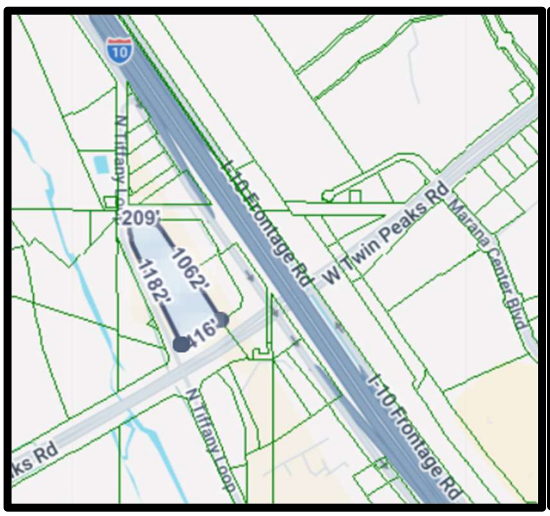
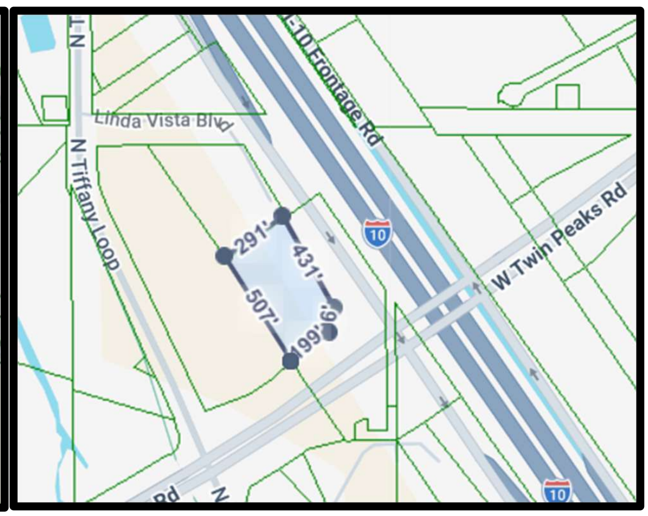
(AI aided preliminary analysis – NOT FOR RELEASE)

COURTESY AI ANALYSIS of BOTH PARCEL 226-15-015A & 226-15-013B 11.77 ACRES





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The information provided in this analysis is from 3rd parties that are deemed reliable (and AI assisted), however, ALL BUYERS, SELLERS, LENDERS & STAKEHOLDERS MUST COMPLETE THEIR OWN DUE DILIGENCE PRIOR TO INVESTING IN THIS PROJECT (or any real estate)

SEEK LEGAL AND CPA ADVISE ALONG WITH THE TYPICAL LIST OF DUE DILIGENCE ITEMS PRIOR TO INVESTING!

TWIN PEAKS PLAZA

HBU + Land & Development Valuation

11.77 Acres | Marana, AZ

(Twin Peaks Rd / Tiffany Loop Trade Area)

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1) HIGHEST & BEST USE ANALYSIS

Legally Permissible

Assuming existing commercial or transitional zoning compatible with:

- Fuel sales (subject to CUP in many municipalities)
- Drive-thru QSR
- Auto service / quick lube
- Car wash

Zoning confirmation required.

Physically Possible

11.77 acres provides:

- Multiple curb cuts
- Separate truck circulation
- Pad development opportunity
- Phased buildout flexibility

Financially Feasible

Interstate-oriented traffic + growing NW Marana rooftops support:

- Regional fuel demand
- Service retail
- Fast casual/QSR
- Auto care demand

Maximally Productive Use

A **multi-pad travel plaza configuration** with:

- Fuel anchor
- C-store
- 1–2 QSR pads
- Auto service / lube
- Potential future pad sale

This size now supports **multi-tenant income stacking**, which improves yield vs. single-user build.

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2) LAND VALUATION — 11.77 ACRES (AS-IS)

Recent interchange-oriented commercial land in NW Tucson/Marana typically trades:

- **$400,000 – $700,000 per acre**
- Premium for hard corners and fuel-entitled sites

Updated Land Value Range

Per Acre	Total Value (11.77 ac)
$400,000	**$4,708,000**
$550,000	**$6,473,500**
$700,000	**$8,239,000**

Broker/Developer Underwriting Range:

👉 **$4.7M – $8.2M**

Strategically, to maintain strong yield:

- Ideal acquisition basis ≤ **$6.5M**

3) DEVELOPMENT PROGRAM (EXPANDED FOR 11.77 AC)

At 11.77 acres, the site supports:

Option A – Integrated Travel Plaza

- 6–8 MPD fuel canopy
- 3,500–4,000 SF C-store
- 2 QSR pads (1,800–2,500 SF each)
- 4,000 SF auto service
- Future car wash
- Monument signage

Total building area: 12,000–16,000 SF

Option B – Hybrid Pad Strategy

- Develop fuel + C-store
- Ground lease 1–2 QSR pads
- Sell 1 retail pad (1–1.5 acres)
- Retain core income asset

This improves equity return and de-risks capital stack.

