

RESTRICTED USE
REAL ESTATE APPRAISAL REPORT
OF

COMMERCIAL/OFFICE BUILDING
160 GOODING STREET WEST
TWIN FALLS, IDAHO 83301

PRESENTED TO

DR. BRADY D. DICKINSON, PH.D
DIRECTOR OF OPERATIONS
TWIN FALLS SCHOOL DISTRICT #411
201 MAIN AVENUE WEST
TWIN FALLS, IDAHO 83301

AS OF

OCTOBER 16, 2019

PREPARED BY

*DOUGLAS D. VOLLMER, SRA, SRPA
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Douglas D. Vollmer, SRA, SRPA
Real Estate Broker and Appraiser

Owned and Operated Since 1973
(208)734-5650 Fax (208)734-5653

October 18, 2019

Dr. Brady D. Dickinson, Ph.D.
Director of Operations
Twin Falls School District #411
201 Main Avenue West
Twin Falls, Idaho 83301

RE: Commercial Office Building
160 Gooding Street West
Twin Falls, Idaho 83301

Dear Mr. Dickinson:

In accordance with your authorization, I have performed a Restricted Use Appraisal Report of the commercial/office building located at 160 Gooding Street West, Twin Falls, Idaho.

The Restricted Use Appraisal Report is intended to comply with the reporting requirements set forth under all of Standards Rule 2-2(B) of the 2018-2019 Uniform Standards of Professional Appraisal Practice for a restricted use appraisal report. As such, it presents no discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the opinion of value. Supporting documentation concerning the data, reasoning, and analysis is retained in our file. The depth of discussion contained in this report is specific to your needs and for the intended use as indicated below. We are not responsible for unauthorized use of this report.

As a result of my analyses and studies made, and subject to the Assumptions and Limiting Conditions included within this report, I have established an opinion that as of October 16, 2019, the "as is" current market value for the subject property, according to its present zoning restrictions, was estimated to be:

THREE HUNDRED TWELVE THOUSAND DOLLARS

(\$312,000.00)

Thank you for this opportunity to be of service to you.

Sincerely,



Douglas D. Vollmer, SRA, SRPA

CLIENT AND INTENDED USERS

Brady Dickinson, Ph.D.
School District Staff
Twin Falls School District Board

The Restricted Use Appraisal Report limits the use of the report to the client and the appraiser's opinions and conclusions set forth in the report may not be understood properly without additional information in the appraiser's workfile.

APPRAISER

Douglas D. Vollmer, SRA, SRPA
Certification No. CGA-53, State of Idaho
Certification No. A.0000610-CG, State of Nevada

COMPETENCY PROVISION AND APPRAISER DISCLOSURES

The appraiser has completed numerous land and commercial appraisals on similar properties over the past several years in the Magic Valley area. It is noted that although I own an interest in several properties in the area, it has not influenced my impartiality. I have performed services on the subject in the past 3 years.

SUBJECT

Commercial/Office Building
160 Gooding Street West
Twin Falls, Idaho 83301

PURPOSE OF THE APPRAISAL

The purpose of this appraisal was to estimate the market value opinion of the fee simple estate of the subject property. (See Definition in Addendum for Fee Simple Estate.)

INTENDED USE OF REPORT

For the sole purpose of estimating a market value for potential purchase purposes. (See Definition in Addendum for Market Value)

INTEREST VALUED

Fee Simple (See Definition in Addendum)

EFFECTIVE DATE OF VALUE

October 16, 2019

DATE OF REPORT

October 18, 2019

The acceptance and/or use of the appraisal report by the client or any third party constitutes acceptance of the Assumptions and Limiting Conditions set forth in the following paragraphs and in the Addendum. The appraiser's liability extends only to the specified client, not to subsequent parties or users. The appraiser's liability is limited to the amount of the fee received for the services rendered.

APPRAISAL DEVELOPMENT AND REPORTING PROCESS

SCOPE OF WORK

The appraiser is required to identify the scope of work sufficient to produce credible assignment results that are supported to the degree necessary for the intended use of the assignment. It is important that both the appraiser and the client fully understand the scope of work to ensure that it is appropriate for the intended use of the assignment. This requires that the appraiser must identify the problem to be solved, determine the scope of work necessary to develop credible assignment results and to disclose the scope of work in the report. It is the intent of this assignment that all appropriate data regarded to be pertinent to the development of this appraisal be collected, confirmed and reported in conformity with the 2018-2019 Uniform Standards of Professional Appraisal Practice (USPAP) in conformity with the intended use of the assignment.

The Scope of Work sufficient to produce credible appraisal assignment results for the subject property is described as follows:

1. The basic problem(s) to be solved associated with achieving credible appraisal assignment results are identified as: (1) Produce an opinion of market value supported by an analysis of comparable market data; (2) The highest and best use of the comparable sales will focus on commercial/office building uses.
2. An inspection of the subject land is required for this assignment.
3. Discussions between the client and appraiser resulted in agreement that the appropriate report type for this assignment is a Restricted Appraisal Report in a narrative report format.
4. The appraisal client and any other intended users, intended use of the appraiser's opinions and conclusions, type and definition of value, effective date of the appraiser's opinions and conclusions and subject of the assignment and its relevant characteristics are described in detail elsewhere in this report.
5. The appraiser(s) reserves the right to alter statements, analyses, conclusions, or any opinions of value in the appraisal if any new facts pertinent to the valuation process are discovered which were unknown when the appraisal report was prepared.

My concluded market value opinion developed herein is not based on extraordinary assumptions or hypothetical conditions.

6. Property inspection contact: Fran Florence

APPRAISAL DEVELOPMENT AND REPORTING PROCESS

SCOPE OF WORK, CONTINUED

7. Information concerning the subject property, if any, was obtained from: Client, Realtor, Public Records, and Inspection
8. A Land Valuation Analysis will not be completed for this assignment.
9. A Sales Comparison Approach to Value will be completed for this assignment.
10. An Income Capitalization Approach to Value will not be completed for this assignment.
11. A Cost Approach to Value will not be completed for this assignment.
12. The assignment requires a summary description of the improvements.
13. This assignment requires a summary description of the land.
14. Comparable sales have been obtained, if any, from in-house appraiser data files, confirmation with buyers and sellers, public property records, assessor's office, real estate brokers, data sources available to REALTORS and Appraisers, and data sharing with outside real estate professionals.
15. Appropriate research will be conducted pertaining to current market conditions relating to the specific market demand for the subject property. The geographic area to be searched for data generally will be the Twin Falls area.

The opinion of value conclusion for the subject real estate involves a reconciliation of the previous indications of value which are regarded to meaningfully contribute to this appraisal assignment. The valuation analyses are described in detail elsewhere in this report together with a statement explaining the exclusion of any of the three traditional valuation methods. Consideration of these valuation analyses along with professional judgement forms the basis for an opinion of value.

LOCATION DESCRIPTION

(See Neighborhood and Aerial Maps in Addendum)

The subject's neighborhood has, since it was originally developed in the early 1900's, always been recognized as the "Downtown Business District." Early on, commercial uses tended to locate near the number one corner of Main and Shoshone. This is still true today, but the Second Avenues are also desirable locations due to the traffic count. Though Blue Lakes Boulevard North now commands higher rents and prices, the downtown still remains viable for existing structures.

In any event, it is unlikely that there will be much construction of new retail buildings for the foreseeable future. One bright spot is the conversion of older warehouse buildings into office/retail space. Several of these conversions have been done over the last few years and it is likely that this trend will continue. Some buildings have been torn down, or are in the process of being replaced with newer, larger buildings.

The neighborhood is well liked by the population of the city. It boasts a large professional work force and support and service companies such as restaurants. It has been mostly stable in terms of rents, values and vacancies, but this is changing. Retail shops tend to be housed in smaller structures. Renewed interest in the subject neighborhood is being experienced and this should continue as the rents and values are inexpensive when compared to alternative properties on Blue Lakes Boulevard. As demand increases in downtown, it is likely that values and rents will rise. This also will have a tendency to lower vacancy rates.

For the short term, it is probable that buildings here will be strong in their values. **Reasonable proximity to parking is a plus, distant or inadequate parking is a detriment. On-site parking, however, will be viewed in a positive light.** As a majority of the city population is in favor of the city helping keep downtown viable, it is likely it will continue to be a vital part of the community. It is doubtful, however, that any major retail structures will be built here in the immediate future. Some trend of conversion from warehouse to office/retail will occur as the needs of the area's commercial community dictate. The downtown area has experienced some growth of new office buildings, i.e., several new office buildings and banks have been constructed or remodeled the past few years. Several warehouses have been converted to other uses such as retail stores, restaurants, and a 3-story building was remodeled into a condo/office building. This demand continues as several projects are in the inquiry stage or on the "drawing board".

LOCATION DESCRIPTION, CONTINUED

The property being appraised is located in the central portion of downtown Twin Falls. The immediate area consists of a mixture of commercial uses, such as small retail stores, restaurants, a mixture of professional office users, and a considerable amount of other service providers. This area enjoys a great deal of local traffic, Second Avenue West is U.S. Highway 30. This traffic traverses through the neighborhood and passes on the front of the subject property on a one-way street going east. This area shows strong values and demand due to the strong economy.

Conclusions:

The neighborhood is currently showing a trend to strong rents and values. In comparison to other similar areas in Twin Falls, the subject neighborhood is considered good near the subject. This area is known as the business community downtown Twin Falls as it is one block to the center of town.

SITE DESCRIPTION

(See Photos, Site Maps, Flood Map and Zoning Map in the Addendum)

According to the Assessor's records and inspection, the subject site is situated at the northwest corner of Gooding Street West and Second Avenue West. It has 75' of frontage along Gooding Street and 100' to the west along the alley, for a total of 7,500 s.f. There is curb, gutter, and sidewalks. It is zoned CB (Central Business) with a parking overlay by the city of Twin Falls. It is not located in a flood zone.

Surrounding the building in all directions is a mixture of commercial, retail, apartments, offices, and single family residences. Immediately east across the street is an office/retail facility; to the north, south and east are office buildings and residential uses.

DESCRIPTION OF IMPROVEMENTS

(See Photos, Assessor's Sketch, and Floor Plan in Addendum)

According to the Assessor's records, inspection, and floor plans provided by the Realtor, the main floor contains approximately 5,380 s.f., plus a small basement of no value.

The building has stucco over brick siding, and the roof is a built-up mop asphalt roof.

The entryway has tile floor with glass doors. There are three heating systems: the main system is a gas force warm air unit; and two are wall-mounted systems. There are painted wallboard walls and ceilings throughout the building with ceiling-mounted four foot, 4-tube fixtures. The main floor has several offices throughout. Most all of the rooms are the same; they have wall-to-wall carpet, and painted wallboard walls pretty much throughout. There are two main restrooms. The subject does have a sprinkler system, but it is used in conjunction with the adjacent building where the main controls are located. This is not considered a plus due to the condition of the main controls.

