



Mr. Melvin D. Young, ARA,
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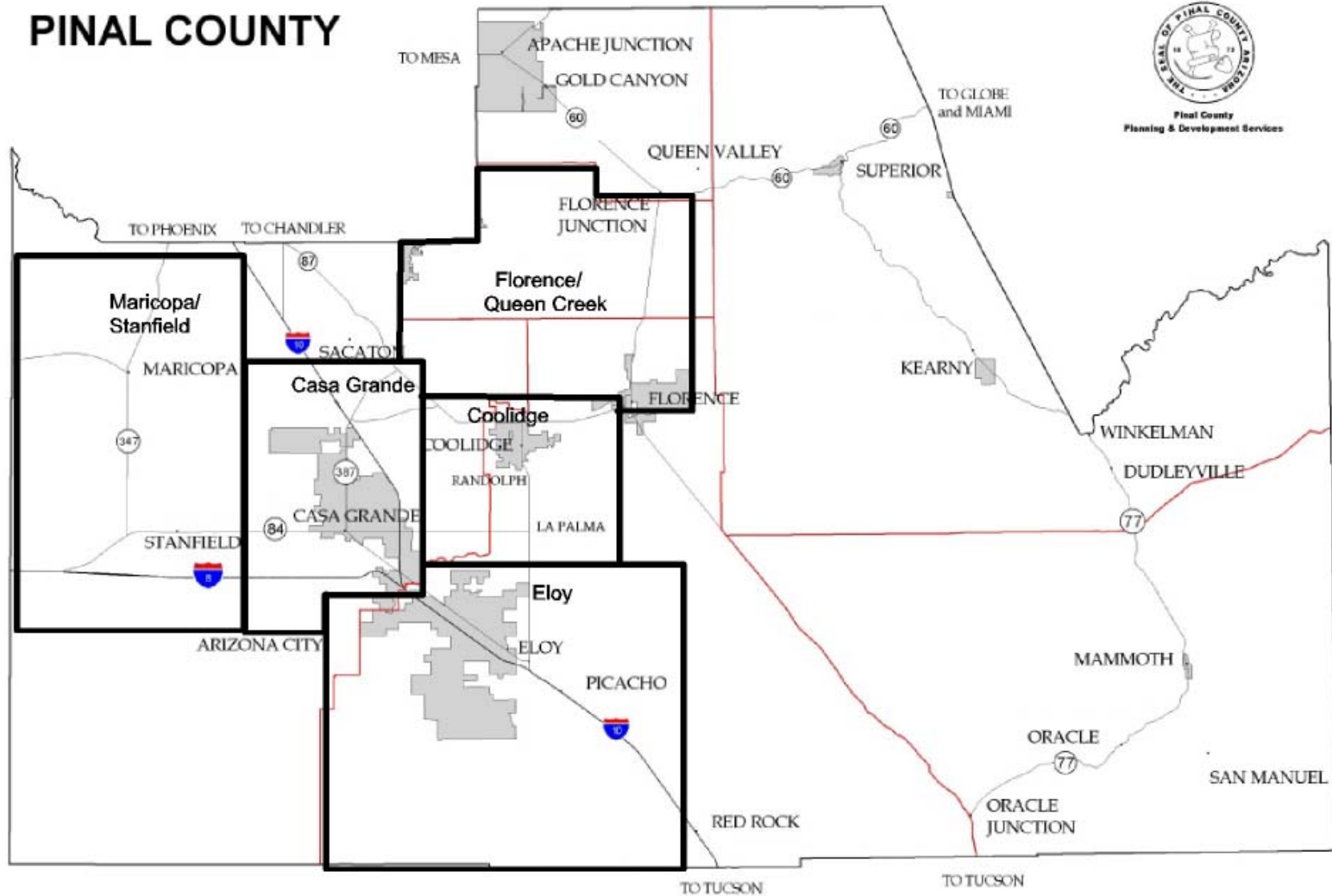
Mr. Steven D. Pendleton

