Vacant Land

East 9th Street Right of Way and Unnamed Alley
Roswell, Chaves County, NM 88201

Dear Mr. Gross:

In fulfillment of our agreement as outlined in the Letter of Engagement copied in the Addenda, we are pleased to transmit our appraisal of the above referenced property in the following Appraisal Report.

The subject property consists of a 39,535 square feet (0.91-acre) site located between four quadrants of land, three of which comprise the Roswell Ford dealership in Roswell, New Mexico. The City of Roswell has preliminarily agreed to the potential sale of the land within the East 9th Street right of way that fronts the Ford dealership, as well as the alley that bisects the eastern and western sides of the dealership. The East 9th Street portion of the subject property is east of North Main Street and West of North Virginia Avenue, and the unnamed alley portion of the subject is 198 Feet East of North Main Street, south of East 10th Street and North of East 8th Street. The 0.91-acre subject property is not yet platted (and thus cannot be identified through APNs) but is within the C-2 and I-1 zoning districts, with the alleyway portion not zoned. The subject property is unimproved. We note that the subject property is noted as 35,535 square feet or 0.91 acres, according to the survey provided by the client. We have relied on this figure for our analysis.

This Appraisal Report has been prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP).

Based on the agreed-to Scope of Work, and as outlined in the report, we developed the following opinion:

Value Conclusion			
Appraisal Premise	Real Property Interest	Date of Value	Value Conclusion
Market Value As-Is	Fee Simple	April 18, 2025	\$14,000

Compiled by Cushman & Wakefield Western, Inc.

Extraordinary Assumptions

For a definition of Extraordinary Assumptions please see the Glossary of Terms & Definitions. The use of extraordinary assumptions, if any, might have affected the assignment results.

We have not received an Environmental Impact Report (EIR) as of the date of this report. This appraisal assumes the subject is free and clear of any contamination issues.

This appraisal assumes that the subject will be platted and that the proposed easements described herein are recorded. We have relied on the client's mapping and noted sizes herein for the size of the subject property. Should this differ from the subject property's total size, we also reserve the right to amend our value opinions.

Hypothetical Conditions

For a definition of Hypothetical Conditions please see the Glossary of Terms & Definitions. The use of hypothetical conditions, if any, might have affected the assignment results.

This appraisal does not employ any hypothetical conditions.

This letter is invalid as an opinion of value if detached from the report, which contains the text, exhibits, and Addenda.

Respectfully submitted,

CUSHMAN & WAKEFIELD WESTERN, INC.



John Kirby, MAI
Executive Managing Director
NM Certified General Appraiser
License No. 03437-G
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Summary of Salient Facts and Conclusions

BASIC INFORMATION

Common Property Name:	Vacant Land
Address:	East 9th Street Right of Way and Unnamed Alley Roswell, New Mexico 88201
County:	Chaves County
Property Ownership Entity:	City of Roswell

SITE INFORMATION

Land Area:	39,535 Square Feet	0.91 Acres
Site Shape:	Irregularly shaped	
Site Topography:	Level at street grade	
Frontage:	Fair	
Site Utility:	Poor	
Flood Zone Status:		
Flood Zone:	X & AH	
Flood Map Number:	35005C1370D	
Flood Map Date:	September 25, 2009	

MUNICIPAL INFORMATION

Assessment Information:	
Assessing Authority:	Chaves County
Assessor's Parcel Identification:	No Platted APNs
Current Tax Year:	2024/2025
Taxable Assessment:	Not Applicable
Current Tax Liability:	Not Applicable
Zoning Information:	
Municipality Governing Zoning:	City of Roswell
Current Zoning:	C-2, Community Commercial District I-1, Light Industrial District Not Zoned
Across-The-Fence Zoning:	C-2, Community Commercial District I-1, Light Industrial District
Is current use permitted?	Not applicable
Zoning Change Pending:	Not to our knowledge
Zoning Variance Applied For:	Not to our knowledge

HIGHEST & BEST USE

As Vacant:

Assemblage with an adjacent property and development of a commercial project built to its maximum feasible building area, consistent with demand and local market practice

As Improved:

Not applicable; the subject is unimproved

VALUATION INDICES		Market Value As-Is
VALUE DATE		April 18, 2025
Land Value		
Indicated Value:		\$14,000
Per Square Foot:		\$0.35
FINAL VALUE CONCLUSION		
Real Property Interest:		Fee Simple
Concluded Value:		\$14,000
Per Square Foot:		\$0.35
EXPOSURE AND MARKETING TIMES		
Exposure Time:		12-18 Months
Marketing Time:		12-18 Months

Extraordinary Assumptions

For a definition of Extraordinary Assumptions please see the Glossary of Terms & Definitions. The use of extraordinary assumptions, if any, might have affected the assignment results.

We have not received an Environmental Impact Report (EIR) as of the date of this report. This appraisal assumes the subject is free and clear of any contamination issues.

This appraisal assumes that the subject will be platted and that the proposed easements described herein are recorded. We have relied on the client's mapping and noted sizes herein for the size of the subject property. Should this differ from the subject property's total size, we also reserve the right to amend our value opinions.

Hypothetical Conditions

For a definition of Hypothetical Conditions please see the Glossary of Terms & Definitions. The use of hypothetical conditions, if any, might have affected the assignment results.

This appraisal does not employ any hypothetical conditions.

Property Photographs



*The above outlined portion is an approximation of the subject site.

EAST 9TH STREET PORTION OF SUBJECT SITE, LOOKING EAST**EAST 9TH STREET PORTION OF SUBJECT SITE, LOOKING NORTH****EAST 9TH STREET PORTION OF SUBJECT SITE, LOOKING WEST****EAST 9TH STREET PORTION OF SUBJECT SITE, LOOKING WEST****ALLEYWAY PORTION OF SUBJECT SITE, LOOKING SOUTH ACROSS 9TH STREET****ALLEYWAY PORTION OF SUBJECT SITE, LOOKING NORTH ACROSS 9TH STREET**

Scope of Work

Overview

Scope of work is the type and extent of research and analyses involved in an assignment. To determine the appropriate scope of work for the assignment, we considered the intended use of the appraisal, the needs of the user, the relevant characteristics of the subject property, and other pertinent factors. Our concluded scope of work is summarized below, and in some instances, additional scope details are included in the appropriate sections of the report:

Research

- We inspected the property and its environs. Physical information on the subject was obtained from the property owner's representative, public records, and/or third-party sources.
- Regional economic and demographic trends, as well as the specifics of the subject's local area were investigated. Data on the local and regional property market (supply and demand trends, rent levels, etc.) was also obtained. This process was based on interviews with regional and/or local market participants, primary research, available published data, and other various resources.
- Other relevant data was collected, verified, and analyzed. Comparable property data was obtained from various sources (public records, third-party data-reporting services, etc.) and confirmed with a party to the transaction (buyer, seller, broker, owner, tenant, etc.) wherever possible. It is, however, sometimes necessary to rely on other sources deemed reliable, such as data reporting services.

Analysis

- Based upon the subject property characteristics, prevailing market dynamics, and other information, we developed an opinion of the property's Highest and Best Use.
- We analyzed the data gathered using generally accepted appraisal methodology to arrive at a probable value indication via each applicable approach to value.
- The results of each valuation approach are considered and reconciled into a reasonable value estimate.

This Appraisal Report has been prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP).

Cushman & Wakefield Western, Inc. has an internal Quality Control Oversight Program. This Program mandates a "second read" of all appraisals. Assignments prepared and signed solely by designated members (MAIs) are read by another MAI who is not participating in the assignment. Assignments prepared, in whole or in part, by non-designated appraisers require MAI participation, Quality Control Oversight, and signature.

This appraisal employs only the Sales Comparison Approach. Based on our analysis and knowledge of the subject property type and relevant investor profiles, it is our opinion that this approach would be considered necessary and applicable for market participants. Typical purchasers do not generally rely on the Cost or Income Capitalization Approaches when purchasing a property such as the subject of this report. Therefore, we have not employed the Cost Approach or the Income Capitalization Approach to develop an opinion of market value. The exclusion of these approaches to value does not reduce the credibility of the assignment results.

Report Option Description

USPAP identifies two written report options: Appraisal Report and Restricted Appraisal Report. This document is prepared as an Appraisal Report in accordance with USPAP guidelines. The terms “describe,” “summarize,” and “state” connote different levels of detail, with “describe” as the most comprehensive approach and “state” as the least detailed. As such, the following provides specific descriptions about the level of detail and explanation included within the report:

- Describes the real estate and/or personal property that is the subject of the appraisal, including physical, economic, and other characteristics that are relevant
- States the type and definition of value and its source
- Describes the Scope of Work used to develop the appraisal
- Describes the information analyzed, the appraisal methods used, and the reasoning supporting the analyses and opinions; explains the exclusion of any valuation approaches
- States the use of the property as of the valuation date
- Describes the rationale for the Highest and Best Use opinion

Identification of Property

Common Property Name:	Vacant Land
Address:	East 9th Street Right of Way and Unnamed Alley, Roswell, Chaves County, NM 88201
Location:	East of North Main Street and West of North Virginia Avenue, and 198 Feet East of North Main Street, south of East 10th Street and North of East 8th Street
Tax Parcel Identification:	No Platted APNs
Legal Description:	We do not have a legal description of the subject property, as it has not yet been partitioned off as of the date of this report.

Property Ownership and Recent History

Current Ownership:	As the subject property consists of two public rights of way, the City of Roswell is the current owner.
Sale History:	To our knowledge, the property has not sold or transferred within three years of the effective date of the appraisal.
Current Disposition:	The property is currently in the preliminary negotiation phase for a potential sale between the current owner, City of Roswell and Roswell Property Management Group F2 LLC. We have not received a pending price or purchase and sale agreement as of the date of this appraisal. It is our understanding that the subject property was not for sale on the open market, and no other offers have been brought to our attention.

Dates of Inspection and Valuation

Effective Date(s) of Valuation:

As Is:	April 18, 2025
Date of Report:	April 30, 2025
Date of Inspection:	April 18, 2025
Property Inspected by:	John Kirby, MAI inspected the subject property.

Client, Intended Use and Users of the Appraisal

Client:	TNT Construction
Intended Use:	This appraisal is intended to provide an opinion of the Market Value of the Fee Simple interest in the property for internal use by the client in conjunction with a potential sale of the subject property. This report is not intended for any other use.
Intended User:	This appraisal report was prepared for the exclusive use of TNT Construction and its agents. Use of this report by others is not intended by the appraiser. Please see the Engagement Letter in the addenda.

Across-the-Fence Method

The following definitions are also sourced from The Dictionary of Real Estate Appraisal.¹

- **Across-the-Fence** is a land valuation method often used in the appraisal of corridors. The across-the-fence method is used to develop a value opinion based on comparison to abutting land.

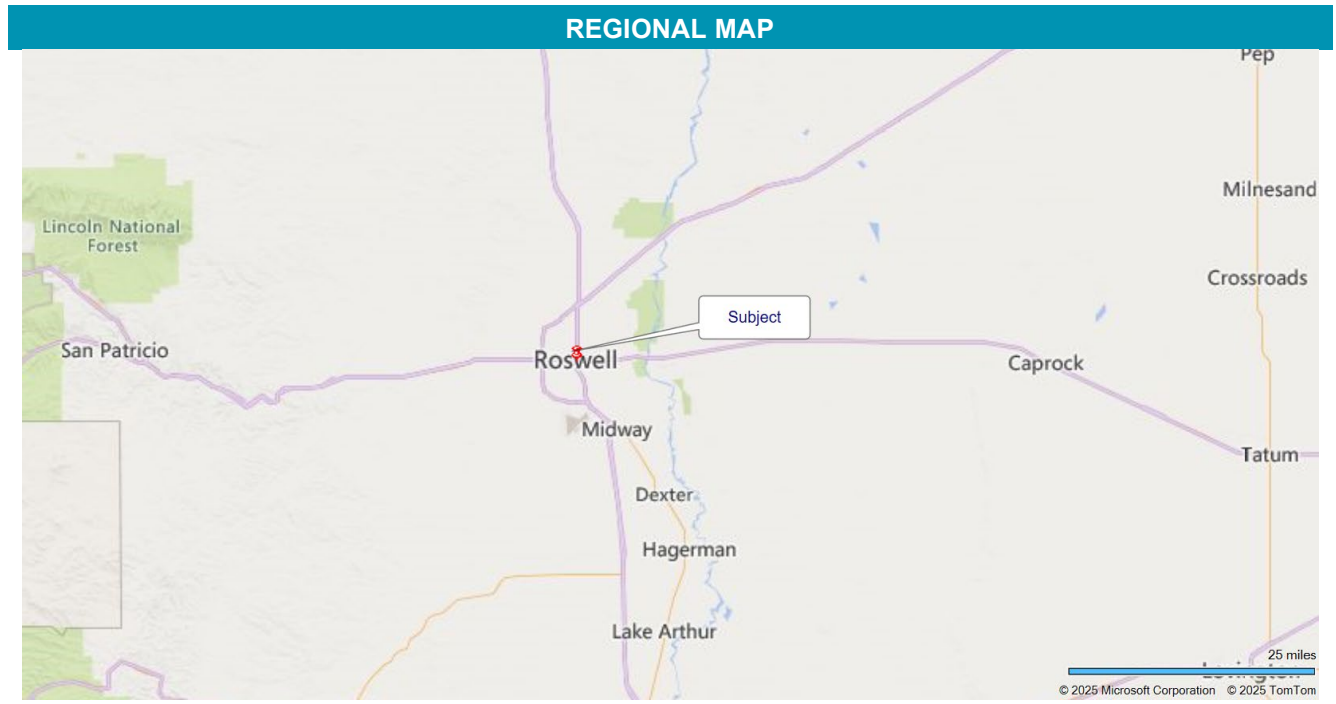
In this analysis we have used the Across-the-Fence methodology to determine the appropriate highest and best use for the subject site. We then conclude a **discounted land value** for a corridor acquisition (such as for a pipeline, transmission line, or roadway), appraisers often apply the **Across the Fence (ATF)** methodology, which estimates the corridor's value based on adjacent land uses. This method involves the following steps:

1. **Identify Adjacent Land Uses:** Determine the types, zoning, and values of properties abutting or influencing the corridor. These are the "across the fence" comparables.
2. **Estimate ATF Unit Value:** Analyze sales of similar nearby properties to establish a market-supported **per-square-foot or per-acre unit value** of the land adjacent to the corridor.
3. **Apply a Corridor Factor (or Corridor Discount):** Recognize that corridors typically have limited utility compared to adjacent parcels. Apply a **corridor factor**—often ranging up to **90%** depending on width, shape, access, use restrictions, and market demand—to adjust the ATF value downward to reflect the reduced utility and marketability of the corridor parcel.

¹ Source: Appraisal Institute, The Dictionary of Real Estate Appraisal, 6th ed. (Chicago: Appraisal Institute, 2015).

4. **Calculate Discounted Corridor Value:** Multiply the ATF unit value by the corridor factor to arrive at a **discounted unit value**, then multiply by the total land area of the corridor.
5. **Reconcile and Support:** Ensure the applied corridor factor is well-supported by market evidence (e.g., paired sales, corridor sales, interviews with market participants). Adjust as needed for property-specific characteristics.

Regional Analysis



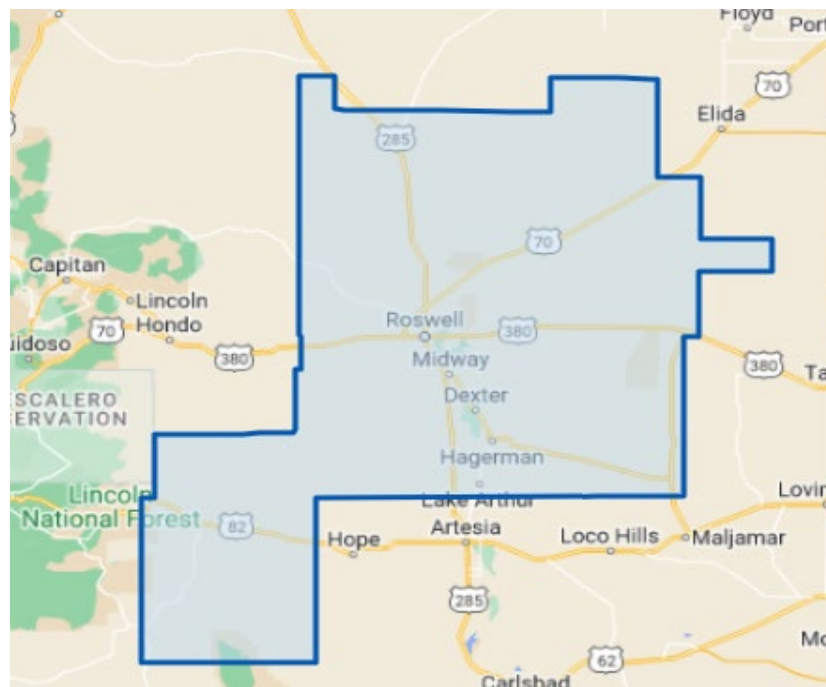
Roswell, NM Regional Market Analysis

Introduction

Roswell is in southeastern New Mexico and is the county seat of Chaves County. In total, Chaves County has a population of 65,478 residents, with Roswell accounting for approximately 37% of the total population, according to Experian Marketing Solutions' 2023 estimate. The county is bordered by De Baca County to the north, Lea County to the east, Eddy County to the south, and Lincoln County to the West. Chaves County has a total area of 6,075 square miles and is the fourth-largest county by area in the state of New Mexico. Additionally, Roswell is one of the most livable areas in southeast New Mexico given its favorable climate and diverse economy that is supported by the healthcare, agriculture, and energy sectors.

Map

The following map displays Roswell, New Mexico, and Chaves County:



Source: CoStar Group Inc. and Cushman & Wakefield Valuation & Advisory

Current Trends

Chaves County provides its residents and visitors with a great place to live, and work given its enjoyable climate. The regional economy is supported by several industries, but healthcare and retail trade are the two main pillars of the region. Additionally, tourism is important in Chaves County as well as the aviation industry. The International UFO Museum and Research Center is located in Roswell and is a major draw for tourists as visitors come to learn about the Roswell UFO incident of 1947 and other extraterrestrial-themed attractions. Moreover, Chaves County's unemployment rate is 4.2% as of September 2024.