DESCRIPTION OF IMPROVEMENTS, CONTINUED

The building has four on-site parking spaces. These parking spaces are inadequate for the size of the building, which has a significant effect on the building's value. Although, there is a city public parking lot in the area, and there are a few spaces available. This is a typical scenario in the downtown area; however, the parking lot mentioned above cannot be guaranteed to be used for this particular building. There is some street parking, but it is minimal.

The subject building is average to good quality and is in average to good condition. Commercial space in the area such as the subject is in demand and the subject property fits well in the market and should have continued good marketability and demand.

LEGAL DESCRIPTION

(See Deed in Addendum)

OWNERSHIP HISTORY

According to the public records, the subject property has been in the name of Edgewater Broadcasting, Inc., for over three years. It is currently under contract for a reported \$300,000. This appears to be market value based on data available. No lease data was provided; and it is vacant.

HIGHEST AND BEST USE

Highest and Best Use "As Though Vacant"

The legally permissible use of the subject site is for commercial/office use. The likelihood of a zoning change is not anticipated, and the zoning complies with the current use. It is financially feasible to improve the subject property with an office building. Thus, the maximally productive and highest and best use of the site, "as though vacant," would be for commercial/office use.

Highest and Best Use "As Improved"

It is doubtful that redevelopment of the site would result in an increase in the return to the land than is currently being generated. The existing commercial/office building is the highest and best use.

EXPOSURE TIME

Reasonable exposure time is one of a series of conditions in most market value definitions. Exposure time is always presumed to precede the effective date of the appraisal. A definition of exposure time can be as follows: The estimated length of time the property interest is 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; a retrospective estimate based upon an analysis of past events assuming a competitive and open market.

Exposure time is different for various types of real estate and under various market conditions. It is noted that the overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort. This appraisal focuses on the time component. The estimated exposure time for the subject is between three and six months.

The estimate of the exposure time for the subject property is based on typical lengths of time for marketing properties in the area found through general data and sales data verification, as well as interviews with agents and other market participants.

MARKETING TIME

Marketing Time is an estimate of the amount of time it takes to sell a property interest at the estimated market value during the period after the effective date indicated by the appraisal. An estimate of marketing time is not intended to be a prediction of a date of sale. It is not correct to assume that the value as of the effective date of appraisal remains static during a marketing period. Additionally, market factors external to this appraisal report were considered with a reasonable marketing time for the subject property estimated to be between three and six months.

VALUATION PROCESS

The appraiser has utilized one approach to value (Market Approach) in estimating the current market value for the subject property. The following is a summary of the approach to value utilized by the appraiser in estimating the current market value of the subject.

COST APPROACH

The Cost Approach to value is not utilized in the analysis and evaluation portion of an appraisal report. The Cost Approach can be an accurate utilization of the principle of substitution if the improvements are new. The principle of substitution is based on the proposition that the informed purchaser will pay no more for the property than the cost of producing a substitute property, with the same utility as the subject property. In this report, the cost approach is of little value given the age of the improvements.

INCOME APPROACH

The Income Approach, or Income Capitalization Approach, is based upon an analysis of the potential income stream generated by the real estate appraised. By agreement, the Income Approach will not be considered in this report. The market approach is of sufficient data to support the value. Buildings such as the subject are not considered investment property but are generally owner user.

SUMMARY OF ANALYSIS AND VALUATION

Following is a summary of the information analyzed, the appraisal procedures followed, and the reasoning that supports the analyses, opinion, and conclusions.

SALES COMPARISON APPROACH

The sales comparison approach, or market approach, is based upon a comparison of the prices that are paid for similar competitive properties in the same market, representing bona fide arm's length transactions. This approach works best in an active market where these prices serve as good indicators of the most probable selling price of the subject property as of the valuation date.

Comparable sales are analyzed and adjusted for conditions in the market, terms of financing, unusual conditions of sale, differences in physical characteristics and location. The adjusted sales price should be what the comparable property would have sold for if it had possessed the identical characteristics of the subject property at the time of the sale.

The appraiser considered office/commercial property sales that have occurred in Twin Falls and also researched the market for any sales of similar-type properties that might have occurred in other areas. There were sales of buildings that were used for office/commercial purposes. It was the appraiser's opinion that the buildings that have sold would give an indication of the general value of office/commercial space and did make an analysis based on this premise. The appraiser was able to determine an indicated sale price per square foot for each of the sales. The following pages describe sales that were considered for general indication of market value, and the pertinent information is extracted from each sale's description and used in the analysis which is located after the sales descriptions.

MARKET APPROACH, CONTINUED

In this section, the market value of the subject property will be estimated by direct comparison analysis. Direct comparison analysis compares improved sales to the subject property on a price per square foot basis. The price per square foot is based upon the physical characteristics of the property, and care must be taken in the comparable selection process.

Comparable Selection:

The subject consists of a 5,380 s.f. above grade, commercial/office building. I have analyzed four comparable sales with an emphasis placed on location, age, quality and size. The sales occurred in 2018 and 2019.

Adjustments:

For the sales, no adjustments are warranted for property rights conveyed, financing terms, conditions of sale, expenditures immediately after purchase and non-realty components. Regarding market conditions, discussions with active market participants indicated that property values had been trending upward through 2006 at a moderate rate. As a result of the economic recession of 2008 and 2009, values have been on a stabilization trend after peaking in 2009. Then values started rising again in late 2009 and 2010 with increases in 2011, 2012 and the current date. However, many of the properties never regained their pre-recession values.

When analyzing the comparables, primary consideration was given to physical characteristics such as location, access/linkage, age/quality, condition/appeal and size. A general discussion of these factors on a qualitative basis is presented in the following pages.

MARKET APPROACH, CONTINUED

The appraiser was able to review several sales of buildings located within the market area of the subject. The following is a summary of those properties:

COMPARABLE SALES CHART

SALE NO.	SUBJECT	1	2	3	4
ADDRESS	160 Gooding St. West Twin Falls, ID	141 Morrison St. Twin Falls, ID	125 Main Ave. West Twin Falls, ID	320 Main Ave. North Twin Falls, ID	201 Hansen St. Twin Falls, ID
DATE OF SALE	N/A	July 2019	May 2019	March 2019	December 2018
SALES PRICE	N/A	\$243,716	\$627,200	\$325,000	\$185,000
BUILDING SIZE	5,380 s.f. above grade	5,760 s.f.	13,200 s.f. Useable	6,180 s.f. above grade	2,301 s.f.
SITE SIZE	7,500 s.f.	28,750 s.f.	9,365 s.f.	14,875 s.f.	6,100 s.f.
PRICE PER S.F.	N/A	\$42.31	\$47.52	\$52.59	\$80.40

THE FOLLOWING PAGES PROVIDE THE DETAIL FOR THE COMPARABLE SALES USED:

DISCUSSION OF SALES

SALE NO. 1 is approximately one mile west of the subject. It is a comparable facility in fair condition. There is good on-site parking, but has an inferior location. It would require an upward adjustment for condition and location.

SALE NO. 2 is approximately one block east of the subject. It is a superior location on Main Avenue, and larger site. It is a comparable quality, inferior finish and condition. An upward adjustment is required, as it also has no on-site parking.

SALE NO. 3 is approximately four blocks west of the subject. It is an inferior condition building, remodeled, inferior quality, and larger site. An upward adjustment would be required for location and quality, but superior on-site parking.

SALE NO. 4 is four blocks northeast of the subject. It is a comparable property, comparable site, has some on-site parking, and is in a superior location and exposure. A downward adjustment is required due to parking and exposure.

SALE #1



MLS #	98709383	Price	\$325,000.00
Class	Business/Commercial		
Type	Office	Status	Sold
Area	Twin Falls - 2015	# Units	
Address	141 Morrison St.	# Parking	11 - 20 Spaces
City	Twin Falls	Land Use	
Zip	83301	Age	31 - 50 Years
		Apx SqFt	5,760

ADDITIONAL PHOTOS



Documents: Map:

GENERAL

Listing Date **10/9/2018**
 DOM **279**
 Lot Size X
 Land Size **1/2 - .99 Acre**
 County **Twin Falls**

Listing Service
 Showing

Improv. Dist?

Fenced

Flood Ins Req? **No**

Gas Available? **Yes**

Completion

Non-Qualify?

Sale/Lease Sale

REMARKS

Office Building/Medical Office Building. Generator will handle the building. Tenant on month to month, \$2000 per month; pays utilities and interior maintenance.

Unit #	NetSqFt	Monthly Rent	Lease Expires
--------	---------	--------------	---------------

1

2

3

4

5

Price/SqFt **\$56.42**

Price/Acre **\$492,424.24**

Taxes

Real Prop

Pers Prop

CAP Rate %

Expenses

Hazard Ins.

Manager

Maintenance

Supplies

Utility Exp

Other Exp

Vacancy/Credit Loss

Gross Operating Income

Total Annual Expenses

Annual Net Operating Inc.

(Gross Income Less Expenses)

REO/Bank Owned? **No** In Foreclosure? **No** Short Sale? **No**

Real Estate Included

Directions **Addison Ave. West, left on Morrison St.**

Legal **Twin Falls Morrison 2nd Subd. W52' S1/2 Lot 1; Lots 2, 3 & 4 (17-10-17 NW)**

FEATURES

AIR COND **Central Air**

FLOOR CONST

FOR LEASE

FOR SALE

CONSTRUCTION **Frame, Stucco**

DOCS ON FILE

STRUCTURE FEAT

TERMS

BUSINESS TYPE

HEATING **Electric, Forced Air, Gas**

SEWER **Yes Connected**

ROOF **Composition Shingle**

WATER **City Service**

POWER

LEASE TYPE

LIST CLASS **Excl Right to Sell**

SHOWING

Doug Vollmer Realtor-Broker
American Real Estate & Appraisal LLC
208 420-5650
doug@areaidaho.com

Today's Date: 07/16/2019

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SALE #2



MLS #	98722452	Price	\$675,000.00
Class	Business/Commercial		
Type	Commercial	Status	Sold
Area	Twin Falls - 2015	# Units	
Address	125 W Main Ave	# Parking	
City	Twin Falls	Land Use	
Zip	83301	Age	81+ Years
		Apx SqFt	13,200

ADDITIONAL PHOTOS



Documents: Map:

GENERAL

Listing Date **3/20/2019**
 DOM **3**
 Lot Size **125 X 75**
 Land Size **Standard Lot 6000-9999 SF**
 County **Twin Falls**
 Listing Service
 Showing **Call for Instructions**
 Improv. Dist?
 Fenced
 Flood Ins Req?
 Gas Available? **Yes**
 Completion
 Non-Qualify?
 Sale/Lease **Sale**

