



Valbridge
PROPERTY ADVISORS

Appraisal Report

S. 200th Street Extension Surplus
East side of 28th Avenue S. n/o S. 188th Street
SeaTac, WA 98188
SL-106



FOR

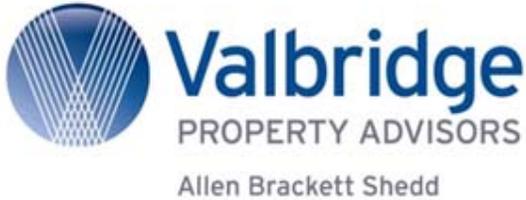
Sound Transit
Mr. Chuck Wells, MAI
401 S. Jackson Street
Seattle, WA 98104

**Valbridge Property Advisors |
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Valbridge Job No: 16-0222-04



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April 24, 2018

Mr. Chuck Wells, MAI
Sound Transit
401 S. Jackson Street
Seattle, Washington 98104

RE: APPRAISAL OF SOUND TRANSIT SURPLUS LOCATED ON THE EAST SIDE OF 28TH AVENUE S. NORTH OF S. 188TH STREET IN SEATAC, WASHINGTON (Our File #16-0222-04)

Dear Mr. Wells:

In response to your request, we have completed an appraisal of surplus property on the east side of 28th Avenue S, north of S. 188th Street and immediately south and east of the Seattle-Tacoma (Sea-Tac) International Airport in SeaTac, Washington. The purpose of this report is to provide our conclusion of the market value of surplus property for a potential sale to the Port of Seattle, the westerly abutting property owner. This appraisal is intended for use by the client and its agents, representatives, and legal counsel. The appraisers do not intend use of this report by others.

The property consists of surplus property acquired by Sound Transit for both its S. 200th Street Extension and Port of Seattle (Port) projects. The portion acquired on behalf of the Port (referred to herein as the *original surplus*) was addressed in a prior appraisal analysis and will be transferred pursuant to a Memorandum of Agreement (MOA) between the two agencies. At this time, Sound Transit proposes to transfer additional property not addressed in the MOA, referred to herein as the *subject surplus*. At the direction of the client, we have valued the subject surplus as of the same date as the original surplus, May 16, 2012.

The subject surplus consists of an irregularly shaped, narrow strip along the east side of 28th Avenue S. with a total site size of about 23,316sf. The subject is approximately 65 feet deep (east-west) at the south end but tapering and becoming narrower at the far north end. It has varied topography and is below grade of the fronting arterial/original surplus at the narrow north end, but at grade for the majority of its frontage. It is encumbered with an aerial guideway easement that extends north-south for its entire length and an access easement east-west through the southerly portion of the site, benefitting the easterly abutting property owner (Wally Park).

This Appraisal Report is intended to comply with the reporting requirements set forth under Standards Rule 2 2(b) of the Uniform Standards of Professional Appraisal Practice (USPAP), as well as Federal, State and Sound Transit requirements. As such, it presents only summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file.

Based on an investigation and analysis of all relevant data, it is my opinion that the market value of the subject property, as of May 16, 2012, is:

**ONE HUNDRED FORTY-FIVE THOUSAND DOLLARS
(\$145,000)**

If you have further questions not answered in the accompanying appraisal report, please do not hesitate to call.

Sincerely,

VALBRIDGE PROPERTY ADVISORS | PUGET SOUND

A handwritten signature in blue ink that reads "Matthew C Sloan". The signature is written in a cursive style.

