

**Port of Columbia**  
1 Port Way  
Dayton, WA 99328

**RESOLUTION No. 2022-03**

*Regarding the sale of vacant lots U & V located in the Rock Hill Industrial Tracts 2 industrial district for development of the property through the expansion of an existing local business.*

WHEREAS, the Port of Columbia was formed in accordance with RCW 53.0.060 on December 1, 1958; and

WHEREAS, RCW 53.25.110 states that when a port commission deems it for the best interests of the district and the people thereof and in furtherance of its general plan of harbor improvement, or industrial development, or both, it may sell and convey any property or part thereof owned by it within an industrial district; and

WHEREAS, Rock Hill Industrial Tracts 2 were created in the 1980s by the Port in support of the community's effort to diversify the economy of Dayton and Columbia County; and

WHEREAS, Rock Hill Tracts 2 contains lot U at 1.19 acres and lot V at 1.41, both of which are vacant, unencumbered, and available for development; and

WHEREAS, Table Rock Meats has an existing meat processing business in downtown Dayton and wishes to expand through construction of a USDA certified slaughter facility; and

WHEREAS, the sale is allowed by the Port's Comprehensive Plan of Harbor Improvements under the Asset Intent section for the Rock Hill Industrial Tracts 2, Lots U & V, and under 3.3 Real Estate – Provide space for new, existing, and expanding businesses to operate in.

WHEREAS, Table Rock Meats has submitted plans and specifications to the Port and a request to purchase lots U & V in the Rock Hill Industrial Tracts 2; and

WHEREAS, the Port has received two appraisals for the property - one by Valbridge at \$112,000 for both lots, and one by Tarah McCaw, Real Estate Broker, at \$103,000 for both lots; and

WHEREAS, a public hearing was held January 11, 2023, to hear public comment on the proposed sale; and

WHEREAS, the Port of Columbia Commissioners have determined that it is in the best interest of the Port of Columbia and its constituents to facilitate development of this property.

NOW, THEREFORE, BE IT HEREBY RESOLVED, by the Commissioners of the Port of Columbia:

1. Lots U & V in the Rock Industrial Tracts 2 shall be sold to Table Rock Meats by negotiated sale.
2. The sale price shall be \$107,500, which is the average of the two independent appraisals on the property. (RCW 53.25.140)
3. Purchaser shall keep the premises in good order and neat appearance, and maintain a green strip in the 20-foot utility corridor on the Cameron Street side of the property. This is to enhance the aesthetics of the property in the industrial tract.
4. The purchaser shall, within one year from the date of purchase, devote the property to its intended use, or shall commence work on the improvements thereon to devote it to such use, and if he or she fails to do so, the port commission may cancel the sale and return the money paid on the purchase price, and title to the property shall revert to the district. This remedy shall be in addition to any other remedy under the terms of the sale. No purchaser shall transfer title to such property within one year from the date of purchase. (RCW 53.25.160)
5. The purchaser shall seek approval of design and location of the proposed perimeter fence prior to construction of the fence.
6. The Port Executive Director is authorized to conduct negotiations and sign closing documents related to the sale.

Adopted by the Port of Columbia Board of Commissioners this 11<sup>th</sup> day of January, 2023.

**PORT OF COLUMBIA BOARD OF COMMISSIONERS**

By: \_\_\_\_\_  
Genie Crowe, Chairman

By: \_\_\_\_\_  
Johnny Watts, Secretary

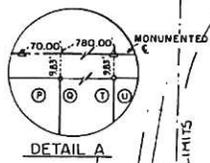
By: \_\_\_\_\_  
Seth Bryan

# ROCK HILL INDUSTRIAL TRACTS NO. 2

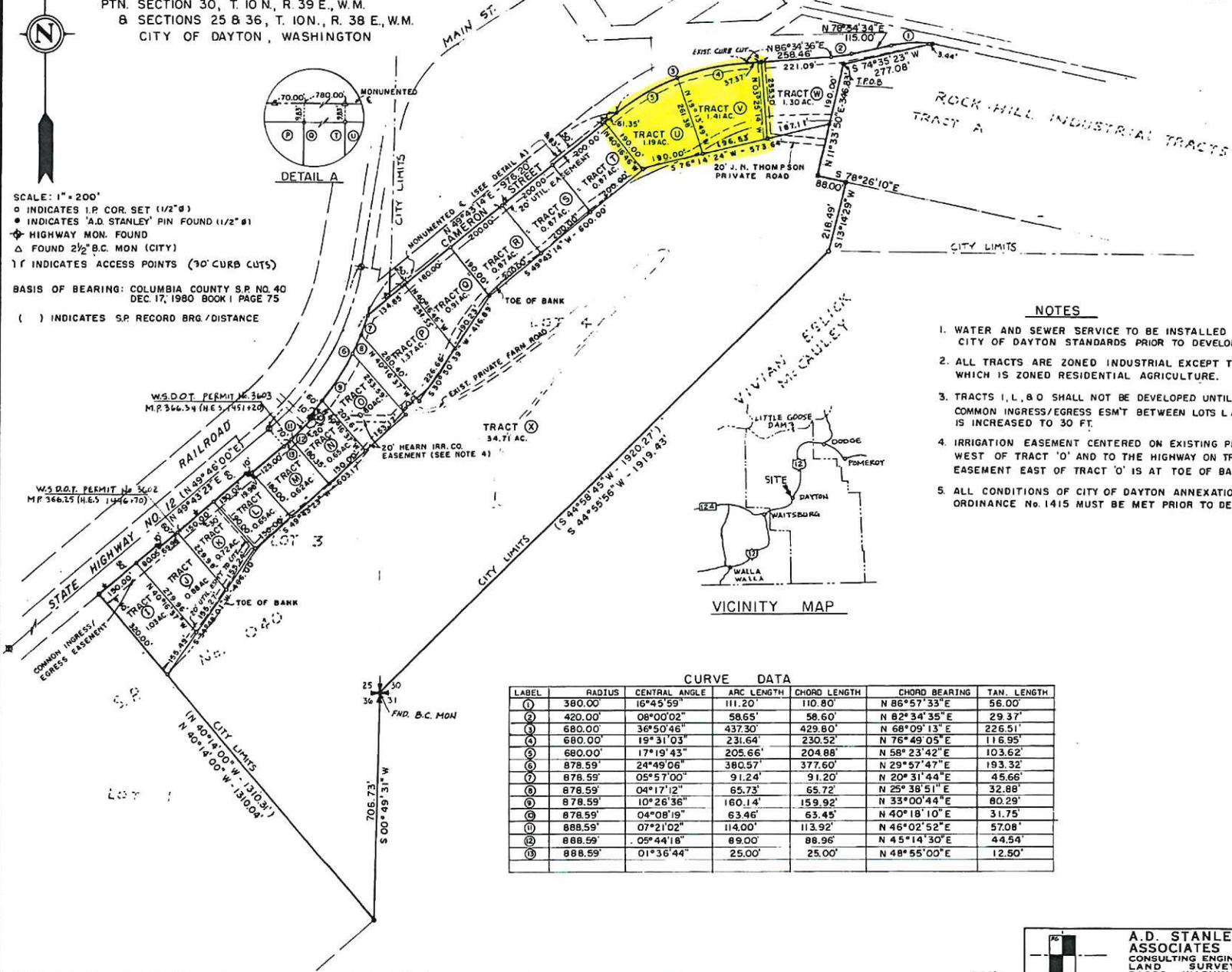
FOR PORT OF COLUMBIA

SHEET 1 OF 2

PTN. SECTION 30, T. 10 N., R. 39 E., W.M.  
 & SECTIONS 25 & 36, T. 10 N., R. 38 E., W.M.  
 CITY OF DAYTON, WASHINGTON



SCALE: 1" = 200'  
 ○ INDICATES I.P. COR. SET (1/2" Ø)  
 ● INDICATES 'A.D. STANLEY' PIN FOUND (1/2" Ø)  
 ◆ HIGHWAY MON. FOUND  
 ▲ FOUND 2 1/2" B.C. MON (CITY)  
 1" INDICATES ACCESS POINTS (90° CURB CUTS)  
 BASIS OF BEARING: COLUMBIA COUNTY S.P. NO. 40  
 DEC. 17, 1980 BOOK 1 PAGE 75  
 ( ) INDICATES S.P. RECORD BRG./DISTANCE



- NOTES**
1. WATER AND SEWER SERVICE TO BE INSTALLED TO CITY OF DAYTON STANDARDS PRIOR TO DEVELOPMENT.
  2. ALL TRACTS ARE ZONED INDUSTRIAL EXCEPT TRACT X, WHICH IS ZONED RESIDENTIAL AGRICULTURE.
  3. TRACTS I, L, & O SHALL NOT BE DEVELOPED UNTIL THE COMMON INGRESS/EGRESS ESMT BETWEEN LOTS L AND N IS INCREASED TO 30 FT.
  4. IRRIGATION EASEMENT CENTERED ON EXISTING PIPELINE WEST OF TRACT 'O' AND TO THE HIGHWAY ON TRACT 'N'. EASEMENT EAST OF TRACT 'O' IS AT TOE OF BANK.
  5. ALL CONDITIONS OF CITY OF DAYTON ANNEXATION ORDINANCE No. 1415 MUST BE MET PRIOR TO DEVELOPMENT.



**CURVE DATA**

LABEL	RADIUS	CENTRAL ANGLE	ARC LENGTH	CHORD LENGTH	CHORD BEARING	TAN. LENGTH
①	380.00'	16°45'59"	111.20'	110.80'	N 86°57'33"E	56.00'
②	420.00'	08°00'02"	58.65'	58.60'	N 82°34'35"E	29.37'
③	680.00'	36°50'46"	437.30'	429.80'	N 68°09'13"E	226.51'
④	680.00'	19°31'03"	231.64'	230.52'	N 76°49'05"E	116.95'
⑤	680.00'	17°19'43"	205.66'	204.88'	N 58°23'42"E	103.62'
⑥	878.59'	24°49'06"	380.57'	377.60'	N 29°57'47"E	193.32'
⑦	878.59'	05°57'00"	91.24'	91.20'	N 20°31'44"E	45.66'
⑧	878.59'	04°17'12"	65.73'	65.72'	N 25°38'51"E	32.88'
⑨	878.59'	10°26'36"	160.14'	159.92'	N 33°00'44"E	80.29'
⑩	878.59'	04°08'19"	63.46'	63.45'	N 40°18'10"E	31.75'
⑪	888.59'	07°21'02"	114.00'	113.92'	N 46°02'52"E	57.08'
⑫	888.59'	05°44'18"	89.00'	88.96'	N 45°14'30"E	44.54'
⑬	888.59'	01°36'44"	25.00'	25.00'	N 48°55'00"E	12.50'

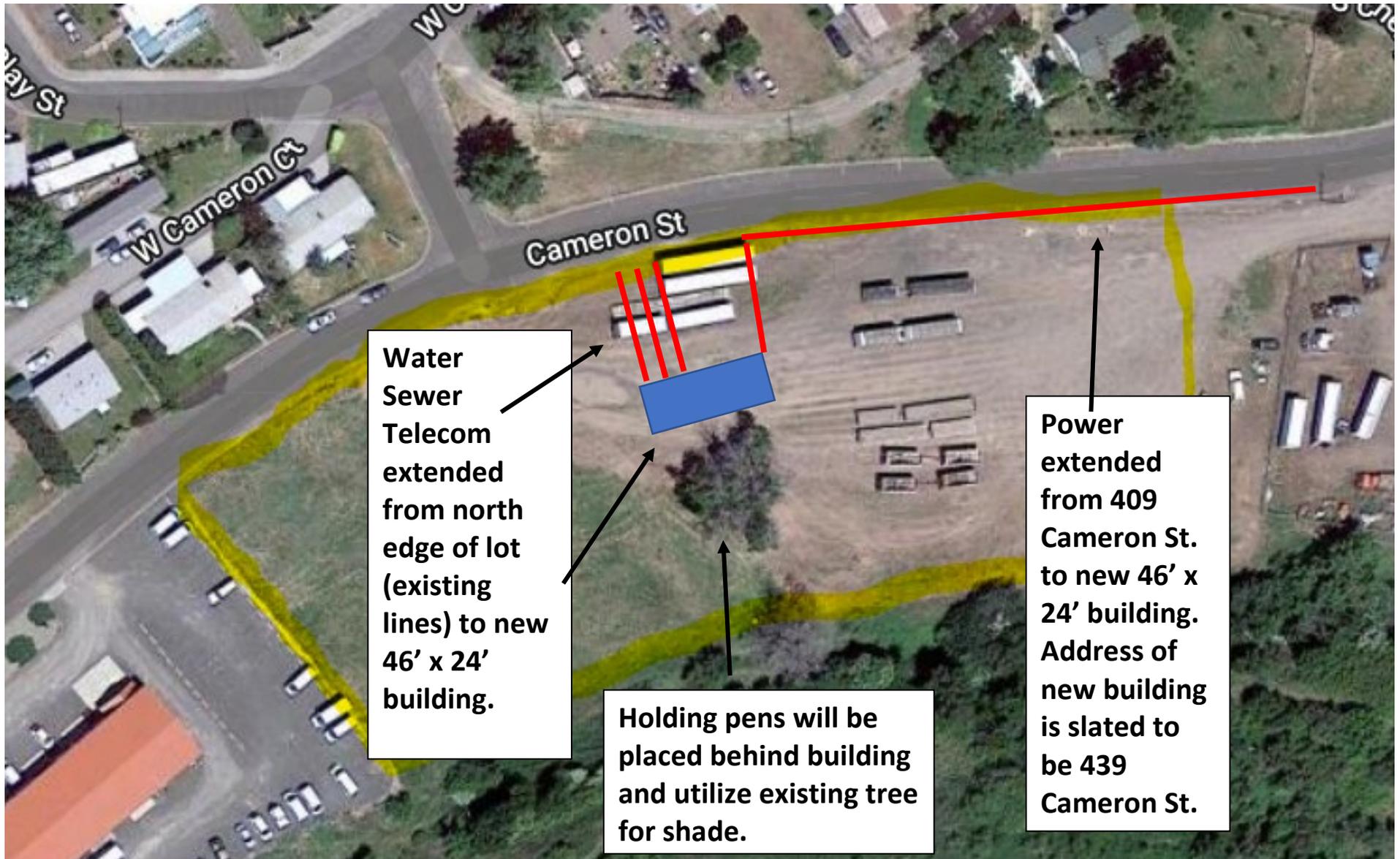
**A.D. STANLEY & ASSOCIATES INC.**  
 CONSULTING ENGINEERS  
 LAND SURVEYORS  
 PASCO, WASHINGTON

S-2584

# Aerial View Lots U and V of the Rock Hill Industrial Tracts 2



# Proposed Slaughter Floor Building Location and Utility Extensions



In feasibility study or proposal  
For Sierra to fill in details

## Section 1 Executive Summary

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This business plan represents Table Rock Meat Co.'s USDA-inspected multiple-species slaughter and processing plant.

Table Rock Meat Co. is currently a custom exempt meat processing facility that offers direct marketing services to ranchers and has a retail department where it sells a variety of value-added products initially processed in a third-party United States Department of Agriculture (USDA)-inspected facility, then processed into final form at their Washington State Department of Agriculture (WSDA)-inspected facility.

Table Rock Meat Co. offers smoked meats, retail meat, retail boxed meat, and custom cut and wrap for producers and consumers. Once the USDA-inspected facility is created, the services will be expanded to include restaurant distribution, processing livestock for producer resale, retail outlet distribution, and more.

In 2021, Table Rock Meat Co. processed approximately 190 animals, serving about 120 producers located primarily in Columbia, Garfield, Walla Walla, and Benton counties in southeast Washington. However, demand for Table Rock Meats Co.'s services has well surpassed the capacity of its existing facility, which is located on Main Street in Dayton. The current facility lacks the space and proper zoning for the addition of the needed USDA-certified slaughter floor and greater processing space. Table Rock Meat Co. plans to build a USDA-inspected meat processing plant capable of handling more than 2,000 livestock each year by the end of final construction. The plant will employ 3-5 fulltime butchers as well as office managers, smoked meat specialists, and meat-cutting assistants, bookkeepers, and cleaners.

The plant is assumed to be built in a rural district, inclusive of a 5,250 sq. ft. building, city water and sewage, a commercial septic system including a blood catchment container for wastewater treatment, and holding pens for the livestock

upon arrival. The total cost of the building, infrastructure, and equipment is estimated at \$1.5 million.

## Section 2 Introduction

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Throughout the U.S. there seems to be diametrically opposing trends of decreasing numbers of USDA-inspected meat plants providing processing services to producers in contrast to an increasing number of livestock producers desiring to sell meat from their home-grown animals and poultry. This is due in part to the market control by the “Big 4” meat processors: Cargill, Tyson Foods, JBS, and National Beef Packing. As of 2015, these four processing giants control 65-85% of the meat processing industry (Campuzano et al., 2020). Furthermore, there is an increased demand by consumers to buy locally grown foods. In a survey of Oregon and Washington livestock producers in 2005 (Martin and Lawson, 2005), 60% said they needed improved access to a USDA-inspected processing facility and 29% claimed this to be a challenge to their business.

It is intuitive to believe a deficiency in number of USDA-inspected plants providing processing services to small producers should lead to producers themselves becoming invested in processing facilities to ensure the availability of these services. However, many past attempts by groups of producers to own and run processing plants have resulted in financial failures. There is no one predominant reason why this occurs but inexperience, mismanagement, and production-driven, rather than a market-driven business, are common factors amongst failures. It takes experienced and skilled meat industry people to understand the nuances of the meat industry and to manage working capital demands of running a meat plant. Table Rock Meat Company has been in the cattle business for over 40 years and is partnered with highly experienced and specialized meat cutters, other USDA-facility owners, and numerous ranchers and producers wishing to utilize a USDA for the expansion of their marketing and distribution.

This business plan assumes the construction of the proposed new and efficient USDA-inspected meat processing plant capable of harvesting several amenable species (cattle, bison, hogs, lambs/goats) of livestock and boning, grinding, and further processing the meat into value-added products. This business plan entails

not only meat processing for consumers and producers, but also accompanies the business plan for value added items such as individual retail meat, retail boxed meat sets, restaurant distribution, smoked meat sales, and a producer marketing program called our “Rancher Matching Program.”

## Section 3 Market Plan

### 3.1 Target Markets

The target market for this facility are livestock producers in Columbia, Garfield, Walla Walla, Benton–Franklin, and other nearby counties within a 2-hour drive of Dayton. There are 856 animal operations in a 200-mile radius as the crow flies (Figure 1). In addition, the consumer market is all meat consumers within the same counties. The range of products from individually packaged meat to whole animal purchases allows for a variety of consumers.

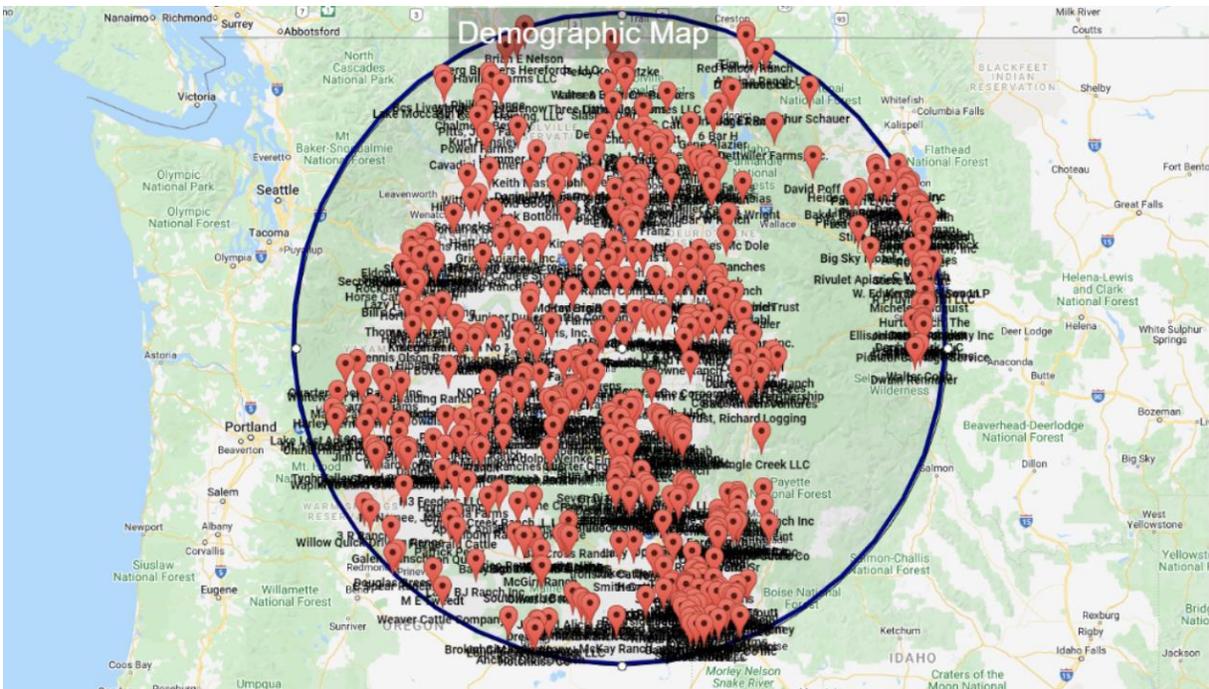


Figure 1. Livestock operations within a 200-mile radius from Dayton, Washington

### 3.2 Products and Services Offered

Table Rock Meat Company offers three distinct categories of products and services. First, the primary service offered is cut and wrap services. Whole livestock animals are processed to specifications and delivered to intended consumers. Once Table Rock Meat Company is USDA-inspected, consumers/producers that utilize the cut

and wrap service will be able to resale meat processed through Table Rock Meat Co. In addition to cut and wrap, USDA-inspected meat is sold retail and wholesale. Retail meat is packaged to sell as individual cuts or “Boxed Meat Sets.” Wholesale USDA-inspected meat is sold to restaurants as well as other retail or distribution outlets. Finally, value-added items are also produced. This includes pepperoni, jerky, sausages, Canadian bacon, beef bacon, bratwurst, and more. Table Rock Meat Co. also sells farm fresh items such as free-range duck and chicken eggs, homemade butter and milk, seasoning mixes, and cheeses.

### **3.3 Product Volume and Growth Expectations**

Table Rock Meat Co. plans to build a USDA-inspected meat processing plant capable of handling more than 2,000 livestock each year by the end of final construction. The plant will employ 3-5 fulltime butchers as well as office managers, smoked meat specialists, and meat-cutting assistants, bookkeepers, and cleaners.

Table Rock Meat Co. will construct the plant in two phases. The first phase is the construction of a USDA-slaughter facility with minimal processing space. This will allow Table Rock Meat Company to kill and primal USDA-inspected meats and finish the processing at the current location located on Main Street in Dayton, WA. This facility will also have a business office, a USDA inspector’s office, and a small processing space to primal USDA-inspected livestock before being transported for final processing at the existing WSDA facility. This phase anticipates an increase from an average of 5 animal units (1 beef, 1 bison, 2 pigs, 4 sheep, or 4 goats) to 25 animal units per week. This equates to approximately 1300 animal units per year. Based on trends seen in the existing WSDA facility as well as producer intentions, we estimate approximately 780 beef, 104 bison, 728 pigs, and 208 sheep/goat per year during this phase. Additionally, this phase anticipates an increase from 5 employees to 9 employees. This calculates to approximately a 40% increase in employees, a 400% increase in animals processed, and 400% increase in profit. The building structure needed for this phase will cost an estimated \$395,816 according to Kralman Steel Structures. According to a quote from UltraSource, a USDA slaughter floor with all the needed equipment will cost \$188,046. The processing equipment needed comes to a total of \$19,850.00 for a bandsaw, cutting tables, equipment tables, knife sets, and a vaccuum sealer according to Tri-State Market Supply. This does not include an outside catch pen area, which will cost another

\$19,034. The land itself will be purchased from the Port of Columbia which has been estimated to be \$95,000 dependent upon final assessment value. Phase 1 will total approximately \$717,746.51 according to all gathered estimates and quotes.

During Phase 2, Table Rock Meat Co. will construct the full-scale meat processing facility, which will provide new value-added opportunities to farmers and ranchers, increase Table Rocks Meat Co.'s retail and other regional intermediated market meat sales, and enable more diverse species processing. This phase anticipates an increase from an average of 25 animal units (1 beef, 1 bison, 2 pigs, 4 sheep, or 4 goats) to 40 animal units per week. This equates to approximately 2,080 animal units per year. Based on trends seen in the existing WSDA facility as well as producer intentions, we estimate approximately 1,144 beef, 156 bison, 1,248 pigs, and 624 sheep/goat per year during this phase. Additionally, this phase anticipates an increase from 9 employees to 13 employees. This calculates to approximately a 85% increase in employee numbers, 60% increase in animals processed, and 60% increase in profit. Tri-State Market Supply estimates the total equipment needed for the processing side of the plant will cost \$96,600.00 while the building structure will cost an additional \$639,934.00 according to Kralman Steel Structures.

### **3.4 Marketing Budget and Requirements**

CHEY INFO

### **3.5 Storage and Distribution**

For phase 1, carcass cooling and hanging will be contained within reefer trailers attached to semitrucks. These trailers will be moved between the slaughter facility during initial loading and unloading for primal cutting, and then the trailers will transport packaged primals to the existing WSDA processing facility. Once processed at the existing facility, all cuts will be frozen in the 20-foot-long reefer trailer other than fresh cuts to be picked delivered to restaurants and retail outlets. These cuts will be loaded in the same reefer cooler and delivered for a fee to the restaurants and retail outlets. All excess, unwanted offals, and waste will be stored in an external cooler kept at regulation temperature until picked up by the cleaning crew for disposal at the local landfill.

Phase 2 will have fully constructed pre-chill and cooler hanging rooms to store carcasses before processing. After processing, the reefer trailers initially used

phase 1 will be used to transport finished product to the Main Street facility for customer distribution as well as retail distribution as the main street address will be used exclusively for retail meats and customer relations. Fresh cuts to be delivered to restaurants and retail outlets will be loaded on a separate reefer cooler trailer and delivered for a fee to restaurants and retail outlets. All excess, unwanted offals, and waste will be stored in an external cooler kept at regulation temperature until picked up by the cleaning crew for disposal at the local landfill.

### **3.6 Competitive Programs**

Figure 2 shows all 30 USDA-inspected meat processors within a 4-hour drive of Dayton. Existing USDA-inspected and custom-exempt processors are booked months ahead because they are so busy, resulting in producers being unable to process animals at the optimal times. Livestock producers and customers across the region report being unable to find processing space within months of their target slaughter dates for both USDA-inspected and custom-cut operations. Producers have reported driving this far and farther to process goats, sheep, and hogs, showing the value of building new mixed-species processing capacity.



Figure 2. USDA-inspected meat processors within a 4-hour drive of Dayton, WA.

# Section 4 Meat Processing I. Processing Requirements

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## 4.1 Byproducts and Waste Products 9

Byproducts are one of the major issues plaguing small meat processing facilities. Byproducts include:

- Hides
- Offal
- Bones
- Fat
- Tissue
- Blood
- Paunch

After final construction for the meat processing is completed, the next step is the expansion into byproduct processing. That includes hide tanning, dog food creation (with the partnership of another local business that creates binders and other dog food components), and composting.

## 4.2 Disposal of Waste Materials

Offal and solid waste will be cleared out twice a week to the Columbia County landfill. Before disposal, offal will be stored in a specifically designated cooler to limit bacteria growth, following waste storage temperature guidelines. We will have a monitoring system in the offal storage cooler to alert us to enable us to monitor it remotely and that will alert us to problems. Local landfill prices are currently \$117.42/ton with an average of half a ton of waste per week. Blood will also be removed from the blood catchment unit and disposed at the Columbia County landfill.

## 4.3 Treatment of specified Risk Materials

Due to issues with Bovine Spongiform Encephalomyelitis (BSE), the heads and small intestines of beef cattle (cows or cattle under 30 months) will not be sold for human consumption and will be disposed within the Columbia County Landfill. The only Specified Risk Materials (SRM's) of beef carcasses that need disposal are the spinal column and tonsils (when selling beef tongues). For beef cows over 30 months, the entire head, the vertebral bone, and dorsal root ganglia must also be

removed and disposed of. These materials will be composted or land-filled. Sheep heads should be handled in the same way as cow heads.

#### **4.4 Effluent and Water Use**

Beef will require approximately 300 – 450 gallons of water per animal carcass per day. Therefore, this is also the approximate volume of wastewater produced. The water should be potable, good quality (low nitrates and sulfates), and have high volume per gallon. Small stock uses less than 100 gallons per animal. The source of the water is municipal waterlines that have industrial capacity.

All process wastewater (effluent) from the slaughter floor will pass through a screen to catch and separate solids. Screened effluent pumps and pipe system will convey screened process wastewater to the proposed effluent treatment system.

A five-day Biological Oxygen Demand (BOD) value is used to measure the level of treatment needed to discharge effluent safely. The BOD for all food-processing effluent is relatively high compared to other industries. A high BOD level indicates that effluent contains elevated amounts of dissolved and suspended solids, minerals and organic nutrients containing nitrogen and phosphorus. The following is assumed for a small multi-species plant:

- Average daily process flow of 2,500 gallons per day of wastewater based on a 7-day average. The peak daily flows = 6,000 gallons per day when harvesting cattle. It may be necessary to utilize a surge tank to collect daily wastewater effluent to be released at an even prescribed rate into a municipality or into the plant's own treatment system.
- Incoming BOD into treatment – maximum of 1,600 mg/l
- Total suspended solids – 300 to 500 mg/l
- Total nitrogen = 140 to 160 mg/l

Being attached to municipal water and sewer lines, the municipal water plant will treat effluent according to a licensed wastewater engineer. We have confirmed with the proper authorities the use of the blood catchment unit to mitigate effluent contaminations and reduce processing required to clean the plant's effluent.

#### **4.5 Permits and Certifications**

##### **4.5.1 HACCP**

This establishment will prepare a written Hazard Analysis Critical Control Point (HACCP) program and all the prerequisite programs that go along with it including Sanitation Standard Operating Procedures (SSOP) and Good Manufacturing Practices (GMP's). This program will be developed alongside the HACCP coordinator for Washington State, Dr. Jan Busboom from Washington State University.