Further considerations are as follows:

- In August 2024, the Roswell Economic Development Finance Committee approved advancing a project participation agreement involving the city, the state and Built Wise Structures of New Mexico LLC. The initiative aims to redevelop the Millennium Transit Service Bus factory that has sat vacant for 15 years, located on city-owned land at the Roswell Air Center. Turnkey Ventures Inc., the purchaser, plans to invest \$11.8 million into the New Mexico expansion, creating over 330 jobs in Roswell and establishing the community as a hub for manufacturing modular home products. This project brings significant benefits to Roswell, including affordable housing, job creation, and the revitalization of a long-vacant property. The committee has forwarded an intergovernmental agreement between the city and the New Mexico Economic Development Department to the council for review. Construction is expected to begin in 2025.
- CAVA Aerospace recently finalized an agreement with Roswell Job Corps to participate in a work-based learning program, offering maintenance training to residents aspiring to join the aerospace industry. The company also partnered with Eastern New Mexico University-Roswell to provide ATA 104-compliant aircraft training for its employees. In addition, CAVA Aerospace has announced expansion plans for its Roswell-Chaves County location, a positive development for the local job market. Known for hiring directly from the county, CAVU Aerospace remains committed to investing in the Chaves region. The company envisions Roswell as a community where employees can build careers, establish roots, and grow their families.
- Roswell, New Mexico, is among the most affordable housing markets in the United States. The median sales price for a single-family home in October 2024 was \$247,000, marking a 24.2% increase year-over-year. Homeownership in Chaves County stands at 67.4% and as of August 2024, 68 single-family home permits have been issued.

Demographic Characteristics

Chaves County lacks high-wage industries that offer high-paying jobs and salaries. This corresponds to lower income levels for the county when compared to the United States. In Chaves County, the median annual household income measures almost 34% lower than the United States median annual household income, at \$45,193. Additionally, the county has a higher concentration of households earning under \$50,000 than the rest of the United States. The lower level of income is driven by a lack of educational attainment as 18.3% of county residents have attained a bachelor's or advanced degree, trailing the national level of 32.9%.

The following chart compares the demographic characteristics of Roswell, NM with those of the United States:

**Demographic Characteristics
Chaves County, NM vs. United States
2023 Estimates**

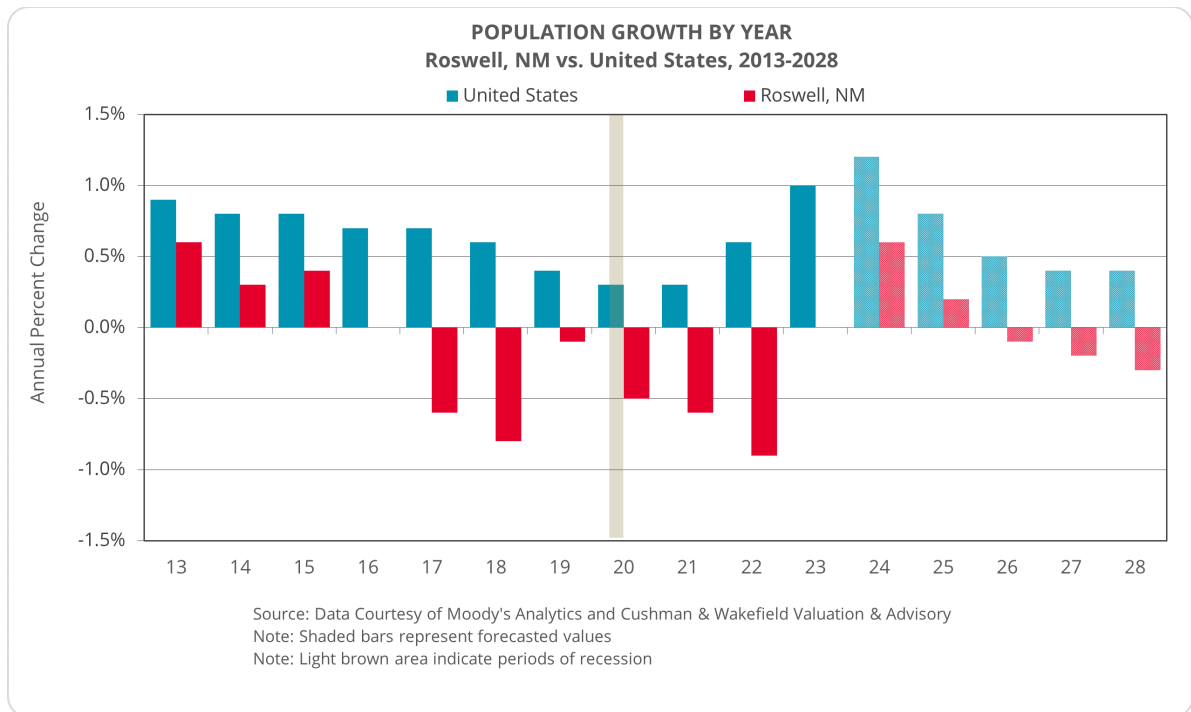
Characteristic	Chaves County, NM	United States
Median Age (years)	36	39
Average Annual Household Income	\$64,931	\$100,106
Median Annual Household Income	\$45,193	\$68,480
Households by Annual Income Level:		
<\$25,000	28.6%	17.7%
\$25,000 to \$49,999	26.4%	19.4%
\$50,000 to \$74,999	17.4%	17.1%
\$75,000 to \$99,999	11.0%	13.3%
\$100,000 plus	16.6%	32.6%
Education Breakdown:		
< High School	21.5%	11.7%
High School Graduate	28.7%	26.9%
College < Bachelor Degree	31.5%	28.6%
Bachelor Degree	11.5%	20.2%
Advanced Degree	6.8%	12.7%

Source: © 2023 Experian Marketing Solutions, Inc. •All rights reserved•
Cushman & Wakefield Valuation & Advisory

Population

The Roswell, NM regional population growth has trailed national population growth, averaging -0.3% annually from 2013 through 2023. During the same time period, Roswell, NM's population growth has trailed national population expansion by an average of 90 basis points and is forecast to increase to an average annual growth rate of -0.1% through 2028.

The following chart compares population growth between Roswell, NM and the United States:



The following table shows Roswell, NM's annualized population growth:

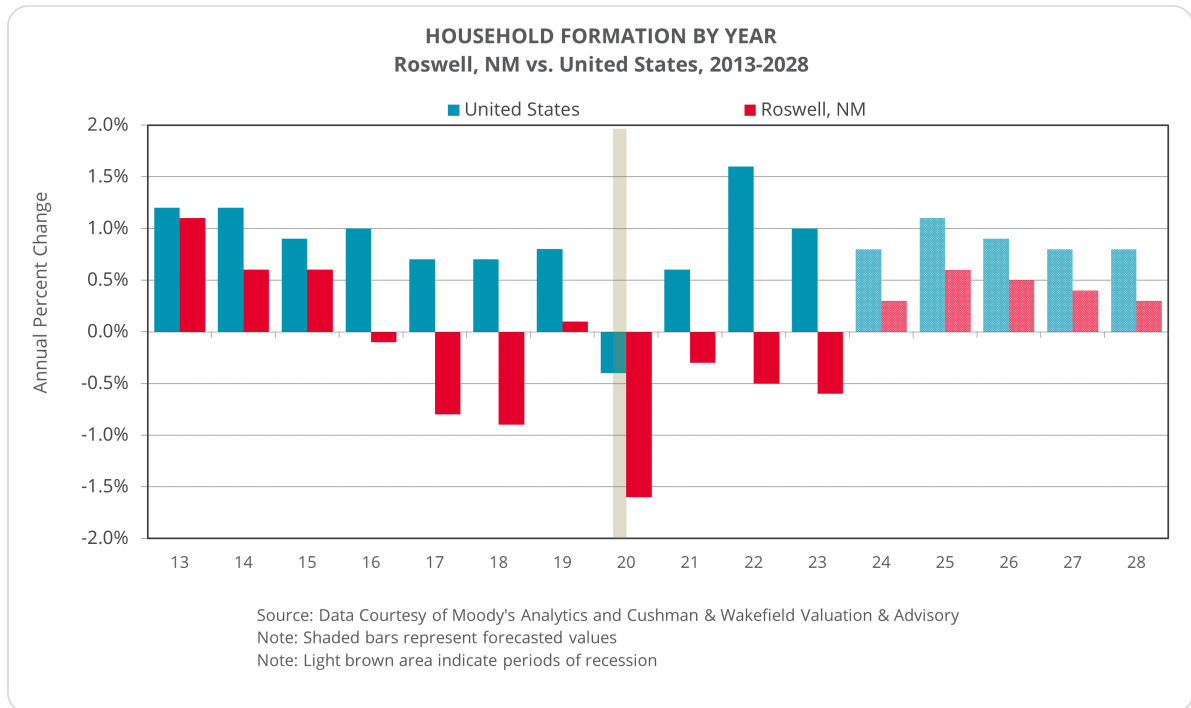
Annualized Population Growth Roswell, NM 2013-2028						
	Forecast				Compound Annual Growth Rate	Compound Annual Growth Rate
Population (000's)	2013	2023	2024	2028	13-23	24-28
United States	317,418.5	338,081.3	342,050.6	349,349.3	0.6%	0.5%
Roswell, NM	66.0	64.2	64.5	64.3	-0.3%	-0.1%

Source: Data Courtesy of Moody's Analytics, Cushman & Wakefield Valuation & Advisory

Households

Generally, a region's household formation trends are directly tied to its overall population growth, as an increase in the population drives demand for real estate. From 2013 through 2023, the Roswell, NM regional household formation growth rate has trailed national expansion, averaging -0.4% annually. In the same ten-year period, Roswell, NM's household formation growth has trailed national growth by an average of 120 basis points and is forecast to increase to an average annual growth rate of 0.4% through 2028.

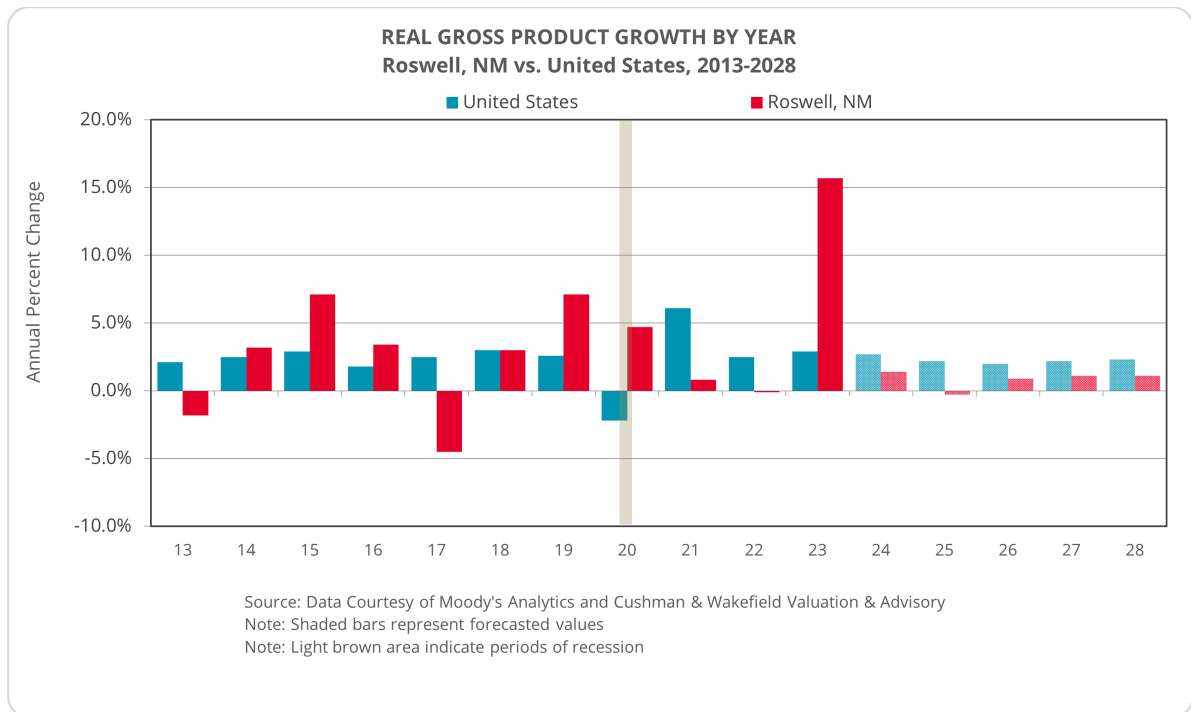
The chart below compares household formation growth between Roswell, NM and the United States:



Gross Metro Product

Gross Metro Product (GMP) is defined as the market value of all final goods and services produced within a metropolitan area, and when compared to the nation's Gross Domestic Product (GDP), can determine shifting economic trends in a given region. Economic growth in Roswell, NM has beat national economic expansion over the decade, averaging 3.9% annually from 2013 through 2023. Over the decade, Roswell, NM GMP has beat national expansion by an average of 150 basis points and is forecast to decrease to an average annual growth rate of 0.7% through 2028.

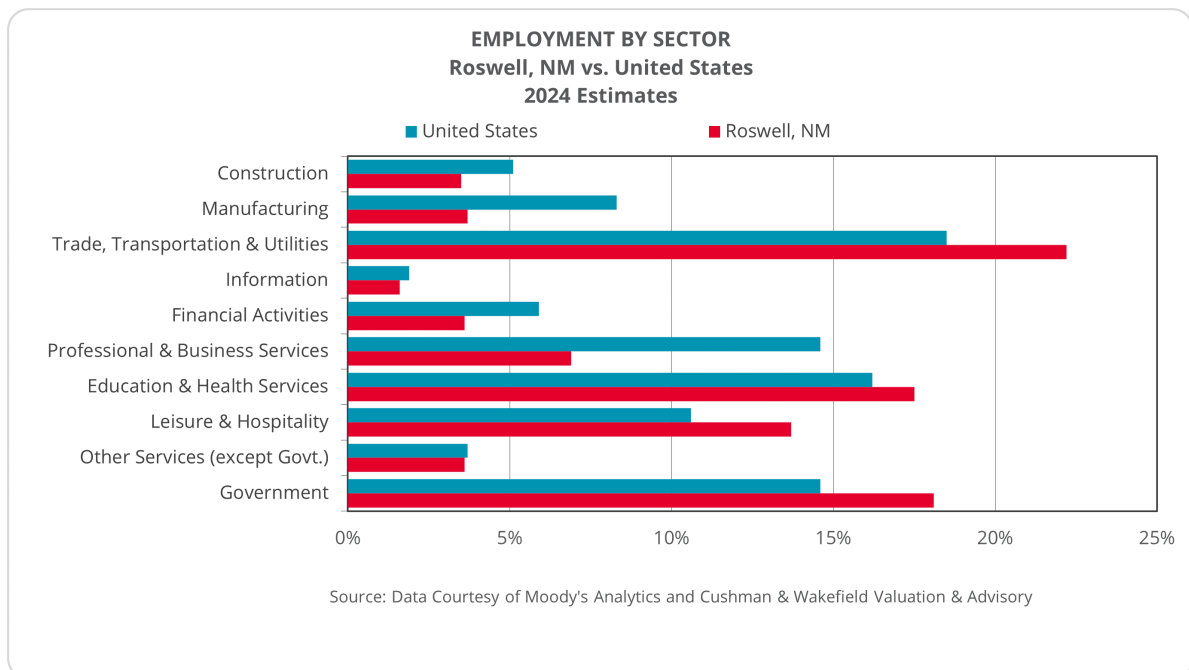
The chart below compares gross product growth by year for Roswell, NM and the United States:



Employment Distribution

The Trade, Transportation & Utilities sector dominates Roswell, NM as the largest employment sector with roughly 22.2% of the regional workforce, compared to 18.5% on the national level. Roswell, NM offers a diverse mix of industry employment with the Government and Education & Health Services sectors accounting for 18.1% and 17.5% of total employment, respectively. Together, these three industries comprise 57.8% of the region's share of employment.

The following chart compares non-farm employment sectors for Roswell, NM and the United States:



Major Employers

The following table lists Roswell, NM's largest employers:

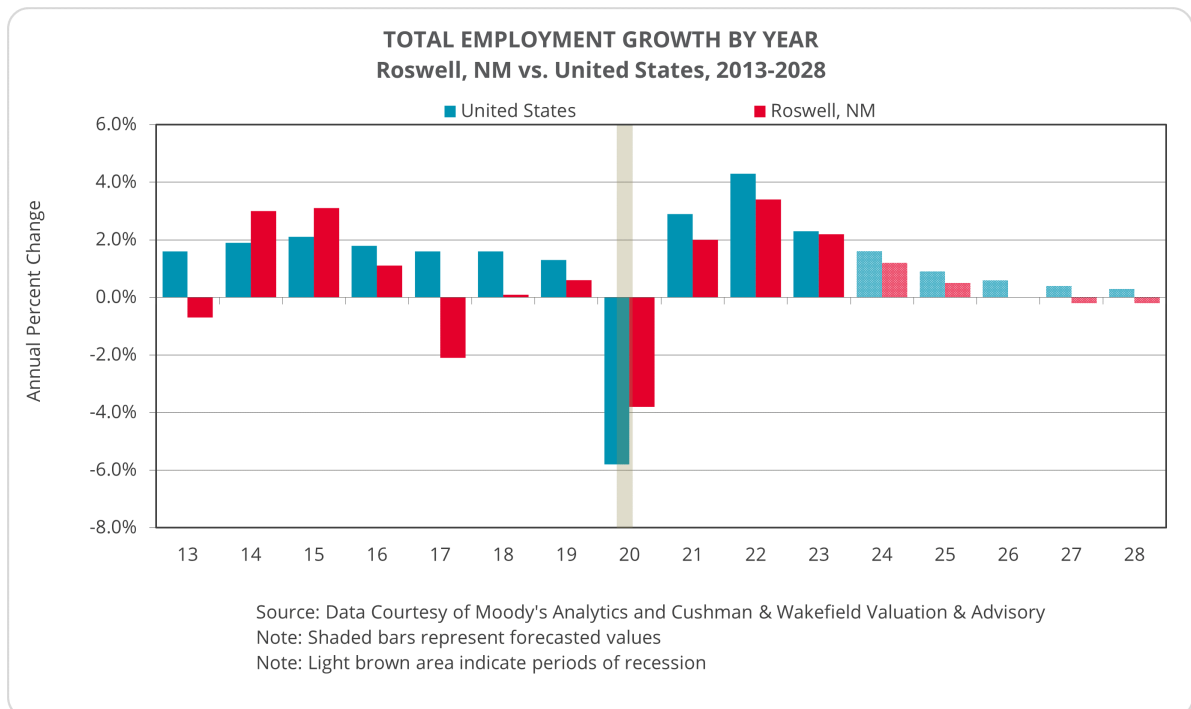
Major Employers Chaves County, NM		
Company	No. of Employees	Business Type
State of New Mexico	1,198	Government
Roswell Schools	1,030	Education
Leprino Foods	600	Manufacturing
Eastern New Mexico Medical Center	522	Healthcare
City of Roswell	555	Government
New Mexico Military Institute	330	Education
Community Healthcare	287	Healthcare
Walmart	275	Retail
Chaves County	268	Government
Krumland Auto Group	253	Retail

Source: New Mexico Partnership, and Cushman & Wakefield Valuation Advisory

Employment Growth

From 2013 through 2023, the Roswell, NM regional employment growth has trailed national expansion, averaging 0.9% annually. During the same time period, Roswell, NM's employment growth has trailed national expansion by an average of 50 basis points and is forecast to decrease to an average annual growth rate of 0% through 2028.

