

City of Las Cruces®

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Council Action and Executive Summary

Item # 19Ordinance# 2605Council District: 4

For Meeting of February 22, 2011
(Adoption Date)

TITLE: AN ORDINANCE AUTHORIZING A REAL ESTATE PURCHASE AGREEMENT BETWEEN THE CITY OF LAS CRUCES AND THE UNITED STATES OF AMERICA, FOR THE SALE OF 15 ACRES OF MUNICIPALLY OWNED LAND IN THE WEST MESA INDUSTRIAL PARK FOR THE PURCHASE PRICE OF SIX HUNDRED THOUSAND DOLLARS (\$600,000.00) IN ACCORDANCE WITH PROVISIONS OF SECTION 3-54-1, NMSA, 1978, AS AMENDED.

PURPOSE(S) OF ACTION: Sell undeveloped City land.

Name of Drafter: Christine Logan		Department: Community Development		Phone: 541-2286	
Department	Signature	Phone	Department	Signature	Phone
Department Director		528-3067	Budget		541-2281
Other			Assistant City Manager		541-2271
Legal		541-2128	City Manager		541-2076

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS: The City of Las Cruces has been working with the Army Corps of Engineers office in Albuquerque to find a suitable location for development of a new Army Reserve training facility. A site within the West Mesa Industrial park has finally been selected. This Ordinance authorizes the sale of 15 acres of municipal property on Rea Boulevard to the United States of America for \$600,000.

The purchase price is based on a value of \$40,000 per acre. Two property appraisals are attached. A February 2010 appraisal of the property estimated the land value at \$40,000 per acre. A restricted appraisal performed by the City's Land Management office is also attached.

The subdivision establishing a single parcel from two existing parcels is being finalized. Roadways and City utilities are in place along Rea Boulevard adjacent to the parcel. No City infrastructure improvements are required as a part of this sale. An extension of Advancement Avenue is adjacent to the property but is not developed at this time and the development of the Army Reserve Center will not require the improvements to Advancement Avenue. Should that roadway be developed, the City would be responsible for improvements along this property, not the Federal government. The City is not paying any real estate commission as a part of this land sale agreement.

The Ordinance has been prepared in accordance with 3-54-1 et. Seq., NMSA 1978, as amended. The closing date for the sale will not occur until 45 days after the adoption of the Ordinance and would occur no later than 180 days after adoption. (between April 8, 2011 and August 21, 2011). This Ordinance has been published prior to its adoption and will be published at least once after its adoption.

Proceeds from this land sale will be deposited into the West Mesa Industrial Park, Economic Development Fund.

SUPPORT INFORMATION:

1. Ordinance.
2. Purchase Agreement Exhibit "A".
3. Appraisals of property Attachment "A".
4. Proposed site Plan for facility Attachment "B".
5. Vicinity Map Attachment "C".

SOURCE OF FUNDING:

Is this action already budgeted?	Budgeted as revenue	
	Yes	<input checked="" type="checkbox"/> See fund summary below
	No	<input type="checkbox"/> If No, then check one below:
	<i>Budget Adjustment Attached</i>	<input type="checkbox"/> Expense reallocated from: <input type="checkbox"/> Proposed funding is from a new revenue source (i.e. grant; see details below) <input type="checkbox"/> Proposed funding is from fund balance in the _____ Fund.
Does this action create any revenue?	Yes	<input checked="" type="checkbox"/> Funds will be deposited into this fund: West Mesa Fund (4504) in the amount of \$600,000.00
	No	<input type="checkbox"/> There is no new revenue generated by this action.

BUDGET NARRATIVE:

N/A

FUND SUMMARY:

Fund Name(s)	Account Number(s)	Expenditure Proposed	Available Budgeted Funds in Current FY	Remaining Funds	Purpose for Remaining Funds
N/A	N/A	N/A	N/A	N/A	N/A

OPTIONS / ALTERNATIVES:

1. Vote YES on the Ordinance to approve the Real Estate Purchase Agreement. This would allow the Federal Government to buy 15 acres of City land in the West Mesa Industrial Park for \$600,000.00.
2. Vote NO on the Ordinance to reject the option and the City will retain control of the land and market it to other users.
3. Vote to AMEND this could modify the terms of the agreement and then adopt the proposal.
4. Vote to TABLE the proposal and/or instruct staff to seek alternative direction.

REFERENCE INFORMATION

The resolution(s) and/or ordinance(s) listed below are only for reference and are not included as attachments or exhibits.

1. N/A

COUNCIL BILL NO. 11-025
ORDINANCE NO. 2605

AN ORDINANCE AUTHORIZING A REAL ESTATE PURCHASE AGREEMENT BETWEEN THE CITY OF LAS CRUCES AND THE UNITED STATES OF AMERICA, FOR THE SALE OF 15 ACRES OF MUNICIPALLY OWNED LAND IN THE WEST MESA INDUSTRIAL PARK FOR THE PURCHASE PRICE OF SIX HUNDRED THOUSAND DOLLARS (\$600,000.00) IN ACCORDANCE WITH PROVISIONS OF SECTION 3-54-1, NMSA, 1978, AS AMENDED.

The City Council of the City of Las Cruces is informed that:

WHEREAS the City of Las Cruces, New Mexico, a municipal corporation, is the owner of 15 acres of land situated within the West Mesa Industrial Park; and

WHEREAS the Army Corp of Engineers has determined that the Industrial Park is a viable location for an U.S. Army Reserve Center and has requested a purchase on behalf of the Federal government.

NOW, THEREFORE, Be it ordained by the governing body of the City of Las Cruces:

(I)

THAT the sale of 15 acres of West Mesa Industrial Park land for Six Hundred Thousand dollars, subject to the conditions and terms in Exhibit "A" Real Estate Purchase Agreement, which is attached hereto and made a part of this Ordinance, is hereby approved.

(II)

THAT this Ordinance has been published prior to its adoption and shall be published at least once after adoption, pursuant to Las Cruces Municipal Code Section 2-1312 and NMSA 1978, Section 3-54-1 as amended.

(III)

THAT the effective day of this Ordinance shall be forty-five (45) days after its adoption by the governing body of the City of Las Cruces.

(IV)

THAT the proceeds of the sale shall be deposited in the West Mesa Industrial Park, Economic Development Fund.

(V)

THAT City staff is hereby authorized to do all deeds necessary in the accomplishment of the herein above.

DONE AND APPROVED this _____ day of _____, 2011.

APPROVED:

Mayor

ATTEST:

City Clerk

(SEAL)

VOTE:

- Mayor Miyagishima: _____
- Councillor Silva: _____
- Councillor Connor: _____
- Councillor Pedroza: _____
- Councillor Small: _____
- Councillor Sorg: _____
- Councillor Thomas: _____

Moved by: _____

Seconded by: _____

APPROVED AS TO FORM:



City Attorney

Exhibit "A"

REAL ESTATE PURCHASE AGREEMENT

THIS AGREEMENT, entered into this ____ day of _____, 2011 between the United States of America whose address is c/o USACE Albuquerque CESPARE, 4101 Jefferson Plaza NE, Albuquerque, NM 87109-3435 (hereafter "Purchaser"); and the City of Las Cruces, a New Mexico municipal corporation (hereafter "City").

The City, in consideration of the mutual covenants herein contained, agrees to sell and convey, and Purchaser agrees to purchase 15 acres of land located at 391 Rea Boulevard being Tract 1 of West Mesa Industrial Park #21 and Tract 1 of West Mesa Industrial Park #23, with all improvements thereon, and all rights, hereditaments, easements and appurtenances thereunto belonging.

TERMS AND CONDITIONS:

1. Purchase Price.

The purchase price for the Property shall be Six Hundred Thousand Dollars (\$600,000.00), payable in cash or equivalent at closing.

2. Property.

City, at its sole expense, shall prepare, process, and record a subdivision plat to establish and monument the boundaries of the Property as a single parcel in the public record of Dona Ana County.

3. Closing Date.

Closing for the sale of the Property shall occur on a mutually agreeable date at least 45 days after the adoption of the ordinance authorizing the purchase by the City, unless a referendum election is held pursuant to 3-54-1. NMSA, 1978, as amended and no more than and no more than 180 days after adoption of the ordinance.

4. Review of Title and Patent Reservations.

a) As soon as reasonably possible following the execution of this agreement, the City shall furnish Purchaser a commitment of owner's policy of title insurance ("Commitment") for the Property together with full copies of all exceptions set forth therein, including but not limited to covenants, conditions, restrictions, reservations, easements, rights of way, assessments, liens and other matters of record. Purchaser shall have fifteen (15) days from receipt of the Commitment and copies of said exceptions within which to notify the City of Purchaser's disapproval of any exceptions shown in the Report.

b) The City shall have until the date for closing to eliminate any disapproved exception(s) or reservations, except patent reservations(s) from the policy of title insurance to be issued in favor of Purchaser, and if not eliminated, then the earnest money deposit shall be refunded, unless Purchaser then elects to waive his prior disapproval. Failure of Purchaser to disapprove any exception(s) or patent reservation(s) within the aforementioned time limit shall be deemed an approval of such exception or patent reservation. The policy of title insurance shall be a standard coverage policy in the amount of the total purchase price.

c) In the event this contingency or any other contingency to this contract has not been eliminated or satisfied within the time limits and pursuant to the provisions herein, and unless Purchaser elects to waive the specific contingency by written notice to the City, this Agreement shall be deemed null and void, the earnest money deposit shall be returned to the Purchaser, and neither party shall have any rights or liabilities under this Agreement.

d) At closing, the City shall execute and deliver a Warranty Deed conveying the Property to the Purchaser and/or his assigns, in fee simple, subject to all patent reservations and to all other existing liens, encumbrances and other exceptions of record except those exceptions and reservations which are disapproved by Purchaser and eliminated by the City pursuant to this Agreement. The place of closing shall be mutually agreed by the parties.

5. Costs and Fees.

- a) The closing costs shall be paid as follows: any loan fees shall be paid by the Purchaser; the Commitment of Title Insurance and the Title Policy Premium shall be paid by the City; and all other closing costs will be split equally between the City and Purchaser.
- b) Purchaser shall be solely responsible for all development costs including but not limited to development fees, permits, applications, utility extensions, service and utility hook-up fees. Underground, primary high voltage distribution power is available in right of ways. Purchaser is responsible for securing service power as necessary to develop the Property.
- c) If either is found by a court to have breached this agreement, the other party may recover reasonable attorney's fees and cost of litigation. Prior to the institution of any litigation, however, the parties have the contractual duty to in good faith attempt to resolve any controversy hereunder at the least possible expense.

6. Compliance with Statutes.

The City states that it has complied with the requirements of New Mexico Statutes and the Las Cruces Municipal Code and has authorization to sell the property.

7. Governing Laws.

This agreement shall be subject to the laws of the State of New Mexico.

8. State Permits and Licenses.

Purchaser agrees that City has no responsibility for Purchaser to make application and obtain any Federal, State, or local permits and/or licenses.

9. Default and Remedy.

- a) Default by City. If City defaults in the performance of this Agreement solely as a result of the passage of a negative recall referendum on the real estate sale pursuant to 3-54-1 NMSA 1978, as amended, this agreement is terminated.
- b) Default by Purchaser. If Purchaser defaults in the performance of this Agreement by failure to complete the purchase, the City may seek specific performance of this Agreement or any other remedy for such breach.

10. Risk of Loss.

All risk of loss or damage to the Property will pass from the City to Purchaser at closing. In the event that material loss or damage, or material adverse change occurs prior to closing, Purchaser may, without liability, refuse to accept the conveyance of title. Possession of the Property will be released to Purchaser at closing.

11. Counterparts.

This Agreement may be executed in one or more identical counterparts, and all counterparts so executed shall constitute one agreement which shall be binding on all of the parties.

12. Successors and Assigns.

This Agreement shall inure to the benefit of and be binding upon the parties to this Agreement and their respective successors and assigns.

13. Termination.

This agreement shall be terminated on the closing date for sale of property, unless either party ends the agreement prior to that date per the provisions of this Agreement.

14. Notice.

All notices given pursuant to or in connection with this Agreement shall be made in writing and posted by certified mail; postage prepaid, to the City of Las Cruces, ATTN: Economic Development, P .0. Box 20000, Las Cruces, NM 88004; and to USACE Albuquerque CESPA-RE, 4101 Jefferson Plaza NE, Albuquerque, NM 87109-3435 or to such other address as requested by either party. Notice shall be deemed to be received on the fifth day following posting.

Done and approved on the date first written above,

THE CITY OF LAS CRUCES

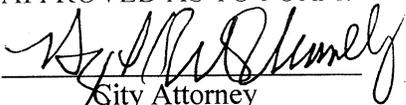
UNITED STATES OF AMERICA

Mayor

By:

Title: _____

APPROVED AS TO FORM:



City Attorney

Attachment⁴¹⁵ 'A'

COMPLETE SUMMARY
APPRAISAL REPORT

PREPARED FOR:
CHRISTINE LOGAN
ECONOMIC DEVELOPER
CITY OF LAS CRUCES
PO BOX 20000
LAS CRUCES, NEW MEXICO 88004

APPRAISAL FILE #7488
29 PARCELS OF LAND IN THE
WEST MESA INDUSTRIAL PARK
LAS CRUCES, NEW MEXICO

PREPARED BY:
W. SCOTT ESCHENBRENNER, MAI
MESILLA VALLEY APPRAISAL SERVICES

DATE OF VALUE:

JANUARY 28, 2010

DATE OF REPORT:

FEBRUARY 4, 2010

MESILLA VALLEY APPRAISAL SERVICES

REAL ESTATE APPRAISALS & COUNSELING

W. SCOTT ESCHENBRENNER, MAI
State Certified - New Mexico
General Certificate #1180

545 SOUTH MELENDRES, SUITE D
LAS CRUCES, NEW MEXICO 88005
(575) / 523-2812
FAX (575) / 526-1872

February 4, 2010

Ms. Christine Logan
Economic Development Director
City of Las Cruces
PO Box 20000
Las Cruces, NM 88004

Reference: File No. 7488
29 Parcels of Land in the
West Mesa Industrial Park
Las Cruces, NM

Dear Ms. Logan:

In accordance with your request, Mesilla Valley Appraisal Services, in coordination with the City of Las Cruces has prepared an appraisal of the market value of the fee simple estate in the above-referenced real property. The intended use of the appraisal is for counseling purposes. The intended user of the appraisal is the City of Las Cruces. The effective date of this appraisal is January 28, 2010 with the estimate of market value reflecting market conditions as of that date.

Mesilla Valley Appraisal Services analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation and the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute. In addition, this report conforms to the requirements of the Financial Institution Reform, Recovery and Enforcement Act (FIRREA). The value estimate is based in large part upon the descriptions, data, and analyses on file in my office, as well as the General Assumptions, General Limiting Conditions, and Special Assumptions and Limiting Conditions as found in the Addendum of this report.

