

SOLAR IMPACT STUDY OF
PROPOSED SOLAR FACILITY ON NM 14
NEAR SANTA FE, SANTA FE COUNTY, NM

DATE
MARCH 21, 2023

EFFECTIVE DATE OF THE STUDY
FEBRUARY 2023

PREPARED FOR
JONATHAN MOORE
AES CORPORATION

HIPPAUF DRY + CONNELLY

REAL ESTATE APPRAISERS AND CONSULTANTS

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RANCHO VIEJO SOLAR IMPACT STUDY SUMMARY

At the request of Jonathan Moore, of the AES Corporation, I have reviewed and summarized the Rancho Viejo Solar Impact Study ("Study") completed by Richard Kirkland, Jr., MAI ("Mr. Kirkland"). In this study, Mr. Kirkland considered the impact of a proposed 96 MW solar farm and an adjoining 48 MWAC Battery Energy Storage System ("BESS"). The solar farm is to be constructed on approximately 758.96 acres of a parent tract with 8,225 acres off NM 14 Highway, near Santa Fe, Santa Fe County, New Mexico. The intent of the study was to analyze whether the proposed solar farm will or will not be injurious to or diminish the use, value and enjoyment of other property in the immediate vicinity for uses already permitted as well as whether or not it will impede the normal and orderly development and improvements of surrounding property for uses permitted by right in the zoning districts of surrounding property. Mr. Kirkland conducted his analysis using the standards and practices established by the Appraisal Institute and that conform to the Uniform Standards of Appraisal Practice. The standards and practices have also been accepted by the courts at the trial and appellate levels and by federal courts throughout the country as adequate to reach conclusions about the likely impact a use will have on adjoining or abutting properties.

Generally, the report consists of other impact studies, professional articles and the analysis generally employed is a Matched Pair Analysis or Paired Sales Analysis. The Paired Sales Analysis is based on the theory that when two properties are in all other respects equivalent, a single difference can be measured to indicate the difference in price between them.

The effective date of the report is February 2023.

I. RESEARCH ON SOLAR FARMS

A. Appraisal Market Studies

The first studies provided were prior impact studies on solar farms completed by other appraisers.

1. The first study considered was an impact study completed by CohnReznick in June of 2020. This study addresses impacts on value from eight different solar farms in seven different states. It analyzed a total of 24 adjacent property sales in the test areas and 81 comparable sales in the control area over a five-year

period. The conclusion of this study was no evidence of negative impact on adjoining property values based on sale prices, conditions of sale, overall marketability, potential for new development or rate of appreciation.

2. The second study was completed by Christian P. Kaila and George J. Finley of Christian P. Kaila & Associates in June of 2020. They studied a proposed 83 MW facility on 886 acres. They interviewed other appraisers and reviewed university studies. Mr. Kaila interviewed county planners and real estate assessors in 8 different Virginia counties. They also discussed comparable impacts of other development allowed in the area. They concluded no impact on property values adjoining the solar farm.

3. The third was an analysis completed by Fred Beck in 2013 for a proposed solar farm. In his analysis he concluded that the proposed solar farm had a negative impact on surrounding property values. His analysis also relied on a single cancelled contract for an adjoining parcel where the contracted buyers indicated the solar farm was the reason for cancellation.

Mr. Beck was also interviewed as part of the Christian Kalia study noted above. Mr. Kalia stated Mr. Beck's one sale that fell through was unreliable and it was misleading on Mr. Beck's part to report lower re-assessments since the primary cause of the re-assessments was based on a biased party. Also noted in Mr. Kalia's interview notes, Mr. Beck contradicted his analysis.

Mr. Kirkland was present at the hearing where Mr. Beck presented his findings and the predominance of his argument was based on the same cancelled sale as well as a matched pair analysis of high-end homes adjoining a four-story call center. Furthermore, Mr. Beck had matched pairs adjoining a solar farm in his study that he ignored and put in the back of his report.