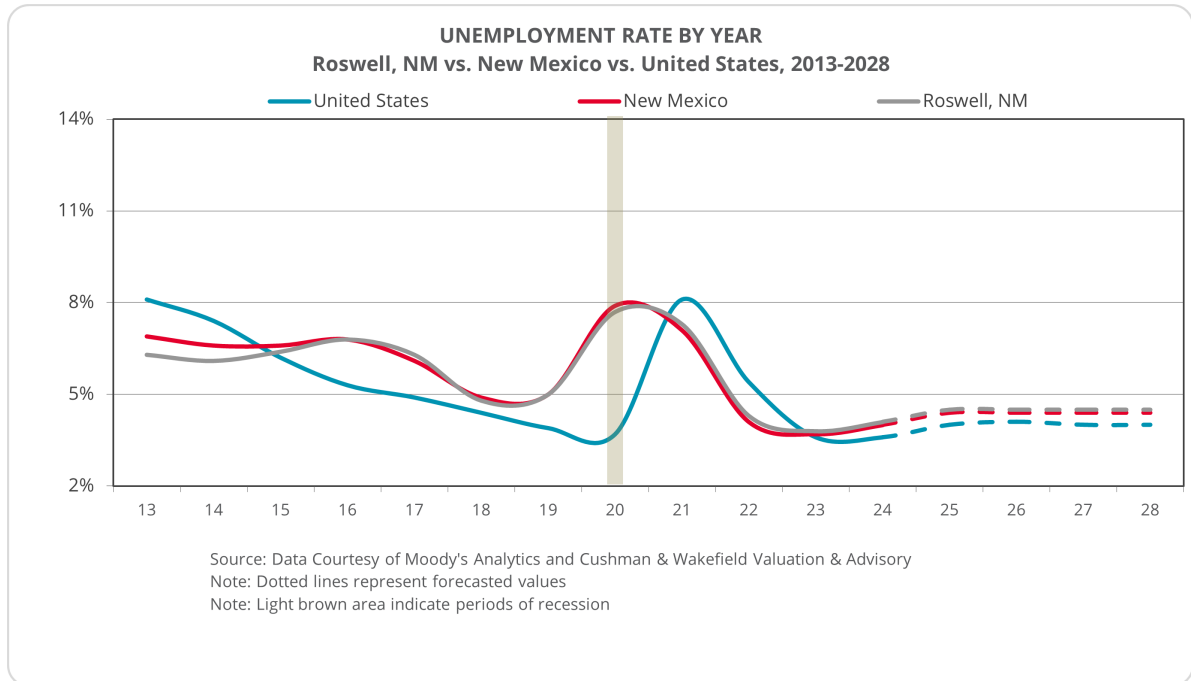
The following chart illustrates employment growth for Roswell, NM, and the United States:



Unemployment

From 2013 through 2023, the Roswell, NM regional unemployment rate decreased at an average annual rate of 4.9%, compared to the nation's unemployment rate which decreased at an average annual rate of 6.8%. Roswell, NM's unemployment rate is forecast to increase by an average annual rate of 2.5% between 2024 and 2028.

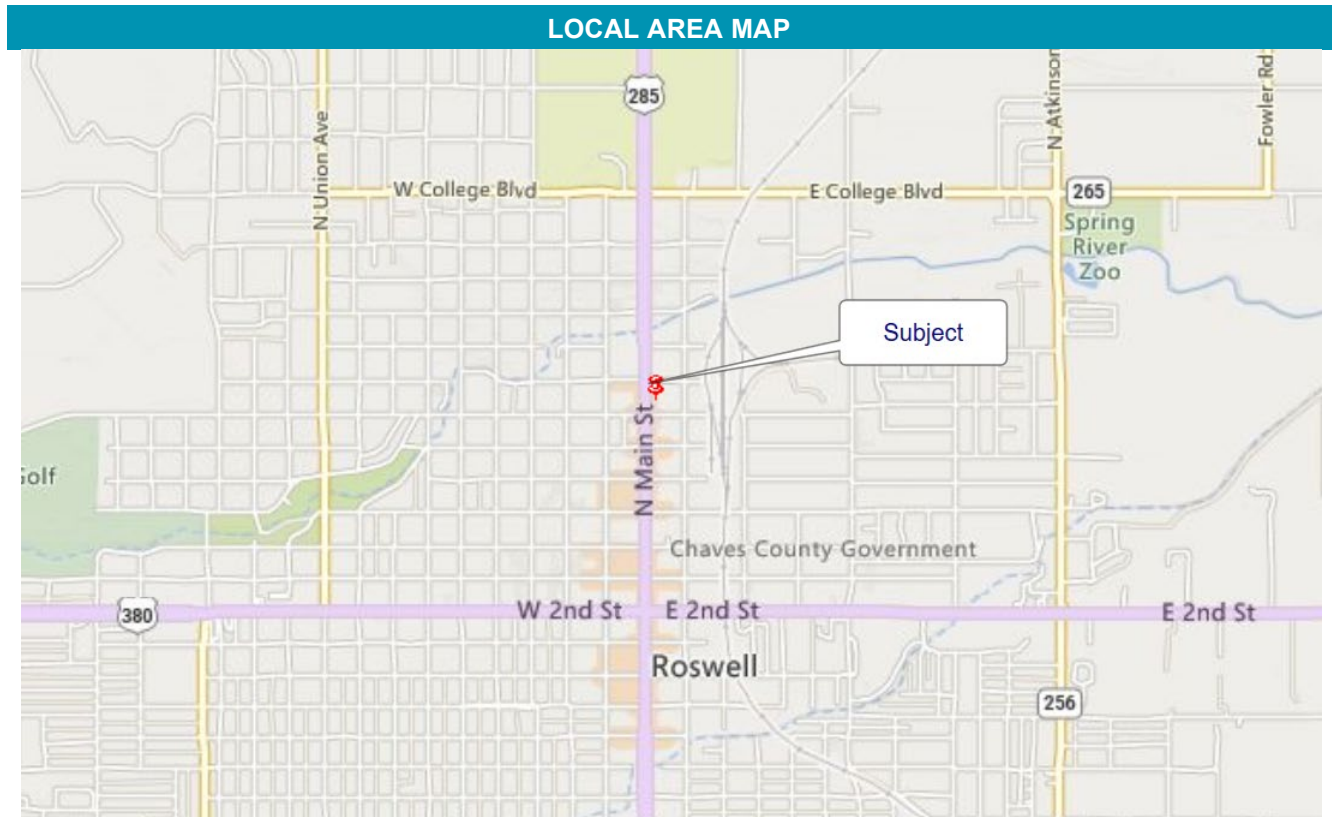
The graph below illustrates unemployment rates for Roswell, NM, the State of New Mexico, and the United States:



Conclusion

With a median age three years younger than the national average and thriving aviation and manufacturing industries, Chaves County, New Mexico, is rebounding from the effects of the 2020 pandemic. The unemployment rate for both the City of Roswell and Chaves County is 4.5%, slightly above the state rate of 4.3% and the national rate of 4.1%. The redevelopment of the former Millennium Transit Service bus factory at the Roswell Air Center into Turnkey Venture's primary hub for mobile home manufacturing is set to add over 300 jobs, bolstering the economic health of Roswell. Situated in southeastern New Mexico, the county boasts a rich history and remains one of the most livable regions in the area.

Local Area Analysis



Location Overview

The subject property is located between North Main Street and North Virginia Avenue, south of East 10th Street and north of East 8th Street in Roswell, New Mexico. The subject's local area can generally be defined by Highway 70 Business Route to the north, Relief Route to the south, Highway 285 to the east, and the Roswell city limits to the west.

Local Area Analysis

- The subject property is in a stable part of the community that is approximately 85 percent built-out.
- Land uses in the subject's local area consist of generally single family and multi-family residential on the side streets, and a mix of commercial, retail, and office on the main commercial thoroughfares.
- Most development in the area appears to have occurred 30 to 40 years ago, although there has been more recent development in the area as well.
- There are no roadway improvements currently under construction or planned for the subject's local area.
- The nearest access to an expressway is located approximately 110 miles north of the subject property, at the intersection of State Highway 54 and Interstate 40 in Santa Rosa, NM.
- Properties in the subject's local market area generally appear to be functional for their intended use, and they exhibit minimal deferred maintenance and high occupancy levels.

Land Uses Adjacent to the Subject Property

Land uses adjacent to the subject property, or in proximity, include the following:

North:	Gas station with convenience store and car wash, followed by vacant land and a mix of retail uses
South:	Various retail uses including restaurants, a cannabis dispensary, gift stores, and sporadic office and hotel/motel uses
East:	Various industrial uses followed by a railway oriented in a north/south direction
West:	Various retail and office uses, followed by single family and low-density multi-family residential uses

Special Hazards or Adverse Influences

There are no special hazards or detrimental conditions that would negatively impact the value of the subject property.

Land Use Changes

Our inspection revealed no pattern of land use changes that might impact the value of the subject property over the long term.

Conclusion

- The subject's local area appears to be in the stable stage of its life cycle.
- There is no significant evidence of external obsolescence, functional obsolescence, and/or significant deferred maintenance affecting properties in the subject's neighborhood.

Based on the preceding discussion, we believe the outlook for the subject's local area is positive.

Property Analysis

Site Description

GENERAL

Location:	East 9th Street Right of Way and Unnamed Alley Roswell, Chaves County, NM 88201											
Shape:	Irregularly shaped											
Topography:	Level at street grade											
Land Area:	0.91 acres / 39,535 gross square feet											
Access, Visibility and Frontage:	The subject consists of two long stretches of land within two existing rights of way. After the subject site is partitioned off, it will no longer be used for public right of way use. It will have fair access, frontage, and visibility. Based on the mapping provided by the client, the property appears to have frontage as follows: <table><tr><td>N Main Street:</td><td>60 feet</td></tr><tr><td>N Virginia Avenue:</td><td>60 feet</td></tr><tr><td>E 10th Street:</td><td>25 feet</td></tr><tr><td>E 8th Street:</td><td>25 feet</td></tr></table>		N Main Street:	60 feet	N Virginia Avenue:	60 feet	E 10th Street:	25 feet	E 8th Street:	25 feet		
N Main Street:	60 feet											
N Virginia Avenue:	60 feet											
E 10th Street:	25 feet											
E 8th Street:	25 feet											
Utilities:	All public utilities are available and deemed adequate. Utility providers for the subject property are as follows: <table><tr><td>Water</td><td>City of Roswell</td></tr><tr><td>Sewer</td><td>City of Roswell</td></tr><tr><td>Electricity</td><td>Central Valley Electric Cooperative</td></tr><tr><td>Gas</td><td>New Mexico Gas Company</td></tr><tr><td>Telephone</td><td>Various</td></tr></table>		Water	City of Roswell	Sewer	City of Roswell	Electricity	Central Valley Electric Cooperative	Gas	New Mexico Gas Company	Telephone	Various
Water	City of Roswell											
Sewer	City of Roswell											
Electricity	Central Valley Electric Cooperative											
Gas	New Mexico Gas Company											
Telephone	Various											
Site Improvements:	The site contains asphalt and concrete paving, curbing, gutters, and drainage.											

SITE CONDITIONS

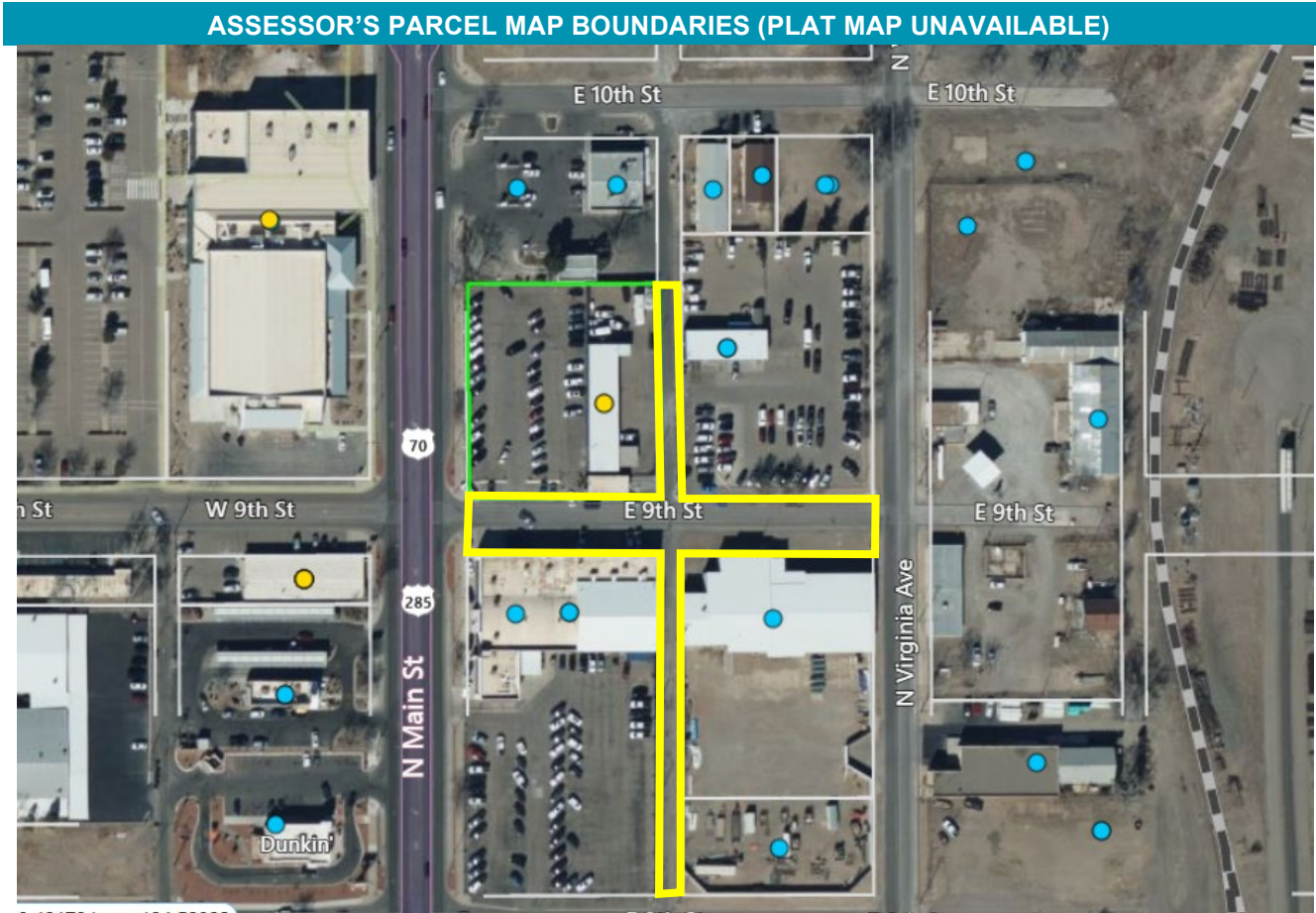
Soil Conditions:	We were not given a soil report to review. However, we assume that the soil's load-bearing capacity is sufficient to support existing and/or proposed structure(s). We did not observe any evidence to the contrary during our physical inspection of the property. Drainage appears to be adequate.
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Land Use Restrictions:	We were not given a title report to review.
Alleyway:	We have made assumptions about easements within the alley portion of the subject site, including the following, for the entire length of the alley: • An existing sewer line easement, assumed to begin 6 feet below ground, 2 feet in diameter • An existing gas line easement, assumed to be 3 feet below ground, 3 feet in diameter • An existing powerline easement, assumed to be 10 feet in width above ground • A proposed blanket public utility easement, assumed to be for maintenance and ingress/egress, noted to be 25 feet in width
E. 9 th St. (West):	Additionally, we have made assumptions about easements within the western side of the East 9th Street portion of the subject site, including the following, for the entire length of the right of way: • A proposed access easement, 20 feet wide
E. 9 th St. (East):	Also, we have made assumptions about easements within the eastern side of the East 9th Street portion of the subject site, including the following, for the entire length of the right of way: • A proposed access easement, 30 feet wide • An existing powerline easement, 10 feet in width above ground Beyond those noted above, we do not know of any easements, encroachments, or restrictions that would adversely affect the site's use. However, we recommend a title search to determine whether any adverse conditions exist.
Hazardous Substances:	We have not received an Environmental Impact Report (EIR) as of the date of this report. We observed no evidence of toxic or hazardous substances during our inspection of the site. However, we are not trained to perform technical environmental inspections and recommend the hiring of a professional engineer with expertise in this field.
Flood Zone Description:	The subject property is located in flood zone X (Areas determined to be outside the 500-year flood plain) as well as flood zone AH (special flood areas subject to inundation by 100-year shallow flooding) as indicated by FEMA Map 35005C1370D, dated September 25, 2009. The flood zone determination and other related data are provided by a third-party vendor deemed to be reliable. If further details are required, additional research is required that is beyond the scope of this analysis.