Based on research and analysis contained in this report, it is concluded that the "as is" market value of the fee simple interest in the subject property, as of January 28, 2010, is as follows:

Parcel #	Parcel ID#	Size - Acre	Indicated Value/Acre	Market Value
1	02-39841	3.880	\$30,000	\$115,000
2	02-37906	3.730	\$30,000	\$110,000
3	02-27108/02-37908	156.290	\$13,500	\$2,110,000
4	02-22306	28.860	\$25,000	\$720,000
5	02-35584	3.160	\$30,000	\$95,000
6	02-35585	3.370	\$30,000	\$100,000
7	02-35586	3.000	\$30,000	\$90,000
8	02-35587	3.000	\$30,000	\$90,000

Parcel #	Parcel ID#	Size -Acre	Indicated Value/Acre	Market Value
9	02-35588	3.000	\$30,000	\$90,000
10	02-36839	17.660	\$25,000	\$440,000
11	02-36840	11.500	\$25,000	\$290,000
12	02-36843	0.900	\$30,000	\$30,000
13	02-36841	112.260	\$13,500	\$1,515,000
14	02-40907	112.200	\$14,000	\$1,570,000
15	02-38980	4.260	\$40,000	\$170,000
16	02-38981	4.280	\$40,000	\$170,000
17	02-34842	5.000	\$40,000	\$200,000
18	02-34315	10.000	\$40,000	\$400,000
19	02-40352	15.300	\$44,000	\$675,000
20	02-40354	8.820	\$40,000	\$355,000
21	02-40356	7.800	\$40,000	\$310,000
22	02-38979	11.200	\$40,000	\$450,000
23	02-38978	11.200	\$40,000	\$450,000
24	02-40353	12.740	\$44,000	\$560,000
25	02-40355	7.800	\$36,000	\$280,000
26	02-40357	7.140	\$36,000	\$255,000
27	02-38974	10.260	\$40,000	\$410,000
28	02-39087	5.490	\$40,000	\$220,000
29	02-35595	4.490	\$40,000	\$180,000

Army
Reserve



Respectfully submitted,

Scott
Eschenbrenner

Digitally signed by Scott Eschenbrenner
DN: cn=Scott Eschenbrenner, ou=Mexilla Valley
Appraisal Services, ou=email-brenner@zianet
com, c=US
Date: 2010.02.05 09:36:32 -0700

W. Scott Eschenbrenner, MAI
Certified General Real Estate Appraiser
State of New Mexico No. 1180G

APPRAISAL SUMMARY	
Appraisal File:	#7488
Property Name:	West Mesa Industrial Park
City/State/Zip:	Las Cruces, NM
Legal Description	29 Parcels in the West Mesa Industrial Park
Assessor's Parcel No.:	Various
Property Type:	Industrial Land Parcels & Undeveloped Acreage
Land Size (SF or Acres)	Various
Date of Inspection:	January 28, 2010
Date of "As Is" Value (Effective Date):	January 28, 2010
Real Property Interest Appraised:	Fee Simple
Purpose of Appraisal:	Estimate Market Value
Intended Use of Appraisal:	Counseling Purposes
Client Name:	City of Las Cruces
Current Owner:	City of Las Cruces
Did subject property sell in the past three years?	No
Is there an option on or pending sale of the subject property?	No
Is the subject property currently listed for sale?	Yes
Marketing and Exposure Time:	12 Months or less for each Parcel
Compiled by: W. Scott Eschenbrenner, MAI	

The preceding table provides a summary of the appraisal performed by Mesilla Valley Appraisal Services on the subject property. The table indicates my final opinion of value, as of the date specified, and based on the approaches identified. Additional details appear elsewhere in this report, and its inclusive Addendum. Data that supports the valuation opinion are taken from sources deemed reliable, but I make no representation as to the accuracy of third party data.

Sales History

The property is currently under the ownership of the City of Las Cruces and has been under the same ownership for more than five years.

MARKET AREA DESCRIPTION

According to *The Appraisal of Real Estate, Tenth Edition*, social, economic, governmental and environmental forces influence property values in the vicinity of a subject property, which, in turn, affect the value of the subject property itself. The area of influence is the area within which the forces affect all surrounding properties in the same way they affect the property being appraised. The area of influence is commonly called a neighborhood, which is defined as a group of complimentary land uses.

The subject neighborhood is referred to as the West Mesa Industrial Park and is located eight miles west of downtown Las Cruces and immediately south of the Las Cruces International Airport. The industrial park is situated in 1,820 acres located on both sides of Interstate 10. The City has sold approximately 320 acres to date of which 250 acres are currently developed. Development ready parcels within the Park are being offered at \$40,000 to \$45,000 an acre while raw land is offered at \$15,000 to \$25,000 per acre. The city has a variety of incentives available to companies that will benefit the local economy.

The park has been developed out over several years by the City of Las Cruces with intention of attracting industries, warehousing and manufacturing business that will expand and diversify the local economic base and provide new jobs for the community. This development draws on its favorable proximity to local high technology resources such as New Mexico State University (NMSU), White Sands Missile Range (WSMR), National Aeronautics Space Administration's Johnson Space Center (NASA) and White Sands Test Facility.

The industrial park features wide thoroughfares and industrial quality streets with underground utilities and infrastructure in place. Building and site design features masonry buildings in most areas with wide setbacks creating an open environment. Each site features appropriate landscaping refinements and design parameters.

Utility providers in the area include the City of Las Cruces who provides water, natural gas, waste water system and solid waste transfer. El Paso Electric Company (EPEC) provides all of the electrical needs for the area and telephone is provided through Qwest. The water service for the park features all water mains in the park at a minimum of 12" with high pressure flow in excess of 2,000 gpm. Fire hydrants to meet code serve each site.

Natural gas is provided by Rio Grande Natural Gas Association, which is operated and maintained under contract by the City of Las Cruces. All parcels are served by a minimum of 4" poly gas mains with minimum line pressure exceeding 50 psi. The feeder main to the Park is an 8" steel high pressure line connected to a 31" interstate pipeline.

Electric power service is provided by EPEC, with excess capacity of 1 MW available for new industry. The system was built new in 1997 and can be expanded as necessary to meet the needs of the Park and surrounding areas.

The City operates a waste water treatment system which serves the industrial park areas south of Interstate 10. Waste water mains were constructed in 1998 to serve most sites with gravity flow main sizes ranging from 8" minimum to 18". The system is served by a 400,000 gpd treatment plant in the southeast corner of the Park. Industries north of the Interstate are served by on-site systems.

Recent Developments – Sapphire Energy purchased 10 acres of land from the City in August of 2008 and work began on the site in November. The company will grow algae to produce a renewable source of fuel for gasoline and jet fuel. It is constructing a research and development

facility with five buildings and potentially thousands of feet of algae ponds in the industrial park. As part of an incentive package with the City, if Sapphire Energy creates 30 jobs at 120 percent of the average salary for the area and invests \$6 million in the industrial park, the City has conveyed 90 acres surrounding the original site to the company with a value of \$1.35 million at no additional cost.

DMS Realty (Premier Distributing Company) is an Albuquerque based distributor of Anheuser-Busch products and they plan on opening a distribution facility on Alliance Drive in early 2010. They purchased the land in December of 2008 and are in the final construction phase of development.

The Marvin Group has completed a manufacturing facility on 15 acres at Venture Boulevard and Advancement Avenue. They will be a supplier of construction materials such as rebar and construction is underway.

Barker Produce is under construction on an onion peeling plant that will be situated on 18 acres of land on Alliance Drive and Advancement Avenue. Completion for this facility is set for the middle of 2010.

A significant expansion is also taking place at the F&A Dairy plant. They will expand their facility by 40,000 square feet for a total of 190,000 square feet, which will enable the plant to double its cheese processing capability. The workforce will increase from 100 to 140 employees. The \$15 million project will include a system to deal with the 300,000 gallons of "cow water" the company will produce every day. This is a by product of milk when it is converted to cheese. F&A Dairy has leased nearby land from the New Mexico State Land Office where the water will be used to irrigate crops.

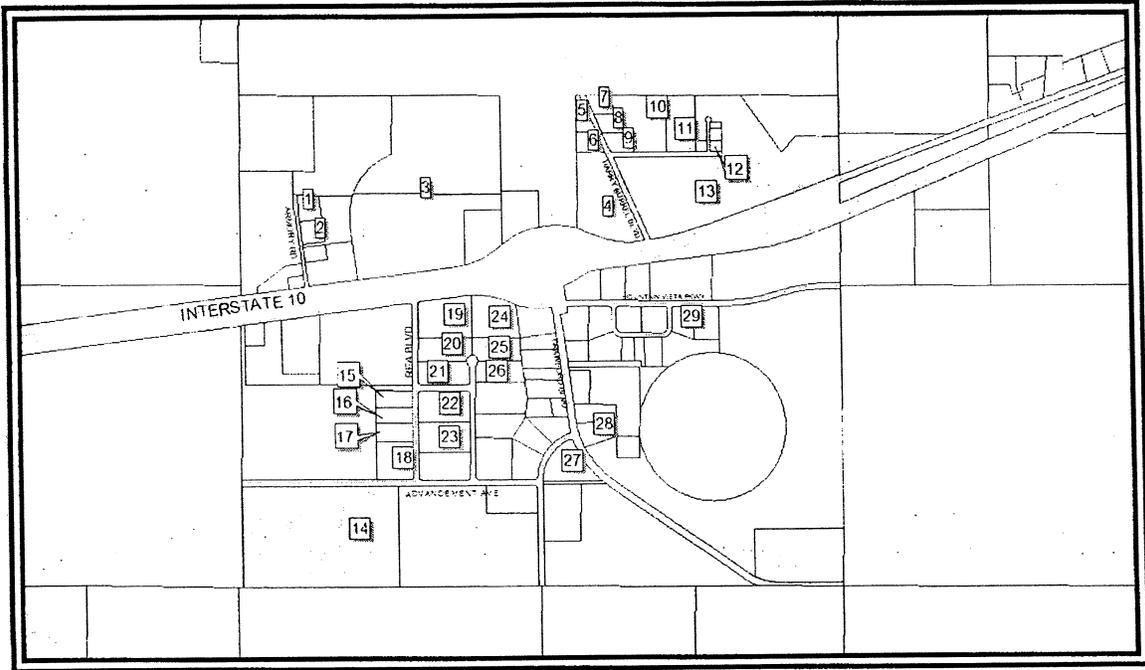
In December of 2008, Rea Magnet Wire Company suspended production at its 200,000 square foot Las Cruces plant and laid off 75 workers. The company is producer of wire products and said it will consolidate its magnet wire manufacturing to facilities in Indiana and Mexico. This news was preceded by the closure of Parkview Metal Products closing in 2007. They performed precision metal fabrication and metal stamping and employed over 80 personnel. There are no new tenants for either building.

PROPERTY DESCRIPTION

LOCATION			
Property Name:	West Mesa Industrial Park	State:	New Mexico
Street Address:	Various	Zip Code:	88007
City:	Las Cruces	Assessor's Parcel No.:	See Below
County:	Doña Ana		
LEGAL DESCRIPTION			
See Below			
SITE DESCRIPTION			
Site Size (Acres):	See Chart Below	Zoning:	WMIP – See Addenda
Corner Lot:	Various Parcels	Site Shape:	Various Shaped Lots
Topography:	Basically Level and Graded		
STREET/UTILITIES		ENVIRONMENTAL	
Paved Street:	Asphalt	Flood Zone:	No
Curb & Gutters:	Concrete Curbs	Zone Code:	Zone X
Electric:	El Paso Electric Company	Map No.:	35013C-1075
Gas:	City of Las Cruces	Panel Date:	April 4, 2007
Lighting:	City of Las Cruces		
Sewer:	City of Las Cruces		
Sidewalks:	None		
Storm/Drain:	On-Site Ponding		
Water:	City of Las Cruces		
Underground Utilities:	Yes		
Compiled by: W. Scott Eschenbrenner, MAI			

Site Description Comments

The subject consists of 29 tracts of land in the West Mesa Industrial Park located adjacent to the Las Cruces International Airport and bisected by Interstate 10 approximately eight miles west of downtown Las Cruces. Situated on the following page is a map showing the location of the subject parcels and their identification numbers. The chart after the map shows the parcel numbers, lot sizes, physical address, zoning, assessed value and parcel ID numbers.



PARCEL LOCATION MAP

WEST MESA INDUSTRIAL PARK

Parcel #	Parcel ID#	Total Lot Size	Location	Sewer	Developed	Assessed Value/Acre
1	02-39841	3.880	Armory Road	NO	Yes	30,000
2	02-37906	3.730	260 Armory Road	NO	Yes	30,000
3	02-27108	90.000	North Frontage Road	NO	No	5,000
3	02-37908	66.290	North Frontage Road	NO	No	15,000
4	02-22306	28.860	Harry Burrel Boulevard	NO	Yes	2,000
5	02-35584	3.160	Harry Burrel Boulevard	NO	Yes	20,000
6	02-35585	3.370	Harry Burrel Boulevard	NO	Yes	20,000
7	02-35586	3.000	Harry Burrel Boulevard	NO	Yes	20,000
8	02-35587	3.000	Harry Burrel Boulevard	NO	Yes	20,000
9	02-35588	3.000	Harry Burrel Boulevard	NO	Yes	20,000
10	02-36839	17.660	Rocket Drive	NO	Yes	18,000
11	02-36840	11.500	Rocket Drive	NO	Yes	18,000
12	02-36843	0.900	Microwave Drive	NO	Yes	35,000
13	02-36841	112.260	Harry Burrel & N. Frontage	NO	No	6,000
14	02-40907	112.200	Advancement Avenue	YES	No	20,000
15	02-38980	4.260	Rea Boulevard	YES	Yes	30,000
16	02-38981	4.280	Rea Boulevard	YES	Yes	30,000
17	02-34842	5.000	Rea Boulevard	YES	Yes	25,000
18	02-34315	10.000	Rea & Advancement	YES	Yes	25,000
19	02-40352	15.300	Robert Larson & Rea	YES	Yes	45,500
20	02-40354	8.820	Rea Boulevard	YES	Yes	39,000
21	02-40356	7.800	Rea Boulevard	YES	Yes	39,000
22	02-38979	11.200	Rea Boulevard	YES	Yes	20,000
23	02-38978	11.200	Rea Boulevard	YES	Yes	20,000
24	02-40353	12.740	Robert Larson Boulevard	YES	Yes	45,500
25	02-40355	7.800	Alliance Drive	YES	Yes	36,000
26	02-40357	7.140	Alliance Drive	YES	Yes	36,000
27	02-38974	10.260	Venture Boulevard	YES	Yes	20,000
28	02-39087	5.490	Crawford Boulevard	YES	Yes	30,000
29	02-35595	4.490	Mountain Vista & Trigg	YES	Yes	20,000

TAXES

The current assessed value for the subject land range from \$2,000 per acre to as high as \$45,500 per acre and vary based on location and parcel size. The parcels are all owned by the City of Las Cruces; therefore, real estate taxes are not collected for the subject parcels.

HIGHEST AND BEST USE (Premise of Value)

All of the subject parcels are situated in the West Mesa Industrial Park in the Overlay Zone District. The purposes of the zone are to provide clean industry and employment for the City of Las Cruces and its residents, and develop, maintain and enhance existing commercial and industrial uses. I am of the opinion that the highest and best use based on the existing zoning and development guidelines is for a mixed use industrial development due to its proximity to Interstate 10, Las Cruces International Airport and isolated location away from residential developments.