4. William J. Sapio of NorthStar Appraisal Company completed an impact analysis in September 2020 which considered a matched pair analysis of the potential impact of neighboring property on a 150 MW solar farm. Mr. Sapio considered sales activity in a subdivision and identified two recent new homes constructed and sold adjoining a solar farm. He concluded no negative impact on adjoining property value.

5. Mark Pomykacz of MR Valuation Consulting, LLC completed a matched pair analysis of sales near two solar farm developments in June of 2012. He concluded no impact on property value, marketing time and no additional risk involved with owning, building, or selling property next to a solar farm.

6. In 2021, Mary McClinton Clay reviewed a report by Kirkland appraisals in this case. She concluded a negative impact of value due to a solar farm. Mr. Kirkland noted she refutes a number of other appraisal studies with heavily researched opinions while commending the results of poorly researched studies. Mr. Kirkland states her claims are due to inappropriate market condition adjustments, a lack of confirmation of comparable sales and the exclusion of data that does not support her claim.

Of the five studies above, the two that concluded a negative impact to value included the Fred Beck study which was based on no actual sales data and the other by Mary Clay which shows improper adjustments for time, a lack of confirmation of sales and exclusion of data contrary to her position. Overall, Mr. Kirkland relies on studies that have “actual sales data” and rejects the Beck and Clay studies. It should be noted that his (this) report includes various means of analysis/opinion as well as significant sales data.

B. Articles

1. The Farm Journal Guest Editor titled “Solar’s Impact on Rural Property Values” was published by Andy Ames of the American Society of Farm Mangers and Rural Appraisers in March of 2021. Mr. Ames included the findings of Donald Fisher that state in suburban or rural areas findings show a neutral or positive impact in vale. He also included comments by Howard Halderman who concluded no impact of value due to solar farms. Mr. James also cites no impact of value.

2. Megan Day of the National Renewable Energy Laboratory published “Top Five Large-Scale Solar Myths” in 2016. Myth #4 addressed numerous studies on wind farms that show no impact on property value and that solar farms have a significantly reduced visual impact from wind farms. She stated that the appearance can be addressed through vegetative screening which is not the case in wind farms given the height. The studies show no impact on value adjoining wind farms.

3. Tommy Cleveland and David Sarkisian wrote a white paper for NCSU NC Clean Energy Technology Center. Mr. Kirkland has interviewed Mr. Cleveland several times. This heavily researched paper with references shows no impact on the soils, erosion and other concerns. Mr. Cleveland also wrote a heavily researched white paper for the same center which addressed common concerns such as health and safety impacts related to solar farms.

C. Broker Commentary

Mr. Kirkland collected comments from brokers indicating that solar farms had no impact on the marketing, timing or sales price for the adjoining homes.

II. UNIVERSITY STUDIES

Mr. Kirkland reviewed the following studies by four different universities related to impacts of solar farms on property values:

A. The study by the University of Texas at Austin written in May 2018 considered solar farms from two angles, first that concluded solar farms are being located in low density residential areas and they conducted a survey of appraisers/assessor on their opinions of possible impacts of proximity to a solar farm. There was a very noticeable divide in answers provided by appraisers who have experience appraising property next to solar farm versus appraisers who self-identify as having no experience related to that use. The inexperienced appraisers came up with significantly higher impacts. The researchers who wrote the study indicated that “results from our survey of residential home assessors show that the majority believe that proximity to a solar installation either has no impact or a positive impact to home values”.

B. The University of Rhode Island published a study in September 2020 entitled “Property Value Impacts of Commercial Scale Solar Energy in Massachusetts and Rhode Island” with lead researchers Vasundhara Gaur and Corey Lang. This study is often cited by opponents of solar farms but the findings have very specific caveats according to the report itself as well as Mr. Kirkland’s interview of Mr. Lang. While the study does state in the abstract, they found depreciation of homes within 1-mile of a solar farm that impact is limited to non-rural locations. Where they found negative impacts was in high population density areas which was largely a factor in the study of

Massachusetts and Rhode Island which the study cites as being the 2nd and 3rd most population dense states in the USA. Mr. Lang also indicated that Mr. Kirkland concluded that the population for both Santa Fe South CCD of Santa Fe County has a population well below the threshold indicated by the Rhode Island study. Mr. Kirkland therefore, concluded that the study supports no indication of impact.