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4) CONSTRUCTION COST MODEL (UPDATED FOR SCALE)

Total Land Area: 512,701 SF

A) Horizontal Development (Sitework)

$8 – $16 per SF

512,701 SF × $8–$16

👉 **$4.1M – $8.2M**

Large acreage increases cost due to:

- Stormwater
- Retention
- Internal drives
- Utilities extension

B) Vertical Construction

Component	Estimated Range
Fuel canopy + tanks (6–8 MPD)	$600k – $1.2M
4,000 SF C-store	$1.0M – $1.6M
2 QSR pads	$1.0M – $2.2M
Auto service building	$1.2M – $2.0M
Car wash (optional)	$900k – $1.8M
Signage / lighting	$700k – $1.5M

Vertical Total:

👉 **$5.4M – $10.3M**

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5) TOTAL HARD CONSTRUCTION COST

Scenario	Total
Lower Build	~$9.5M
Upper Build	~$18.5M

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6) TOTAL PROJECT COST (INCLUDING LAND)

Component	Low	High
Land	$4.7M	$8.2M
Construction	$9.5M	$18.5M
Total Cost Basis	**$14.2M**	**$26.7M**

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7) STABILIZED VALUE ANALYSIS

Interstate-oriented fuel/QSR/service assets typically trade:

- **6.25% – 7.75% cap rates**
- Lower cap for credit tenants
- Higher cap for operator-run assets

NOI Targets Required

Project Value	NOI Required @ 6.75%
$15M	~$1.01M
$20M	~$1.35M
$25M	~$1.69M

A fully leased multi-pad plaza with:

- Fuel margins
- C-store retail income
- QSR ground leases
- Auto service income

can reasonably support **$1.2M – $1.8M NOI** if well executed.

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8) INDICATIVE STABILIZED VALUE RANGE

👉 **$16M – $28M+**, depending on:

- Tenant credit
- Lease structure (NNN vs MG)
- Fuel performance
- Exit cap environment

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9) STRATEGIC OBSERVATIONS (DEVELOPER VIEW)

The larger 11.77-acre configuration materially improves:

• Ability to phase
• Pad monetization strategy
• Debt coverage ratios
• Institutional exit optionality

The most capital-efficient structure would likely be:

1. Acquire land ≤ $6.5M
2. Develop core fuel + C-store
3. Ground lease QSR pads
4. Consider selling 1 excess pad to recover capital

This can reduce net basis to sub-$10M in retained improvements while maintaining $1M+ NOI.

If desired, I can now:

- Build a **5-year pro forma with IRR and equity multiple**
- Run a **ground lease valuation model**
- Create a **pad-sale decomposition strategy**
- Or analyze **land residual value backward from a target stabilized exit price**

Let me know your preferred underwriting posture (conservative, balanced, or aggressive).

COURTESY AI ANALYSIS OF ONLY THE 9.2 ACRE PARCEL 226-15-015A

Below is a **clean re-run of the Highest & Best Use (HBU) and valuation framework** for **Twin Peaks Plaza**, revised to **8.68 acres** (≈378,101 SF), keeping the **multi-service auto center + fuel + fast food** concept intact. Assumptions and market logic remain consistent with the prior analysis; only scale and totals are adjusted.

TWIN PEAKS PLAZA

Revised HBU & Valuation – 8.68 Acres

Twin Peaks Rd & Tiffany Loop | Marana, AZ 85743

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1) Highest & Best Use (UNCHANGED CONCLUSION)

HBU Determination:

A **multi-service automotive travel plaza** consisting of:

- Branded fuel station + canopy
- Convenience market
- Fast-food / QSR (drive-thru)
- Auto service / quick lube / car wash
- Western / desert architectural theme with monument signage

This remains the **maximally productive use** due to:

- Immediate proximity to **I-10**
- Strong commuter + regional traffic counts
- Growing Northwest Marana rooftops

- Large-format parcel allowing efficient circulation and stacking

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2) LAND VALUATION — 8.68 ACRES (SEPARATE & PRE-PURCHASE)