#### **4.5.2. USDA-Inspection Certification**

These permits and inspections will be conducted by the assigned USDA inspector on-site. All permitting will be conducted by the assigned inspector.

#### **4.5.3. County Health Permits**

By serving “ready to consume” products such as smoked meats, the Columbia County Health Department in conjunction with the Walla Walla County Health Department will sporadically conduct inspections along with annually permit renewal.

### **4.6 Humane Handling and Stress on Animals**

There are number of factors that cause stress in livestock such as handling, transport, weather conditions, and severe restrictive confinement. Severe stress increases the release of cortisone in the animal, which can cause a number of biochemical effects and can affect muscle pH, water holding capacity, meat color and texture. Therefore, it is important to reduce the stress as much as possible before harvesting these animals. Our facility will have ample holding pen space for animals to arrive and relax before slaughter. Our system will flow in a continual direction making it easy for animals to travel to the slaughter knock box when ready. The knock box, obtained from UltraSource, is a humane method of slaughter and is the industry standard for humane killing.

## **Section 5 Meat Processing II. Meat Processing Plan**

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### **5.1 Plant Size and Scope**

The building will be completed in two phases making the scope and size of the facility change as the business expands. Phase 1 will be approximately 1,152 square and Phase 2 will be approximately 5,250 square feet. The change in size will also change capacity from 25 animal units per week (1,300 per year) to 40 animal units per week (2,080 per year).

It is anticipated that labor will be utilized in such a way as a work crew will harvest the animals on a specific day early in the week and then the same crew will bone and fabricate the carcasses on separate days after the harvest is completed. The plant size will be designed for the number and type of animals processed, the size of the carcasses, and the length of time the carcasses need to be chilled before boning. For the purposes of this business plan, the following species and numbers processed per week will be used as an estimate for each phase:

*Table 5.1. Species and numbers of animals processed per week*

Species	#Carcasses Per Week Phase 1	# Carcasses Per Week Phase 2
Beef	780	1,144
Bison	104	156
Pig	728	1,248
Sheep/Goat	208	624

## 5.2 Estimated Plant, Property, and Equipment

This business plan will use a 5,250 sq. ft. steel building inclusive of room sizes detailed in Section 5.2.1 in order to accommodate the number of animals and carcass chilling time shown in the table above.

### 5.2.1. Processing room sizes

*Table 5.2.1. Room size estimates for the plant*

Room	Square Ft.
Slaughter Floor	528
Pre-Chill Cooler	308
Cooler	555
Utility/Water Heater	40
Office Bathroom	30
Process Floor	1239
Office	144
USDA Office	48
Spices	96
Smokers	272
Break Room	120
Break Bathroom	30
RTE Cooler	96
Blast Cooler	272
Freezer	306
Retail Room	528
Storage	638
<b>TOTAL SQ. FT.</b>	<b>5250</b>

### 5.2.2. Slaughter equipment

*Table 5.2.2. Estimated slaughter floor equipment listing*

Equipment	Price
Table Rock Meat Co Rail System	\$40,000.00
Trolley With 7" Hook	\$9,790.00
E-Z Beef Restrainer, S/S	\$28,995.00

Cash Special XI .25 4200	\$2,195.00
.25 Orange 3.5g Cartridge 1000/Bx 7748	\$153.25
2000 Lb. Budgit Electric Hoist Behc0132	\$9,000.00
I-Beam Trolley, 1-Ton Capacity Cbtp0100	\$600.00
Shackle, Heart & Chain	\$300.00
Blood Trap W/Alum Funnel	\$2,995.00
Ss Skinning Cradle With Casters	\$3,500.00
Efa 620 Air Dehider	\$5,190.00
#7200140 Air Filter/Reg./Lubricator	\$561.80
Roll-O-Matic Hide Puller/ 2 Speed Hoist	\$11,995.00
S/S Elevating Offal Truck W/Pluck Pan	\$5,895.00
Cabinet,Head Flush S.S. 30in	\$3,550.00
S/S Table Head Splitting W/ Loops	\$2,250.00
Spreader Beef Air 42in, Pc	\$4,995.00
Platform Elev. Air Hyd. 30x42x12	\$11,995.00
Efa Model 287e W/Control Box	\$9,995.00
#001620053 Efa287e Balancer	\$2,000.00
#001363702 Efa 287e Blades (10 Pk)	\$224.71
Ms202 Rail Scale W/ 480 Legend Indicator	\$3,150.00
Trim Platform, Stationary W/Ladder	\$8,995.00
Efa Mod SI 50/18 Saw, 110 Volt	\$5,150.00
Sales Tax	\$14,571.97
<b>TOTAL</b>	<b>\$188,046.73</b>

**5.2.3. Processing equipment**

*Table 5.2.3. Estimated processing equipment listing*

<u>Equipment</u>	<u>Price</u>
Grinder	\$ 22,000.00
Saw	\$ 33,000.00
Stuffer	\$ 8,000.00
Mixer	\$ 20,000.00
Patty machine	\$ 9,000.00
Slicer	\$ 4,500.00
Cutting table	\$ 3,600.00
Equipment table	\$ 6,000.00
Knife set	\$ 750.00
Vacuum sealer	\$ 9,600.00
<b>TOTAL</b>	<b>\$ 116,450.00</b>

**5.2.4. Total plant and property costs**

*Table 5.2.4. Estimated plant and property capital costs for the project*

Category	Sub-category	Price
Land	TOTAL	\$ 95,000.00
Building	professional	\$ 30,000.00
Building	septic	\$ 30,000.00
Building	site prep	\$ 20,000.00
Building	outside finish	\$ 25,000.00
Building	basic building	\$ 315,000.00
Building	interior finish	\$ 420,000.00
Building	electrical	\$ 42,000.00
Building	mechanical	\$ 52,500.00
Building	HVAC/reefers	\$ 30,000.00
Building	sanitation	\$ 131,250.00
Building	TOTAL	\$ 1,095,750.00
Outside Catch Pens	TOTAL	\$ 19,033.78
<b>PLANT TOTAL</b>		<b>\$ 1,209,783.78</b>

### 5.3 Expected Manning and Labor Expense

The first position is the primary butcher who is charge of deboning and cutting animals from full carcass to finished products. The butcher's primary responsibility is ensuring that all animals in the hanging cooler are processed within the necessary time frame. In addition to completing the custom beef orders, the head butcher also assists in cutting USDA beef for retail meat, preparing and making smoked meats (eg. Pepperoni, jerky, summer sausage, etc.), and other duties as needed to keep Table Rock Meat Co. running smoothly and efficiently.

The second position is the assistant butcher. The assistant butcher's primary responsibilities are to wrap and label custom meat, oversee smoked meat inventory and preparation, inventory supplies to inform manager of low stock, clean at the end of the day, and other duties as needed to keep Table Rock Meat Co. running smoothly and efficiently.

The third position is the smoked meats specialist. The specialist's responsibilities include keeping smoked meat inventory, obtaining USDA primals when needed, making a variety of smoked meats to maintain orders, create new recipes when time allows, and attend public meetings or conventions to expand the retail meats department as required.

The fourth position is the front desk receptionist. The front desk oversees scheduling upcoming slaughter dates, maintaining records of all products, maintain custom beef records, organize letters/bills, assist in wrapping when needed, and all other duties as needed to keep Table Rock Meat Co. running smoothly and efficiently.

The fifth is the general cleaner. This is a part time job scheduled from 4:30 pm to around 6:00 pm Monday through Friday. The cleaner is in charge of cleaning all meat byproduct and remains from the cut floor room, washing equipment, and then sanitizing all surfaces to USDA standards. In addition, they will be in charge of occasionally cleaning the office floors and walls.

#### INPUT LABOR FINANCIALS

### 5.4 Expected Processing Expense

Table 5.4.1. Anticipated expenses for three years

Year		2021	2022	2023	2024	2025
REVENUE		\$ 112,313.75	\$ 359,965.57	\$ 851,702.00	\$ 1,112,936.00	\$ 1,429,240.00

COST OF GOODS SOLD		\$ 9,120.71	\$ 98,270.60	\$ 232,514.65	\$ 303,831.53	\$ 390,182.52
GROSS PROFIT		\$ 103,193.04	\$ 261,694.97	\$ 619,187.35	\$ 809,104.47	\$ 1,039,057.48

EXPENSES:	Owner's Salary	\$ -	\$ 12,000.00	\$ 46,000.00	\$ 69,000.00	\$ 72,000.00
	Employee Wages	\$ 78,010.00	\$ 156,020.00	\$ 359,172.00	\$ 478,896.00	\$ 638,520.00
	Payroll Taxes	\$ 8,074.04	\$ 16,428.91	\$ 37,820.81	\$ 50,427.75	\$ 67,236.16
	Workers Comp	\$ -	\$ 4,782.45	\$ 8,602.34	\$ 11,493.50	\$ 15,324.48
	Bad Debts	\$ -	\$ -	\$ -	\$ -	\$ -
	Outside Services	\$ 20,109.00	\$ -	\$ -	\$ -	\$ -
	Supplies	\$ 65.00	\$ 3,695.00	\$ 6,864.00	\$ 8,038.00	\$ 11,089.00
	Maintenance	\$ 391.00	\$ 1,036.15	\$ 9,144.00	\$ 9,144.00	\$ 12,180.00
	Ad/Promotion	\$ 274.25	\$ 1,165.56	\$ 3,600.00	\$ 3,600.00	\$ 3,600.00
	Office Expense	\$ -	\$ 1,380.00	\$ 1,380.00	\$ 1,380.00	\$ 1,380.00
	Car/Travel	\$ 825.50	\$ 12,000.00	\$ 15,000.00	\$ 27,000.00	\$ 32,000.00
	Acct Legal & Licensing	\$ 235.00	\$ 528.75	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
	Rent	\$ -	\$ -	\$ -	\$ -	\$ -

Telephone	\$ -	\$ 1,800.00	\$ 1,800.00	\$ 1,800.00	\$ 1,800.00
Utilities	\$ 10,023.00	\$ 22,551.75	\$ 46,824.00	\$ 62,876.00	\$ 89,392.00
Insurance	\$ -	\$ 4,800.00	\$ 4,800.00	\$ 4,800.00	\$ 4,800.00
Taxes (R/E)	\$ 5,541.00	\$ 6,926.25	\$ 16,200.00	\$ 16,200.00	\$ 21,600.00
Discounts & Comps	\$ 3,143.58	\$ 7,073.06	\$ 14,146.11	\$ 18,389.94	\$ 23,906.93
advertising	\$ -	\$ -	\$ 5,700.00	\$ 5,700.00	\$ 5,700.00
Returns	\$ 1,669.00	\$ 3,755.25	\$ 2,520.00	\$ 2,520.00	\$ 3,300.00
City Fees	\$ 2,455.00	\$ 5,523.75	\$ 4,560.00	\$ 4,560.00	\$ 4,560.00
Other	\$ -	\$ -	\$ 2,400.00	\$ 2,400.00	\$ 2,400.00
Loan 1	\$ -	\$ -	\$ 24,816.00	\$ 24,768.00	\$ 24,236.23
Loan 2	\$ -	\$ -	\$ -	\$ -	\$ -
Int-Line of Credit	\$ -	\$ -	\$ -	\$ -	\$ -
Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization	\$ -	\$ -	\$ -	\$ -	\$ 50.50
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL EXPENSES</b>	<b>\$ 130,815.37</b>	<b>\$ 261,466.88</b>	<b>\$ 614,349.26</b>	<b>\$ 805,993.20</b>	<b>\$ 1,038,075.30</b>

## 5.5 Further Processing Yields, Costs and Product Prices

Table 5.5.1. Value-added processing yields, costs, and product prices

Species	Raw Materials	Products	Yield	Raw \$/lb.	Processing \$/lb.	Finished \$/lb.	Profit/lb.
Beef	Inside Round	Jerky	66%	\$3.50	\$2.00	\$25.00	\$11.00
		Pepperoni	95%	\$3.50	\$2.00	\$15.00	\$8.75
	Top Round	Bratwurst	95%	\$3.50	\$2.00	\$17.00	\$10.65
		Belly	Beef Bacon	100%	\$3.50	\$2.00	\$15.00
Pork	Shoulder	Sausage	95%	\$2.50	\$2.00	\$6.00	\$1.20
		Canadian Bacon	100%	\$2.50	\$2.00	\$10.00	\$5.50
	Belly	Bacon	100%	\$2.50	\$2.00	\$10.00	\$5.50

## Section 6 Business Formation

### 6.1 Organizational Structure and Ownership

The structure of the business is a partnership LLC. The two co-owners are Sierra Smith and Michelle Shoun. Michelle Shoun is the primary cattle and pork supplier for the retail portion of Table Rock Meat Co. whereas Sierra Smith is charged with

all internal documents, permits, compliance, and external federal or state communication. Michelle Shoun is also the primary bookkeeper and accountant for Table Rock Meat Company.

## **6.2 Governance and Management**

Construction will be overseen by co-owner Sierra Smith. As the grant manager for Table Rock Meat Company, Sierra Smith the most familiar with the grant stipulations and how the funds are designated to be used. Our construction contractor is Norm Kralman from Kralman Steel Structures. Kralman Steel Structures has been in business since 1977 providing all steel and pole building construction from the ground up for the same time frame. They largely have their own crews for most of the construction services they provide, but they do use a select sub contractor base for some work needs they might have at any one time or for a specific need for their customers. Norm Kralman specifically has a relative in the meat processing industry and is very familiar with the needs and requirements for the construction of a meat processing facility. Specific slaughter floor equipment and construction needs will be fulfilled by Spencer Carter from Ultrasource. Ultrasource is an industry leader in meat processing and packing equipment. They specialize in conceptualization to execution. Spencer Carter is a processing and kill floor specialist who has been working with us on the design of our kill floor as well as the planning of equipment and specialty items such as blood catchment unit, knock box, and other slaughter specific items. General meat processing equipment such as grinders, saw, knife sets, vacuum sealers, and other processing equipment will be contracted through the semi-local distributor Tri-State Market Supply.

Outside of construction, the management for Table Rock Meat Co. is as follows. Michelle Shoun as co-owner will be charged with livestock acquisition, producer relations, employee management, and daily oversight. Sierra Smith as co-owner will be charged with all internal documents, record keeping, technology update and acquisition, compliance, permits, and health codes. Cheyanne Shoun as media manager will be charged with all marketing, merchandise, external events, and community participation. Jim Westergreen will be charged as head butcher with all employee training, protocol compliance, and cut floor management. Steve Hopper as smoked meat specialist will be charged in retail inventory, smoked meat production, recipe procurement, and other retail duties. Carmen Posey as the receptionist will be charged with maintaining consumer and producer relations,

obtaining information, record keeping, supply inventory, and other managerial tasks. Finally, Tammy McGill will be charged as head cleaner with all sanitation and health maintenance.

## **Section 7 Financial Plan**

---

### **7.1 Development of Financial Models**

### **7.2 Financial Statements**

### **7.3 Financial Summary**

## **Section 8 Barriers to Entry/Core Competencies**

---

### **8.1 Core Competencies**

The following core competencies are necessary for this meat processing company to be successful:

- The successful hiring, training and supervision of the Plant Manager and other plant employees.
- High quality workmanship with meat processing.
- Well-designed food safety programs and successful monitoring.
- Disciplined control of overhead costs.
- Good record-keeping, cost-of-production analysis, and sales analysis.
- High level service to customers.
- High level attention to food safety quality.
- Business flexibility to make changes to take advantage of opportunities or correct problems.

### **8.2 Risk Factors**

Possible risk factors that could be a barrier to entry or could undermine positive earnings include the following:

- Lack of laborers willing to work
- Incidents of positive E. coli 0157:H7, Listeria, or salmonella tests resulting in recalled products and loss of customer confidence.
- Inability to raise sufficient capital to construct the building and to finance operating expenses.

- Poor relationship with USDA FSIS resulting in excessive NR's and possible production delays.
- Loss of customers due to unhappy producer customers or retail or food service customers spreading negative comments.
- Existing relations between customers and established processing facilities may limit new customers

## **Section 9 Literature Cited/ Credits**

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- Campuzano, A., Hueso-Fernandez, C., Lim, K. M., Rodriguez, H., Sisco, A. M., & Awwad, M. (2020). Meat Shortage in the United States: A Review of the Effects of COVID-19 on the Meat Industry. In Proceedings of the Third International Conference on Industrial & Mechanical Engineering and Operations Management (IMEOM), Dhaka, Bangladesh.
- Martin, A. and D.S. Lawson. (2005). Solving the Local Meat Conundrum: Meat Production and Processing in Oregon and Washington. Internal Report. Portland. OR: Ecotrust Food and Farms and Chef's Collaborative.

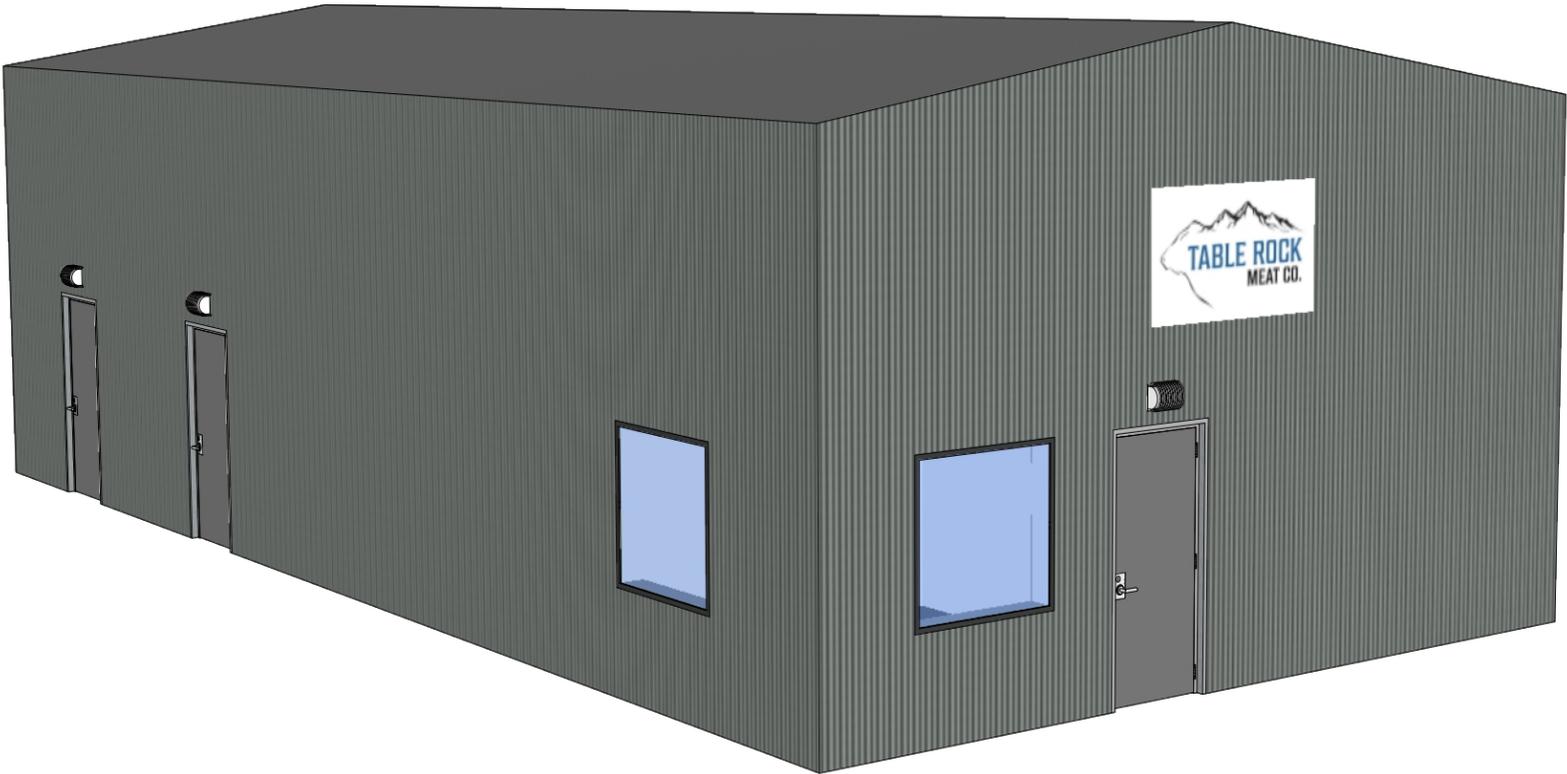


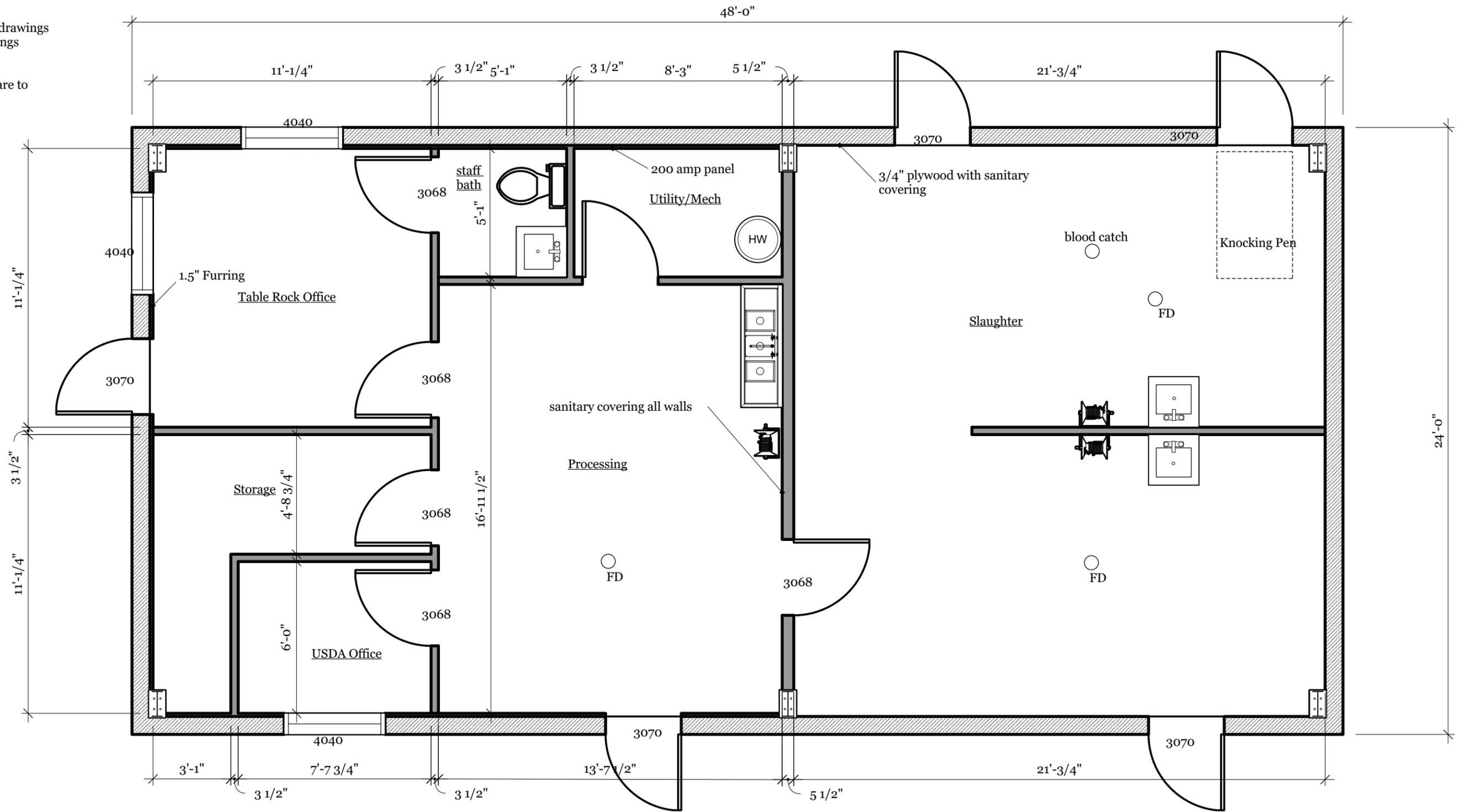
Table Roc Meat Co.  
406 East Main ST, Dayton Wa 99328

Krawlman Steel Structures Inc.  
52151 Fruitvale Rd  
Milton-Freewater OR  
97862

May 9, 2022

Notes:  
 \* For Structural drawings  
 See Buttler Drawings  
 Dated 5/5/22

\* All dimensions are to  
 rough framing



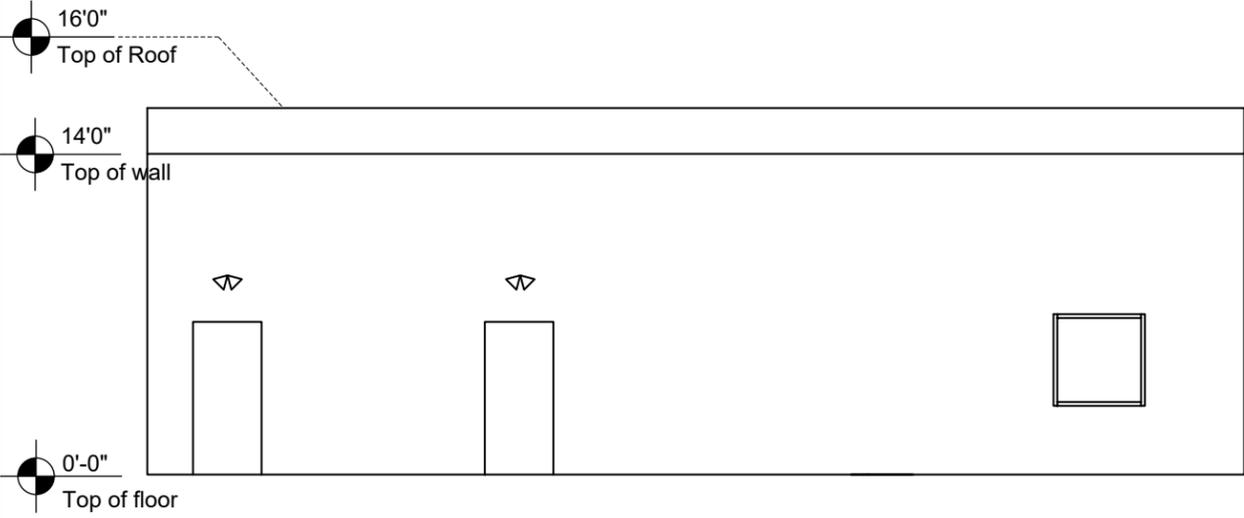
Floor plan

Krawlman Steel Structures Inc.  
 52151 Fruitvale Rd  
 Milton-Freewater OR  
 97862  
 Table Rock Meat Co. 406 E Main St, Dayton WA 99328

REVISIONS

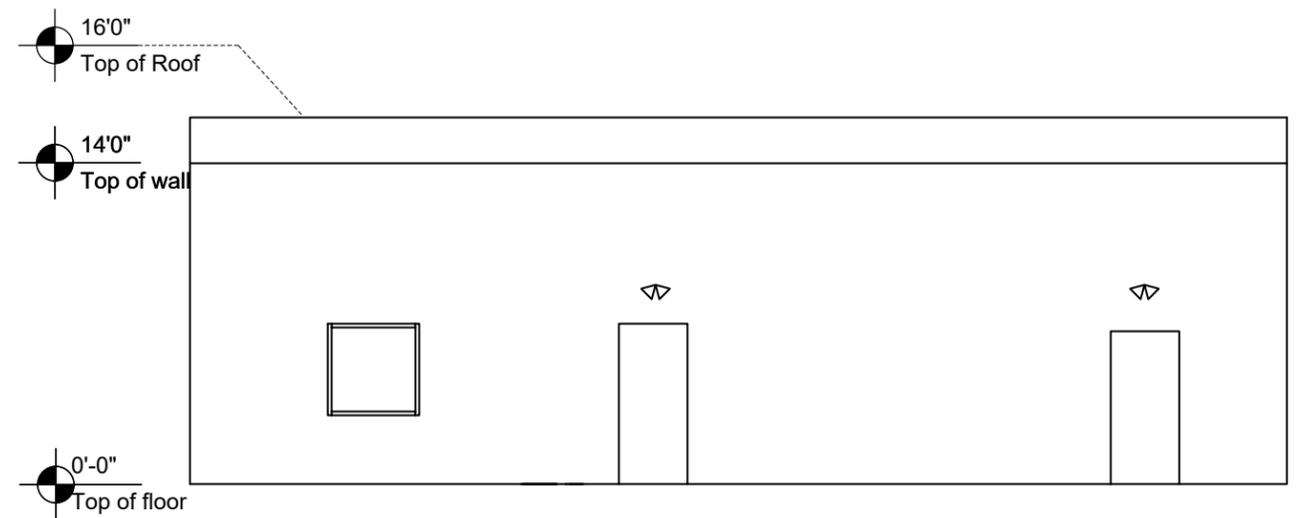
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A 01



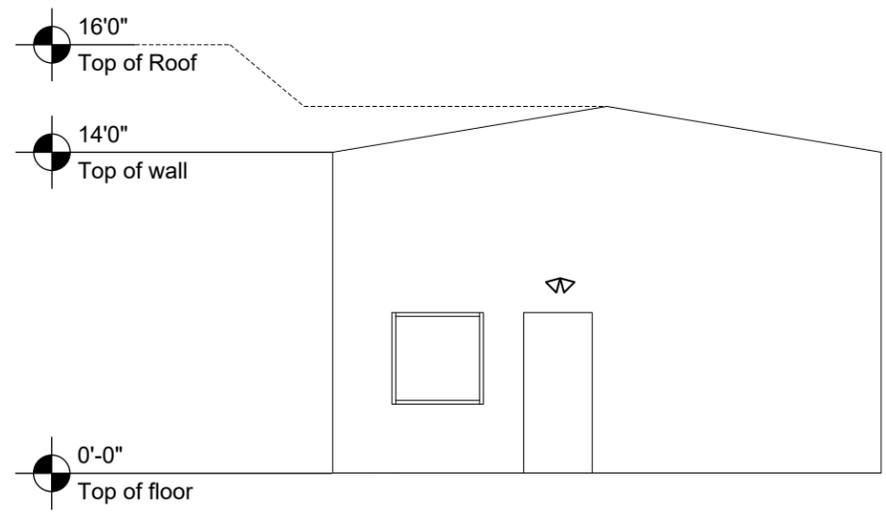
**1** Left Elevation

SCALE :: 1/8" = 1'-0"