C. The study completed by Nino Abashidze for Georgia Institute of Technology in October 2020 analyzed properties near 451 utility-scale ground-mount solar installations in NC that generate at least 1 MW of electric power. The analysis supports a finding of no impact on adjoining agricultural property values and in some cases could support a modest increase in value.

D. A study completed as part of a Master of Science in Geography Master's Thesis by Zachary Dickerson in July 2018 was done through a survey and interview with adjacent and nearby neighbors of existing solar farms. The positive to neutral comments were significantly higher than negative therefore, the results show respondents did not believe solar farms posed a threat to their property values.

III. ASSESSOR SURVEYS

Mr. Kirkland attempted to contact every assessor department in New Mexico to determine how assessors are handling solar farms and adjoining property values. He received 5 responses indicating they make no adjustment to properties adjoining solar farms. Mr. Kirkland also completed surveys in four other states as well. He found no responses from any assessor that they make negative adjustments to adjoining properties. Mr. Kirkland received a total of 79 assessor responses. A total of 69 responses were definitely no with an additional 10 being no response.

IV. SOLAR PROJECTS IN NEW MEXICO

Mr. Kirkland researched solar projects in New Mexico. He identified them through the Solar Energy Industries Association Major Projects List and excluded the roof mounted facilities. He focused on larger solar farms over 5 MW that were in operation. He identified 9 solar farms in New Mexico for research. None of the projects allowed Mr. Kirkland to perform a matched pair analysis. He contacted brokers and one of the brokers he contacted indicated she thought it was a strange question and that she never heard of any concerns related to solar farms before.

V. MARKET ANALYSIS OF THE IMPACT ON VALUE FROM SOLAR FARMS

Mr. Kirkland researched hundreds of solar farms in a number of states to determine the impact of these facilities on the value of the adjoining properties. In his over 900 studies, he found a striking repetition of the same typical adjoining use mix in over 90% of the solar farms he looked at. Matched pair results in multiple states are strikingly similar, and all indicate that solar farms, which generate very little traffic, don't generate noise nor have other harmful effects and therefore do not negatively impact the value of adjoining or abutting properties.

A. Picture Rocks, Tucson, Pima County. This solar farm was built in 2012 on a 302.80-acre tract but utilizing only 182 acres. The facility is a 20 MW facility with a residential subdivision to the south and larger lot homes to the north, south and west. The matched pairs ranged from 970-1,100 feet from the closest solar panel and shows no negative impact due to proximity to the solar farm. The average impacts range from +1% to +5% which is within a typical variation for real estate and supports a conclusion of no impact.

B. Avra Valley, Tucson, Pima County. This solar farm was built in 2013 on a 319.86-acre tract but utilizing only 246 acres. This is a 25 MW facility with residential uses to the west. Mr. Kirkland identified two sales of manufactured homes that are in close proximity. The matched pairs range from 1,467-1,697 feet from the closest solar panel and shows no negative impact due to proximity to the solar farm. The average measured impacts range from -1% to 0% which is within a typical variation for real estate and supports a conclusion of no impact.

C. Sunshine Valley Solar, Amargosa Valley, NV. This solar farm was built in 2019 for a 104 MW facility with residential uses to the south. There was a recent 2020 sale of an adjoining property and it was the highest sales price in the Amargosa Valley area in the last five years Mr. Kirkland could find. That in itself strongly suggests the solar farm had no impact on the sales price. He also focused on other nearby sales in the same valley but not near the solar farm.