Market Context (unchanged)

- I-10 traffic ±90,000 AADT
- Twin Peaks Rd ±26,000 AADT
- Commercial land values near interchange nodes in Marana typically trade **per acre**, not per SF

Updated Land Value Range

Per-Acre Assumption	Total Land Value (8.68 ac)
Low – $400,000/ac	**$3,472,000**
Mid – $550,000/ac	**$4,774,000**
High – $700,000/ac	**$6,076,000**

Broker/Developer Opinion of Value (As-Is Land):

👉 **$3.5M – $6.1M**, highly dependent on:

- Frontage control
- Fuel entitlement certainty
- Access approvals from ADOT / Town of Marana

This range is appropriate for **pre-purchase underwriting**.

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3) DEVELOPMENT PROGRAM (RIGHT-SIZED TO 8.68 AC)

Efficient Site Yield (Typical):

- Fuel canopy + pumps (4–6 MPDs)
- ±3,000 SF convenience store
- ±2,000 SF QSR w/ drive-thru
- ±3,500 SF auto service / quick lube
- Surface parking, circulation, monument sign

Total building area: **8,500–9,500 SF**

Remaining land: circulation, queuing, truck turning, landscape buffers

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4) UPDATED CONSTRUCTION COST ESTIMATES

A. Sitework & Horizontal Improvements

(Grading, utilities, paving, drainage, landscape)

- **$8–$16 / SF of land**
- 378,101 SF × $8–$16

👉 **$3.0M – $6.0M**

B. Vertical Construction

Component	Cost Range
Fuel canopy & tanks	$400k – $850k
Convenience store	$700k – $1.1M
QSR building	$500k – $1.0M
Auto service building	$1.0M – $1.8M

Component	Cost Range
Signage / lighting / misc.	$500k – $1.2M

Total Vertical Costs:

👉 **$3.1M – $6.0M**

C. TOTAL HARD CONSTRUCTION COST (REVISED)

Scenario	Total
Low Build	**~$6.1M**
High Build	**~$12.0M**

(Excludes land, soft costs, financing, contingency)

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5) TOTAL PROJECT COST SUMMARY (8.68 AC)

Component	Low	High
Land	$3.47M	$6.08M
Hard Construction	$6.1M	$12.0M
Total Cost Basis	**$9.6M**	**$18.1M**

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6) STABILIZED VALUE – MARKET CHECK

For fuel/QSR/auto service assets in growing suburban markets:

- **Cap Rates:** ~6.25% – 7.75%
- **Required NOI to justify value:**

Value Target	NOI Required @ 6.75%
$10M	~$675k
$15M	~$1.01M
$18M	~$1.22M

A well-executed **fuel + QSR + service** mix can realistically support this NOI range if:

- Fuel gallons/day exceed regional averages
- QSR is credit or franchise-backed
- Auto service is leased or owner-operated efficiently

Indicative Stabilized Value Range:

👉 **$10M – $18M+**, tenant quality dependent

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7) DEAL STRUCTURING INSIGHT (BROKER/DEVELOPER)

- **Land should be underwritten separately** at **$400k–$600k/ac**
- Fuel entitlement materially shifts land value
- Ideal structure:
  - Acquire land ≤ **$5M**
  - Build to ± **$10–12M all-in**
  - Exit or refinance at **sub-7% cap**

If you want next:

- 📊 **Full development pro forma (NOI, IRR, equity multiple)**
- 🏦 **Ground lease vs fee-simple fuel/QSR valuation**
- 🧭 **Phased pad-sale strategy** (fuel pad sold separately)

Just tell me how aggressive you want the underwriting.

🚗 Major Roadways (Context)

Primary Access

- **Interstate 10 (I-10)** — East/West regional freeway
- **Twin Peaks Road** — Primary north/south connector from I-10 (Exit 244)
- **Tiffany Loop** — Local access linking Twin Peaks to parcels
- **Silverbell Road** — Major parallel north/south arterial ~1 mile east
- **Marana Center Blvd** — Retail corridor linking Tucson Premium Outlets to I-10

🏘 Nearby Commercial Anchors & Services (~3 Miles)

Retail & Restaurants

- **Tucson Premium Outlets** — Major outlet mall with national brands
- **Arizona Pavilions Shopping Center** — Big-box retail, casual dining, services
- **QuikTrip (Fuel & Convenience)** — Existing fuel operation near exit
- **Twin Peaks Pizzeria** — Local sit-down restaurant
- **Texas Roadhouse** — Casual dining chain south of I-10
- **Harkins Arizona Pavilions 12** — Movie theatre amenity
- Fast food / QSR: McDonald's, Chick-fil-A, Dutch Bros (Silverbell / Twin Peaks combos)
- Grocery / retail: Market 44, HomeGoods, Ross, PetSmart in adjacent centers

