RESTRICTED USE APPRAISAL

North Cheyenne Canon Park Project

Prepared for:
The City of Colorado Springs, Colorado
On behalf of its Parks, Recreation and Cultural Services Department
30 South Nevada Avenue, Suite 502
Colorado Springs, Colorado 80903

Prepared by:
Kyle L. Wigington, P.C.
P.O. Box 88455
Colorado Springs, Colorado 80908

Effective Date of Appraisal
February 24, 2016

KYLE L. WIGINGTON, P.C.
P.O. BOX 88455
COLORADO SPRINGS, CO 80908

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Fax: 719.559.3728

General Practice Attorney
Certified General Real Estate Appraiser

May 1, 2016

The City of Colorado Springs
On behalf of its Parks, Recreation and Cultural Services Department
Attention: Christian Lieber, RLA Park Development Manager
30 South Nevada Avenue, Suite 502
Colorado Springs, Colorado 80903

Dear Mr. Lieber:

Pursuant to your request, I have completed a restricted appraisal of the market value of the property described as the "North Cheyenne Canon Park Property" property located in El Paso County, Colorado.

As per mutual agreement with the City of Colorado Springs (client) and Kyle L. Wigington, P.C. (appraiser), the format used is defined as a Restricted Use Appraisal. It complies with the requirements set forth under Standard 2-2(c), of the Uniform Standards of Professional Practice, but is subject to the Assumptions and Limiting Conditions listed in this report. This appraisal report states the information used to arrive at a conclusion of value. **It is noted that the opinions of the appraiser in a restricted format may not be fully understood without additional information in the appraiser's work file. Therefore, this appraisal is limited to use by the client only.**

The purpose of this appraisal is to estimate the "As Is Market Value" for the subject property for the potential transfer of the subject property. The intended use of this report is for internal decision making and solely limited to the client, The City of Colorado Springs.

Based upon my independent appraisal and the exercise of my professional judgment, my market value estimate for the property as of February 24, 2016, is **$1,581,000** subject to any stated extraordinary assumptions and hypothetical conditions.

Kyle L. Wigington, J.D.
Certified General Appraiser
Colorado License # 1315439

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Certification Statement

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

- I have personally inspected the subject property appraised and I have also made a personal field inspection of the comparable sales relied upon in making my appraisal, examined sales instruments of record, and have confirmed the sales transactions with the buyer and/or seller unless otherwise noted. The photographs in this appraisal report reasonably represent the subject property and comparable sales relied upon.
- My analyses, opinions, and conclusions were developed, and this report has been prepared in conformity and consistent with the Uniform Standards of Professional Appraisal Practice (USPAP).
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute.
- Statements of fact contained in this report are true and correct. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I understand this appraisal may be used in connection with the transfer of real property for the referenced project.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- I have not revealed the findings and results of this appraisal to anyone other than my client, nor will I do so until required by due process of law or by having publicly testified as to the findings.
- I acknowledge that this appraisal report and all maps, data, summaries, charts and other exhibits collected or prepared under this agreement shall become the property of the City of Colorado Springs without restriction or limitation on their use.
- No one provided significant real property appraisal assistance to the person signing this report.
- The use of this report is subject to the requirements of the Board of Real Estate Appraisers, State of Colorado, Department of Regulatory Agencies relating to review by its duly authorized representatives.
- As of the date of this report, I, Kyle L. Wigington, have completed the requirements of the continuing education program of the Board of Real Estate Appraisers, State of Colorado.
- This report serves to update an acreage calculation from a previous report dated October 5, 2015. Prior to that time, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The effective date of appraisal and valuation is as of February 24, 2016. The date of the appraisal report is May 1, 2016.
- Based upon my independent appraisal and the exercise of my professional judgment, my market value estimate for the property as of February 24, 2016 is **$1,581,000** subject to any stated extraordinary assumptions and hypothetical conditions.

Kyle L. Wigington, J.D.
Certified General Appraiser
Colorado License # 1315439

Executive Summary/Subject Identification

Project Name:	NORTH CHEYENNE CANON PARK PROJECT
Parcel Number:	Parts of 7400000211, 7400000327
Name of Owner:	City of Colorado Springs
Name of Tenant:	None
Property Address or Location:	Refer to Legal Description
Owner Present at Inspection:	The appraiser conducted a site inspection of the subject property for the original appraisal report dated October 5, 2015. The owner's representative was not present at this inspection. The subject property was not re-inspected as of the date of value for this report.
Property Interest Appraised:	Fee Simple subject to any Extraordinary Assumptions and Hypothetical Conditions
Effective Appraisal Value Date:	February 24, 2016
Date of Appraisal Report:	May 1, 2016
Environmental Concerns:	None stated
Larger Parcel Land/Site Area:	The subject property is unimproved land with a total area of 186 acres according to client and supporting title work.
Owner and/or Tenant Occupancy:	Vacant
Owner Improvements: (buildings, structures, etc.)	None
Subject 5-Year Sales History:	According to the El Paso County Assessor records, there has been no sales activity in the past five years.
Zoning:	PK (Public Park) HS (Hillside) – City of Colorado Springs F5 (Forestry and Recreation) – El Paso County
Highest/Best Use:	Mountain Recreational, Open Space, Preserve

Scope of This Appraisal

In preparing this appraisal I have:

- Made a complete physical inspection of the property on October 5, 2015. The subject property was not re-inspected as of the date of value for this report.
- Researched public records for assessment and historical sales information pertaining to the subject property.
- Analyzed income and expense information provided by the owner, if applicable.
- Researched the market for applicable income and expense data availability.
- Researched pertinent neighborhood data, comparable listings, comparable rentals, and comparable sales.
- Gathered comparable improved sales, comparable listings, comparable rentals, comparables expenses, etc. from similar neighborhoods and/or previous appraisals that we have made on similar properties.
- Analyzed the current real estate market and trends for the subject's property type, particularly in the subject's market area.

In preparing the written report I have:

- Identified the property by tax identification number and deed references.
- Considered the purpose and intended use of the appraisal.
- Prepared a brief history of the property.
- Determined the property rights being appraised as the Fee Simple interest in the property.
- Discussed and analyzed the physical attributes of the subject site.
- Analyzed the Highest and Best Use of the site.
- Analyzed and discussed the reasoning for choosing the most applicable approach or approaches in determining the value for the subject property.
- Considered all three approaches to value and determined which approach or approaches were applicable, given the nature of the assignment and the characteristics of the subject property.
- Analyzed and discussed the Reconciliation of the applicable approaches and final conclusions of values.
- Stated the Assumptions and Limiting Conditions upon which this report was based.
- Relied upon the title insurance commitment (with legal description) for the subject property if provided.

- Assumed there are no adjudicated water rights at the subject property.
- Assumed there are no mineral resources with commercial value on the subject property.

Assumptions and Limiting Conditions

The certification of the appraiser appearing in the appraisal report is subject to the following conditions, and to such other specific and limiting conditions as are set forth by the appraiser in the report.

Extraordinary Assumptions

An extraordinary assumption is an assumption directly related to a specific assignment which, if found to be false, could alter the appraiser's opinions or conclusions.

Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of the data used in an analysis.

1. *The acreage calculation utilized in this report is based on portions of larger identified parcels. The breakout of acreage for this report was estimated by the City of Colorado Springs and submitted to the appraiser for consideration. No survey was provided to the appraiser supporting the acreage calculation.*
2. *The use of an extraordinary assumption may have affected the assignment results.*

Hypothetical Conditions

A hypothetical condition is that which is contrary to what actually exists but is supposed for the purpose of analysis.

Hypothetical conditions assume conditions contrary to known facts about physical, legal or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of the data used in the analysis.

1. *There are no hypothetical conditions utilized in this report.*

General Assumptions and Limiting Conditions

1. The legal descriptions, land areas, surveying and engineering data provided by the client are assumed to be correct. The sketches and maps in this report are included to assist the reader in visualizing the property and are not necessarily to scale. Various photographs are included for the same purpose. Site plans are not surveys unless prepared by a certified surveyor.
2. This is a Restricted Appraisal Report, which is intended to comply with the reporting requirements set forth in Standards Rules 1 and 2 of USPAP.
3. No responsibility is assumed for legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated in this report. The property is appraised "as if free and clear" of liens and encumbrances, but subject to existing easements, covenants, deed restrictions, and rights-of-way of record.

4. Opinions, estimates, data, and statistics furnished by others in the course of studies relating to this report are considered reliable.

5. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated land use. Separate allocations for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.

6. This report is as of the date set out and is not intended to reflect subsequent fluctuations in market conditions, up or down.

7. It is assumed there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or arranging for engineering studies that may be required to discover them.

8. It is assumed the subject property complies with all applicable zoning and use regulations and restrictions, unless non-conformity has been stated, defined, and considered in this appraisal report.

9. It is assumed the use of land and improvements is within the boundaries or property lines of the property described and there is no encroachment or trespass unless otherwise stated in this report.

10. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyl, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, was not called to the attention of nor did the appraiser become aware of such during the appraiser's inspection of the subject property. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test for such substances. The presence of such hazardous substances may affect the value of the subject property. The value opinion developed herein is predicated on the assumption that no such hazardous substances exist on or in the property or in such proximity thereto, which would cause a loss in value. No responsibility is assumed for any such hazardous substances, or for any expertise or knowledge required to discover them.