CONCLUSIONS

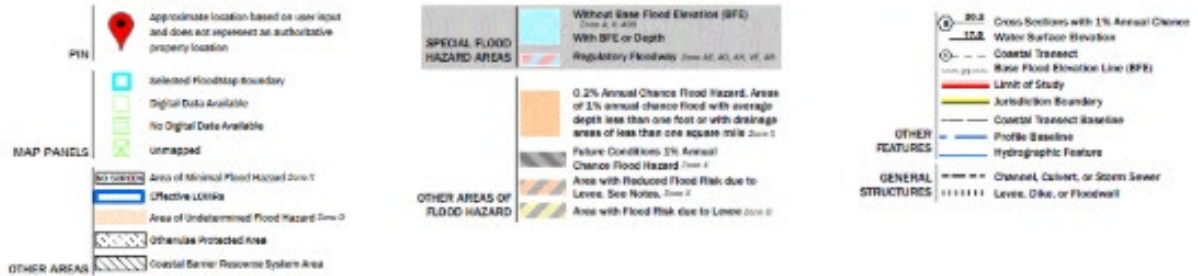
Overall Site Utility:	The subject site is functional for a future commercial use, if assembled with an adjacent parcel, with development only possible on the unencumbered portions of the East 9 th Street portion(s) of the subject property.
Location Rating:	Fair

Summary: The property is located in the city of Roswell, along North Main Street. The subject location is considered average, given the less strong retail pull in the subject's immediate vicinity. Access is considered to be fair, but if assembled with an adjacent property, holds potential for future commercial use on the portions of the East 9th Street portion(s) of the subject property that are unencumbered.



*Outline of subject property is approximate.

FLOOD MAP



Improvements Description

The subject property is a vacant site containing 39,535 square feet or 0.91 acres. The site is currently zoned C-2, Community Commercial but has two long intersecting areas of land creating an irregular x-shape, indicating the subject is an uneconomic unit on a standalone basis. Therefore, the traits of this subject parcel assume the Across-The-Fence zoning designation of C-2, Community Commercial for the western side of the property (beginning with the alleyway centerpoint) and the zoning designation of I-1, Light Industrial for the eastern side of the property, in addition to the more regular shape of the entirety of the site owned by Roswell Property Management Group F2 LLC (APNs 4-136-061-049-220-000000, 4-136-061-027-223-000000, and 4-136-061-027-257-000000 totaling 3.82 acres). The site improvements are limited to asphalt and concrete paving, curbing, gutters, and drainage.

Real Property Taxes and Assessments

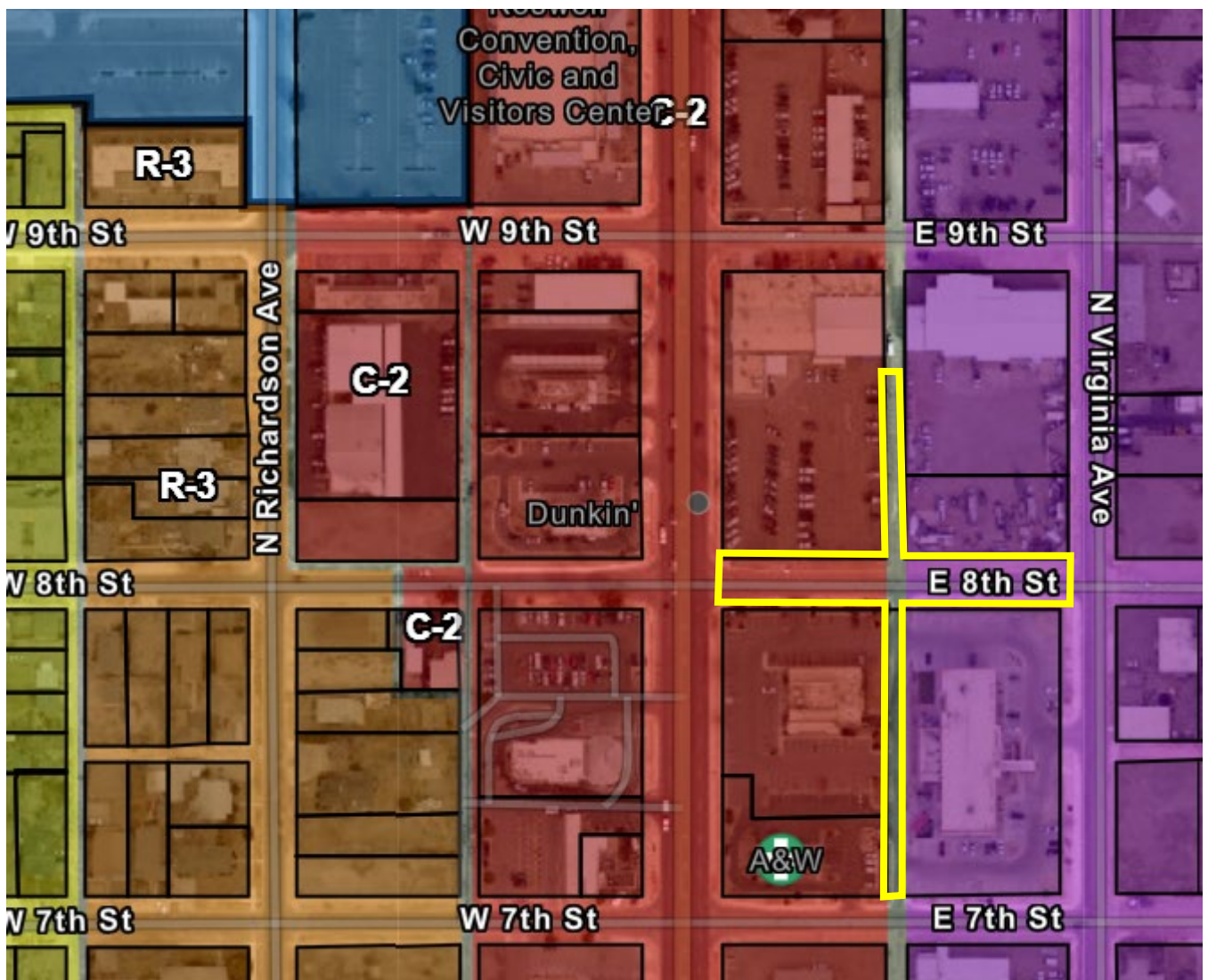
Current Property Taxes

While the subject property is located in the taxing jurisdiction of Chaves County, and the assessor's parcel numbers are not yet platted and are rights of way owned by the City of Roswell. Therefore, there are no taxes associated with the subject property as of our current date of value.

Zoning

General Information

The property is currently zoned C-2, Community Commercial Zone and I-1, Light Industrial Zone as indicated by the map below.



However, because the subject is an uneconomic unit due to its unique irregular shape and limited use possibility, we have utilized the Across-The-Fence methodology to identify the highest and best use of the subject site and

appropriate corresponding zoning designation. Therefore, we have determined that the zoning designation for the subject site is C-2 for the western portion of the subject (beginning with the alleyway centerpoint) and I-1 for eastern portion of the subject (beginning with the alleyway centerpoint) by the jurisdiction of the City of Roswell. Summaries of these zoning designations are provided in the following tables:

ZONING

Municipality Governing Zoning:	City of Roswell
Current Zoning:	C-2, Community Commercial District / Not Zoned
Across-The-Fence Zoning:	C-2, Community Commercial District
Is Current Use Permitted:	Not applicable
Permitted Uses in I Zone:	Permitted uses include: any permitted use in the C-1 district, amusement parks, athletic clubs/gyms, commercial retail/service stores, professional offices, golf courses, restaurants/food/drink/lounges/liquor, automotive repair (light with temporary outside storage utilizing no more than 20% of net area of the lot); special uses include automobile service stations and parking lots

ZONING REQUIREMENTS	CODE
Minimum Lot Area:	N/A
Maximum Building Height:	45 feet
Maximum Floor Area Ratio (FAR):	N/A
Maximum Lot Coverage (% of Lot Area):	
Minimum Yard Setbacks:	
Front (Feet):	40 feet, or the setback line established by an existing principal building on an adjacent lot within the same block
Rear (Feet):	15 feet
Side (Feet):	None, except where the side yard is on the street side of a corner lot, the minimum side yard setback shall be 30 feet or the setback line established by an existing principal building on an adjacent lot within the same block, whichever is less.
Street Side (Feet):	N/A
Required On-Site Parking:	
Spaces per 1,000 Square Feet:	
Spaces per Square Foot:	Business, professional, medical, or public office building: One per 200 square feet of net floor area. Motor vehicle or machinery sales: Three plus, one per 300 square feet of net floor area.

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ZONING

Municipality Governing Zoning:	City of Roswell
Current Zoning:	I-1, Light Industrial District / Not Zoned
Across-The-Fence Zoning:	I-1, Light Industrial District
Is Current Use Permitted:	Not applicable
Permitted Uses in I Zone:	Permitted uses include: any permitted use in the C-2 district except for assisted living homes, group care homes, coalescent homes, etc., any primary use which includes light manufacturing, fabrication, assembly/disassembly, processing or treatment of goods and products, bus stations and terminals, warehouses with outside storage, and automotive repair (heavy).

ZONING REQUIREMENTS	CODE
Minimum Lot Area:	N/A
Maximum Building Height:	45 feet
Maximum Floor Area Ratio (FAR):	N/A
Maximum Lot Coverage (% of Lot Area):	
Minimum Yard Setbacks:	
Front (Feet):	40 feet, or the setback line established by an existing principal building on an adjacent lot within the same block
Rear (Feet):	15 feet
Side (Feet):	None, except where the side yard is on the street side of a corner lot, the minimum side yard setback shall be 30 feet or the setback line established by an existing principal building on an adjacent lot within the same block, whichever is less.
Street Side (Feet):	N/A
Required On-Site Parking:	
Spaces per 1,000 Square Feet:	
Spaces per Square Foot:	Business, professional, medical, or public office building: One per 200 square feet of net floor area. Motor vehicle or machinery sales: Three plus, one per 300 square feet of net floor area.

Compiled by Cushman & Wakefield Western, Inc.

Zoning Compliance

Property value is affected by whether or not an existing or proposed improvement complies with zoning regulations, as discussed below.

Complying Uses

An existing or proposed use that complies with zoning regulations implies that there is no legal risk and that the existing improvements could be replaced “as-of-right.”

Pre-Existing, Non-Complying Uses

In many areas, existing buildings pre-date the current zoning regulations. When this is the case, it is possible for an existing building that represents a non-complying use to still be considered a legal use of the property. Whether or not the rights of continued use of the building exist depends on local laws. Local laws will also determine if the existing building may be replicated in the event of loss or damage.

Non-Complying Uses

A proposed non-complying use to an existing building might remain legal via variance or special use permit. When appraising a property that has such a non-complying use, it is important to understand the local laws governing this use.

Other Restrictions

We know of no deed restrictions, private or public, that further limit the subject property's use. The research required to determine whether or not such restrictions exist is beyond the scope of this appraisal assignment. Deed restrictions are a legal matter and only a title examination by an attorney or title company can usually uncover such restrictive covenants. We recommend a title examination to determine if any such restrictions exist.

Zoning Conclusions

We analyzed the zoning requirements in relation to the subject property, and considered the compliance of the existing or proposed use. In the case of the subject, we have determined the appropriate zoning designation of the subject site by using the Across-The-Fence methodology. As such, we have determined the likely and appropriate zoning designation for the subject is C-2 for the portion of the subject west of the alleyway's centerpoint, and I-1 for the portion of the subject east of the alleyway's centerpoint. Due to its long sections intersecting to create an irregular x-shape, the C-2 portion of the site would be able to accommodate a commercial building if assembled with an adjacent site, and the I-1 portion of the site would be able to accommodate an industrial building if assembled with an adjacent site.

Detailed zoning studies are typically performed by a zoning or land use expert, including attorneys, land use planners, or architects. The depth of our study correlates directly with the scope of this assignment, and it considers all pertinent issues that have been discovered through our due diligence.

We note that this appraisal is not intended to be a detailed determination of compliance, as that determination is beyond the scope of this real estate appraisal assignment.

Valuation

Highest and Best Use

Highest and Best Use Definition

The Dictionary of Real Estate Appraisal, Seventh Edition (2022), a publication of the Appraisal Institute, defines the highest and best use as:

The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.

To determine the highest and best use we typically evaluate the subject site under two scenarios: as though vacant land and as presently improved. In both cases, the property's highest and best use must meet the four criteria described above.

Highest and Best Use of Site as though Vacant

Legally Permissible

The zoning regulations in effect at the time of the appraisal determine the legal permissibility of a potential use of the subject site. As described in the Zoning section, the subject site currently zoned both C-2, Community Commercial and I-1, Light Industrial by the City of Roswell. Using the Across-The-Fence methodology to determine the highest and best use of the subject, we have determined the zoning for the subject property is C-2 to the west of the alleyway centerpoint, and I-1 to the east of the same centerpoint. Permitted uses in the C-2 zone include: any permitted use in the C-1 district, amusement parks, athletic clubs/gyms, commercial retail/service stores, professional offices, golf courses, restaurants/food/drink/lounges/liquor, automotive repair (light with temporary outside storage utilizing no more than 20% of net area of the lot); special uses include automobile service stations and parking lots. Permitted uses in the I-2 zone include: any permitted use in the C-2 district except for assisted living homes, group care homes, coalescent homes, etc., any primary use which includes light manufacturing, fabrication, assembly/disassembly, processing or treatment of goods and products, bus stations and terminals, warehouses with outside storage, and automotive repair (heavy).

Further legal restrictions that limit the potential uses of the subject are as follows:

Land Use We were not given a title report to review.

Restrictions:

Alleyway: We have made assumptions about easements within the **alley portion** of the subject site, including the following, for the entire length of the alley:

- An **existing** sewer line easement, assumed to begin 6 feet below ground, 2 feet in diameter
- An **existing** gas line easement, assumed to be 3 feet below ground, 3 feet in diameter
- An **existing** powerline easement, assumed to be 10 feet in width above ground
- A **proposed** blanket public utility easement, assumed to be for maintenance and ingress/egress, noted to be 25 feet in width

- E. 9th St. (West): Additionally, we have made assumptions about easements within the **western side of the East 9th Street portion** of the subject site, including the following, for the entire length of the right of way:
- A **proposed** access easement, 20 feet wide
- E. 9th St. (East): Also, we have made assumptions about easements within the **eastern side of the East 9th Street portion** of the subject site, including the following, for the entire length of the right of way:
- A **proposed** access easement, 30 feet wide
 - An **existing** powerline easement, 10 feet in width above ground

Physically Possible

The physical possibility of a use is dictated by the size, shape, topography, availability of utilities, and any other physical aspects of the site. According to mapping provided by the client, assuming future lot line partitioning of the subject parcel(s) to reflect the identified area, the subject site contains 0.91 acres, or 39,535 square feet. The site is generally irregularly shaped and level at street grade. It has fair frontage, fair access, and fair visibility. The overall utility of the site is considered to be poor on its own. All public utilities are available to the site including public water and sewer, gas, electric and telephone. Overall, the site is considered inadequate to accommodate most permitted development possibilities within the C-2 and I-1 zones, due to its irregular shape and limited frontage/access. If assembled with an adjacent site, a variety of commercial or commercial and industrial uses would be physically possible (as C-2 uses are permitted within the I-1 district).

Financially Feasible and Maximally Productive

In order to be seriously considered, a use must have the potential to provide a sufficient return to attract investment capital over alternative forms of investment. A positive net income or acceptable rate of return would indicate that a use is financially feasible. Financially feasible uses are those uses that can generate a profit over and above the cost of acquiring the site, and constructing the improvements. Of the uses that are permitted, possible, and financially feasible, the one that will result in the maximum value for the property is considered the highest and best use.

Under the assumption of the I-1 zoning designation, a variety of industrial and commercial uses are legally permissible and physically possible options for the subject land, if the subject site were assembled with an adjacent site. Under the assumption of the C-2 zoning designation, a variety of commercial uses are legally permissible and physically possible options for the subject land, if the subject site were assembled with an adjacent site. The subject property, on its own, does not allow for legally permissible and physically possible uses due to limitations related to its long portions of its “x” shape. If assembled with an adjacent site, the subject property would be large enough to accommodate a relatively large building (if unencumbered), and the adjacency to North Main Street is a positive locational attribute for a commercial type of use. The most reasonable and financially feasible use of the subject property as though vacant appears to be for future commercial use, if assembled with an adjacent site.

Conclusion

We considered the legal issues related to zoning and legal restrictions. We also analyzed the physical characteristics of the site to determine what legal uses would be possible, and considered the financial feasibility of these uses to determine the use that is maximally productive. Considering the subject site’s physical characteristics and location, as well as the state of the local market, it is our opinion that the Highest and Best Use of the subject site as though vacant is assemblage with an adjacent property and development of a commercial project built to its maximum feasible building area, consistent with demand and local market practice.

Highest and Best Use of Property as Improved

A determination of the Highest and Best Use of the subject property as improved is not applicable; the subject is unimproved beyond asphalt and concrete paving, curbing, gutters, and drainage.

Most Likely Buyer

The subject's size, type, and configuration, on a standalone basis, make it infeasible for development. If assembled with an adjacent site, the subject would be well-suited for construction of an industrial or commercial building by a developer, but only on the unencumbered areas of the subject site within the East 9th Street portions of the subject. However, based on our review of sales and development in the subject area in addition to interviews with market participants, there is little demand for such properties in the current market, under current market conditions. As a result, we conclude that the most likely purchaser of the subject is in fact an adjacent property owner who would purchase the land to add additional parking and/or add additional square footage to the unencumbered portions of the subject property. As the subject consists of vacant land, this type of buyer would typically rely on the Sales Comparison Approach to value the subject site. We note to the reader that due to the current trepidation in the market and corresponding lack of transactional activity, we estimate an extended marketing time of 12-18 months, and exposure time of 12-18 months as well.

Valuation Process

Methodology

There are three generally accepted approaches to developing an opinion of value: Cost, Sales Comparison and Income Capitalization. We considered each in this appraisal to develop an opinion of the market value of the subject property. In appraisal practice, an approach to value is included or eliminated based on its applicability to the property type being valued and the quality of information available. The reliability of each approach depends on the availability and comparability of market data as well as the motivation and thinking of purchasers.

The valuation process is concluded by analyzing each approach to value used in the appraisal. When more than one approach is used, each approach is judged based on its applicability, reliability, and the quantity and quality of its data. A final value opinion is chosen that either corresponds to one of the approaches to value, or is a correlation of all the approaches used in the appraisal.

We considered each approach in developing our opinion of the market value of the subject property. We discuss each approach below and conclude with a summary of their applicability to the subject property.

