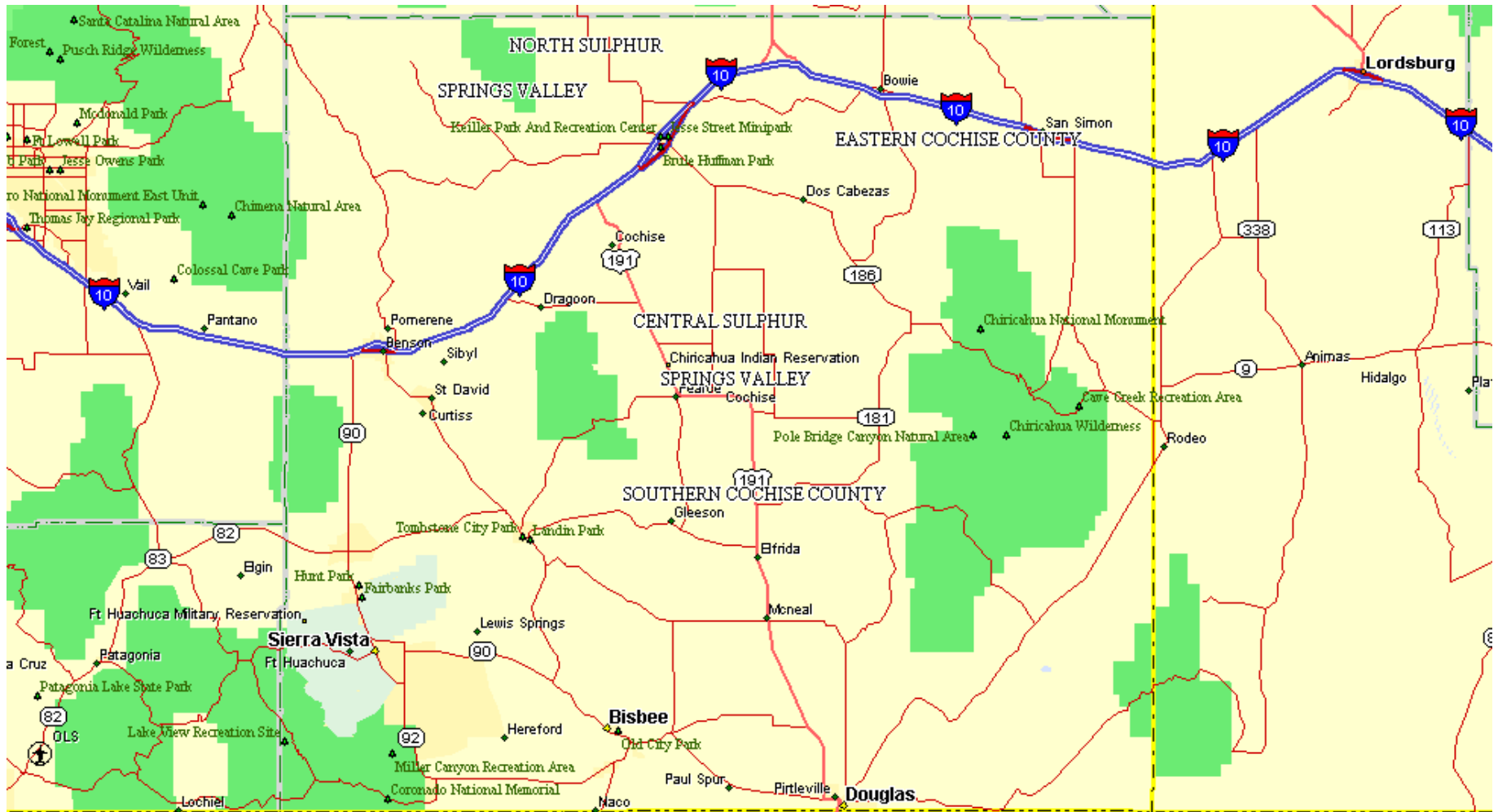


NORTH & CENTRAL SULPHUR SPRINGS VALLEY



NORTH & CENTRAL SULPHUR SPRINGS VALLEY

FARM TYPE	2001 PRICES/ wet acre	2002 PRICES/ wet acre	2001 RENT/ wet acre	2002 RENT/ wet acre
CENTER PIVOT	\$1,000- \$1,600	\$1,000- \$1,600	\$75-\$125	\$75-\$125
FLOOD IRRIG.	\$550- \$1,300	\$550- \$1,300	\$50-\$75	\$50-\$75

Since January 2000, the market appears to have stabilized. The few sales occurring in 2001 & 2002 were in line with the 2000 sales prices. We seem to continue on a plateau on sales and sale prices.

Rents have stabilized, with better farms with good and newer pivots still in demand.

Flood irrigated rents remain constant with long term tenants. Greenhouse construction is at a standstill. In 2002 there were two sale of cleared apple orchards for just under \$1,000/acre in Southern Graham County with buyers tending to place a center pivot sprinkler system on the Property. U Pick operations are declining although one operation sold in 2001. Smaller and abandoned farms sell primarily as rural residences.