Matthew C. Sloan, MAI

Enclosures

ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report was made after personal inspection of the property identified in this report. The conclusions in the report have been arrived at and are predicated upon the following conditions:

- a) No responsibility is assumed for matters, which are legal in nature, nor is any opinion rendered on title of land appraised. Title to the property is assumed to be good and marketable unless otherwise stated in this report.
- b) Unless otherwise noted, the property has been appraised as though free and clear of all liens, encumbrances, encroachments, and trespasses.
- c) All maps, areas, and other data furnished your appraiser have been assumed to be correct; however, no warranty is given for its accuracy. If any error or omissions are found to exist, the appraiser reserves the right to modify the conclusions. Any plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
- d) It is assumed there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in this report.
- e) It is assumed all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in this appraisal report.
- f) The appraiser has no interest, present or contemplated, in the subject properties or parties involved.
- g) Neither the employment to make the appraisal nor the compensation is contingent upon the amount of the valuation report.
- h) To the best of the appraiser's knowledge and belief, all statements and information in this report are true and correct, and no important facts have been withheld or overlooked.
- i) Possession of this report, a copy, or any part thereof, does not carry with it the right of publication, nor shall the report or any part thereof be conveyed to the public through advertising, public relations, news, sales, or other media valuation conclusions, identity of the appraiser, or firm, and any reference made to the Appraisal Institute or any professional designation.
- j) There shall be no obligation required to give testimony or attendance in court by reason of this appraisal, with reference to the property in question, unless satisfactory arrangements are made in advance.
- k) This appraisal has been made in accordance with rules of professional ethics of the Appraisal Institute.
- l) The Valbridge Property Advisors office responsible for the preparation of this report is independently owned and operated by Allen Brackett Shedd. 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.
- m) No one other than the appraiser prepared the analysis, conclusions, and opinions concerning real estate that are set forth in the appraisal report.
- n) Statements or conclusion offered by the appraiser are based solely upon visual examination of exposed areas of the property. Areas of the structure and/or property, which are not exposed to the naked eye, cannot be inspected; and no conclusions, representations, or statements offered by the appraiser are intended to relate to areas not exposed to view. No obligation is assumed to discover hidden defects.

- o) Unless otherwise stated in this report, the existence of pollution and/or hazardous waste material, which may or may not be present on the property, was not observed by the appraiser. 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 or pollution may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
- p) Statements, representations, or conclusions offered by the appraiser do not constitute an express or implied warranty of any kind.
- q) Neither appraiser nor Allen Brackett Shedd shall be liable for any direct, special, incidental, or consequential damages whatever, whether arising in tort, negligence, or contract, nor for any loss, claim, expense, or damage caused by or arising out of its inspection of a property and/or structure.
- r) The *Americans with Disabilities Act* (ADA) became effective January 26, 1992. We 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 we have no direct evidence relating to this issue, we did not consider possible non-compliance with the requirements of ADA in estimating the value of the property.
- s) With regard to prospective value opinions, future changes in market conditions necessitate an assumption that the appraiser cannot be held responsible for unforeseeable events that alter market conditions prior to the effective date of the appraisal or date of value.
- t) This report and any associated work files may be subject to evaluation by Valbridge Property Advisors, Inc., or its affiliates, for quality control purposes.

EXECUTIVE SUMMARY

Location:	East side of 28 th Avenue S, SeaTac, WA
Site Size:	23,316sf
Improvements:	None
Utilities:	All utilities necessary for development are available in nearby public rights-of-way
Zoning:	CB-C, Community Business Urban Center
Highest and Best Use:	Assemblage/continued public use
Value Conclusion:	\$145,000
Date of Valuation:	May 16, 2012
Appraiser:	Matthew C. Sloan, MAI
File:	16-0222-04

SUBJECT PHOTOS
ORIGINAL AND SUBJECT SURPLUS



Narrow, north end of property, below grade of 28th Avenue S



Frontage on 28th Avenue S, subject below grade

SUBJECT PHOTOS
ORIGINAL AND SUBJECT SURPLUS



Frontage on 28th Avenue S, subject below grade



Frontage on 28th Avenue S, mid-parcel

SUBJECT PHOTOS
ORIGINAL AND SUBJECT SURPLUS



Frontage on 28th Avenue S, southerly portion of site



Level, usable area of the site, north of encumbering access easement

SUBJECT PHOTOS
ORIGINAL AND SUBJECT SURPLUS



Sloping topography east of guideway columns



Access easement encumbering southerly portion of the site

PART I - INTRODUCTION

Identification of the Subject Property

The subject surplus consists of property acquired by Sound Transit for its S. 200th Street Extension project, located on the east side of 28th Avenue S, just east of the airport and north of S. 188th Street.