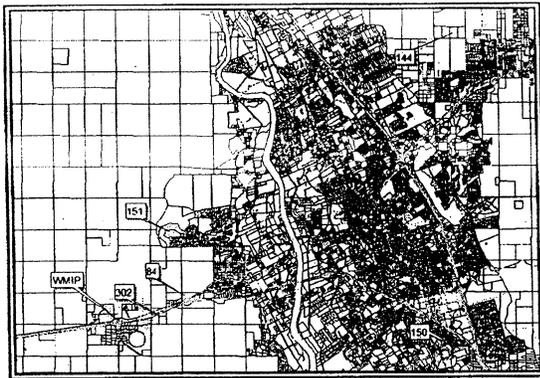
WEST MESA INDUSTRIAL PARK - SOLD PARCELS

Parcel #	Total Lot Size	Property Owner	Parcel ID	Year Sold	Improvement Size	Sales Price	Price/Acre	ID #	Size Sdls
1	47,062	Amery Road	22921	1999/1995	57,117	\$0	\$0		1101376
2	4,992	Alvarado Road	22922			\$0	\$0		\$1,185
3	1,370	Las Cruces Branch	22923			\$0	\$0		811490
4	58,000	Alvarado Road	22924			\$0	\$0		922999
5	10,800	IBM Corp. Transportation	19960			Exchange	\$0		90597
6	2,790	Sutton	22100	1998	14,375	\$0	\$0		51490
7	1,274	Clovis Road	22907			1291,500	\$25,000	303	61607
8	16,942	USA	22923			\$0	\$0		
9	1,160	Alvarado Rd/Donnell	16384			\$75,000	\$25,000	155	811704
10	16,167	John Hancock	12208			\$0	\$0		129090
11	1,090	El Paso Electric Co	21784			\$0	\$0		514705
12	16,472	Las Cruces Lewis	22921			\$0	\$0		119730
13	15,000	State of New Mexico	17225			\$0	\$0		811038
14	58,000	City of Las Cruces (Ray/Mary/West)	22152	1998	181,197	1,950,000	\$11,000	37	514531
15	4,992	Amery Road	13822			\$125,000	\$25,000	175	514504
16	19,000	Amery Road	22921	2000	64,300	3,000,000	\$25,000	65	614905
17	11,232	DAS Realty, LLC	43394			\$107,619	\$35,300	365	1212286
18	7,490	Larry Eisher	48359			2284,108	\$34,378	346	1010985
19	18,920	Larry Eisher	38727			1202,000	\$27,306	266	910087
20	920	Manor Corp	22298	1999	5,616	\$0	\$0		1191789
21	1,171	John Pugh	34117	1999	2,242	\$0	\$0		222334
22	2,700	Deanna Investments	21202	1994	7,050	\$0	\$0		1218293
23	1,300	Quinn Rental LLC	21587			\$0	\$0		514595
24	1,390	Quinn Rental LLC	21588	1999/1999	13,500	\$0	\$0		414578
25	3,300	One World Real Estate	22778			\$2,533	\$26,800	38	214890
26	2,500	One World Real Estate	22777	2002	22,712	\$0	\$0		714506
27	1,700	One World Real Estate	22776			\$70,000	\$15,000	91	811800
28	1,800	One World Real Estate	22772			\$70,000	\$15,000	93	811800
29	6,650	Paradise Las Vegas LLC	36374			140,800	\$7,257	307	812197
30	40,000	Paradise Las Vegas LLC	40661			1,160,000	\$15,000	308	1020202
31	30,992	City of Las Cruces	40905			\$0	\$0		514193
32	4,000	TRG Manufacturing LLC	36831			\$335,000	\$25,000	217	811827
33	1,500	TRG Manufacturing LLC	36832			\$158,000	\$26,000	180	712490
34	5,780	Edward Hansen Skanska Inc	36802			\$178,870	\$30,427	276	627407
35	5,525	Edward Hansen Skanska Inc	36596			1,481,130	\$23,425	226	610187
36	18,000	City of Las Cruces (Parker/Mary)	22514	1998	107,274	1,024,000	\$18,000	36	71137
37	6,000	Matthew Hare	36587			\$100,000	\$20,000	223	620207
38	1,280	West Texas Development	40467			144,700	\$33,815	202	620407
39	1,740	Don & Just Garage	36393	2000	6,210	1142,200	\$33,026	214	61607
40	2,740	James Hill	36594			\$0	\$0		811804
41	3,645	Pharos Partners LLC	27633			\$0	\$0		811816
42	3,440	Leoras Design	36586			\$193,800	\$33,000	222	610307
43	5,970	Leoras Design	36585			\$198,100	\$33,000	222	610307
44	1,800	Galaxy Volkswagen	36593	2007	7,160	\$10,000	\$22,000	138	711406
45	2,330	Commissioner of Public Health	27840			\$0	\$0		811804
46	6,170	F&B Corp	27841			\$127,400	\$20,000	160	611025
47	4,170	F&B Corp	27841			\$67,400	\$20,000	160	31102
48	18,610	City of Las Cruces (F&B Corp)	22853	95/96/99/04	121,293	\$0	\$0		811824
49	5,010	F&B Corp	19996			\$181,440	\$34,000	265	620402
50	3,490	F&B Corp	27520			\$0	\$0		811804
51	120,143	City of Las Cruces (F&B Corp)	24501			\$0	\$0		811804
52	33,182	City of Las Cruces	36283			\$0	\$0		811804
53	1,092	World Pacific Properties	36812			\$30,000	\$30,000		811809
				719,283	608,272				

Large Undeveloped Land Parcel Analysis:

The following sales were used to compare to the first three parcels that are referred to as Parcel 3, 13 and 14. These are the large parcels with Parcel 3 and 13 situated north of I-10 and without sewer service. The remaining parcel is situated south of I-10 and has all city services. The sales selected are detailed in the following table, followed by an analysis and my estimate of value. The sales were selected as they were the most recent comparables that represent large development parcels that are the most comparable to the subject parcels.

Parcel ID	Subject	COMPARABLE IMPROVED SALES				
		Sale 1	Sale 2	Sale 3	Sale 4	Sale 5
362	Large Land Parcel	144	151	130	144	84
Address	Mountain View Parkway	Summa Rapid and Triangle	Don Drive	Jackpot Exchange		
City/State	Las Cruces NM	Las Cruces NM	Las Cruces NM	Las Cruces NM	Las Cruces NM	Las Cruces NM
Platmap	Platmap	Platmap	Platmap	Platmap	Platmap	Platmap
Use	Industrial	Industrial	Industrial	Industrial	Industrial	Industrial
Size	112 to 156 Acres	100 Acres	100 Acres	100 Acres	100 Acres	100 Acres
Location	Mid-Block Location	Mid-Block Location	Mid-Block Location	Mid-Block Location	Mid-Block Location	Mid-Block Location
Corner Features	with 11' Frontage					
Depth & Shape	Irregular	Irregular	Irregular	Irregular	Irregular	Irregular
Topography	Level	Level	Level	Level	Level	Level
Zoning	Industrial	Industrial	Industrial	Industrial	Industrial	Industrial



Discussion of Improved Comparable Sales

The preceding comparables indicate an unadjusted price range of \$10,542 to \$33,000 per acre. The sales were not adjusted for time, as it appears that this segment of the market has weakened since its height in the summer of 2008. Therefore, the search for sales data was limited to those transactions that have occurred since 2006. These sales are the most representative of the recent activity.

Market conditions adjustments take into account market appreciation or depreciation. There has been only one new sale in the past 28 months, and it is reasonable to assume that the market is going through a state of uncertainty. With no new market sales it is difficult to determine the direction of the market. Market participant interviews indicate that the new land market has softened and that investors are waiting for either desperate sellers or for the market to stabilize. Nationally, the employment sector that drives industrial demand has lost over 1.7 million jobs in 2008, with additional losses forecasted in 2010. These employment sectors turned negative (i.e. net job losses) in the 4th Quarter of 2007. Employment growth generally leads absorption by six months and investors will watch employment sectors closely in 2010 to see if they have bottomed out. Six months after that occurs, the industrial market should start to see signs of life. The CoStar Group forecasts the national vacancy rate to increase from 8.9% at year end of 2008 to 11% by year end of 2010. Additionally, the average time to re-lease a vacated space has increased from 75 days in 2006 to 425 days currently.

Another method of determining current market activity is to check current listings. I have researched the Multiple Listing Service for vacant land tracts over 20 acres in order to determine if listing prices have changed. Of the 30 current listings that were researched, I found three active listings that indicated a decrease from their original listing prices. These three listings indicated decreases of 5%, 17% and 83% from original price. There is no way to determine if these parcels were listed at above market prices but there is an indication that this market has weakened.

After considering the lack of current market sales, the national economic indicators and current listing data, I have come to the conclusion that large land tract parcels have decreased in value since the end of 2007. I have factored in a 0% annual decrease in value since the start of 2008 to the comparable sales.

There are three parcels that range in size from 112 to 156 acres. I have used a 112 acre size tract as the typical subject parcel size. These comparable sales have been compared to a parcel that is a mid-block location with typical frontage and depth ratios. Adjustments have been made to the subject parcels that have I-10 exposure, interior shape or lack of utilities. A description of each comparable sale property is as follows.

I have utilized a Quantitative Analysis Grid to help determine each sale's overall comparability to the subject, and to assist in further defining a range of value for the subject.

	302	144	151	130	84
Sale No.					
Sale Price - Acre	\$33,000	\$23,302	\$10,542	\$27,024	\$16,397
Size - Acre	100.000	36.000	257.000	50.000	52.600
Sale Date	Apr-09	Aug-08	Aug-07	Apr-07	Jan-06
Rights Conveyed	Fee	Fee	Fee	Fee	Fee
Adj. Conditions of Sale					
Financing Terms	Market	Market	Market	Market	Market
Buyer - Seller Motivation	Normal	Normal	Normal	Normal	Normal
Market Conditions (Time)	-6.00%	-8.00%	-6.00%	-6.00%	-6.00%
Tot. Time Adj.	-4.00%	-8.00%	-13.33%	-13.33%	-13.33%
Adj. Value	\$31,458	\$21,393	\$9,302	\$23,846	\$14,469
Location					
% Adj.	0%	-25%	25%	-25%	0%
\$ Adj. Value	\$0	(\$5,348)	\$2,326	(\$5,962)	\$0
Adj. Value	\$31,458	\$16,045	\$11,628	\$17,885	\$14,469
Size:					
% Adj.	0%	-10%	15%	-10%	-10%
\$ Adj. Value	\$0	(\$2,139)	\$1,395	(\$2,385)	(\$1,447)
Adj. Value	\$31,458	\$13,905	\$13,023	\$15,500	\$13,022
Utilities:					
% Adj.	0%	0%	0%	0%	0%
\$ Adj. Value	\$0	\$0	\$0	\$0	\$0
Adj. Value	\$31,458	\$13,905	\$13,023	\$15,500	\$13,022
Other Features:					
% Adj.	0%	0%	0%	0%	0%
\$ Adj. Value	\$0	\$0	\$0	\$0	\$0
Adj. Value	\$31,458	\$13,905	\$13,023	\$15,500	\$13,022

Price Per Square Foot Conclusion

The five comparables provide a range of adjusted value indications from a low of \$13,022 to \$31,458 per acre. This wide range of values is due to Comparable Sale #302, which is a parcel that is adjacent to the subject that was under contract to the US Government who has indicated a specific need to be in this immediate vicinity. This transaction has since fallen through due to government cut-backs. The remaining four sales represent a very close range from \$13,022 to \$15,500 per acre. There were no sales from the immediate vicinity; however, the comparables selected are representative of the subject property. The narrow range tends to lend credence to the final value conclusion. After considering the four remaining comparable sales and the slow market conditions, I have concluded a market value estimate towards the lower end of the range for Parcel 3 and 13 or \$13,500 per acre due to the lack of sewer service. Parcel 14 is located on Advancement Avenue with all utilities located adjacent to this parcel I have considered a slightly higher value to acknowledge availability of sewer service to this large land parcel.

The following chart is my estimate of value for these three parcels.

Parcel #	Parcel ID#	Size/Acre	Indicated Value/Acre	Market Value (Rounded)
3	02-27108/37908	156.29	\$13,500	\$2,110,000
13	02-36841	112.26	\$13,500	\$1,515,000
14	02-40907	112.20	\$14,000	\$1,570,000

Smaller Undeveloped Land Parcels – North of Interstate 10:

The following sales will be used to compare to the parcels that are situated north of Interstate 10 and have all city services except sewer. The parcels are referred to as Parcel 1, 2 and 4 through 12. These parcels range in size from one acre to 28.7 acres and do not have the higher quality roads. There have only been three land sales north of the Interstate since 2006. Two of these parcels sold for \$25,000 per acre while the sales south of the interstate were selling for \$25,000 to \$36,000 per acre with sewer service. The third parcel is the only sale that occurred in 2009 and contained only 0.90 acres of land and sold for \$30,000.

WEST MESA INDUSTRIAL PARK - SOLD PARCELS NORTH OF I-10

Parcel #	Lot Size	Property Owner	Parcel ID	Sales Price/Acre	ID #	Date Sold
7	11.270	Clarence Crawford	02-37907	\$281,500	304	6/5/07
9	3.160	Michael O'Donnell	02-35584	\$79,000	155	8/17/06
52	0.9	World Radio Network	02-36842	\$30,000	333	9/14/09

When analyzing the 12 parcels of land it is my opinion that some adjustment for size and location is warranted. I am of the opinion that parcels with less than three acres should be adjusted upward by 10% for their smaller size and that parcels with more than 10 acres should be adjusted downward by 10% for their larger size. It is apparent that the sales north of I-10 sold for \$25,000 per acre almost two years ago and that there has been some appreciation through 2007. I have adjusted the two oldest sales upward by 10% for time through 2007 to acknowledge the increase in values in 2006 and 2007. Parcels with three acres or less would have an indicated value of \$30,000 per acre while parcels with more than 10 acres would have an indicated market value of \$25,000 per acre. The following chart is my estimate of value for these 12 parcels.

Parcel #	Parcel ID#	Size/Acre	Indicated Value/Acre	Market Value (Rounded)
1	02-39841	3.880	\$30,000	\$115,000
2	02-37906	3.730	\$30,000	\$110,000
4	02-22306	28.96	\$25,000	\$720,000
5	02-35584	3.160	\$30,000	\$95,000
6	02-35585	3.370	\$30,000	\$100,000
7	02-35586	3.000	\$30,000	\$90,000
8	02-35587	3.000	\$30,000	\$90,000
9	02-35588	3.000	\$30,000	\$90,000
10	02-36839	17.66	\$25,000	\$440,000
11	02-36840	11.50	\$25,000	\$290,000
12	02-36843	0.900	\$30,000	\$30,000

Smaller Undeveloped Land Parcels – South of Interstate 10:

The following sales will be used to compare to the parcels that are situated south of Interstate 10 and have all city services including sewer service and good quality roads. The parcels are referred to as Parcel 15 through 29. These parcels range in size from 4.26 acres to 15.3 acres. The sales selected have occurred since 2007 as they were the most recent comparables that represent small fully developed parcels. There have been 15 land sales south of the Interstate. Please see the following chart for those sales.