REMARKS

Great opportunity to create mix use in Old Town. Let your creative side have fun. Over 13000 total square feet. Additional space on upper level that does not reflect in SF. 8750 SF on the main level. Great storage and very usable space in basement with several access points. Upper level office space

Unit #	NetSqFt	Monthly Rent	Lease Expires
1			
2			
3			
4			
5			

Price/SqFt **\$51.14**
 Price/Acre **\$3,214,285.71**

Taxes

Real Prop **6,665**
 Pers Prop
CAP Rate %

Expenses

Hazard Ins.
 Manager
 Maintenance

Supplies
 Utility Exp
 Other Exp

Vacancy/Credit Loss
 Gross Operating Income
 Total Annual Expenses
 Annual Net Operating Inc.
 (Gross Income Less Expenses)

REO/Bank Owned? **No** In Foreclosure? **No** Short Sale? **No**
 Real Estate Included **Yes**
 Directions **Shoshone Street to west main next Columbia Bank**
 Legal **Twin Falls Townsite Lots 9,10 & 11 Block 102**

FEATURES

AIR COND	Central Air	HEATING	Forced Air, Gas	POWER	110 Volt
FLOOR CONST	Concrete, Wood	SEWER	Yes Connected	LEASE TYPE	
FOR LEASE		ROOF	Roll, Flat	LIST CLASS	Excl Right to Sell
FOR SALE		WATER	City Service	SHOWING	

CONSTRUCTION **Brick, Concrete, Other, Stucco**
 DOCS ON FILE
 STRUCTURE FEAT **Basement, Fire Sprinklers, Paved Outside Area, Paved Street, Grade Level Door, Gas/Propane, Lighting**
 TERMS
 BUSINESS TYPE

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Today's Date: 07/15/2019

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SALE #3



MLS #	98699749	Price	\$325,000.00
Class	Business/Commercial		
Type	Office	Status	Sold
Area	Twin Falls - 2015	# Units	
Address	320 Main Ave. N	# Parking	6 - 10 Spaces
City	Twin Falls	Land Use	
Zip	83301	Age	51 - 80 Years
		Apx SqFt	6,180

ADDITIONAL PHOTOS



Documents: Map:

GENERAL

Listing Date **7/13/2018**
 DOM **119**
 Lot Size **125 X 119**
 Land Size **10000 SF - .49 Acre**
 County **Twin Falls**
 Listing Service **Full Service**
 Showing **Appointment Only**

REMARKS

Remodeled commercial building with good office space. 6,180 s.f. on main; plus 1,800 s.f. mezzanine

Improv. Dist?	Unit #	NetSqFt	Monthly Rent	Lease Expires
Fenced	1			
Flood Ins Req? No	2			
Gas Available?	3			
Completion	4			
Non-Qualify?	5			

Sale/Lease Sale

Price/SqFt **\$52.59**
 Price/Acre **\$955,882.35**

TaxesExpenses

Real Prop	Hazard Ins.	Supplies	Vacancy/Credit Loss
Pers Prop	Manager	Utility Exp	Gross Operating Income
<u>CAP Rate %</u>	Maintenance	Other Exp	Total Annual Expenses
			Annual Net Operating Inc.
			(Gross Income Less Expenses)

REO/Bank Owned? **No** In Foreclosure? **No** Short Sale? **No**

Real Estate Included

Directions **From Shoshone Street, west on Main Avenue to property**Legal **Lots 22, 23, & 24, 25; Lot 26, Exc E 6", Block 84 Twin Falls Townsite**

FEATURES

AIR COND	Central Air	HEATING	Forced Air, Gas	POWER	110 Volt, 220 Volt
FLOOR CONST	Concrete, Wood	SEWER	Yes Connected	LEASE TYPE	
FOR LEASE		ROOF		LIST CLASS	Excl Right to Sell
FOR SALE		WATER	City Service	SHOWING	
CONSTRUCTION	Masonry				
DOCS ON FILE					
STRUCTURE FEAT	Paved Outside Area				
TERMS					
BUSINESS TYPE					

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SALE #4



MLS #	98701835	Price	\$215,000.00
Class	Business/Commercial		
Type	Commercial	Status	Sold
Area	Twin Falls - 2015	# Units	5
Address	201 Hansen	# Parking	11 - 20 Spaces
City	Twin Falls	Land Use	
Zip	83301	Age	51 - 80 Years
		Apex SqFt	2,301

ADDITIONAL PHOTOS



Documents: Map:

GENERAL

Listing Date **8/1/2018**
 DOM **140**
 Lot Size **X**
 Land Size **Standard Lot 6000-9999 SF**
 County **Twin Falls**
 Listing Service
 Showing **Appointment Only**
 Improv. Dist?
 Fenced
 Flood Ins Req?
 Gas Available?
 Completion
 Non-Qualify?
 Sale/Lease **Sale**

REMARKS

Nice office building on the corner of Hansen and 2nd ave E. 5 units with their own bathrooms. Two of the units are currently rented.

Taxes

Real Prop **2,165**
 Pers Prop
CAP Rate %

Expenses

Hazard Ins.
 Manager
 Maintenance

Supplies
 Utility Exp
 Other Exp

Unit # NetSqFt Monthly Rent Lease Expires
1
2
3
4
5
 Price/SqFt **\$93.44**
 Price/Acre **\$1,535,714.29**

Vacancy/Credit Loss
 Gross Operating Income
 Total Annual Expenses
 Annual Net Operating Inc.
 (Gross Income Less Expenses)

REO/Bank Owned? **No** In Foreclosure? **No** Short Sale? **No**

Real Estate Included **Yes**

Directions

Legal **TWIN FALLS TOWNSITE LOTS 31&32 BLOCK 72**

FEATURES

AIR COND	Central Air	HEATING	Forced Air, Gas	POWER	110 Volt
FLOOR CONST	Concrete	SEWER	Yes Connected	LEASE TYPE	
FOR LEASE		ROOF		LIST CLASS	Excl Right to Sell
FOR SALE		WATER		SHOWING	
CONSTRUCTION	Masonry				
DOCS ON FILE					
STRUCTURE FEAT	Paved Outside Area, Gas/Propane				
TERMS	Cash, Conventional				
BUSINESS TYPE					

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MARKET APPROACH, CONTINUED

The market for existing commercial space, such as the subject, has been strong the past few years. An abundance of commercial/office space has been constructed recently creating an oversupply of existing space to rent.

Comparable sales available indicated a value range of \$42.00 to \$80.00 per s.f. More representative sales, after consideration of differences, indicate a value range of \$50.00 to \$60.00 per s.f., due to lack of on-site parking for the subject's size.

Based on the available data available for this report and approach, the final value indicated by the Market Approach appears to be well supported at a value of:

Commercial/Office Space 5,380 s.f. x \$58.00 per s.f. = \$312,040

Value Opinion by the Market Approach (and rounded) is:

THREE HUNDRED TWELVE THOUSAND DOLLARS

(\$312,000.00)

FINAL RECONCILIATION AND CONCLUSION OF VALUE

Subject to the Assumptions and Limiting Conditions included herein, and to the information contained in my files and in this restricted appraisal report, and from the analyses and data presented in this report, I have formed the opinion that as of the effective date of this appraisal, the unencumbered fee simple estate of the subject property “as is” has a market value of:

THREE HUNDRED TWELVE THOUSAND DOLLARS

(\$312,000.00)

If you have any further questions regarding this appraisal report, or if I can be of any further assistance to you, please do not hesitate to contact me. Thank you for this opportunity to be of service to you.

Respectfully submitted,



Douglas D. Vollmer, SRA, SRPA

A D D E N D U M



(1) A FRONT AND SIDE .JPG



(2) B REAR AND SIDE .JPG



(3) C INTERIOR .JPG



(4) D INTERIOR .JPG



(5) E INTERIOR .JPG



(6) F STREET NO. FROM SUBJECT .JPG

Case No. 68890sm

TitleFact, Inc.
163 Fourth Avenue North
P.O. Box 486
Twin Falls, Idaho 83303
**** SPACE ABOVE FOR RECORDER ****

TWIN FALLS COUNTY
RECORDED FOR
TITLEFACT, INC.
11:40:19 AM 06-13-2016
2016009696
NO PAGES 1 FEE \$10.00
KRISTINA GLASCOCK
COUNTY CLERK
DEPUTY: JWD
Electronically Recorded by Simplifile

WARRANTY DEED

FOR VALUE RECEIVED **TRIUMPH INVESTMENTS, LLC, an Idaho Limited Liability Company**, hereinafter called the Grantor, hereby grants, bargains, sells and conveys unto **EDGEWATER BROADCASTING, INC., an Idaho corporation**, hereinafter called Grantee, whose address is: 160 Gooding Street West Suite B, Twin Falls, Idaho 83301, the following described premises in Twin Falls County, Idaho; to-wit:

Lots C, D, and E, of The Masonic Temple Subdivision in Block 101, **TWIN FALLS TOWNSITE**, Twin Falls County, Idaho, according to the official plat thereof recorded in Book 1 of Plats, page 7, records of Twin Falls County, Idaho.

AND

A parcel of land located in Block 101, **TWIN FALLS ORIGINAL TOWNSITE, AND MASONIC TEMPLE SUBDIVISION** of Lots 29, 30, 31, and 32 of Block 101, Twin Falls Original Townsite, more particularly described as follows:

BEGINNING at the Southwest corner of Lot C, Masonic Temple Subdivision;
THENCE North 44°37'00" East 75.00 feet along the West boundary of Lots C, D, and E, to the Northwest corner of Lot E, Masonic Temple Subdivision;
THENCE North 45°23'00" West 10.00 feet to the Northeast corner of Lot 28, Block 101, Twin Falls Original Townsite;
THENCE South 44°37'00" West 75.00 feet along the East boundary of Lot 28, Block 101, Twin Falls Original Townsite;
THENCE South 45°23'00" East 10.00 feet to the Southwest corner of Lot C, Masonic Temple Subdivision, also the POINT OF BEGINNING.

TO HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantee and the Grantee's heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee, that the Grantor is the owner in fee simple of said premises; that they are free from all encumbrances except as described above; and that Grantor will warrant and defend the same from all lawful claims whatsoever.