D. Matched Pair – Alamo 2 Solar, Converse, Bexar County, TX. This project is located at 8203 Binz-Engleman Road, Converse, TX on 98.37 acres with a 4.4 MW output. This farm strongly shows an acceptance of nearby residential development

in close proximity to solar farms. Mr. Kirkland considered home sales in three adjoining subdivisions to look at matched pair data. Mr. Kirkland concluded that the matched pairs show no impact on property value and that the homes in the area are showing typical appreciation consistent with other homes not in the vicinity of solar farms. All of the sales show appreciation that falls within the typical annual appreciation from homes in this area over this time period. He also considered a number of sales and resales of adjoining homes to look at appreciation adjoining the solar farm as compared to sales and resales of homes not adjoining the solar farm. The nearby sales not adjoining the solar farm show an average annual increase of 3.85% per year with a range of 0.47% up to 8.34% and a median increase of 3.64%. The homes adjoining the solar farms show an average annual increase of 4.49% per year with a range of 2.77% and 5.45% and a median of 5.21%. The increases adjoining the solar farm are actually higher than those nearby and sternly supports the assertion of no impact on property value. Mr. Kirkland also looked at three recent sales. The six matched pairs provided a good indication of no impact for these homes adjoining the solar farm. The pairs showed a range of average impacts for -3% to +6% with an average of +3% and a median of +3%. The best indicator for each matched pair is not the average but the one requiring the least adjustment. In order this would be +5%, -2%, +1%, -1%, +2% and +7% with an average of +2% and a median of +2%. These data points strongly show no impact on property value due to the adjacency to the solar farm.

E. Matched Pair – Eddy II Solar, Eddy, McLennan County, TX. This 10 MW project was built in 2017 and is located on 93.24 acres with the closest home around 400 feet and that home adjoins the substation at the southeast corner of the facility. Mr. Kirkland considered a number of sales to the north on Anna Hobbs Land and another sale on Hudson Lane. The five matched pairs provide a good indication of no impact for these homes adjoining the solar farm. He excluded the first sale of 205 Anna Hobbs prior to the update as the difference indicated in the first sale is clearly attributable to the lack of updating of the home. The five matched pairs show a range of average impacts from -4% to +11% with an average of +2.8% and a median of +4%. The best indicator for each matched pair is not the average but the one requiring the least adjustment. In order this would be +2%, -2%, -3%, +6% and +1% with an average

of +0.60% and a median of +1%. These data points strongly show no impact on property value.

F. Matched Pair – Somerset Solar, Somerset, Bexar County, TX. This 10.6 MW project has older and new homes adjoining to the south and east. Mr. Kirkland considered a sale of two lots along W. Dixon Road that back up the solar farm. These two lots total 2.4 acres and sold in August for \$75,000 or \$37,500 per 1.2-acre lot. A similar lot sold in March for \$37,500 for 1-acre lot and another similar 1-acre lot sold for \$40,000. He also looked at the sale of a 3.05-acre lot for \$70,000. The size is very similar and likely could support two homes sites similar to the W. Dixon Road land sale. These lot sales show no negative impact due to the adjacent solar farm.

G. Grazing Yak Solar, Calhan, El Paso County, CO. This project is a 35 MW facility located on a 271.93-acre tract that was built in 2019. There are windmills nearby. Mr. Kirkland considered a sale which includes an older dwelling that is only 660 feet from the nearest solar panel. The property includes 46.09 acres and the dwelling was in poor condition. Mr. Kirkland spoke with Jody Heffner, the broker who sold this tract, who indicated that the solar farm had no impact on the purchase price and the nearby windfarm likely had no impact. Mr. Kirkland stated properties needing significant repairs are difficult to use in a paired analysis without good estimates of the needed repairs. He did not attempt a paired sales analysis but relied on the brokers' comments related to the solar farm having no impact on the sales price.

H. San Luis Valley Solar, Hopper, Alamos County, CO. This project was built in 2010 and located on a portion of a 308-acre tract for a 35 MW with the closest home at 620 feet from the closest solar panel. Mr. Kirkland considered a current listing of Parcel 10 that is 620 feet from the closest solar panel. This property has not sold and has been on the market for 40 days. Mr. Kirkland spoke with Bill Werner of Werner Realty who is marketing the home. He indicated that the farm has no impact on the marketing price or the marketing time. He indicated there were few homes in the area to choose from which made it difficult for Mr. Kirkland to do a paired sales analysis on his asking price. Mr. Kirkland could not do a paired sales analysis so he relied on the brokers comments.