Legal Description

We were not provided a title report for the subject property. Our analysis assumes no private easements and encumbrances that would reduce the site's potential beyond that of its physical and economic limitations and the easements discussed herein. A parcel map and legal description of property and those areas encumbered with the guideway and access easements was provided and is included in the *Addenda* to this report. We have relied upon the square-footages on the parcel map in our analysis.

History and Ownership

The property is currently owned by Sound Transit, which acquired the property for construction of the S. 200th Street Extension project in 2009. No other sales of the property have occurred since that time.

Date of Inspection/Valuation

The property has been inspected and analyzed for various purposes over the past few years, with the most recent inspection occurring on April 6, 2018. At the direction of the client, the date of this analysis is as of a prior analysis of adjacent areas to be transferred to the Port, May 16, 2012.

Purpose of the Appraisal

The purpose of this appraisal is to form an opinion of the market value of the subject property. The subject property is to be surplus. Market value is defined as:¹

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 United States 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*

¹ From *The Appraisal of Real Estate*, Thirteenth Edition, 2008, Appraisal Institute, page 24.

Property Rights Appraised

This appraisal is of the fee simple interest. Fee simple interest is defined as:²

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.

An easement is defined as follows:³

An interest in real property that transfers use, but not ownership, of a portion of an owner's property.

This definition may be expanded as:

...the right to perform a specific action on a particular parcel of property, or portion thereof, by the grantees who do not hold the underlying fee.⁴

Summary of the Appraisal Problem

Sound Transit intends to surplus property originally acquired for the footprint of the aerial guideway. In 2006/2007, the City of SeaTac identified a proposed parking garage structure within the planned guideway alignment (Sound Transit project) and proposed improvements to 28th Avenue S. (Port of Seattle project). Sound Transit identified the necessary right-of-way for both projects as a protective purchase and received board authorization to proceed with the acquisition in advance of the project. Sound Transit and the Port agreed Sound Transit would acquire needs for both projects.

Property Sound Transit acquired specifically for Port projects (the original surplus) was always anticipated to be surplussed to the Port upon completion of the Sound Transit project. The value of the original surplus was the subject of the May 2016 appraisal, which was valued based on an Across-the-Fence (ATF) methodology that assumed the property characteristics from the larger parcel from which it was acquired, essentially compensating Sound Transit for property it acquired on behalf of the Port.

At this time, Sound Transit may also transfer additional property located adjacent to the original surplus and largely beneath the aerial guideway. At the direction of the client, we have valued the subject surplus as of the same date as the original surplus, May 16, 2012. While of the same date, the methodology is different because the subject surplus was not acquired on behalf of the Port and the surplus of this area represents a voluntary transfer between the two agencies. While a similar ATF methodology is employed, it does not assume the characteristics of original parcel from which it was acquired, and thus it is discounted to reflect it does not have the same International Boulevard frontage and it has an narrow, irregular shape, though the shape restriction is minimized because it will be combined with other Port property.

² From *The Appraisal of Real Estate*, Thirteenth Edition, 2008, Appraisal Institute, page 114

³ From *The Appraisal of Real Estate*, Thirteenth Edition, 2008, Appraisal Institute, page 117.

⁴ From *The Appraisal of Real Estate*, Twelfth Edition, 2001, Appraisal Institute, page 85.

Scope of the Appraisal

The scope of this appraisal includes consideration of all three approaches to value: the Cost Approach, the Income Approach, and the Sales Comparison Approach. Because the subject consists of vacant surplus property, the valuation of the subject site is determined through an application of the Sales Comparison Approach. In the case of the subject, the Cost Approach and Income Approach are not applicable. Data was collected on comparable sales of land, which were then compared to the subject parcel to arrive at a value conclusion. This appraisal follows an Across-the-Fence methodology, but because the property is almost entirely encumbered with an aerial guideway easement, discounts from the unencumbered fee simple value are necessary.