Dated: June 10, 2016

TRIUMPH INVESTMENTS, LLC, an Idaho Limited Liability Company

BY [Signature]
CLARK D. PARRISH, Member

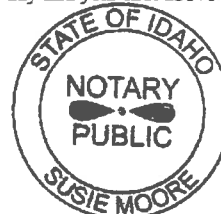
BY [Signature]
EARL C. WILLIAMSON, Member

STATE OF IDAHO
County of Twin Falls

On this 13th day of June, 2016, before me, a Notary Public in and for said State, personally appeared **CLARK D. PARRISH and EARL C. WILLIAMSON**, known or identified to me to be a members of the limited liability company of **TRIUMPH INVESTMENTS, LLC, an Idaho Limited Liability Company**, and the members who subscribed said limited liability company name to the foregoing instrument and acknowledged to me that they executed the same in said limited liability company name.

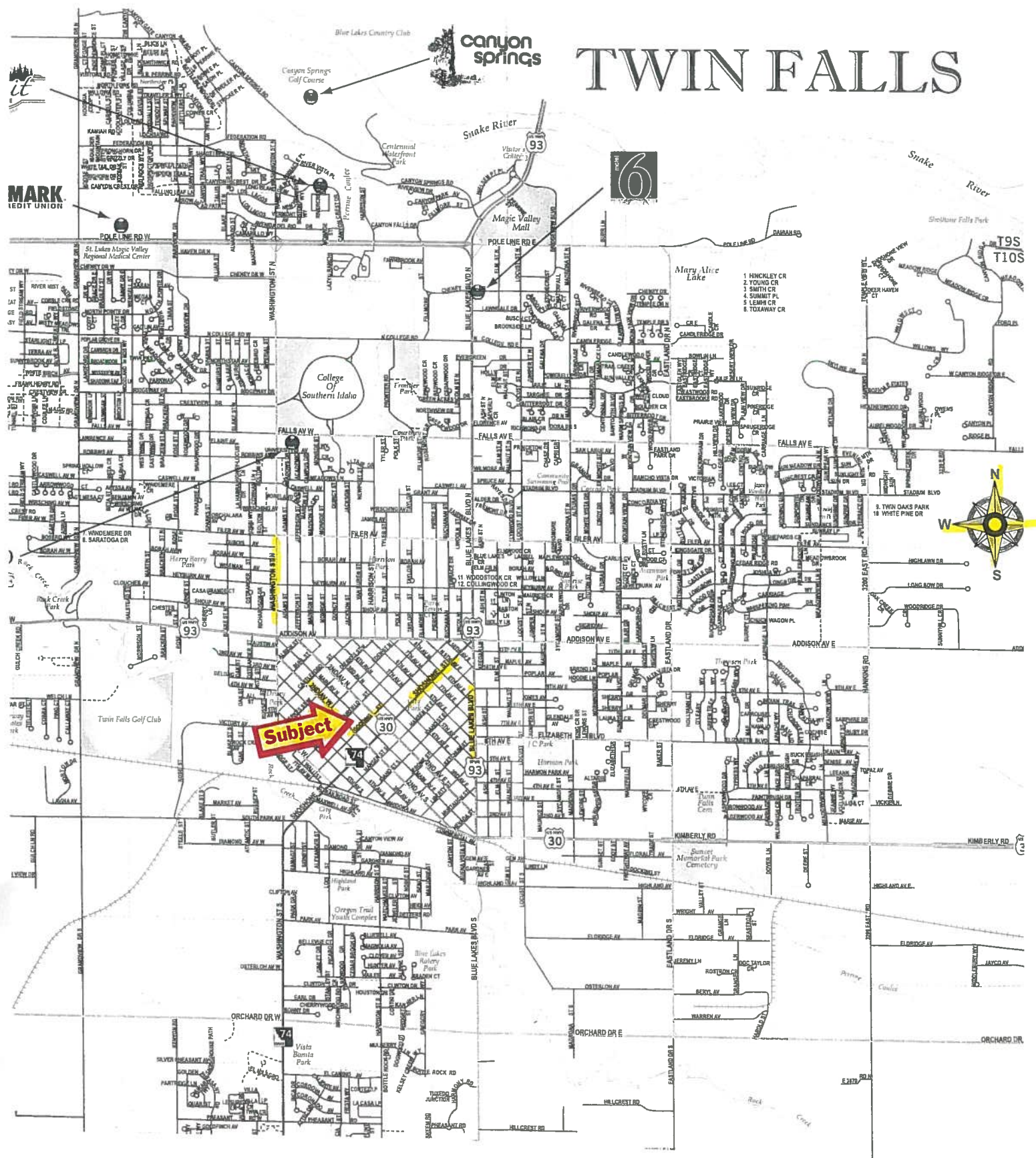
IN WITNESS WHEREOF I have hereunto set my hand and official seal the day and year first above written.

[Signature]
Notary Public for Idaho
Residing in Twin Falls
Commission Expires 11-28-2020