Representative Subject Photos Taken by Kyle Wigington on October 5, 2015

Entrance to Park on Mesa Avenue

Parking area on Mesa Avenue


Looking south from Mesa


Looking west from Mesa showing terrain

Looking south from Mesa near Seven Falls

Seven Falls entrance from Mesa

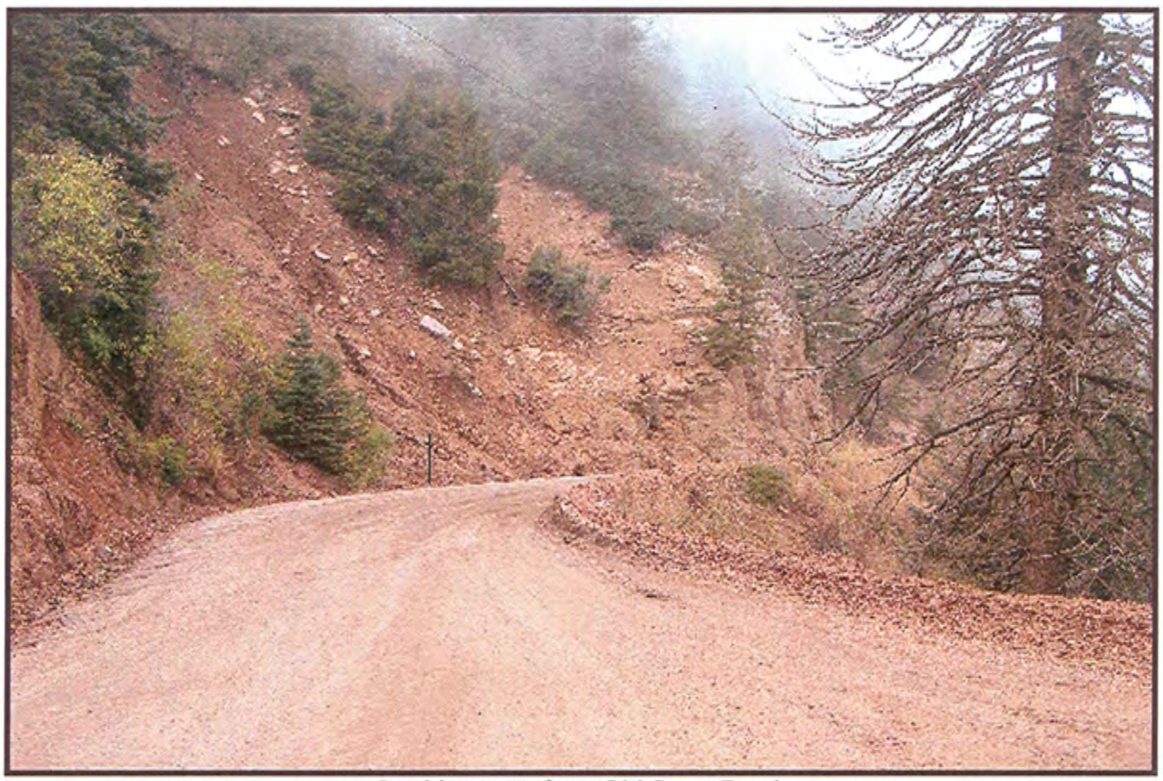
Looking west from Alta Vista

Looking west from Alta Vista


Looking NE from Old Stage Road


Looking North from Old Stage Road

Looking east from Old Stage Road



Looking west from Old Stage Road


Looking west from Old Stage Road

USPAP Reporting Options

To develop the opinion of value as per the request of my client, the City of Colorado Springs, the appraiser performed a complete appraisal in **Restricted Use Format** according to the guidelines set forth below by the 2016-2017 edition of the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation.

The Restricted Appraisal Report may be appropriate when:

- the client is the only intended user of the appraiser's opinions and conclusions set forth in the report;
- the client understands the limited utility of this option;
- the intended use of the appraisal warrants restricted disclosure about the research and analysis completed in the development of the assignment results; and
- the client (the only intended user) does not need the level of information required in an Appraisal Report.

When an appraiser uses the Restricted Appraisal Report option, a prominent notice to any reader must be provided. The prominent notice must warn any reader of the report that the rationale for the appraiser's opinions and conclusions set forth in the report may not be understood properly without the additional information that is in the appraiser's workfile.

Definition of Value

The current definition of Market Value utilized for this report is as follows:

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, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as if a specified date and the passing of title from seller to buyer under conditions whereby:

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

Identification of Appraised Property

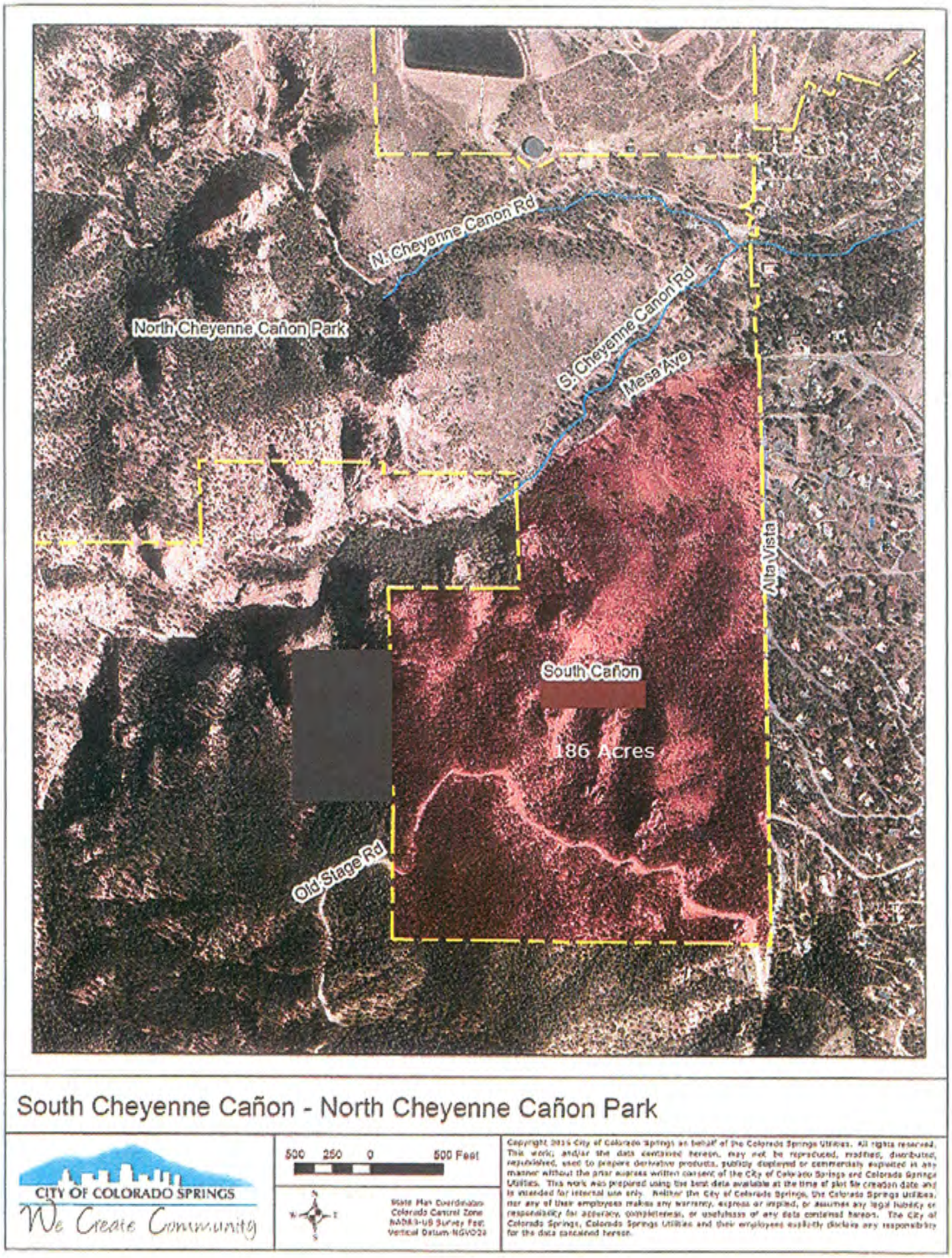
The property being appraised is a vacant recreation/open space mountain type property. It is located in El Paso County, in the State of Colorado. The subject property is described as 186 deeded acres of vacant recreational land, owned by the City of Colorado Springs.

The subject property is comprised of parts of two parcels identified by the El Paso County Assessor office as Schedule Numbers 7400000211 and 7400000327. The assessor information for both parcels are included on the following pages.

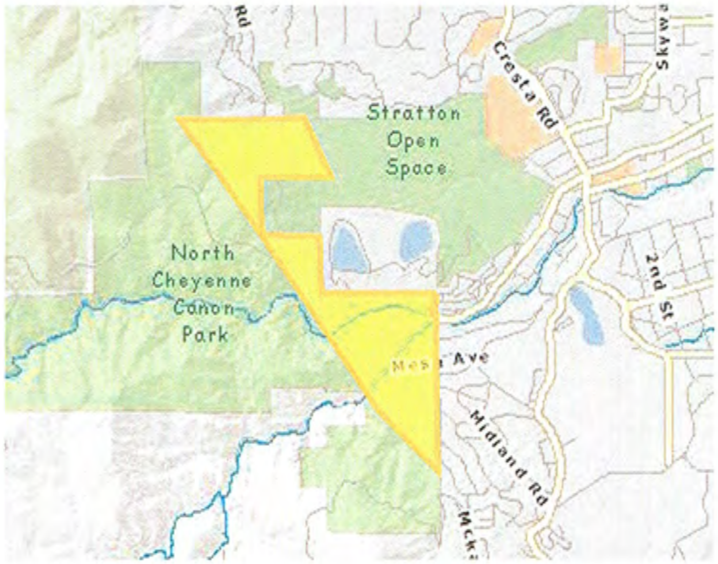
The acreage determination was made by the City of Colorado Springs and communicated to the appraiser for consideration in the report. The property is basically described as those parts of the above referenced schedule numbers that lays south of Mesa Road as depicted on the following map.