This Appraisal Report is intended to comply with the reporting requirements set forth under Standards Rule 2 2(b) of the Uniform Standards of Professional Appraisal Practice (USPAP), as well as a Federal, State and Sound Transit requirements. As such, it presents only summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file.

In appraising the subject property, the appraiser did the following:

- Researched Metroscan, MLS and Costar databases.
- Researched Valbridge Property Advisors | Puget Sound's existing database.
- Confirmed all sales with buyers, selling agents, and/or public records.
- Inspected all comparable sales.
- Reviewed all documents as cited throughout this report.

Intended Use/Users

The intended use of the appraisal is for decision making purposes with respect to the value of surplus property, previously acquired for the S. 200th Street Extension project, and is not intended for any other use. The client for the appraisal is Sound Transit, and is intended for use by the client and its agents, representatives and legal counsel. The appraisers do not intend use of this report by others.

Extraordinary Assumptions

Hazardous Waste

No information regarding the presence or absence of hazardous waste on the subject property was provided. This appraisal assumes the absence of any and all hazardous waste on the subject property. If hazardous waste is found to be present on the subject property, an adjustment to the valuation contained in this report may be required.

Critical/Sensitive Areas

This appraisal assumes the entire property is free of wetlands, streams, steep slopes, and associated buffer areas. It assumes the entire property is suitable for development according to our highest and best use conclusion.

Retrospective Value

This analysis is as of a retrospective date that coincides with the appraisal of a prior, abutting surplus property.

Prior Appraisal Analysis

The subject surplus was previously appraised in May 2017 as a stand-alone site, though assumptions and valuation methodology were different than those relied upon herein. We also note the May 2017 analysis erroneously included both the original and subject surplus; this analysis considers only the subject surplus.

Personal Property

There is no personal property included within the appraised value.

Region/SeaTac Vicinity

The Puget Sound region and City of SeaTac areas are well known to the appraisers and all parties known to be users of this appraisal. We have excluded these descriptions in this report; however, complete regional and vicinity descriptions are available upon request.