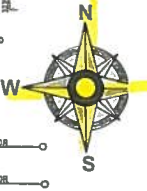


NEIGHBORHOOD MAP

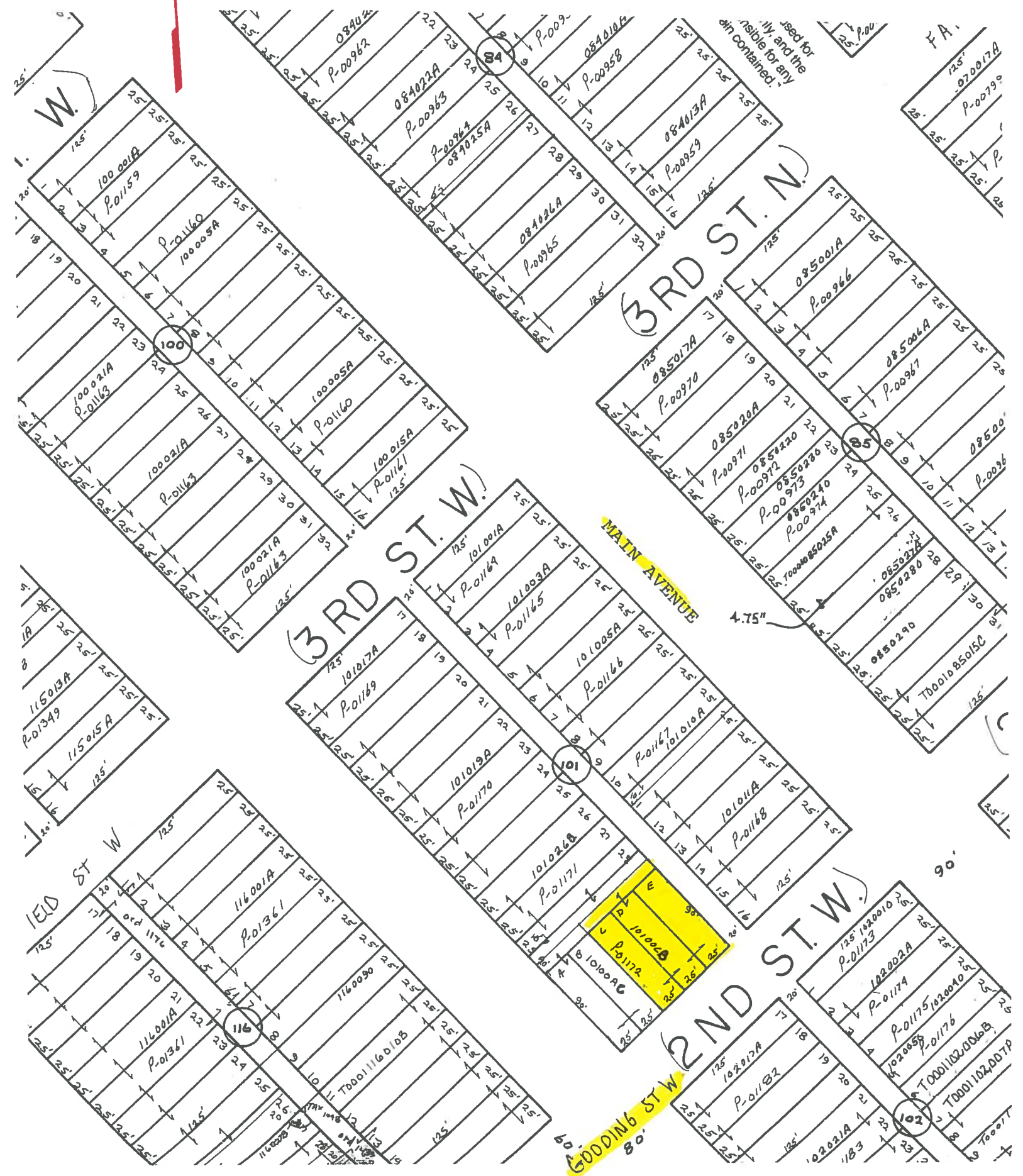
TWIN FALLS



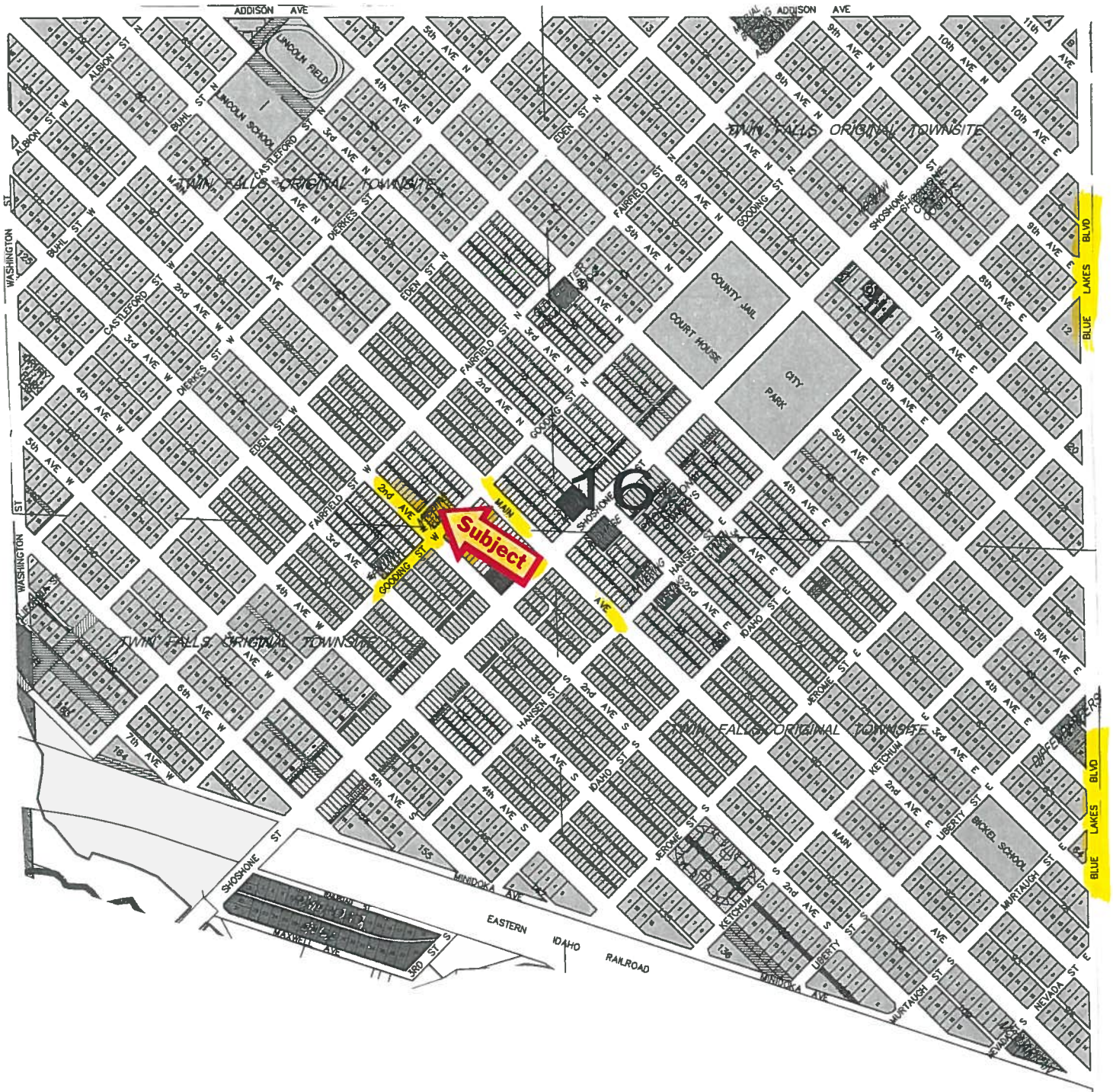
Subject



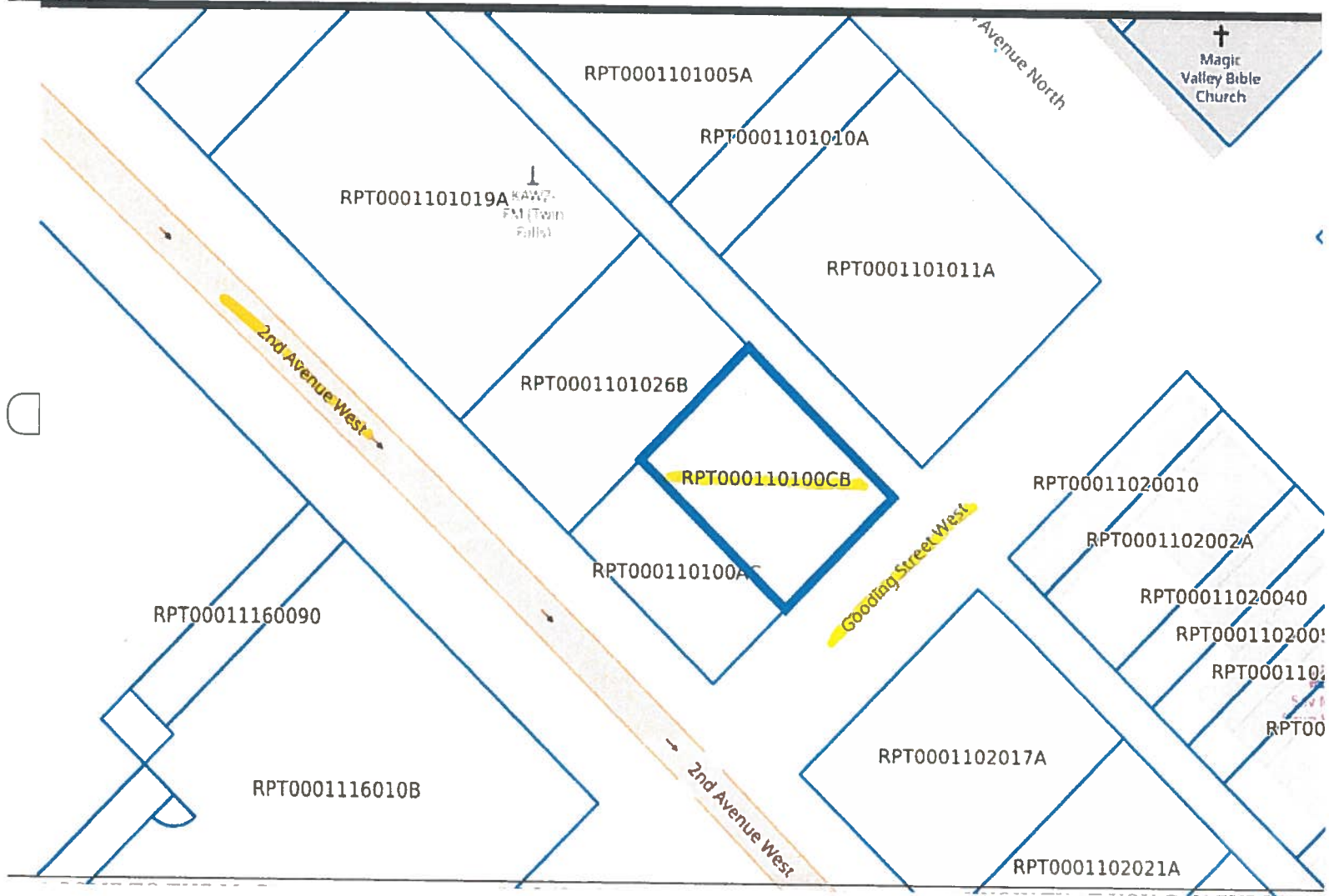
1. HICKLEY CR
2. YOUNG CR
3. SMITH CR
4. SUMMIT PL
5. LEIGH CR
6. TOLAN CR