WEST MESA INDUSTRIAL PARK - SOLD PARCELS SOUTH OF I-10

Sold Parcel #	Total Lot Size	Property Owner	Parcel ID	Sales Price/Acre	Price/Acre	ID #	Date Sold
14	5.000	Dennis Munceff	02-34842	\$125,000	\$25,000	115	5/15/06
16	11.230	DMS Realty, LLC	02-40358	\$407,849	\$36,300	305	12/2/08
17	7.400	Larry Barker	02-40359	\$254,100	\$34,339	306	10/29/08
18	10.620	Larry Barker	02-38977	\$292,050	\$27,500	266	9/28/07
28	6.650	Contractors Leasing LLC	02-38976	\$181,500	\$27,293	307	9/25/07
29	10.000	Sapphire Energy Inc	02-40906	\$150,000	\$15,000	398	10/29/08
31	15.000	TMG Manufacturing, LLC	02-30043	\$375,000	\$25,000	287	8/10/07
32	6.000	RDC, LLC	02-35667	\$150,000	\$25,000	134	7/12/06
33	5.760	Esmail Haicari - Skyblue Inv.	02-35602	\$175,870	\$30,427	225	6/27/07
34	5.920	Esmail Hajdari - Skyblue Inv.	02-35590	\$180,130	\$30,427	225	6/27/07
36	6.000	Matthew Kard	02-35591	\$150,000	\$25,000	223	6/22/07
37	4.788	West Texas Development	02-35592	\$143,700	\$30,012	224	6/26/07
38	4.740	Don & Jeff Billings	02-35593	\$142,200	\$30,000	214	4/6/07
41	3.460	Leonard Besinger	02-35596	\$103,800	\$30,000	222	6/21/07
42	5.970	Leonard Besinger	02-35597	\$179,100	\$30,000	222	6/21/07
43	4.000	Sidney Williamson	02-35598	\$100,000	\$25,000	136	7/11/06
46	5.040	F&A Dairy	02-39086	\$181,440	\$36,000	265	9/24/07
				117,598	\$3,291,539	\$27,990	

The following chart is my estimate of value for these 15 parcels.

Parcel #	Parcel ID#	Size/Acre	Indicated Value/Acre	Market Value (Rounded)
15	02-38980	4.26	\$40,000	\$170,000
16	02-38981	4.28	\$40,000	\$170,000
17	02-34842	5.00	\$40,000	\$200,000
18	02-34315	10.0	\$40,000	\$400,000
19	02-40352	15.3	\$44,000	\$675,000
20	02-40354	8.82	\$40,000	\$355,000
21	02-40356	7.80	\$40,000	\$310,000
22	02-38979	11.2	\$40,000	\$450,000
23	02-38978	11.2	\$40,000	\$450,000
24	02-40353	12.74	\$44,000	\$560,000
25	02-40355	7.80	\$36,000	\$280,000
26	02-40357	7.14	\$36,000	\$255,000
27	02-38974	10.26	\$40,000	\$410,000
28	02-39087	5.49	\$40,000	\$220,000
29	02-35395	4.49	\$40,000	\$180,000

Reliability

While every effort has been made to produce a credible value estimate, certain factors limit the reliability of the result. The scope of this assignment was limited to an application of the Sales Comparison Approach. Only a limited market analysis was made and no in-depth analysis of highest and best use was conducted.

These factors are not considered to have a significant negative impact on the reliability of the valuation. Sufficient data, diligence, and analysis are combined in this appraisal to produce a reasonably reliable value conclusion, which will serve the needs of the client.

The sales occurred between May of 2006 to December of 2008 with no sales in 2009. The sales range in price from \$15,000 to \$36,300 per acre. The low end of the range is represented by Parcel 29, which sold below market due to economic incentives offered to the purchaser. After eliminating Parcel 29 the range is much closer from \$25,000 to \$36,300 per acre. The sales range in size from four acres to 15 acres. The largest and smallest sale both sold for \$25,000 per acre indicating no adjustment for size.

When analyzing the 15 subject parcels it is my opinion that the only adjustment required is for location within the park due to frontage, corner features or exposure to Interstate 10. The subject parcels are listed for sale at two different prices based on location. Parcel 20 and 25, which have exposure to Interstate 10 are priced at \$45,000 per acre. The remaining parcels are all listed at the same price or \$40,000 per acre.

There were only two sales in 2008 and these two parcels were also situated on Alliance Drive. Parcel 18, which is the most recent sale, was purchased for the asking price of \$36,300 per acre while Parcel 17 sold only slightly lower at \$34,339 per acre primarily due to the fact that the same purchaser had purchased an adjacent parcel the year prior and some credit was given. Taking note of the fact that the City is typically selling parcels at their asking price with only minor adjustments made for price due to economic incentives, I am of the opinion that Parcel 25 and 26, which are both located on Alliance Drive indicate a market value of \$36,000 per acre and that this is basis for establishing value on the remaining subject parcels.

Parcel 19 and 24 are both situated on the Interstate 10 frontage road and provide additional exposure to interstate traffic. Parcels with superior visibility and favorable access will typically bring a premium; however, the sales activity in the WMIP does not support an adjustment. The City has the two parcels listed for sale at \$45,000 per acre, which is 25% higher than the established price for parcels on Alliance Drive. This exceeds market derived adjustments experienced in Las Cruces. Therefore, I am of the opinion that Parcel 19 and 24 would have a lower market value of \$44,000 per acre.

The remaining 10 parcels are all similar in size, access and exposure. These 10 parcels are all situated on major thoroughfares within the WMIP and have equal exposure, frontage and access. As mentioned previously, Parcel 25 and 26 have an indicated market value of \$36,000 per acre but are considered slightly inferior due to secondary access within WMIP. The City has these 10 remaining parcels listed for sale at \$40,000 per acre, which is a 10% premium over the parcels on Alliance Drive. This premium appears reasonable and I am of the opinion that the market value of the remaining parcels is \$40,000 per acre.

CERTIFICATION OF THE APPRAISER

The undersigned of this appraisal report, by his signature on this report, certifies that to the best of his knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are the undersigned's personal, impartial and unbiased professional analyses, opinions, and conclusions.
3. The undersigned has no present or prospective interest in the property that is the subject of this report, and have no personal interest with respect to the parties involved.
4. The undersigned has no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. The undersigned's 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 the appraisal.
6. The undersigned's analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice of The Appraisal Foundation and the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
7. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
8. The undersigned made a physical inspection of the subject property.
9. No one provided significant professional assistance to the person signing this report.
10. The undersigned has extensive experience in the appraisal of similar property types.
11. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

By:

Scott

Eschenbrenner

Digitally signed by Scott Eschenbrenner
DN: cn=Scott Eschenbrenner, o=Scott Eschenbrenner Appraisal Services Co., email=scott@scottesc.com, ou=SA
Date: 2010.02.05 09:37:13 -0700

W. Scott Eschenbrenner, MAI
Certified Commercial Real Estate Appraiser
State of New Mexico No. 1180-G

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ADDENDUM

Purpose, Intended Use And Scope Of The Appraisal

The purpose of the appraisal is to form an opinion of the Market Value of the owner's marketable interests in the subject property. The intended use of the appraisal is to assist the client in establishing an opinion of Market Value for the subject property for marketing purposes or such other purposes as noted in this report. In valuing this property, I have considered the actions of the market and have formed an opinion of value in consideration of current economic indicators and comparable properties.

The scope of the assignment was limited to the application of the Sales Comparison Approach to value. No in-depth market analysis or analysis of highest and best use was conducted. It is my determination that this appraisal is not so limited as to result in a misleading or confusing report. It is understood that the client is aware of the limitations and lower level of reliability inherent in a summary appraisal. The intended use of the appraisal is for the client only or third party users as designated by the client. A discussion of the appraisal methodology and processes applied appears in the Addendum. It should also be noted that the value conclusion herein is subject to the assumptions and limiting conditions and certification presented in the Addendum.

Marketing Period

The marketing period for property such as the subject is variable depending on many factors such as the style and extent of market exposure, the asking price, the availability of financing and the extent of competitive offerings. For the purpose of this appraisal, it is assumed that a reasonable time is allowed for exposure in the open market prior to the specified date of value. Although the market period is variable, I am of the opinion that, properly promoted, the subject property could be sold within 12 months of the date first offered for sale on the open market.

Property Rights Appraised

The property rights valued in this report are defined as "fee simple estate". *The Dictionary of Real Estate Appraisal*, Third Edition, published by the Appraisal Institute, defines fee simple estate as:

"Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."¹

Definition of Market Value

For the purpose of this appraisal, "market value" is defined by the Uniform Standards of Professional Appraisal Practice (USPAP), as promulgated by the Appraisal Standards Board of the Appraisal Foundation and also defined in Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) as follows:

¹ *The Dictionary of Real Estate Appraisal*, Third Edition, Appraisal Institute, 1993, p. 204

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

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

Description of the Extent of the Process of Collecting, Confirming, and Reporting of Data

The scope of an appraisal report is a description of the process and extent of collecting, confirming, and reporting of data in relation to the appraisal problem. I collected data from a number of sources, including public officials, brokers, property owners and managers, as well as secondary sources such as data services.

Data was confirmed to the extent possible given the time constraints of the assignment. For comparable sales, attempts were made to contact a principal involved in the transaction, which was not always successful. In the case where a principal was not contacted, another person familiar with the transaction (broker, lawyer, property manager, etc.) was contacted. Finally, public information (deeds, tax assessor's records, etc.) was reviewed to further confirm sales. As this is a summary appraisal report, the actual data and analyses used in valuing the property are on file in my office.

This complete appraisal was conducted and prepared in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) as formulated by the Appraisal Foundation, and conforms to the Code of Professional Ethics of the Appraisal Institute.

GENERAL ASSUMPTIONS

This appraisal report has been made with, and is subject to, the following General Assumptions:

1. The title to the property is good and marketable unless otherwise stated. The legal description of the subject property is assumed to be correct and no responsibility is assumed for legal matters nor is an opinion of title rendered.
2. The property appraised is free and clear of any and all liens or encumbrances, except as noted. It is assumed that the property is under competent management and responsible ownership.
3. Information furnished by outside sources is considered to be reliable; however, no responsibility is accepted for its validity or accuracy. I reserve the right to amend the value conclusion should the accuracy of the information change subsequent to delivery of this appraisal.
4. No survey of the property was made available. All engineering associated with the subject property is assumed to be correct. The sketches and illustrations presented in the report are only included to assist the reader in visualizing the subject property and no responsibility is assumed for the accuracy of the exhibits.
5. There are no hidden or unapparent conditions of the property, subsoil, or structure that would render it more or less valuable. No responsibility is accepted for such conditions or for arranging for engineering studies that may be required to discover them. It is assumed that the site and the structure is free and clear of all hazardous materials, or any other potential health risks unless otherwise stated and identified in the appraisal report. Hazardous materials are to include, but are not limited to, asbestos-containing materials, urea-formaldehyde insulation, PCP, and toxic waste. No potential environmental hazards were observed, unless otherwise stated in the appraisal, however I recommend the client obtain a professional evaluation of the site for any contaminants.
6. Full compliance with all applicable federal, state, and local environmental regulations and laws is assumed unless noncompliance is stated, defined, and considered in the appraisal report.
7. Unless nonconformity has been stated, defined, and considered in the appraisal report, it is assumed that all zoning and use regulations have been complied with.
8. All required licenses, certificates of occupancy, permits, consents, or other legislative or administrative authority from any local, state or national government or private entity or organization are assumed to be in place, obtainable and/or renewable for any use on which the value estimate was predicated.
9. Unless otherwise noted in the report it is assumed that there are no encroachments or trespasses, either by or against the subject of this appraisal.

GENERAL LIMITING CONDITIONS

This appraisal report has been made with, and is subject to, the following General Limiting Conditions:

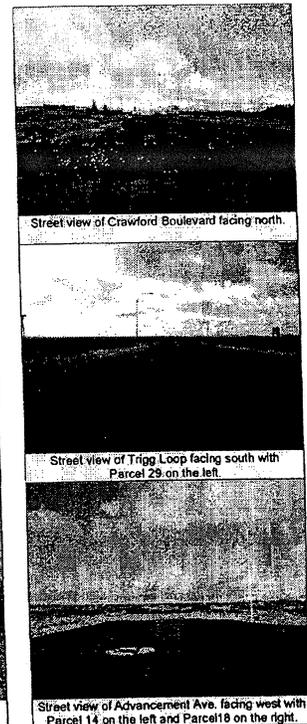
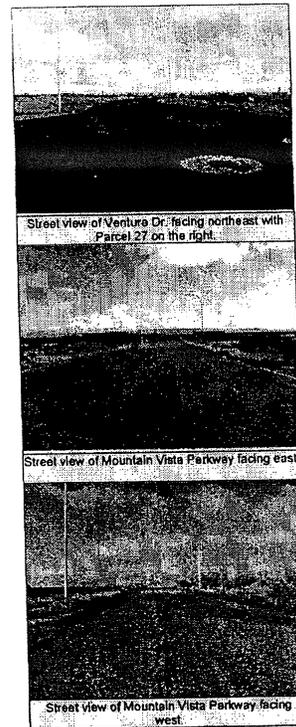
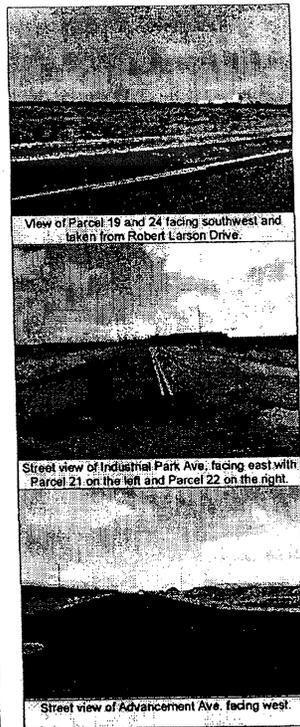
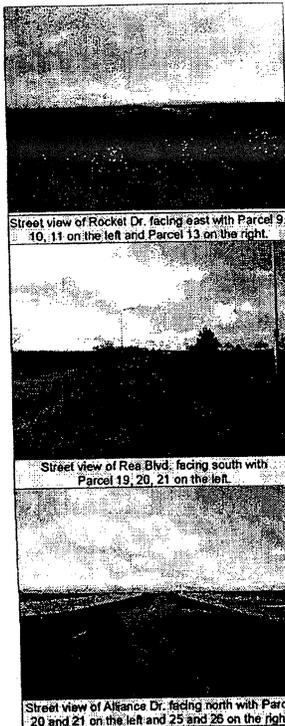
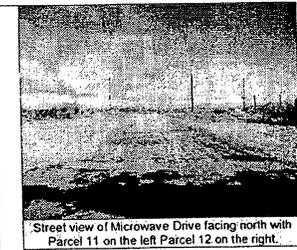
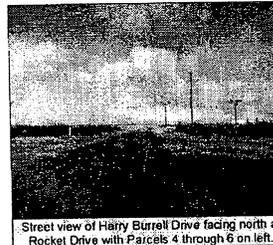
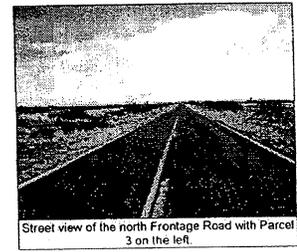
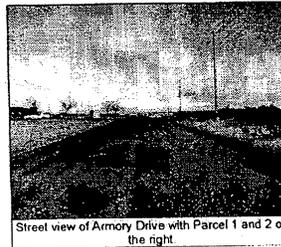
1. Unless previous arrangements have been made, the appraiser by reason of this appraisal, is not required to give further consultation, testimony, or be in attendance at court.
2. Neither all nor any part of the contents of this report shall be conveyed to any person or entity, other than the appraiser's or firm's client, through advertising, solicitation materials, public relations, news, sales, or other media without the written consent and approval of the author, particularly as to valuation conclusions, the identity of the appraiser or firm with which the appraiser is connected, or any reference to the Appraisal Institute or MAI designation. Further, the appraiser or firm assumes no obligation, liability, or accountability to any third party. If this report is placed in the hands of anyone but the client, client shall make such party aware of all the assumptions and limiting conditions of the assignment.
3. The value conclusion in the appraisal is subject to the prevailing market conditions as of the effective date of the appraisal. No responsibility is assumed for any change in value that might occur due to changes in market conditions subsequent to the effective date of the appraisal.
4. Acceptance of and/or use of this report constitutes acceptance of the preceding "General Assumptions," "Special Assumptions and Limiting Conditions," and "General Limiting Conditions."