City of SeaTac

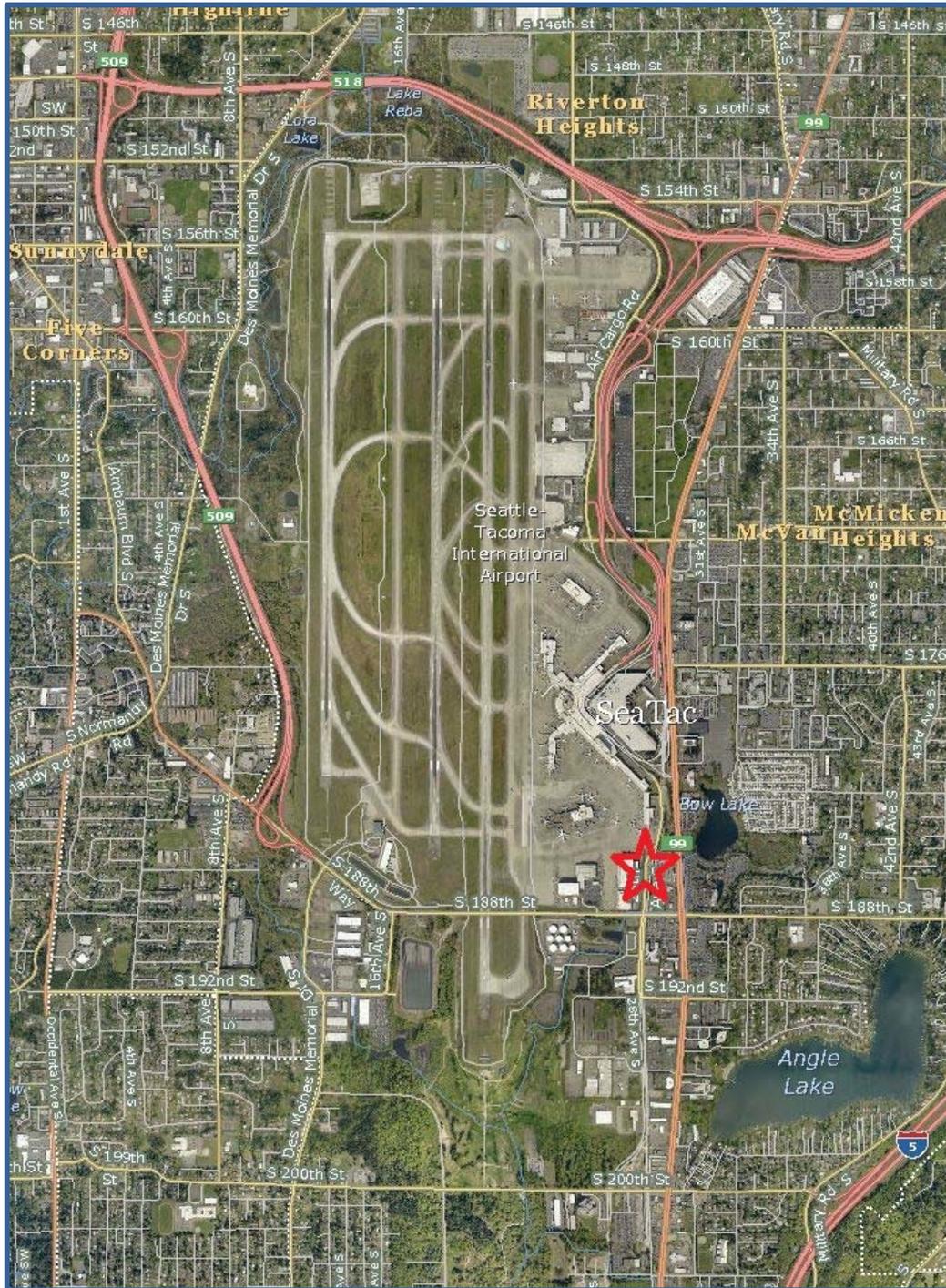
The subject property is located in the southerly area of the city of SeaTac (population 27,810 as of 2016), south of Seattle-Tacoma International Airport (Sea-Tac Airport) and north of the cities of Kent and Des Moines. The existing concentration of commercial development in the area is largely due to the area's close proximity to the airport, which attracts a commercial aviation and passenger service enterprises, including commercial office buildings, hotels and motels, a wide variety of retail and personal services, and commercial parking. Much of the development in the recent past has consisted of the construction and/or expansion of airport parking lots. The various lots provide long-term parking to travelers with many providing shuttle services to and from the airport terminal.

The area is well connected to regional highways, including Interstate 5 (I-5) to the east (via S. 200th and S. 188th Streets, and SR-518). Both International Boulevard and the North Airport Access roads connect with SR-518, an east-west highway located north of the airport and subject property. This 4-lane freeway leads east to I-5 and I-405 and west to SR-509, providing easy and immediate access to Tukwila, Renton and Burien. Approximately two miles south of the subject is the intersection of International Boulevard (Pacific Highway S. in this location) with SR-516, also known as the Kent-Des Moines Road, which leads into the Green River/Kent Valley.

Immediate Neighborhood

The immediate neighborhood is dominated by the Sea-Tac Airport, located just blocks north and east of the subject. To the east, International Boulevard is a high-volume arterial that provides airport operation and patron support, including a concentrated density of hotel and motels, short and long term parking operations, gas stations, restaurants, aviation-related office space and a wide

variety of retail. Parcels within a short distance south and east of the subject include numerous hotels and a parking garage to the east. To the west are airline hangers and the Sea-Tac Airport.



PART II - FACTUAL DATA

Description of the Subject Property

Site

The subject consists of an irregularly shaped, relatively long and narrow strip along the east side of 28th Avenue S. The aerial photo below depicts those areas to be transferred to the Port per the MOA (outlined in red, the original surplus) and additional areas proposed for surplus at this time (outlined in yellow, the subject property). The subject property is approximately 65 feet deep (east-west) but tapering and become more narrow at the north end of the site; total site size is about 23,316sf.