TWIN FALLS TOWNSITE



TWINFALLS COUNTY, IDAHO PARCEL INFORMATION SYSTEM





Main Ave

Gooding St W

SUBJECT

160 Gooding St W

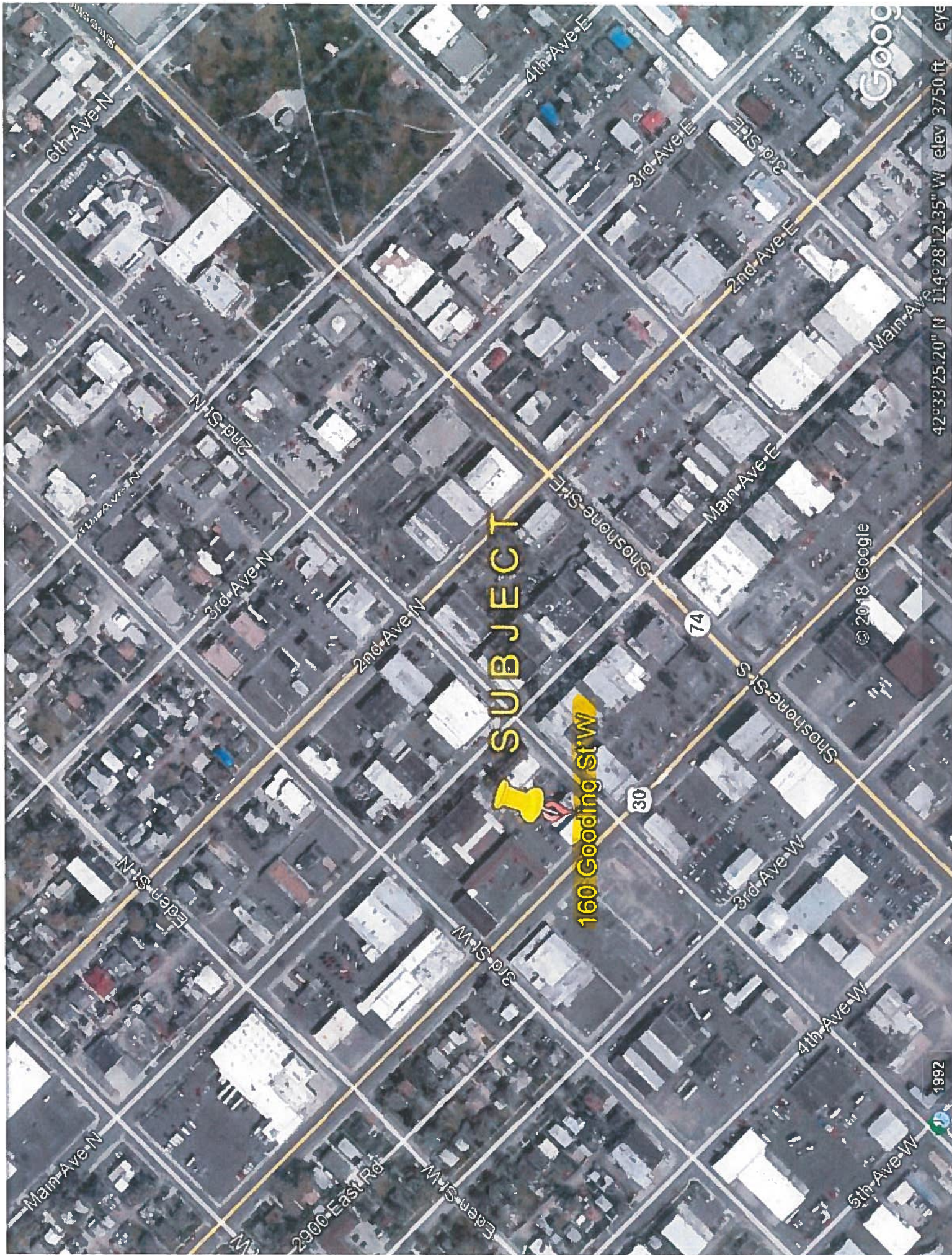
Google

© 2018 Google

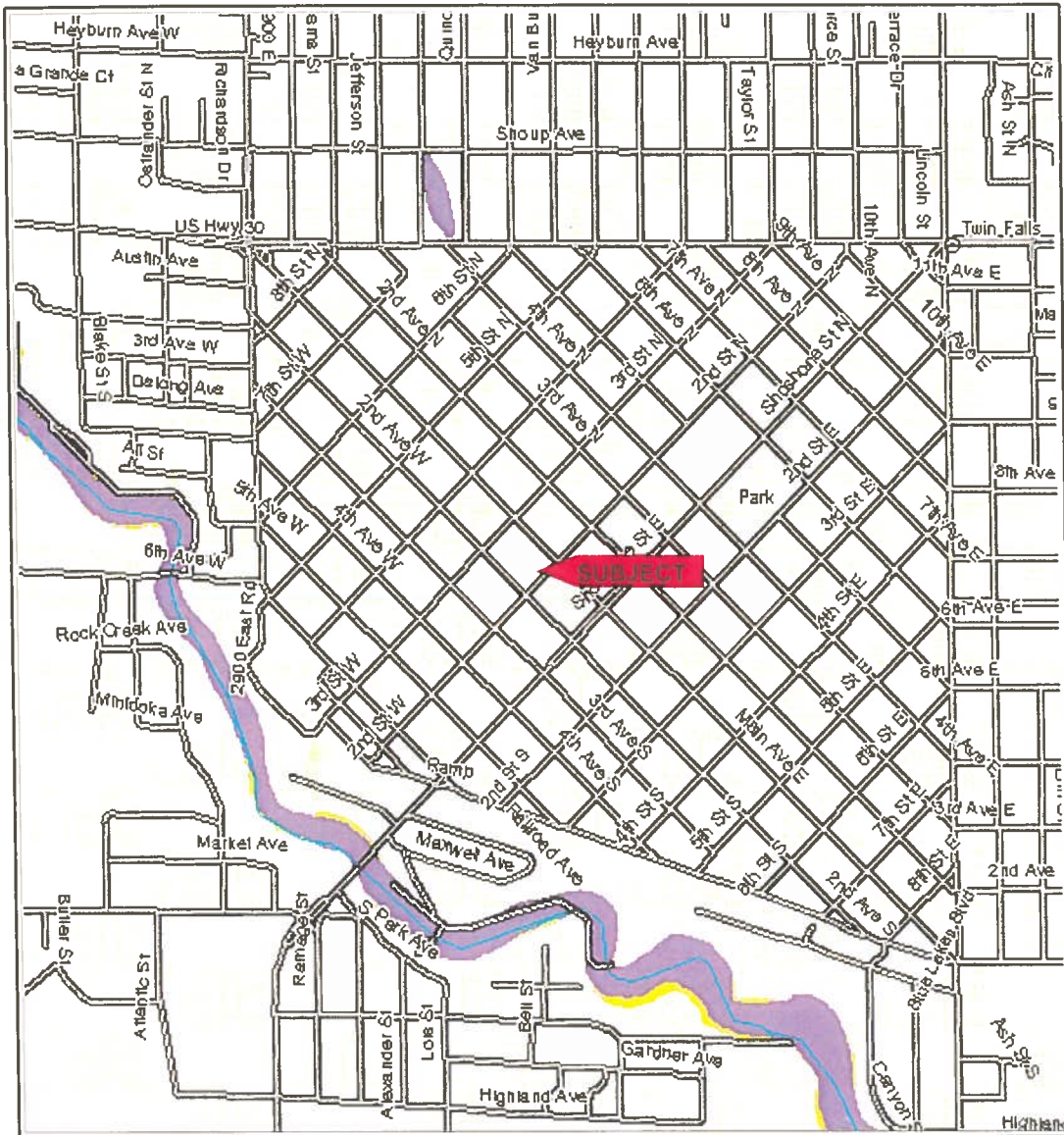
30

1992

42°33'22.73" N 114°28'18.65" W elev 3756 ft eye



Owner					
Property Address	160 Gooding Street West				
City	Twin Falls	County	Twin Falls	State	ID
Client			Address	Zip Code	83301-5671



Flood Map Legends

Flood Zones

- Areas inundated by 500-year flooding
- Areas outside of the 100 and 500 year flood plains
- Areas inundated by 100-year flooding
- Areas inundated by 100-year flooding with velocity hazard
- Floodway areas
- Floodway areas with velocity hazard
- Areas of undetermined but possible flood hazard
- Areas not mapped on any published FIRM

Flood Zone Determination

SFHA (Flood Zone): Out

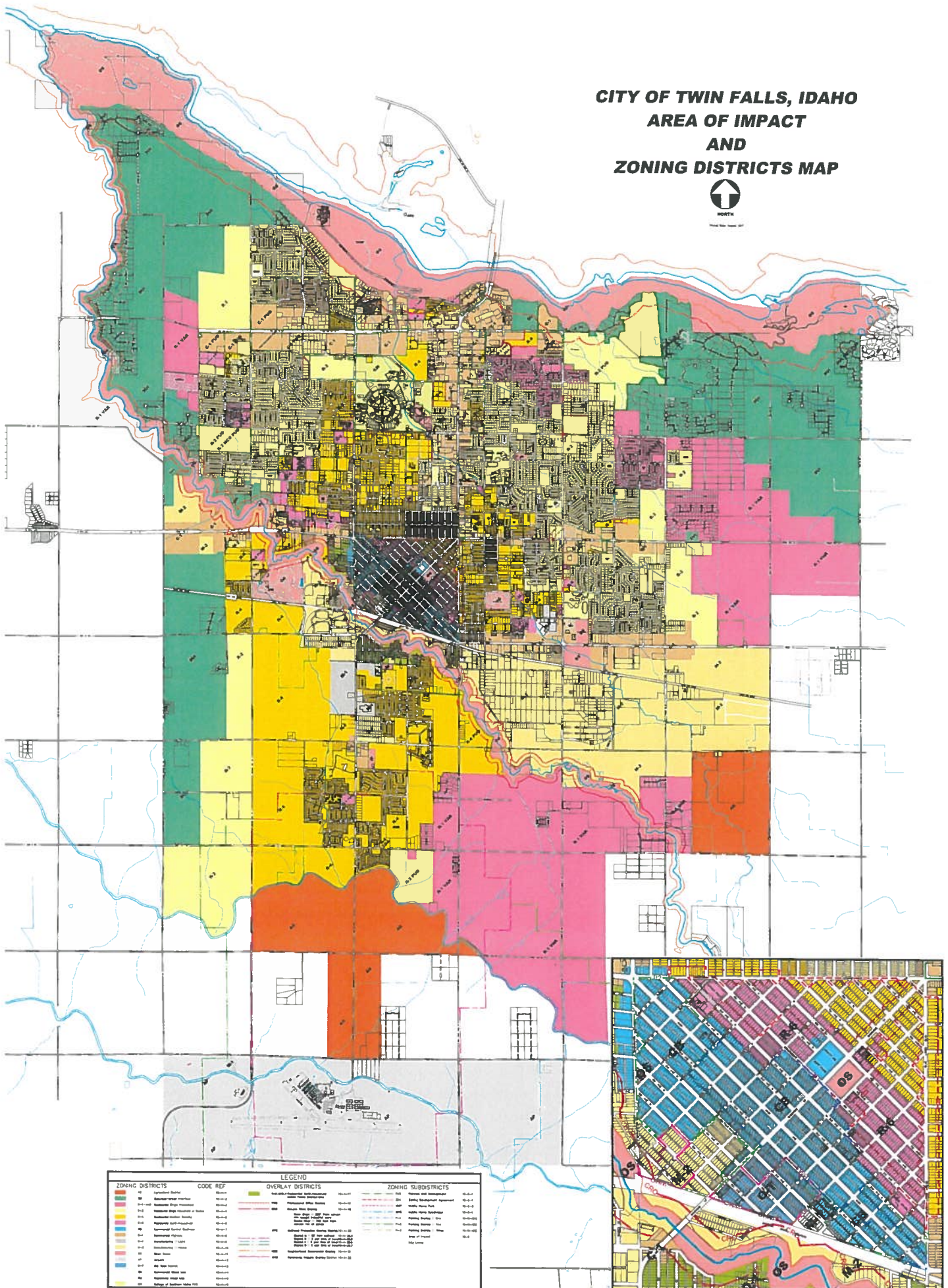
Within 250 ft. of multiple flood zones? Not within 250 feet

Community: 160120Community Name: TWIN FALLS, CITY OF

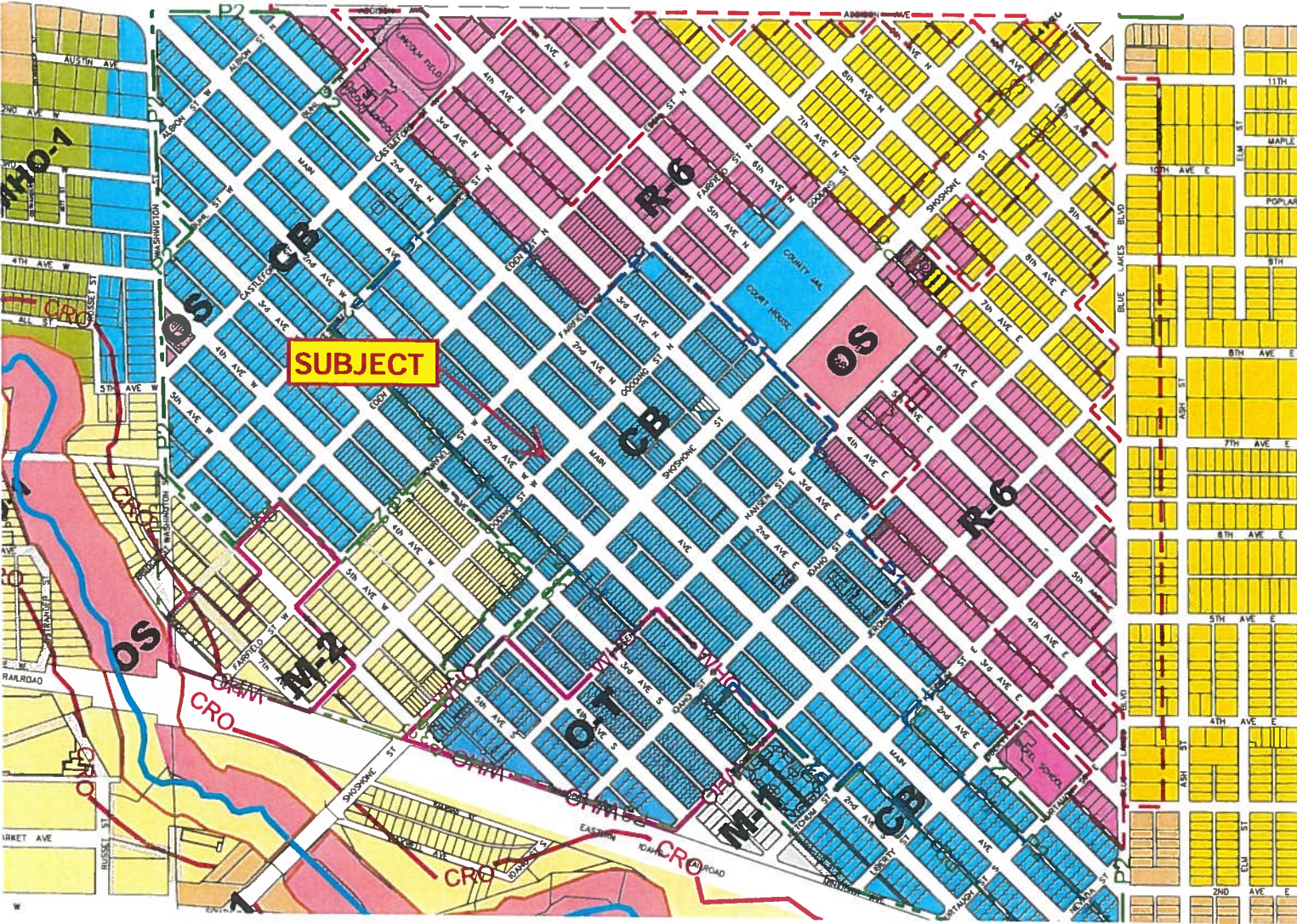
Zone: X Panel: 160120 1386C Panel Date: 09/26/2008

FIPS Code: 16083 Census Tract: 0011.00

This Report is for the sole benefit of the Customer that ordered and paid for the Report and is based on the property information provided by that Customer. That Customer's use of this Report is subject to the terms agreed to by that Customer when accessing this product. THE SELLER OF THIS REPORT MAKES NO REPRESENTATIONS OR WARRANTIES TO ANY PARTY CONCERNING THE CONTENT, ACCURACY, OR COMPLETENESS OF THIS REPORT INCLUDING ANY WARRANTY OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. The seller of this Report shall not have any liability to any third party for any use or misuse of this Report.