I. SR Jenkins Fort Lupton, Fort Lupton, Weld County, OC. This project is a 13 MW facility located on a 141.89-acre tract that was built in 2016. Mr. Kirkland considered the 2020 sale of Parcel 5 (16230 Highway 52, Lupton, CO). The home on this parcel is 525 feet from the closest solar panel. The collection of buildings and acreage is very unique which limited the reliability of a paired sale analysis. Mr. Kirkland spoke with Lia Moen, the buyer's realtor, who indicated the solar farm was not a concern at all for the buyer. She further notes that the buyer was her mother-in-law and the solar farm has been a quiet neighbor and is not a concern for the buyer. She further indicated it would be difficult to compare this sale to other properties in the area due to the unique assemblage of buildings on the property. Mr. Kirkland did not complete a paired sales analysis on this sale but considered the comments by the broker in this analysis.

VI. SPECIFIC FACTORS RELATED TO IMPACTS ON VALUE

Mr. Kirkland completed a number of impact studies related to a variety of issues and found the most common areas for impact on adjoining values follow a hierarchy with descending levels of potential impact, hazardous material, odor, noise, traffic, stigma and appearance. A solar farm presents no potential hazardous waste product and has no known environmental impacts associated with development and operation. The solar farms he inspected produced no odor and were inaudible from roadways. Relative to other potential uses of the site additional traffic generated by a solar farm is insignificant. There is also no stigma associated with solar farms and people generally respond favorably toward such a use. He notes some of the positive implications of a solar farm that have been expressed by people living next to them such as protection from future development, reduces dust, odor and chemical from former farming operations, protection from light pollution, its quiet and there is no traffic.

VII. BATTERY ENERGY STORAGE SYSTEMS (BESS)

Mr. Kirkland considered the following battery storage facilities in a variety of states for a comparison of similar BESS in proximity to resident uses.

A. Ozone Park Batteries. This system is located on 99th Street in Jamaica, Queens, NY. The two closest structures are a school at 65 feet and a church at 30 feet from the batteries. The nearby homes are on the opposing block but the proximity to

the school illustrate a high confidence in public safety. The matched pairs support a finding of no impact on value due to proximity to the battery system.

B. Pomona Batteries. This system is located at 23 Diltz Road, Pomona, Rockland, NY. Its location is more remote than the other system with greater distances separating homes from batteries but adjoining uses are either residential or park. The site shows harmonious use in connection with residential uses.

C. Asheville Energy Storage System. This 9 MW system is located on a parcel with a substation build in 2020. It has significant residential development around it but no recent sales to consider.

D. East Hampton Energy Storage System. This 5 MW system is located on a parcel with a substation and a natural gas peaker plant. This made it difficult to analyze given the multiple uses. There is significant wooded acreage separating this BESS and nearby homes.

E. Diablo Energy Storage System. This 200 MW system is located on a parcel with significant adjacency to industrial and residential uses. Mr. Kirkland concluded it would be difficult to measure impacts do to the other adjoining industrial uses that might also have an impact.

F. Prospect Energy Storage System. This 10 MW system is located on a parcel adjoining a large substation in Brazoria, TX. The only adjoining home is 400 feet away. This home has not sold since the BESS was completed in 2019 and it has an unobstructed view of the substation which made it a difficult home for impact analysis.

G. Brazoria Energy Storage System. This 9.95 MW system is located on a parcel adjoining multiple homes with 150 of the battery equipment. There have been no recent sales since this was built in 2020.

H. Gambit Energy Storage. This 102.4 MW system is located off W. Live Oak Street, Angleton, TX. This is a new facility and was placed online in June 2021. This system is a good location as there are no other externalities adjoining it to potentially impact the analysis. Given the data set, Mr. Kirkland concluded that the best indication from the match supports a finding of no impact on value.