Pinal County 2006

PINAL COUNTY

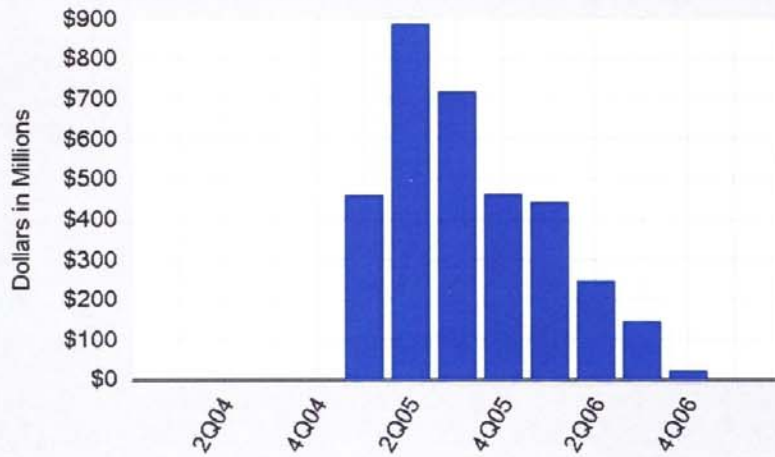


Pinal County
Planning & Development Services

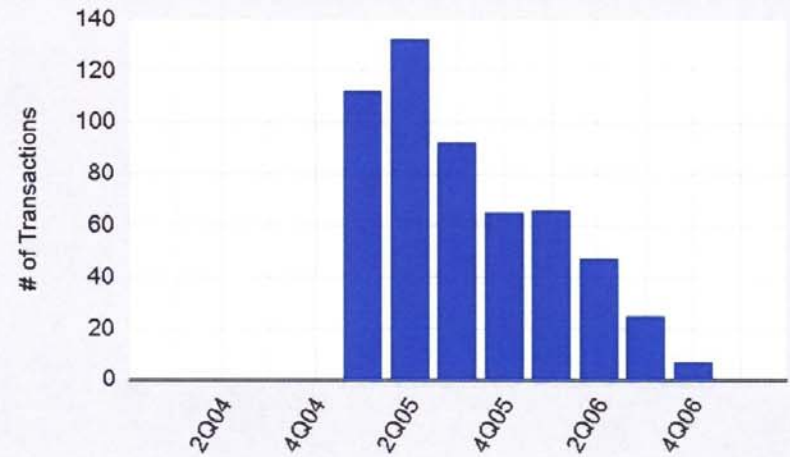


Trend Report Pinal County

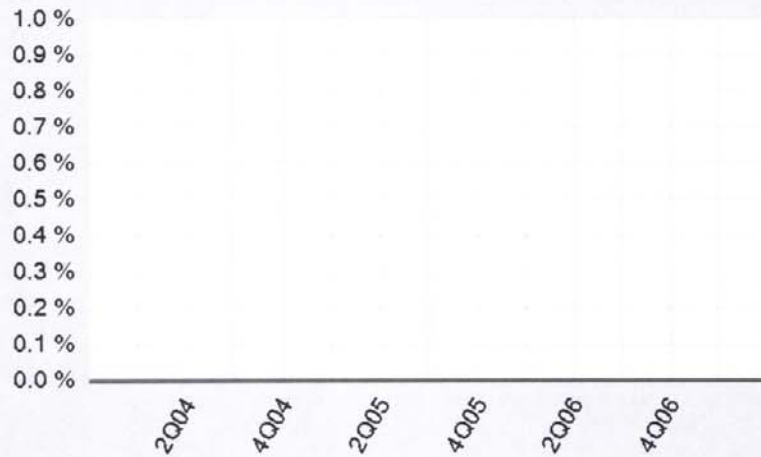
Dollar Volume



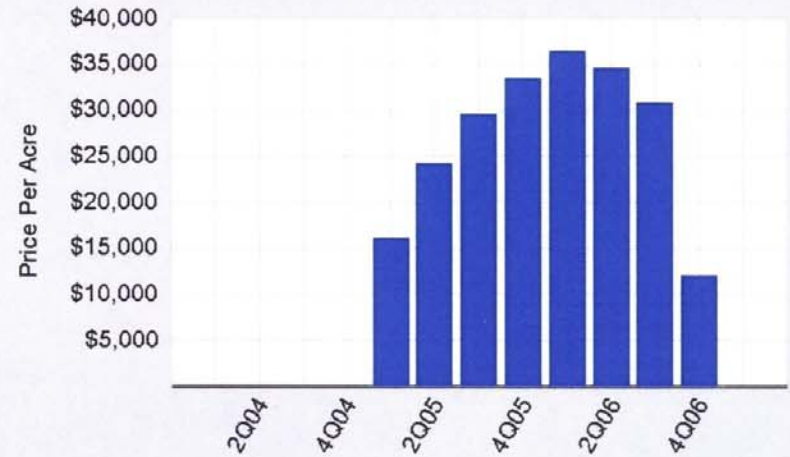
of Transactions



Cap Rate



Average Price Per Acre



Location: Location method - Custom Map Boundary

Basic Criteria: Sale Status - Sold; Property Type - Land; Sale Date - 1/1/2005 - 12/31/2006; Land Area (SF) - 1,742,400 - 0; Price - from \$500,000; - Include results where Price is not disclosed; - Include Non-Arms Length Comps

2006 PINAL COUNTY LAND VALUE SURVEY BY LOCATION

■ Queen Creek/Florence¹

- 11 Sales reviewed.
- Sales generally ranged from approximately \$17,000 per acre to over \$100,000 per acre with a mean of \$56,518.
- Appreciation stabilized from rapid growth in 2005 however the average price per acre increased approximately 9.5%.
- The number of sales has dropped off significantly from 2005 down approximately 73%.
- This trend of declining sales worsened as the year progressed with no reported sales within the search criteria in the fourth quarter.
- Location is a significant factor with sales closer to Queen Creek and current development at the upper end of the range.
- Zoning and infrastructure are also important factors.

- ¹General Survey of vacant land Sales 40 acres or larger with a Sales Price over \$500,000

2006 PINAL COUNTY LAND VALUE SURVEY BY LOCATION

■ Coolidge¹

- 21 Sales reviewed.
- Sales generally ranged from \$35,000 per acre to \$75,000 per acre with a mean of \$50,787.
- 2006 still indicated rapid appreciation over 2005 with the average price per acre increasing approximately 132%, however, much of this appreciation occurred in the first part of the year and was a “carry over” from 2005.
- The number of sales has dropped off significantly from 2005 down approximately 50%.
- Sales volume and transactions declined throughout the year finishing with no reported sales within the search criteria in the fourth quarter.
- Location is a significant factor with sales west and north of Coolidge at the upper end of the range and sales at the southern end of the area at the lower end of the range.