We previously prepared a written report dated October 5, 2015 and have since updated the report in order to properly reflect the deletion of Parcel 74000-00-330. This reduced the acreage calculation by 12.2 acres.

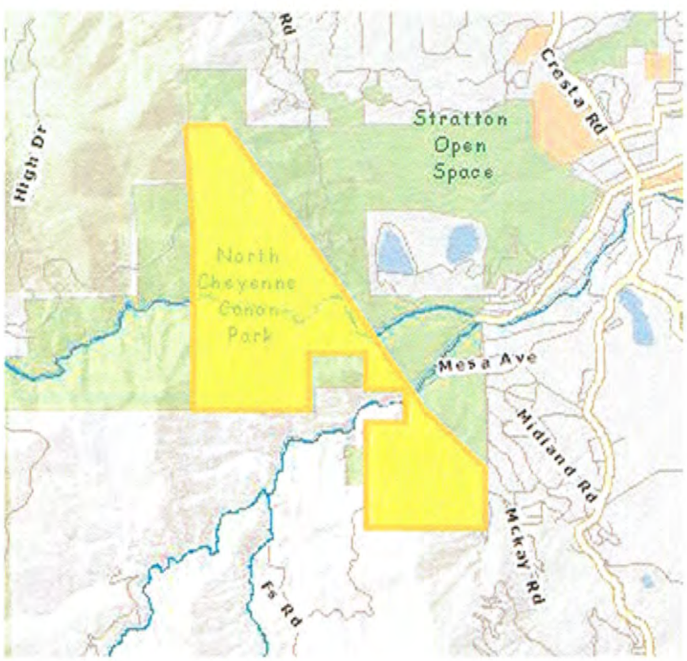
Map of Subject Property



Assessor Map of Parcel 7400000211



Assessor Map of Parcel 7400000327



Assessor Data for 7400000211 – Page 1

Public Record Property Information

Wednesday, February 24, 2016 Time: 5:47:07 PM

Personal Information

Schedule No: 7400000211
Owner Name: COLORADO SPRINGS CITY OF
NORTH CHEYENNE PARK
Location: 2102 W CHEYENNE RD
2250 N CHEYENNE CANYON RD
Mailing Address: COLORADO SPRINGS CO 80903

Previous Parcel **Replaced Parcel**

Legal Description

SW4NW4, SW4, PART OF N2SE4 AS FOLS; BEG AT SW COR OF SD N2SE4, RUN ELY ALG S LN OF SD N2SE4 TO A PT 300.0 FT E OF SE COR OF NW4SE4, RUN NWLY TO A PT ON N LN OF SE4 THAT IS 300.0 FT W OF NE COR OF NW4SE4, RUN W ALG SD N LN TO NW COR OF SE4, TH S TO POB, SEC 27-14-67 NW4, N2SW4, W2NE4SE4NE4, E2SE4 SEC 34-14-67 SW4NW4 EX SMALL TRACTS ON THE E, W2SW4 SEC 35-14-67 ALL THE ABOVE DES LY NELY OF FOR DES LN, BEG AT NW COR OF SW4NW4 OF SD SEC 27, TH SELY ALG A DIAGONAL LN TO INTSEC SE COR OF SE4SW4, CONT SELY ALG DIAGONAL LN TO INTSEC SE COR OF NE4SE4 OF SD SEC 34, CONT SELY ALG DIAGONAL LN TO INTSEC SE COR OF SW4SW4 OF SD SEC 35

Market Information (2015 Values)

Levy Year: 2015 **Mill Levy:** 69.946 **Exempt Status:** Fully Exempt

Table	Use Code	2015 Market Value	2015 Assessed Value	Exempt
Land	POLITICAL SUBDIVISION	$3,385,701	$0	EX
Imp	EXEMPT POLITICAL SUBS/PUB SCHL	$72,765	$0	EX
Imp	EXEMPT POLITICAL SUBS/PUB SCHL	$24,860	$0	EX
Imp	EXEMPT POLITICAL SUBS/PUB SCHL	$101,893	$0	EX
Imp	EXEMPT POLITICAL SUBS/PUB SCHL	$452,492	$0	EX
Imp	EXEMPT POLITICAL SUBS/PUB SCHL	$3,257	$0	EX
Imp	EXEMPT POLITICAL SUBS/PUB SCHL	$3,167	$0	EX
	Total Value	**$4,044,135**	**$0**	

Assessor Data for 7400000211 – Page 2

Tax Entity and Levy Information

(District: GBD)

Taxing Entity	Contact Name	Contact Phone
EL PASO COUNTY	FINANCIAL SERVICES	(719) 520-6498
EPC ROAD & BRIDGE SHARE		(719) 520-6498
CITY OF COLORADO SPRINGS	CITY OF CS-CFO	(719) 385-5224
EPC-COLORADO SPGS ROAD & BRIDGE SHARE		(719) 520-6498
CHEYENNE MTN SCHOOL NO 12	NATALIE MORIN	(719) 475-6103
PIKES PEAK LIBRARY	MIKE VARNET	(719) 531-6333
SOUTHEASTERN COLO WATER CONSERVANCY	JAMES BRODERICK	(719) 948-2400

Sale Information

Land Information

Seq #	Use	Exempt	Area
1	POLITICAL SUBDIVISION	EX	310.9 acres

Residential Information

Commercial Information

Bldg #	Admin Code	Year Built	Neigh #	Area
1	EXEMPT POLITICAL SUBS/PUB SCHL	2001	218	346
2	EXEMPT POLITICAL SUBS/PUB SCHL	2001	218	448
3	EXEMPT POLITICAL SUBS/PUB SCHL	2003	218	347
4	EXEMPT POLITICAL SUBS/PUB SCHL	1922	218	1,772
5	EXEMPT POLITICAL SUBS/PUB SCHL	2006	218	150
6	EXEMPT POLITICAL SUBS/PUB SCHL	2000	218	299

Zoning Code for 7400000211

City Zoning for Parcel #7400000211 is: PK HS

CITY ZONING LEGEND

A - Agricultural
APD - Airport Planned Development
AO - Airport Overlay
APZ1 - Airport Protection Zone 1
APZ2 - Airport Protection Zone 2
C5 - Intermediate Business
C6 - General Business
CR - Condition of Record
CU - Conditional Use
DF - Design Flexibility
FBZ-CEN - Form Based-Central
FBZ-COR - Form Based-Corridor
FBZ-T1 - Form Based-Transition Sector 1
FBZ-T2B - Form Based-Transition Sector 2B
FBZ-T2A - Form Based-Transition Sector 2A

HR - High Rise
HS - Hillside
M1 - Light Industrial
M2 - Heavy Industrial
OC - Office Complex
OR - Office Residential
P - Planned Provisional
PBC - Planned Business Center
PCR - Planned Cultural Resort
PF - Public Facility
PIP1 - Planned Industrial Park
PIP2 - Planned Industrial Park
PK - Public Park
PUD - Planned Unit Development

R - Single Family Residential (Estate)
R16 - Single Family Residential (6000 sqf)
R19 - Single Family Residential (9000 sqf)
R2 - Two Family Residential
R4 - Eight Family Residential
R5 - Multi Family Residential
RPZ - Runway Protection Zone
SS - Stream Side
SU - Special Use
TND - Traditional Neighborhood Development
UV - Use Variance

Assessor Data for 7400000327 – Page 1

Public Record Property Information

Wednesday, February 24, 2016 Time: 5:49:55 PM

Personal Information

Schedule No: 7400000327
Owner Name: COLORADO SPRINGS CITY OF
NORTH CHEYENNE PARK
Location: 2102 W CHEYENNE RD
3440 OLD STAGE RD
Mailing Address: 30 S NEVADA AVE
COLORADO SPRINGS CO 80903-1802

Previous Parcel **Replaced Parcel**

Legal Description

SW4, PART OF N2SE4 AS FOLS; BEG AT SW COR OF SD N2SE4, RUN ELY ALG S LN OF SD N2SE4 TO A PT 300.0 FT E OF SE COR OF NW4SE4, RUN NWLY TO A PT ON N LN OF SE4 THAT IS 300.0 FT W OF NE COR OF NW4SE4, RUN W ALG SD N LN TO NW COR OF SE4, TH S TO POB SEC 27-14-67 NW4, N2SW4, W2NE4SE4NE4, E2SE4 SEC 34-14-67 SW4NW4 EX SMALL TRACTS ON THE E, W2SW4 SEC 35-14-67 ALL OF THE ABOVE DES LY SWLY OF FOL DES LN, BEG AT NW COR OF SW4NW4 OF SD SEC 27, TH SELY ALG A DIAGONAL LN TO INTSEC SE COR OF SE4SW4, CONT SELY ALG DIAGONAL LN TO INTSEC SE COR OF NE4SE4 OF SD SEC 34, CONT SELY ALG DIAGONAL LN TO INTSEC SE COR OF SW4SW4 OF SD SEC 35 NW4NW4 SEC 2-15-67 NE4NE4 SEC 3-15-67

Market Information (2015 Values)

