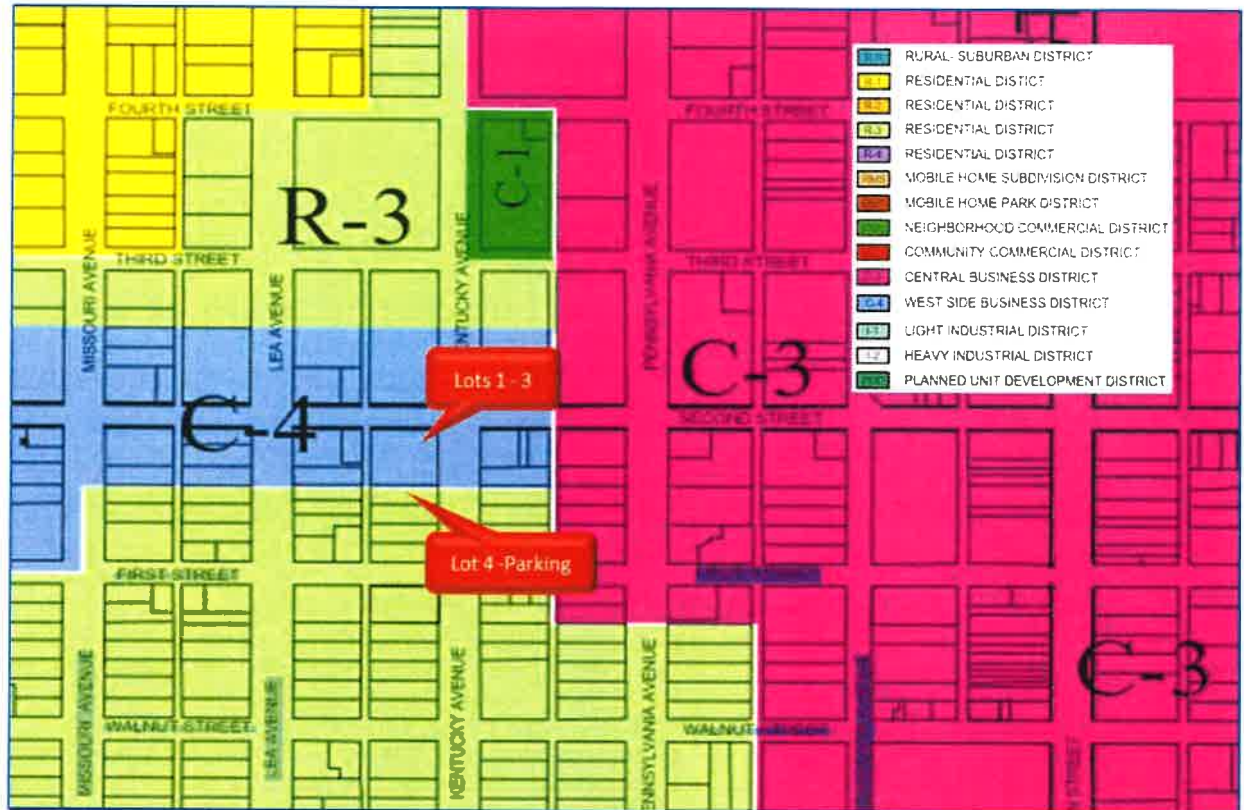


Zoning Map:



Details of the Subject Site:

Location: 400 – 404 W. Second Street, Roswell, New Mexico (improved property)
106 N. Kentucky Avenue, Roswell, New Mexico (graveled parking lot)

This is the southwest corner of W. Second Street and Kentucky Avenue, a non-signalized intersection centrally located within the city.

Size & Shape: Per Chaves County records, the site is rectangular in shape with a land area of 32,000 SF. Please see the included exhibits for visual reference.

Frontage, Access & Traffic Flow: The Subject site is bound by two city streets and an alley. It has 160' of frontage on W. Second Street along the north property line, 200' of frontage on N. Kentucky Avenue along the east line, 160' of along the south property line, and 200' along the alley on the west property line. West Second Street, also US 70/380, is the primary east-west arterial through the city. As such, it is a heavily developed commercial corridor. In front of the Subject property, it has two driving lanes in each direction, a center turn lane, curb, gutter, sidewalks and street lights. The Subject site has good access and visibility from both streets and the alley.

Topography & Terrain: The site is level and at street grade. The topography and terrain are typical for the area and the site is entirely usable.

Soils: The site appears to consist of native soils. Soils are typical and assumed to be adequate for reasonable development.

Environmental: I am unaware of any environmental assessments of the Subject property. No obvious environmental contamination or potential hazards for contamination were noted during the appraisal inspection. The Subject property is assumed to be free and clear of environmental contamination and the concluded market value is predicated on this assumption. If environmental contamination is of concern, I advise an environment study by a qualified professional. Please refer to the Assumptions & Limiting Conditions included in this report for further information regarding this matter.

Easements & Encumbrances: No easements, encumbrances or encroachments were noted during the property inspection but without the benefit of a survey. It is an assumption of this assignment that there are no encumbrances or restrictions that would adversely affect the Subject property.

Utilities & Services: The Subject is within the City of Roswell and has access to all standard services and utilities. These services include water/sewer/garbage from the City of Roswell, natural gas from NM Gas, electricity from Xcel Energy and telecommunications from CenturyLink and/or Cable One. All services are currently in use at the property.

Police protection is provided by the Roswell Police Department and the Chaves County Sherriff's Department. Fire protection is provided by the Roswell Fire Department. The public infrastructure is maintained by the City of Roswell.

Flood Hazard: The Subject property is shown on FEMA Flood Insurance Rate Map #35005C1370D effective September 25, 2009. Per the map, the property falls within Zone X, an area of minimal flood hazard from the principal source of flood in the area and determined to be outside the 0.2 percent annual chance floodplain. A flood map identifying the Subject property was presented on the previous page.

Zoning & Restrictions: The Subject property is located in the city limits of Roswell and Lots 1 – 3 are zoned for C-4 West Side Business District use. This district is "intended to provide for a wide variety of retail, personal service, wholesale office, and other general service types of uses for the consumer population of the entire community and to accommodate for the typically heavy traffic generating characteristics and potentially detrimental appearance and performance of the uses in this district" Uses allowed in this district include, but are not limited to, offices, financial institutions, restaurants, parking lots, places of worship, and retail stores.

The Subject's Lot 4 is zoned R-3 Residential District, a purpose that allows "other non-residential uses that are compatible with the surrounding area and which uphold and maintain the medium density residential district".

The Subject's current use as a multitenant office property is an allowable use in the C-4 West Side Business District, and it's adjoining lot in the R-3 Residential District