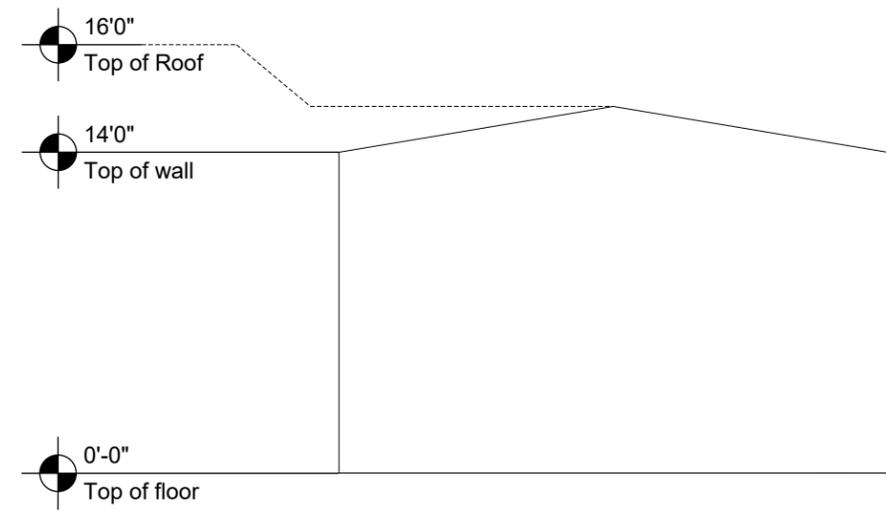
**2** Right Elevation

SCALE :: 1/8" = 1'-0"



**3** Front Elevation

SCALE :: 1/8" = 1'-0"



**4** Back Elevation

SCALE :: 1/8" = 1'-0"

Elevations

Krawlman Steel Structures Inc.  
 52151 Fruitvale Rd  
 Milton-Freewater OR  
 97862  
 Table Rock Meat Co. 406 E Main St, Dayton WA 99328

REVISIONS	
MM/DD/YY	REMARKS
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5	---/---/---

**A 02**

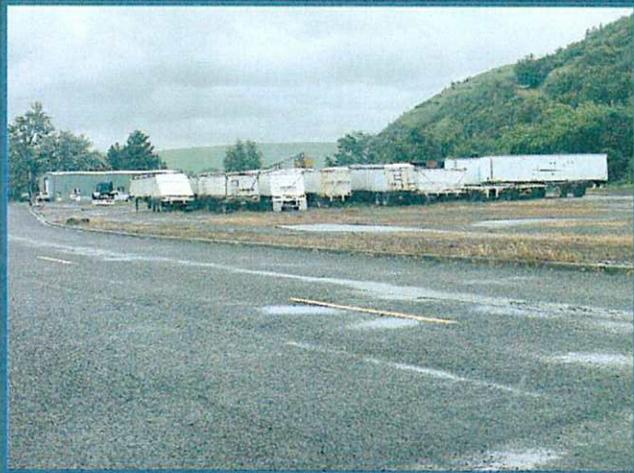


**Valbridge**  
PROPERTY ADVISORS

## Appraisal Report

Rock Hill Industrial Park Land  
NKA Cameron Street  
Dayton, Columbia County, Washington 99328

Report Date: June 28, 2022



FOR:

Port of Columbia  
Ms. Jennie Dickinson  
Executive Director  
1 Port Way  
Dayton, Washington 99328

**Valbridge Property Advisors |  
Inland Pacific Northwest**

8378 W. Grandridge Boulevard, Suite 110-D  
Kennewick, WA 99336  
509-221-1540 phone  
509-747-3559 fax  
[valbridge.com](http://valbridge.com)

Valbridge File Number:  
WA04-22-0031-000



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June 28, 2022

Cole Ferguson  
509-221-1540  
cferguson@valbridge.com

Ms. Jennie Dickinson  
Executive Director  
Port of Columbia  
1 Port Way  
Dayton, Washington 99328

RE: Appraisal Report  
Rock Hill Industrial Park Land  
NKA Cameron Street  
Dayton, Columbia County, Washington 99328

Dear Ms. Dickinson:

At your request, we appraised the above referenced property to form an opinion of the Market Value of the Fee Simple Interest as of June 13, 2022. Cole Ferguson inspected the property that is the subject of this appraisal and report on June 13, 2021. This appraisal report sets forth the pertinent data gathered, the techniques employed, and the reasoning leading to our value opinions. This letter of transmittal is not an appraisal and the value reported in this letter cannot be adequately understood if separated from the appraisal report.

The subject property, as referenced above, is located on the south side of Cameron Street, between Pine Street and Cherry Street and two blocks south of Main Street in Dayton, Washington. The Columbia County Assessor identifies the property as Assessor's Parcel Number (APN) 1150200250000 (a portion of). The subject site is a 2.59-acre or 112,621-sf parcel. The subject consists of two vacant industrial lots within the Rock Hill Industrial Park. The lots are 51,394 sf and 61,227 sf in size.

Parcel Number	Tract	Lot	Block	Size
APN 1120200250000	U	25	20	51,394 sf
APN 1120200250000	V	29	20	61,227 sf
<b>Total</b>				<b>112,621 sf</b>

We developed our analyses, opinions, and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; and the requirements of our client as we understand them.

The client for this assignment is Port of Columbia. The intended user of this appraisal and appraisal report are Jennie Dickinson and the Port of Columbia and no others. The sole intended use is for internal business decisions that may include pricing the properties for sale. The value opinions reported herein are subject to the definitions, assumptions, limiting conditions, and certifications contained in this report.

### Assumptions and Conditions of the Appraisal

The value opinions reported herein are subject to the definitions, assumptions, limiting conditions, and certifications contained in this report. The findings and conclusions are further contingent upon the following appraisal conditions, extraordinary assumptions and/or hypothetical conditions, the use of which might have affected the assignment results:

#### Extraordinary Assumptions

- None

#### Hypothetical Conditions

- None

The conclusions presented in the following table are based on the analysis contained in the following report.

#### Value Conclusions

Value Perspective	Tract U - Current	Tract V - Current
Value Type	Market Value	Market Value
Value Premise	As Is	As Is
Property Rights Appraised	Fee Simple	Fee Simple
Effective Date of Value	June 13, 2022	June 13, 2022
<b>Value Conclusion</b>	<b>\$51,000</b>	<b>\$61,000</b>
	<b>\$0.99 psf</b>	<b>\$1.00 psf</b>

Respectfully submitted,  
 Valbridge Property Advisors | Inland Pacific Northwest



Cole Ferguson  
 Appraiser Trainee  
 State Registered Real Estate Appraiser Trainee  
 Washington State License #21018180  
 cferguson@valbridge.com



Bruce C. Jolicoeur, MAI  
 Senior Managing Director  
 Certified General Real Estate Appraiser  
 Washington State License #1100633  
 bjolicoeur@valbridge.com

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## Summary of Salient Facts

<b>Property Name:</b>	Rock Hill Industrial Park Land																				
<b>Address:</b>	NKA Cameron Street Dayton, Columbia County, Washington 99328																				
<b>Latitude &amp; Longitude:</b>	46.314868, -117.986341																				
<b>Assessor's Parcel Number:</b>	1150200250000 (a portion of)																				
<b>Property Rights Appraised:</b>	Fee Simple																				
<b>Zoning:</b>	Fringe Commercial																				
<b>Site Size:</b>	<table border="1"> <thead> <tr> <th>Parcel Number</th> <th>Tract</th> <th>Lot</th> <th>Block</th> <th>Size</th> </tr> </thead> <tbody> <tr> <td>APN 1120200250000</td> <td>U</td> <td>25</td> <td>20</td> <td>51,394 sf</td> </tr> <tr> <td>APN 1120200250000</td> <td>V</td> <td>29</td> <td>20</td> <td>61,227 sf</td> </tr> <tr> <td><b>Total</b></td> <td></td> <td></td> <td></td> <td><b>112,621 sf</b></td> </tr> </tbody> </table>	Parcel Number	Tract	Lot	Block	Size	APN 1120200250000	U	25	20	51,394 sf	APN 1120200250000	V	29	20	61,227 sf	<b>Total</b>				<b>112,621 sf</b>
Parcel Number	Tract	Lot	Block	Size																	
APN 1120200250000	U	25	20	51,394 sf																	
APN 1120200250000	V	29	20	61,227 sf																	
<b>Total</b>				<b>112,621 sf</b>																	
<b>Extraordinary Assumptions:</b>	None																				
<b>Hypothetical Conditions:</b>	None																				
<b>Highest and Best Use As Vacant:</b>	Industrial development																				
<b>Date of Inspection:</b>	June 13, 2021																				
<b>Date of Report:</b>	June 28, 2022																				

### Value Conclusions

Value Perspective	Current	Current
Value Type	Market Value	Market Value
Value Premise	As Is	As Is
Property Rights Appraised	Fee Simple	Fee Simple
Effective Date of Value	June 13, 2022	June 13, 2022
<b>Value Conclusion</b>	<b>\$51,000</b>	<b>\$61,000</b>
	<b>\$0.99 psf</b>	<b>\$1.00 psf</b>

### Strengths, Weaknesses, Opportunities, Threats (SWOT) Analysis

This section of the report provides useful insights into strengths, weaknesses, opportunities, and threats to the property (and its value).

#### Strengths

- Tract V has been improved with a layer of gravel which has been graded.

#### Weaknesses

- Small community with a low volume of commercial transactions.

#### Opportunities

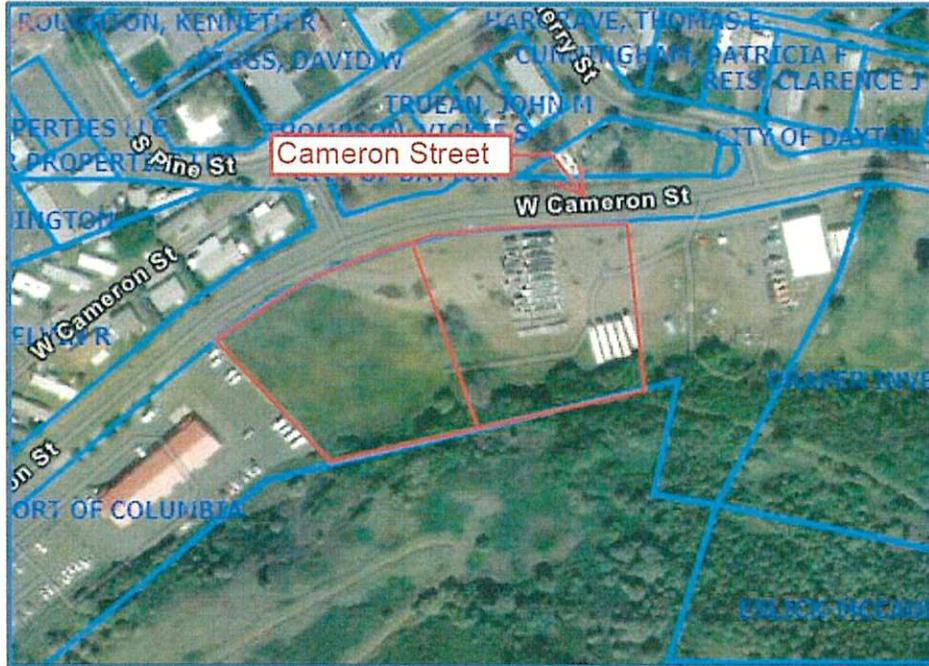
- Develop the site for industrial use.

#### Threats

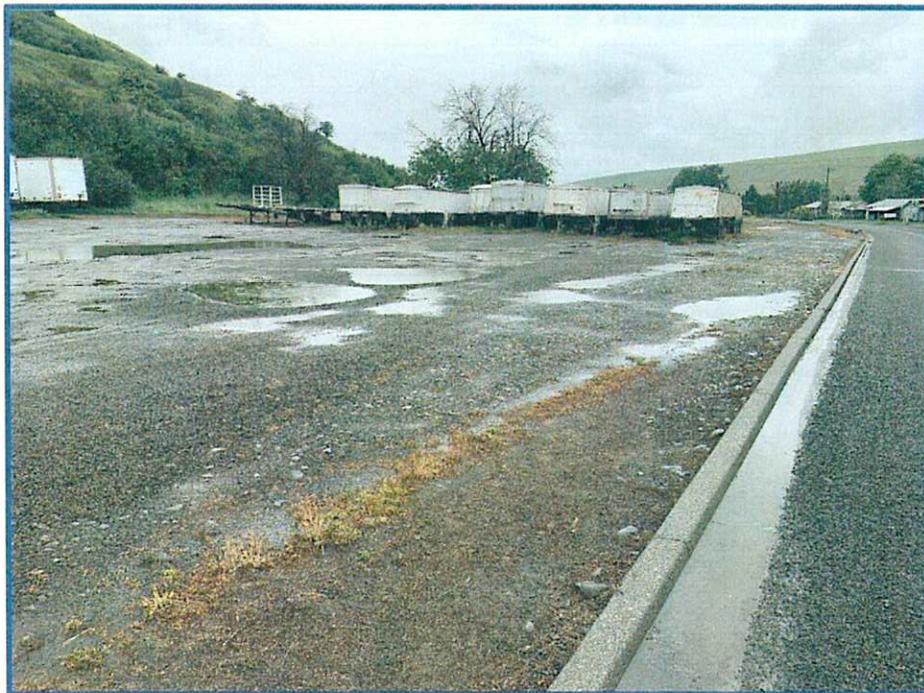
- None noted.

## Aerial and Front Views

AERIAL VIEW

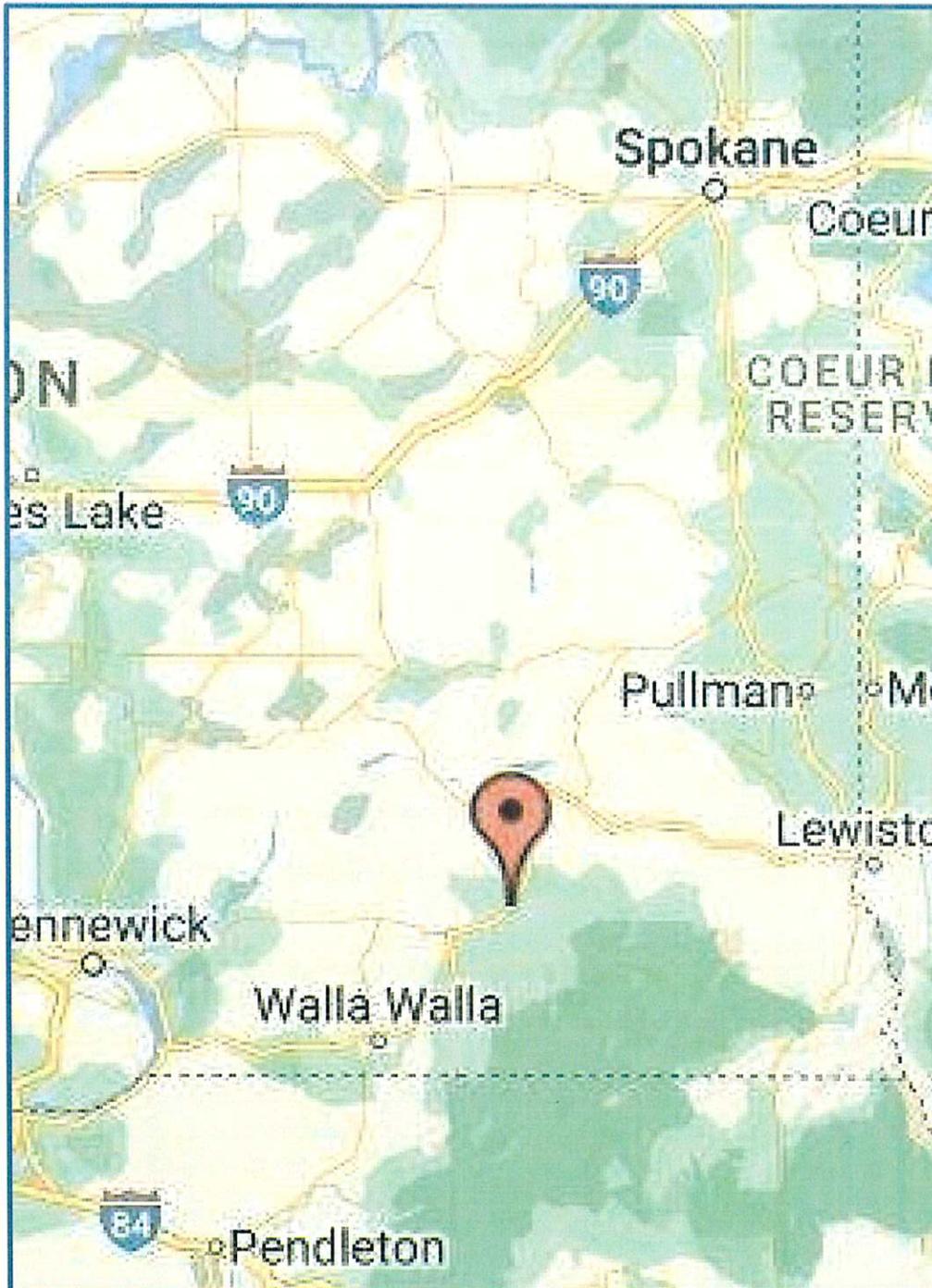


FRONT VIEW



## Location Map

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## Introduction

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### Client and Intended Users of the Appraisal

The client for this assignment is Port of Columbia. The sole intended users of this appraisal and appraisal report are Jennie Dickinson and the Port of Columbia. Under no circumstances shall any of the following parties be entitled to use or rely on the appraisal or this appraisal report:

- i. The borrower(s) on any loans or financing relating to or secured by the subject property,
- ii. Any guarantor(s) of such loans or financing; or
- iii. Principals, shareholders, investors, members or partners in such borrower(s) or guarantors.

### Intended Use of the Appraisal

The sole intended use of this report is for internal business decisions that may include pricing the properties for sale.

### Real Estate Identification

The subject property is located at NKA Cameron Street, Dayton, Columbia County, Washington 99328. The subject property is further identified by the Assessor's Parcel Number (APN) 1150200250000 (a portion of).

### Legal Description

According to the Columbia County Assessor the legal description is as follows:  
Railroad, Tax 25, (Tract U and V) Block 20

### Use of Real Estate as of the Effective Date of Value

As of the effective date of value, the subject was industrial land.

### Use of Real Estate as Reflected in this Appraisal

Same as above.

### Ownership of the Property

According to Columbia County Assessor, title to the subject property is vested in Port of Columbia.

### History of the Property

Ownership of the subject property has not changed within the past three years.

### Analysis of Listings/Offers/Contracts

The subject property is not offered for sale on the open market.

### Type and Definition of Value

The appraisal problem is to develop an opinion of the market value of the subject property. "Market Value," as used in this appraisal, is defined as "the most probable price that 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 and knowledgeably, and assuming the price is not affected by undue stimulus."

Implicit in this definition is the consummation of a sale as of 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, each 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 sale concessions granted by anyone associated with the sale.”<sup>1</sup>*

The value conclusions apply to the value of the subject property under the market conditions presumed on the effective date of value. Please refer to the Glossary in the Addenda section for additional definitions of terms used in this report.

### Valuation Scenarios, Property Rights Appraised, and Effective Dates of Value

Based on the scope of our assignment and our analysis of the property and the market, we have developed the following opinion(s) of value:

Valuation Scenario	Effective Date of Value
Current Market Value As Is of the Fee Simple Interest	June 13, 2022

Cole Ferguson inspected the subject property on June 13, 2021.

### Date of Report

The date of this report is June 28, 2022.

### List of Items Requested but Not Provided

- None

### Assignment Issues

There is minimal commercial market activity in the subject neighborhood. We were forced to look outside of the immediate market and use comparables from Walla Walla, which is a much larger market.

### Assumptions and Conditions of the Appraisal

This appraisal assignment and the opinions reported herein are subject to the General Assumptions and Limiting Conditions contained in the report and the following extraordinary assumptions and/or hypothetical conditions, the use of which might have affected the assignment results.

### Extraordinary Assumptions/Hypothetical Conditions

- None

---

<sup>1</sup> Source: Code of Federal Regulations, Title 12, Banks and Banking, Part 722.2-Definitions

## Scope of Work

---

The elements addressed in the Scope of Work are (1) the extent to which the subject property is identified, (2) the extent to which the subject property is inspected, (3) the type and extent of data researched, (4) the type and extent of analysis applied, (5) the type of appraisal report prepared, and (6) non-realty items included or excluded in the development of the value opinion. These items are discussed below.

### Extent to Which the Property Was Identified

The three components of the property identification are summarized as follows:

- Legal Characteristics - To determine the legal characteristics of the property, we referenced zoning, Assessor's documents and maps.
- Economic Characteristics - To determine the economic characteristics of the subject property, we analyzed the community and neighborhood, demand for properties similar to the subject, and analyzed properties with similar locational and physical characteristics.
- Physical Characteristics - To identify physical characteristics of the property, we inspected the property, referenced Columbia County Assessor's records, soils records, and other data.

### Extent to Which the Property Was Inspected

We inspected the subject on June 13, 2021.

### Type and Extent of Data Researched

We researched and analyzed: (1) market area data, (2) property-specific market data, (3) zoning and land-use data, and (4) current data on comparable listings and transactions. We also interviewed people familiar with the subject market/property type.

### Type and Extent of Analysis Applied (Valuation Methodology)

Appraisers develop an opinion of property value with specific appraisal procedures that reflect three distinct methods of data analysis: the Cost Approach, Sales Comparison Approach, and Income Capitalization Approach. One or more of these approaches are used in all estimations of value.

- Cost Approach - In the Cost Approach, the value indication reflects the sum of current depreciated replacement or reproduction cost, land value, and an appropriate entrepreneurial incentive or profit.
- Sales Comparison Approach - In the Sales Comparison Approach, value is indicated by recent sales and/or listings of comparable properties in the market, with the appraiser analyzing the impact of material differences in both economic and physical elements between the subject and the comparables.
- Income Capitalization Approach - In the Income Capitalization Approach, value is indicated by the capitalization of anticipated future income. There are two types of capitalization: direct capitalization and yield capitalization, more commonly known as discounted cash flow (DCF) analysis.

We considered all of these approaches to value and assessed the availability of data and applicability of each approach to value within the context of the characteristics of the subject property and the needs and requirements of the client. Based on this assessment the Sales Comparison Approach was developed. The subject sites have no improvements that could be analyzed in the Cost Approach. Vacant or bare land is rarely leased in this market. With no potential rental income, investors would not purchase the sites for their potential to generate income; therefore, the Income Capitalization Approach is not applicable. The extent of our analysis and the methodology of each approach is discussed in the respective valuation sections.

### Competency

The appraisers are competent to complete this report in accordance with the Competency Provision in the USPAP.

### Appraisal Conformity and Report Type

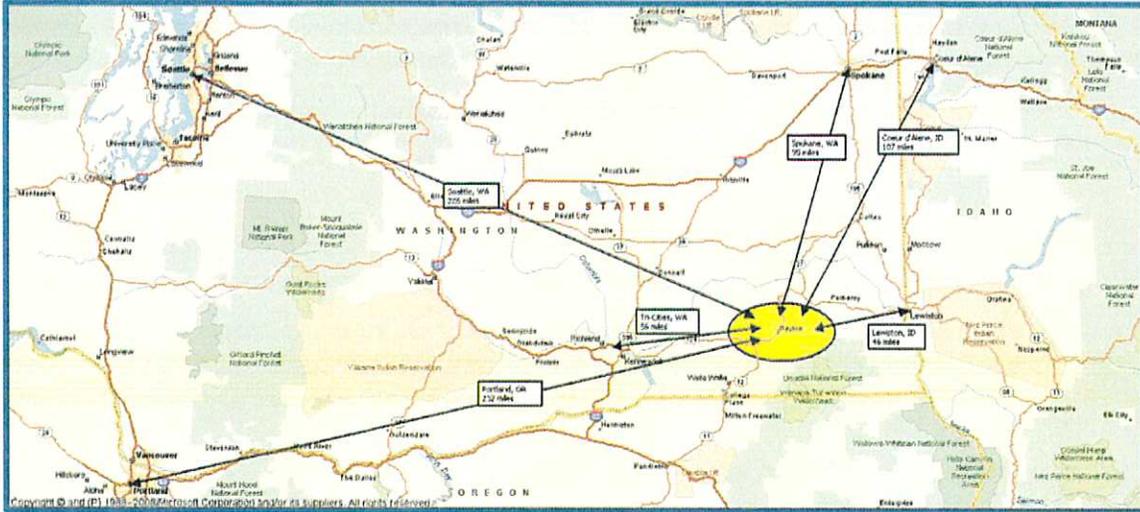
We developed our analyses, opinions, and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; and the requirements of our client as we understand them. This is an Appraisal Report as defined by the Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2a.

### Personal Property/FF&E

This appraisal is of real property only. Non-realty items are excluded from this analysis.

# Regional and Market Area Analysis

## REGIONAL MAP



## Overview

Columbia County covers 869 square miles. The north part of the county is characterized by elevations between 700 feet along the Snake River, and 2,000 feet where the terrain is predominantly gently rolling to rolling, with some steep draws and canyons. This area is made up of farms and ranches where the majority of dry farms have wheat to summer fallow rotations due to the lower rainfall. The average annual rainfall is between 10" to 12", increasing to 16" to 18" at higher elevations that extend northwesterly from near Dayton. The south part of the county takes on a different character; the area just southeast of Dayton becomes the foothills of the Blue Mountains where terrain becomes more rugged, and the elevations increase from between 1,800 feet and 2,000 feet to between 4,500 feet to over 5,000 feet near the south border. Rainfall increases from 18" to 20" range to over 60" in the southeast part. Farms at the lower elevations of the south part typically have crop rotations or variations of annual cropping with timber production at higher elevations.

Construction on the Lower Snake River Wind Energy Project was completed in 2012. This involved the construction of 149 wind energy turbines organized in arrays across ridge tops on 21,000 leased acres in Columbia County, 28 miles of transmission lines conveying power, and approximately 77 miles of new permanent project roads to access the project facilities. The wind farm produces enough clean renewable energy to serve around 75,000 homes. The project cost was estimated to reach \$500,000,000.

## Population

Population characteristics relative to the subject property are presented in the table on the following page. The population estimate for 2022 is 4,188 and is expected to increase at a rate of 0.2% per year through 2027.

### Population

Area	2010	Estimated 2022	Annual %	Projected 2027	Annual %
			Change 2010 - 22		Change 2022 - 27
United States	308,745,538	333,793,107	0.7%	333,934,112	0.0%
Washington	6,724,540	7,802,046	1.2%	8,315,370	1.3%
Columbia County	4,078	4,188	0.2%	4,222	0.2%
Dayton city	2,526	2,528	0.0%	2,534	0.0%

Source: ESRI (ArcGIS)

### Unemployment

The following table exhibits current and past unemployment rates as obtained from the Bureau of Labor Statistics. Overall, the County typically has a higher unemployment compared to the state and country. Columbia County has experienced a fluctuation, alternating between increases and decreases in the unemployment rate since 2015.

### Unemployment Rates

Area	YE 2017	YE 2018	YE 2019	YE 2020	YE 2021	2022 <sup>1</sup>
United States	4.4%	3.9%	3.7%	8.1%	5.3%	4.1%
Washington	4.6%	4.4%	4.3%	8.5%	5.2%	4.7%
Columbia County, WA	5.7%	6.7%	5.4%	5.9%	3.5%	6.0%

Source: www.bls.gov

data not seasonally adjusted; <sup>1</sup>February - most recent for US, others lag by 1-2 mos.)

### Median Household Income

Total median household income for the region is presented in the table on the following page. Overall, the subject's MSA compares unfavorably to the state and the country. Over the next five years, median household income in Columbia County is expected to grow at 1.9% per year. Median household incomes in Washington State and the United States are expected to grow at 2.5% and 1.6%, respectively, over the same time frame.

### Median Household Income

Area	Estimated	Projected	Annual % Change
	2022	2027	2022 - 27
United States	\$62,203	\$67,325	1.6%
Washington	\$78,111	\$88,474	2.5%
Columbia County	\$57,522	\$63,072	1.9%
Dayton city	\$51,203	\$54,121	1.1%

Source: ESRI (ArcGIS)

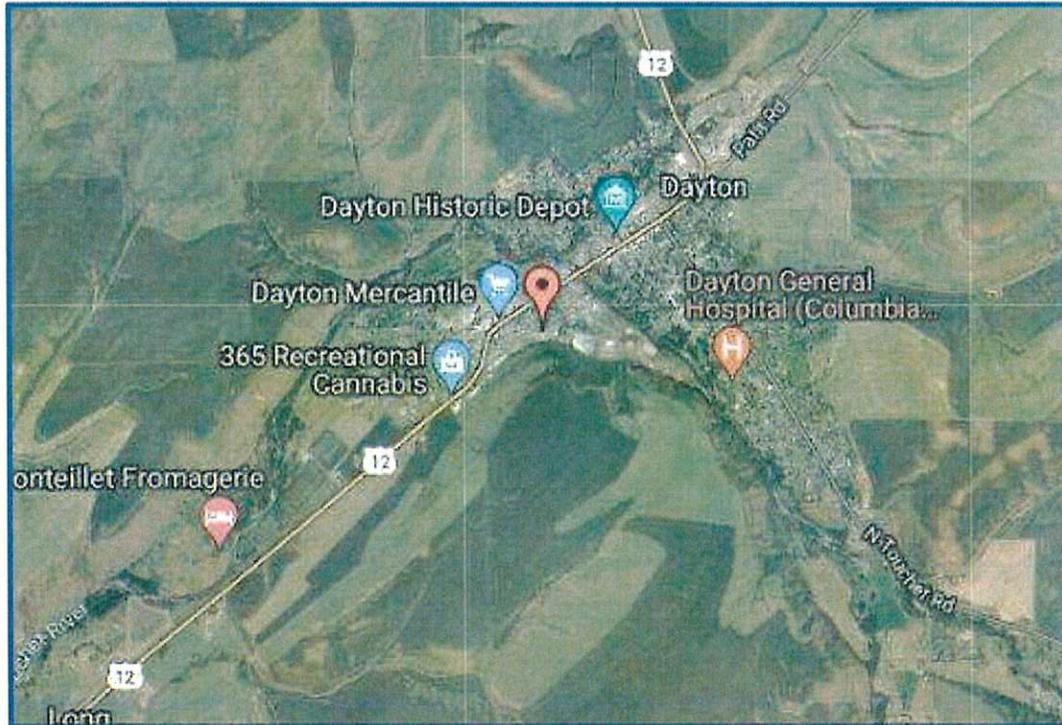
### Conclusions

The Columbia County economy is strongly influenced by agriculture, primarily by winter wheat. The lower wages and seasonal unemployment fluctuations affect the overall economy. There is some recreation, especially in the Blue Mountains. The county's economy will continue to be strongly influenced by farming, with some contribution from timber. The creation of new jobs related to wind projects in Columbia County have also boosted the economy in recent years, adding permanent jobs and increasing taxable retail sales.