I. Churchtown Battery Storage. This 10 MW system is located off N. Broadway, Pennsville, NJ. It is not shown on aerial imagery yet so Mr. Kirkland was

unable to determine distances to adjoining homes or identify any adjoining homes. He determined given the adjoining uses this would be a challenging site for impact analysis.

J. West Chicago Battery Storage. The 19.8 system is located off Pilsen Road, Chicago IL. Mr. Kirkland was not able to do any analysis on this site as there have been no recent sales identified.

K. McHenry Battery Storage. This 19.8 MW system is located off Illinois Highway 31, McHenry, ILL. There were two recent home sales but they effectively adjoin the small commercial use between the facility. This made it difficult to determine if the commercial use was the impact of the commercial use buffered any impact making any finding of analysis suspect and uncertain. Mr. Kirkland, however, considered two other sales. The two sales he compared support a finding of no impact on property value due to battery storage facility.

L. Plumsted Energy Storage. This 19.8 MW system is located on Monmouth Road, Cream Ridge, NJ. There was only one adjoining home but it is located 148 feet from the nearest piece of equipment and 96 feet from the fence line. The home has not sold recently and no further analysis was possible at this site.

M. Vista Energy Storage System. This 40 MW system is located off Olive Avenue, Vista, CA. This facility has significant commercial development around it but also housing as close as 115 feet from the closest equipment.

N. Chisholm Grid Energy Storage. This 200 MW system is a new facility. It is located at 9400 Asphalt Drive, Fort Worth, TX. The property to the west of this facility is an asphalt plant which complicated any analysis.

O. Port Lavaca BESS. This 9.9 MW systems is located in Lavaca, TX and is surrounded by agriculture and utility uses so Mr. Kirkland did not attempt an impact analysis.

P. BRB Magnolia BESS. This 9.95 MW system is located off Floyd Road, League City near Houston, TX. There have not been any adjoining home sales since it was built so no analysis was possible.

Mr. Kirkland was able to complete paired sales analysis on three of these situations. The analysis identified support no impact of value on adjoining properties based on actual home sales adjoining similar projects.

Review: The impact study presented by Richard Kirkland is comprehensive. Typically, readers are presented with matched-pair analysis as a sole source for conclusions. This report includes prior impact studies from other individuals, professional articles, university studies and well as substantial professional (property assessors) interview. As such, the analysis put forward is considered comprehensive and each of the different sections provided had the similar conclusion – that there is no negative impact on value of future economic opportunity as the project is currently designed.

It is important to note that throughout the wide amount of information provided, there were selective incidents where a negative impact was shown. This should provide a reader with evidence that the appraiser has maintained a lack of bias towards an end result. With reports like this, the amount of evidence collected works as a leverage to create credibility within a report. The greater the amount of evidence within an argument – the greater the credibility. However, as the amount of evidence grows, so will incidents of contrast or conflict. A report that has a substantial amount of evidence would be considered “less than objective” if all the evidence was pointed in the same direction. Mr. Kirkland was not afraid to reveal the incidents of negative impact within his report.

Most people outside the real estate industry or, specifically, the appraisal portion of the industry, do not understand how inefficiently the real estate market operates. The primary means of value measurement is shown by objectifying how buyers and sellers behave. Because we are not machines and our motivations widely differ, the results of similar real estate transactions widely differ. I have heard well respected and pedigreed appraisers opine inefficiency measurement from 3% to 10%. This means that different buyers and sellers will transaction the same piece of real estate to a market value that they both agree to and the different prices will be between 3% and 10% different. Why is this? This is due to the different motivations and varying levels of sophistication between buyer and sellers. As such, impact studies that result in positive or negative less than 5% are likely only revealing the inefficiency of all real estate markets.

Based on the information in Mr. Kirkland's report, I concur that the proposed solar project will not have a negative impact on market value, marketability or enjoyment of property in the immediate vicinity of the proposed project.

Respectfully submitted,

A handwritten signature in blue ink, appearing to be 'TC' or 'Tim Connelly', with a stylized flourish at the end.