- Several large master planned communities are currently in development.

■ ¹General Survey of vacant land Sales 40 acres or larger with a Sales Price over \$500,000

2006 PINAL COUNTY LAND VALUE SURVEY BY LOCATION

■ Eloy¹

- 32 Sales reviewed.
- Sales ranged from approximately \$11,000 per acre to \$43,000 per acre with a mean of \$24,406.
- The sales at the bottom of the range were early in the year in the far southern portion of the area.
- 2006 still indicated rapid appreciation over 2005 with the average price per acre increasing approximately 93%, however, much of this appreciation occurred in the first quarter of the year and was a “carry over” from 2005.
- The number of sales has dropped off significantly from 2005 down approximately 61%.
- Sales volume and transactions declined throughout the year finishing with only three reported sales within the search criteria in the fourth quarter with an average price of less than \$15,000 per acre indicating a decline. However the data is so limited that it is not a reliable indication of overall market conditions.
- Location is a significant factor with sales north of I-10 at the upper end and sales at the southern end of the area at the lower end of the range.
- This area is driven primarily by speculation and investment.

■ ¹General Survey of vacant land Sales 40 acres or larger with a Sales Price over \$500,000

2006 PINAL COUNTY LAND VALUE SURVEY BY LOCATION

■ Casa Grande¹

- 37 Sales reviewed
- Sales generally ranged from approximately \$20,000 per acre to \$130,000 per acre with a mean of \$41,752.
- 2006 still indicated rapid appreciation over 2005 with the average price per acre increasing approximately 75%, however, much of this appreciation occurred in the first quarter of the year and was a “carry over” from 2005.
- The number of sales has dropped off significantly from 2005 down approximately 60%.
- This trend of declining sales worsened as the year progressed with only one sale within the search criteria in the fourth quarter.
- Location is a significant factor with sales closer to Casa Grande and current development at the upper end of the range.
- The sales at the bottom of the range were generally desert sales south of I-8.
- Zoning and infrastructure are also important factors.