ENLARGED VIEW OF ZONING MAP



160 GOODING STREET W | AERIAL MAP



J. FRANCIS FLORENCE | (208) 280-5800 | fran@keyto-daho.com
MICHELLE CARPENTER | (208) 410-1836 | michelle@westerra.cc

195 River Vista Place, Suite 304 | Twin Falls, ID 83301 | (208) 733-7653

All information contained herein is from sources deemed reliable, but is not warranted. This offering is subject to errors, omissions, price change or withdrawal. All information should be independently verified by the person relying thereon.

160 GOODING STREET W | FLOOR PLAN

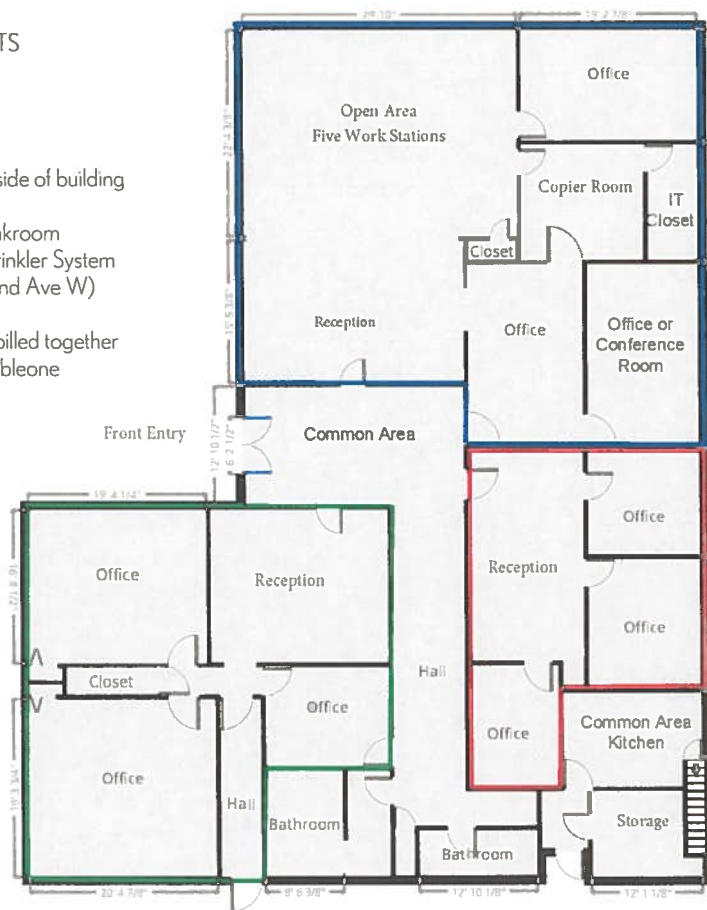


PROPERTY HIGHLIGHTS

Total SF: 5,380
 Effective Year Built: 1960
 Originally Built: 1907
 Parking: 4 Spaces
 Signage: Sign box on west side of building
 Roof: Sloped, Hot Mop
 Roof Access: Through Breakroom
 Fire Protection: Full Fire Sprinkler System
 (Riser located in 212 2nd Ave W)
 Climate Zones: 3 (3 units)
 Power Meter: Two meters billed together
 Communications: PMT, Cableone
 Security System: Yes
 Heat: Natural Gas
 Gas Meter: One
 AC: Electric

APPROXIMATE SF

Blue Suite: 2,025 SF
 Red Suite: 740 SF
 Green Suite: 1,265 SF
 Common Area: 1,350 SF
 Mezzanine: 100 SF



PROPERTY OVERVIEW

The offering includes a 5,380 SF building, all on one level. The building could be used for one owner/user or by three individual tenants. The property is located in the heart of Downtown Twin Falls. It is one block from Shoshone Street, between Main Avenue and 2nd Ave West in Commercial Business zoning.

The property has 4 dedicated parking spaces in the front of the building and has nearby public parking. A City parking lot is one block away. Walk into the front door and see access to all 3 suites from the front door. Each suite has at least 3 offices and a room that could be used as a conference room or waiting room or reception. The larger of the 3 suites has a large open floor with five work stations in addition to the private offices and an IT room. Common area of the building includes a Men's Restroom, a Women's Restroom, and a Breakroom. There is also additional storage on a mezzanine level.

All information contained herein is from sources deemed reliable, but is not warranted. This offering is subject to errors, omissions, price change or withdrawal. All information should be independently verified by the person relying thereon.

ASSESSOR'S SKETCH

RPT000110100CBA EDGEWATER BROADCASTING, INC 160 GOODING ST W Printed 07/01/2019

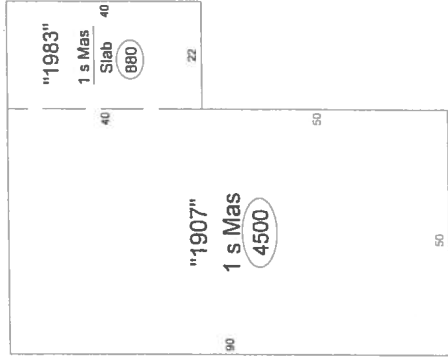
Physical Characteristics

ROOFING
Built-up
Insulation
WALLS
B 1 2 U
Frame Yes Yes Yes
Guard Yes Yes Yes
FRAMING
B 0 5380 0 0
F Res 0 5380 0 0
FINISH
UF SF FO FD
1 5380 0 0 0
Total 5380 0 0 0
HEATING AND AIR CONDITIONING
B 1 2 U
Heat 0 5380 0 0
Sprink 0 5380 0 0
PLUMBING Residential Commercial
TF # TF
Full Baths 3 6
Half Baths 2 8
Extra Fixtures 0 8
TOTAL

PAGE 1 OF 1

N

01 +/- 1,800 sqft OF ASPHALT



160 GOODING STREET WEST 83301

Summary of Improvements

ID	USE	Story Height	Const Type	Grade	Year Cons	Eff Year	Cond	Size or Area
C	GENOFF PAVING	0.00		Avg	1907	1960	G	5380
01		5.00	85'	Avg	1983	1983	AV	1800

Special Features

Description

C : Remod 1983

ASSUMPTIONS AND LIMITING CONDITIONS

As agreed upon with you prior to the preparation of this appraisal, this is a restricted appraisal with or without the use of any departure provision of the Uniform Standards of Professional Appraisal Practice. As such, information pertinent to the valuation has not been considered and/or the full valuation process has been applied.

This is a restricted appraisal report which is intended to comply with the reporting requirements set forth under all of Standard Rule 2-2 (B)of the Uniform Standards of Professional Appraisal Practice for a restricted appraisal report. As such, it may not include discussions of the data, reasoning, and analysis that were used in the appraisal process to develop the opinion of value. Supporting documentation concerning the data, reasoning, and analysis is retained in the office work file.

General Underlying Assumptions

Legal Matters: The legal description used in this report is assumed to be correct, but it may not necessarily have been confirmed by survey. No responsibility is assumed in connection with a survey or for encroachments or overlapping or other discrepancies that might be revealed thereby. Any sketches included in the report are only for the purpose of aiding the reader in visualizing the property and are not necessarily a result of a survey.

No responsibility is assumed for an opinion of legal nature, such as to ownership of the property or condition of title.

The appraisers assume the title to the property to be marketable; that, unless stated to the contrary, the property is appraised as an unencumbered fee which is not used in violation of acceptable ordinances, statutes, or other governmental regulations.

Unapparent Conditions

The appraisers assume that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable than otherwise comparable and property. The appraisers are not experts in determining the presence or absence of hazardous substance, defined as all hazardous or toxic materials, waste, pollutants or contaminants (including, but not limited to, asbestos, PCB, UFFI, or other raw materials or chemicals) used in construction or otherwise present on the property. The appraisers assume no responsibility for the studies or analysis which would be required to conclude the presence or absence of such substances or for loss as a result of the presence of such substances. The client is urged to retain an expert in this field, if desired. The value estimate is based on the assumption that the subject property is not so affected.

ASSUMPTIONS AND LIMITING CONDITIONS, CONTINUED

Information and Data

The information and data, supplied to the appraisers by others and considered in the valuation, is from sources believed to be reliable, but no further responsibility is assumed for its accuracy. All mortgages, liens, encumbrances, and servitudes have been disregarded unless so specified within the appraisal report. The subject property is appraised as though under responsible ownership and competent management.

Zoning and Licenses

It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconforming use has been stated, defined, and considered in the valuation.

It is assumed that the subject property complies with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the valuation.

It is assumed that the information relating to the location of or existence of public utilities that has been obtained through a verbal inquiry from the appropriate utility authority, or has been ascertained from visual evidence, is correct. No warranty has been made regarding the exact location or capacities of public utility systems.

It is assumed that all licenses, consents, or other legislative or administrative authority from 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 estimate contained in the valuation report is based.

ASSUMPTIONS AND LIMITING CONDITIONS, CONTINUED

General Limiting Conditions

The appraisers will not be required to give testimony or appear in court because of having made the appraisal with reference to the subject property in question unless arrangements have been previously made.

Possession of the report does not carry with it the right of publication. Out-of-context quoting from or partial reprinting of this appraisal report is not authorized. Further, neither all nor any part of this appraisal report shall be disseminated to the general public by the use of media for public communication without the prior written consent of the appraisers signing this appraisal report.

The authentic copies of this report are signed in blue ink. Any copy that does not have original signatures of the appraisers is unauthorized and may have been altered, and is considered invalid.