Levy Year: 2015 **Mill Levy:** 65.667 **Exempt Status:** Fully Exempt

Table	Use Code	2015 Market Value	2015 Assessed Value	Exempt
Land	POLITICAL SUBDIVISION	$6,009,120	$0	EX
	Total Value	**$6,009,120**	**$0**	

Assessor Data for 7400000327 – Page 2

Tax Entity and Levy Information

(District: GBG)

Taxing Entity	Contact Name	Contact Phone
EL PASO COUNTY	FINANCIAL SERVICES	(719) 520-6498
EPC ROAD & BRIDGE (UNSHARED)		(719) 520-6498
CHEYENNE MTN SCHOOL NO 12	NATALIE MORIN	(719) 475-6103
PIKES PEAK LIBRARY	MIKE VARNET	(719) 531-6333
SOUTHEASTERN COLO WATER CONSERVANCY	JAMES BRODERICK	(719) 948-2400

Sale Information

Land Information

Seq #	Use	Exempt	Area
1	POLITICAL SUBDIVISION	EX	556.4 acres

Residential Information

Commercial Information

Bldg #	Admin Code	Year Built	Neigh #	Area
1	UTILITY BUILDING		28	120

Zoning Code for 7400000327

County Zoning for parcel 7400000327 is F-5			
COUNTY ZONING CODES			
A-5 -	Agricultural	RT -	Residential Topographic
A-35 -	Agricultural	MHP -	Mobile Home Park
F-5 -	Forestry and Recreation	MHP-R -	Mobile Home Park Rural
RR-0.5 -	Residential Rural	MHS -	Mobile Home Subdivision
RR-2.5 -	Residential Rural	RVP -	Recreational Vehicle Park
RR-5 -	Residential Rural	PUD -	Planned Unit Development
RS-20000 -	Residential Suburban	CAD-O -	Commercial Airport District
RS-8000 -	Residential Suburban	GA-O -	General Aviation Overlay District
RS-5000 -	Residential Suburban	HR-O -	High Rise Overlay District
RM-12 -	Residential Multi-Dwelling	RLUP-O -	Rural Land Use Plan Overlay District
RM-30 -	Residential Multi-Dwelling	C-1 -	Commercial (obsolete)
CC -	Commercial Community	C-2 -	Commercial (obsolete)
CR -	Commercial Regional	M -	Industrial (obsolete)
CS -	Commercial Service	R-4 -	Planned Development (obsolete)
I-2 -	Limited Industrial		
I-3 -	Heavy Industrial		

Purpose of Appraisal

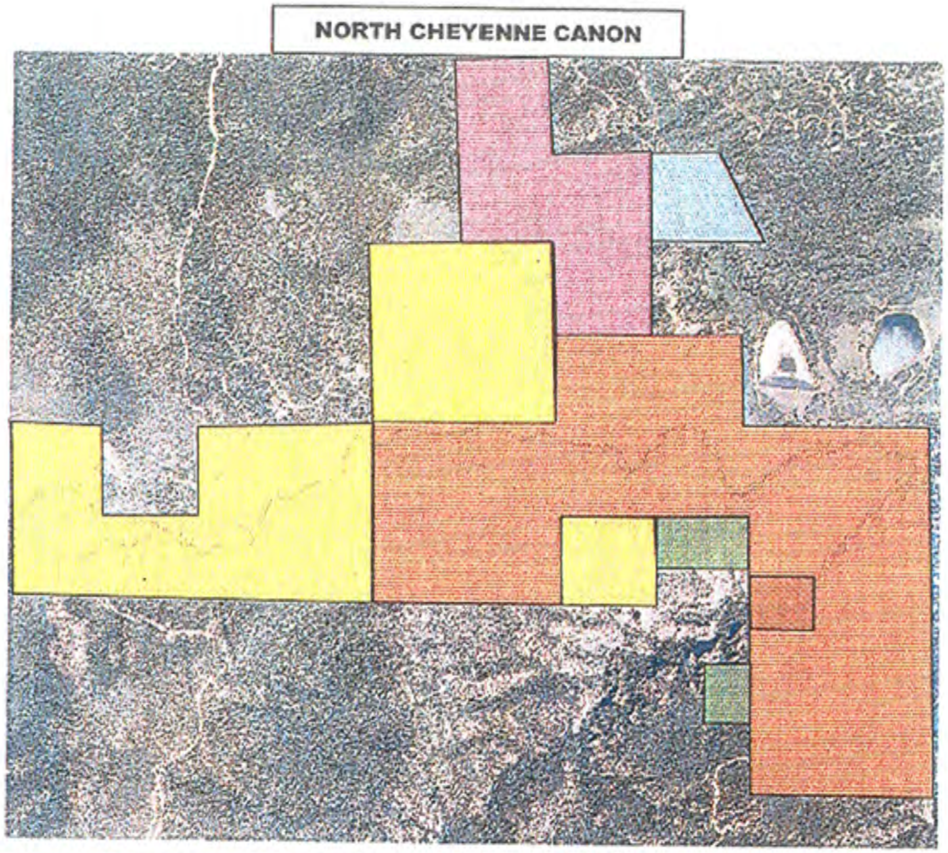
The purpose of this appraisal is to estimate the "as is" market value of the property interest(s) specified in this report as of the effective date of this appraisal.

Intended Use of the Appraisal

The appraiser has been engaged by the City of Colorado Springs, on behalf of its Parks, Recreation and Cultural Services Department, the client for this appraisal and also the intended user. The appraiser has been informed that the appraisal will be used for the sole purpose of assisting the client in determining value for the decision making process concerning the transfer of the property. Therefore, the intended use of this appraisal is to assist my client, the City of Colorado Springs and Parks, Recreation and Cultural Services Department, in the determination of market value subject to specific assumptions and limiting conditions.

Brief History of the Property

There are numerous ownerships located in the subject property immediate area that are currently owned by the City of Colorado Springs. All of these parcels were acquired by the City at various times from primarily five sources. Those ownership interests are identified in the attached graphic.



Deed in Book 401 at page 343 dated March 29, 1907 from William J. Palmer to the City of Colorado Springs.
Prohibition against intoxicating liquors
Quitclaim Deed in Book 2895 at page 22 recorded February 9, 1977 from Elsie Queen Myers Nicholsen and Eveleen Myers Clarke, sole heirs of William Jackson Palmer regarding reversionary rights.

Deed in Book 51 at page 442 recorded August 22, 1885 from The First National Bank of Colorado Springs to the City of Colorado Springs
Prohibition against intoxicating liquors

Warranty Deed in Book 930 at page 473 recorded January 19, 1937 from Fred W. Chamberlain to the City of Colorado Springs. Reserves right of way for Chamberlain Pipe Line and water rights

Quitclaim Deed in Book 951 at page 74 recorded February 18, 1938 from Fred W. Chamberlain to the City of Colorado Springs

Warranty Deed from Seven Falls Company, a Delaware Corporation, successor by merger with the Cottage Corporation, successor in interest by merger with the New Seven Falls Company to the city of Colorado Springs

Zoning Districts

The subject property totals 186 acres located in El Paso County, Colorado. The property is comprised of parts of two parcels. Parcel 7400000211 is zoned PK (Public Park) HS (Hillside) by the City of Colorado Springs. Parcel 7400000327 is zoned F-5 (Forestry and Recreation) by El Paso County.

The Highest and Best Use Analysis

The Appraisal Institute in The Dictionary of Real Estate Appraisal, Sixth Edition, defines highest and best use as:

> "The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity."

It should be noted that the concept of highest and best use is driven by *economic* considerations and market forces, not by public interest. That said, there is a movement away from traditional purely economic measurements of highest and best use as they relate to "open space" or recreational properties.

Once it was well settled that these types of "non-economic uses" were considered interim uses that could not be utilized as the highest and best use of the property because they were typically took the property out of economic production and they were not based on "market forces."

We are seeing a shift in that traditional thinking. As an example, several of the sales utilized in this report to develop value were purchased strictly for recreational uses to include parks and open space. In fact, a paired analysis would indicate that the "value" or price paid on a per unit basis for these properties exceeded that typically paid for more traditional "rural residential" uses of similar properties. Simply stated, it appears that an argument can be made the property is more valuable as a park than as a rural residential home site. As such, the highest and best use analysis takes on a slightly different approach.

Legally, the property currently has hard zoning in place commensurate with its current use. That is not to say that the property, or smaller portions thereof, could not be rezoned to some other classification. At this time however, it appears that factors other than the legally permissible uses attributable to the property would be somewhat more controlling.

One such controlling use would relate to the physical possibility for potential uses of the parcel. The physical characteristics related to the rugged and steep terrain located within the property would significantly impact future uses on the vast majority of the property. It appears that the terrain itself would limit use of the property to those associated with park, recreation, open space and preserve type uses.

The financially feasible uses would once again be impacted by the physical attributes of the property. It appears that although it could take significant financial investment to take the property to a use to something other than parks or open space, it could be argued that developed recreational uses requiring significant financial investment would be feasible.

Once again, the maximum productivity associated with uses available to the subject property would be impacted by "economic factors" and those factors would limit the potential uses of the property. There is only a small portion of the property that could be utilized for any use other than parks, recreation, open space or preserve type uses although some sort of "special use" could be productive on that portion of the property that is not limited by terrain.