Cost Approach

The Cost Approach is based on the proposition that an informed purchaser would pay no more for the subject than the cost to produce a substitute property with equivalent utility. This approach is particularly applicable when the property being appraised involves relatively new improvements which represent the Highest and Best Use of the land; or when relatively unique or specialized improvements are located on the site for which there are few improved sales or leases of comparable properties.

In the Cost Approach, the appraiser forms an opinion of the cost of all improvements, depreciating them to reflect any value loss from physical, functional and external causes. Land value, entrepreneurial incentive and depreciated improvement costs are then added, resulting in an opinion of value for the subject property.

Sales Comparison Approach

In the Sales Comparison Approach, sales of comparable properties are adjusted for differences to estimate a value for the subject property. A unit of comparison such as price per square foot of building area or effective gross income multiplier is typically used to value the property. When developing an opinion of land value the analysis is based on recent sales of sites of comparable zoning and utility, and the typical units of comparison are price per square foot of land, price per acre, price per unit, or price per square foot of potential building area. In both cases, adjustments are applied to the unit of comparison from an analysis of comparable sales, and the adjusted unit of comparison is then used to derive an opinion of value for the subject property.

Income Capitalization Approach

In the Income Capitalization Approach the income-producing capacity of a property is estimated by using contract rents on existing leases and by estimating market rent from rental activity at competing properties for the vacant space. Deductions are then made for vacancy and collection loss and operating expenses. The resulting net operating income is divided by an overall capitalization rate to derive an opinion of value for the subject property. The capitalization rate represents the relationship between net operating income and value. This method is referred to as Direct Capitalization.

Related to the Direct Capitalization Method is the Yield Capitalization Method. In this method periodic cash flows (which consist of net operating income less capital costs) and a reversionary value are developed and discounted to a present value using an internal rate of return that is determined by analyzing current investor yield requirements for similar investments.

Summary

This appraisal employs only the Sales Comparison Approach. Based on our analysis and knowledge of the subject property type and relevant investor profiles, it is our opinion that this approach would be considered necessary and applicable for market participants. Typical purchasers do not generally rely on the Cost or Income Capitalization Approaches when purchasing a property such as the subject of this report. Therefore, we have not employed the Cost Approach or the Income Capitalization Approach to develop an opinion of market value. The exclusion of these approaches to value does not reduce the credibility of the assignment results.

Land Valuation

We used the Sales Comparison Approach to develop an opinion of land value. We examined current offerings and analyzed prices buyers have recently paid for comparable sites. If the comparable was superior to the subject, a downward adjustment was made to the comparable sale. If inferior, an upward adjustment was made.

The most widely used and market-oriented unit of comparison for properties with characteristics similar to those of the subject is price per square foot of land. All transactions used in this analysis are based on the most appropriate method used in the local market.

The major elements of comparison used to value the subject site include the property rights conveyed, the financial terms incorporated into the transaction, the conditions or motivations surrounding the sale, changes in market conditions since the sale, the location of the real estate, its utility and the physical characteristics of the property.

The comparables and our analysis are presented on the following pages. Comparable land sale data sheets are presented in the Addenda of this report. We will begin with the underlying fee value of the subject land, using the Across the Fence methodology, and then analyze the subject taking into account the various encumbrances limiting the subject site. As a third step, we will analyze the subject taking into any additional factors not previously addressed using the Across the Fence methodology considerations.

SUMMARY OF LAND SALES

PROPERTY INFORMATION					TRANSACTION INFORMATION				
No.	Location	Size (SF)	Size (Acres)	Zoning	Grantor	Grantee	Sale Date	Sale Price	\$/SF Land
S	Subject Property	39,535	0.91	C-2, Community Commercial District					
1	1001 West 2nd Street Roswell, NM	171,626	3.94	C-2	Featherstone Development Corporation	Via Real Estate LLC	5/24	\$1,600,000	\$9.32
2	Main Street Land 3375 North Main Street Roswell, NM	126,324	2.90	C-2	Jay Gluck	Michael Hokett	5/23	\$757,944	\$6.00
3	6111 South Main Street Roswell, NM	22,499	0.52	C-2	Ernie Hacker	Canyon Rock Development, LLC	4/23	\$148,600	\$6.60
4	Garden Ave Land 812 North Garden Avenue Roswell, NM	41,120	0.94	I-1	ABS Properties, LLC	James Randall DeMoss	3/23	\$255,000	\$6.20
STATISTICS									
Low		22,499	0.52				3/23	\$148,600	\$6.00
High		171,626	3.94				5/24	\$1,600,000	\$9.32
Average		90,392	2.08				7/23	\$690,386	\$7.03

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LAND SALE ADJUSTMENT GRID

Economic Adjustments (Cumulative)							Property Characteristic Adjustments (Additive)					
No.	Price PSF Land & Date	Property Rights Conveyed	Conditions of Sale	Financing	Market ⁽¹⁾ Conditions	PSF Land Subtotal	Location	Size	Utility ⁽²⁾	Zoning	Other	Adj. Price PSF Land
1	\$9.32 5/24	Fee Simple 0.0%	Arm's-Length 0.0%	None 0.0%	Inferior 1.9%	\$9.50 1.9%	Superior -30.0%	Similar 0.0%	Superior -5.0%	Similar 0.0%	Similar 0.0%	\$6.18 -35.0%
2	\$6.00 5/23	Fee Simple 0.0%	Arm's-Length 0.0%	None 0.0%	Inferior 3.8%	\$6.23 3.8%	Superior -15.0%	Similar 0.0%	Similar 0.0%	Similar 0.0%	Similar 0.0%	\$5.29 -15.0%
3	\$6.60 4/23	Fee Simple 0.0%	Arm's-Length 0.0%	None 0.0%	Inferior 4.0%	\$6.87 4.0%	Similar 0.0%	Smaller -15.0%	Superior -5.0%	Similar 0.0%	Similar 0.0%	\$5.49 -20.0%
4	\$6.20 3/23	Fee Simple 0.0%	Arm's-Length 0.0%	None 0.0%	Inferior 4.2%	\$6.46 4.2%	Inferior 5.0%	Smaller -10.0%	Similar 0.0%	Similar 0.0%	Similar 0.0%	\$6.14 -5.0%
STATISTICS												
	\$6.00	- Low									Low -	\$5.29
	\$9.32	- High									High -	\$6.18
	\$7.03	- Average									Average -	\$5.78

Compiled by Cushman & Wakefield Western, Inc.

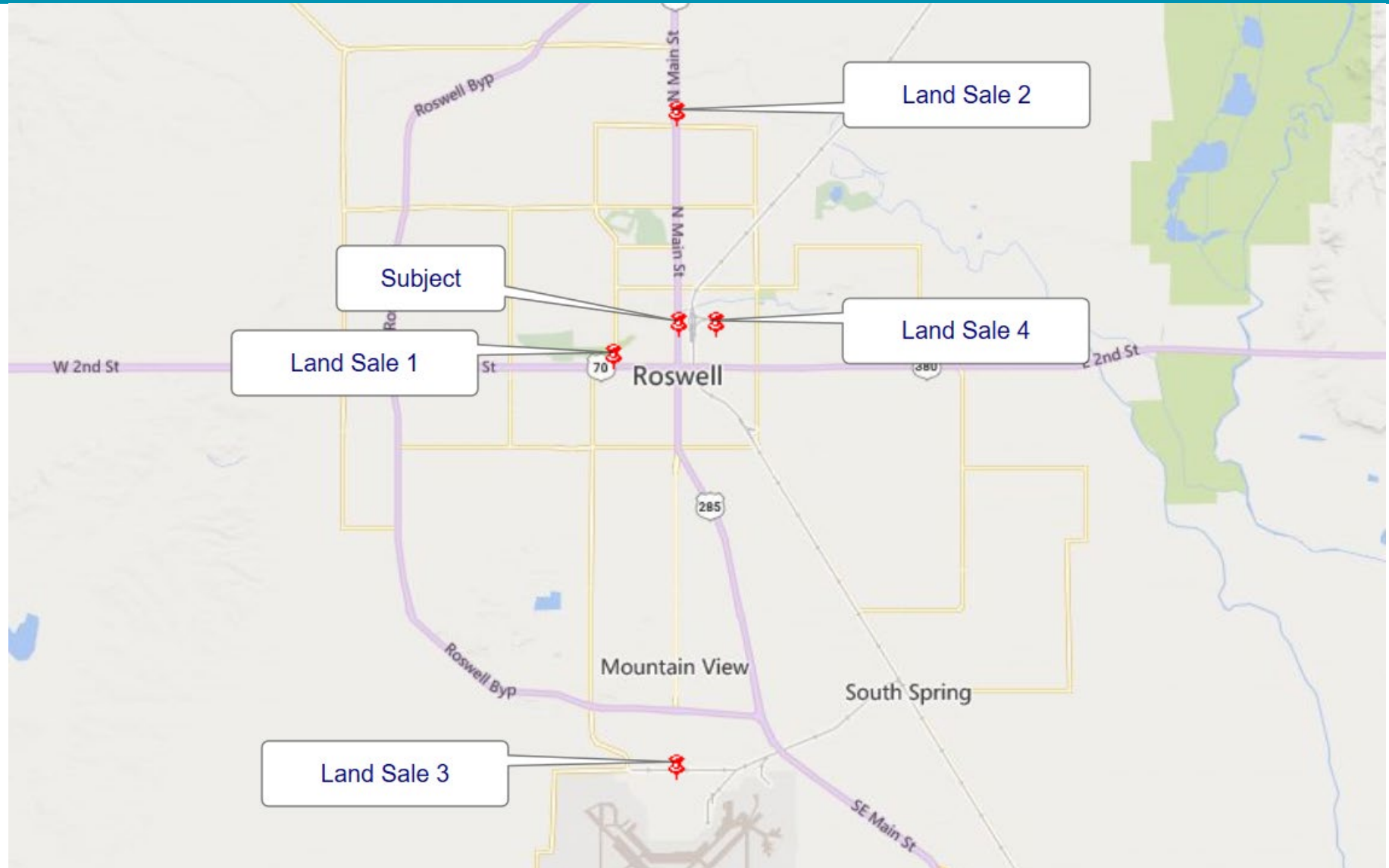
(1) Market Conditions Adjustment Footnote

Compound annual change in market conditions: 2.0%
Date of Value (for adjustment calculations): 4/18/25

(2) Utility Footnote

Utility includes shape, access, frontage and visibility.

LAND SALE LOCATION MAP



Discussion of Adjustments

Property Rights Conveyed

The property rights conveyed in a transaction typically have an impact on the sale price of a property. Acquiring the fee simple interest implies that the buyer is acquiring the full bundle of rights. Acquiring a leased fee interest typically means that the property being acquired is encumbered by at least one lease, which is a binding agreement transferring rights of use and occupancy to the tenant. A leasehold interest involves the acquisition of a lease, which conveys the rights to use and occupy the property to the buyer for a finite period of time. At the end of the lease term, there is typically no reversionary value to the leasehold interest. Since we are valuing the fee simple interest as reflected by each of the comparables, an adjustment for property rights is not required.

Conditions of Sale

Adjustments for conditions of sale usually reflect the motivations of the buyer and the seller. In many situations the conditions of sale may significantly affect transaction prices. However, all sales used in this analysis are considered to be "arms-length" market transactions between both knowledgeable buyers and sellers on the open market. Therefore, no adjustments were required.

Financial Terms

The financial terms of a transaction can have an impact on the sale price of a property. A buyer who purchases an asset with favorable financing might pay a higher price, as the reduced cost of debt creates a favorable debt coverage ratio. A transaction involving above-market debt will typically involve a lower purchase price tied to the lower equity returns after debt service. We analyzed all of the transactions to account for atypical financing terms. To the best of our knowledge, all of the sales used in this analysis were accomplished with cash or market-oriented financing. Therefore, no adjustments were required.

Market Conditions

The sales that are included in this analysis occurred between March 2023 and May 2025, which were adjusted to the date of value. The market for vacant land in the subject area has shown steady growth over the past several years. We have projected a 2.0 percent annual market appreciation.

Location

An adjustment for location is required when the locational characteristics of a comparable property differ from those of the subject property. We made downward adjustments to those comparables considered superior in location compared to the subject; upward adjustments were applied to sales with inferior locations compared to the subject.

Sale 1 is located in a retail corridor along West 2nd Street, with a high traffic count and numerous restaurants and auto dealerships. This is a notably superior location, and as such, a significant downward adjustment was applied. Sale 2 is located north of the subject property on Main Street, on a main arterial and adjacent to several built-out residential neighborhoods. We have considered this location superior and have applied a downward adjustment. Sale 3 is located in an area with commercial and industrial uses, similar to the subject, and is considered generally similar to the subject in terms of locational attributes. Therefore, no adjustments were applied. Sale 4 is in an industrial area with a higher amount of surrounding vacant land; overall we considered this location inferior and an upward adjustment was applied.

Size

The adjustment for size generally reflects the inverse relationship between unit price and lot size. Smaller lots tend to sell for higher unit prices than larger lots, and vice versa. The selected sales are between 0.52 and 3.94 acres in size, again, we have considered the subject at its highest and best use, which is to assemble it with an adjacent property and development of an industrial use. The subject, once assembled, will be part of a larger 4.73 acre site owned by Roswell Property Management Group F2 LLC; therefore, this size range is used for the subject's ultimate highest and best use. We have adjusted Sales 3 and 4 downward to account for their significantly smaller site sizes.

Utility

The subject site, under the assemblage highest and best use (before considering an encumbrances), is adequately shaped to accommodate a typical building, and has adequate access, frontage, and visibility. Sales 1 and 3 had hard corner locations on major arterials and have therefore been adjusted downward. No additional adjustments were merited.

Zoning

An adjustment for zoning is needed when development potential varies. Downward adjustments were made when sites had more development potential (uses, etc.) than the subject, and upward adjustments were made when sales had less development potential due to zoning. The subject has blended zoning, as assembled, with the highest and best use reflecting a commercial development (allowable in both the C-2 and I-1 zones). All of the comparable sales were considered generally similar on a per square foot of land basis and no adjustments were merited.

Other

This category addresses other factors not previously considered. No additional adjustments were needed.

Conclusion of Site Value

The adjustments applied to the comparable sales in the Land Sale Adjustment Chart reflect what we determined is appropriate in the marketplace.

Despite the subjectivity, the adjustments were considered reasonable and were applied consistently.

After a thorough analysis, the comparable land sales reflect adjusted unit values ranging from \$5.29 per square foot to \$6.18 per square foot, with an average of \$5.78 per square foot.

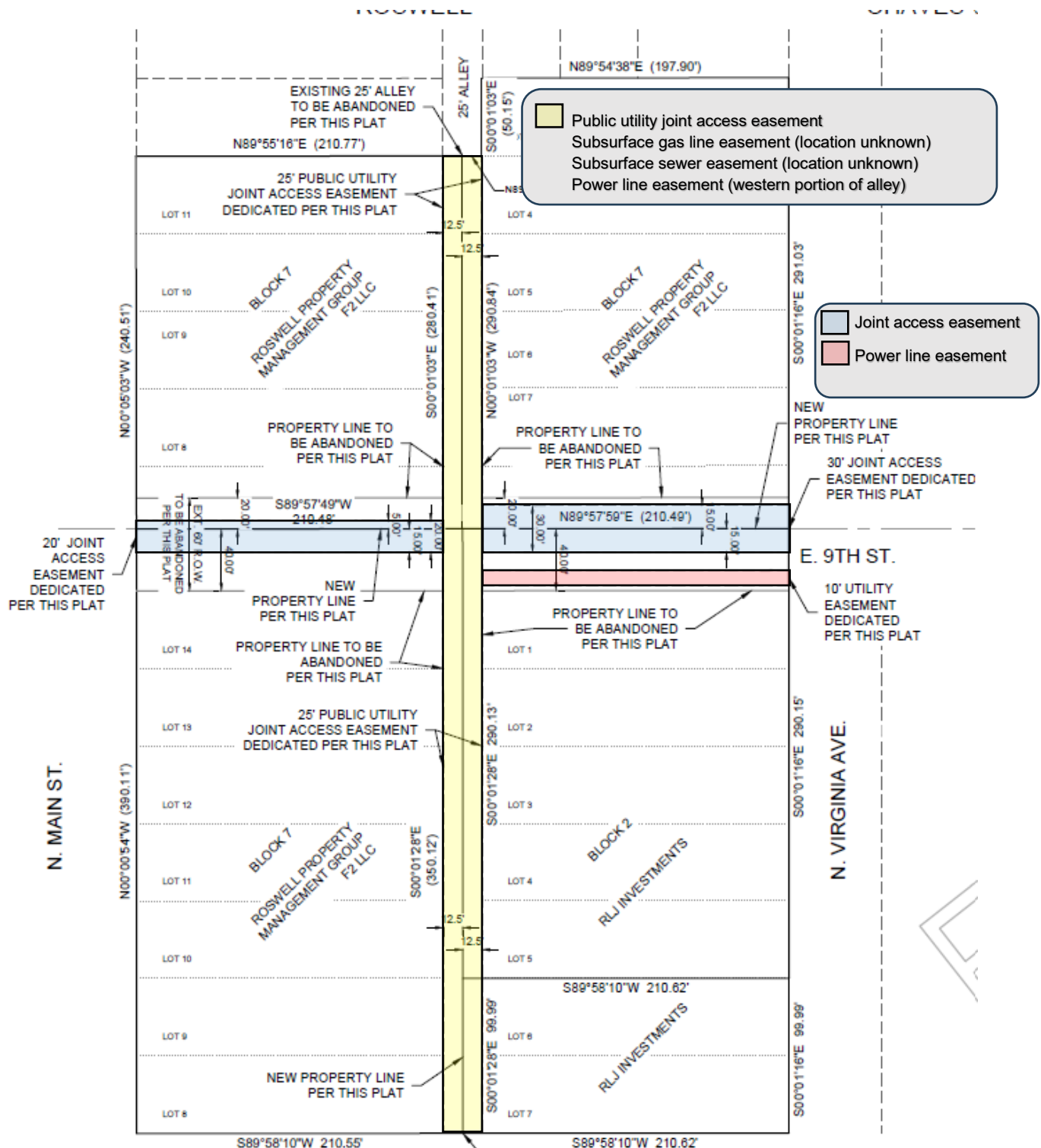
We have given all sales equal weight in our value determination, due to the relatively low net adjustments of 20 percent or less to Comparables 2 – 4, and Comparable 1 due to its recent date of sale. The average of these sales is \$5.78 per square foot of land. Therefore, we concluded that the indicated land value by the Sales Comparison Approach was:

AS IS LAND VALUE CONCLUSION		Value PSF
Indicated Value		\$5.75
SQFT Measure	x 39,535	
Indicated Value		\$227,326
Rounded to nearest \$10,000		\$230,000
\$/SF Basis		\$5.82
LAND VALUE CONCLUSION		\$230,000
\$/SF Basis		\$5.82

Compiled by Cushman & Wakefield Western, Inc.