SPECIAL ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report has been made with, and is subject to, the following Special Assumptions and Limiting Conditions:

1. It is assumed that the information provided by the owner of the subject property is true and correct. However, no liability for errors contained in neither the submitted documents nor their verbal representations is accepted by Mesilla Valley Appraisal Services.
2. The Americans with Disabilities Act (ADA) became effective January 26, 1992. I will not be responsible for conducting a specific compliance survey or analysis of this property to determine its conformity with the various requirements of the ADA. It is possible a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal the property is not in compliance with one or more of the requirements of the title. If so, non-compliance could have a negative effect upon the value of the property. Since I have no direct evidence relating to this issue, I will not be considering possible non-compliance with the requirements of ADA in estimating the value of the property.
3. I was not furnished with an environmental site assessment (EIS) report and have appraised the subject with the assumption that it is not affected by any environmental hazards. Should it be determined that the site is affected by any environmental hazards I reserve the right to modify my overall value conclusion.

SUBJECT PHOTOGRAPHS



APPRAISER QUALIFICATIONS
W. SCOTT ESCHENBRENNER, MAI

PROFESSIONAL EXPERIENCE:
MAI, Designated Member of the Appraisal Institute - #11,814
State Certified General Real Estate Appraiser, New Mexico-1180

EDUCATION BACKGROUND AND SPECIAL TRAINING
Graduate from Southwest Texas State University, 1986, with Bachelor of Science Degree in Business Administration with major in Finance - Real Estate.

Successfully completed the following real estate courses from the Appraisal Institute:
Real Estate Appraisal Principles
 Residential Valuation
 Basic Valuation Procedures
 Capitalization Theory and Techniques - Part A & B
 Report Writing and Valuation Analysis
 Standard of Professional Practice, Parts A, B & C
 Advanced Applications
 Demonstration Appraisal Report
 General Comprehensive Exam

EMPLOYMENT
 May 1995 to Present, Owner, Mesilla Valley Appraisal Services in Las Cruces, New Mexico
 January 1994 to May 1995: Appraiser, William Scott Burns & Wilkinson, Inc., in El Paso, TX.
 October 1986 to December 1993: Appraiser, William Scott Burns & Company in El Paso, TX.
 May 1985 to August 1985: Construction, JR Thurman Construction, El Paso, TX.
 May 1981 to December 1984: Assist. Golf Professional, El Paso Country Club, El Paso, TX.

REPRESENTATIVE CLIENTS:
 Community First National Bank, First Federal Savings, First National Bank in Alamogordo, Citizens Bank of Las Cruces, First National Bank in Las Cruces, Western Farm Bureau Mutual Insurance Company, First Interstate Bank of Denver, Alamogordo Federal Savings and Loan, Bank of the Rio Grande, Mesilla Valley Bank, and other Regional Lending Institutions, Gerald Champion Memorial Hospital, City of Las Cruces, City of Alamogordo, Allstate Insurance Company, Texas Highway Department, United States Corps of Engineers, El Paso Water Utilities, Southern Pacific Railroad, City of El Paso, Gencon Corporation.

REPRESENTATIVE ASSIGNMENTS: (Texas, & New Mexico)
 Single and Multifamily Complexes
 Professional Office Complexes
 Industrial Parks, Warehouses, Mini-Warehouse Facilities
 Vacant Land, Subdivision Analysis and Mobile Home Parks
 Farm & Ranch
 Shopping Centers
 Special Purpose: Post Office, Hotel, Automobile Dealership, Banking Facility, Restaurant, Convenience Stations, Medical Clinic, Church, and Easements.

REAL ESTATE APPRAISERS BOARD
 PO Box 25101 Santa Fe, NM 87504 (505) 476-4611

This is to certify that
William S. Eschenbrenner #1180-G

Having complied with the provisions of the New Mexico Real Estate Appraisers Act is hereby granted a license to practice as a
GENERAL CERTIFIED APPRAISER

This appraiser is eligible to perform in Federally Related Transactions

Issue Date: 05/11/1995 Date Expires: 04/30/2010

THIS LICENSE MUST BE CONSPICUOUSLY POSTED IN PLACE OF BUSINESS

LAND SALE NO. 1

Property Identification
 Record ID 178
 Address 1430 Portland Drive, Las Cruces, Doña Ana County, New Mexico 88215
 Tax ID 02-27969
 Legal Description Lot 7, Bk A, Industry West

Sale Data
 Grantor Mesilla Valley Improvement, Inc.
 Grantee Pro Plumbing Heating & Cooling
 Sale Date February 27, 2007
 Deed Book/Page 702/568
 Recorded Plat 19/505-506
 Property Rights Fee Simple
 Conditions of Sale Arms Length
 Financing Cash to Seller
 Verification Other sources: Contract/ File - Don Miller

Sale Price \$270,000

Land Data
 Zoning M-1 Light Manufacturing
 Topography Generally level
 Utilities All city services except sewer
 Shape Irregular
 Landscaping None
 Flood Info Not located in flood hazard area

Land Site Information
 Gross Land Site 2.140 Acres or 93,218 SF
 Useable Land Site 2.140 Acres or 93,218 SF 100.00%

Indicators
 Sale Price/Gross Acre \$126,168
 Sale Price/Gross SF \$2.90
 Sale Price/Useable Acre \$126,168
 Sale Price/Useable SF \$2.90

LAND SALE NO. 2

Property Identification
 Record ID 213
 Property Name Sandhill Center
 Address 1001 Parkhill Drive, Las Cruces, Doña Ana County, New Mexico 88112
 Tax ID 02-32490
 Legal Description Lot 1, Sandhill Center Subd No. 10

Sale Data
 Grantor John N. & Mary C. Rinne
 Grantee Oak Mountain Properties, LLC
 Sale Date March 29, 2007
 Deed Book/Page 802/704
 Recorded Plat 21/112
 Property Rights Fee Simple
 Conditions of Sale Arms Length
 Financing Cash to Seller
 Sale History Sold in 2005 for \$2.01 SF
 Verification John Rinne, grantor to Ken Okuneim. Confirmed by Harry Hansen

Sale Price \$425,000

Land Data
 Zoning M-1 Light Manufacturing
 Topography Level
 Utilities All public services available
 Flood Info Zone X panel 516F 9/95

Land Site Information
 Gross Land Site 2.790 Acres or 121,532 SF

Indicators
 Sale Price/Gross Acre \$152,330
 Sale Price/Gross SF \$3.50

Remarks
 North on Del Rey off Highway 70 past Keystones

LAND SALE NO. 3

Property Identification

Record ID 221
Address 2540 Westgate Court, Las Cruces, Doña Ana County, New Mexico
Tax ID 02-18469

Sale Data

Grantor Living Irrigation Products, Inc
Grantee Rands & Cindy Larnier
Sale Date Mar 1 2007
Deed Book/Page 812 1448
Recorded Plat 14 198-191
Property Rights Fee Simple
Conditions of Sale Arms Length
Financing Cash to Seller

Sale Price \$290,000

Land Data

Zoning M-0 Light Manufacturing
Topography Level
Utilities All city services
Shape Irregular
Flood Info Not located in flood hazard area

Land Size Information

Gross Land Size 1.489 Acres or 63,584 SF

Indicators

Sale Price/Gross Acre \$171,380
Sale Price/Gross SF \$3.93

LAND SALE NO. 4

Property Identification

Record ID 227
Address 1361 Valley Dr, Las Cruces, Doña Ana County, New Mexico
Tax ID 02-32347

Sale Data

Grantor Walter & Shirley Ann Lewis
Grantee G & N Ventures LLC
Sale Date July 26, 2007
Deed Book/Page 0725049
Recorded Plat 20 758
Property Rights Fee Simple
Conditions of Sale Arms Length
Financing Cash to Seller
Verification Other sources: ME S: 375600

Sale Price \$220,000

Land Data

Zoning C-2 General Commercial
Topography Level at street grade
Utilities All city services
Shape Irregular
Flood Info Not located in flood hazard area

Land Size Information

Gross Land Size 1.398 Acres or 60,006 SF

Indicators

Sale Price/Gross Acre \$157,345
Sale Price/Gross SF \$3.61

Remarks

Property is located at the entrance of Tashiro Road.

LAND SALE NO. 5

Property Identification

Record ID 231
Property Type Industrial
Address 5390 1st Rey Blvd., Las Cruces, Doña Ana County, New Mexico
Tax ID 03-43115
Legal Description Part of Lots 12 & 13, Block 20, Elephant Butte Land & Trust Co, Subd A

Sale Data

Grantor David & Sylvia Roddy
Grantee Unid & Ericka Marquez and Salvador & Lidia Huqern
Sale Date August 13, 2007
Deed Book/Page #0731588
Property Rights Fee simple
Conditions of Sale Arms Length
Financing Conventional
Verification Unid Marquez, Jr., grantee. Confirmed by Flary Hansen

Sale Price \$196,020

Land Data

Zoning E11 Light Industrial ETZ
Topography Level inside site
Utilities Electricity, water, natural gas, septic system
Shape Rectangular
Flood Info Not located in flood hazard area

Land Size Information

Gross Land Size 2.027 Acres or 88,296 SF
Front Footage 175 ft. 1st Rey Blvd

Indicators

Sale Price/Gross Acre \$96,704
Sale Price/Gross SF \$2.22

Remarks

Purchased to construct office/warehouse property.

LAND SALE NO. 6

Property Identification

Record ID 245
Address 2800 N Motel Blvd, Las Cruces, Doña Ana County, New Mexico
Tax ID 02-18674

Sale Data

Grantor Billy Goodin, Jr
Grantee Karsakof & Warren LLC
Sale Date August 21, 2007
Deed Book/Page 0729386
Property Rights Fee Simple
Conditions of Sale Arms Length
Financing Cash to Seller

Sale Price \$320,000

Land Data

Zoning R-2 Medium Density Residential
Topography Level, corner location
Utilities All city services
Shape Irregular
Flood Info Not located in flood hazard area

Land Size Information

Gross Land Size 2.784 Acres or 121,271 SF

Indicators

Sale Price/Gross Acre \$114,943
Sale Price/Gross SF \$2.64

Remarks

There is an old single family dwelling on the property that was built in 1920, but offers no value.

LAND SALE NO. 7

Property Identification

Record ID 256
Property Type Commercial
Address 1660 W Picacho Avenue, Las Cruces, Doña Ana County, New Mexico 88005
Tax ID 02-048586-X-02-18201
Legal Description USRS Tracts 9C-9 and 9C-8

Sale Data

Grantor Estate of Leta Weinreich
Grantee Manuel & Leticia Pihon
Sale Date October 31, 2007
Deed Book/Page 0737132
Property Rights Fee Simple
Marketing Time 250
Conditions of Sale Arms length
Financing RHC, \$100K down, \$3,000 P&I for 35 months at 6.8%, balloon after 3 years
Verification M/S: 778763, Elie Weinreichsgaon. Confirmed by Harry Hansen

Sale Price

\$475,000

Land Data

Zoning C-2 General Commercial
Topography Level
Utilities All public
Shape Irregular
Landscaping None
Flood Info Partially located in flood hazard area

Land Size Information

Gross Land Size 3.138 Acres or 136,691 SF
Front Footage 327 ft Picacho

Indicators

Sale Price/Gross Acre \$151,370
Sale Price/Gross SF \$3.47

Remarks

The subject has been used for used car and mobile home sales. Improvements do not support highest and best use. I consider this a vacant site sale.

LAND SALE NO. 8

Property Identification

Record ID 255
Address W. Amador Ave, Las Cruces, Doña Ana County, New Mexico
Location west of Horse and Hound Feed Store
Tax ID Part of 02-30417
Legal Description Lot 111 Amador Tracts Replat No. 1

Sale Data

Grantor Amador Compress Partners, L.L.C.
Grantee Brewer Oil Co
Sale Date November 28, 2007
Deed Book/Page 0739537
Recorded Plat 22,352
Property Rights Fee Simple
Conditions of Sale Arms Length
Financing Cash to Seller
Verification Grady Oxford - Seller. Other sources: Warren W. Deed, Confirmed by Scott Eschenbrenner

Sale Price

\$975,000

Land Data

Zoning C-2 General Commercial
Topography Level, st. street grade
Utilities All city services
Shape Irregular
Landscaping None
Flood Info Located in flood hazard area
User 5 1,872'
User 6 311.90'
User 7 311.90'

Land Size Information

Gross Land Size 4.828 Acres or 210,295 SF
Front Footage 312 ft Amador

Indicators

Sale Price/Gross Acre \$201,969
Sale Price/Gross SF \$4.64

Remarks

Property located on West Amador Avenue to the west of Compress Avenue and East of South Valley Drive next to the Horse and Hound Feed Store

LAND SALE NO. 9

Property Identification

Record ID 274
Property Name Former Model Airplane Field
Address 375 North Valley Drive, Las Cruces, Doña Ana County, New Mexico
Location With frontage on Archuleta Drive
Tax ID 02-21153
Legal Description USRS Tract 9A-157, Section 13, T23S, R1E

Sale Data

Grantor GMBH Homes, Inc.
Grantee GMBH Homes, Inc.
Sale Date September 2, 2008
Deed Book/Page 0825238
Recorded Plat 21,515
Property Rights Fee Simple
Conditions of Sale Arms Length
Financing Cash to seller
Sale History Sold previously on 4/3/06 for \$425,000
Verification Seller - Grady Oxford, January 8, 2009. Other sources: Appraisal File #7126

Sale Price

\$700,000

Land Data

Zoning C-3 Commercial
Topography Basically Level
Utilities All City Services
Shape Irregular
Flood Info Zone AE - Panel 631
User 5 P = 1,524.61'
User 6 TF = 1,069.67'
User 7 MB = 514.69'

Land Size Information

Gross Land Size 3.103 Acres or 135,167 SF

Indicators

Sale Price/Gross Acre \$225,588
Sale Price/Gross SF \$5.18

Remarks

This parcel will be improved for mobile home sales and operated as Oakwood Mobile Home Sales. The parcel is irregular in shape with 490 feet of paved road frontage on Archuleta and 514.69 feet on North Valley Drive. The site is situated in a flood zone. The property does have an irrigation well and no value was assigned to the water rights or the equipment when appraised.

I appraised the property for the City of Las Cruces on January 26, 2005 and the market value estimate is the same as the sales price. There were two additional offers on the property below the asking price. The property went under contract a year before the actual closing and was help to the seller. The sales price was \$425,000 and the adjusted price was \$446,250, which indicates a 21% annual appreciation factor over a 28-month period.