Topography

The subject topography ranges from level to moderately sloped. The narrow north end of the site is generally level throughout its depth and at grade with the abutting original surplus but is about six to eight feet below grade of 28th Avenue S to the west. The remainder of the site is generally at grade, though from about mid-parcel south the easterly third has a ridge and downslope to the east, generally between the guideway columns and the easterly property boundary.

Access/Exposure

The property has direct access from and exposure to 28th Avenue S. The very northerly portion of the site is below grade, limiting its exposure and potential for direct access, but most of the property is at grade with the street frontage.

Soils

No soils information was provided to the appraisers. Based on existing improvements on adjacent properties, it is assumed the subject soils are similarly adequate for development of the site.

Sensitive Areas

While no detailed sensitive area study of the subject was provided, information and mapping available from the City of SeaTac and King County indicates there are no sensitive areas on the subject property.

Utilities

All utilities necessary for development currently service the subject property.

Easements and Encumbrances

The property is encumbered with an aerial guideway easement that extends north-south through the property for its entire length, and an access easement east-west through the southerly portion of the site, benefitting the easterly abutting property owner. The guideway easement generally allows for surface uses, such as parking, landscaping and other improvements, but prohibits the placement of building structures within the guideway easement area. Storage and parking beneath the guideway is permitted, with the exception of flammables. A 30-foot strip through the southerly portion of the property is encumbered with an access easement that benefits the easterly abutting property. While only 30 feet in width, it is located north of the southerly boundary and is somewhat irregularly shaped. As such, it effectively impacts about the southerly 80 feet of the site. The access easement is not an exclusive use, and this area could also be used for access to the subject so long as it does not interfere with the access to the abutting parking structure.

Zoning

The subject property is zoned Community Business - Urban Center (CB-C) but the City of SeaTac. The Community Business Urban Center (CB-C) designation has been implemented to accommodate SeaTac's vision for a City Center/central business district as set forth in the City of SeaTac Comprehensive Plan. It promotes integrated development and pedestrian oriented design allowing most commercial/retail uses, hotel/motel, and multi housing developments. The zoning permits a diversity of uses within close proximity, promoting a linked series of open spaces, and a focal point for community identity. Zoning does not require front, side or rear setbacks, so theoretically a building could be constructed to the property boundaries. Maximum impervious surface coverage is

75%. Building height is set by the FAA and is determined on a case-by-case basis with a permit application. The abutting La Quinta to the south at six stories and Wally Park structure to the east at about four stories provides some indicator of potential story height for the subject.

Assessed Value and Real Estate Taxes

As the subject property consists of a publicly owned property, it is not assessed and is tax exempt.

Building & Site Improvements

The site contains areas of grass and gravel groundcover. Improvements are limited to those associated with the encumbering easements, including the overhead guideway and four guideway columns, and asphalt pavement and curbing for the driveway to the easterly abutting property.

PART III - HIGHEST AND BEST USE

Highest and Best Use Definition

Highest and best use is defined as:⁵

The reasonably probable and legal use of vacant land or an improved property that is legally permissible, physically possible, appropriately supported, financially feasible, and that results in the highest value.

As the definition states, a determination of highest and best use are guided by the following parameters: 1) Physically possible; 2) Legally permissible; 3) Financially feasible; and 4) Maximally productive. It considers the property, as if vacant and available for development and as currently improved. Because the property consists of vacant land, an analysis as improved is not required.

Physically Possible. The subject property is a narrow strip, generally about 65 feet deep but tapering to a substantially narrower depth at the very north end. The northerly narrow portion of the site is generally level, but below grade of its street frontage. To the south, most areas of the site area at-grade, but a ridge located at the column locations downslopes to the east. The guideway columns, generally located mid-parcel, would somewhat restrict onsite circulation. Physical limitations include the parcel's irregular shape and onsite slopes/below grade topography.