# City and Neighborhood Analysis

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## NEIGHBORHOOD MAP



### Overview

The subject property is located in Columbia County, in the City of Dayton. Established in 1872, Dayton is the county seat of Columbia County, with a population estimate of 2,528 in 2022, per the 2020 census. The 2021 estimated population is 2,565. Highway 12 (Main Street) is the primary access to and through town. Dayton is situated in a sheltered valley along the Touchet River, with rolling to steep hills along the north and east and steep rock outcroppings along the west and south. This physical characteristic forces most development into an area that extends east/west along U.S. Highway 12 or south along 4<sup>th</sup> Street/N. Touchet Road.

Community shopping is located along U.S. Highway 2. The CBD has been redeveloped to accentuate the community's historical character. Local retailers own and operate most of the businesses; no significant franchised retailers have outlets in the community.

Four banks have branches in the community. In addition to several notable restaurants, retailers offer groceries, and goods to serve many other needs. Major capital items are available at larger retail outlets in or near Walla Walla, roughly 60 miles south. Professional services, including attorneys, accountants, and chiropractors and the Waitsburg Press, a local newspaper, are located in the CBD.

The City of Dayton provides water and sewer services throughout the community. Natural gas is not available. Pacific Corp provides electrical service.

## Site Description

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### Site Characteristics

**Location:** The south side of Cameron Street between Pine Street and Cherry Street - two blocks south of Main Street

**Gross Land Area:**

Parcel Number	Tract	Lot	Block	Gross Area	Usable Area
APN 1120200250000	U	25	20	51,394 sf	51,394 sf
APN 1120200250000	V	29	20	61,227 sf	61,227 sf
<b>Total</b>				112,621 sf	112,621 sf

**Usable Land %:**

100.0%

**Shape:**

Trapezoid

**Topography:**

Level

**Grade:**

At street grade

**Off-Site Improvements:**

Asphalt paved road

**Interior or Corner:**

Interior

**Signalized Intersection:**

No: No traffic signal at, or near, the site

### Utilities

**Water:**

City of Dayton

**Sewer:**

City of Dayton

**Electricity:**

Pacific Power and Light

**Natural Gas:**

None

**Refuse Hauling:**

Basin Disposal

### Street Frontage/Access

**Street Name:**

Cameron Street

**Street Type:**

Collector

**Number of Lanes:**

Two

**Frontage (Linear Ft.):**

440'

**Number of Curb Cuts:**

None, no curbs

**Alley Access:**

No

### Flood Zone Data

**Flood Map Panel/Number:**

53013C0153 B

**Flood Map Date:**

May 4, 1988

**Flood Zone:**

Zone X. Zone X is a flood insurance rate zone that corresponds to an area outside the 1-percent annual chance floodplain.

## Other Site Conditions

**Soil Type:**

According to the USDA NRCS web soil survey, the predominant soil found on the property is Patit Creek gravelly silt loam, 0 to 3 percent slopes; and Waha-Rock land complex. Based on existing and surrounding improvements, the soil types mentioned appear adequate to support substantial development.

**Environmental Issues:**

An environmental site assessment was not provided. We saw no suspicious materials that would suggest that environmental contamination is present; however, this does not preclude the possibility that contamination exists on the site, on nearby sites, or in the subject's construction materials. We are not experts in this field and express no opinion about the possible absence or presence of contamination. The property is appraised under the assumption that no contamination exists.

**Easements/Encroachments:**

A title report was not provided. No encroachments or adverse easements that would limit the marketability of the subject property were noted.

## Adjacent Land Uses

**North:**

Cameron Street, single-family residential, mobile-home park, Main Street

**South:**

Vacant land

**East:**

Port of Columbia storage building, vacant land, Rock Hill Concrete, storage warehouse, Cottonwood Street

**West:**

Port of Columbia, agriculture use properties

## Site Ratings

**Access:**

Good

**Visibility:**

Average

## Zoning

**Zoning Jurisdiction:**

City of Dayton

**Zoning Classification:**

FC, Fringe Commercial

**Zoning Description:**

The intent of the fringe commercial zone is to accommodate vehicular oriented and land consumptive commercial uses in addition to commercial uses generally considered beneficial to the traveling public. Building density shall be relatively low to reduce traffic congestion and traffic hazards on related streets and highways.

**Permitted Uses:**

Include but are not limited to: general warehouse, mini-storage, banks, hotels/motels, and grocery stores

**Conditional Uses & Special Exceptions:** Include but are not limited to: dismantling and/or salvaging vehicles, equipment parts, communication towers including phone, radio, and TV, and governmental equipment repair and maintenance shops,

**Zoning Comments:** General requirements for the Fringe Commercial zone are as follows:

- Minimum Lot Area: 5,000 sf
- Minimum Lot Width: 50 feet
- Minimum setbacks: Front - 5 feet; Back - 10 feet; Side - 5 feet
- Maximum building height: 35 feet
- Maximum floor area: 2 times the lot area
- Maximum lot coverage: 60%
- Minimum Parking: 1 space per 5,000 sf of warehouse and storage

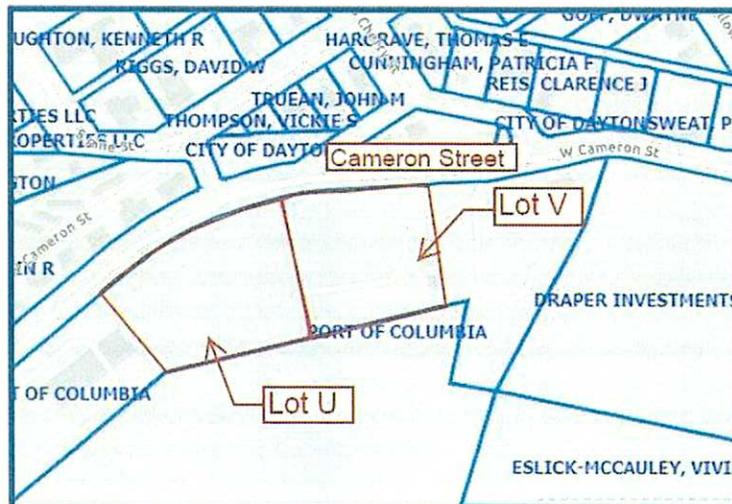
### Analysis/Comments on Site

The site contains Tracts U and V of the Rock Hill Industrial Park in Dayton, Washington. The tracts are 51,394 sf and 61,227 sf respectively and are both trapezoidal in shape. Tract U is generally vacant land currently covered in native grass. The parcel has an ingress/egress access point from Cameron Street at the northeast corner of the site. The road runs diagonal across the northwest corner of the site and provides access to Tract V.

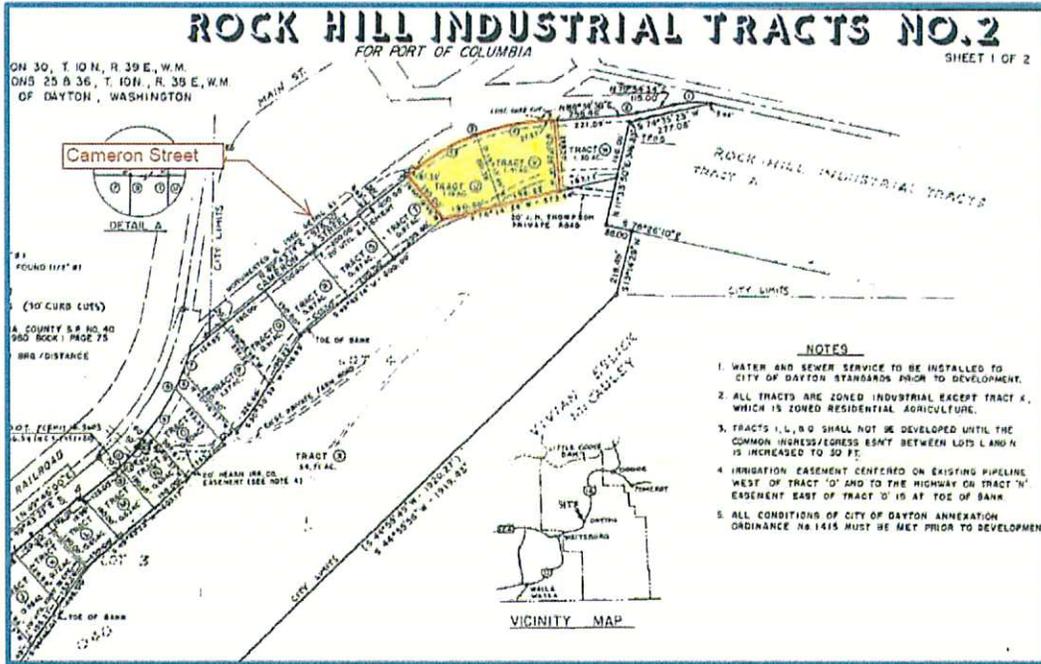
Tract V has largely been improved with a graded and generally level layer of gravel. The site is currently being used for truck and trailer storage. This tract has an ingress/egress access point from Cameron Street on the northeast corner of the site.

The sites are generally functional for a variety of commercial and industrial uses but an industrial use is more synergetic with the surrounding properties. The sites could be sold separate due to each having their own curb cuts and ingress/egress access. The functional utility of the site is average for industrial use properties and could accommodate a variety of industrial uses.

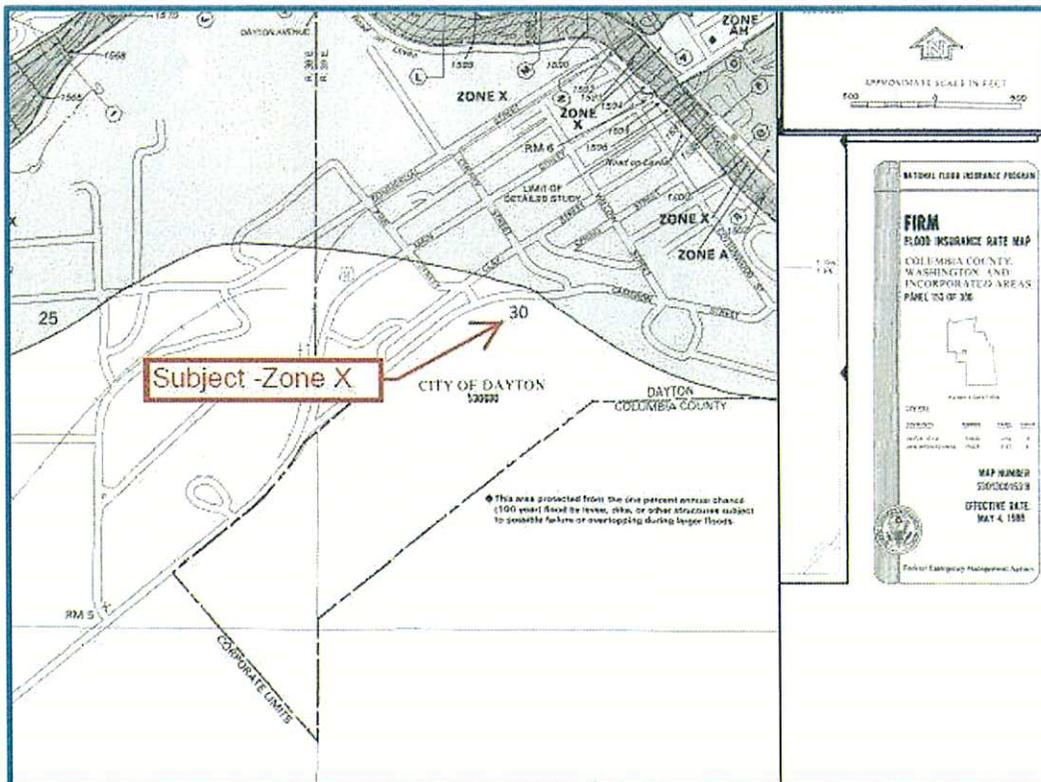
### PARCEL MAP



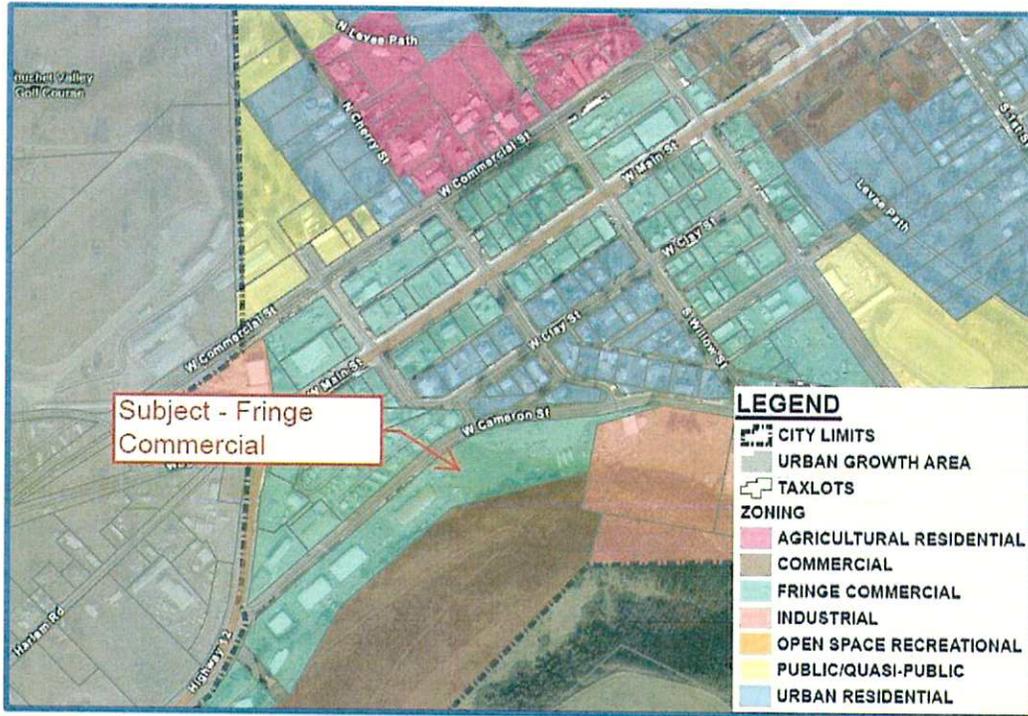
**SITE SURVEY**



**FLOOD MAP**



**ZONING MAP**

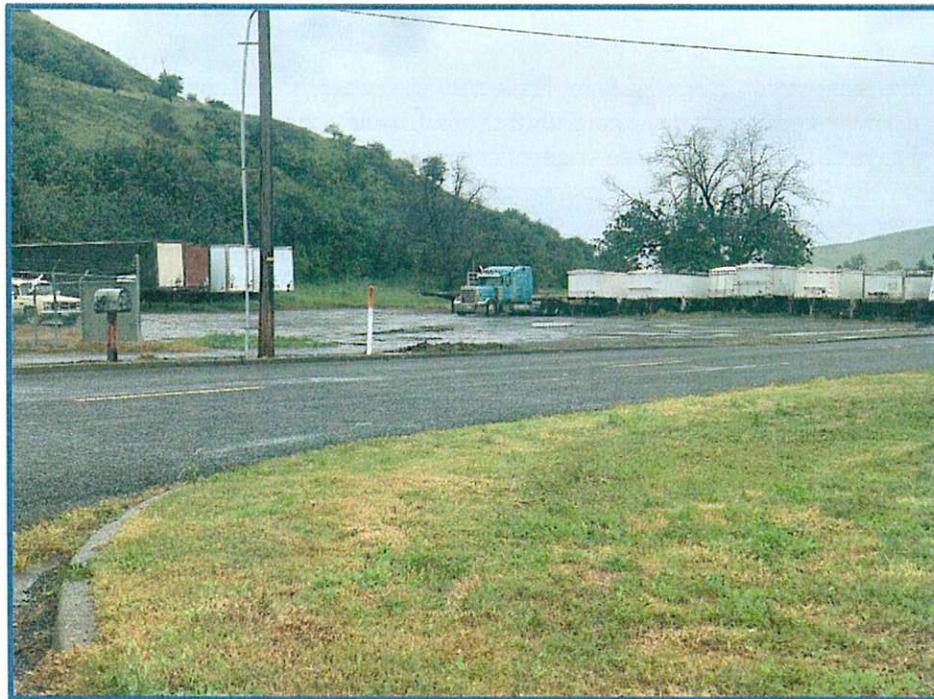


## Subject Photographs

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Tract U



Tract V



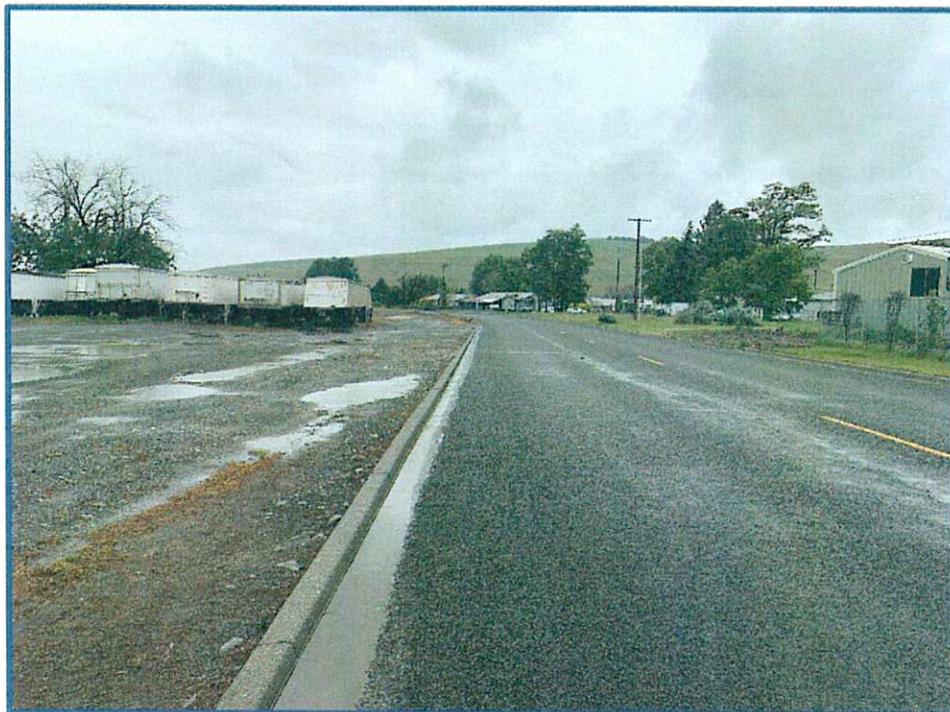
Tract U Ingress/Egress



Western Property Line



Cameron Street Looking East



Cameron Street Looking West

## Assessment and Tax Data

### Assessment Methodology

According to Washington State Department of Revenue, the State of Washington assessed values of real property is based on one or more of the following appraisal methods:

- The Market or Sales Comparison Approach to Value is determined, or estimated, based on multiple sales of similar properties. Most residential property is valued using this method.
- The Cost Approach to Value is determined based on the cost of replacing an existing structure with a similar one that serves the same purpose. This method is commonly used to value new construction.
- The Income Approach to Value is determined based on the income-producing potential of the property. This method is used primarily to value business property.

In 1955, the Legislature adopted a property revaluation cycle, requiring that revaluation occur a minimum of every four years.

### Assessed Values and Property Taxes

The subject's assessed values, applicable tax rates and total taxes, including direct assessments, are shown in the following table:

#### ASSESSED VALUES & PROPERTY TAXES

Assessor's Parcel No(s)	Year	Size	Assessed Values			Levy	EXEMPT		Subject pro rate	
			Land	Impr	Total	Rate	Taxes	Total	Land AV	Taxes
a portion of 1150200250000	2020	2.59 ac	\$675,470	\$3,537,200	\$4,212,670	12.1421026	\$51,150.67	\$51,150.67	\$112,619.33	\$1,367.44
	2021	2.59 ac	\$675,470	\$4,016,000	\$4,691,470	12.1377294	\$56,943.79	\$56,943.79	\$112,619.33	\$1,366.94
	2022	2.59 ac	\$675,470	\$4,016,000	\$4,691,470	11.848258	\$55,585.75	\$55,585.75	\$112,619.33	\$1,334.34

### Conclusions

The subject sites are publicly owned and exempt from ad valorem taxes and according to the Columbia County Treasurer. The taxes shown above were determined by applying the levy rate for the last three years to the respective assessed value. As of 2013, counties are not required to keep an assessed value of exempt properties, and the subject has not been formally reassessed since then according to the Assessor's office. It is likely that upon sale of the property the assessed values will change according to the sale price.

## Highest and Best Use

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The Highest and Best Use of a property is the use that is legally permissible, physically possible, and financially feasible which results in the highest value. An opinion of the highest and best use results from consideration of the criteria noted above under the market conditions or likely conditions as of the effective date of value. The highest and best use conclusion is the product of the judgment and analytical skills of the appraiser. It is an opinion, not a fact. In appraisal practice, the concept of highest and best use is the premise upon which value is based.

### Analysis of Highest and Best Use As Though Vacant

The primary determinants of the highest and best use of the property As Though Vacant are the issues of (1) Legal permissibility, (2) Physical possibility, (3) Financial feasibility, and (4) Maximum productivity.

#### Legally Permissible

The subject site is zoned FC, Fringe Commercial which controls the general nature of permissible uses but is appropriate for the location and physical elements of the subject property, providing for a consistency of use with the general neighborhood. The location is appropriate for the uses allowed, as noted previously, and a change in zoning is unlikely. The property has no known easements, encroachments, covenants, or other use restrictions that would unduly limit or impede development.

#### Physically Possible

The physical attributes allow for a number of commercial and light industrial uses. In developing our conclusion of the physically possible uses, we relied on characteristics such as size, shape, availability of utilities, known hazards (flood, environmental, etc.), and other potential elements presented in the Site Description. There are no items of a physical nature which would adversely impact development with the legal permitted uses.

#### Financially Feasible

The probable use of the site is for industrial development which conforms to the pattern of land use in the market area. The Dayton industrial market has little if any significant vacancy but demand is also limited making speculative development inappropriate and likely infeasible. Built-to-suit development may be financially feasible with a committed occupant or tenant.

#### Maximally Productive

Among the financially feasible uses, the use that results in the highest value (the maximally productive use) is the highest and best use. Considering these factors, the maximally productive use as though vacant is for owner-occupied or built-to-suit industrial development.

### Conclusion of Highest and Best Use As Though Vacant

The conclusion of the highest and best use As Though Vacant is for industrial development.

### Most Probable Buyer

As of the date of value, the most probable buyer of the subject property is an owner-occupant.

# Land Valuation

## Methodology

Land value is most often determined using the Sales Comparison Approach. This approach is based on the principle that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. In this approach, the appraiser develops an indication of market value by analyzing closed sales, listings, or pending sales of properties similar to the subject property. No two properties are identical. To account for differences in physical and economic characteristics from the subject property, the appraiser applies adjustments developed from market and sales analysis, and from professional judgment.

## Unit of Comparison

The unit of comparison depends on land use economics and how buyers and sellers use the property. The unit of comparison in this analysis is per usable square foot.

## Elements of Comparison

Elements of comparison are the characteristics or attributes of properties and transactions that cause the prices of real estate to vary. The primary elements of comparison considered in sales comparison analysis are as follows: (1) property rights conveyed, (2) financing terms, (3) conditions of sale, (4) expenditures made immediately after purchase, (5) market conditions, (6) location, and (7) physical characteristics. Properties with characteristics or attributes that are most similar to the subject property are most comparable and the best indications of value. Appraisers commonly make adjustments to the comparables to account for the impact of differences from the subject property in elements of comparison.

## Comparable Sales Data

To identify and verify comparable sales of vacant land properties, we researched public records, conducted field surveys, interviewed knowledgeable real estate professionals in the area, and reviewed our internal database. Because of the small size of the Dayton market and the limited number of sales, we expanded our research to include Waitsburg and Walla Walla. Of the data that this research produced, seven sales were judged to be the most comparable to provide the best indication of market value for the subject property.

The following table identifies each sale comparable, followed by detailed comparable sheets and a map.

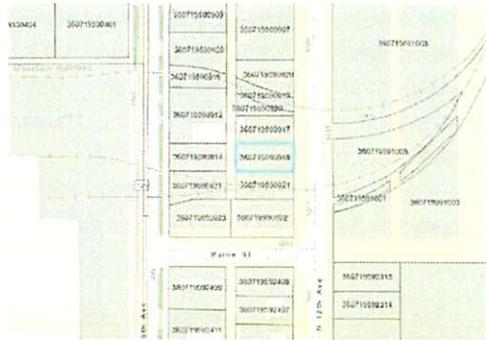
### Land Sales Summary

Comp. No.	Date of Sale	Location	City	Usable Sq. Ft.	Zoning	Sales Price Actual	Per Sq. Ft.
1	December-21	NKA 12th Avenue	Walla Walla	6,177	IH	\$28,000	\$4.53
2	January-21	1161 Abadie Street	Walla Walla	40,511	IL	\$235,000	\$5.80
3	August-20	409 W. Main Street	Dayton	9,600	C	\$40,000	\$4.17
4	August-20	941 N. 12th Avenue	Walla Walla	6,451	IH	\$28,000	\$4.34
5	June-19	1103 N. 9th Avenue	Walla Walla	10,454	IH	\$36,000	\$3.44
6	February-19	1104 N. 13th Avenue	Walla Walla	19,068	IH	\$75,000	\$3.93
7	June-18	310 Cameron Street	Dayton	98,500	I	\$50,000	\$0.51

## Land Sale Comparables

### LAND COMPARABLE 1

**Record No.** 11248185 **Property Type** Land - Industrial



#### Location Data

<b>Identification</b>	Beckner Industrial Land	<b>City, County</b>	Walla Walla, Walla Walla County
<b>Address</b>	NKA 12th Avenue	<b>State, Zip</b>	Washington 99362
<b>Location Description</b>	the southwest corner of 12th Avenue and Paine Street	<b>Latitude, Longitude</b>	46.072171, -118.355315
<b>Legal Description</b>	Langfords Lot 8 Block 24	<b>TaxID/APN</b>	360719590918

#### Sales Data

<b>Grantor</b>	Daniel Mellish	<b>Sale Price</b>	\$28,000	\$4.34/sf
<b>Grantee</b>	Bradley and Kara Beckner	<b>Financing Terms</b>	\$0	None
<b>Sale Date</b>	12/21/2021	<b>Conditions of Sale</b>	\$0	None
<b>Sale Status</b>	Closed	<b>Expenditures</b>	\$0	None
<b>Property Rights</b>	Fee Simple	<b>After Purchase</b>		
<b>Financing</b>	Cash-equivalent	<b>Non Realty Items</b>	\$0	None
<b>Conditions of Sale</b>	Arm's Length	<b>Atypical Costs</b>	\$0	None
<b>Sale History</b>	No prior relevant sales within the past three years.	<b>Adjusted Sale Price</b>	\$28,000	\$4.34/sf

#### Verification

<b>Confirmed With</b>	Brad Beckner 509.520.0914	<b>Confirmed By</b>	Cole Ferguson 10-28-2021
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#### Physical Data

<b>Land Size</b>	6,177 sf/0.14 acres	<b>Access</b>	Average
<b>Usable Land</b>	6,177 sf/0.14 acres	<b>Signalization</b>	No
<b>Zoning</b>	IH Heavy Industrial	<b>Primary Frontage</b>	12th Avenue
<b>Topography</b>	Level	<b>Second Frontage</b>	Paine Street
<b>Flood Zone</b>	Unspecified	<b>Parcel Type</b>	Interior
<b>Shape</b>	Rectangular	<b>Site Improvements</b>	None; vacant land
<b>Utilities</b>	All available		

#### Property Description

This is one corner-parcel of vacant land that has been converted from a residential to commercial/industrial. The site is located on the north side of the city of Walla Walla.

#### Remarks

The site was purchased by a tree service company with the lot covered in debris. The buyer physically helped the seller clear the space. The buyer does not believe this affected the sale price.

**LAND COMPARABLE 2**

<b>Record No.</b>	10907734	<b>Property Type</b>	Land - Industrial
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**Location Data**

<b>Identification</b>	Abadie Street Industrial Land	<b>City, County</b>	Walla Walla, Walla Walla County
<b>Address</b>	1161 Abadie Street	<b>State, Zip</b>	Washington 99362
<b>Location Description</b>	South of Abadie Street, east of Woodland Avenue and west of N. 13th Avenue	<b>Latitude, Longitude</b>	46.062380, -118.358142
		<b>TaxID/APN</b>	360730210008
<b>Legal Description</b>	30-7-36 TAX 26 & 29 LESS STRIP TO CITY OF WW		

**Sales Data**

<b>Grantor</b>	Michael F. Locati	<b>Sale Price</b>	\$235,000	\$5.80/sf
<b>Grantee</b>	Pina Enrique and Modesta	<b>Financing Terms</b>	\$0	None
<b>Sale Date</b>	1/30/2021	<b>Conditions of Sale</b>	\$0	None
<b>Sale Status</b>	Closed	<b>Expenditures</b>	\$0	None
<b>Document #</b>	Excise No. 141134	<b>After Purchase</b>		
<b>Property Rights</b>	Fee Simple	<b>Non Realty Items</b>	\$0	None
<b>Conditions of Sale</b>	Arm's Length	<b>Atypical Costs</b>	\$0	None
<b>Marketing Time</b>	9 months	<b>Adjusted Sale Price</b>	\$235,000	\$5.80/sf
<b>Sale History</b>	Property last sold on 4/25/2017 via SWD for \$200,000. This recent sale implies a 17.5% increase over 47 months, or 4.47% annual appreciation.			