The property, as it sits today is being utilized as a city park. The property is well suited to various types of mountain recreation, such as hiking, biking, riding, fishing, hunting, wildlife viewing, and non-motorized winter activities. Agriculture uses would be considered optional but not optimal for the property. Development of the subject into smaller tracts is possible but not considered probable given the access and topographical concerns attributable to the property. The topography is rugged and there are no interior access roads into the property at this time. There is perimeter access, most of which is only possible into the property from Mesa Road on the north.

It could be argued that some type of commercial use could be supported for the property. It is likely, however, that use would be tied to some sort of outdoor recreational use including equestrian development. The bottom line is that location, access and terrain limit the potential development potential for the majority of this property.

The highest and best use of the subject property is, in my opinion, limited to a large acreage open space or recreational property or possibly acquired for some type of private preserve given the access and topographical concerns present.

Property Rights Appraised

The property rights being appraised consist of the Fee Simple Estate of the subject property. A Fee Simple Estate is defined 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. [4]

The value of the Fee Simple Estate is, therefore, impacted by its current zoning, tax status, condemnation proceedings, public easements, and environmental legislation. The Fee Simple Estate encompasses all rights of ownership not limited by government, including the right of occupancy (use), the right to lease and receive rents, the right of conveyances to another, etc. This interest is analogous to the total "bundle of rights", each of which may be severed and conveyed by the Fee Simple owner. The Fee Simple Estate may be severed into various partial or fractional interests, including the leased fee and leasehold interests. The Fee Simple Estate is the sum of the leased fee and all leasehold interests.

Personal Property is excluded from this Appraisal

> Any movable equipment, furnishings, and fixtures necessary to the operation of this property were not included in the value of the real estate. If necessary to the operation of the real estate as a hotel, personal care residence, etc., and a value is required by the client, the personal property has been allocated separately.
>
> <u>Personal property is defined as follows:</u>
> Personal property is, generally, movable items - that is, those not permanently affixed to and part of the real estate. Thus personal property is not endowed with the rights of real property ownership. Examples of personal property are furniture and furnishings that are not built into the structure, such as refrigerators and freestanding shelves.[5]

4 The Appraisal of Real Estate, 14th. Edition, p. 90
5 ibid., p. 7

Valuation Analysis

Having determined that the Highest and Best Use of the subject property is at its present use, I proceeded with my analysis. This included a review of the market and an assessment of the potential demand for similar properties. Finally, I estimated the Market Value of the subject property using the applicable approaches to value.

The Valuation Process - The valuation process is a systematic approach that identifies the appraisal problem, analyzes a property's characteristics, and generally engages three common valuation methods to form an opinion of market value.

The steps in the valuation process include: [6]

- Identification of the problem
- Scope of work determination
- Data Collection and Property Description
- Data Analysis
- Site Value Opinion
- Application of the Approaches to Value
- Reconciliation of Value indicators and final Opinion of Value
- Report of Defined Value

There are three generally accepted approaches to value in the appraisal of real property. These are summarized as follows.

The Sales Comparison Approach consists of analyzing the sale of comparable properties within the immediate area and/or in similar locations by a comparison of their respective similarities and differences. A judgment is then made as to the value of the subject property, based upon the adjusted values.

The Income Approach consists of estimating the potential annual gross income using actual or market derived rentals. Deducted from this amount, to arrive at a projected net income, are projected vacancy, annual expenses, and an estimated reserve for replacement. The resulting net income is capitalized into value.

The Cost Approach consists of estimating the cost new of the building improvements, deducting depreciation from all sources, and adding the value of the land and lot improvements. It is often the most difficult approach to apply to existing buildings because of the problem encountered in accurately estimating depreciation.

Only the Sales Comparison Approach was developed.

6 The Appraisal of Real Estate 14th Edition, Pages 129 and 131 Appraisal Institute

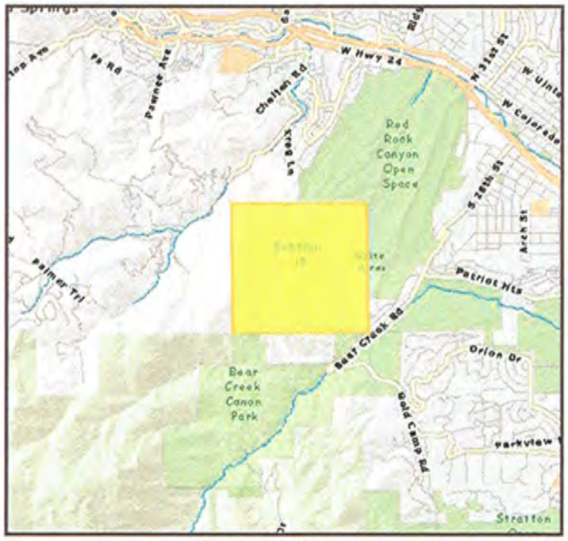
Sales Comparison Approach

The Sales Comparison Approach consists of comparing the subject property with sales of similar properties that have sold. It is based upon the principle of substitution and implies that a prudent investor will not pay more for an existing property than he will to buy an identical substitute property.

The following sales have been utilized as the basis for determining the underlying fee simple interest for the property in the before and after condition. It should be noted that there is an extremely limited pool of sales from which to draw based on the unique nature of the subject property. I felt that it was important to try to locate sales in the Colorado Springs market area rather than to expand the search to include mountain properties located through the state. Although three of the seven sales were purchased by the City of Colorado Springs for use consistent with the highest and best use developed for the subject parcel, those sales were deemed to be arm's length transactions based on current market conditions and the properties were not purchased under the threat of condemnation.

Finally, as support to the sales utilized in the analysis, I have taken into consideration numerous open-space transactions that have occurred throughout the Front Range area by various agencies.

Land Sale #1 Transaction Data

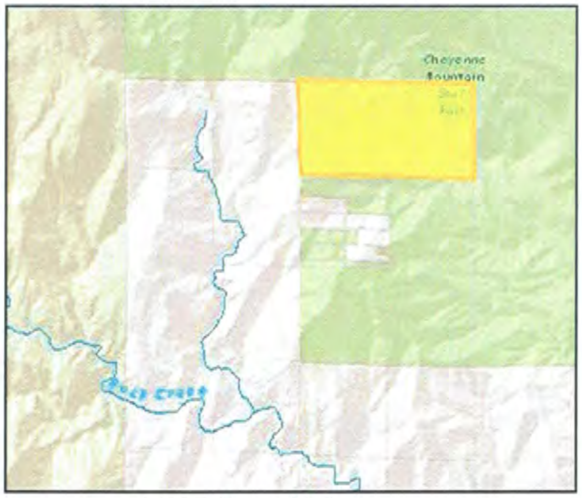


Parcel Map

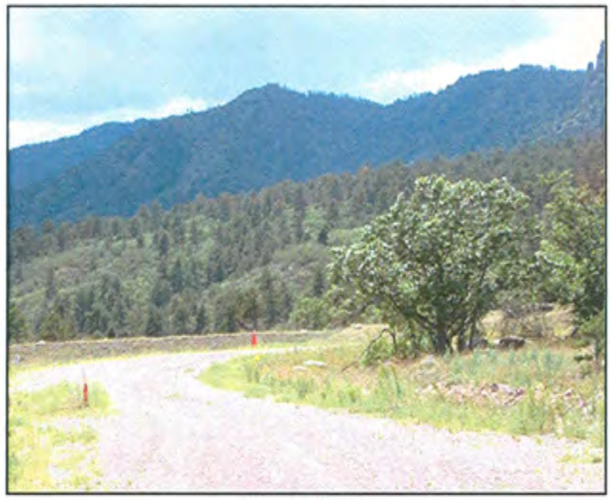
Street View

Sale No.: 1	Photo By:	Kyle Wigington		Inspected On:	7/22/2011
Location:	Manitou Section 16, Manitou Springs, Colorado				
Tax Schedule No.:	7400000028			Recordation:	210124916
Legal Description:	All SEC 16-14-67			Type of Deed:	Other
Grantor:	Colorado State Land Board			Date of Sale:	12/7/2010
Grantee:	City of Colorado Springs			Selling Price:	$3,800,000
Sale Confirmed By:	Grantee		Cash Equivalent Price:		$3,800,000
Appraiser Confirming:	Kyle Wigington		Date Confirmed:		8/13/2012
Condition of Sale:	Arm's Length	Rights Conveyed:	Fee Simple	Access:	See below
Amenities	Trees, mountain	Land Area (Ac)	640.0	Location:	Good
Topography:	Canyon, mountain	Utilities:	Available	Flood Plain:	No impact
Year Built:	N/A	Zoning:	F-5	Shape:	Square
Highest and Best Use:	Open Space	Use When Sold:	Vacant land		
Financing Terms:	Typical of market				
Comments:	Sale was arms-length, cash to seller. This property is now public open space managed as part of Red Rock Canyon Open Space. Note the road in the photo is the nearest access point. The property, however does have access via the assemblage.				