LAND SALE NO. 10

Property Identification

Record ID 284
Property Type Industrial
Property Name Casey Carpets Espansoma Land
Address W. Amador, Las Cruces, Doña Ana County, New Mexico 88005
Location East of Pioneer Place
Tax ID 02-40657
Legal Description Tract A1 Miner Summary Subd

Sale Data

Grantor Indrio Ventures, L.L.C.
Grantee Casey Carpets
Sale Date September 18, 2008
Property Rights Fee simple
Conditions of Sale Arms length
Financing Conventional loan
Verification Dave Schuffz, Banker. Other sources: Appraisal File; Confirmed by Harry Hansen

Sale Price

\$678,416

Land Data

Zoning M-1 Light Manufacturing
Topography Level
Utilities All public
Shape Irregular
Landscaping None
Fencing None
Flood Info Located in flood zone AE. Map # 35013C0631

Land Size Information

Gross Land Size 2.922 Acres or 127,282 SF
Front Footage 350 ft Amador

Indicators

Sale Price/Gross Acre \$232,175
Sale Price/Gross SF \$5.33

Remarks

Purchased for expansion of adjacent commercial property.

LAND SALE NO. 11

Property Identification

Record ID 292
 Address 5429 Del Rey Blvd., Las Cruces, Dona Ana County, New Mexico
 Tax ID 03-04575
 Legal Description Lot 1 & 2, Blk 19, EBL&T Co Subd A

Sale Data

Grantor WRC Partners, LP
 Grantee Joe & Ida Chavez Family Trust
 Sale Date December 19, 2008
 Deed Book/Page 0834095
 Property Rights Fee Simple
 Conditions of Sale Arms Length
 Financing Cash
 Verification Other sources: MLS #804723. Confirmed by Scott Eschenbrenner

Sale Price

\$427,343

Land Data

Zoning E11 Light Industrial IZ
 Level Level
 Topography All city services
 Utilities Irregular
 Shape Natural desert vegetation
 Landscaping Not located in flood hazard area
 Flood Info

Land Size Information

Gross Land Size 4.217 Acres or 186,040 SF

Indicators

Sale Price/Gross Acre \$99,042
 Sale Price/Gross SF \$2.27

Remarks

1-25 north to Dona Ana ext. right on Del Rey, vacant lot on the right. Perfect location for storage, warehouse and combination retail. Ready for development.

LAND SALE NO. 12

Property Identification

Record ID 291
 Property Type Industrial
 Address 971 Sand Castle, Las Cruces, Dona Ana County, New Mexico
 Tax ID 02-27779
 Legal Description Lot 4, Sandhill Center Subdivision, No. 1

Sale Data

Grantor WRC Properties, L.P.
 Grantee David & Juliana Garcia
 Sale Date July 15, 2008
 Deed Book/Page 0820091
 Recorded Plat 19-432-433
 Property Rights Fee Simple
 Conditions of Sale Arms Length
 Financing Cash to seller
 Verification Letty Lawrence - Seller, 522-8762, February 16, 2009. Confirmed by Scott Eschenbrenner

Sale Price

\$171,500

Land Data

Zoning M-1 Light Manufacturing
 Topography Basically Level
 Utilities All City Services
 Shape Rectangular
 Flood Info Zone X - Panel S1X
 Perimeter P: 850'
 Total Frontage TI: 165'
 Main Frontage MI: 165'

Land Size Information

Gross Land Size 0.949 Acres or 40,942 SF
 Front Footage 165 ft Sand Castle

Indicators

Sale Price/Gross Acre \$182,469
 Sale Price/Gross SF \$4.19

LAND SALE NO. 13

Property Identification

Record ID 314
 Address 5430 Del Rey Blvd., Las Cruces, Dona Ana County, New Mexico
 Tax ID 03-04575
 Legal Description Plots 1-2, Blk 19, EBL&T Co Subd A

Sale Data

Grantor David & Sylvia Roddy, Ken & Joan Forestal, Rosa Perez
 Grantee Joe & Ida Chavez Family Trust
 Sale Date December 19, 2008
 Deed Book/Page 0834095
 Property Rights Fee Simple
 Conditions of Sale Arms Length
 Financing Cash
 Verification Other sources: MLS #804723. Confirmed by Harry Hansen

Sale Price

\$427,343

Land Data

Zoning E11 Light Industrial IZ
 Level Level
 Topography All city services
 Utilities Irregular
 Shape Irregular
 Landscaping Natural desert vegetation
 Flood Info Not located in flood hazard area

Land Size Information

Gross Land Size 4.317 Acres or 188,040 SF

Indicators

Sale Price/Gross Acre \$99,042
 Sale Price/Gross SF \$2.27

Remarks

1-25 north to Dona Ana ext. right on Del Rey, vacant lot on the right. Perfect location for storage, warehouse and combination retail.

LAND SALE NO. 14

Property Identification

Record ID 310
 Address 2701 West Amador Avenue, Las Cruces, Dona Ana County, New Mexico
 Location At the corner of Motel and I-10
 Tax ID 02-40484
 Legal Description USRS Tract 10-13A, 10-12A, S23, T23S, R1E

Sale Data

Grantor Valles Leasing & Development Company, Inc
 Grantee RACI Management Company, Inc
 Sale Date January 7, 2009
 Deed Book/Page 0908476
 Property Rights Fee Simple
 Conditions of Sale Arms Length
 Financing Cash to seller
 Verification Confidential. Confirmed by Scott Eschenbrenner

Sale Price

\$1,542,546 Based on \$3 psf

Land Data

Zoning M-1, M-1 Light Manufacturing
 Level Level
 Topography All City Services
 Utilities Irregular
 Shape Chain Link
 Fencing

Land Size Information

Gross Land Size 11,804 Acres or 514,182 SF
 Front Footage 754 ft Motel; 690 ft Amador; 478 ft I-10

Indicators

Sale Price/Gross Acre \$130,680
 Sale Price/Gross SF \$3.00

Remarks

This sale was negotiated in September of 2007 but the buyer could not close until 2009. The buyer paid \$5,000 per month as an option price until closing with none of the funds applied to the sales price. The person confirming the sale indicated that the sales price was based on \$3.00 per square foot and the total land area was 514,182 square feet.

The warranty deed shows three parcels containing 0.380 acres, 11.224 acres and 0.275 acres for a total of 12.979 acres and difference of 0.275 acres that is located on the north parcel.

There are basically two parcels that are situated on the west side of Motel Boulevard and they are divided by Amador Avenue. The northern parcel contains a total of 0.855 acres and has 151.78 feet of frontage on Motel and 437 feet of frontage on Amador. This parcel is irregular in shape with the western most portion of this parcel being triangular in shape with no utility.

The southern parcel contains 11.224 acres of land and has 540.21 feet of frontage on Amador, 617 feet on Motel and 587 feet of frontage on I-10.

THIS PARCEL IS ADJACENT TO THE LAS CRUCES SEWER PLANT AND AS SUCH SUFFERS FROM EXTERNAL OBSOLESCENCE DUE TO THE OFFENSIVE ODORS EMITTED FROM THE PLANT. IT APPEARS THAT BASED ON LAND VALUE, FROM COMPARABLE AREA INDICATES A 30% DIMINUTION IN VALUE DUE TO THE EXTERNAL OBSOLESCENCE.

LAND SALE NO. 15

Property Identification

Record ID 329
Address Mas Avenue, Las Cruces, Dona Ana County, New Mexico
Tax ID 02-24674
Legal Description Pt Sec. 31, 122S, R2E, NMPM, 1/4 of Highland Park Addition

Sale Data

Grantor Rosaura Contreras Living Trust
Grantee Fowell Leuchter
Sale Date December 15, 2009
Deed Book/Page 093389/2
Property Rights Fee Simple
Conditions of Sale Arms Length
Financing Rec 1 Take Commit
Verification Other sources: MLS: 807826. Confirmed by Scott Eschenbrenner

Sale Price \$325,000

Land Data

Zoning C-1 Commercial
Topography Level
Utilities All city services
Shape Irregular
Flood Info Not located in flood hazard area

Land Size Information

Gross Land Size 2.500 Acres or 108,900 SF

Indicators

Sale Price/Gross Acre \$130,000
Sale Price/Gross SF \$2.98

Remarks

North on Del Rey Blvd., then left west) on Mas Avenue. Site is at the end of the pavement on the south side of Mas Avenue.

LAND SALE NO. 16

Property Identification

Record ID 302
Property Type Commercial and Industrial
Address East End Mountain Vista Parkway, Las Cruces, Dona Ana County, New Mexico

Location East of the West Mesa Indian of Park
Tax ID 02-29863, 02-29865, & 02-29864
Legal Description Part of SW 1/4 Sec. 25, 122S, 121W

Sale Data

Grantor Lechter Farms
Grantee United States America
Sale Date March 23, 2009 Under contract
Property Rights Fee simple
Conditions of Sale Arms length
Financing Cash to seller
Verification Bill Holzap, seller's agent. Confirmed by Terry Hansen

Sale Price \$3,700,000

Land Data

Topography Generally level desert land
Utilities City water, electricity and gas
Shape Irregular
Flood Info Not in flood area

Land Size Information

Gross Land Size 100.000 Acres or 4,356,000 SF

Indicators

Sale Price/Gross Acre \$33,000
Sale Price/Gross SF \$0.76

Remarks

This property is under contract to USA subject to environmental studies

LAND SALE NO. 17

Property Identification

Record ID 144
Address Las Cruces, Dona Ana County, New Mexico
Location NWC Sonoma Ranch & Peachtree Hills Road
Tax ID 02-36415
Legal Description Lot 2, Isaacks Subd.

Sale Data

Grantor Guada A. & Maria G. Leon
Grantee United Land Group of New Mexico, LLC
Sale Date August 29, 2008
Property Rights Fee Simple
Conditions of Sale Arms Length
Financing Conventional
Verification Other sources: Contract. Confirmed by Scott Eschenbrenner

Contract Price \$1,300,000

Land Data

Topography Generally level
Utilities Electric, Water & Sewer in Sonoma Ranch
Shape Irregular
Landscaping Natural desert vegetation
Flood Info Not located in flood zone

Land Size Information

Gross Land Size 55.790 Acres or 2,430,212 SF

Indicators

Sale Price/Gross Acre \$23,302
Sale Price/Gross SF \$0.53

Remarks

The subject property was purchased by a local residential home builder for future subdivision

LAND SALE NO. 18

Property Identification

Record ID 151
Property Name Picocho Land Development
Address Las Cruces, Dona Ana County, New Mexico
Location West end of Picocho Hills Country Club
Tax ID 03-28908, 03-28909, 03-28910
Legal Description Tract 3A2B, 3A2C, 3A2D, Enchanted Desert Subdivision

Sale Data

Grantor Francis M. Burke and Marita Lou Burke
Grantee Picocho Mountain II Limited Partnership
Sale Date August 21, 2007
Deed Book/Page 0729108
Recorded Plat 22-326-321
Property Rights Fee Simple
Conditions of Sale Arms Length
Financing Cash to seller
Verification Third Party - Mark Cowen, MAI. Confirmed by Scott Eschenbrenner

Sale Price \$2,715,455

Land Data

Zoning I-1Z, Single family dwelling
Topography Sloping West Mesa Land
Utilities All Services available adjacent to parcel
Shape Irregular

Land Size Information

Gross Land Size 257.588 Acres or 11,220,533 SF

Indicators

Sale Price/Gross Acre \$10,542
Sale Price/Gross SF \$0.24

Remarks

This parcel is sloping land to the west of Picocho Hills Country Club and adjacent to Coronado Ridge and Las Estancias de Picocho. All utilities are available in adjacent subdivisions. This parcel was in I-1Z at the time of the sale (ERR) and is now part of Las Estancias de Picocho master plan. This parcel remains undeveloped and offers favorable views of Las Cruces.

LAND SALE NO. 19

Property Identification

Record ID 130
Property Name Herder Hills Development
Address Sierra Drive, Las Cruces, Dona Ana County, New Mexico
Tax ID 02-36089-00-40213
Legal Description Parcel A - Portions of Sec: 33 & 34, T23S, R2E, Section 4, 1238, R2E
User 2 Parcel B - Lots 6, 8, 9, Block 1, FHE & T Subd

Sale Data

Grantor Chris & Mary Ann Hess (89+) & First Assembly of God Church (117+)
Grantee J12 Development Company
Sale Date April 5, 2007
Deed Book/Page 671,288
Property Rights Fee Simple
Conditions of Sale Arms Length
Financing Cash to seller
Verification John Curtis - Purchaser, Other sources: Appraisal File - 7254, Confirmed by Scott Eschenbrenner

Sale Price

\$1,965,750

Land Data

Zoning ER3
Topography Gently Sloping
Utilities Sewer, Water, Natural Gas, Electricity
Shape Irregular
Flood Info Zone X - Panel 634

Land Size Information

Gross Land Size 80,537 Acres or 2,201,392 SF

Indicators

Sale Price/Gross Acre \$27,024
Sale Price/Gross SF \$0.62

Remarks

The property consists of two parcels. Parcel A shows 45.63-acres that will be developed with 47 residential lots containing not less than 3.4-acres. Parcel A will be accessed from Dove Crossing Subdivision to the north. Parcel B contains 10,98-acres of land with frontage on Sierra Drive. Parcel B will be donated to Mesilla Valley Christian School Campus for a proposed high school. All utilities are available from Dove Crossing Subdivision.

LAND SALE NO. 20

Property Identification

Record ID R4
Property Name Jackrabbit Exchange
Address Northside of Interstate 10 and Peacho Avenue, Las Cruces, Dona Ana County, New Mexico
Location West Mesa
Tax ID 03-01667
Legal Description Northwest 1/4 Section 30 - T23S, R1E

Sale Data

Grantor Jack Lee Roberts
Grantee Trinty Properties, Hill & Renee Cupid
Sale Date January 12, 2006
Deed Book/Page 677,120-1207
Property Rights Fee Simple
Marketing Time N/A
Conditions of Sale Arms Length
Financing Cash to seller
Verification Bill Cupid - Purchaser, December 7, 2005. Other sources: Appraisal File - 7150, Confirmed by Scott Eschenbrenner

Sale Price

\$862,500

Land Data

Zoning County
Topography Gently Sloping
Utilities Water, electric and phone nearby
Shape Irregular

Land Size Information

Gross Land Size 52.608 Acres or 2,291,256 SF

Indicators

Sale Price/Gross Acre \$16,397
Sale Price/Gross SF \$0.38

Remarks

Purchased for speculation. It has been reported that the Governor will release funds in the near future to rebuild this interchange and provide direct access to this parcel. Additionally, there has been discussion about creating a thoroughfare that connects this interchange 30-miles to the south at Santa Teresa. Time frame for this road is estimated at 5-years.