**Verification**

<b>Confirmed With</b>	Cheryl Husted, Listing Agent 509-540-9283	<b>Confirmed By</b>	Tiffany Tauala 04-13-2022
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**Physical Data**

<b>Land Size</b>	40,511 sf/0.93 acres	<b>Utilities</b>	All
<b>Usable Land</b>	40,511 sf/0.93 acres	<b>Access</b>	Good
<b>Zoning</b>	IL Light Industrial	<b>Signalization</b>	No
<b>Topography</b>	Level	<b>Primary Frontage</b>	156' Abadie Street
<b>Flood Zone</b>	Not in a flood zone	<b>Parcel Type</b>	Interior
<b>Shape</b>	Rectangular	<b>Site Improvements</b>	None

**Property Description**

Industrial site located near the western boundary of the City of Walla Walla, Washington. Surrounding improvements include Charter Communications and Foundry Vineyards. Recent Abadie and 13th Street improvements include curbs, sidewalks, street paving and landscaping.

**Remarks**

Property sold for \$235,000, this sale information was obtained from county records, Excise Tax doc and Deed. The listing broker said the price and dates sounded right and that there were no atypical conditions of the sale or anything that affected the price adversely. It was a standard, market-oriented transaction.

### LAND COMPARABLE 3

<b>Record No.</b>	11035134	<b>Property Type</b>	Land - Commercial
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#### Location Data

<b>Identification</b>	Commercial Land Sale Dayton	<b>City, County</b>	Dayton, Columbia County
<b>Address</b>	409 W. Main Street	<b>State, Zip</b>	Washington 99328
<b>Location Description</b>	South of Main Street, between Pine Street and Cherry Street	<b>Latitude, Longitude</b>	46.316064, -117.987824
<b>Legal Description</b>	RAILROAD, LOT 6, SW 1/3 LOT 7, BLK 4; 9600 SQ. FT.		
		<b>TaxID/APN</b>	1150040070001

#### Sales Data

<b>Grantor</b>	Brian Richard Todd and Hidir Marie Todd	<b>Sale Price</b>	\$40,000	<b>\$4.17/sf</b>
<b>Grantee</b>	Timothy D. Dewald and Susan Fenno Dewald 90% interest, PFI Mart, LLC 10% interest	<b>Financing Terms</b>	\$0	None
<b>Sale Date</b>	8/10/2020	<b>Conditions of Sale</b>	\$0	None
<b>Sale Status</b>	Closed	<b>Expenditures</b>	\$0	None
<b>Document #</b>	Excise No. 28035	<b>After Purchase</b>		
<b>Property Rights</b>	Fee Simple	<b>Non Realty Items</b>	\$0	None
<b>Financing</b>	Cash to Seller	<b>Atypical Costs</b>	\$0	None
<b>Conditions of Sale</b>	Arm's Length	<b>Adjusted Sale Price</b>	\$40,000	\$4.17/sf
<b>Sale History</b>	Property sold 3/5/2020 via SWD for \$30,000			

#### Verification

<b>Confirmed With</b>	Chelsea Mann, Agent at Christy's Realty 509-382-2100	<b>Confirmed By</b>	Tiffany Tuala 03-30-2022
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#### Physical Data

<b>Land Size</b>	9,600 sf/0.22 acres	<b>Access</b>	Average
<b>Usable Land</b>	9,600 sf/0.22 acres	<b>Signalization</b>	No
<b>Zoning</b>	C Central Commercial	<b>Primary Frontage</b>	80' Main Street
<b>Topography</b>	Level	<b>Second Frontage</b>	80' Alleyway
<b>Flood Zone</b>	X	<b>Parcel Type</b>	Interior
<b>Shape</b>	Rectangular	<b>Site Improvements</b>	None
<b>Utilities</b>	All available		

#### Property Description

This is a rectangular commercial lot in the central business district of Dayton, Washington.

#### Remarks

Was unable to reach Garry Snyder, however Chelsea Mann confirmed the sale date and price but was unable to provide a list date as they have a new system.

### LAND COMPARABLE 4

**Record No.** 11191065 **Property Type** Land - Industrial



#### Location Data

<b>Identification</b>	941 N. 12th Avenue	<b>City, County</b>	Walla Walla, Walla Walla County
<b>Address</b>	941 N. 12th Avenue	<b>State, Zip</b>	Washington 99362
<b>Location Description</b>	the southwest corner of 12th Avenue and Paine Street	<b>Latitude, Longitude</b>	46.071741, -118.355483
<b>Legal Description</b>	Langfords Lot 8 Block 24	<b>TaxID/APN</b>	360719592408

#### Sales Data

<b>Grantor</b>	Daniel Mellish	<b>Sale Price</b>	\$28,000	\$4.34/sf
<b>Grantee</b>	Bradley and Kara Beckner	<b>Financing Terms</b>	\$0	None
<b>Sale Date</b>	8/7/2020	<b>Conditions of Sale</b>	\$0	None
<b>Sale Status</b>	Closed	<b>Expenditures</b>	\$0	None
<b>Property Rights</b>	Fee Simple	<b>After Purchase</b>		
<b>Financing</b>	Cash-equivalent	<b>Non Realty Items</b>	\$0	None
<b>Conditions of Sale</b>	Arm's Length	<b>Atypical Costs</b>	\$0	None
<b>Sale History</b>	No prior relevant sales within the past three years.	<b>Adjusted Sale Price</b>	\$28,000	\$4.34/sf

#### Verification

<b>Confirmed With</b>	Brad Beckner 509.520.0914	<b>Confirmed By</b>	Cole Ferguson 10-28-2021
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#### Physical Data

<b>Land Size</b>	6,451 sf/0.15 acres	<b>Access</b>	Average
<b>Usable Land</b>	6,451 sf/0.15 acres	<b>Signalization</b>	No
<b>Zoning</b>	IH Heavy Industrial	<b>Primary Frontage</b>	12th Avenue
<b>Topography</b>	Level	<b>Second Frontage</b>	Paine Street
<b>Flood Zone</b>	Unspecified	<b>Parcel Type</b>	Corner
<b>Shape</b>	Rectangular	<b>Site Improvements</b>	None; vacant land
<b>Utilities</b>	All available		

#### Property Description

This is one corner-parcel of vacant land that has been converted from a residential to commercial/industrial. The site is located on the north side of the city of Walla Walla.

#### Remarks

This is one corner-parcel of vacant land that has been converted from a residential to commercial/industrial. The site is located on the north side of the city of Walla Walla. We were unable to confirm the details of this transaction with parties to the sale. It was confirmed with public records.

### LAND COMPARABLE 5

**Record No.** 11110560 **Property Type** Land - Industrial



#### Location Data

<b>Identification</b>	9th Avenue Commercial Land	<b>City, County</b>	Walla Walla, Walla Walla County
<b>Address</b>	1103 N. 9th Avenue	<b>State, Zip</b>	Washington 99362
<b>Location Description</b>	Northeast corner of 9th Avenue and May Avenue	<b>Latitude, Longitude</b>	46.075890, -118.351505
<b>Legal Description</b>	BUTLERS LOTS 13 & 14 BLK 4 LESS OW RWY	<b>TaxID/APN</b>	360719520413

#### Sales Data

<b>Grantor</b>	Pavel & Irina Kostenko	<b>Sale Price</b>	\$36,000	\$3.44/sf
<b>Grantee</b>	Bradly & Kara Beckner	<b>Financing Terms</b>	\$0	None
<b>Sale Date</b>	6/3/2019	<b>Conditions of Sale</b>	\$0	None
<b>Sale Status</b>	Closed	<b>Expenditures</b>	\$0	None
<b>Document #</b>	2019-03801	<b>After Purchase</b>		
<b>Property Rights</b>	Fee Simple	<b>Non Realty Items</b>	\$0	None
<b>Financing</b>	Cash-equivalent	<b>Atypical Costs</b>	\$0	None
<b>Conditions of Sale</b>	Arm's Length	<b>Adjusted Sale Price</b>	\$36,000	\$3.44/sf

#### Verification

<b>Confirmed With</b>	Todd Wright 509-525-2151	<b>Confirmed By</b>	Pam Schoenrock 12-18-2020
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#### Physical Data

<b>Land Size</b>	10,454 sf/0.24 acres	<b>Utilities</b>	All Available
<b>Usable Land</b>	10,454 sf/0.24 acres	<b>Access</b>	Average
<b>Zoning</b>	IH Heavy Industrial	<b>Signalization</b>	No
<b>Topography</b>	Level	<b>Primary Frontage</b>	105' N. 9th Avenue
<b>Flood Zone</b>	Not surveyed	<b>Second Frontage</b>	100' May Avenue
<b>Shape</b>	Rectangular	<b>Parcel Type</b>	Corner

#### Property Description

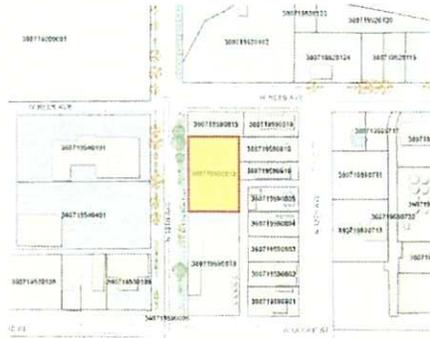
This undeveloped property is located north of the city center of Walla Walla, zoned heavy industrial.

#### Remarks

Electricity and water in the street. The listing agent feels that the lot sold for less than it could have due to it's size (being under a quarter of an acre) and location. The buyer owns a property next to this site and runs a type of moving or trucking company and purchased this lot to use as extra parking for their trucks.

### LAND COMPARABLE 6

<b>Record No.</b>	11110584	<b>Property Type</b>	Land - Industrial
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#### Location Data

<b>Identification Address</b>	13th Avenue Industrial Land 1104 N. 13th Avenue	<b>City, County State, Zip</b>	Walla Walla, Walla Walla County Washington 99362
<b>Location Description</b>	East side of 13th Avenue, 150 ft south of Rees Avenue	<b>Latitude, Longitude</b>	46.074384, -118.355950
<b>Legal Description</b>	LANGFORDS ADDN LOTS 10, 11 & 12 BLK 8; LESS PORTION VACATED ALLEY		
<b>TaxID/APN</b>	360719590819		

#### Sales Data

<b>Grantor</b>	Walla Walla Valley Industrial Properties, LLC	<b>Sale Price</b>	\$75,000	\$3.93/sf
<b>Grantee</b>	Darin R. & Korin S. Harvey	<b>Financing Terms</b>	\$0	None
<b>Sale Date</b>	2/12/2019	<b>Conditions of Sale</b>	\$0	None
<b>Sale Status</b>	Closed	<b>Expenditures</b>	\$0	None
<b>Property Rights</b>	Fee Simple	<b>After Purchase</b>		
<b>Financing</b>	Cash-equivalent	<b>Non Realty Items</b>	\$0	None
<b>Conditions of Sale</b>	Arm's Length	<b>Atypical Costs</b>	\$0	None
		<b>Adjusted Sale Price</b>	\$75,000	\$3.93/sf

#### Verification

<b>Confirmed With</b>	Darin Korin 509-520-3401	<b>Confirmed By</b>	Abraham J. Kazda, MAI 12-23-2020
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#### Physical Data

<b>Land Size</b>	19,068 sf/0.44 acres	<b>Utilities</b>	All Available
<b>Usable Land</b>	19,068 sf/0.44 acres	<b>Access</b>	Average
<b>Zoning</b>	IH Heavy Industrial	<b>Signalization</b>	No
<b>Topography</b>	Level	<b>Primary Frontage</b>	167' N. 13th Avenue
<b>Flood Zone</b>	Area not surveyed	<b>Parcel Type</b>	Interior
<b>Shape</b>	Rectangular		

#### Property Description

This undeveloped land is located in an industrial area north of the Walla Walla city center and has frontage on 13th Avenue, a minor arterial and just south of Rees Avenue, another minor arterial.

#### Remarks

Buyer paid asking price for the bare ground site. Intended to use for outside storage of equipment, which included gravel, fence, and swale improvement.

### LAND COMPARABLE 7

**Record No.** 11247512 **Property Type** Land-Industrial



#### Location Data

<b>Identification Address</b>	Port of Columbia Land Dayton 310 Cameron Street	<b>City, County State, Zip</b>	Dayton, Columbia County Washington 99328
		<b>Latitude, Longitude</b>	46.314519, -117.984500

#### Sales Data

<b>Grantor</b>	PORT OF COLUMBIA	<b>Sale Price</b>	\$50,000	\$.27/sf
<b>Grantee</b>	DRAPER INVESTMENTS LLC	<b>Financing Terms</b>	\$0	None
<b>Sale Date</b>	6/22/2018	<b>Conditions of Sale</b>	\$0	None
<b>Sale Status</b>	Closed	<b>Expenditures</b>	\$5,000	None
<b>Document #</b>	42799	<b>After Purchase</b>		
<b>Property Rights</b>	Fee Simple	<b>Non Realty Items</b>	\$0	None
<b>Financing</b>	Cash to Seller	<b>Atypical Costs</b>	\$0	None
<b>Conditions of Sale</b>	Arm's Length	<b>Adjusted Sale Price</b>	\$55,000	\$.30/sf

#### Verification

<b>Confirmed With</b>	Jennie Dickinson (509) 382-2577	<b>Confirmed By</b>	Cole Ferguson 06-23-2022
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#### Physical Data

<b>Land Size</b>	185,408 sf/4.26 acres	<b>Access</b>	Average
<b>Usable Land</b>	98,500 sf/2.26 acres	<b>Signalization</b>	No
<b>Zoning</b>	I Industrial	<b>Primary Frontage</b>	340' Cameron Street
<b>Topography</b>	Varies	<b>Parcel Type</b>	Interior
<b>Shape</b>	Mostly rectangular		

#### Property Description

The site is location along Cameron Street in the small market of Dayton Washington. The site is adjacent to the Port of Columbia and was previously sold by the Port.

#### Remarks

The site was used by the City of Dayton to dump out of commission machinery etc. The site was listed at \$55,000 but the Port reduced the price to account for the cost to clear the site. This value has been added to the sale price.

### COMPARABLE SALES MAP



### Land Sales Comparison Analysis

When necessary, we made adjustments for differences in various elements of comparison. If the element of comparison is superior to that of the subject, we applied a negative adjustment. Conversely, a positive adjustment was applied if the characteristic was inferior.

### Transaction Adjustments

Transaction adjustments include (1) real property rights conveyed, (2) financing terms, (3) conditions of sale, and (4) expenditures made immediately after purchase. These adjustments are discussed as follows:

#### Real Property Rights Conveyed

Real property ownership is often viewed as a "bundle of rights". Individual rights can be sold, leased, gifted, or otherwise conferred—either temporarily or permanently. The property rights transferred in a sale affect the buyer's ability to use the property. Adjustments for property rights conveyed account for the impact that limitations on property rights had on the sale price. The comparable sales were all sold as Fee Simple, and no adjustments were required.

#### Financing Terms

Market value is based on cash or on cash-equivalent terms. Terms that differ from these can affect sale prices and may require an adjustment for cash equivalency. All of the sale comparables were for cash or on cash equivalent terms; therefore, no adjustments for this category were required.

### Conditions of Sale

Market value is based on a sale from a "...willing and reasonable knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell..." All parties in a sale are motivated to one degree or another. Unusual or atypical motivation can affect the sale price. Conditions of sale adjustments account for the impact of atypical motivation or other similar factors. No adjustments for the comparables were warranted.

### Expenditures Made Immediately After Purchase

Expenditures that the buyer expects to make after the acquisition but anticipated before the sale closes are added to the price to reflect the total effective purchase price. Examples may include costs to demolish and remove any portion of the improvements, costs to petition for a zoning change, or costs to remediate environmental contamination. The City of Dayton previously used Sale 6 to store non-functioning equipment etc.; we made a +\$5,000 adjustment for the cost to remove debris.

### Market Conditions Adjustment

Inflation, deflation, fluctuations in supply and demand, and other factors can cause prices to change over time and create the need for an adjustment for the impact of these changing market conditions.

The Columbia Basin region including Walla Walla and the Tri-Cities have seen significant market appreciation and an increase in the velocity of industrial land sales. The lack of commercial land sales within the subject's market indicates that the local market is not experiencing similar demand. Therefore, it is not appropriate to adjust the sales for market conditions.

### Physical Property Adjustments

Property adjustments account for relevant differences between the comparable properties and the subject property in physical characteristics such as location, size, access, visibility, topography, functional utility and other elements. Our reasoning for the property adjustments made to each sale comparable follows. The discussion analyzes each adjustment category deemed applicable to the subject property.

#### Location

Location adjustments may be required when the locational characteristics of a comparable are different from those of the subject. These characteristics can include general neighborhood characteristics, access, street exposure, neighboring properties, view amenities, and other factors.

The subject site is located along Cameron Street in Dayton, a small community where demand is tepid and little new industrial development has occurred. The site has good access from US-12 and average visibility. Sales 1, 2, 4, 5, 6 are in Walla Walla, a larger, more vibrant and active market and required significant adjustments. The comparables in Walla Walla sold for an average of \$4.41/sf ( $\$4.53/\text{sf} + \$5.80/\text{sf} + \$4.34/\text{sf} + \$3.44/\text{sf} + \$3.93/\text{sf} \div 5$ ) while the sales in Dayton sold for an average of \$2.36/sf ( $\$4.17/\text{sf} + \$0.56/\text{sf} \div 2$ ). This indicates a 46% premium for industrial land sales in Walla Walla. We have applied a base 50% downward adjustment for sales in Walla Walla. Sale 6 is located along an artery with commercial potential and is adjusted an additional 10%, or a total of 60%.

#### Size

The subject consists of two tracts that would likely be sold separately. We have taken the average of the two, or 56,311 sf, and judged that against the comparables. Larger parcels typically command a lower price per unit than a smaller parcel.

This is due to lower demand for larger parcels from fewer qualified purchasers. The size adjustment addresses the impact of size differences. Sale 1 and Sales 3-6 are sufficiently smaller than the subject and are adjusted downward 10%. Sale 7 is sufficiently larger and an upward 10% adjustment is appropriate.

#### Functional Utility

The subject site is two trapezoid-shaped tracts similar enough to the comparables to not warrant an adjustment.

#### Corner Exposure

Tracts located on busy arterial streets or at significant intersections tend to bring higher prices than otherwise comparable properties in secondary locations. For retail or office users, the hard corner of an intersection may be marketed to a fairly large pool of small users (e.g. service stations, fast food restaurants, dental/vet clinics etc.) for sale. A corner location is less important for industrial users but does enhance access.

The subject site has an interior location. Sales 4 and 5 have corner exposure and a downward 10% adjustment is appropriate.

#### Zoning

Zoning controls land uses and thereby affects highest and best use and values. Comparables with different zoning than the subject property may require an adjustment.

The subject site is zoned Fringe Commercial which allows for a wide range of commercial and industrial zoning uses. Most comparables have similar zoning and allow for the highest and best use of the property and therefore no adjustments are necessary. However, Sale 3 is located along Main Street in Dayton with commercial zoning and would not support industrial use; therefore, it is adjusted downward 10%.

#### Summary of Adjustments

The table on the following page summarizes significant characteristics of the subject property and the comparables and the adjustments for differences in elements of comparison. As noted earlier, these adjustments were based on our market research, best judgment, and experience in the appraisal of similar properties.

**LAND SALES ADJUSTMENT GRID**

Subject	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5	Sale 6	Sale 7	
Sale ID	1598931	1584293	1584319	1561406	1512493	1512515	1598475	
Date of Value & Sale	June-22	December-21	January-21	August-20	August-20	June-19	February-19	
Property Name	Rock Hill Industrial Park Land	Beckner Industrial Land	Abadie Street Industrial Land	Commercial Land Sale Dayton	941 N. 12th Avenue	9th Avenue Commercial Land	13th Avenue Industrial Land	Port of Columbia Land Dayton
Unadjusted Sales Price	\$28,000	\$235,000	\$40,000	\$28,000	\$36,000	\$75,000	\$50,000	
Usable Square Feet	112,621	6,177	40,511	9,600	6,451	10,454	19,068	
<b>Unadjusted Sales Price per Usable Sq. Ft.</b>	<b>\$4.53</b>	<b>\$5.80</b>	<b>\$4.17</b>	<b>\$4.34</b>	<b>\$3.44</b>	<b>\$3.93</b>	<b>\$0.51</b>	
<b>Transactional Adjustments</b>								
<b>Property Rights Conveyed</b>	<i>Fee Simple</i>	<i>Fee Simple</i>	<i>Fee Simple</i>	<i>Fee Simple</i>	<i>Fee Simple</i>	<i>Fee Simple</i>	<i>Fee Simple</i>	
Adjusted Sales Price	\$4.53	\$5.80	\$4.17	\$4.34	\$3.44	\$3.93	\$0.51	
<b>Financing Terms</b>	<i>Cash to Seller</i>	<i>Cash-equivalent</i>	<i>N/A</i>	<i>Cash to Seller</i>	<i>Cash-equivalent</i>	<i>Cash-equivalent</i>	<i>Cash to Seller</i>	
Adjusted Sales Price	\$4.53	\$5.80	\$4.17	\$4.34	\$3.44	\$3.93	\$0.51	
<b>Conditions of Sale</b>	<i>Typical</i>	<i>Arm's Length</i>	<i>Arm's Length</i>	<i>Arm's Length</i>	<i>Arm's Length</i>	<i>Arm's Length</i>	<i>Arm's Length</i>	
Adjusted Sales Price	\$4.53	\$5.80	\$4.17	\$4.34	\$3.44	\$3.93	\$0.51	
<b>Expenditures after Sale Adjustment</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000	
Adjusted Sales Price	\$4.53	\$5.80	\$4.17	\$4.34	\$3.44	\$3.93	\$0.56	
<b>Market Conditions Adjustments</b>								
<b>Elapsed Time from Date of Value</b>	June-22	0.48 years	1.37 years	1.84 years	1.85 years	3.03 years	3.33 years	3.98 years
Market Trend Through	June-22	-	-	-	-	-	-	-
<b>Analyzed Sales Price</b>	<b>\$4.53</b>	<b>\$5.80</b>	<b>\$4.17</b>	<b>\$4.34</b>	<b>\$3.44</b>	<b>\$3.93</b>	<b>\$0.56</b>	
<b>Physical Adjustments</b>								
<b>Location</b>	<i>NKA Cameron Street Dayton</i>	<i>NKA 12th Avenue Walla Walla</i>	<i>1161 Abadie Street Walla Walla</i>	<i>409 W. Main Street Dayton</i>	<i>941 N. 12th Avenue Walla Walla</i>	<i>1103 N. 9th Avenue Walla Walla</i>	<i>1104 N. 13th Avenue Walla Walla</i>	<i>310 Cameron Street Dayton</i>
Adjustment	-	-50.0%	-50.0%	-10.0%	-50.0%	-50.0%	-60.0%	-
<b>Size</b>	<i>56,311 sf</i>	<i>6,177 sf</i>	<i>40,511 sf</i>	<i>9,600 sf</i>	<i>6,451 sf</i>	<i>10,454 sf</i>	<i>19,068 sf</i>	<i>98,500 sf</i>
Adjustment	-	-10.0%	-	-10.0%	-10.0%	-10.0%	-10.0%	10.0%
<b>Shape/Depth</b>	<i>Trapezoid</i>	<i>Rectangular</i>	<i>Rectangular</i>	<i>Rectangular</i>	<i>Rectangular</i>	<i>Rectangular</i>	<i>Rectangular</i>	<i>Mostly rectangular</i>
Adjustment	-	-	-	-	-	-	-	-
<b>Corner Exposure</b>	<i>Interior</i>	<i>Interior</i>	<i>Interior</i>	<i>Interior</i>	<i>Corner</i>	<i>Corner</i>	<i>Interior</i>	<i>Interior</i>
Adjustment	-	-	-	-	-10.0%	-10.0%	-	-
<b>Zoning</b>	<i>FC</i>	<i>IH</i>	<i>IL</i>	<i>C</i>	<i>IH</i>	<i>IH</i>	<i>IH</i>	<i>I</i>
Adjustment	-	-	-	-10.0%	-	-	-	-
<b>Net Physical Adjustment</b>	-	-60.0%	-50.0%	-30.0%	-70.0%	-70.0%	-70.0%	10.0%
<b>Adjusted Sales Price per Usable Square Foot</b>	<b>\$1.81</b>	<b>\$2.90</b>	<b>\$2.92</b>	<b>\$1.30</b>	<b>\$1.03</b>	<b>\$1.18</b>	<b>\$0.61</b>	

### Land Value Conclusion

The following table summarizes the unadjusted and adjusted unit rates.

#### Land Sale Statistics

Metric	Unadjusted	Analyzed	Adjusted
Min. Sales Price per Usable Square Foot	\$0.51	\$0.56	\$0.61
Max. Sales Price per Usable Square Foot	\$5.80	\$5.80	\$2.92
Median Sales Price per Usable Square Foot	\$4.17	\$4.17	\$1.30
Mean Sales Price per Usable Square Foot	\$3.82	\$3.83	\$1.68

The sales indicate a range for the subject of \$0.61/sf to \$2.92/sf with five of the seven from \$0.61/sf to \$1.81/sf. Sale 3 is the most recent sale in Dayton. This commercial site is located on the main arterial through Dayton (Highway 12/Main Street) and benefits from superior exposure and commercial zoning. Because of the size and location, this sale is a high indication of value for the subject.

Sale 7 is the only other land sale in Dayton and sets the lower end of the range. The site is located two lots to the east of the subject along Cameron Street in Dayton. This is the oldest sale analyzed but is most similar to the subject in use and location.

The parcel contains 185,408 sf but only approximately 98,500 sf is usable as a large portion of the site is located on a steep slope on the south side of the property. The site is undeveloped and inferior to the subject; therefore, it is a low indication of value for the subject.

Sale 1 has a secondary location but has easy access to Highway 125. The site is smaller than the subject and is located within the larger Walla Walla market. This is a high indication of value for the subject.

Sale 2 has a secondary location in Walla Walla but is visible from a minor artery in Walla Walla (Rose Street). The site has good truck access to Highway 125 as well as good industrial synergy within the neighborhood. This is a high indication of value.

Sale 4 is not located along an artery but has very good access to Highway 125. The site has good industrial synergy, corner exposure, and the site is significantly smaller than the subject sites. This sale is likely a high indication of value for the subject.

Sale 5 is located along 9<sup>th</sup> Avenue, north of Highway 12, and has good industrial synergy. The site has corner exposure and convenient access to U.S. 125 via Edith Avenue. This sale is a high indication for the subject.

Sale 6 has a primary corner location along an artery in Walla Walla. This sale is located along a significant artery ranging from I-84 in Pendleton to the south to Highway 124 in Prescott to the north. This site is superior to the subject due to its location and is a high indication of value.

With the exception of the two high outliers, the comparables support an adjusted range between \$0.61/sf and \$1.81/sf. For the purpose of pricing the properties for sale, the comparables support a reasonable range between \$1.00/sf and \$1.50/sf.

Based on the adjusted value indications of the most similar Comparable sales a unit value for the subject property is near the middle of the adjusted comparable range, or \$1.00 per usable square foot.

Based on this analysis, our market value conclusion for each tract is summarized in the following table:

<b>Land Value Conclusion</b>				
<b>Reasonable Adjusted Comparable Range</b>				
56,311 square feet		x	\$1.00 psf	= \$56,311
56,311 square feet		x	\$1.50 psf	= \$84,466
<b>Market Value Opinion</b>				(Rounded)
Tract U	51,394 sf	x	<b>\$1.00 psf</b>	= <b>\$51,000</b>
Tract V	61,227 sf		<b>\$1.00 psf</b>	= <b>\$61,000</b>

# Valuation Summary

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## Summary of Value Indications

The following table presents the indicated values from the approaches used and our market values conclusion(s):

### Value Indications

Value Perspective	Tract U	Tract V
Sales Comparison - Land Only	\$51,000	\$61,000

### Value Conclusions

Value Perspective	Current	Current
Value Type	Market Value	Market Value
Value Premise	As Is	As Is
Property Rights Appraised	Fee Simple	Fee Simple
Effective Date of Value	June 13, 2022	June 13, 2022
<b>Value Conclusion</b>	<b>\$51,000</b>	<b>\$61,000</b>
	<b>\$0.99 psf</b>	<b>\$1.00 psf</b>

To reach a final opinion of value, we analyzed the reliability and relevance of each value indication based upon the quality of the data and applicability of the assumptions underlying each approach. Given the availability and reliability of data within the Sales Comparison Approach, we gave this approach primary weight in arriving at our final value conclusions. Furthermore, land properties such as the subject property are typically purchased by an owner-occupant, who primarily rely upon the methods employed by the Sales Comparison Approach.

Our findings and conclusions are further contingent upon the following extraordinary assumptions and/or hypothetical conditions which might have affected the assignment results:

### Extraordinary Assumptions

- None

### Hypothetical Conditions

- None

### Exposure Time and Marketing Period

Based on statistical information about days on market, escrow length, and marketing times gathered through national investor surveys, sales verification, and interviews of market participants, we estimate marketing and exposure times of 12 to 18 months each.