Land Sale #2 Transaction Data



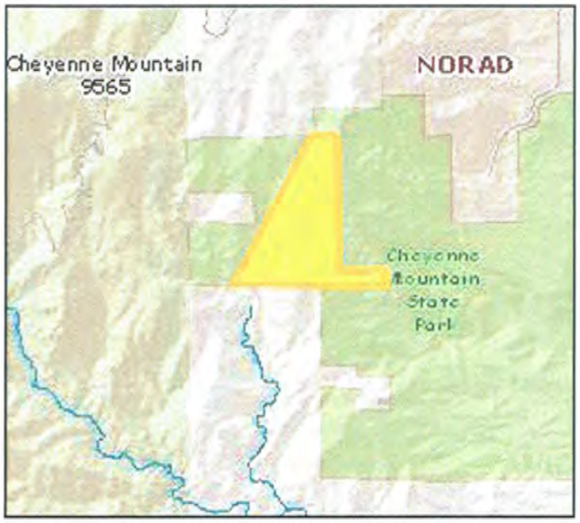
Parcel Map



Street View

Sale No.: 2	Photo By:	Kyle Wigington		Inspected On:	8/12/2011
Location:	Parcel in Section 23-15-67, Colorado Springs, Colorado				
Tax Schedule No.:	7500000055			Recordation:	208102235
Legal Description:	S2SE4 EX RD L/MR SEC 23-15-67			Type of Deed:	Warranty
Grantor:	Stephany Joy-Newman			Date of Sale:	9/16/2008
Grantee:	Colorado Municipal Corporation			Selling Price:	$538,400
Sale Confirmed By:	Grantee		Cash Equivalent Price:		$538,400
Appraiser Confirming:	Kyle Wigington		Date Confirmed:		8/12/2011
Condition of Sale:	Arm's Length	Rights Conveyed:	Fee Simple	Access:	Perimeter
Amenities	Trees, views	Land Area (Ac)	80.0	Location:	Cheyenne Mtn. area
Topography:	Mountains, canyon	Utilities:	None	Flood Plain:	No impact
Year Built:	N/A	Zoning:	A-5	Shape:	Rectangular
Highest and Best Use:	Open Space	Use When Sold:	Vacant land		
Financing Terms:	Typical of market				
Comments:	Sale was arms-length, cash to seller. Property was purchased for public open space. No through roads.				

Land Sale #3 Transaction Data

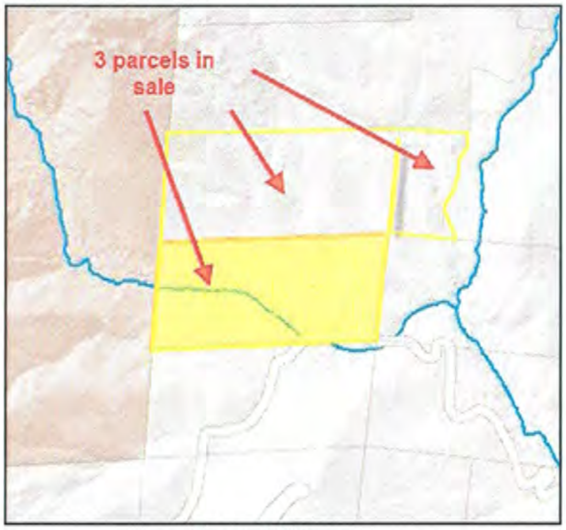


Parcel Map

Street View

Sale No.: 3	Photo By:	Kyle Wigington		Inspected On:	8/12/2011
Location:	Cheyenne Mountain State Park, El Paso County, Colorado				
Tax Schedule No.:	7500000291			Recordation:	208012327
Legal Description:	TRACT OF LAND IN SECTION 23-15-67			Type of Deed:	Warranty
Grantor:	347 LLC			Date of Sale:	1/31/2008
Grantee:	City of Colorado Springs			Selling Price:	$441,000
Sale Confirmed By:	Grantee		Cash Equivalent Price:		4441,000
Appraiser Confirming:	Kyle Wigington		Date Confirmed:		8/12/2011
Condition of Sale:	Arm's Length	Rights Conveyed:	Conservation easement encumbered	Access:	Perimeter
Amenities	Trees, views	Land Area (Ac)	94.43	Location:	Cheyenne Mtn. area
Topography:	Mountains, canyon	Utilities:	None	Flood Plain:	No impact
Year Built:	N/A	Zoning:	A-5	Shape:	Irregular
Highest and Best Use:	Parks and recreation	Use When Sold:	Vacant land		
Financing Terms:	Cash to seller				
Comments:	This parcel is now part of Cheyenne Mountain State Park. Similar access issues as related in Sale 2. Perimeter access only.				

Land Sale #4 Transaction Data

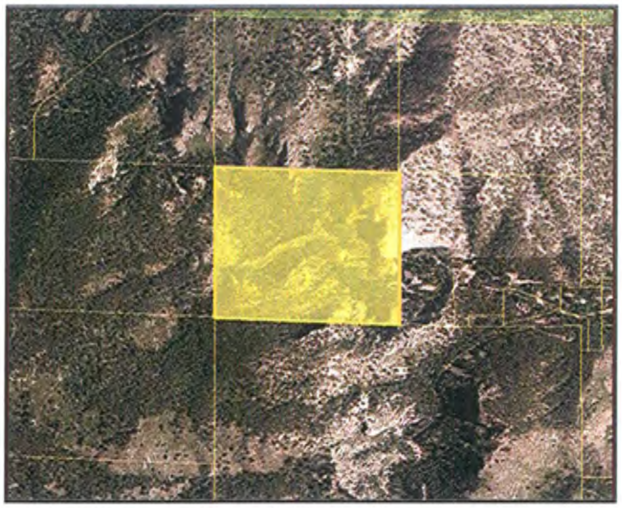


Parcel Map

Street View

Sale No.: 4	Photo By:	Kyle Wigington		Inspected On:	3/10/2014
Location:	00 Little Turkey Creek Road, Colorado Springs, Colorado				
Tax Schedule No.:	7600000288			Recordation:	214009139
Legal Description:	TRACT IN N2NE4SE4 SEC 7-16-67			Type of Deed:	Warranty
Grantor:	Dry Head Ranch LLC			Date of Sale:	1/20/2014
Grantee:	Matthew David Cook			Selling Price:	$184,315
Sale Confirmed By:	Listing agent		Cash Equivalent Price:		$184,315
Appraiser Confirming:	Kyle Wigington		Date Confirmed:		3/12/2014
Condition of Sale:	Arm's Length	Rights Conveyed:	Fee Simple	Access:	Private
Amenities	View, trees, creek	Land Area (Ac)	45.75	Location:	West side
Topography:	Mountains, canyon	Utilities:	Well, no electric	Flood Plain:	No impact
Year Built:	N/A	Zoning:	A-5	Shape:	Irregular
Highest and Best Use:	Rural residential, recreational	Use When Sold:	Vacant land		
Financing Terms:	Typical of market				
Comments:	Cash to seller, arm's length, typical financing. The sale includes three properties with a total of 45.75 acres. The individual schedule numbers are 7600000288, 7600000286 and 7600000287. The property has a creek, good views, a well, and no public electric service.				

Land Sale #5 Transaction Data



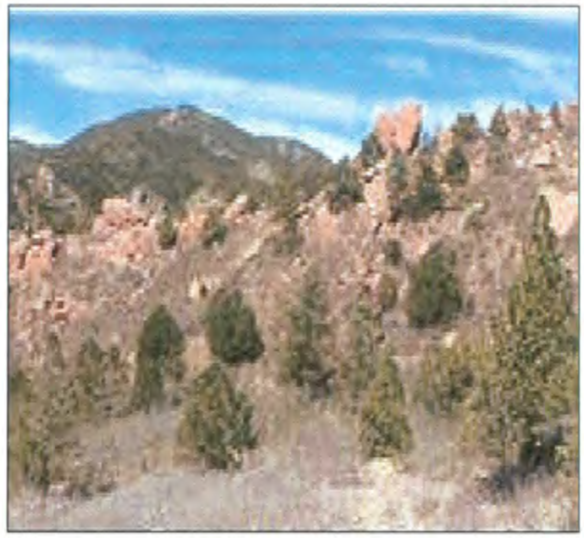
Parcel Map

Street View

Sale No.: 5	Photo By:	Kyle Wigington		Inspected On:	7/7/2015
Location:	1725 Rock Creek Canyon Road, Colorado Springs, Colorado				
Tax Schedule No.:	7500000244			Recordation:	214110590
Legal Description:	SW4SE4 SEC 26-15-67			Type of Deed:	Warranty
Grantor:	Deutsche Bank National Trust			Date of Sale:	12/2/2014
Grantee:	Jacob R. Snell			Selling Price:	$302,000
Sale Confirmed By:	Bank		Cash Equivalent Price:		$302,000
Appraiser Confirming:	Kyle Wigington		Date Confirmed:		7/7/2015
Condition of Sale:	Arm's Length	Rights Conveyed:	Fee Simple	Access:	Private
Amenities	Dwelling	Land Area (Ac)	40.0	Location:	Rock Creek Canyon
Topography:	Mountains, canyons	Utilities:	Well	Flood Plain:	No impact
Year Built:	N/A	Zoning:	A-5	Shape:	Square
Highest and Best Use:	Rural residential	Use When Sold:	Rural residential		
Financing Terms:	Typical of market				
Comments:	Bank discounted sale. Dwelling did not add value.				