Easement Analysis

We used the Sales Comparison Approach to develop an opinion of the underlying fee value of the subject land under its highest and best use, assemblage with an adjacent property. Using this fee value, we analyze the subject property with consideration for the various easements encumbering the property, discussed earlier in this report. To aid the reader, we have provided a visual exhibit of the easements encumbering the subject.



The data used in developing our opinion of value for the subject as encumbered is the same information that has been used in completing our valuation of the subject underlying land in the preceding valuation analysis. As part of the valuation of the subject, we will analyze the various easements encumbering the subject site and their impact on use of the property. The value impact associated with these components are discussed further below.

East 9th Street

The portion of the subject property contained within the East 9th Street right of way has been separated into two sections, the western portion and the eastern portion, separated by the alleyway, which will be analyzed later within this section.

Western Section

For the western portion of the land, the subject consists of unencumbered land at the northernmost area, followed by a proposed 20-foot joint access easement. The southernmost area is unencumbered. Consistent with easement valuation methods, the unencumbered land is valued at 100.0 percent of the underlying fee value, whereas the easement portions will be analyzed below.

Joint Access Easement

This particular portion of the subject site features a proposed joint access easement. Although we have not been provided with a sample acquisition document, a review of similar access easements have been considered. Access easements typically grant the right to maintain proper access within the easement area, and limits the surface area pertaining to use and development. Therefore, the easement will effectively reduce the utility of the land to very limited surface use in perpetuity. We conclude that the overall loss of utility in this portion of the proposed easement is equivalent to 80.0 percent of the unencumbered fee value use. If utility may be equated with value, then the loss of value throughout this easement area would not exceed 80.0 percent of the underlying fee value.

To account for the impact of the joint access easement on this portion of the subject site, we applied discounts tabulated to account for the western portion of the East 9th Street right of way area:

Western Side	11,880 SF	Fee Value	Unencumbered Value	Easement Limitation	Total Value
Northern 15 Feet (Unencumbered)	2,970 SF	\$5.75	\$17,077.50		\$17,078
Middle 20 Feet (Encumbered with Access Easement)	3,960 SF	\$5.75	\$22,770.00	Discounted by 80%	\$4,554
Southern 25 Feet (Unencumbered)	4,950 SF	\$5.75	\$28,462.50		\$28,463

The data used in developing our opinion of value for the part encumbered is the same information that has been used in completing our valuation of the subject site in the preceding valuation analysis.

Eastern Section

For the eastern portion of the land, the subject consists of unencumbered land at the northernmost area, followed by a proposed 30-foot joint access easement. The section just south of this is unencumbered, but lacks meaningful use as directly south is an additional easement for a power line. Therefore, this unencumbered area is considered an uneconomic remnant and will not retain the majority of its value situated between two encumbered areas. The southernmost portion of the eastern section of East 9th Street is unencumbered. Consistent with easement valuation methods, the unencumbered land is valued at 100.0 percent of the underlying fee value (with the exception of the uneconomic remnant portion), whereas the easement portions will be analyzed below.

Joint Access Easement

This particular portion of the subject site features a proposed joint access easement. Although we have not been provided with a sample acquisition document, a review of similar access easements have been considered. Access easements typically grant the right to maintain proper access within the easement area, and limits the surface area pertaining to use and development. Therefore, the easement will effectively reduce the utility of the land to very limited surface use in perpetuity. We conclude that the overall loss of utility in this portion of the proposed easement is equivalent to 80.0 percent of the before condition use. If utility may be equated with value, then the loss of value throughout this easement area would not exceed 80.0 percent of the underlying fee value.

Unencumbered Area (Uneconomic Remnant)

This particular portion of the subject site features a portion of land between the proposed joint access easement and the power line utility easement. Although this portion of land is unencumbered, it loses its development potential significantly, given its location and limited width of 13 feet. Therefore, the easements on each side will effectively reduce the utility of this unencumbered portion of land. We conclude that the overall loss of utility in this portion to 80.0 percent of the fee value use. If utility may be equated with value, then the loss of value throughout this remnant area would not exceed 80.0 percent of the underlying fee value.

Power Line Utility Easement

This particular portion of the subject site features an existing power line easement. Although we have not been provided with a sample acquisition document, a review of similar access easements have been considered. Power line easements typically grant the right to maintain the power poles within the easement area, and limits the surface area pertaining to use and development. Therefore, the easement will effectively reduce the utility of the land to very limited surface use in perpetuity. We conclude that the overall loss of utility in this portion of the proposed easement is equivalent to 90.0 percent of the before condition use. If utility may be equated with value, then the loss of value throughout this easement area would not exceed 90.0 percent of the underlying fee value.

To account for the impact of the easements on this portion of the subject site, we applied discounts tabulated to account for the eastern portion of the East 9th Street right of way area:

Eastern Side	11,880 SF	Fee Value	Unencumbered Value	Easement Limitation	Total Value
Northern 5 Feet (Unencumbered)	990 SF	\$5.75	\$5,692.50		\$5,693
30 Feet (Encumbered with Access Easement)	5,940 SF	\$5.75	\$34,155.00	Discounted by 80%	\$6,831
13 Feet (Unencumbered)	2,574 SF	\$5.75	\$14,800.50	Discounted by 80%, uneconomic remnant	\$2,960
10 Feet (Encumbered with Utility Easement)	1,980 SF	\$5.75	\$11,385.00	Discounted by 90%	\$1,139
Southern 2 Feet (Unencumbered)	396 SF	\$5.75	\$2,277.00		\$2,277

The data used in developing our opinion of value for the part encumbered is the same information that has been used in completing our valuation of the subject site in the preceding valuation analysis.

Unnamed Alley

The portion of the subject property contained within the unnamed alley right of way has been will be analyzed below.

The subject consists of a 25-foot alley, entirely encumbered by a blanket public utility joint access easement. Based on our inspection, there is a power line running the length of the alley, indicating a power line utility easement encumbering the surface on the western side of the alley. We have also located a gas cap within the alley, indicating a likely subsurface gas line easement below the surface. Additionally, we have been informed by the adjacent property owner, Roswell Property Management Group F2 LLC that there is a subsurface sewer line that runs the full length of the alley. Because the latter three easements are not identified on the survey we received, we have determined a blended discount determination for land encumbered by the power line, gas line, sewer line, and blanket public utility joint access easement. Consistent with easement valuation methods, the unencumbered land is valued at 100.0 percent of the underlying fee value, whereas the resulting encumbered land comprising the alley is valued at an overall resulting percentage.

Joint Access Easement

This particular portion of the subject site features a proposed public utility joint access easement. Although we have not been provided with a sample acquisition document, a review of similar access easements have been considered. Access easements typically grant the right to maintain proper access within the easement area, and limits the surface area pertaining to use and development. Therefore, the easement will effectively reduce the utility of the land to very limited surface use in perpetuity. Earlier in this section, we concluded the overall loss of utility in access easement portions of the proposed easement is equivalent to 80.0 percent of the underlying fee value.

Power Line Utility Easement

This particular portion of the subject site features an existing power line easement. Although we have not been provided with a sample acquisition document, a review of similar access easements have been considered. Power line easements typically grant the right to maintain the power poles within the easement area, and limits the surface area pertaining to use and development. Therefore, the easement will effectively reduce the utility of the land to very limited surface use in perpetuity. Earlier in this section, we concluded that the overall loss of utility in power line easement areas is equivalent to 90.0 percent of the underlying fee value.

Sewer Line Easement

This particular portion of the subject site features an assumed sewer line easement below the surface. Although we have not been provided with a sample acquisition document, a review of similar access easements have been considered. Sewer line easements typically grant the right to maintain the sewer line within the easement area, and often limits the surface area pertaining to use and development. Without obtaining a preliminary title report, we have assumed the easement begins approximately 6 feet below the surface, and is estimated to be around 2 feet in diameter.

Gas Line Easement

This particular portion of the subject site features an assumed gas line easement below the surface. Although we have not been provided with a sample acquisition document, a review of similar access easements have been considered. Gas line easements typically grant the right to maintain the gas line within the easement area, and often limits the surface area pertaining to use and development. Without obtaining a preliminary title report, we have assumed the easement begins approximately 3 feet below the surface, and is estimated to be around 3 feet in diameter.

To account for the impact of the identified and assumed easements on this portion of the subject site, we applied a blended discount tabulated to account for the various easements within this right of way area:

Alley		Fee Value	Unencumbered Value	Easement Limitation	Total Value
(Encumbered with Public Utility Access Easement, Subsurface Gas Line Easement, Subsurface Sewer Easement, Power Line Easement)	15,775 SF	\$5.75	\$90,706.25	Discounted by 99%	\$907

The data used in developing our opinion of value for the part encumbered is the same information that has been used in completing our valuation of the subject site in the preceding valuation analysis.

Subject Market Value- Across the Fence Conclusion

We previously used the Sales Comparison Approach to value the subject underlying land at \$5.75 per square foot, using Across the Fence methodology. All sales were considered reliable indicators of value. We then considered the resulting land value after taking into account the various easements encumbering the subject site. As a final step, we will consider the resulting land value after taking into account the nature of the subject land in its current state, as an irregularly shaped portion of land with limitations pertaining potential use and utility.

Using fiber optic line data as a proxy, the encumbered width for a fiber optic line typically ranges from three to ten feet and typically encumbers the fee simple interest of a transportation corridor by 25% to 50%. Land rates used for leases range from 10% to 12%. We have considered this methodology of lease rates equal to right of way usage rates.

It should be noted that a 25% to 50% discount is based on a corridor valuation; in which a corridor factor would have been applied to the ATF value conclusion. Corridor factors are difficult to research as many of the sales of corridors are held in strict confidence. However, older data indicates a range 0.57 to 2.34 with an average of 1.236. This data is dated and does not account for the individual corridor's length, ATF uses, etc. Another known data set indicates corridor factors ranging from .065 to 3.46 with an average of 1.35 before adjustments. Therefore, it is my opinion that limiting the valuation of the subject property to the ATF method of valuation is appropriate.

Therefore, we have concluded that the underlying fee value, after accounting for the various encumbrances on the subject site, will be discounted by 80.0 percent. This discount is in line with current negotiations for railway corridor land transactions.

Summary of Value Analysis

We have valued the subject property, using the ATF methodology and taking into consideration the limited use of the subject as a result of the various easements encumbering the subject site. The complete summary of our analysis is shown below.

Western Side	11,880 SF	Fee Value	Unencumbered Value	Easement Limitation	Total Value
Northern 15 Feet (Unencumbered)	2,970 SF	\$5.75	\$17,077.50		\$17,078
Middle 20 Feet (Encumbered with Access Easement)	3,960 SF	\$5.75	\$22,770.00	Discounted by 80%	\$4,554
Southern 25 Feet (Unencumbered)	4,950 SF	\$5.75	\$28,462.50		\$28,463
Eastern Side	11,880 SF	Fee Value	Unencumbered Value	Easement Limitation	Total Value
Northern 5 Feet (Unencumbered)	990 SF	\$5.75	\$5,692.50		\$5,693
30 Feet (Encumbered with Access Easement)	5,940 SF	\$5.75	\$34,155.00	Discounted by 80%	\$6,831
13 Feet (Unencumbered)	2,574 SF	\$5.75	\$14,800.50	Discounted by 80%, uneconomic remnant	\$2,960
10 Feet (Encumbered with Utility Easement)	1,980 SF	\$5.75	\$11,385.00	Discounted by 90%	\$1,139
Southern 2 Feet (Unencumbered)	396 SF	\$5.75	\$2,277.00		\$2,277
Alley		Fee Value	Unencumbered Value	Easement Limitation	Total Value
(Encumbered with Public Utility Access Easement, Subsurface Gas Line Easement, Subsurface Sewer Easement, Power Line Easement)	15,775 SF	\$5.75	\$90,706.25	Discounted by 99%	\$907
SUBTOTAL					\$69,900
Discounted by 80%					\$13,980
(Applying Corridor Factor Consideration of 0.20)					
ROUNDED					\$14,000

Reconciliation and Final Value Opinion

Valuation Methodology Review and Reconciliation

This appraisal employs only the Sales Comparison Approach. Based on our analysis and knowledge of the subject property type and relevant investor profiles, it is our opinion that this approach would be considered necessary and applicable for market participants. Typical purchasers do not generally rely on the Cost or Income Capitalization Approaches when purchasing a property such as the subject of this report. Therefore, we have not employed the Cost Approach or the Income Capitalization Approach to develop an opinion of market value. The exclusion of these approaches to value does not reduce the credibility of the assignment results.

The Sales Comparison Approach for subject property indicated the following:

FINAL VALUE RECONCILIATION		
	Market Value As-Is	PSF
Date of Value	April 18, 2025	
Land Valuation		
Land Value	\$14,000	
Land Value PSF		\$0.35
Final Value Conclusion	\$14,000	\$0.35

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We gave sole weight to the Sales Comparison Approach, because this mirrors the methodology used by purchasers of this property type.

Value Conclusion			
Appraisal Premise	Real Property Interest	Date of Value	Value Conclusion
Market Value As-Is	Fee Simple	April 18, 2025	\$14,000

Compiled by Cushman & Wakefield Western, Inc.

Extraordinary Assumptions

For a definition of Extraordinary Assumptions please see the Glossary of Terms & Definitions. The use of extraordinary assumptions, if any, might have affected the assignment results.

We have not received an Environmental Impact Report (EIR) as of the date of this report. This appraisal assumes the subject is free and clear of any contamination issues.

This appraisal assumes that the subject will be platted and that the proposed easements described herein are recorded. We have relied on the client's mapping and noted sizes herein for the size of the subject property. Should this differ from the subject property's total size, we also reserve the right to amend our value opinions.

Hypothetical Conditions

For a definition of Hypothetical Conditions please see the Glossary of Terms & Definitions. The use of hypothetical conditions, if any, might have affected the assignment results.

This appraisal does not employ any hypothetical conditions.

Exposure Time and Marketing Time

Based on our review of national investor surveys, discussions with market participants and information gathered during the sales verification process, a reasonable exposure time for the subject property at the value concluded within this report would have been approximately twelve to eighteen (12-18) months. This assumes an active and professional marketing plan would have been employed by the current owner.

We believe, based on the assumptions employed in our analysis, as well as our selection of investment parameters for the subject, that our value conclusion represents a price achievable within twelve to eighteen (12-18) months.

Assumptions and Limiting Conditions

"Report" means the appraisal or consulting report and conclusions stated therein, to which these Assumptions and Limiting Conditions are annexed.

"Property" means the subject of the Report.

"Cushman & Wakefield" means Cushman & Wakefield, Inc. or its subsidiary that issued the Report.

"Appraiser(s)" means the employee(s) of Cushman & Wakefield who prepared and signed the Report.

The Report has been made subject to the following assumptions and limiting conditions:

- No opinion is intended to be expressed and no responsibility is assumed for the legal description or for any matters that are legal in nature or require legal expertise or specialized knowledge beyond that of a real estate appraiser. Title to the Property is assumed to be good and marketable and the Property is assumed to be free and clear of all liens unless otherwise stated. No survey of the Property was undertaken.
- The information contained in the Report or upon which the Report is based has been gathered from sources the Appraiser assumes to be reliable and accurate. The owner of the Property may have provided some of such information. Neither the Appraiser nor Cushman & Wakefield shall be responsible for the accuracy or completeness of such information, including the correctness of estimates, opinions, dimensions, sketches, exhibits and factual matters. Any authorized user of the Report is obligated to bring to the attention of Cushman & Wakefield any inaccuracies or errors that it believes are contained in the Report.
- The opinions are only as of the date stated in the Report. Changes since that date in external and market factors or in the Property itself can significantly affect the conclusions in the Report.
- The Report is to be used in whole and not in part. No part of the Report shall be used in conjunction with any other analyses. Publication of the Report or any portion thereof without the prior written consent of Cushman & Wakefield is prohibited. Reference to the Appraisal Institute or to the MAI designation is prohibited. Except as may be otherwise stated in the letter of engagement, the Report may not be used by any person(s) other than the party(ies) to whom it is addressed or for purposes other than that for which it was prepared. No part of the Report shall be conveyed to the public through advertising, or used in any sales, promotion, offering or SEC material without Cushman & Wakefield's prior written consent. Any authorized user(s) of this Report who provides a copy to, or permits reliance thereon by, any person or entity not authorized by Cushman & Wakefield in writing to use or rely thereon, hereby agrees to indemnify and hold Cushman & Wakefield, its affiliates and their respective shareholders, directors, officers and employees, harmless from and against all damages, expenses, claims and costs, including attorneys' fees, incurred in investigating and defending any claim arising from or in any way connected to the use of, or reliance upon, the Report by any such unauthorized person(s) or entity(ies).
- Except as may be otherwise stated in the letter of engagement, the Appraiser shall not be required to give testimony in any court or administrative proceeding relating to the Property or the Appraisal.
- The Report assumes (a) responsible ownership and competent management of the Property; (b) there are no hidden or unapparent conditions of the Property, subsoil or structures that render the Property more or less valuable (no responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them); (c) full compliance with all applicable federal, state and local zoning and environmental regulations and laws, unless noncompliance is stated, defined and considered in the Report; and (d) all required licenses, certificates of occupancy and other governmental consents have been or can be obtained and renewed for any use on which the value opinion contained in the Report is based.
- The physical condition of the improvements considered by the Report is based on visual inspection by the Appraiser or other person identified in the Report. Cushman & Wakefield assumes no responsibility for the soundness of structural components or for the condition of mechanical equipment, plumbing or electrical components.
- The forecasted potential gross income referred to in the Report may be based on lease summaries provided by the owner or third parties. The Report assumes no responsibility for the authenticity or completeness of lease information provided by others. Cushman & Wakefield recommends that legal advice be obtained regarding the interpretation of lease provisions and the contractual rights of parties.