LAND SALE NO. 21

Property Identification

Record ID 304
Property Type Industrial
Address 258 Airway Road, Las Cruces, Dona Ana County, New Mexico, 88015
Location At the corner of the North Frontage Road
Tax ID 02-37907
Legal Description Lot C, West Mesa Industrial Park Northwest One

Sale Data

Grantor City of Las Cruces
Grantee Clarence W. and Theresa Crawford
Sale Date June 1, 2007
Deed Book/Page 0720,011
Recorded Plat 22-139-151
Property Rights Fee Simple
Conditions of Sale Arms length
Financing Cash to seller
Sale History Never sold
Verification Christine Ochs, City of Las Cruces; Confirmed by Harry Hansen

Sale Price

\$281,500

Land Data

Zoning M-1 Light Manufacturing
Level Level
Topography All public available
Utilities Generally rectangular
Shape Native desert vegetation
Landscaping Not located in flood hazard area
Flood Info Not located in flood hazard area

Land Size Information

Gross Land Size 11,276 Acres or 490,921 SF

Indicators

Sale Price/Gross Acre \$24,978
Sale Price/Gross SF \$0.57

LAND SALE NO. 22

Property Identification

Record ID 155
Property Type Industrial
Address Las Cruces, Dona Ana County, New Mexico, 88015
Location West Mesa Industrial Park
Legal Description Parcel 1, West Mesa Industrial Park No 25

Sale Data

Grantor City of Las Cruces
Grantee Michael O'Donnell & Julia Miller
Sale Date August 17, 2006
Deed Book/Page 738-184
Recorded Plat 21-6820683
Property Rights Fee Simple
Conditions of Sale Arms length
Financing Cash to seller
Sale History Never sold
Verification Christine Ochs, City of Las Cruces; Confirmed by Harry Hansen

Sale Price

\$79,000

Land Data

Zoning M-1 Light Manufacturing
Level Level
Topography All public available
Utilities Generally rectangular
Shape Native desert vegetation
Landscaping Not located in flood hazard area
Flood Info Not located in flood hazard area

Land Size Information

Gross Land Size 3,160 Acres or 137,650 SF

Indicators

Sale Price/Gross Acre \$25,000
Sale Price/Gross SF \$0.37

LAND SALE NO. 23

Property Identification

Record ID 115
 Property Type Industrial
 Address Res Blvd., Las Cruces, Doña Ana County, New Mexico 88005
 Location West side of Res Blvd. on the West Mesa Industrial Park
 Tax ID 02-30352
 Legal Description Lot 1, West Mesa Industrial Park No 23

Sale Data

Grantor City of Las Cruces
 Grantee CS, Inc.
 Sale Date May 15, 2006
 Deed Book/Page 712-582
 Property Rights Fee Simple
 Conditions of Sale Arms length
 Financing Cash to seller
 Sale History Never sold
 Verification Bill Hamm, City of Las Cruces. Confirmed by Harry Hansen

Sale Price

\$125,000

Land Data

Zoning M-1 Light Manufacturing
 Topography Level
 Utilities All public available
 Shape Generally rectangular
 Landscaping Native desert vegetation
 Flood Info Not located in flood hazard area

Land Size Information

Gross Land Size 5.000 Acres or 217,800 SF

Indicators

Sale Price/Gross Acre \$25,000
 Sale Price/Gross SF \$0.57

LAND SALE NO. 24

Property Identification

Record ID 305
 Property Type Industrial
 Address 350 Alliance Drive, Las Cruces, Doña Ana County, New Mexico 88005
 Location West Mesa Industrial Park
 Tax ID 02-30358
 Legal Description Lot A-7, West Mesa Industrial Park No 26, Replat 1

Sale Data

Grantor City of Las Cruces
 Grantee DMS Realty, LLC
 Sale Date December 22, 2008
 Deed Book/Page 0804119
 Property Rights Fee Simple
 Conditions of Sale Arms length
 Financing Cash to seller
 Sale History Never sold
 Verification Christine Ochs, City of Las Cruces. Confirmed by Harry Hansen

Sale Price

\$40,649

Land Data

Zoning M-1 Light Manufacturing
 Topography Level
 Utilities All public available
 Shape Generally rectangular
 Landscaping Native desert vegetation
 Flood Info Not located in flood hazard area

Land Size Information

Gross Land Size 11.250 Acres or 489,179 SF

Indicators

Sale Price/Gross Acre \$36,200
 Sale Price/Gross SF \$0.83

Remarks

DMS Realty (Pioneer Distributing Company) is an Albuquerque based distributor of Ambeuser-Husch products and they plan on building a distribution facility on Alliance Drive. They purchased the land in December of 2008 and are in the final design phase of development.

LAND SALE NO. 25

Property Identification

Record ID 306
 Property Type Industrial
 Address 350 Alliance Drive, Las Cruces, Doña Ana County, New Mexico 88005
 Location West Mesa Industrial Park
 Tax ID 02-30359
 Legal Description Lot A-8, West Mesa Industrial Park No 26

Sale Data

Grantor City of Las Cruces
 Grantee Larry Barker
 Sale Date October 27, 2008
 Deed Book/Page 08029765
 Recorded Plat 22-413-414
 Property Rights Fee Simple
 Conditions of Sale Arms length
 Financing Cash to seller
 Sale History Never sold
 Verification Christine Ochs, City of Las Cruces. Confirmed by Harry Hansen

Sale Price

\$254,000

Land Data

Zoning M-1 Light Manufacturing
 Topography Level
 Utilities All public available
 Shape Generally rectangular
 Landscaping Native desert vegetation
 Flood Info Not located in flood hazard area

Land Size Information

Gross Land Size 7.409 Acres or 322,344 SF

Indicators

Sale Price/Gross Acre \$34,338
 Sale Price/Gross SF \$0.79

Remarks

Property was purchased for an ammon peeling plant. Ag related use.

LAND SALE NO. 26

Property Identification

Record ID 266
 Property Type Industrial
 Address Advancement, Las Cruces, Doña Ana County, New Mexico 88005
 Location West Mesa Industrial Park
 Legal Description Lots 3, West Mesa Industrial Park No 26

Sale Data

Grantor City of Las Cruces
 Grantee Larry Barker
 Sale Date September 21, 2007
 Deed Book/Page 07233626
 Recorded Plat 22-230-231
 Property Rights Fee Simple
 Conditions of Sale Arms length
 Financing Cash to seller
 Sale History Never sold
 Verification Christine Ochs, City of Las Cruces. Confirmed by Harry Hansen

Sale Price

\$275,000

Land Data

Zoning M-1 Light Manufacturing
 Topography Level
 Utilities All public available
 Shape Generally rectangular
 Landscaping Native desert vegetation
 Flood Info Not located in flood hazard area

Land Size Information

Gross Land Size 10.099 Acres or 435,000 SF

Indicators

Sale Price/Gross Acre \$27,500
 Sale Price/Gross SF \$0.63

LAND SALE NO. 27

Property Identification
 Record ID 307
 Property Type Industrial
 Address Advancement Avenue & Venture Boulevard, Las Cruces, Dona Ana County, New Mexico 88005
 Location West Mesa Industrial Park
 Tax ID 02-38975
 Legal Description Lot 2, West Mesa Industrial Park No 26

Sale Data
 Grantor City of Las Cruces
 Grantee Contractors Leasing, LLC
 Sale Date September 25, 2007
 Deed Book/Page 073311
 Recorded Plat 22-230-231
 Property Rights Fee Simple
 Conditions of Sale Arms length
 Financing Cash to seller
 Sale History Never sold
 Verification Christine Ochs, City of Las Cruces. Confirmed by Harry Hansen

Sale Price \$181,500

Land Data
 Zoning M-1 Light Manufacturing
 Topography Level
 Utilities All public available
 Shape Generally rectangular
 Landscaping Native desert vegetation
 Flood Info Not located in flood hazard area

Land Size Information
 Gross Land Size 6.630 Acres or 289,674 SF

Indicators
 Sale Price/Gross Acre \$27,237
 Sale Price/Gross SF \$0.63

Remarks
 Property purchased by the adjacent land owner who is a truss building plant that serves the regional construction industry.

LAND SALE NO. 28

Property Identification
 Record ID 308
 Property Type Industrial
 Property Name Sapphire Energy
 Address 9035 Advancement Avenue, Las Cruces, Dona Ana County, New Mexico 88005
 Location West Mesa Industrial Park
 Tax ID 02-40936
 Legal Description Tract H, West Mesa Industrial Park No 28

Sale Data
 Grantor City of Las Cruces
 Grantee Sapphire Energy, Inc
 Sale Date October 29, 2008
 Deed Book/Page 0829703
 Recorded Plat 22-575-576
 Property Rights Fee Simple
 Conditions of Sale Arms length
 Financing Cash to seller
 Sale History Never sold
 Verification Christine Ochs, City of Las Cruces. Confirmed by Harry Hansen

Sale Price \$130,000

Land Data
 Zoning M-1 Light Manufacturing
 Topography Level
 Utilities All public available
 Shape Generally rectangular
 Landscaping Native desert vegetation
 Flood Info Not located in flood hazard area

Land Size Information
 Gross Land Size 10.000 Acres or 435,600 SF

Indicators
 Sale Price/Gross Acre \$13,000
 Sale Price/Gross SF \$0.34

Remarks
 Sapphire Energy purchased 10 acres of land from the City in October of 2008 and work began on the site in November. The company will grow algae to produce a renewable source of fuel for gasoline and jet fuel. It is constructing a research and development facility with five buildings and potentially thousands of feet of algae ponds in the industrial park. As part of an incentive package with the City, if Sapphire Energy creates 40 jobs at 120 percent of the average salary for the area and invests \$6 million in the industrial park, the City will convey 90 acres surrounding the original site to the company with a value of \$1.35 million at no additional cost. The lower purchase price for the 10 acres is due to incentives for job creation under the local economic development act.

LAND SALE NO. 29

Property Identification
 Record ID 267
 Property Type Industrial
 Address SEC Venture & Advancement, Las Cruces, Dona Ana County, New Mexico 88005
 Location West Mesa Industrial Park
 Legal Description Lot A, West Mesa Industrial Park No 20

Sale Data
 Grantor City of Las Cruces
 Grantee The Marsa Group
 Sale Date August 10, 2007
 Deed Book/Page #0727888
 Recorded Plat 20-Folio 216
 Property Rights Fee Simple
 Conditions of Sale Arms length
 Financing Cash to seller
 Sale History Never sold
 Verification Christine Ochs, City of Las Cruces. Confirmed by Harry Hansen

Sale Price \$375,000

Land Data
 Zoning M-1 Light Manufacturing
 Topography Level
 Utilities All public available
 Shape Generally rectangular
 Landscaping Native desert vegetation
 Flood Info Not located in flood hazard area

Land Size Information
 Gross Land Size 15.000 Acres or 653,400 SF

Indicators
 Sale Price/Gross Acre \$25,000
 Sale Price/Gross SF \$0.37

LAND SALE NO. 30

Property Identification
 Record ID 104
 Property Type Industrial
 Address NEC Mountain Vista & Crawford Blvd., Las Cruces, Dona Ana County, New Mexico 88005
 Location West Mesa Industrial Park
 Tax ID 02-35691
 Legal Description Lot 1, West Mesa Industrial Park No. 24

Sale Data
 Grantor City of Las Cruces
 Grantee RDC, LLC
 Sale Date July 12, 2006
 Deed Book/Page 728-542
 Recorded Plat 21-672-673
 Property Rights Fee Simple
 Conditions of Sale Arms length
 Financing Cash to seller
 Sale History Never sold
 Verification Bill Hamm, City of Las Cruces. Confirmed by Harry Hansen

Sale Price \$150,000

Land Data
 Zoning M-1 Light Manufacturing
 Topography Level
 Utilities All public available
 Shape Generally rectangular
 Landscaping Native desert vegetation
 Flood Info Not located in flood hazard area

Land Size Information
 Gross Land Size 6.000 Acres or 261,360 SF

Indicators
 Sale Price/Gross Acre \$25,000
 Sale Price/Gross SF \$0.37

LAND SALE NO. 31

Property Identification
Record ID 225
Property Type Industrial
Address Mountain Vista Parkway, Las Cruces, Doña Ana County, New Mexico 88005
Location West Mesa Industrial Park
Legal Description Lots 2 & 3, West Mesa Industrial Park No 24

Sale Data
Grantor City of Las Cruces
Grantee NAB Public Investments, LLC
Sale Date June 27, 2007
Deed Book/Page 0723877
Recorded Plat 21-672-673
Property Rights Fee Simple
Conditions of Sale Arms length
Financing Cash to seller
Sale History Never sold
Verification Christine Ochs, City of Las Cruces, Confirmed by Harry Hansen

Sale Price \$536,000

Land Data
Zoning M-1 Light Manufacturing
Topography Level
Utilities All public available
Shape Generally rectangular
Landscaping Native desert vegetation
Flood Info Not located in flood hazard area

Land Size Information
Gross Land Size 1.700 Acres or 309,652 SF

Indicators
Sale Price/Gross Acre \$315,300
Sale Price/Gross SF \$0.76

Remarks
 Transferred 4 days later to Tsmail Hassan

LAND SALE NO. 32

Property Identification
Record ID 225
Property Type Industrial
Address Las Cruces, Doña Ana County, New Mexico, 88005
Location West Mesa Industrial Park
Legal Description Lots 2, West Mesa Industrial Park No 22

Sale Data
Grantor City of Las Cruces
Grantee Matthew Kaso
Sale Date June 22, 2007
Deed Book/Page 0722066
Recorded Plat 21-684-685
Property Rights Fee Simple
Conditions of Sale Arms length
Financing Cash to seller
Sale History Never sold
Verification Christine Ochs, City of Las Cruces, Confirmed by Harry Hansen

Sale Price \$150,000

Land Data
Zoning M-1 Light Manufacturing
Topography Level
Utilities All public available
Shape Generally rectangular
Landscaping Native desert vegetation
Flood Info Not located in flood hazard area

Land Size Information
Gross Land Size 6.000 Acres or 261,360 SF

Indicators
Sale Price/Gross Acre \$25,000
Sale Price/Gross SF \$0.57

LAND SALE NO. 33

Property Identification
Record ID 224
Property Type Industrial
Address Las Cruces, Doña Ana County, New Mexico, 88005
Location West Mesa Industrial Park
Legal Description Lots 2, West Mesa Industrial Park No 22

Sale Data
Grantor City of Las Cruces
Grantee West Texas Development, Ltd
Sale Date June 26, 2007
Deed Book/Page 0723553
Recorded Plat 21-684-685
Property Rights Fee Simple
Conditions of Sale Arms length
Financing Cash to seller
Sale History Never sold
Verification Christine Ochs, City of Las Cruces, Confirmed by Harry Hansen

Sale Price \$143,700

Land Data
Zoning M-1 Light Manufacturing
Topography Level
Utilities All public available
Shape Generally rectangular
Landscaping Native desert vegetation
Flood Info Not located in flood hazard area

Land Size Information
Gross Land Size 4.788 Acres or 208,561 SF

Indicators
Sale Price/Gross Acre \$30,013
Sale Price/Gross SF \$0.69

LAND SALE NO. 34

Property Identification
Record ID 214
Property Type Industrial
Address Billings SEC, Ingg Loop & Mountain Vista Parkway, Las Cruces, Doña Ana County, New Mexico 88005
Location West Mesa Industrial Park
Legal Description Lot 3, West Mesa Industrial Park No 22

Sale Data
Grantor City of Las Cruces
Grantee Don & Jeff Billings
Sale Date April 6, 2007
Deed Book/Page 803-1068
Recorded Plat 21-684-685
Property Rights Fee Simple
Conditions of Sale Arms length
Financing Cash to seller
Sale History Never sold
Verification Bill Hamm, City of Las Cruces, Confirmed by Harry Hansen