Disclosure of the contents of this report is governed by the By-Laws and Regulations of the State of Idaho and State of Nevada. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers or the firm with which they are connected, or any reference to an appraisal group or to a designation) shall be disseminated to the public through advertising media, public relations media, news media, sales media, or any other public means of communication without the prior written consent and approval of the author.

The distribution of the total valuation in this report, between land and improvements, is applicable only as a part of the whole property. The land value opinion, or the separate value opinion of the improvements, must not be used in conjunction with any other appraisal or estimate and is invalid if so used.

No environmental impact studies were either requested or made in conjunction with this appraisal report. The appraisers, thereby, reserve the right to alter, amend, revise, or rescind any of the value opinions based upon any subsequent environmental impact studies, research, or investigation.

ASSUMPTIONS AND LIMITING CONDITIONS, CONTINUED

General Limiting Conditions, Continued

The Americans with Disabilities Act ("ADA") became effective January 26, 1992. The appraisers have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed 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 fact could have a negative effect upon the value of the property. Since the appraisers have no direct evidence relating to this issue, possible noncompliance with the requirements of ADA in estimating the value of the property has not been considered.

An appraisal related to an estate in land that is less than the whole fee simple estate applies only to the fractional interest involved. The value of this fractional interest plus the value of all other fractional interests may or may not equal the value of the entire fee simple estate considered as a whole.

The appraisal report related to a geographical portion of a larger parcel is applied only to such geographical portion and should not be considered as applying with equal validity to other portions of the larger parcel or tract. The value for such geographical portions plus the value opinion of all other geographical portions may or may not equal the value of the entire parcel or tract considered as an entity.

This appraisal is subject to any proposed improvements or additions being completed as set forth in the plans, specifications, and representations referred to in the report, and all work being performed in a good and workmanlike manner. The appraisal is further subject to the proposed improvements or additions being constructed in accordance with the regulations of the local, county, and state authorities. The plans, specifications, and representations referred to are an integral part of the appraisal report when new construction or new additions, renovations, refurbishing, or remodeling applies.

Important Definitions are attached.

CERTIFICATION

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have performed no services, as an appraiser 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.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- I have made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the person signing this certification.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, I have completed the continuing education program for Designated Members of the Appraisal Institute.

Sincerely,



Douglas D. Vollmer, SRA, SRPA

IMPORTANT DEFINITIONS

Definition of Market Value:

The most probable price which 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:

1. buyer and seller are typically motivated;
2. both parties are well-informed or well-advised, and acting in what they consider their best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. 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.

(The Dictionary of Real Estate Appraisal, 4th Ed., published by the Appraisal Institute, 2002.)

Market Value Comments:

The factors of utility, scarcity, desire and effective purchasing power are apparent in the definition. The implication that buyer and seller are working under equal pressure is seldom completely true, although typical motivation for each does imply a reasonable balance for a market value transaction.

Market prices do not necessarily follow all of these concepts and are often affected by salesmanship and the urgency and need of the buyer and/or seller. The central difference between market price and market value lies in the premise of knowledge and willingness both of which are contemplated in market value, but maybe not in market price. Stated differently, at any given moment of time, market value denotes what a property is actually worth under certain specified conditions, while market price denotes what it actually sold for.

Probability of Value Change:

The market value of the property appraised in the report is estimated as of the aforementioned date. Constantly changing economic, social, political and physical conditions have varying effects upon real property values. Even after the passage of a relatively short period of time, property values may change substantially and require a review of the appraisal and recertification.

IMPORTANT DEFINITIONS, CONTINUED

Definition of 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. (The Dictionary of Real Estate Appraisal, 4th Edition, by the Appraisal Institute, 2002.)

Definition of Leased Fee Interest:

An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the lessee are specified by contract terms contained within the lease. (The Dictionary of Real Estate Appraisal, 4th Edition, by the Appraisal Institute, 2002.)

Definition of Leasehold Interest or Position:

The most important obligation associated with the rights to the use and occupancy of a leasehold interest is the payment of rent. Contract rent is the actual rental income specified in a lease. Rent is commonly paid by the tenant to the lessor according to a specified schedule. A leasehold interest usually has value when contract rent is less than market rent. Market rent is the rental income that a property would most probably command in the open market. Most negotiated leases reflect contract rent equal to market rent.

When market rent exceeds contract rent, the leasehold interest may have value, assuming that the lease term is long enough to be marketable and the lease allows for subletting or assignment. When contract rent exceeds market rent, the leasehold is said to have negative value. (The Appraisal of Real Estate, Thirteenth Edition, Appraisal Institute, 2008.) Marketability is a key issue that must be addressed. In other words, would another tenant be found to pay an equal rent? Is the property marketable for the same use at a similar rental?

Definition of Leasehold Interest:

The interest held by the lessee (the tenant or renter) through a lease transferring the rights of use and occupancy for a stated term under certain conditions.

(The definition of leasehold interest was taken from the Dictionary of Real Estate Appraisal, 4th ed., published by the Appraisal Institute, 2002.)

IMPORTANT DEFINITIONS, CONTINUED

Definition of Highest and Best Use:

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. (The Dictionary of Real Estate Appraisal 4th ed., by the Appraisal Institute. 2002.)

The definition immediately preceding applies specifically to the highest and best use of land and/or property. It is to be recognized that in cases where a site has existing improvements on it, the highest and best use may very well be concluded to be different from the existing use. The existing use will continue, however, unless and until land value in its highest and best use exceeds the total value of the property in its existing use.

Also implied, is that the estimation of highest and best use results from judgment and analytical skill, i.e., that the use concluded from analysis represents an opinion, not a fact to be found. In appraisal practice, the concept of highest and best use represents the foundation on which market value rests. In the context of the most probable selling price (market value), another appropriate term to reflect highest and best use would be the most probable use. In the context of investment value, an alternative term would be the most profitable use.

The highest and best use of both land as though vacant and property as improved must meet four criteria. The highest and best use must be 1) physically possible, 2) legally permissible, 3) financially feasible, and 4) maximally productive. These criteria are usually considered sequentially. A use may be financially feasible, but this is irrelevant if it is legally prohibited or physically impossible. Only when there is a reasonable possibility that one of the prior, unacceptable conditions can be changed is it appropriate to proceed with the analysis. If, for example, current zoning does not permit a potential highest and best use, but there is a possibility that the zoning can be changed, the proposed use can be considered on that basis. A full analysis may be included in the report when the conclusions are based on techniques applied to identify the highest and best use among two or more potential uses. (The Appraisal of Real Estate, Thirteenth Edition by Appraisal Institute, 2008.)

APPRAISER QUALIFICATIONS

Douglas D. Vollmer, SRA, SRPA
American Real Estate & Appraisal LLC
210 Sixth Avenue East
Post Office Box 566
Twin Falls ID 83303-0566

Cell: (208) 420-5650
Office: (208) 734-5650
Fax: (208) 734-5653
doug@areaidaho.com

ASSOCIATION MEMBERSHIPS

Appointed by Governor to serve on Idaho Real Estate Appraisal Board
Licensed Realtor, State of Idaho since 1964, Broker since 1971
Appraisal Institute - SRPA (Senior Real Property Appraiser) and SRA (Senior Residential Appraiser) since 1982
Idaho State Certified General Real Estate Appraiser since 1991, CGA-53
Nevada Certified General Appraiser since 1992, A.0000610-CG
Member, National Association of Home Builders
Member, National Association of Realtors and Greater Twin Falls Board of Realtors
Member, Intermountain Multiple Listing Service and Mini-Cassia MLS

COURT AND APPRAISAL EXPERIENCE

District & Federal Court testimony; testimony for local attorneys, individuals, and businesses.
Independent Fee Appraiser, Twin Falls, Idaho 1967 to 1969
Staff Appraiser, Security Pacific National Bank, Los Angeles, California 1969 to 1972
Independent Appraiser for Nevada and Idaho 1972 to present.

PARTIAL LIST OF CLIENTS SERVED

D.L. Evans Bank; Farmers National Bank; Magic Valley Bank; First Interstate Bank; US Bank; Town and Country Bank, Las Vegas; Zions First National Bank; First Federal Savings Bank; Washington Federal Savings; Home Federal Savings; First Financial; Wells Fargo Bank; Idaho Transportation Department (condemnation appraisals); Federal Aviation Administration (condemnation); FDIC; FSLIC; Fannie Mae; City of Twin Falls, Idaho; City of Las Vegas, Nevada; Elko County, Nevada; College of Southern Idaho; University of Nevada, Las Vegas.

EDUCATION, COURSES AND SEMINARS

1969 - 1973	UCLA, School of Real Estate with Certificate in Real Estate Appraisal
1965 - 1967	Extension courses, University of Idaho, received Certificate of Real Estate
1973 - 1984	Course 101, Real Estate Valuation; Course 201; Income Property Valuation; Course 301 Analyst Courses Various courses and seminars each year to the present, including: Market and Marketability Analysis, Investment Feasibility Analysis, Cash Flow and Risk Analysis
1975&1987	AIREA Course 8 Residential Valuation
2000	Writing The Narrative Appraisal Report
2001	Problem Solving in Residential Real Estate Appraising; Sales Comparison Approach, Techniques and Applications
2003	Preparing the Expert Witness
2004	Business Practices & Ethics AI; Analyzing Distressed Real Estate; Income Capitalization Techniques II; Small Hotel/Motel Valuation
2006 - 2007	ASFMRA: Current Appraisal Topics; Introduction to Business Enterprise Appraisal; ASFMRA Principles of Rural Appraisals; Advanced Applications AI
2009 - 2010	Apartment Appraisal, Concepts & Applications; Commercial Appraisal Engagement and Review Seminar; Environmental Pollution & Mold; USPAP Update Course; Sales Verification: Principles, Procedures, & Case Studies
2011-2012	Evolution of Finance & the Meeting Market; Land & Site Valuation; Nuts & Bolts of Green Building for Appraisers; Dirty Dozen (USPAP); Essential Elements of Disclosures & Disclaimers; Intro to Regression Analysis for Appraisers.
2013	General Appraiser Sales Comparison Approach; AI
2014 - 2015	USPAP Update Course; Disciplinary Cases - What Not To Do; Water Rights Survival Course
2015	General Appraiser Report Writing and Case Studies AI
2016 - 2017	USPAP Update Course

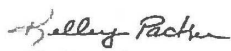
APPRAISER'S LICENSE

**Bureau of Occupational Licenses
Department of Self Governing Agencies**

The person named has met the requirements for licensure and is entitled
under the laws and rules of the State of Idaho to operate as a(n)

CERTIFIED GENERAL APPRAISER

**DOUGLAS D VOLLMER
210 6TH AVENUE EAST
TWIN FALLS ID 83301**


Kelley Packer
Chief, B.O.L.

CGA-53
Number

02/04/2020
Expires