Land Sale #6 Transaction Data

Parcel Map



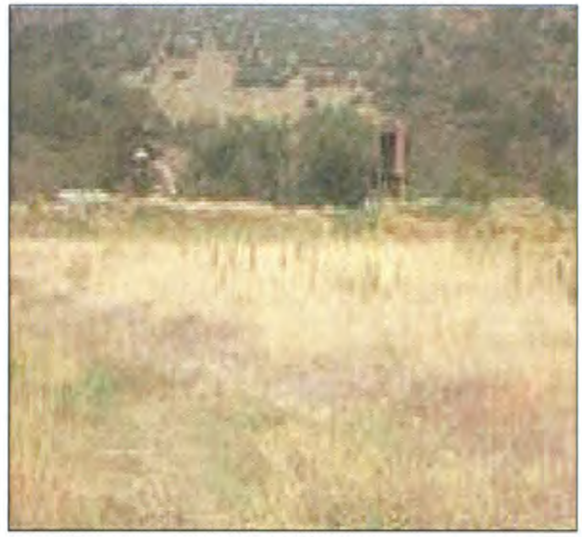
Street View

Sale No.: 6	Photo By:	Kyle Wigington		Inspected On:	7/7/2015
Location:	10010 Highway 115, Colorado Springs, Colorado				
Tax Schedule No.:	7601300001			Recordation:	215063904
Legal Description:	N2N2NE4SE4 SEC 2-16-67			Type of Deed:	Warranty
Grantor:	Leslie V. Timberlake and Mark A. Timberlake			Date of Sale:	6/19/2015
Grantee:	Chelsea Luttrall and James Luttrall			Selling Price:	$124,000
Sale Confirmed By:	MLS, County records		Cash Equivalent Price:		$124,000
Appraiser Confirming:	Kyle Wigington		Date Confirmed:		In process
Condition of Sale:	Arm's Length	Rights Conveyed:	Fee Simple	Access:	Developed
Amenities	Trees, mountain	Land Area (Ac)	18.19	Location:	Highway 115
Topography:	Mountains, canyon	Utilities:	None	Flood Plain:	No impact
Year Built:	N/A	Zoning:	A-5, F-5	Shape:	Irregular
Highest and Best Use:	Rural residential	Use When Sold:	Rural residential		
Financing Terms:	Typical of market				
Comments:	Sale just recently closed. Appraiser is still confirming buyer/seller at time of report. Deed has not recorded/posted as of this date. Still considered good sale.				

NOTE: assessor record shows size of parcel to be: 14.52 Acres

Land Sale #7 Transaction Data

Parcel Map



Street View

Sale No.: 7	Photo By:	Kyle Wigington		Inspected On:	7/7/2015
Location:	9860 South Highway 115, Colorado Springs, Colorado				
Tax Schedule No.:	7600000001			Recordation:	214095435
Legal Description:	PART OF SE4NW4, SW4NE4 SEC 1-16-67			Type of Deed:	Warranty
Grantor:	Patricia Cunningham			Date of Sale:	10/17/2014
Grantee:	Craig S. Egbert, Derek Egbert, Leisa Egbert			Selling Price:	$275,000
Sale Confirmed By:	Grantor		Cash Equivalent Price:		$275,000
Appraiser Confirming:	Kyle Wigington		Date Confirmed:		7/7/2015
Condition of Sale:	Arm's Length	Rights Conveyed:	Conservation easement encumbered	Access:	Private
Amenities	Outbuildings	Land Area (Ac)	30.0	Location:	Highway 115
Topography:	Canyon	Utilities:	Well	Flood Plain:	No impact
Year Built:	N/A	Zoning:	A-5	Shape:	Rectangular
Highest and Best Use:	Rural Residential	Use When Sold:	Vacant land		
Financing Terms:	Typical of market				
Comments:	Water taps available.				

LAND SALES ADJUSTMENT CHART

Criteria	Subject	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5	Sale 6	Sale 7
Address		Manitou Section 16	Section 23-15-67	Cheyenne Mtn. State Park	00 Little Turkey Creek Road	1725 Rock Creek Canyon Road	10010 Highway 115	9860 South Highway 115
Sale Date	N/A	12/7/2010	9/16/2008	1/31/2008	1/20/2014	12/2/2014	6/19/2015	10/17/2014
Size (Acres)	186.0	640.0	80.0	94.43	45.75	40.0	18.19	30.0
Sale Price	N/A	$3,800,000	$538,400	$441,000	$184,315	$302,000	$124,000	$275,000
Sale Price/Acre	N/A	$5,938	$6,730	$4,670	$4,029	$7,550	$6,817	$9,167
INITIAL ADJUSTMENTS								
Property Rights Transferred	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Adjustment		$0	$0	$0	$0	$0	$0	$0
Cash Equivalent		Market	Market	Market	Market	Market	Market	Market
Adjustment		$0	$0	$0	$0	$0	$0	$0
Condition of Sale		Typical	Typical	Typical	Typical	Bank Discount	Typical	Typical
Adjustment		$0	$0	$0	$0	$20,000	$0	$0
Age of Sale (Years)		5	7	7	1	1	0	1
Time Adjustment		$760,000	$107,680	$88,200	$0	$0	$0	$0
Adjusted Sale Price		**$4,560,000**	**$646,080**	**$529,200**	**$184,315**	**$322,000**	**$124,000**	**$275,000**
Adjusted Price/Acre		**$7,125**	**$8,076**	**$5,604**	**$4,029**	**$8,050**	**$6,817**	**$9,167**
OTHER ADJUSTMENTS								
Location	North Cheyenne Canyon	NW of Bear Creek Road	Secton 23-15-67	Cheyenne Mtn. State Park	Little Turkey Creek Road	Rock Creek Canyon Road	Highway 115	South Highway 115
Adjustment		0%	0%	0%	0%	0%	0%	0%
Parcel Size (Acres)	186	640.0	80.0	94.43	45.75	40.0	18.19	30.0
Adjustment		0%	0%	0%	0%	0%	0%	0%
Topography	Moderate/Mtn	Similar	Similar	Similar	Similar	Similar	Similar	Similar
Adjustment		0%	0%	0%	0%	0%	0%	0%
Shape of Parcel	Irregular	Similar	Similar	Similar	Similar	Similar	Similar	Similar
Adjustment		0%	0%	0%	0%	0%	0%	0%
Zoning	PK HS, F-5	Similar	Similar	Similar	Similar	Similar	Similar	Similar
Adjustment		0%	0%	0%	0%	0%	0%	0%
Amenities	Trees, views	Similar	Similar	Similar	Similar	Similar	Similar	Similar
Adjustment		0%	0%	0%	0%	0%	0%	0%
Highest Best Use	Rec, Open, Preserve	Similar	Similar	Similar	Inferior	Inferior	Inferior	Similar
Adjustment		0%	0%	0%	20%	20%	20%	-20%
Utilities	None	Similar	Similar	Similar	Superior	Superior	Similar	Superior
Adjustment		0%	0%	0%	-5%	-5%	0%	-5%
Access	Exterior Roads	Inferior	Inferior	Inferior	Similar	Similar	Superior	Superior
Adjustment		20%	20%	20%	0%	0%	-10%	-10%
TOTAL ADJUSTMENTS		20%	20%	20%	15%	15%	10%	-35%
ADJUSTED VALUE $/ACRE		**$8,550**	**$9,691**	**$6,725**	**$4,633**	**$9,258**	**$7,499**	**$5,959**
INDICATED VALUE/ACRE	**$8,500**							

Analysis of Comparable Land Sales

According to the Appraisal of Real Estate, 14th edition, page 309, there are certain elements of comparison that should be considered in sales comparison analysis. Others may be required, based on the particular aspects of the valuation assignment.

- Real property rights conveyed
- Financing terms (i.e., cash equivalency)
- Conditions of sale (i.e., motivation)
- Market conditions (i.e., time)
- Location
- Physical characteristics (e.g., size, access, shape, topography)
- Amenities (trees, views, creeks, etc.)

In most cases, adjustments are required to the sales price of a comparable to reflect the differences between it and the subject. *Quantitative* techniques are generally desirable when the data support their use. These techniques may include paired data set analysis, statistical analysis, trend analysis, cost-related analysis and secondary data analysis. *Qualitative* techniques, such as relative comparison analysis, ranking analysis and personal interviews, may be appropriate when the comparables do not support quantitative analyses. Both quantitative and qualitative adjustment techniques are used in this appraisal.

Conditions of Sale

Sale 5 was sold at a discount by a bank to the new owner. This discount was verified by the bank as well as a paired analysis with other sale properties in the area. A positive adjustment is warranted for the sale. All other sales were considered at market in terms of conditions of sale.

Time

Given the unique nature of the subject parcel and the sales that had to be utilized in the analysis due to the comparability of same, three of the sales (Sales, 1, 2, and 3) are up to seven years in the past. It is understood in the market that there has been an increase in market values since that time overall for the Colorado Springs market. That said, it is somewhat difficult to prove that increase based solely on a paired sales analysis. However, looking at the remainder of the sales uses in the analysis that occurred recently we can lend support to overall generic market data that indicates a positive adjustment for time is warranted for sales 1, 2 and 3.

Location

All of the sales are located on the west side of Colorado Springs in El Paso County and we are unable to support an adjustment for any of the sales related to location.

Size

Typically we would see the potential for size adjustments for sales that are approximately 200 acres when compared with sales that are approximately 20 acres in sizes. Normally, the smaller the parcel the higher the price per unit of comparison. A pairing of the sales used in this analysis does not support such an adjustment. Smaller tracts tend to sell at approximately the same unit value all other things being equal. No size adjustment can be supported for this analysis.

Topography

The subject as well as all of the sales are located in a mountain area with portions of steep and rugged terrain. This steep and rugged terrain is present on the majority of the subject property limiting access to same. No topography adjustments are indicated to the sales based on similar topographical issues.

Shape

The market does not seem to support an adjustment based on the physical shape of the parcels as most of these types of mountain parcels are normally irregular in shape.

Zoning

All of the parcels have similar zoning regardless of current use. No zoning adjustment is indicated.

Amenities

Sale 5 had a dwelling located on the parcel that reportedly did not add significant value to the sales price paid. All other amenities are considered similar. No adjustments are warranted.