- The forecasts of income and expenses are not predictions of the future. Rather, they are the Appraiser's best opinions of current market thinking on future income and expenses. The Appraiser and Cushman & Wakefield make no warranty or representation that these forecasts will materialize. The real estate market is constantly fluctuating and changing. It is not the Appraiser's task to predict or in any way warrant the conditions of a future real estate market; the Appraiser can only reflect what the investment community, as of the date of the Report, envisages for the future in terms of rental rates, expenses, and supply and demand.
- Unless otherwise stated in the Report, the existence of potentially hazardous or toxic materials that may have been used in the construction or maintenance of the improvements or may be located at or about the Property was not considered in arriving at the opinion of value. These materials (such as formaldehyde foam insulation, asbestos insulation and other potentially hazardous materials) may adversely affect the value of the Property. The Appraisers are not qualified to detect such substances. Cushman & Wakefield recommends that an environmental expert be employed to determine the impact of these matters on the opinion of value.
- Unless otherwise stated in the Report, compliance with the requirements of the Americans with Disabilities Act of 1990 (ADA) has not been considered in arriving at the opinion of value. Failure to comply with the requirements of the ADA may adversely affect the value of the Property. Cushman & Wakefield recommends that an expert in this field be employed to determine the compliance of the Property with the requirements of the ADA and the impact of these matters on the opinion of value.
- If the Report is submitted to a lender or investor with the prior approval of Cushman & Wakefield, such party should consider this Report as only one factor, together with its independent investment considerations and underwriting criteria, in its overall investment decision. Such lender or investor is specifically cautioned to understand all Extraordinary Assumptions and Hypothetical Conditions and the Assumptions and Limiting Conditions incorporated in this Report.
- In the event of a claim against Cushman & Wakefield or its affiliates or their respective officers or employees or the Appraisers in connection with or in any way relating to this Report or this engagement, the maximum damages recoverable shall be the amount of the monies actually collected by Cushman & Wakefield or its affiliates for this Report and under no circumstances shall any claim for consequential damages be made.
- If the Report is referred to or included in any offering material or prospectus, the Report shall be deemed referred to or included for informational purposes only and Cushman & Wakefield, its employees and the Appraiser have no liability to such recipients. Cushman & Wakefield disclaims any and all liability to any party other than the party that retained Cushman & Wakefield to prepare the Report.
- Unless otherwise noted, we were not given a soil report to review. However, we assume that the soil's load-bearing capacity is sufficient to support existing and/or proposed structure(s). We did not observe any evidence to the contrary during our physical inspection of the property. Drainage appears to be adequate.
- Unless otherwise noted, we were not given a title report to review. We do not know of any easements, encroachments, or restrictions that would adversely affect the site's use. However, we recommend a title search to determine whether any adverse conditions exist.
- Unless otherwise noted, we were not given a wetlands survey to review. If subsequent engineering data reveal the presence of regulated wetlands, it could materially affect property value. We recommend a wetlands survey by a professional engineer with expertise in this field.
- Unless otherwise noted, we observed no evidence of toxic or hazardous substances during our inspection of the site. However, we are not trained to perform technical environmental inspections and recommend the hiring of a professional engineer with expertise in this field.
- Unless otherwise noted, we did not inspect the roof nor did we make a detailed inspection of the mechanical systems. The appraisers are not qualified to render an opinion regarding the adequacy or condition of these components. The client is urged to retain an expert in this field if detailed information is needed.
- By use of this Report each party that uses this Report agrees to be bound by all of the Assumptions and Limiting Conditions, Hypothetical Conditions and Extraordinary Assumptions stated herein.

Certification

We certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- 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, 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.
- 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 Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- C&W has undertaken to complete this report without regard to race, color, religion, national origin, sex, marital status, or any other prohibited basis, and it is not intended to contain references that could be regarded as discriminatory.
- John Kirby, MAI did make a personal inspection of the property that is the subject of this report.
- John Kirby, MAI has performed no prior services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.
- Jan Kelly provided significant real property appraisal assistance to the persons signing this report, including report drafting.
- As of the date of this report, John Kirby, MAI has completed the continuing education program for Designated Members of the Appraisal Institute.



John Kirby, MAI
Executive Managing Director
NM Certified General Appraiser
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Addenda Contents

Addendum A:	Glossary of Terms & Definitions
Addendum B:	Engagement Letter
Addendum C:	Comparable Land Sale Data Sheets
Addendum D:	Qualifications of the Appraiser

Addendum A:

Glossary of Terms & Definitions

The following definitions of pertinent terms are taken from *The Dictionary of Real Estate Appraisal*, Seventh Edition (2022), published by the Appraisal Institute, Chicago, IL, as well as other sources.

Band of Investment

A technique in which the capitalization rates attributable to components of a capital investment are weighted and combined to derive a weighted-average rate attributable to the total investment (i.e., debt and equity, land and improvements).

Capital Expenditure

Investments of cash (or the creation of liability) to acquire or improve an asset, e.g., land, buildings, building additions, site improvements, machinery, equipment; as distinguished from cash outflows for expense items that are normally considered part of the current period's operations. Also referred to as *cap ex*.

Cash Equivalency Analysis

An analytical process in which the sale price of a transaction with atypical financing or financing with unusual conditions or incentives is converted into a price equivalent or consistent with what a cash buyer would pay with all other factors the same.

Depreciation

1. In appraisal, a loss in property value of improvements from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the market value of the improvement on the same date. 2. In accounting, an allocation of the original cost of an asset, amortizing the cost over the asset's life; calculated using a variety of standard techniques.

Disposition Value

The most probable price that a specified interest in property should bring under the following conditions:

- Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
- The property is subjected to market conditions prevailing as of the date of valuation.
- The buyer and seller is each acting prudently and knowledgeably.
- The seller is under compulsion to sell.
- The buyer is typically motivated.
- Both parties are acting in what they consider their best interest.
- An adequate marketing effort will be made during the exposure time.
- Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
- 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.

This definition can also be modified to provide for valuation with specified financing terms.

Entrepreneurial Incentive

The amount an entrepreneur expects or wants to receive as compensation for providing coordination and expertise and assuming the risks associated with the development of a project. Entrepreneurial incentive is the expectation of future reward as opposed to the profit actually earned on the project.

Equity Capitalization Rate

An income rate that reflects the relationship between one year's equity cash flow and the equity investment; also called the cash-on-cash rate, cash flow rate, cash throw-off rate, or equity dividend rate.

Excess Land

Land that is not needed to serve or support the existing use. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land has the potential to be sold separately and is valued separately.

Exposure Time

The time a property remains on the market. Per USPAP, 2024 ed., AO-35: An opinion, based on supporting market data, of the length of time that 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.

External Obsolescence

A type of depreciation; a diminution in value caused by negative external influences and generally incurable on the part of the owner, landlord, or tenant. The external influence may be either temporary or permanent. There are two forms of external obsolescence: economic and locational.

Extraordinary Assumption

An assignment-specific assumption, as of the effective date regarding uncertain information used in an analysis, which, if found to be false, could alter the appraiser's opinions or conclusions. Per USPAP, 2024 ed., Definitions-Comment: Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis.

Fair Market Value

1. In nontechnical usage, a term that is generally synonymous with the contemporary usage of market value. 2. As used in condemnation, litigation, income tax, and property tax situations, a term that is similar in concept to market value but may be defined explicitly by the relevant agency or interpreted differently by court precedent. In some situations, the interpretation of fair market value is more directly comparable to the concept of fair value than to market value in exchange.

Fair Value

The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fee Simple Estate

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.

Functional Obsolescence

The impairment of functional capacity of improvements according to market tastes and standards.

Highest and Best Use

The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.

Highest and Best Use as Improved

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

Hypothetical Condition

1. A condition that is presumed to be true when it is known to be false. 2. A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Per USPAP, 2024 ed., Definitions-Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

Insurable Replacement Cost

The estimated cost, at current prices as of the effective date of valuation, of a substitute for the building being valued, using modern materials and current standards, design, and layout for insurance coverage purposes guaranteeing that damaged property is replaced with new property (i.e., depreciation is not deducted).

Intended Use

1. The valuer's intent as to how the report will be used. 2. Per USPAP, 2024 ed., Definitions: The use(s) of an appraiser's reported appraisal or appraisal review assignment results, as identified by the appraiser based on communication with the client at the time of the assignment.

Intended User

1. The party or parties the valuer intends will use the report. 2. Per USPAP, 2024 ed., Definitions: The client and any other party as identified, by name or type, as users of the appraisal or appraisal review report by the appraiser based on communication with the client at the time of the assignment.

Investment Value

1. The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market. 2. The value of an asset to the owner or a prospective owner given individual investment or operational objectives (may also be known as worth).

Leased Fee Interest

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.

Leasehold Interest

The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.

Liquidation Value

The most probable price that a specified interest in property is likely to bring under the following conditions:

- Consummation of a sale within a short time period.
- The property is subjected to market conditions prevailing as of the date of valuation.
- Both the buyer and seller is acting prudently and knowledgeably.
- The seller is under extreme compulsion to sell.
- The buyer is typically motivated.
- Both parties are acting in what they consider to be their best interest.
- A normal marketing effort is not possible due to the brief exposure time.
- Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
- 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.

This definition can also be modified to provide for valuation with specified financing terms.

Market Rent

The most probable rent that a property should bring in a competitive and open market under all conditions requisite to a fair lease transaction, the lessee and lessor each acting prudently and knowledgeably, and assuming the rent is not affected by undue stimulus.

Implicit in this definition is the execution of a lease as of a specified date under conditions whereby

- Lessee and lessor are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- Payment is made in terms of cash or in terms of financial arrangements comparable thereto; and
- The rent reflects specified terms and conditions typically found in that market, such as permitted uses, use restrictions, expense obligations, duration, concessions, rental adjustments and revaluations, renewal and purchase options, frequency of payments (annual, monthly, etc.), and tenant improvements (TIs)

Market Value

The following definition of market value is used by agencies that regulate federally insured financial institutions in the United States: The most probable price that 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 are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.¹

Market Value As Is

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date. (Interagency Appraisal and Evaluation Guidelines) Note that the use of the “as is” phrase is specific to appraisal regulations pursuant to FIRREA applying to appraisals prepared for regulated lenders in the United States. The concept of an “as is” value is not included in the Standards of Valuation Practice of the Appraisal Institute, Uniform Standards of Professional Appraisal Practice, or International Valuation Standards.

Marketing Time

An opinion of the amount of time to sell a property interest at the concluded market value or at a benchmark price during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which precedes the effective date of an appraisal. (Advisory Opinion 7 and Advisory Opinion 35 of the Appraisal Standards Board of The Appraisal Foundation address the determination of reasonable exposure and marketing time.) See also exposure time.

Mortgage-Equity Analysis

Capitalization and investment analysis procedures that recognize how mortgage terms and equity requirements affect the value of income-producing property.

Partial Interest

Divided or undivided rights in real estate that represent less than the whole, i.e., a fractional interest such as a tenancy in common or easement.

Physical Deterioration

The wear and tear that begins when a building is completed and placed into service.

Prospective Opinion of Value

A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.

For example, the value of a property as of a point in time when all improvements have been physically constructed (Upon Completion) and when the property has been leased to its optimum level of long-term occupancy (Upon Stabilization). At such point, all capital outlays for tenant improvements, leasing commissions, marketing costs and other carrying charges are assumed to have been incurred.

Remaining Economic Life

The estimated period over which existing improvements are expected to contribute economically to a property; an estimate of the number of years remaining in the economic life of a structure or structural components as of the effective date of the appraisal; used in the economic age-life method of estimating depreciation.

Retrospective Value Opinion

A value opinion effective as of a specified historical date. The term retrospective does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., “retrospective market value.”

Surplus Land

Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel.

Uniform Standards of Professional Appraisal Practice (USPAP)

In the United States, professional standards, developed for appraisers and users of appraisal services by the Appraisal Standards Board of The Appraisal Foundation, that are required for use in federally related transactions. Compliance with USPAP is also required in certain appraisals by state certification and licensing boards.

¹ “Interagency Appraisal and Evaluation Guidelines.” Federal Register 75:237 (December 10, 2010) p. 77472.

Addendum B: Engagement Letter

John C. Kirby, MAI
Executive Managing Director



April 15, 2025

Toby Gross
TNT Construction
PO Box 1858/2211 W. Second
Roswell, NM 88202

Re: **9th St. ROW**
Adjacent to 821 North Main Street
Roswell, NM 88201

Dear Mr. Gross:

Thank you for requesting our proposal for appraisal services. This proposal letter will become, upon your acceptance, our letter of engagement to provide the services outlined herein.

TERMS OF ENGAGEMENT

I. PROBLEM IDENTIFICATION

The Parties to This Agreement:	Cushman & Wakefield of Arizona, Inc. ("C&W") and Toby Gross, Owner's Representative, TNT CONSTRUCTION (the "Client").
Intended Users:	The Client is the only identified Intended Users of the appraisal. The appraisal may not be distributed to or relied upon by other persons or entities.
Intended Use:	In connection with acquiring the 9 th Street roadway fronting the client's property.
Type of Opinion and Rights Appraised:	Market value of the Fee Simple Interest.
Date of Value:	• Date of inspection
Subject of the Assignment and Relevant Characteristics:	The property to be appraised is the 9 th Street roadway fronting Roswell Ford located in Roswell, New Mexico.
Assignment Conditions:	The assignment will incorporate any extraordinary and/or hypothetical conditions as deemed necessary.

II. ANTICIPATED SCOPE OF WORK

USPAP Compliance:	C&W will develop an appraisal in accordance with USPAP and the Code of Ethics and Certification Standards of the Appraisal Institute.
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General Scope of Work:

- Property Inspection to the extent necessary to adequately identify the real estate
- Research relevant market data, in terms of quantity, quality, and geographic comparability, to the extent necessary to produce credible appraisal results
- Consider and develop those approaches relevant and applicable to the appraisal problem. Based on our discussions with the Client, we anticipate developing the following valuation approaches:
- Sales Comparison Approach

III. REPORTING AND DISCLOSURE

Scope of Work Disclosure: The actual Scope of Work will be reported within the report.

Reporting Option: The appraisal will be communicated in an Appraisal Report.

IV. FEE, EXPENSES AND OTHER TERMS OF ENGAGEMENT

Fee: \$ All invoices are due and payable within 30 days of the invoice date. The Client shall be solely responsible for C&W's fees and expenses hereunder. Acknowledgement of this obligation is made by the countersignature to this agreement by an authorized representative of the Client.

Additional Expenses: Fee quoted is inclusive of expenses related to the preparation of the report.

Retainer: A retainer is not required for this assignment in order to commence work.

Report Copies: The final report will be delivered in electronic format.

Start Date: The appraisal process will initiate upon receipt of signed agreement, applicable retainer, and the receipt of the property-specific data.

Acceptance Date: This proposal is subject to withdrawal if the engagement letter is not executed by the Client within four (4) business days.

Final Report Delivery: One and a half (1.5) weeks of your written authorization to proceed, assuming prompt receipt of necessary property information. Payment of the fee shall be due and payable upon delivery of the report.

Changes to Agreement: The identity of the Client, Intended User(s) identified herein, or Intended Use identified herein; the date of value; type of value or interest appraised; or property appraised cannot be changed without a new agreement.

Prior Services Disclosure: USPAP requires disclosure of prior services performed by the individual appraiser within the three years prior to this assignment. The undersigned appraiser(s) have not provided prior services within the designated time frame.

Future Marketing Disclosure:	Unless otherwise directed, at the conclusion of this engagement, we may disclose that we have appraised the subject property in future marketing documents and materials.
Conflicts of Interest:	C&W adheres to a strict internal conflict of interest policy. If we discover in the preparation of our appraisal a conflict with this assignment we reserve the right to withdraw from the assignment without penalty.
Cancellation of Engagement:	Client may cancel this agreement at any time prior to C&W's delivery of the appraisal report upon written notification to C&W. Client shall pay C&W for work completed on the assignment prior to C&W's receipt of written cancellation notice, unless otherwise agreed upon by C&W and Client in writing.
Withdrawal of Appraiser Prior to Completion of Assignment:	C&W may withdraw without penalty or liability from the assignment(s) contemplated under this agreement before completion or reporting of the appraisal in the event that C&W determines, at C&W's sole discretion, that insufficient information was provided to C&W prior to the engagement, that Client or other parties have not or cannot provide C&W with documentation or information necessary to C&W's analysis or reporting, that conditions of the subject property render the original scope of work inappropriate, that appraiser becomes aware that he or she lacks the competency needed for the assignment with the meaning of applicable professional standards, that a conflict of interest has arisen, or that the Client has not complied with its payment obligations under this agreement. C&W shall notify the Client of such withdrawal in writing.
Further Conditions of Engagement:	The Conditions of Engagement attached hereto are incorporated herein and are part of this letter of engagement.

Thank you for calling on us to render these services and we look forward to working with you.

Toby Gross
TNT Construction
April 15, 2025
Page 4

Sincerely,
CUSHMAN & WAKEFIELD OF ARIZONA, INC.



John C. Kirby, MAI
Executive Managing Director
Southwest Region – CA, AZ, NV, NM, HI

cc:

AGREED:

CLIENT: TNT CONSTRUCTION

By:



Date:

4/16/25

Toby Gross

Title:

Owner

E-mail Address:

tgross@kagnm.com

Phone Number:

575-910-7670

Toby Gross
TNT Construction
April 15, 2025
Page 4

Sincerely,
CUSHMAN & WAKEFIELD OF ARIZONA, INC.

John C. Kinsman

John C. Kirby, MAI
Executive Managing Director
Southwest Region – CA, AZ, NV, NM, HI

CC:

AGREED:
CLIENT: TNT CONSTRUCTION

By: _____ Date: _____
Toby Gross

Title:	Owner
--------	-------

E-mail Address: tgross@kagrm.com

Phone Number: 575-910-7670

Information Needed to Complete the Assignment

We understand that you will provide the following information for our review, if available.