## General Assumptions and Limiting Conditions

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This appraisal is subject to the following limiting conditions:

1. We have not verified the accuracy of the legal description included in this report and accept no liability for its accuracy. It is provided for the client's convenience only and should not be relied upon for any transaction without verification from a reliable source.
2. We assume no responsibility for legal matters, questions of survey or title, soil or subsoil conditions, engineering, availability or capacity of utilities, or other similar technical matters. Unless otherwise stated in this report, we have disregarded all existing liens and encumbrances. The property is appraised as though free and clear, under responsible ownership and competent management unless otherwise noted.
3. Unless otherwise noted, the appraisal will value the property as though free of contamination. Auble, Jolicoeur, & Gentry, Inc. dba Valbridge Property Advisors | Inland Pacific Northwest will conduct no hazardous materials or contamination inspection of any kind. It is recommended that the client hire an expert if the presence of hazardous materials or contamination poses any concern.
4. Unless otherwise noted, it is assumed that there are no encroachments, zoning violations or restrictions existing in the subject property.
5. The appraiser is not required to give testimony or attendance in court by reason of this appraisal, unless previous arrangements have been made.
6. Unless expressly specified in the engagement letter, the fee for this appraisal does not include the attendance or giving of testimony by Appraiser at any court, regulatory, or other proceedings, or any conferences or other work in preparation for such proceeding. If any partner or employee of Auble, Jolicoeur, & Gentry, Inc. dba Valbridge Property Advisors | Inland Pacific Northwest is asked or required to appear and/or testify at any deposition, trial, or other proceeding about the preparation, conclusions or any other aspect of this assignment, client shall compensate Appraiser for the time spent by the partner or employee in appearing and/or testifying and in preparing to testify according to the Appraiser's then current hourly rate plus reimbursement of expenses.
7. The values for land and/or improvements, as contained in this report, are constituent parts of the total value reported and neither is (or are) to be used in making a summation appraisal of a combination of values created by another appraiser. Either is invalidated if so used.
8. The dates of value to which the opinions expressed in this report apply are set forth in this report. We assume no responsibility for economic or physical factors occurring at some point at a later date, which may affect the opinions stated herein. The forecasts, projections, or operating estimates contained herein are based on current market conditions and anticipated short-term supply and demand factors and are subject to change with future conditions.
9. The sketches, maps, plats and exhibits in this report are included to assist the reader in visualizing the property. The appraiser has made no survey of the property and assumed no responsibility in connection with such matters.
10. The information, estimates and opinions, which were obtained from sources outside of this office, are considered reliable; however, no liability for them can be assumed by the appraiser.

11. Possession of this report, or a copy thereof, does not impart the right of publication. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to property value, the identity of the appraisers, professional designations, reference to any professional appraisal organization or the firm with which the appraisers are connected), shall be disseminated to the public through advertising, public relations, news, sales, or other media without prior written consent and approval.
12. We claim no expertise for matters that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers. Examples include, but are not limited to, legal, survey, structural, environmental, pest control, mechanical, etc.
13. This appraisal was prepared for the sole and exclusive use of the client for the function outlined herein. Any party who is not the client or intended user identified in the appraisal or engagement letter is not entitled to rely upon the contents of the appraisal without express written consent of Auble, Jolicoeur, & Gentry, Inc. dba Valbridge Property Advisors | Inland Pacific Northwest and Client. The Client shall not include partners, affiliates, or relatives of the party addressed herein. The appraiser(s) neither assume nor accepts any obligation, liability or accountability to any third party.
14. Distribution of this report is at the sole discretion of the client, but third-parties not listed as an intended user on the face of the appraisal or the engagement letter may not rely upon the contents of the appraisal. In no event shall client give a third-party a partial copy of the appraisal report. We will make no distribution of the report without the specific direction of the client.
15. This appraisal shall be used only for the function and intended use outlined herein, unless expressly authorized by Auble, Jolicoeur, & Gentry, Inc. dba Valbridge Property Advisors | Inland Pacific Northwest.
16. This appraisal shall be considered in its entirety. No part thereof shall be used separately or out of context.
17. Unless otherwise noted in the body of this report, we have assumed that the subject property does not fall within the areas where flood insurance is required. Unless otherwise noted, we have not completed nor have we contracted to have completed an investigation to identify and/or quantify the presence of non-tidal wetland conditions on the subject property. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
18. The flood maps are not site specific. We are not qualified to confirm the location of the subject property in relation to flood hazard areas based on the FEMA Flood Insurance Rate Maps or other surveying techniques. It is recommended that the client obtain a confirmation of the subject property's flood zone classification from a licensed surveyor.
19. If the appraisal is for mortgage loan purposes 1) we assume satisfactory completion of improvements if construction is not complete, 2) no consideration has been given for rent loss during rent-up unless noted in the body of this report, and 3) occupancy at levels consistent with our "Income and Expense Projection" are anticipated.
20. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.

21. In the absence of being provided with a detailed land survey, we have used assessment department data to ascertain the physical dimensions and acreage of the property. Should a survey prove this information to be inaccurate, we reserve the right to amend this appraisal (at additional cost) if substantial differences are discovered.
22. If only preliminary plans and specifications were available for use in the preparation of this appraisal, then this appraisal is subject to a review of the final plans and specifications when available (at additional cost) and we reserve the right to amend this appraisal if substantial differences are discovered.
23. Unless otherwise stated in this report, the value conclusion is predicated on the assumption that the property is free of contamination, environmental impairment or hazardous materials. Unless otherwise stated, the existence of hazardous material was not observed by the appraiser and the appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required for discovery. The client is urged to retain an expert in this field, if desired.
24. We are not experts in water rights and have not verified and do not assure the quality or quantity of any sources of water, the ownership of and/or the legal rights to access water used for domestic purposes or other purposes on the subject property. We accept no responsibility or liability for water quality, quantity, water rights, or other matters relating to water.
25. This appraisal applies to the land and building improvements only. The value of trade fixtures, furnishings, and other equipment, or subsurface rights (minerals, gas, and oil) were not considered in this appraisal unless specifically stated to the contrary.
26. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated, unless specifically stated to the contrary.
27. Any estimate of insurable cost presented herein, is based upon figures developed consistent with industry practices. Actual local and regional construction costs may vary significantly from our estimate and individual insurance policies and underwriters have varied specifications, exclusions, and non-insurable items. As such, we strongly recommend that the Client obtain estimates from professionals experienced in establishing insurance coverage. This analysis should not be relied upon to determine insurance coverage and we make no warranties regarding the accuracy of this estimate.
28. The data gathered in the course of this assignment (except data furnished by the Client) shall remain the property of the Appraiser. The appraiser will not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to the appraiser. Notwithstanding the foregoing, the Appraiser is authorized by the client to disclose all or any portion of the appraisal and related appraisal data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable the appraiser to comply with the Bylaws and Regulations of such Institute now or hereafter in effect.

29. You and Auble, Jolicoeur, & Gentry, Inc. dba Valbridge Property Advisors | Inland Pacific Northwest both agree that any dispute over matters in excess of \$5,000 will be submitted for resolution by arbitration. This includes fee disputes and any claim of malpractice. The arbitrator shall be mutually selected. If Valbridge Property Advisors | Auble, Jolicoeur, & Gentry, Inc. and the client cannot agree on the arbitrator, the presiding head of the Local County Mediation & Arbitration panel shall select the arbitrator. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that, by agreeing to binding arbitration, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury. In the event that the client, or any other party, makes a claim against Auble, Jolicoeur, & Gentry, Inc. or any of its employees in connections with or in any way relating to this assignment, the maximum damages recoverable by such claimant shall be the amount actually received by Valbridge Property Advisors | Auble, Jolicoeur, & Gentry, Inc. for this assignment, and under no circumstances shall any claim for consequential damages be made.
30. Auble, Jolicoeur, & Gentry, Inc. dba Valbridge Property Advisors | Inland Pacific Northwest shall have no obligation, liability, or accountability to any third party. Any party who is not the "client" or intended user identified on the face of the appraisal or in the engagement letter is not entitled to rely upon the contents of the appraisal without the express written consent of Auble, Jolicoeur, & Gentry, Inc. dba Valbridge Property Advisors | Inland Pacific Northwest. "Client" shall not include partners, affiliates, or relatives of the party named in the engagement letter. Client shall hold Auble, Jolicoeur, & Gentry, Inc. dba Valbridge Property Advisors | Inland Pacific Northwest and its employees harmless in the event of any lawsuit brought by any third party, lender, partner, or part-owner in any form of ownership or any other party as a result of this assignment. The client also agrees that in case of lawsuit arising from or in any way involving these appraisal services, client will hold Auble, Jolicoeur, & Gentry, Inc. dba Valbridge Property Advisors | Inland Pacific Northwest harmless from and against any liability, loss, cost, or expense incurred or suffered by Auble, Jolicoeur, & Gentry, Inc. dba Valbridge Property Advisors | Inland Pacific Northwest in such action, regardless of its outcome.
31. The Valbridge Property Advisors office responsible for the preparation of this report is independently owned and operated by Auble, Jolicoeur, & Gentry, Inc. Neither Valbridge Property Advisors, Inc., nor any of its affiliates has been engaged to provide this report. Valbridge Property Advisors, Inc. does not provide valuation services, and has taken no part in the preparation of this report.
32. If any claim is filed against any of Valbridge Property Advisors, Inc., a Florida Corporation, its affiliates, officers or employees, or the firm providing this report, in connection with, or in any way arising out of, or relating to, this report, or the engagement of the firm providing this report, then (1) under no circumstances shall such claimant be entitled to consequential, special or other damages, except only for direct compensatory damages, and (2) the maximum amount of such compensatory damages recoverable by such claimant shall be the amount actually received by the firm engaged to provide this report.
33. This report and any associated work files may be subject to evaluation by Valbridge Property Advisors, Inc., or its affiliates, for quality control purposes.

34. In cases where the appraiser has access to a title report for the subject property, easements and encumbrances noted in that report often have incomplete descriptions, and/or reference documents which have not been provided. The appraiser has no expertise in matters of title. A thorough reading and analysis of the subject chain of title, and review of pertinent documents, are beyond the scope of this assignment. Other than easements and encumbrances specifically discussed in this report, Auble, Jolicoeur, & Gentry, Inc. dba Valbridge Property Advisors | Inland Pacific Northwest assumes no liability for the impact on marketability or value of the subject property (if any) arising from recorded or unrecorded documents.
35. The global outbreak of a "novel coronavirus" (known as COVID-19) was officially declared a pandemic by the World Health Organization (WHO). It is currently unknown what direct, or indirect, effect, if any, this event may have on the national economy, the local economy or the market in which the subject property is located. The reader is cautioned, and reminded that the conclusions presented in this appraisal report apply only as of the effective date(s) indicated. The appraiser makes no representation as to the effect on the subject property of this event, or any event, subsequent to the effective date of the appraisal.
36. Acceptance and/or use of this appraisal report constitutes acceptance of the foregoing general assumptions and limiting conditions.

## Certification – Cole Ferguson

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

1. The statements of fact contained in this report are true and correct.
2. 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.
3. 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.
4. The undersigned has not performed 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.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. 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 value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
9. Cole Ferguson has personally inspected the subject property.
10. The reported analysis, opinions, and conclusions were developed, and this report complies with, the Standards of Valuation Practice.
11. No one provided significant real property appraisal assistance to the person signing this certification.



Cole Ferguson  
State Registered Real Estate Appraiser Trainee #21018180  
Expiration Date: July 26, 2022

## Certification – Bruce C. Jolicoeur, MAI

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

1. The statements of fact contained in this report are true and correct.
2. 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.
3. 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.
4. The undersigned has not performed 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.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. 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 value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
9. Bruce C. Jolicoeur, MAI did not personally inspect the subject property.
10. No one else provided significant real property appraisal assistance to the person signing this certification.
11. The reported analyses, opinions, and conclusions were developed, and this report complies with, the Standards of Valuation Practice.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, the undersigned has completed the continuing education program for Designated Members of the Appraisal Institute.



Bruce C. Jolicoeur, MAI  
Certified General Appraiser #1100633  
Expiration Date: April 24, 2023

## Addenda

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Letter of Engagement

Glossary

Qualifications

- Cole Ferguson, Appraiser Trainee
- Bruce C. Jolicoeur, MAI, Senior Managing Director

Appraiser Licenses

Information on Valbridge Property Advisors

Office Locations



Letter of Engagement



May 24, 2022

Bruce C. Jolicoeur, MAI  
509-747-0999  
bjolicoeur@valbridge.com

Jennie Dickinson  
Executive Director  
Port of Columbia  
1 Port Way, Dayton, WA 99328

Appraisal Service Agreement  
Rock Hill Industrial Park Land  
Dayton, WA

Dear Jennie Dickinson:

Thank you for contacting Aulsebrook, Jolicoeur & Gentry, Inc, dba Valbridge Property Advisors | Inland Pacific Northwest about the Port of Columbia's appraisal needs. The appraisal assignment will be to develop an opinion of the Current Market Value of the Fee Interest in the Tracts U & V, Rock Hill Industrial Tracts 2, Dayton, WA.

I understand that you and the Port of Columbia intend to use the appraisal for internal business decisions which may include pricing the properties for sale. You and the Port of Columbia are the sole intended users of the appraisal and appraisal report. No others may rely on the appraisal, the appraisal report and/or results of the appraisal. In addition, the appraisal and appraisal report may be used solely for the intended use listed above and no other use.

We will employ generally accepted appraisal principles to appraise the properties. Based on the characteristics of the properties, I anticipate that we will develop the Sales Comparison to value. The results of the appraisal will be transmitted in a brief narrative Appraisal Report with appropriate attachments, maps, photographs, and supplements. We will issue the appraisal report electronically as a PDF document. At your request we will also provide one hard (paper) copy of the report.

<b>Valbridge Property Advisors - Inland Pacific Northwest</b>		
324 N. Mullan Road	1875 N. Lakewood Dr.	6378 W. Grandridge Blvd.
	Suite 100	Suite 110-D
Spokane Valley, WA 99205	Coeur d'Alene, ID 83814	Kennewick, WA 99336
Phone: 509.747.0999	Phone: 208.292.2965	Phone: 509.221.1540
		Web: <a href="http://www.Valbridge.com">www.Valbridge.com</a>

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The total fee for the assignment and resulting report is **\$3,500** payable upon completion and delivery of the report. Based on our current workload and the character of the assignment, we can complete the appraisal and resulting report within 45 days of receiving a signed copy of this agreement.

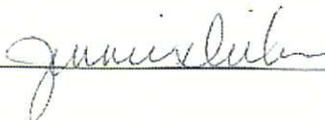
Thank you for allowing me to submit this proposal. If it meets with your approval, please sign on the indicated line and return the letter along with the required retainer, as soon as possible. By signing this letter, you are accepting responsibility to pay any and all fees for the real estate analysis and consultation services associated with this assignment. You are also acknowledging that the analysis will be developed under some or all of the attached Limiting Conditions.

Please contact me with any questions or additional needs.

Respectfully submitted,



Bruce C. Jolicoeur, MAI  
Senior Managing Director  
Washington State Certified General Real Estate Appraiser #1100633  
[bjolicoeur@valbridge.com](mailto:bjolicoeur@valbridge.com)

Accepted by:  Date: 5-25-22



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### Limiting Conditions

1. We have not verified the accuracy of the legal description included in this report and accept no liability for its accuracy. It is provided for the client's convenience only and should not be relied upon for any transaction without verification from a reliable source.
2. We assume no responsibility for legal matters, questions of survey or title, soil or subsoil conditions, engineering, availability or capacity of utilities, or other similar technical matters. Unless otherwise stated in this report, we have disregarded all existing liens and encumbrances. The property is appraised as though free and clear, under responsible ownership and competent management unless otherwise noted.
3. Unless otherwise noted, we have assumed that the property is free of contamination, environmental impairment, hazardous materials. Unless otherwise stated, we did not observe any hazardous materials and the appraiser has no knowledge of the existence of such materials on or in the property. We are not trained nor qualified to detect such substances. Auble, Jolicoeur, & Gentry, Inc. dba Valbridge Property Advisors | Inland Pacific Northwest will conduct no hazardous materials or contamination inspection of any kind. It is recommended that the client hire an expert if the presence of hazardous materials or contamination poses any concern.
4. Unless otherwise noted, we assume that the subject property has no encroachments, zoning violations or adverse easements.
5. The appraiser is not required to give testimony or attendance in court by reason of this appraisal, unless previous arrangements have been made.
6. Unless expressly specified in the engagement letter, the fee for this appraisal does not include the attendance or giving of testimony by Appraiser at any court, regulatory, or other proceedings, or any conferences or other work in preparation for such proceeding. If any partner or employee of Auble, Jolicoeur, & Gentry, Inc. dba Valbridge Property Advisors | Inland Pacific Northwest is asked or required to appear and/or testify at any deposition, trial, or other proceeding about the preparation, conclusions or any other aspect of this assignment, client shall compensate Appraiser for the time spent by the partner or employee in appearing and/or testifying and in preparing to testify according to the Appraiser's then current hourly rate plus reimbursement of expenses.
7. The values for land and/or improvements, as contained in this report, are constituent parts of the total value reported and neither is (or are) to be used in making a summation appraisal of a combination of values created by another appraiser. Either is invalidated if so used.

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8. The dates of value to which the opinions expressed in this report apply are set forth in this report. We assume no responsibility for economic or physical factors occurring at some point at a later date, which may affect the opinions stated herein. The forecasts, projections, or operating estimates contained herein are based on current market conditions and anticipated short-term supply and demand factors and are subject to change with future conditions.
9. The sketches, maps, plats and exhibits in this report are included to assist the reader in visualizing the property. The appraiser has made no survey of the property and assumed no responsibility in connection with such matters.
10. Information, estimates and opinions obtained from sources outside of this office, are considered reliable; however, we accept no liability for their accuracy.
11. Possession of this report, or a copy thereof, does not impart the right of publication. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to property value, the identity of the appraisers, professional designations, reference to any professional appraisal organization or the firm with which the appraisers are connected), shall be disseminated to the public through advertising, public relations, news, sales, or other media without prior written consent and approval.
12. We claim no expertise for matters that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers. Examples include, but are not limited to, legal, survey, structural, environmental, pest control, mechanical, etc.
13. This appraisal was prepared for the sole and exclusive use of the client for the function outlined herein. Any party who is not the client or intended user identified in the appraisal or engagement letter is not entitled to rely upon the contents of the appraisal without express written consent of Aulsebrook, Jolicoeur, & Gentry, Inc. dba Valbridge Property Advisors | Inland Pacific Northwest and Client. The Client shall not include partners, affiliates, or relatives of the party addressed herein. The appraiser(s) neither assume nor accepts any obligation, liability or accountability to any third party.
14. Distribution of this report is at the sole discretion of the client, but third-parties not listed as an intended user on the face of the appraisal or the engagement letter may not rely upon the contents of the appraisal. In no event shall client give a third-party a partial copy of the appraisal report. We will make no distribution of the report without the specific direction of the client.
15. This appraisal shall be used only for the function and intended use outlined herein, unless expressly authorized by Aulsebrook, Jolicoeur, & Gentry, Inc. dba Valbridge Property Advisors | Inland Pacific Northwest.
16. This appraisal shall be considered in its entirety. No part thereof shall be used separately or out of context.

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17. Unless otherwise noted in the body of this report, we have assumed that the subject property is not in an area where flood insurance is required. Unless otherwise noted, we have not completed nor have we contracted to have completed an investigation to identify and/or quantify the presence of non-tidal wetland conditions on the subject property. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
18. The flood maps are not site specific. We are not qualified to confirm the location of the subject property in relation to flood hazard areas based on the FEMA Flood Insurance Rate Maps or other surveying techniques. It is recommended that the client obtain a confirmation of the subject property's flood zone classification from a licensed surveyor.
19. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.
20. We observed the land and improvements thereon only. It was not possible to observe conditions beneath the soil or hidden structural components within the improvements. We inspected the buildings involved, and reported damage (if any) by termites, dry rot, wet rot, or other infestations as a matter of information, and no guarantee of the amount or degree of damage (if any) is implied. Condition of heating, cooling, ventilation, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. Should the client have concerns in these areas, it is the client's responsibility to order the appropriate inspections. The appraiser does not have the skill or expertise to make such inspections and assumes no responsibility for these items.
21. We do not guarantee that the property is in compliance with building code and life safety code requirements of the local jurisdiction. It is assumed that all required licenses, consents, certificates of occupancy or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value conclusion contained in this report is based unless specifically stated to the contrary.
22. When possible, we have relied upon building measurements provided by the client, owner, or associated agents of these parties. In the absence of a detailed rent roll, reliable public records, or "as-built" plans provided to us, we have relied upon our own measurements of the subject improvements. We follow typical appraisal industry methods; however, we recognize that some factors may limit our ability to obtain accurate measurements including, but not limited to, property access on the day of inspection, basements, fenced/gated areas, grade elevations, greenery/shrubbery, uneven surfaces, multiple story structures, obtuse or acute wall angles, immobile obstructions, etc. Professional building area measurements of the quality, level of detail, or accuracy of professional measurement services are beyond the scope of this appraisal assignment.

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23. We have attempted to reconcile sources of data discovered or provided during the appraisal process, including assessment department data. Ultimately, the measurements that we have deemed to be the most accurate and/or reliable are used within this appraisal and report. While the measurements and any accompanying sketches are considered to be reasonably accurate and reliable, we cannot guarantee their accuracy. Should the client desire a greater level of measuring detail, they are urged to retain the measurement services of a qualified professional (space planner, architect or building engineer). We reserve the right to use an alternative source of building size and amend the analysis, narrative and concluded values (at additional cost) should this alternative measurement source reflect or reveal substantial differences with the measurements used within the report.
24. In the absence of being provided with a detailed land survey, we have used assessment department data to ascertain the physical dimensions and acreage of the property. Should a survey prove this information to be inaccurate, we reserve the right to amend this appraisal (at additional cost) if substantial differences are discovered.
25. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey of the property to determine if it is in conformity with the various requirements of the ADA. It is possible that a compliance survey of the property, together with an analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this could have a negative effect on the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in developing an opinion of value.
26. This appraisal is of the land and building improvements only. The value of trade fixtures, furnishings, and other equipment, or subsurface rights (minerals, gas, and oil) were not considered in this appraisal unless specifically stated to the contrary.
27. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated, unless specifically stated to the contrary.
28. Any income and expense estimates contained in the appraisal report are used only to assist in developing our opinion(s) of value and are not a prediction of future operating results. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance.

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29. The data gathered in the course of this assignment (except data furnished by the Client) shall remain the property of the Appraiser. The appraiser will not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to the appraiser. Notwithstanding the foregoing, the Appraiser is authorized by the client to disclose all or any portion of the appraisal and related appraisal data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable the appraiser to comply with the Bylaws and Regulations of such Institute now or hereafter in effect.
30. You and Auble, Jolicoeur, & Gentry, Inc. dba Valbridge Property Advisors | Inland Pacific Northwest both agree that any dispute over matters in excess of \$5,000 will be submitted for resolution by arbitration. This includes fee disputes and any claim of malpractice. The arbitrator shall be mutually selected. If Valbridge Property Advisors | Auble, Jolicoeur, & Gentry, Inc. and the client cannot agree on the arbitrator, the presiding head of the Local County Mediation & Arbitration panel shall select the arbitrator. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that, by agreeing to binding arbitration, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury. In the event that the client, or any other party, makes a claim against Auble, Jolicoeur, & Gentry, Inc. or any of its employees in connections with or in any way relating to this assignment, the maximum damages recoverable by such claimant shall be the amount actually received by Valbridge Property Advisors | Auble, Jolicoeur, & Gentry, Inc. for this assignment, and under no circumstances shall any claim for consequential damages be made.
31. Auble, Jolicoeur, & Gentry, Inc. dba Valbridge Property Advisors | Inland Pacific Northwest shall have no obligation, liability, or accountability to any third party. Any party who is not the "client" or intended user identified on the face of the appraisal or in the engagement letter is not entitled to rely upon the contents of the appraisal without the express written consent of Auble, Jolicoeur, & Gentry, Inc. dba Valbridge Property Advisors | Inland Pacific Northwest. "Client" shall not include partners, affiliates, or relatives of the party named in the engagement letter. Client shall hold Auble, Jolicoeur, & Gentry, Inc. dba Valbridge Property Advisors | Inland Pacific Northwest and its employees harmless in the event of any lawsuit brought by any third party, lender, partner, or part-owner in any form of ownership or any other party as a result of this assignment. The client also agrees that in case of lawsuit arising from or in any way involving these appraisal services, client will hold Auble, Jolicoeur, & Gentry, Inc. dba Valbridge Property Advisors | Inland Pacific Northwest harmless from and against any liability, loss, cost, or expense incurred or suffered by Auble, Jolicoeur, & Gentry, Inc. dba Valbridge Property Advisors | Inland Pacific Northwest in such action, regardless of its outcome.

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32. The Valbridge Property Advisors office responsible for the preparation of this report is independently owned and operated by Auble, Jolicoeur, & Gentry, Inc. Neither Valbridge Property Advisors, Inc., nor any of its affiliates has been engaged to provide this report. Valbridge Property Advisors, Inc. does not provide valuation services, and has taken no part in the preparation of this report.
33. If any claim is filed against any of Valbridge Property Advisors, Inc., a Florida Corporation, its affiliates, officers or employees, or the firm providing this report, in connection with, or in any way arising out of, or relating to, this report, or the engagement of the firm providing this report, then (1) under no circumstances shall such claimant be entitled to consequential, special or other damages, except only for direct compensatory damages, and (2) the maximum amount of such compensatory damages recoverable by such claimant shall be the amount actually received by the firm engaged to provide this report.
34. This report and any associated work files may be subject to evaluation by Valbridge Property Advisors, Inc., or its affiliates, for quality control purposes.
35. In cases where the appraiser has access to a title report for the subject property, easements and encumbrances noted in that report often have incomplete descriptions, and/or reference documents which have not been provided. The appraiser has no expertise in matters of title. A thorough reading and analysis of the subject chain of title, and review of pertinent documents, are beyond the scope of this assignment. Other than easements and encumbrances specifically discussed in this report, Auble, Jolicoeur, & Gentry, Inc. dba Valbridge Property Advisors | Inland Pacific Northwest assumes no liability for the impact on marketability or value of the subject property (if any) arising from recorded or unrecorded documents.
36. Acceptance and/or use of this appraisal report constitutes acceptance of the foregoing general assumptions and limiting conditions.

Valbridge Property Advisors - Inland Pacific Northwest

Providing independent valuations and powerful insights for better business



## Glossary

Definitions are taken from The Dictionary of Real Estate Appraisal, 6<sup>th</sup> Edition (Dictionary), the Uniform Standards of Professional Appraisal Practice (USPAP), and Building Owners and Managers Association International (BOMA).

### Absolute Net Lease

A lease in which the tenant pays all expenses including structural maintenance, building reserves, and management; often a long-term lease to a credit tenant. (Dictionary)

### Amortization

The process of retiring a debt or recovering a capital investment, typically through scheduled, systematic repayment of the principal; a program of periodic contributions to a sinking fund or debt retirement fund. (Dictionary)

### As Is Market Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date. (Dictionary)

### Base Rent

The minimum rent stipulated in a lease. (Dictionary)

### Base Year

The year on which escalation clauses in a lease are based. (Dictionary)

### Building Common Area

In office buildings, the areas of the building that provide services to building tenants but which are not included in the office area or store area of any specific tenant. These areas may include, but shall not be limited to, main and auxiliary lobbies, atrium spaces at the level of the finished floor, concierge areas or security desks, conference rooms, lounges or vending areas, food service facilities, health or fitness centers, daycare facilities, locker or shower facilities, mail rooms, fire control rooms, fully enclosed courtyards outside the exterior walls, and building core and service areas such as fully enclosed mechanical or equipment rooms. Specifically excluded from building common area are floor common areas, parking space, portions of loading docks outside the building line, and major vertical penetrations. (BOMA)

### Building Rentable Area

The sum of all floor rentable areas. Floor rentable area is the result of subtracting from the gross measured area of a floor the major vertical penetrations on that same floor. It is generally fixed for the life of the building and is rarely affected by changes in corridor size or configuration. (BOMA)

### Certificate of Occupancy (COO)

A formal written acknowledgment by an appropriate unit of local government that a new construction or renovation project is at the stage where it meets applicable health and safety codes and is ready for commercial or residential occupancy. (Dictionary)

### Common Area Maintenance (CAM)

The expense of operating and maintaining common areas; may or may not include management charges and usually does not include capital expenditures on tenant improvements or other improvements to the property. (Dictionary)

The amount of money charged to tenants for their shares of maintaining a [shopping] center's common area. The charge that a tenant pays for shared services and facilities such as electricity, security, and maintenance of parking lots. Items charged to common area maintenance may include cleaning services, parking lot sweeping and maintenance, snow removal, security and upkeep. (ICSC – International Council of Shopping Centers, 4<sup>th</sup> Ed.)

### Condominium

A multiunit structure, or a unit within such a structure, with a condominium form of ownership. (Dictionary)

### Conservation Easement

An interest in real estate restricting future land use to preservation, conservation, wildlife habitat, or some combination of those uses. A conservation easement may permit farming, timber harvesting, or other uses of a rural nature as well as some types of conservation-oriented development to continue, subject to the easement. (Dictionary)

### Contributory Value

A type of value that reflects the amount a property or component of a property contributes to the value of another asset or to the property as a whole.

The change in the value of a property as a whole, whether positive or negative, resulting from the addition or deletion of a property component. Also called deprival value in some countries. (Dictionary)

### Debt Coverage Ratio (DCR)

The ratio of net operating income to annual debt service ( $DCR = NOI/Im$ ), which measures the relative ability of a property to meet its debt service out of net operating income; also called *debt service coverage ratio* (DSCR). A larger DCR typically indicates a greater

ability for a property to withstand a reduction of income, providing an improved safety margin for a lender. (Dictionary)

#### Deed Restriction

A provision written into a deed that limits the use of land. Deed restrictions usually remain in effect when title passes to subsequent owners. (Dictionary)

#### Depreciation

- 1) In appraisal, a loss in property value from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the market value of the improvement on the same date.
- 2) In accounting, an allocation of the original cost of an asset, amortizing the cost over the asset's life; calculated using a variety of standard techniques. (Dictionary)

#### Disposition Value

The most probable price that a specified interest in property should bring under the following conditions:

- Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
- The property is subjected to market conditions prevailing as of the date of valuation;
- Both the buyer and seller are acting prudently and knowledgeably;
- The seller is under compulsion to sell;
- The buyer is typically motivated;
- Both parties are acting in what they consider to be their best interests;
- An adequate marketing effort will be made during the exposure time;
- Payment will be made in cash in U.S. dollars (or the local currency) 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. (Dictionary)

#### Easement

The right to use another's land for a stated purpose. (Dictionary)

#### EIFS

Exterior Insulation Finishing System. This is a type of exterior wall cladding system. Sometimes referred to as dry-vit.