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🧭 Local Services

- **Groome Transportation** — Shuttle/ground transport on Tiffany Loop
- **Twin Peaks Dental** — Local service business on Twin Peaks Rd
- **Marana Chamber of Commerce / Visitor Center** — Community resource
- **UPS Store** — Shipping/mail on Tangerine Rd (south)

📌 Parcel Position Relative to Roads & Nodes

Parcels 226-15-015A & 226-15-013B

- Directly **north of I-10 / Twin Peaks interchange**
- East and south orientation allows **direct Twin Peaks Rd frontage**
- Tiffany Loop provides additional **secondary access**
- Large combined acreage supports **multi-tenant travel plaza, fuel, and auto services**

📊 Distances to Key Nodes

Destination	Approx Distance
I-10 Interchange (Twin Peaks)	~0.1 miles
Tucson Premium Outlets	~0.5–1.0 miles
Silverbell Road	~1.0 miles east

Destination	Approx Distance
Arizona Pavilions	~1.5 miles east
Central Marana commercial core	~2–3 miles

Here's **a demographic profile for the population within approximately a 5-mile radius of the Twin Peaks Rd & Tiffany Loop site (Marana/Tucson area, ZIP 85743)** — summarized with current socioeconomic, age, income, housing, and education context useful for commercial real estate underwriting and trade-area analysis:

🧑‍🤝‍🧑 POPULATION & HOUSEHOLDS (Approx. 5-mile radius — based on ZIP 85743 and broader Marana area)

Total Population:

- ~30,600 people in ZIP 85743 (2023 ACS 5-year estimate).

Population Density:

- ~259 people per square mile in 85743.

Households:

- ~10,996 total households in ZIP 85743.

💵 INCOME & ECONOMICS

Median Household Income:

- ~$89,480 in ZIP 85743.
- Town of Marana as a whole: ~**$108,250** (2023 estimate).

Per Capita Income:

- ~ $43,270 in ZIP 85743 area.

Poverty Rate:

- ~10.3% in ZIP 85743.

Home Values:

- Median owner-occupied house value ~**$329,200** (ACS; 2023).

Housing Units:

- ~12,757 total units in ZIP 85743.

🧠 EDUCATION

High School Graduates or Higher: ~93.4% of adults.

Bachelor's Degree or Higher: ~38.7% (ZIP 85743).

Marana Overall: ~47.7% of adults have a bachelor's degree or higher.

🧓 AGE DISTRIBUTION

Median Age:

- ~47.4 years in ZIP 85743.

General age trends in the broader Marana/area community indicate:

- Presence of middle-aged and older adults
- A mix of family households and near-retirement population

(*Exact age brackets within the 5-mile ring would be refined with specialized GIS/radius pull.*)

🧬 RACE & ETHNICITY

Demographics in ZIP 85743 approximate:

- Majority White (~71%)
- Hispanic/Latino ~24%
- Smaller portions of Asian, Black, and Native American residents

(*These figures vary by specific geography within the 5-mile radius.*)

🧭 TRADE AREA CHARACTERISTICS

Key Insights for Commercial Use:

- Household incomes near or above regional averages support **discretionary and convenience spending**.
- Median age above national average suggests **mixed segments from working families to retirees**; good for fuel, food, and service products.
- Education levels indicate relatively **skilled adult population**, which correlates with stable household expenditure patterns.

📌 DEMOGRAPHIC SUMMARY (5-Mile Ring)

Category	Data / Estimate
Population (approx.)	~30,600+
Households	~10,996
Median Household Income	~$89,480 (ZIP 85743); ~$108,250 (Marana)
Per Capita Income	~$43,270
Median Age	~47.4 years
High School+	~93%
Bachelor's+	~38–48%
Poverty Rate	~10%
Housing Units	~12,757
Workforce	Mixed age, steady income base

📊 TRADE AREA COMMENTARY

From a commercial real estate perspective:

- This demographic base supports **fuel, quick service restaurant, convenience retail, and auto services** due to:
  - High commuter traffic volumes (especially I-10 and Twin Peaks Rd).
  - Stable household incomes and adult education levels conducive to discretionary spending.
  - A balanced mix of age groups (families, mid-career professionals, and retirees), which widens service demand.

(*For precise income, household counts, and age segments within a 5-mile ring rather than ZIP code, specialized radius GIS data is recommended.*)