Physical Information

- Plot plan/survey and legal description
- Building plans/leasing plan/stacking plan
- Property Conditions Assessment Report
- Original construction and site acquisition costs
- Cost of any major expansions, modifications or repairs incurred over the past three years/capital expense budget
- On Site Contact—name and phone number—for property inspection

Financial Information

- Income & Expense Statements for three previous years plus year-to-date
- Pro forma operating budgets
- Most recent real estate tax bill or statement
- Argus or other financial modeling file
- Sales history of the subject property over the past three years at a minimum

Supporting Documentation

- Leases and/or detailed Lease Abstracts
- Detailed Rent Roll including:
 - Commencement and Expiration Dates and options to renew
 - Leased Area
 - Base Rent and contractual increases (CPI, fixed steps, etc.)
 - Expense Recapture or Pass-through provisions including applicable base year amounts
 - Overage or Percentage Rent breakpoints and percentages, as applicable
 - Tenant Improvement (TI) costs
 - Concessions (free rent, other)
- Summary of recently negotiated unexecuted leases or letters of intent
- Delinquency report identifying tenants in arrears or in default

Other Documentation

- Copy of your guidelines or instructions to appraisers/consultants
- Supplemental Standards, if applicable (applies only to government agencies, government sponsored entities, other entities that establish public policy)
- Additional Information to be considered in the appraisal

Note: Please advise if, to your knowledge, C&W is representing the Client or the subject property in any other capacity (i.e., leasing, sale, financing, property management, etc.)

CONDITIONS OF ENGAGEMENT

- 1) Each Intended User identified herein should consider the appraisal as only one factor together with its independent investment considerations and underwriting criteria in its overall investment decision. The appraisal cannot be used by any party or for any purpose other than the Intended User(s) identified herein for the Intended Use described herein.
- 2) Unless identified expressly in this agreement, there are no third-party beneficiaries of agreement pertaining to the appraisal, and no other person or entity shall have any right, benefit or interest under such agreement. The identification of a party as an intended user of the appraisal does not mean that the party is a third-party beneficiary of the agreement.
- 3) The appraisal report will be subject to our standard Assumptions and Limiting Conditions, which will be incorporated into the appraisal. All users of the appraisal report are specifically cautioned to understand the standard Assumptions and Limiting Conditions as well as any Extraordinary Assumptions and Hypothetical Conditions which may be employed by the appraiser and incorporated into the appraisal.
- 4) C&W shall have the right to utilize its affiliates in the performance of its services, provided that they comply with the obligations of C&W pursuant to this engagement.
- 5) The appraisal report or our name may not be used in any offering memoranda or other investment material without the prior written consent of C&W, which may be given at the sole discretion of C&W. Any such consent, if given, shall be conditioned upon our receipt of an indemnification agreement from a party satisfactory to us and in a form satisfactory to us. Furthermore, Client agrees to pay the fees of C&W's legal counsel for the review of the material which is the subject of the requested consent. C&W disclaims any and all liability with regard to the appraisal prepared pursuant to the engagement to any party other than the Intended User(s). Under no circumstances will C&W consent to the quote, reference or inclusion of the appraisal in connection with crowd funding activities. Further, crowd funding investors are specifically excluded from any class of Intended Users.
- 6) In the event the Client provides a copy of the appraisal to, or permits reliance thereon by, any party not identified herein as an Intended User, Client hereby agrees to indemnify and hold C&W, its affiliates and the respective shareholders, directors, officers and employees, harmless from and against all damages, expenses, claims and costs, including attorneys' fees, incurred in investigating and defending any claim arising from or in any way connected to the use of, or reliance upon, the appraisal by any such party.
- 7) The balance of the fee for the appraisal will be due upon delivery of a report. Payment of the fee is not contingent on the appraised value, a loan closing, or any other prearranged condition. Additional fees will be charged on an hourly basis for any work, which exceeds the scope of this proposal, including performing additional valuation scenarios, additional research and conference calls or meetings with any party, which exceed the time allotted by C&W for an assignment of this nature. If we are requested to stop working on this assignment, for any reason, prior to our completion of the appraisal, C&W will be entitled to bill the Client for the time expended to date at C&W's hourly rates for the personnel involved.
- 8) If C&W or any of its affiliates or any of their respective employees receives a subpoena or other judicial command to produce documents or to provide testimony involving this assignment in connection with a lawsuit or proceeding, C&W will use reasonable efforts to notify the Client of our receipt of same. However, if C&W or any of its affiliates are not a party to these proceedings, Client agrees to compensate C&W or its affiliate for the professional time and reimburse C&W or its affiliate for the actual expense that it incurs in responding to any such subpoena or judicial command, including attorneys' fees, if any, as they are incurred. C&W or its affiliate will be compensated at the then prevailing hourly rates of the personnel responding to the subpoena or command for testimony.
- 9) By signing this agreement Client expressly agrees that its sole and exclusive remedy for any and all losses or damages relating to this agreement or the appraisal shall be limited to the amount of the appraisal fee paid by the Client. In the event that the Client, or any other party entitled to do so, makes a claim against C&W or any of its affiliates or any of their respective officers or employees in connection with or in any way relating to this engagement or the appraisal, the maximum damages recoverable from C&W or any of its affiliates or their respective officers or employees shall be the amount of the monies actually collected by C&W or any of its affiliates for this assignment and under no circumstances shall any claim for consequential, indirect, special, punitive or liquidated damages be made.
- 10) C&W disclaims any and all liability to any party with regard to the appraisal report other than an Intended User identified herein.
- 11) The fees and expenses shall be due C&W as agreed in this letter. If it becomes necessary to place collection of the fees and expenses due C&W in the hands of a collection agent and/or an attorney (whether or not a legal action is filed) Client agrees to pay all fees and expenses including attorneys' fees incurred by C&W in connection with the collection or attempted collection thereof.
- 12) Unless the time period is shorter under applicable law, any legal action or claim relating to the appraisal or this agreement shall be filed in court (or in the applicable arbitration tribunal, if the parties to the dispute have executed an arbitration agreement) within two (2) years from the date of delivery to

Client of the appraisal report to which the claims or causes of action relate or, in the case of acts or conduct after delivery of the report, two (2) years from the date of the alleged acts or conduct. The time period stated in this section shall not be extended by any delay in the discovery or accrual of the underlying claims, causes of action or damages. The time period stated in this section shall apply to all non-criminal claims or causes of action of any type.

terminate this agreement and take such other actions as are permitted or required to be taken under law or in equity.

- 13) Notwithstanding that C&W may comment on, analyze or assume certain conditions in the appraisal, C&W shall have no monetary liability or responsibility for alleged claims or damages pertaining to: (a) title defects, liens or encumbrances affecting the property; (b) the property's compliance with local, state or federal zoning, planning, building, disability access and environmental laws, regulations and standards; (c) building permits and planning approvals for improvements on the property; (d) structural or mechanical soundness or safety; (e) contamination, mold, pollution, storage tanks, animal infestations and other hazardous conditions affecting the property; and (f) other conditions and matters for which licensed real estate appraisers are not customarily deemed to have professional expertise.
- 14) Legal claims or causes of action relating to the appraisal or this agreement are not assignable, except: (i) as the result of a merger, consolidation, sale or purchase of a legal entity, (ii) with regard to the collection of a bona fide existing debt for services but then only to the extent of the total compensation for the appraisal plus reasonable interest, or (iii) in the case of an appraisal performed in connection with the origination of a mortgage loan, as part of the transfer or sale of the mortgage before an event of default on the mortgage or note or its legal equivalent.
- 15) Each party represents and warrants to the other that it, and all persons and entities owning (directly or indirectly) an ownership interest in it: (a) are not, and will not become, a person or entity with whom a party is prohibited from doing business under regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including, but not limited to, those named on OFAC's Specially Designated and Blocked Persons list) or under any statute, executive order or other governmental action; and (b) are not knowingly engaged in, and will not knowingly engage in, any dealings or transactions or be otherwise associated with such persons or entities described in clause (a) above.
- 16) Each party represents and warrants to the other that it (and any party acting on its behalf) has not, in order to enter into this agreement, offered, promised, authorized or made any payments or transfers of anything of value which have the purpose or effect of public or commercial bribery, kickbacks or other unlawful or improper means of doing business ("Prohibited Activity") and will not engage in Prohibited Activity during the term of this agreement. In the event of any violation of this section, the non-offending party shall be entitled to immediately

Addendum C: Comparable Land Sale Data Sheets

LAND SALE COMPARABLE 1



Property Name: 2nd Street Land
Address: 1001 West 2nd Street
City, State, Zip: Roswell NM 88201
Jurisdiction: Chaves County
MSA: Las Cruces
Submarket:
Property Type: Land
Property Subtype: Retail-Commercial
Classification: N/A
ID: 648683
Tax Number(s): 4135061126507000000

PROPERTY INFORMATION

Site Area (Acres):	3.9400	Public Utilities:	All Available
Site Area (Sq.Ft.):	171,626	Electricity:	Yes
Zoning:	C-2	Water:	Yes
Utility:	Good	Sewer:	Yes
Access:	Good	Gas:	Yes
Frontage:	Good	Proposed Use:	Retail-Commercial
Visibility:	Good	Maximum FAR:	N/A
Shape:	Irregular	Potential Building Area:	N/A
Topography:	Level	Potential Units:	N/A
Entitlements:	No		

SALE INFORMATION

Status:	Closed Sale	OAR:	N/A
Sale Date:	5/2024	NOI:	N/A
Sale Price:	\$1,600,000	Price per Sq.Ft.:	\$9.32
Value Interest:	Fee Simple	Price per Acre:	\$406,091
Grantor:	Featherstone Development Corporation	Price per Potential Building Area:	N/A
Grantee:	Via Real Estate LLC	Price per Potential Units:	N/A
Financing:	Cash		
Condition of Sale:	Arm's Length		

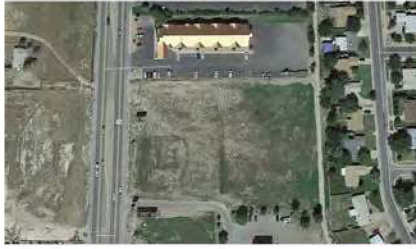
VERIFICATION COMMENTS

Genalyn Outland with Berkshire Hathaway - Roswell

COMMENTS

According to the listing broker the sale closed May 2024 and the buyer plans to develop a Murphy's Gas Station. The property can be described as a signalized corner with sizable frontage along 2nd Street (Hwy-380) and N Union Avenue. The listing agent also reported that the net area is 132,597 square feet (3.04 acres) due to its signalized corner. In addition, the actual zoning is C-4, but the site's usable zoning is C-2 due to close distance to residential properties. Surrounding land uses include an Albertson's, gas station, and several smaller-sized retail properties.

LAND SALE COMPARABLE 2



Property Name: Main Street Land
Address: 3375 North Main Street
City, State, Zip: Roswell NM 88201
Jurisdiction: Chaves County
MSA: Las Cruces
Submarket:
Property Type: Land
Property Subtype: Retail-Commercial
Classification: N/A
ID: 393104
Tax Number(s): 4136058036474000000

PROPERTY INFORMATION

Site Area (Acres):	2.9000	Public Utilities:	All Available
Site Area (Sq.Ft.):	126,324	Electricity:	Yes
Zoning:	C-2	Water:	Yes
Utility:	Good	Sewer:	Yes
Access:	Average	Gas:	Yes
Frontage:	Average	Proposed Use:	Retail-Commercial
Visibility:	Average	Maximum FAR:	N/A
Shape:	Rectangular	Potential Building Area:	N/A
Topography:	Level	Potential Units:	N/A
Entitlements:	No		

SALE INFORMATION

Status:	N/A	OAR:	N/A
Sale Date:	5/2023	NOI:	N/A
Sale Price:	\$757,944	Price per Sq.Ft.:	\$6.00
Value Interest:	Fee Simple	Price per Acre:	\$261,360
Grantor:	Jay Gluck	Price per Potential Building Area:	N/A
Grantee:	Michael Hokett	Price per Potential Units:	N/A
Financing:	Cash		
Condition of Sale:	Arm's Length		

VERIFICATION COMMENTS

Jay Gluck with Jay Gluck Realty

COMMENTS

The seller is also the broker and had previously listed the larger parcel at \$9.00/SF. However, he had received an offer for this site at around \$6.00/SF. Located adjacent is a Super-8 Motel and a newer constructed oral & facial surgery facility.

LAND SALE COMPARABLE 3



Address: 6111 South Main Street
 City, State, Zip: Roswell NM 88203
 Jurisdiction: Chaves County
 MSA: Las Cruces
 Submarket:
 Property Type: Land
 Property Subtype: Retail-Commercial
 Classification: N/A
 ID: 717111
 Tax Number(s): 4136066013532000000

PROPERTY INFORMATION

Site Area (Acres):	0.5165	Public Utilities:	All Available
Site Area (Sq.Ft.):	22,499	Electricity:	N/A
Zoning:	C-2	Water:	N/A
Utility:	Average	Sewer:	N/A
Access:	Average	Gas:	N/A
Frontage:	Average	Proposed Use:	N/A
Visibility:	Average	Maximum FAR:	N/A
Shape:	Square	Potential Building Area:	N/A
Topography:	Level	Potential Units:	N/A
Entitlements:	No		

SALE INFORMATION

Status:	Recorded Sale	OAR:	N/A
Deed Reference:	202304731	NOI:	N/A
Sale Date:	4/2023	Price per Sq.Ft.:	\$6.60
Sale Price:	\$148,600	Price per Acre:	\$287,706
Value Interest:	Fee Simple	Price per Potential Building Area:	N/A
Grantor:	Ernie Hacker	Price per Potential Units:	N/A
Grantee:	Canyon Rock Development, LLC		
Financing:	Cash		
Condition of Sale:	Arm's Length		

VERIFICATION COMMENTS

Ashley Gaston with Century-21 Roswell, third-party sources and Public Records.

COMMENTS

Was formerly an Allsup's convenience store with underground fuel tanks removed with a clean Phase-1 environmental report. This site is a portion of a larger parcel.



Property Name: Garden Ave Land
Address: 812 North Garden Avenue
City, State, Zip: Roswell NM 88201
Jurisdiction: Chaves County
MSA: Las Cruces
Submarket:
Property Type: Land
Property Subtype: Retail-Commercial
Classification: N/A
ID: 717128
Tax Number(s): 4136061259253000000

PROPERTY INFORMATION

Site Area (Acres):	0.9440	Public Utilities:	All Available
Site Area (Sq.Ft.):	41,120	Electricity:	Yes
Zoning:	I-1	Water:	Yes
Utility:	Average	Sewer:	N/A
Access:	Average	Gas:	N/A
Frontage:	Average	Proposed Use:	Mixed Use
Visibility:	Average	Maximum FAR:	N/A
Shape:	Square	Potential Building Area:	N/A
Topography:	Level	Potential Units:	N/A
Entitlements:	No		

SALE INFORMATION

Status:	Recorded Sale	OAR:	N/A
Deed Reference:	202302094	NOI:	N/A
Sale Date:	3/2023	Price per Sq.Ft.:	\$6.20
Sale Price:	\$255,000	Price per Acre:	\$270,127
Value Interest:	Fee Simple	Price per Potential Building Area:	N/A
Grantor:	ABS Properties, LLC	Price per Potential Units:	N/A
Grantee:	James Randall DeMoss		
Financing:	Cash		
Condition of Sale:	Arm's Length		

VERIFICATION COMMENTS

Jim Manatt with Manatt & Company

COMMENTS

This property features a 2,700 square foot metal warehouse building and fenced yard. The broker reported that they had originally listed the property for \$225,000 but chose the highest offer at \$255,000. The buyer intends on using the property for their freight hauling business due to its adjacent location next to a trucking route.

Addendum D: Qualifications of the Appraiser



John C. Kirby, MAI

Executive Managing Director

Valuation & Advisory
Market Lead, Southwest
Cushman & Wakefield of Arizona, Inc.

Professional Expertise

Mr. Kirby is the Market Lead and Executive Managing Director of Cushman & Wakefield's Valuation & Advisory service line for the Southwest Region. He joined Cushman & Wakefield in 2015 as a producing appraiser and now leads a large team of the region's most experienced valuation professionals. As Market Lead primary responsibilities include client interfacing, complex assignment scoping, quality control, and oversight of all valuation related services transacting in the region. Our team is the market leader in terms of high-quality service and market expertise. We are tasked with completing some of the highest profile and complex assignments in the region.

In addition to traditional appraisal service, our team has capabilities to uniquely serve trust and estate clients with both our commercial real estate expertise partnered with our in-house business valuation professionals. Our property tax consultant group is highly regarded as one of the most effective groups in the region with regards to reducing client's property taxes. We have a full-scale Valuation for Financial Reporting (VFR) group with unique expertise and licensing to complete assignments to meet IRS and other reporting standards for businesses, investors, partners, etc. Mr. Kirby is engaged with all of our professionals and their respective specialties.

Mr. Kirby has been actively engaged in commercial and residential real estate since 2004. Mr. Kirby's appraisal and consulting assignments have included all major property types including residential (single and multifamily), office, retail and industrial buildings plus other unique highly specialized properties including ground leased properties and leasehold interests.

Mr. Kirby has vast experience with land and development related assignments including existing stand-alone residential subdivisions, large scale master-planned developments (traditional and age restricted), custom lot subdivisions and condominium and apartment projects. Additional vacant land appraisals have included residential, multifamily, commercial, retail pad, and industrial sites, mixed use developments, remote speculative land holdings and ranches and farms.

John Kirby, MAI is a court qualified expert witness with experience in a variety of cases in both Federal and State courts.

Memberships, Licenses, Professional Affiliations and Education

- Designated Member, Appraisal Institute. As of the current date, John Kirby, MAI has completed the requirements of the continuing education program of the Appraisal Institute.
- Bachelor of Arts, Cal State Fullerton
- Member of National Association of Realtors (NAR)
- Certified General Real Estate Appraiser in the following states:

- Arizona – 31553
- California – 3004885
- Hawaii – CGA-1584-0
- Nevada – A.0205829-CG
- New Mexico – 03437-G
- Texas – 1381084



State of New Mexico

Real Estate Appraisers

HEREBY CERTIFIES THAT

John Charles Kirby, II

HAVING GIVEN SATISFACTORY EVIDENCE OF THE COMPLETION OF
PROFESSIONAL AND OTHER REQUIREMENTS PRESCRIBED BY LAW
IS GRANTED A LICENSE TO PRACTICE IN THE STATE OF NEW MEXICO

General Certified Appraiser

License No. 03437-G

Issued 07/22/2015

Expires 04/30/2027

THIS LICENSE SHOULD BE CONSPICUOUSLY POSTED IN PLACE OF BUSINESS OR AS REQUIRED BY LAW