#### Effective Date

- 1) The date on which the appraisal or review opinion applies. (SVP)

- 2) In a lease document, the date upon which the lease goes into effect. (Dictionary)

#### Effective Gross Income (EGI)

The anticipated income from all operations of the real estate after an allowance is made for vacancy and collection losses and an addition is made for any other income. (Dictionary)

#### Effective Rent

Total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions; the rent that is effectively paid by a tenant net of financial concessions provided by a landlord. (TIs). (Dictionary)

#### EPDM

Ethylene Propylene Diene Monomer Rubber. A type of synthetic rubber typically used for roof coverings. (Dictionary)

#### Escalation Clause

A clause in an agreement that provides for the adjustment of a price or rent based on some event or index. e.g., a provision to increase rent if operating expenses increase; also called *escalator clause*, *expense recovery clause* or *stop clause*. (Dictionary)

#### Estoppel Certificate

A signed statement by a party (such as a tenant or a mortgagee) certifying, for another's benefit, that certain facts are correct, such as that a lease exists, that there are no defaults, and that rent is paid to a certain date. (Black's) In real estate, a buyer of rental property typically requests estoppel certificates from existing tenants. Sometimes referred to as an *estoppel letter*. (Dictionary)

#### Excess Land

Land that is not needed to serve or support the existing use. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land has the potential to be sold separately and is valued separately. (Dictionary)

#### Excess Rent

The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the landlord (lessor) and may reflect unusual management, unknowledgeable or unusually motivated parties, a lease execution in an earlier, stronger rental market, or an agreement of the parties. (Dictionary)

### Expense Stop

A clause in a lease that limits the landlord's expense obligation, which results in the lessee paying operating expenses above a stated level or amount. (Dictionary)

### Exposure Time

- 1) The time a property remains on the market.
- 2) The estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; Comment: Exposure time is a retrospective opinion based on an analysis of past events assuming a competitive and open market. (Dictionary)

### Extraordinary Assumption

An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions. Comment: 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 data used in an analysis. (USPAP, 2016-2017 ed.)

### Fee Simple Estate

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. (Dictionary)

### Floor Common Area

In an office building, the areas on a floor such as washrooms, janitorial closets, electrical rooms, telephone rooms, mechanical rooms, elevator lobbies, and public corridors which are available primarily for the use of tenants on that floor. (BOMA)

### Full Service (Gross) Lease

A lease in which the landlord receives stipulated rent and is obligated to pay all of the property's operating and fixed expenses; also called a *full service lease*. (Dictionary)

### Furniture, Fixtures, and Equipment (FF&E)

Business trade fixtures and personal property, exclusive of inventory. (Dictionary)

### Going-Concern Value

An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in

aggregate; more accurately termed the *market value of the going concern* or *market value of the total assets of the business*. (Dictionary)

### Gross Building Area (GBA)

- 1) Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved.
- 2) Gross leasable area plus all common areas.
- 3) For residential space, the total area of all floor levels measured from the exterior of the walls and including the superstructure and substructure basement; typically does not include garage space. (Dictionary)

### Gross Measured Area

The total area of a building enclosed by the dominant portion (the portion of the inside finished surface of the permanent outer building wall which is 50 percent or more of the vertical floor-to-ceiling dimension, at the given point being measured as one moves horizontally along the wall), excluding parking areas and loading docks (or portions of same) outside the building line. It is generally not used for leasing purposes and is calculated on a floor by floor basis. (BOMA)

### Gross Up Method

A method of calculating variable operating expenses in income-producing properties when less than 100% occupancy is assumed. Expenses reimbursed based on the amount of occupied space, rather than on the total building area, are described as "grossed up." (Dictionary)

### Gross Retail Sellout

The sum of the separate and distinct market value opinions for each of the units in a condominium, subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent the value of all the units as though sold together in a single transaction; it is simply the total of the individual market value conclusions. Also called the *aggregate of the retail values*, *aggregate retail selling price* or *sum of the retail values*. (Dictionary)

### Ground Lease

A lease that grants the right to use and occupy land. Improvements made by the ground lessee typically revert to the ground lessor at the end of the lease term. (Dictionary)

### Ground Rent

The rent paid for the right to use and occupy land according to the terms of a ground lease; the portion of the total rent allocated to the underlying land. (Dictionary)

### HVAC

Heating, ventilation, air conditioning (HVAC) system. A unit that regulates the temperature and distribution of heat and fresh air throughout a building. (Dictionary)

### Highest and Best Use

- 1) The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
- 2) The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS)
- 3) [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions) (Dictionary)

### Hypothetical Condition

- 1) A condition that is presumed to be true when it is known to be false. (SVP – Standards of Valuation Practice, effective January 1, 2015)
- 2) A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Comment: Hypothetical conditions are 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 data used in an analysis. (USPAP, 2016-2017 ed.) (Dictionary)

### Industrial Gross Lease

A type of modified gross lease of an industrial property in which the landlord and tenant share expenses. The landlord receives stipulated rent and is obligated to pay certain operating expenses, often structural maintenance, insurance and real property taxes, as specified in the lease. There are significant regional and local differences in the use of this term. (Dictionary)

### Insurable Value

A type of value for insurance purposes. (Typically this includes replacement cost less basement excavation, foundation, underground piping and architect's fees). (Dictionary)

### Investment Value

The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market. (Dictionary)

### Just Compensation

In condemnation, the amount of loss for which a property owner is compensated when his or her property is taken. Just compensation should put the owner in as good a position pecuniarily as he or she would have been if the property had not been taken. (Dictionary)

### Leased Fee Interest

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires. (Dictionary)

### Leasehold Interest

The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease. (Dictionary)

### Lessee (Tenant)

One who has the right to occupancy and use of the property of another for a period of time according to a lease agreement. (Dictionary)

### Lessor (Landlord)

One who conveys the rights of occupancy and use to others under a lease agreement. (Dictionary)

### Liquidation Value

The most probable price that a specified interest in property should bring under the following conditions:

- Consummation of a sale within a short time period.
- The property is subjected to market conditions prevailing as of the date of valuation.
- Both the buyer and seller are acting prudently and knowledgeably.
- The seller is under extreme compulsion to sell.
- The buyer is typically motivated.
- Both parties are acting in what they consider to be their best interests.

- A normal marketing effort is not possible due to the brief exposure time.
- Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
- 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. (Dictionary)

#### Loan to Value Ratio (LTV)

The ratio between a mortgage loan and the value of the property pledged as security, usually expressed as a percentage. (Dictionary)

#### Major Vertical Penetrations

Stairs, elevator shafts, flues, pipe shafts, vertical ducts, and the like, and their enclosing walls. Atria, lightwells and similar penetrations above the finished floor are included in this definition. Not included, however, are vertical penetrations built for the private use of a tenant occupying office areas on more than one floor. Structural columns, openings for vertical electric cable or telephone distribution, and openings for plumbing lines are not considered to be major vertical penetrations. (BOMA)

#### Market Rent

The most probable rent that a property should bring in a competitive and open market reflecting the conditions and restrictions of a specified lease agreement, including the rental adjustment and revaluation, permitted uses, use restrictions, expense obligations; term, concessions, renewal and purchase options and tenant improvements (TIs). (Dictionary)

#### Market Value (In Federally Regulated Transaction)

The most probable price that 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 and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of 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 United States 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.<sup>2</sup>

#### Market Value (UASFLA)

Market value is the amount in cash, or on terms reasonably equivalent to cash, for which in all probability the property would have sold on the effective date of value, after a reasonable exposure time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the property.<sup>3</sup>

#### Fair Market Value as defined in Washington State Courts

Fair market value means the amount in cash that a well-informed buyer, willing but not obligated to buy the property, would pay, and that a well-informed seller, willing but not obligated to sell it, would accept, taking into consideration all uses to which the property is adapted or may be reasonably adaptable.<sup>4</sup>

#### Marketing Time

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of the Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions" address the determination of reasonable exposure and marketing time.) (Dictionary)

<sup>2</sup> Board of Governors of the Federal Reserve System (FRS), 12 CFR Part 225; Federal Deposit Insurance Corporation (FDIC), 12 CFR Part 323; National Credit Union Administration (NCUA), 12 CFR Part 722; Office of the Comptroller of the Currency (OCC), 12 CFR 34.42(g); Office of Thrift Supervision (OTS), 12 CFR 564.2(f); and the Resolution Trust Corporation (RTC), 12 CFR Part 1608. Washington, DC: Federal Register, Vol. 55,

No. 251, pages 536110-536118; Monday, December 31, 1990. (Technical corrections published at 56 FR 12229 do not affect this definition.)

<sup>3</sup> Uniform Appraisal Standards for Federal Land Acquisitions-2016, Sixth Edition, Section 1.2.4, Page 10

<sup>4</sup> Source: Washington Pattern Jury Instruction Civ. WPI 150.08 (6th ed.)

### Master Lease

A lease in which the fee owner leases a part or the entire property to a single entity (the master lease) in return for a stipulated rent. The master lessee then leases the property to multiple tenants. (Dictionary)

### Modified Gross Lease

A lease in which the landlord receives stipulated rent and is obligated to pay some, but not all, of the property's operating and fixed expenses. Since assignment of expenses varies among modified gross leases, expense responsibility must always be specified. In some markets, a modified gross lease may be called a *double net lease*, *net net lease*, *partial net lease*, or *semi-gross lease*. (Dictionary)

### Operating Expense Ratio

The ratio of total operating expenses to effective gross income (TOE/EGI); the complement of the net income ratio, i.e., OER = 1 – NIR (Dictionary)

### Option

A legal contract, typically purchased for a stated consideration, that permits but does not require the holder of the option (known as the *optionee*) to buy, sell, or lease real estate for a stipulated period of time in accordance with specified terms; a unilateral right to exercise a privilege. (Dictionary)

### Partial Interest

Divided or undivided rights in real estate that represent less than the whole, i.e., a fractional interest such as a tenancy in common, easement, or life interest. (Dictionary)

### Pass Through

A tenant's portion of operating expenses that may be composed of common area maintenance (CAM), real property taxes, property insurance, and any other expenses determined in the lease agreement to be paid by the tenant. (Dictionary)

### Potential Gross Income (PGI)

The total income attributable to property at full occupancy before vacancy and operating expenses are deducted. (Dictionary)

### Prospective Future Value Upon Completion

A prospective market value may be appropriate for the valuation of a property interest related to a credit decision for a proposed development or renovation project. According to USPAP, an appraisal with a prospective market value reflects an effective date that is subsequent to the date of the appraisal report. ... The prospective market value –as completed- reflects the

property's market value as of the time that development is expected to be complete. (Dictionary)

### Prospective Future Value Upon Stabilization

A prospective market value may be appropriate for the valuation of a property interest related to a credit decision for a proposed development or renovation project. According to USPAP, an appraisal with a prospective market value reflects an effective date that is subsequent to the date of the appraisal report ...The prospective market value – as stabilized – reflects the property's market value as of the time the property is projected to achieve stabilized occupancy. For an income-producing property, stabilized occupancy is the occupancy level that a property is expected to achieve after the property is exposed to the market for lease over a reasonable period of time and at comparable terms and conditions to other similar properties. (Dictionary)

### Replacement Cost

The estimated cost to construct, at current prices as of a specific date, a substitute for a building or other improvements, using modern materials and current standards, design, and layout. (Dictionary)

### Reproduction Cost

The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all of the deficiencies, superadequacies, and obsolescence of the subject building. (Dictionary)

### Retrospective Value Opinion

A value opinion effective as of a specified historical date. The term *retrospective* does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion." (Dictionary)

### Sandwich Leasehold Estate

The interest held by the sandwich leaseholder when the property is subleased to another party; a type of leasehold estate. (Dictionary)

### Sublease

An agreement in which the lessee in a prior lease conveys the right of use and occupancy of a property to another, the sublessee, for a specific period of time,

which may or may not be coterminous with the underlying lease term. (Dictionary)

#### Subordination

A contractual arrangement in which a party with a claim to certain assets agrees to make his or her claim junior, or subordinate, to the claims of another party. (Dictionary)

#### Surplus Land

Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel. (Dictionary)

#### Triple Net (Net Net Net) Lease

An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the

landlord is responsible for structural maintenance, building reserves, and management; also called *NNN lease, net net net lease, or fully net lease*. (Dictionary)  
(The market definition of a triple net lease varies; in some cases tenants pay for items such as roof repairs, parking lot repairs, and other similar items.)

#### Usable Area

The measured area of an office area, store area, or building common area on a floor. The total of all the usable areas for a floor shall equal floor usable area of that same floor. (BOMA)

#### Value-in-Use

The value of a property assuming a specific use, which may or may not be the property's highest and best use on the effective date of the appraisal. Value in use may or may not be equal to market value but is different conceptually. (Dictionary)

## Qualifications of Cole Ferguson

### Appraiser Trainee

Valbridge Property Advisors | Inland Pacific Northwest

### *Independent Valuations for a Variable World*

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#### State Certifications

State of Washington-Trainee

#### Appraisal Institute & Related Courses:

Appraisal Procedures, 2021

Appraisal Principles, 2021

Uniform Standards of Professional Appraisal Practice, 2021

General Appraiser Income Approach, 2021

#### Education

Masters in Secondary

Education

Grand Canyon University

2020

#### Experience:

##### **Appraiser Trainee**

Valbridge Property Advisors | Inland Pacific Northwest (2021-present)

Bachelor of Arts in General  
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##### **Instructional Assistant**

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Research assignments include: apartment buildings; commercial/retail buildings; commercial/industrial land; development land; health clubs; general and medical office buildings; residential & commercial condominiums; residential subdivisions; retail/warehouse buildings.

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Qualifications of Bruce C. Jolicoeur, MAI  
Senior Managing Director  
Valbridge Property Advisors | Inland Pacific Northwest

### *Independent Valuations for a Variable World*

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#### State Certifications

State of Washington  
State of Idaho  
State of Montana  
State of Oregon

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#### Education

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Business Administration  
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#### Membership/Affiliations:

Member: Appraisal Institute – MAI Designation  
President: Inland NW Chapter – Appraisal Institute (2008-2009; 1990-1991)  
Trustee: Spokane/Kootenai Real Estate Research Committee

#### Appraisal Institute & Related Courses:

All courses for MAI & SRPA Designations, 1976-1986  
Uniform Standards of Professional Appraisal Practice – 2022  
11<sup>th</sup> Annual Cutting-Edge Issues in Condemnation - 2021  
Appraisal of Water Rights Seminar – 2021  
Appraiser Liability 101: Essential Concepts - 2021  
Separating Real Property, Personal Property & Intangible Business Assets – 2013  
Uniform Appraisal Standards for Federal Land Acquisitions – 2017  
Real Estate Market Forum Speaker – 2014, 2007, 2004, 2000, 1998, 1996

#### Experience:

##### **President**

Auble, Jolicoeur and Gentry, Inc. (2010-Present)

##### **Senior Managing Director**

ValbridgePropertyAdvisors|Inland Pacific Northwest (2013-Present)

##### **Principal & Senior Analyst/Appraiser**

Auble, Jolicoeur & Gentry, Inc. (1985-2013)

##### **Appraiser**

James S. Black & Company (1982-1984)

##### **Staff Appraiser**

T.J. Meenach Company (1979-1982)

Appraisal/valuation and consulting assignments include: apartment buildings; retail buildings and shopping centers; office buildings; industrial buildings; religious and special purpose properties including schools, churches and cemeteries; hotels and motels; residential subdivisions; and vacant industrial, commercial and residential land. Assignments also include arbitration; environmental contamination; feasibility & market studies; litigation; partial interests/easements; and special benefit studies.

Licenses

**STATE OF WASHINGTON**  
DEPARTMENT OF LICENSING – BUSINESS AND PROFESSIONS DIVISION  
THIS CERTIFIES THAT THE PERSON OR BUSINESS NAMED BELOW IS AUTHORIZED AS A

STATE REGISTERED REAL ESTATE APPRAISER TRAINEE

TRAVIS FERGUSON  
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21018180      06/14/2021      07/26/2022  
License Number      Issue Date      Expiration Date

*Teresa Berntsen*  
Teresa Berntsen, Director

**STATE OF WASHINGTON**  
DEPARTMENT OF LICENSING – BUSINESS AND PROFESSIONS DIVISION  
THIS CERTIFIES THAT THE PERSON OR BUSINESS NAMED BELOW IS AUTHORIZED AS A

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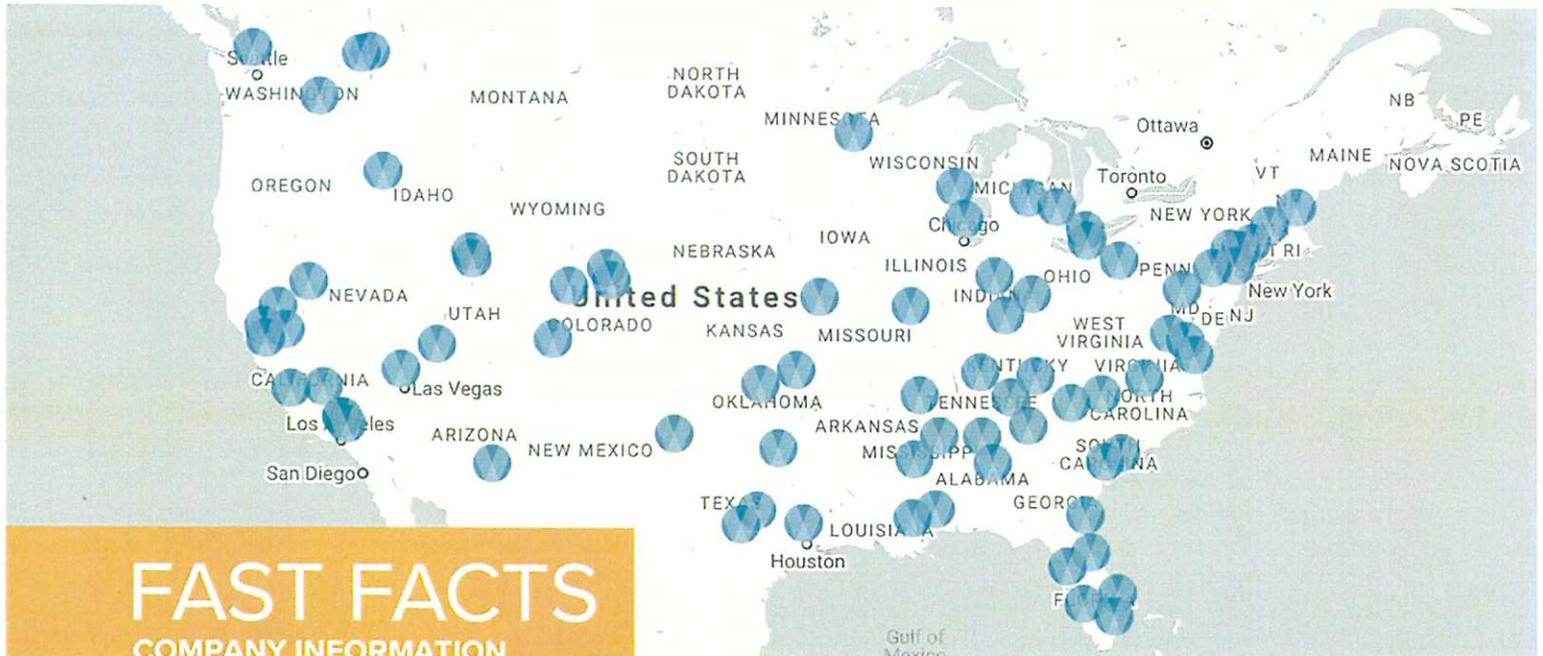
1100633      12/31/1991      04/24/2023  
License Number      Issue Date      Expiration Date

*Teresa Berntsen*  
Teresa Berntsen, Director



# Valbridge

PROPERTY ADVISORS



- Valbridge is the largest independent commercial property valuation and advisory service firm in North America.
  - Total number of MAI-designated appraisers (200+ on staff)
  - Total number of office locations (80+ across the U.S.)
  - Total number of staff (675+ strong)
- Valbridge covers the entire U.S. from coast to coast.
- Valbridge specializes in appraising all types of real property.
- Valbridge provides independent valuation services. We are NOT owned by a brokerage firm or investment company.
- Every Valbridge office is overseen by a senior managing director who holds the MAI designation of the Appraisal Institute.
- Valbridge is owned by local offices.
- Valbridge welcomes single-property assignments as well as portfolio, multi-market, and other bulk-property engagements.

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FOR A VARIABLE WORLD

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San Ramon, CA 94583  
(925) 327-1660

825 Colorado Blvd., Ste. 243  
Los Angeles, CA 90041  
(626) 486-9327

1370 N. Brea Blvd., Ste. 255  
Fullerton, CA 92835  
(714) 449-0852

3090 Fite Cir., Ste. 202  
Sacramento, CA 95872  
(916) 361-2509

55 South Market St., Ste. 1210  
San Jose, CA 95113  
(408) 279-1520

## COLORADO

23272 Two Rivers Rd., Ste. 101  
Basalt, CO 81621  
(970) 340-1016

5345 Arapahoe Ave., Ste. 7  
Boulder, CO 80303  
(303) 867-1935

## COLORADO (CONT'D)

7445 E. Peakview Ave.  
Centennial, CO 80111  
(303) 867-1933

1099 Main Avenue, Ste. 311  
Durango, CO 81301  
(970) 340-1016

## CONNECTICUT

17 Covewood Dr.  
Norwalk, CT 06853  
(860) 246-4606

15 Concord St.  
Glastonbury, CT 06033  
(860) 246-4606

## FLORIDA

10950 San Jose Blvd.  
Jacksonville, FL 32223  
(904) 608-2948

301 Almeria Ave., Ste. 350  
Coral Gables, FL 33134  
(305) 639-8029

734 Rugby St.  
Orlando, FL 32804  
(407) 493-6426

2711 Poinsettia Ave.  
West Palm Beach, FL 33407  
(561) 833-5331

2240 Venetian Ct.  
Naples, FL 34109  
(239) 514-4646

2601 West Horatio St. Unit 6  
Tampa, FL 33609  
(321) 228-6488

## GEORGIA

2675 Paces Ferry Rd., Ste. 425  
Atlanta, GA 30339  
(404) 354-2331

## IDAHO

1459 Tyrell Ln., Ste. B  
Boise, ID 83706  
(208) 336-1097

1875 N. Lakewood Dr., Ste. 100  
Coeur d'Alene, ID 83814  
(208) 292-2965

## ILLINOIS

566 W. Lake St., Ste. 240  
Chicago, IL 60661  
(312) 429-0132

## INDIANA

820 Fort Wayne Ave.  
Indianapolis, IN 46204  
(317) 687-2747

## KANSAS

10990 Quivira Rd., Ste. 100  
Overland Park, KS 66210  
(913) 451-1451

## KENTUCKY

1890 Star Shoot Pkwy.  
Lexington, KY 40509  
(502) 585-3651

9000 Wessex Pl., Ste. 306  
Louisville, KY 40222  
(502) 585-3651

## LOUISIANA

2030 Dickory Ave., Ste. 200  
Elmwood, LA 70123  
(504) 541-5100

## MARYLAND

11100 Dovedale Ct.  
Marriottsville, MD 21104  
(443) 333-5525

## MASSACHUSETTS

260 Bear Hill Rd., Ste. 106  
Waltham, MA 02451  
(781) 790-5645

## MICHIGAN

1420 Washington Blvd.  
Detroit, MI 48226  
(313) 986-3313

2127 University Park Dr.  
Okemos, MI 48864  
(517) 336-0001

## MINNESOTA

255 E. Kellogg Blvd., Ste. 102A  
St. Paul, MN 55101  
(651) 370-1475

## CORPORATE OFFICE

2240 Venetian Court, Naples, FL 34109  
Phone: (239) 325-8234 | Fax: (239) 325-8356

*Each Valbridge office is independently owned and operated.*



valbridge.com

Winter 2022

### MISSISSIPPI

1010 Ford St.  
Gulfport, MS 39507  
(228) 604-1900

224 Avalon Cir., Ste. C  
Brandon, MS 39047  
(601) 853-0736

501 Highway 12 W., Ste. 150-M  
Starkville, MS 39759  
(662) 617-2350

### MISSOURI

1118 Hampton Ave., Ste. 208  
St. Louis, MO 63139  
(314) 255-1323

### NEVADA

3034 S. Durango Dr., #100  
Las Vegas, NV 89117  
(702) 242-9369

6490 S. McCarran Blvd., #51  
Reno, NV 89509  
(775) 204-4100

### NEW JERSEY

2740 Route 10 West, Ste. 204  
Morris Plains, NJ 07950  
(973) 970-9333

3500 Route 9 South, Ste. 202  
Howell, NJ 07731  
(732) 807-3113

### NEW YORK

325 West 38<sup>th</sup> St. Ste. 702  
New York, NY 10018  
(212) 268-1113

### NORTH CAROLINA

5950 Fairview Rd., Ste. 405  
Charlotte, NC 28210  
(704) 376-5400

412 E. Chatham St.  
Cary, NC 27511  
(919) 859-2666

### OHIO

1655 W. Market St., Ste. 130  
Akron, OH 44313  
(330) 899-9900

8291 Beechmont Ave., Ste. B  
Cincinnati, OH 45255  
(513) 785-0820

1422 Euclid Ave., Ste. 616  
Cleveland, OH 44115  
(216) 367-9690

### OKLAHOMA

6666 S. Sheridan Rd., Ste. 104  
Tulsa, OK 74133  
(918) 712-9992

5909 NW Expy., Ste. 104  
Oklahoma City, OK 73132  
(405) 603-1553

### PENNSYLVANIA

150 S. Warner Rd., Ste. 440  
King of Prussia, PA 19406  
(215) 545-1900

4701 Baptist Rd., Ste. 304  
Pittsburgh, PA 15227  
(412) 881-6080

### SOUTH CAROLINA

1250 Fairmont Ave.  
Mt. Pleasant, SC 29464  
(843) 884-1266

11 Cleveland Ct.  
Greenville, SC 29607  
(864) 233-6277

920 Bay St., Ste. 26  
Beaufort, SC 29902  
(843) 884-1266

### TENNESSEE

3500 Ringgold Rd., Ste. 3  
Chattanooga, TN 37412  
(423) 206-2677

213 Fox Rd.  
Knoxville, TN 37922  
(865) 522-2424

756 Ridge Lake Blvd., Ste. 225  
Memphis, TN 38120  
(901) 753-6977

5205 Maryland Way, Ste. 300  
Brentwood, TN 37027  
(615) 369-0670

### TEXAS

2731 81<sup>st</sup> St.  
Lubbock, TX 79423  
(806) 744-1188

901 Mopac Expy. S., Bldg. 1, Ste. 300  
Austin, TX 78746  
(737) 242-8585

10210 North Central Expy., Ste. 115  
Dallas, TX 75231  
(214) 446-1611

974 Campbell Rd., Ste. 204  
Houston, TX 77024  
(713) 467-5858

### TEXAS (CONT'D)

9901 IH-10 West, Ste. 1035  
San Antonio, TX 78230  
(210) 227-6229

### UTAH

527 E. Pioneer Rd., Ste. 240  
Draper, Utah 84020  
(801) 262-3388

20 North Main  
St. George, UT 84770  
(435) 773-6300

321 N. County Blvd., Ste. D  
American Fork, UT 84003  
(801) 492-0000

### VIRGINIA

656 Independence Pkwy., Ste. 220  
Chesapeake, VA 23320  
(757) 410-1222

4914 Fitzhugh Ave.  
Richmond, VA 23230  
(757) 345-0010

5107 Center St., Ste. 2B  
Williamsburg, VA 23188  
(757) 345-0010

### WASHINGTON

8378 W. Grandridge Blvd., Ste. 110-D  
Kennewick, WA 99336  
(509) 221-1540

25923 Washington Blvd., NE., Ste. 300  
Kingston, WA 98346  
(360) 649-7300

324 N. Mullan Rd.  
Spokane Valley, WA 99206  
(509) 747-0999

### WISCONSIN

12660 W. North Ave.  
Brookfield, WI 53005  
(262) 782-7990

# Comparative Market Analysis



Researched and prepared by  
**Tarah Mccaw**

Prepared exclusively for  
**Port of Columbia**

Prepared on  
December 16, 2022

Subject Property  
**NKA Cameron St  
Dayton, WA  
99328**



**Tarah Mccaw Williams Team Homes LLC**

128 E Alder St

Walla Walla, WA 99362

(509) 240-0455

[tarah@williamsteamhomes.com](mailto:tarah@williamsteamhomes.com)



# Comparative Market Analysis

NKA Cameron St  
Dayton, 99328



**NORTHWEST**  
MULTIPLE LISTING SERVICE®

Friday, December 16, 2022

## Minimums and Maximums

This page summarizes key fields of the listings in this analysis.