SOUTHERN & EASTERN COCHISE COUNTY

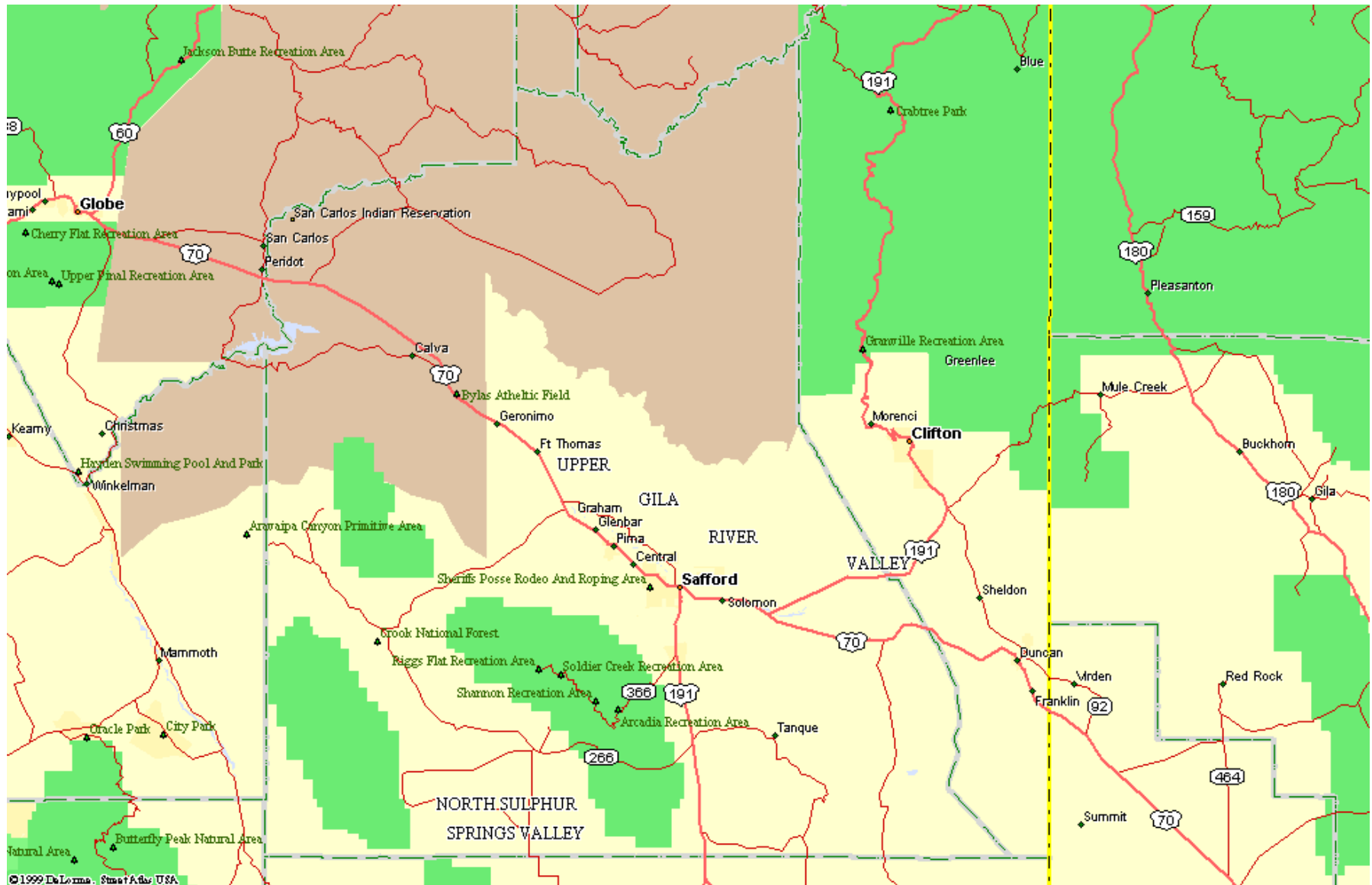
FARM TYPE	2001 PRICES/ wet acre	2002 PRICES/ wet acre	2001 RENT/ wet acre	2002 RENT/ wet acre
CENTER PIVOT	\$800- \$1,100	\$800- \$1,100	\$40-\$75	\$40-\$75
FLOOD IRRIG.	\$400- \$800	\$400- \$800	\$35-\$50	\$35-\$50

No sales activity in 2002 with only a few farms selling in 2001.

Trend appears to be more of a stable market since the sales are few and there is not enough data to indicate an upward or downward trend.

Several older abandoned and non-productive farms have sold for residential sites. The lettuce greenhouse proposed between Elfrida and Douglas is still pending.

UPPER GILA RIVER VALLEY (GRAHAM COUNTY)



UPPER GILA RIVER VALLEY (GRAHAM COUNTY)

FARM TYPE	1998 PRICES/ wet acre	2002 PRICES/ wet acre	1998 RENT/ wet acre	2002 RENT/ wet acre
NON-FLOOD PRONE	\$1,200- \$3,000	\$1,200- \$3,000	\$100- \$150	\$100- \$150
FLOOD PRONE	\$650- \$1,200	\$650- \$1,200	\$75-\$100	\$75-\$100

This market has not shown any appreciable change since Phelps-Dodge Corporation began purchasing land for water rights at above market prices.

There have been only a scattered handful of sales between individuals, mostly related. Since Phelps-Dodge stopped purchasing land, few properties offered for sale have sold. Prices remain higher, in line with the Phelps-Dodge purchase prices, and local farmers seem unwilling to pay that price for farmland. This area has generally been one of the most stable agricultural land markets in the state.

Law suite on water rights continue to be a factor.