Tim Connelly, MAI

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 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 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 performed no services as an appraiser regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment
- 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 made a personal inspection of the property that is the subject of this report.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives
- No one provided significant real property appraisal assistance to the person signing this certification
- 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 use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives
- As of the date of this report, Tim Connelly has completed the continuing education program for Designated Members of the Appraisal Institute
- As of the date of this report, Tim Connelly has completed the requirements for the continuing education program of the State of New Mexico Real Estate Appraisers Board for General Certification
- As of the date of this report, Tim Connelly, based on his background, experience, education and membership in professional organizations (MAI, Appraisal Institute) is a 'qualified appraiser', as defined by the Internal Revenue Service, to complete this assignment

Certified by,



Tim Connelly, MAI
N.M. General Certificate #03225G
Hippauf Dry & Connelly
404 Brunn School Road, Building B
Santa Fe, NM 87505
EIN #82-3614121

APPRAISER'S QUALIFICATIONS- TIM CONNELLY, MAI

Professional Memberships

- Member of the Appraisal Institute – Designated as an MAI
- The New Mexico Real Estate Appraisers' Board (General Certification #03225-G)

Professional Education

- BS, College of Education, The University of Maryland (1988)
- Masters of Social Work, West Virginia University (1993)

Appraisal Courses and Seminars

• Real Estate Appraisal (1998) • Applications of Real Estate Appraising (1998) • National USPAP update (2001, 2006, 2011, 2013, 2015, 2017, 2018, 2020, 2022) • Standards and Ethics (1998) • Introduction to Income and Cost Approach (1998) • FHA Appraising (1999) • Appraising Small Commercial Properties (1999) • Appraising Commercial and Industrial Properties (1999) • The Narrative Report (1999) • The Cost Approach (2007) • Private Appraisal Assignments (2007) • Appraisal Trends (2007) • Construction Details and Trends (2007) • Appraising Factory Built Housing (2007) • Developing and Growing an Appraisal Practice (2007) • Understanding Factory Built Housing (2007) • Information Technology for Real Estate (2007) • Appraising for the Secondary Market (2007) • Income Capitalization (2007) • Fair Housing (2007) • Disclosures and Disclaimers (2011) • Legal Descriptions (2011) • Green Buildings (2011) • Minimize your Liability (2011) • Greening the Appraisal and Real Estate Industry (2011) • Mortgage Fraud (2011)	• Sales Verification (2011) • Land and Site Valuation (2011) • REO and Foreclosures (2011) • Environmental Issues for Appraisers (2011) • Environmental Contamination of Income Properties (2011) • General Appraiser Site Valuation & Cost Approach (2011) • General Appraiser Sales Comparison Approach (2011) • Statistics and Modeling (2011) • General Appraiser Income Approach (2011) • Expert Witness (2011) • General Appraiser Market Analysis (2011) • Advanced Market Analysis (2012) • Advanced Income Capitalization (2012) • Advanced Concepts and Case Studies (2012) • Quantitative Analysis (2012) • Business Practice and Ethics (2012) • 7 – Hour USPAP update (2013 and 2015) • General Appraiser Report Writing (2013) • Condemnation Appraising: Principles & Applications (2016) • Valuation of Conservation Easements (2017) • 7 – Hour USPAP Update (2018) • Regional Economic Forecast (2019)
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Professional Experience

01/18 – Present: Hippauf Dry & Connelly: CMO
05/11 – 12/17: Hippauf and Associates, Inc., Appraiser
02/08- 02/11: Westholm and Associates, Assistant Appraiser
03/05- Present Self- employed, Conservation Consulting
03/00- 02/05 The Conservation Fund, Maryland Representative
01/98- 02/01 Mid-Shore Appraisal Service, Associate Appraiser

Clients

Clients include local and national lenders, attorneys, institutions, including state and local governmental entities, Non-government organizations and individuals.

Classes of Properties Appraised

Commercial, existing and proposed, such as offices, retail light industrial, self-storage, subdivisions, vacant land, special use properties, farm and ranch. Conservation easements.