- ¹General survey of vacant land sales 40 acres or larger and with a sales price over \$500,000

2006 PINAL COUNTY LAND VALUE SURVEY BY LOCATION

■ Maricopa/Stanfield¹

- 21 Sales reviewed
- The sales generally ranged from \$15,000 to \$100,000 per acre with an average price of \$44,832.
- The sales above \$100,000 per acre were typically sales located within master planned communities or commercial property.
- Appreciation stabilized from rapid growth in 2005 and the average price per acre only increased approximately 2%.
- The number of sales has dropped off significantly from 2005 down approximately 58%.
- This trend of declining sales worsened as the year progressed with only one sale within the search criteria in the fourth quarter.
- Location is a significant factor with sales close to Maricopa and development at the top of the range.
- Zoning and infrastructure are also important factors.

■ ¹General survey of vacant land sales 40 acres or larger and with a sales price over \$500,000

2006 PINAL COUNTY LAND VALUE SURVEY BY LOCATION

■ Overall Pinal County

- The Pinal County market had significant appreciation from the end of 2004 through the first quarter of 2006. After the first quarter of 2006 the market appears to have peaked and started a gradual decline. The following charts indicate a peak in the total dollar volume and number of transactions in the second quarter of 2005. In 2006 the total volume and number for transactions was down significantly. The total dollar volume, of sales within the criteria, in 2006 was \$854,590,292 vs. \$2,524,200,131 in 2005, indicating a 66% decline in total volume. The average price per acre continued to appreciate through the first quarter of 2006, when it started a gradual decline until the fourth quarter when there was a significant decline. However there were only 7 sales in the fourth quarter which is statistically insignificant and some of the data appeared skewed. Overall these charts indicate a trend of a slowing market with declining values. Based on the trend established this decline appears to be in the 20% to 25% range.

- ¹General survey of vacant land sales 40 acres or larger and with a sales price over \$500,000

PINAL COUNTY WATER COST AND RENTAL RATES BY IRRIGATION DISTRICT

IRRIGATION DISTRICT	2003	2004	2005	2006/07
<u>NEW MAGMA</u> Irrigable Acres - 26,900				
Water Assessment	\$26	\$17.25	\$19.39	\$19.39
Water Cost	\$34.00	\$32.00	\$31.50	\$30.50
Rental Rates	\$85-\$100	\$85-\$100	\$85-\$100	\$75-\$100
<u>San Carlos</u> Irrigable Acres - 45,000				
Water Assessment	\$51(.35 AC. FT.)	\$51(.6AC. FT.)	\$51 (1.0 Ac. FT.)	\$61 (Est. 1.45 AC. FT.)
Water Cost	(C.A.P. -\$52)	(C.A.P. -\$52) (2005 \$40 - \$52)		\$20 over 2 AC. FT. if Avail. Est. \$58 AC. FT. CAP
Rental Rates	N/A Water Shortage	N/A Water Shortage	\$75-\$100	\$100±

IRRIGATION DISTRICT	2003	2004	2005	2006/07
<u>Hohokam District</u> Irrigable Acres - 26,000				
Water Assessment	\$25	\$25	\$25	\$27
Water Cost	\$32	\$25(1AC. FT.) \$40(\$25 + \$15 Surcharge)	\$34	\$33
Rental Rates	\$75-\$90	\$75-\$90	\$75-\$90	\$100-\$125
<u>Maricopa Stanfield District</u> Irrigable Acres - 87,127				
Water Assessment	\$26	\$26	\$26	\$26
Water Cost	\$35	\$41	\$41	\$41
Rental Rates	\$75-\$100	\$100±	\$100±	\$100-\$125
<u>Central Arizona District</u> Irrigable Acres - 82,500				
Water Assessment	\$22.10	\$22.10	\$25	\$29
Water Cost	\$34.50	\$42	\$43	\$45
Rental Rates	\$65-\$100	\$100±	\$100±	\$100-\$125