Sale Price \$142,200

Land Data
Zoning M-1 Light Manufacturing
Topography Level
Utilities All public available
Shape Generally rectangular
Landscaping Native desert vegetation
Flood Info Not located in flood hazard area

Land Size Information
Gross Land Size 4.740 Acres or 206,474 SF

Indicators
Sale Price/Gross Acre \$30,000
Sale Price/Gross SF \$0.69

LAND SALE NO. 35

Property Identification

Record ID 222
 Property Type Industrial
 Address Crawford and Trigg Loop, Las Cruces, Doña Ana County, New Mexico 88005
 Location West Mesa Industrial Park
 Tax ID 02-35598 & 02-35597
 Legal Description Lots 6 & 7, West Mesa Industrial Park No 22

Sale Data

Grantor City of Las Cruces
 Grantee Leonard Bessinger Jr.
 Sale Date June 21, 2007
 Recorded Plat 21-064-085
 Property Rights Fee Simple
 Conditions of Sale Arms length
 Financing Cash to seller
 Sale History Never sold
 Verification Christine Oaks, City of Las Cruces, Confirmed by Harry Hansen
 Sale Price \$282,777

Land Data

Zoning M-1 Light Manufacturing
 Topography Level
 Utilities All public available
 Shape Generally rectangular
 Landscaping Native desert vegetation
 Flood Info Not located in flood hazard area

Land Size Information

Gross Land Size 9.426 Acres or 413,597 SF

Indicators

Sale Price/Gross Acre \$30,069
 Sale Price/Gross SF \$0.69

LAND SALE NO. 36

Property Identification

Record ID 139
 Property Type Industrial
 Property Name Spirals By Design
 Address Trigg Loop, Las Cruces, Doña Ana County, New Mexico 88005
 Location West Mesa Industrial Park
 Tax ID 02-35598
 Legal Description Lot 8, West Mesa Industrial Park No 22

Sale Data

Grantor City of Las Cruces
 Grantee Sidney Williamson
 Sale Date July 11, 2006
 Deed Book/Page 727-697
 Property Rights Fee Simple
 Conditions of Sale Arms length
 Financing Cash to seller
 Sale History Never sold
 Verification Bill Hansen, City of Las Cruces, Confirmed by Harry Hansen
 Sale Price \$100,000

Land Data

Zoning M-1 Light Manufacturing
 Topography Level
 Utilities All public available
 Shape Generally rectangular
 Landscaping Native desert vegetation
 Flood Info Not located in flood hazard area

Land Size Information

Gross Land Size 4.000 Acres or 174,240 SF

Indicators

Sale Price/Gross Acre \$25,000
 Sale Price/Gross SF \$0.57

LAND SALE NO. 37

Property Identification

Record ID 265
 Property Type Industrial
 Address Crawford Blvd., Las Cruces, Doña Ana County, New Mexico 88005
 Location West Mesa Industrial Park
 Legal Description Lots 1, West Mesa Industrial Park No 22

Sale Data

Grantor City of Las Cruces
 Grantee F & A Dairy Products, Inc.
 Sale Date September 24, 2007
 Deed Book/Page #073929
 Property Rights Fee Simple
 Conditions of Sale Arms length
 Financing Cash to seller
 Sale History Never sold
 Verification Christine Oaks, City of Las Cruces, Confirmed by Harry Hansen
 Sale Price \$187,200

Land Data

Zoning M-1 Light Manufacturing
 Topography Level
 Utilities All public available
 Shape Generally rectangular
 Landscaping Native desert vegetation
 Flood Info Not located in flood hazard area

Land Size Information

Gross Land Size 5.200 Acres or 226,512 SF

Indicators

Sale Price/Gross Acre \$36,000
 Sale Price/Gross SF \$0.83

Remarks

Purchased for expansion of existing Cheese plant operation.

LAND SALE NO. 38

Property Identification

Record ID 333
 Property Type Industrial
 Address 501 Microwave Drive, Las Cruces, Doña Ana County, New Mexico 88005
 Location West Mesa Industrial Park
 Tax ID 02-36842
 Legal Description Lease Parcel A, West Mesa Industrial Park, Northeast

Sale Data

Grantor City of Las Cruces
 Grantee World Radio Network
 Sale Date September 14, 2009
 Deed Book/Page 0925519
 Recorded Plat 22-58-29
 Property Rights Fee Simple
 Conditions of Sale Arms length
 Financing Cash to seller
 Sale History Never sold
 Verification Christine Jagam, City of Las Cruces, Confirmed by Scott Eschenbrenner
 Sale Price \$30,000

Land Data

Zoning M-1 Light Manufacturing
 Topography Level
 Utilities All public available
 Shape Generally rectangular
 Landscaping Native desert vegetation
 Flood Info Not located in flood hazard area

Land Size Information

Gross Land Size 1.000 Acres or 43,560 SF

Indicators

Sale Price/Gross Acre \$30,000
 Sale Price/Gross SF \$0.69

Remarks

Property purchased for the construction of a radio tower

Scott Eschenbrenner

I need an estimated value for these development ready lots:

From: Christine Logan [clogan@las-cruces.org]
Sent: Wednesday, December 16, 2009 3:09 PM
To: Scott Eschenbrenner
Subject: RE: Updated appraisal of West Mesa Industrial Park lands.
Scott,

- 02-39841 02-37906
02-35584 02-35585
02-35586 02-35587
02-35588 02-36839
02-36840 1 acre along Microwave Dr (part of 02-36841)
02-36843 02-22306
02-35595 02-39087
02-38974 02-40352
02-40353 02-40354
02-40355 02-40356
02-40357 02-38979
02-38978 02-35980
02-38981 02-34842
02-34315

Please proceed. I have entered the requisition for \$5,371.68 and anxiously await the report

From: Scott Eschenbrenner [mailto:bschrenner@zianet.com]
Sent: Wednesday, December 16, 2009 9:57 AM
To: Christine Logan
Subject: RE: Updated appraisal of West Mesa Industrial Park lands.

Christine,

Thanks for the bidding opportunity to update the previous appraisal at the West Mesa Industrial Park. The original fee as you know was \$10,000 due to the time involved in setting up the appraisal and number of parcels involved. After careful consideration, I can provide an updated appraisal for the remaining lots for \$5,000 plus gross receipts tax (7.4375%) and deliver this report within four to five weeks from authorization. Please let me know if you need any further information.

and for these lots that need infrastructure but we would sell "as is"
02-40907
02-27108 and 02-37908 combined
02-36843 less 1 acre

Respectfully Submitted,

Please send me a cost and time estimate as soon as you can so I can process it and let you know if you can start the work.

Scott Eschenbrenner
Mesilla Valley Appraisal Services

Christine Logan
City of Las Cruces Economic Development Administrator
(575) 541-2286 clogan@las-cruces.org

From: Christine Logan [mailto:clogan@las-cruces.org]
Sent: Tuesday, December 15, 2009 10:47 AM
To: Scott Eschenbrenner
Cc: Nancy Montoya (Engineering); William (Bill) Hamm
Subject: Updated appraisal of West Mesa Industrial Park lands.

No virus found in this incoming message.
Checked by AVG - www.avg.com
Version: 9.0.733 / Virus Database: 271.1.1/2683 - Release Date: 02/04/10 12:35:00

Scott,

I need an update of the West Mesa appraisals. The last update was completed April 9, 2009. Since then, 02-36842 sold for \$30,000 an acre and I have an sale agreement for 1 acre immediately north of that for \$30,000 per acre (subdivision pending). The large parcel west of Rea Blvd was leased for energy production. The City repurchased 1 lot on Rea Blvd and one on Harry Bartell under the "development deadline" clause under which they were sold. (set repurchase price at original sale price). A private parcel on Trigg Loop was subdivided and part of it sold. Construction has been completed at Sapphire and at TMG. Barker Produce and the Premier Distributing site are under construction. Several private parcels are for sale. The ones I know of indicated by the white stars. Most are NAI 1st valley listings but Steinborn has the Rea facility.

I have attached a pdf showing the area. The first page of pdf shows city land as white and shaded grey for private land. Last page shows current advertised sale prices. Generally \$45,000 for interstate frontage and large aerospace lots in northeast quadrant; \$40,000 for south of interstate; \$30,000 for small lots north of interstate.

2/5/2010

2/5/2010

RESTRICTED APPRAISAL REPORT

This is a Restricted Appraisal Report of a complete appraisal which is intended to comply with the reporting requirements set forth under Standards Rule 2-2© of the Uniform Standards of Professional Appraisal Practice for a Restricted appraisal Report. As such, it does not present discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's files. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated below. The appraiser is not responsible for unauthorized use of this report.

CLIENT: City of Las Cruces

APPRAISER: Bill R. Hamm – Land Management Administrator, City of Las Cruces
Public Works Department
NM General Certified Appraiser #1300-G

SUBJECT: Appraisal of a 15 Acre Tract of Vacant Land Legally Described as
TRACT 1 WEST MESA INDUSTRIAL PARK #21 and TRACT 1 WEST
MESA INDUSTRIAL PARK #23 located at the Northwest Corner of
Advancement Avenue and Rea Boulevard, West Mesa Industrial Park, Las
Cruces, NM

PURPOSE OF THE APPRAISAL:

The purpose of this appraisal is to estimate the market value, of the subject property, as of the effective date of the appraisal. The real estate interest being appraised is that of ownership in fee simple. The property is appraised as if free and clear, and as if without liens and encumbrances.

INTENDED USE OF REPORT:

This appraisal is intended for the sole purpose of assisting the client in facilitating a real estate purchase agreement for the subject property.

EFFECTIVE DATE OF VALUE: January 24, 2011

DATE OF REPORT: January 27, 2011

MARKET VALUE ESTIMATE: \$40,000 per acre

RECENT OWNERSHIP HISTORY:

To my knowledge the subject property is pending Las Cruces City Council consideration for private party sale and has not been sold within the past three years. Property is current under contract for a reported \$40,000 per acre.

ESTIMATED MARKETING TIME: One Year

INDICATED EXPOSURE TIME: One Year

APPRAISAL DEVELOPMENT AND REPORTING PROCESS:

In preparing this appraisal, the appraiser inspected the subject site and gathered information from the subject's neighborhood and competitive neighborhoods in the Las Cruces market area on comparable land sales. The sales were then used in a direct sales comparison approach to estimate the value of the subject.

To develop the opinion of value, the appraiser performed a complete appraisal process, as defined by the Uniform Standards of Professional Appraisal Practice. This means that no departures from Standard 1 were invoked.

HIGHEST AND BEST USE: **Industrial Development in accordance with the WMIP Overlay Zone**

LIMITING CONDITIONS AND ASSUMPTIONS:

By this notice, all persons and firms reviewing, using or relying on this report in any manner bind themselves to accept these assumptions and limiting conditions. Do not use this report if you do not so accept. These conditions are a part of the appraisal report. They are prefaces to any certification, definition, fact or analysis, and are intended to establish as a matter of record that the appraiser's function is to provide a present market value indication for the subject property based upon the appraiser's observations as to the subject property and real estate market. This appraisal report is an economic study to estimate value as defined in it. It is not an engineering, construction, legal or architectural study nor survey and expertise in these areas, among others, is not implied.

The liability of the appraiser is limited to the client only. Further, there is no accountability, obligation, or liability to any third party.

The legal description is assumed to be correct as used in this report as furnished by the client, his representative, or as derived by the appraiser.

I assume no responsibility for matters legal in character, nor do I render any opinion as to title, which is assumed to be marketable. Unless otherwise stated, all existing liens and encumbrances have been disregarded. The property is appraised as though free and clear and under responsible ownership and competent management.

Any sketches in this report are included to assist the reader in visualizing the property. A survey of the property has been prepared, but I assume no responsibility about such matters.

This appraisal is made on the premise that there are no other encumbrances limiting the use of the appraisal property than those herein reported.

The information contained in this report was gathered from seemingly reliable sources, but is in no sense guaranteed.

Possession of this report or any copy of it does not carry with it the right of publication, nor may it be used for other than its intended use. The physical reports remain the property of the appraiser for the use of the client. The client may distribute copies of this appraisal report in its entirety to such third parties as he may select; however, selected portions of this appraisal report shall not be given to third parties without the prior written consent of the signatories of this appraisal report. By inclusion of the contained certification, the appraiser hereby consents to this appraisal report being disseminated to the public by advertising media, public relations, news, sales or other media for public communication.

I assume that there are no hidden or unapparent conditions of the property, subsoil or structures which would render it more or less valuable. I assume no responsibility for such conditions or for the engineering required to discover such factors.

The value estimated in this report is based on the assumption that the property is not negatively affected by the existence of hazardous substances or detrimental environmental conditions. The appraiser is not an expert in the identification of hazardous substances or detrimental environmental conditions. The appraiser's routine inspection of and inquiries about the subject property did not develop any information that indicated any apparent significant hazardous substances or detrimental environmental conditions which would affect the property negatively. It is possible that tests and inspections made by a qualified hazardous substance and environmental expert would reveal the existence of hazardous materials and environmental conditions on or around the property that would negatively affect its value.

The Americans with Disabilities Act ("ADA") became effective January 26, 1992. I have not made a specific compliance survey to determine if it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since I have no direct evidence relating to this issue, I did not consider possible noncompliance with the requirements of ADA in estimating the value of the property.

The Appraiser(s) or those helping in preparation of the report will not be asked or required to give testimony in court or hearing because of having made the appraisal, in full or in part, nor engage in post appraisal consultation with client or third parties except under separate and special arrangement. If testimony or deposition is required because of any subpoena, the client shall be responsible for any additional time, fees, and charges regardless of issuing party.

Improvements proposed, if any, on or off-site, as well as any repairs required, are considered, for purposes of this appraisal, to be completed in a good and workmanlike manner according to information submitted and/or considered by the appraiser. In cases of proposed construction, the appraisal is subject to change upon inspection of property after construction is completed. This estimate of market value is as of the date shown, as proposed, as if completed and operating at levels shown and projected.

The fee for this appraisal or study is for the service rendered and not for the time spent on the physical report or the physical report itself. Amount or payment of the fee for services is not contingent on any result, approval amount or other estimates or statements.

We reserve the right to alter statements, analysis, conclusion or any value estimate in the appraisal if there becomes known to us facts pertinent to the appraisal process which were unknown to us when the report was finished.

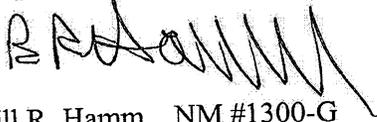
Acceptance of, and/or use of, this appraisal report by client or any third party constitutes acceptance of the above conditions. Appraiser liability extends only to stated client, not subsequent parties or users of any type, and the total liability of appraiser is limited to the amount of the fee received by appraiser.

CERTIFICATION:

I certify that, to the best of my knowledge and belief:

- * The statements of fact contained in this report are true and correct.
- * The reported analyzes, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyzes, opinions, and conclusions.
- * I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- * My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- * The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
- * My analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice and the Code of Professional Ethics.
- * I have made a personal inspection of the property that is the subject of this report.
- * No one provided significant professional assistance to the person signing this report.
- * As of the date of this report, I have completed the requirements of the continuing education program of the State of New Mexico.

Respectfully submitted,



Bill R. Hamm NM #1300-G

Vicinity Map