Highest and Best Use

This attribute presents a unique challenge in this report. It appears from a pairing of the sales available that those properties with uses consistent with parks, recreation and open space tend to sell for more than those identified solely for rural residential use. As such, we have applied an adjustment to Sales 4, 5, 6 and 7 to reflect this unique situation.

Utilities

For Sales 4, 5 and 7 it was reported that wells exist on the property. As such, a minimal adjustment is applied to those sales to reflect the minimal added value attributable to the well.

Access

It appears that Sales 1, 2 and 3 have inferior access to the perimeter and Sales 6 and 7 are considered superior based on access to Hwy 115. We have applied adjustments to those sales to reflect the access present at the time of sale for each of the properties.

Value Estimate

The estimated underlying value is developed based on the application of the estimated price per acre value developed in the previous sales comparison approach.

We have relied primarily upon those sales of property purchased by the governmental entities absent the threat of condemnation where the price was set by market conditions (Sales 1, 2 and 3). We have utilized the newer sales for support of those indicated values. To simplify the rational, it would stand to reason that the most probably price to be assigned to a potential sale of a park and open space property would be commensurate with what was paid for a similar parcel taking into account the time factor. That range of value is estimated from $5,604 per acre to $8,076 per acre unadjusted and $6,725 per acre to $9,691 per acre as adjusted. We have estimated a value estimate close to the middle of that adjusted range with support from Sales 4-7.

Accordingly, the estimated market value for the subject parcel is as follows:

186 Deeded Acres x $8,500 per acre = $1,581,000

Competency Provision

The guidelines of the Uniform Standards of Professional Practice (USPAP) of the Appraisal Foundation as mandated under the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) requires that:

> Prior to accepting an assignment or entering into an agreement to perform any assignment, an appraiser must properly identify the problem to be addressed and have the knowledge and experience to complete the assignment competently.

The signatory to this report has prepared appraisals that are similar in location and type to the subject property and meets the competency provision as set forth by USPAP.

Addenda

1. Appraiser Qualifications

Qualifications of Appraiser

CURRICULUM VITAE
KYLE L. WIGINGTON, J.D.

P.O. Box 88455
Colorado Springs, Colorado 80908
719-635-9614
Kyle.Wigington@WigingtonLaw.com

EDUCATION

Juris Doctor (JD) - Hamline University School of Law, St. Paul, MN - 1998

Master of Arts (MA) - Webster University, St. Louis, MO - 1988

Bachelor of Arts (BA) - Chadron State College, Chadron, NE - 1983

Associate of Applied Science (AS) - Community College – U.S. Air Force - 1986

EXPERIENCE

Attorney at Law - Admitted: Colorado State Courts and U.S. District of Colorado

Certified General Real Estate Appraiser – State of Colorado

Conducted Appraisal Assignments in Colorado, Nebraska, South Dakota, Idaho, Wyoming, Kansas, Iowa, Minnesota, New Mexico, California, Ohio, Texas

Licensed Real Estate Broker - Colorado Real Estate Commission - Inactive

Member - American Bar Association, Colorado Bar Association, El Paso County Bar Association - CBA Real Estate Section and Water Law Section

Associate Member – Appraisal Institute

Member - International Right of Way Association

Member - National Association of Realtors - Colorado Association of Realtors – Pikes Peak Area Association of Realtors

Appointed as Tax Appeal Referee - El Paso County Board of Equalization

Qualified Expert Witness in Real Estate Matters - Colorado/Minnesota/Nebraska/South Dakota

PARTIAL CLIENT LISTING

United States Department of Defense
State of Colorado Department of Transportation
State of South Dakota Department of Transportation
State of New Mexico Department of Transportation
El Paso County Colorado
La Plata County Colorado
Mesa County Colorado
Pueblo County Colorado
Arapahoe County Colorado
Clear Creek County Colorado
Teller County Colorado
City of Colorado Springs Colorado
City of Durango Colorado
City of Montrose Colorado
City of Grand Junction Colorado
City of Delta Colorado
Town of Georgetown Colorado
Colorado Springs Utilities
Sunflower Electric Power Corporation
Intermountain Rural Electric Association
Cherokee Metropolitan District
Baptist Road Rural Transportation Authority
Pikes Peak Regional Transportation Authority
Woodmen Road Metropolitan District
Climax Molybdenum Corporation
Black Forest Fire District
Security Fire Protection District
Land Services, Inc.
TRS Corporation
URS Corporation
Wilson & Company
Nolte & Associates
H.C. Peck & Associates
DMJM/Harris
J.F. Sato & Associates
Universal Field Services
AT&T Corporation
Power Engineers
Safeway Incorporated
First National Bank of Canyon City
Norwest Investment and Trust
Wells Fargo Bank
Peoples National Bank

PARTIAL PROJECT LISTING

Southern Delivery System Water Pipeline Project – Southern Colorado
Woodmen Road/Academy Boulevard Interchange – Colorado Springs, CO
U.S. 550 Widening Project – Bloomfield, NM
Hodgen Road Widening Project – El Paso County, CO
U.S. Department of Defense Buffer Zone – Ft. Carson, CO
4th Street Bride Realignment – Pueblo, CO
Interstate 90 Realignment – Rapid City, SD
Montrose Westside Arterial/Grand Avenue – Montrose, CO
Woodmen Road Safety Corridor Improvement Project – Colorado Springs, CO
Guanella Pass Widening Project – Georgetown, CO
Vincent Drive Realignment – Colorado Springs
La Plata County Highway Project – Durango, CO
Platte/Powers Interchange Redesign – Colorado Springs, CO
Proby Parkway Roadway Construction – Colorado Springs, CO
North Ft. Dodge to Lancer 115 Kv Transmission Line – Dodge City, KS
Vacated Railroad Right of Way Consulting Report – Climax Mine, Leadville, CO
Electrical Transmission Project – Clipper Windpower Development, El Paso County, CO
El Paso County Board of Equalization – Tax Appeal Arbitrations
Teller County Board of Equalization – Tax Appeal Arbitrations
County Line Road Realignment Project – El Paso County Colorado
Cherokee Water District Pipeline Construction Project – El Paso County, CO
Baptist Road Realignment/Construction Project – El Paso County, CO
23 & G Road Intersection – City of Grand Junction, CO
Black Forest and Burgess Intersection – El Paso County, CO
Parks, Trails and Open Space Acquisitions – City of Colorado Springs, CO
State of Nebraska Tax Appeal Litigation TERC Commission – Dawes County, NE
Meridian Road Widening Project – El Paso County, CO
B Street Bridge Construction – El Paso County, CO
Broncos Parkway Expansion – Arapahoe County, CO
City of Delta Truck Bypass/Confluence Drive – Delta, CO
Powers/Woodmen Road Interchange – Colorado Springs, CO
U.S. Highway 24 Widening Project – El Paso County, CO
Interstate 25 Bridge Bypass – Trinidad, CO
Interstate 25 Widening Project – Colorado Springs, CO
Parks, Trails and Open Space Acquisition – Durango, CO

PRIOR EXPERT WITNESS DESIGNATION BY COURT JURISDICTION (APPRAISAL)

Colorado State District Court

El Paso County	CSU v. Lorson Ranches, LLC	Eminent Domain	2016
	CSU v. Group XIX Land & Cattle	Eminent Domain	2014
	CSU v. Norris	Eminent Domain	2013
	CSU v. Ultra Petroleum	Eminent Domain	2013
	City C/S v. Bink'M, LLC	Eminent Domain	2011
	City C/S v. York Plaza, LLC	Eminent Domain	2010
	City C/S v. Anderson Mahon Ent.	Eminent Domain	2009
	City C/S v. Colo. Ranch Homes LLC	Eminent Domain	2009
	City C/S v. Woodmen Center 99, LLC	Eminent Domain	2009
	El Paso County v. Good	Eminent Domain	2009
	El Paso County v. Salinas	Eminent Domain	2009
	State v. List	Eminent Domain	2009
	State v. Bridle Pass, LLC	Eminent Domain	2006
	State v. Jenkins	Eminent Domain	2006
	State v. Dalby	Eminent Domain	2004
	State v. Capital Pacific Holdings	Eminent Domain	2004
	Collazo v. WIIN	Contract Action	2003
	Leyton v. Leyton	Dissolution of Marriage	2001
	Beech v. Beech	Partition Action	2001
	Dang v. Sullivan	Lease/Contract Action	2002
	Lane v. Sun	Lease/Contract Action	1999
Pueblo County	CSU v. Walker Ranches, LLP	Eminent Domain	2015
	CSU v. Kay	Eminent Domain	2012
	CSU v. Maxwell	Eminent Domain	2012
	CSU v. Walsh	Eminent Domain	2012
	CSU v. PAL Construction	Eminent Domain	2011
	CSU v. Bell	Eminent Domain	2011
Teller County	State v. Silvers	Eminent Domain	2004
Weld County	Johnson v. Norwest Bank	Contract Action	1997

Nebraska State Supreme Court

Review of Expert Testimony in TERC Proceedings (Property Tax Valuation) 2005

State of Nebraska TERC Commission

Testified before the State of Nebraska TERC Commission re: Dawes County Tax Assessments 2005

State of South Dakota

Meade County	State v. Norman	Eminent Domain	2008

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State of Colorado
Department of Regulatory Agencies
Division of Real Estate

COPY

Board of Real Estate Appraisers

Kyle Lee Wigington

Certified General Appraiser

Marcia Waters

Director: Marcia Waters

License #: CG.001315439
Status: Active
Expires: 12/31/2016

COPY

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