### The listings in this analysis can be summarized as follows:

Priced between \$49,900 and \$160,000

Selling Price between \$25,000 and \$160,000

0 Square Feet

\$0 per Square Foot

\$0 per Sold Square Foot

12 to 464 Days on Market





# Comparative Market Analysis

NKA Cameron St  
Dayton, 99328



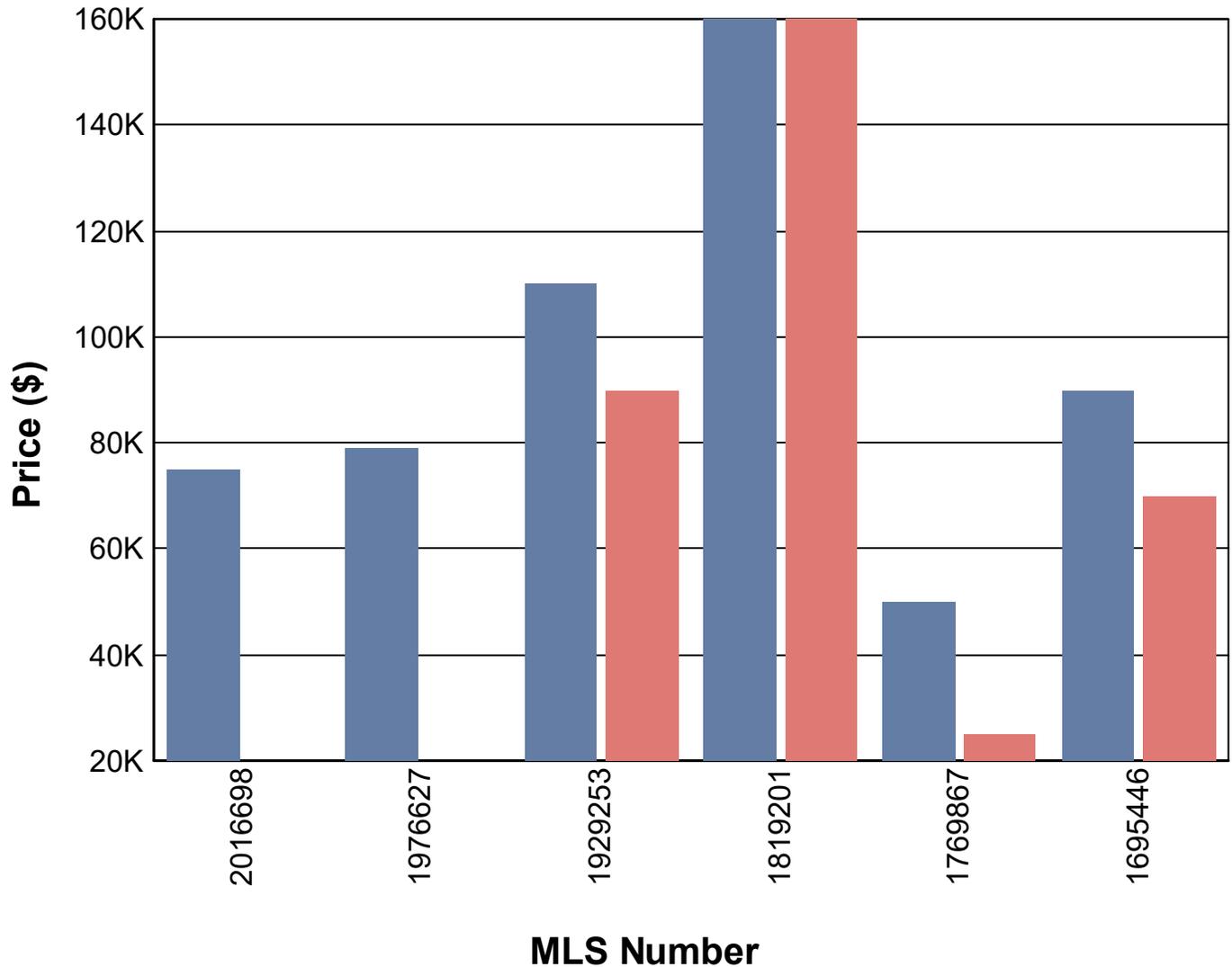
**NORTHWEST**  
MULTIPLE LISTING SERVICE®

## List Price and Sale Price

Friday, December 16, 2022

This graph illustrates the list price, along with sale price in Sold listings.

### Price Graph





Friday, December 16, 2022

## Portrait Report

This report breaks down the compared properties by Status.

### Vacant Land

#### Active

Address	City	Bd	Bth	SqFt	Lot Sz	Yr Blt	Date	\$/SqFt	CDOM	Orig Price	List Price
606 Wagon Rd	Dayton			0	17424		11/14/22		32	\$75,000	\$75,000
Listing Count	1	Averages							32	\$75,000	\$75,000
					High	\$75,000			Low	\$75,000	Median \$75,000

#### Pending

Address	City	Bd	Bth	SqFt	Lot Sz	Yr Blt	Date	\$/SqFt	CDOM	Orig Price	List Price
209 W Main St	Dayton			0	7200		11/21/22		115	\$79,000	\$79,000
Listing Count	1	Averages							115	\$79,000	\$79,000
					High	\$79,000			Low	\$79,000	Median \$79,000

#### Sold

Address	City	Bd	Bth	SqFt	Lot Sz	Yr Blt	Date	\$/SqFt	CDOM	Orig Price	List Price	Sale Price
224 Burns	Walla Walla			0	10000		6/8/22		12	\$110,000	\$110,000	\$90,000
1703 Twin Creek Place	Walla Walla			0	58370		11/10/22		221	\$299,997	\$160,000	\$160,000
2021 Walla Walla Ave	Walla Walla			0	5153		10/15/21		59	\$55,000	\$49,900	\$25,000
SE Commercial Dr	College Place			0	54885		2/18/22		464	\$175,000	\$89,950	\$70,000
Listing Count	4	Averages							189	\$159,999	\$102,463	\$86,250
					High	\$160,000			Low	\$25,000	Median \$80,000	
Report Count	6	Report Averages							151	\$132,333	\$83,167	
					High	\$160,000			Low	\$25,000	Median \$77,000	





# Comparative Market Analysis

NKA Cameron St  
Dayton, 99328



**NORTHWEST**  
MULTIPLE LISTING SERVICE®

## CMA Pro Report

Friday, December 16, 2022

These pages give a general overview of the selected properties.

### Active Properties

LP: **\$75,000**

**606 Wagon Rd**

Listing # **2016698**

Prop Sub Type: **Vacant Land**



Beds:	Appx. SqFt: <b>0</b>	Area:	<b>131 - Columbia County</b>
Baths:	Acres: <b>0.400</b>	Map:	
Lot #:	Year Built	Grid:	
Cov'd Parking:		Style:	<b>43 - Comm/Industrial</b>
New Cnstrct:		Bldg Type:	
Subdivision: <b>Dayton</b>		Waterfront:	
School District: <b>Dayton</b>		View:	

Remarks:

**Main St frontage on this .4 acre commercial building lot in downtown Dayton. Opportunity for a variety of businesses available in this high traffic location.**

Directions:

**On the Corner of Main St/Highway 12 and Wagon Road in Dayton.**

### Pending Properties

LP: **\$79,000**

**209 W Main St**

Listing # **1976627**

Prop Sub Type: **Vacant Land**



Beds:	Appx. SqFt: <b>0</b>	Area:	<b>131 - Columbia County</b>
Baths:	Acres: <b>0.165</b>	Map:	
Lot #: <b>5</b>	Year Built	Grid:	
Cov'd Parking:		Style:	<b>40 - Res-Less thn 1 Ac</b>
New Cnstrct:		Bldg Type:	
Subdivision: <b>Dayton</b>		Waterfront:	
School District: <b>Dayton</b>		View:	

Remarks:

**Lot is zoned Dayton Residential in Gen Comm Zone 1. This is a 7200 square foot lot with alley access and is located on Dayton's Main Street/Hwy 12. The house next door to the West is also for sale at 213 W Main Street.**

Directions:

**West Main Street in Dayton. Property is on the South side of Main.**





# Comparative Market Analysis

NKA Cameron St  
Dayton, 99328



**NORTHWEST**  
MULTIPLE LISTING SERVICE®

## CMA Pro Report

Friday, December 16, 2022

These pages give a general overview of the selected properties.

### Sold Properties

SP: **\$90,000**

**224 Burns**

Listing # **1929253**

Prop Sub Type: **Vacant Land**



Beds:	Appx. SqFt: <b>0</b>	Area:	<b>933 - Southeast Walla Walla County</b>
Baths:	Acres: <b>0.230</b>	Map:	
Lot #:	<b>40 &amp; 2</b> Year Built	Grid:	
Cov'd Parking:		Style:	<b>43 - Comm/Industrial</b>
New Cnstrct:		Bldg Type:	
Subdivision:	<b>Walla Walla</b>	Waterfront:	
School District:	<b>Walla Walla</b>	View:	

Directions:

**Located new Veterans Memorial Gold Course in Walla Walla, WA 99362. Take the Rees Avenue exit, heading West on HWY 12. Then take a right on Burns Avenue.**

SP: **\$160,000**

**1703 Twin Creek Place**

Listing # **1819201**

Prop Sub Type: **Vacant Land**



Beds:	Appx. SqFt: <b>0</b>	Area:	<b>933 - Southeast Walla Walla County</b>
Baths:	Acres: <b>1.340</b>	Map:	
Lot #:	Year Built	Grid:	
Cov'd Parking:		Style:	<b>43 - Comm/Industrial</b>
New Cnstrct:		Bldg Type:	
Subdivision:	<b>Walla Walla</b>	Waterfront:	
School District:	<b>Walla Walla</b>	View:	<b>Territorial</b>

Remarks:

**WALLA WALLA - 1.340 ACRES: PRICE REDUCED! Fantastic location in SW Walla Walla. Visible from Hwy 125. Located at end of cul-de-sac. Shares parking lot with other business for maximum visibility and accessibility. Located in Walla Walla city limits. Minutes away from US-12, WA-125, four different parks, and Walla Walla Country Club. Property is 58,370 sf. with roughly 12,632 sq ft of prime level buildable space. Zoned CH. CCR's. Uses include bank, retail, restaurant, medical/dental office. Power, Water, Sewer, Gas in street. Buy and build or hold for future investment/development. No studies available. Property level with some slope on N edge. Small wetland identified in NE corner. Buyer to confirm feasibility for building. Sold As-Is!**

Directions:

**From WA-125 N turn L on SE Myra Rd then R on Twin Creek Pl. Property is straight past cul-de-sac. LOOK FOR SIGN!**

SP: **\$25,000**

**2021 Walla Walla Ave**

Listing # **1769867**

Prop Sub Type: **Vacant Land**



Beds:	Appx. SqFt: <b>0</b>	Area:	<b>933 - Southeast Walla Walla County</b>
Baths:	Acres: <b>0.118</b>	Map:	
Lot #:	Year Built	Grid:	
Cov'd Parking:		Style:	<b>43 - Comm/Industrial</b>
New Cnstrct:		Bldg Type:	
Subdivision:	<b>Walla Walla</b>	Waterfront:	
School District:	<b>Walla Walla</b>	View:	

Remarks:

**Nice building lot zoned Highway Commercial. All utilities including water, sewer, electricity and natural gas are available for this property. Lot can be used for a duplex, shop, pole building, retail building, storage, etc.**

Directions:

**Isaacs to Wilbur Ave. Go North on Wilbur 1 block, turn left on Walla Walla Ave., right into first alley. Property is approximately 100' on left.**





# Comparative Market Analysis

NKA Cameron St  
Dayton, 99328



**NORTHWEST**  
MULTIPLE LISTING SERVICE®

## CMA Pro Report

Friday, December 16, 2022

These pages give a general overview of the selected properties.

### Sold Properties

SP: **\$70,000**

Listing # **1695446**



Prop Sub Type:

Beds:

Baths:

Lot #:

Cov'd Parking:

New Cnstrct:

Subdivision:

School District:

**Se Commercial Dr**

**Vacant Land**

Appx. SqFt: **0**

Acres: **1.260**

Year Built

**College Place**

**College Place**

Area:

Map:

Grid:

Style:

Bldg Type:

Waterfront:

View:

**933 - Southeast Walla Walla County**

**43 - Comm/Industrial**

**Creek**

Remarks:

**Commercial zoned 1.26 acre parcel across from Community Bank. Trees & Stream on property. Easy access from traffic controlled intersection on SE Commercial Dr. & Highway 11**

Directions:

**Just west from the corner of Commercial Dr. & Myra Rd. Or, from Hwy 11, take Commercial Dr. intersection at traffic light by the Honda Dealership.**





# Comparative Market Analysis

NKA Cameron St  
Dayton, 99328



**NORTHWEST**  
MULTIPLE LISTING SERVICE®

## CMA Pro Report

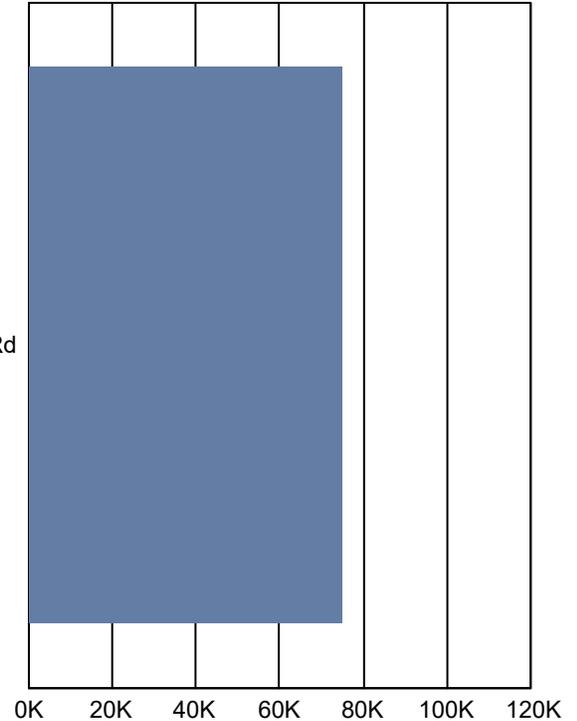
Friday, December 16, 2022

These pages give a general overview of the selected properties.

### Active Properties

Total # of Listings	<b>1</b>
Lowest Price	<b>\$75,000</b>
Highest Price	<b>\$75,000</b>
Average Price	<b>\$75,000</b>
Avg. Price/SqFt	<b>\$0.00</b>
Avg CDOM	<b>32</b>

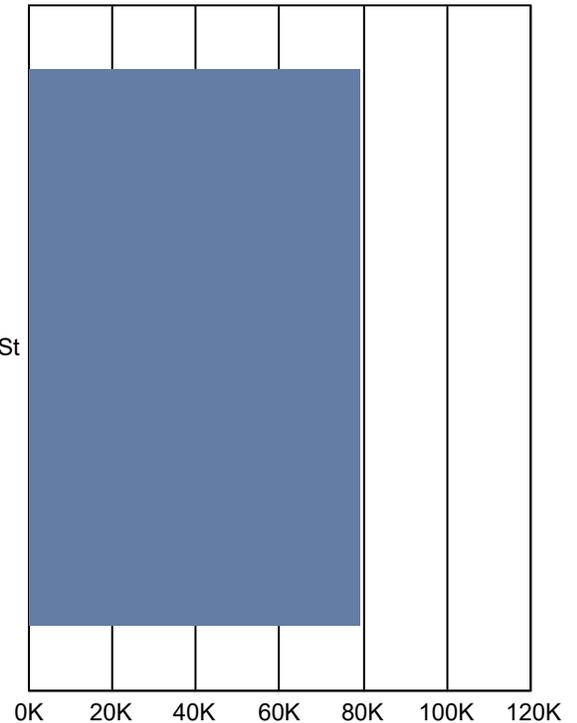
606 Wagon Rd



### Pending Properties

Total # of Listings	<b>1</b>
Lowest Price	<b>\$79,000</b>
Highest Price	<b>\$79,000</b>
Average Price	<b>\$79,000</b>
Avg. Price/SqFt	<b>\$0.00</b>
Avg CDOM	<b>115</b>

209 W Main St





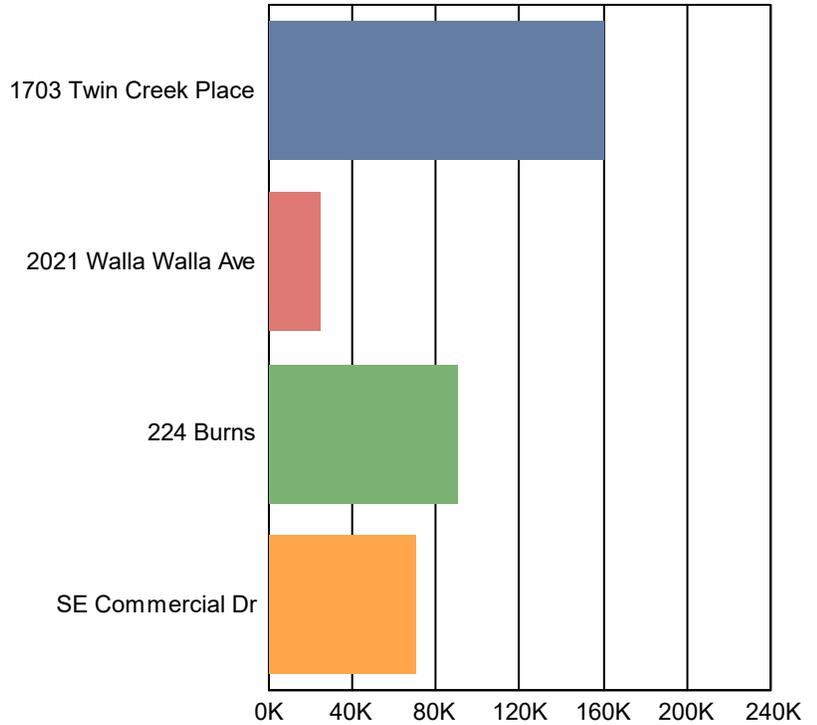
## CMA Pro Report

Friday, December 16, 2022

These pages give a general overview of the selected properties.

### Sold Properties

Total # of Listings	<b>4</b>
Lowest Price	<b>\$25,000</b>
Highest Price	<b>\$160,000</b>
Average Price	<b>\$86,250</b>
Avg. Price/SqFt	<b>\$0.00</b>
Avg CDOM	<b>189</b>





# Comparative Market Analysis

NKA Cameron St  
Dayton, 99328



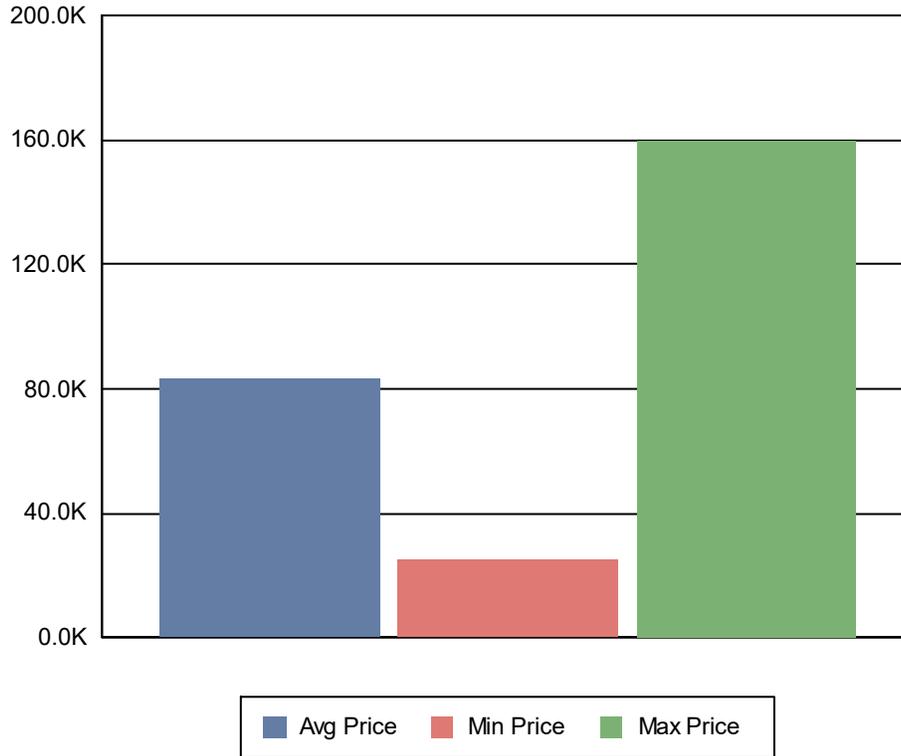
**NORTHWEST**  
MULTIPLE LISTING SERVICE®

## CMA Pro Report

Friday, December 16, 2022

These pages give a general overview of the selected properties.

### Summary Graph/Analysis



### Cumulative Analysis

Listing Category	Lowest Price	Highest Price	Average Price	Avg \$ Per
Active	\$75,000	\$75,000	\$75,000	\$0.00
Pending	\$79,000	\$79,000	\$79,000	\$0.00
Sold	\$25,000	\$160,000	\$86,250	\$0.00
<b>Totals / Averages</b>	<b>\$25,000</b>	<b>\$160,000</b>	<b>\$83,167</b>	<b>\$0.00</b>

### Sold Property Analysis

Address	List Price	Sold Price	CDOM	%SP/LP	SP/Sqft
<b>Active</b>					
606 Wagon Rd	\$75,000		32		\$0.00
<b>Pending</b>					
209 W Main St	\$79,000		115		\$0.00





# Comparative Market Analysis

NKA Cameron St  
Dayton, 99328



**NORTHWEST**  
MULTIPLE LISTING SERVICE®

## CMA Pro Report

Friday, December 16, 2022

These pages give a general overview of the selected properties.

### Sold

224 Burns	\$110,000	\$90,000	12	-%18.18	\$0.00
1703 Twin Creek Place	\$160,000	\$160,000	221	%0.00	\$0.00
2021 Walla Walla Ave	\$49,900	\$25,000	59	-%49.90	\$0.00
SE Commercial Dr	\$89,950	\$70,000	464	-%22.18	\$0.00
<b>Total Averages</b>	<b>93,975</b>	<b>86,250</b>	<b>151</b>	<b>-%-22.57</b>	<b>\$0.00</b>

## Property Summary

S	Street Address	Bds	Bth	Sqft	L Price	S Price	Sold Date	CDOM
A	606 Wagon Rd			0	\$75,000			32
P	209 W Main St			0	\$79,000			115
S	224 Burns			0	\$110,000	\$90,000	06/08/2022	12
S	1703 Twin Creek Place			0	\$160,000	\$160,000	11/10/2022	221
S	2021 Walla Walla Ave			0	\$49,900	\$25,000	10/15/2021	59
S	SE Commercial Dr			0	\$89,950	\$70,000	02/18/2022	464





# Comparative Market Analysis

NKA Cameron St  
Dayton, 99328



**NORTHWEST**  
MULTIPLE LISTING SERVICE®

Friday, December 16, 2022

## Pricing Recommendation

This page suggests a recommended selling price based on a thorough analysis of your property.

**After analyzing the property, comparable properties on the market now, recent sales and properties that failed to sell, I conclude that in the current market, the value of Tract U of 1.19 acres to be \$48,000, and Tract V of 1.41 acres to be \$55,000.**





# Comparative Market Analysis

NKA Cameron St  
Dayton, 99328

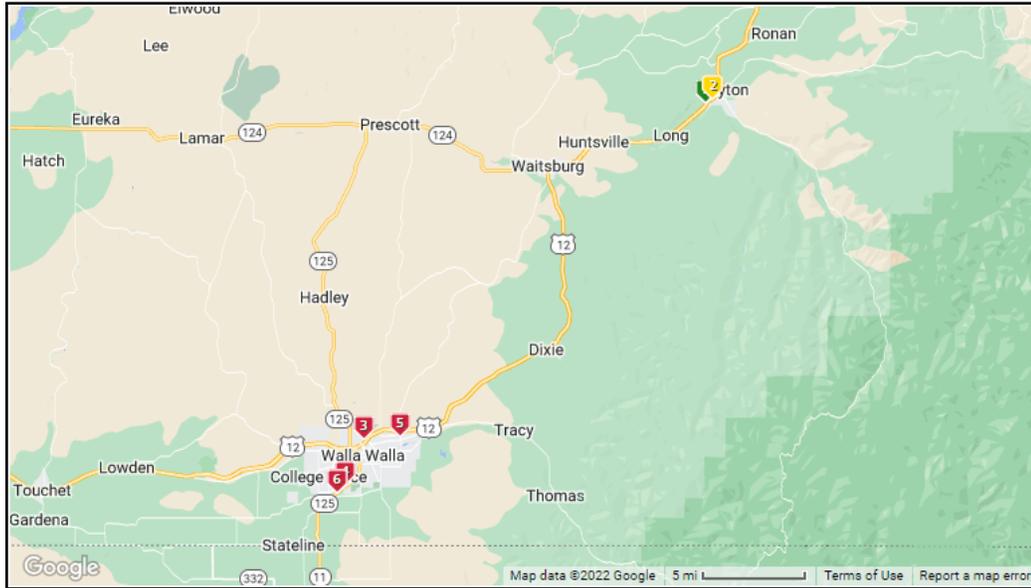


**NORTHWEST**  
MULTIPLE LISTING SERVICE®

Friday, December 16, 2022

## CMA Map Layout

This page displays the Map for the CMA Subject and your comparables.



- NKA Cameron St
- 1 606 Wagon Rd
- 2 209 Main St W
- 3 224 Burns
- 4 1703 Twin Creek Place
- 5 2021 Walla Walla Ave
- 6 0 Commercial Dr Se





# Comparative Market Analysis

NKA Cameron St  
Dayton, 99328



**NORTHWEST**  
MULTIPLE LISTING SERVICE®

Friday, December 16, 2022

## Summary of Comparable Listings

This page summarizes the comparable listings contained in this market analysis.

### Active listings

Address	L/S Price	Bd	Bth	Sqft	\$/Sq	Built	MLS #	Date	CDOM
NKA Cameron St 606 Wagon Rd	\$75,000			0			2016698	11/14/2022	32
	<b>\$75,000</b>			<b>0</b>	<b>\$0</b>				<b>32</b>

### Pending listings

Address	L/S Price	Bd	Bth	Sqft	\$/Sq	Built	MLS #	Date	CDOM
NKA Cameron St 209 W Main St	\$79,000			0			1976627	11/21/2022	115
	<b>\$79,000</b>			<b>0</b>	<b>\$0</b>				<b>115</b>

### Sold listings

Address	L/S Price	Bd	Bth	Sqft	\$/Sq	Built	MLS #	Date	CDOM
NKA Cameron St 224 Burns	\$90,000			0			1929253	06/08/2022	12
1703 Twin Creek Place	\$160,000			0			1819201	11/10/2022	221
2021 Walla Walla Ave	\$25,000			0			1769867	10/15/2021	59
SE Commercial Dr	\$70,000			0			1695446	02/18/2022	464
	<b>\$86,250</b>			<b>0</b>	<b>\$0</b>				<b>189</b>

Median: **\$77,000**  
Average: **\$83,167**



In response to Aileen Warren's letter to the editor. We hope to ease your valid concerns.

Generations of our family have been born and raised in Dayton. We couldn't agree more that actively promoting its health and wellbeing is paramount for the survival of our community. We also appreciate all the kind words and support we've gotten in return from said community. We are proud to be providing such a service to this wonderful town, but we want to do more! With this meat processing plant, we finally can. We welcome any and all questions and/or concerns anyone in the community may have.

FIRST: "Will there be a feedlot associated with this processing plant?"

No. Livestock will NOT be on the premises for more than 24 hours. The holding pens will be pressure washed and cleaned between each load, therefore, smell should not be a problem. Being cattle ranchers, we know the smell of a dairy as well as a feedlot. Seeing as this will be neither, smell should not be a problem.

SECOND: "Will this be a kill facility?"

Yes, this will be a USDA (United States Department of Agriculture) slaughter facility. Meaning this facility will be held to the high standards of a USDA Government inspector. The sound of gunshots will not be a problem seeing as we won't be using them. USDA facilities must follow the HMSA (Humane Methods of Slaughter Act), which requires the humane treatment and handling of food animals at the slaughter plant, while also providing a quick and effective death. We will be using an air-operated Captive Bolt Stunning Gun inside of an insulated steel building with concrete barriers. The noise of this will not be heard by anyone outside of the building.

THIRD: "Where will the refuse and unwanted animal carcass parts/offal be kept? And how often will these be removed and the facility sanitized?"

Did you know we currently keep all carcasses and offals right on main street? There are refrigerated buildings we keep all unwanted parts in until they are ready to be picked up. All areas of the facilities are kept clean and always sanitized. These parts get picked up and taken away bi-weekly. We plan on having a similar system in the USDA plant, except now we will be held to a higher level of accountability. The new offal room will be directly connected to the building, with mobile barrels for the offals to be stored in. When the rendering plant comes to collect, the barrels will be accessible on the back side of the building from an exterior door.

FOURTH: "How will the potential insects, rodent and other pests be managed?"

As stated before, being USDA certified means we are held to the highest of standards. This is not just for cleanliness, but many other things as well with pest control being one of them. Pest control systems are regulated and designed by the USDA. They mandate devices such as sealants, brush control

around the building, and draining and sanitation systems. Seeing as USDA mandates a pest free zone, this should not be a problem.

FIFTH: "What are plans for odor management?"

Simple, we are going to keep everything clean and sanitized. As stated before, being a USDA slaughter facility means we will be held to the high standards of a USDA inspector. These inspectors will be on site at all times during operating hours to see that everything is done to code. This includes cleanliness, pest control, and odor management, not only for our neighbors, but for the quality of the meat as well. We will be using freezers, concrete, metal, and drains. Everything will be washed, cleaned, and sanitized daily by a cleaning crew. Smell should not be a problem.

SIXTH: "If there are to be live animals housed at this facility, what plans are in place to deal with securely corralling them?"

Permanent fencing will be installed for the livestock being brought in. This fencing will include metal poles that have been concreted into place. Containment areas will be stronger and taller than needed to avoid any livestock getting out. Seeing as the livestock will NOT be on the premises for more than 24 hours, keeping them safely corralled shouldn't be an issue.

SEVENTH: "What are the plans for commercial traffic hauling animals in and removing processed carcasses to the next facility or point of delivery?"

This area is already zoned 'Commercial/Light Industrial'. There won't be any more traffic than there is now with the current semis coming in and out of the neighboring businesses. As far as removing the processed carcasses, again, we are currently doing that now, on Main St. nonetheless, with no problems. The rendering plant pick up is no different than garbage day.

EIGHTH: "How will the activities of the plant be shielded from viewers or passersby/traffic?"

This will be nothing more than a steel building to the public eye. The corrals will be behind the building, and everything else will happen inside. As far as the Boys and Girls Club across the street, there will be nothing to see nor hear.

NINTH: "Will the facility conform to the noise ordinances of the City of Dayton?"

You are correct when saying "At no time are animals always quiet.". This does not just apply with livestock, but other animals as well, including household pets such as dogs and cats. As stated above, the livestock coming in will not be on the premises for more than 24 hours. The design of the building will also mitigate sounds coming from the animals being held, as the large building and the surrounding shrubs we plan to plant will absorb noise. They will also have water and shelter to keep them calm, quiet, and happy. While we cannot guarantee that no animal will ever call out, we believe that they will cause no more noise than a barking dog, or a neighbor's stereo.

As humans, we are meant to eat meat. While we are very aware of the unpleasantness of what we do, it still needs to be done. Being respectful to the animals and the public is very important to us. This facility will not only provide a service to the public, but jobs for local people as well as bring in more business to our small town. We can't wait to start moving forward with this project, and we thank everyone for their help and support along the way. If there are any further questions, please don't hesitate to reach out to us and ask. For more information on USDA standards, please visit [www.usda.gov](http://www.usda.gov).

Thank you,

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