Legally Permissible. Legal constraints for the property are that of zoning and access/aerial guideway easements. As discussed in the *Zoning* section of this report, the site is zoned CBC by the City of SeaTac. This is a high density commercial zoning designation promoting integrated development and pedestrian oriented design allowing most commercial/retail uses, hotel/motel, and multi housing developments. The property is also encumbered with easements that would require a shared surface/driveway use at the south end and would prohibit building improvements.

Zoning allows for very wide variety of potential uses, and is in many ways more flexible than other nearby properties because it is not within the City Center Overlay District, which requires further restrictions than just the CB-C zoning. Considering both allowable uses and the property's restrictive shape/configuration and exposure to a lower-volume airport access road, many of the retail uses permitted would not likely be feasible. Specific permitted uses that would be most likely for the subject given its limitations include small equipment rental, landscaping businesses, and open storage.

Financially Feasible/Maximally Productive. In completing this appraisal, we considered the property's potential (1) if assembled with abutting parcels and (2) as a stand-alone economic unit.

The most likely private property assemblage potential is the Wally Park property to the east. This property was developed with a large, multi-story airport parking operation with retail uses abutting

⁵ From *The Appraisal of Real Estate*, Thirteenth Edition, 2007, Appraisal Institute, page 278

International Boulevard. The property was developed in 2009 and is in good condition. With the exception of the access easement that extends across the subject, the building is oriented to the east, away from the subject, with no access points to the garage from the rear of the site. Given the new age of the structure and likelihood of the continued use for an extended period, it is not likely the subject would be desirable to the abutting owner at this time. It could be developed and paved for overflow or employee parking for either Wally Park or hotels to the north and south, though this potential is speculative and assemblage would result in a very unusual configuration. The property could also be used as a larger Port assemblage, given its proximity to the airport. In this scenario, the Port could use the property for a wide variety of uses such as surface parking, storage or developed with a facilities structure. Assemblage with the Port ownership represents the most likely and economic use.

As a stand-alone development site, the property is even more significantly constrained. The best use of this area would be for a surface parking lot, though they are not permitted as an independent use in the zone. Determining specific uses is beyond the scope of this report, though some potential/likely uses were presented in the preceding *Legally Permissible* section of the highest and best use.

PART IV - ANALYSES AND CONCLUSIONS TO VALUE

Valuation

There are three traditional approaches commonly used in valuing improved properties: the Cost, Sales Comparison, and Income Capitalization approaches, summarized as follows:

Cost Approach

The Cost Approach is based on the principle that a buyer purchaser would pay no more for a property than the cost to purchase a similar site and construct similar improvements. The process begins by first estimating the value of the subject land, to which the replacement cost (new) of the improvements is added, including entrepreneurial incentive. A deduction for depreciation is also applied. The sum of the costs is the indication of value by the Cost Approach. This approach is particularly applicable when the improvements being appraised are relatively new or proposed, or when the improvements are so specialized that there are too few comparable sales to develop a credible Sales Comparison Approach analysis.

Sales Comparison Approach

In the Sales Comparison Approach, the appraiser analyzes sales and listings of similar properties, adjusting for differences between the subject property and the comparable properties. This method is useful for valuing vacant land and improved properties that are typical in age, style, condition and utility in the marketplace. It is particularly applicable when appraising land, and for improved properties when there is an active sales market for the subject property type, either by owner-users or investors.

Income Capitalization Approach

The Income Capitalization Approach is based on the principle that a prudent investor will pay no more for the property than for another investment of similar risk and potential cash flow. First, an estimate of a gross economic rent is calculated, from which a factor for market vacancy and credit loss and non-reimbursable operating expenses is deducted, resulting in the property's net operating income. The net operating income is then capitalized into a value estimate by a market derived capitalization rate. The Income Approach is widely used and relied upon in appraising income-producing properties, especially those for which there is an active investment sales market.

Final Reconciliation and Conclusion of Value – The different indications of value from the varying approaches are analyzed as to how they relate to one another, as well as to the market. The approach or approaches most appropriate are given the most consideration in arriving at a final conclusion of value.

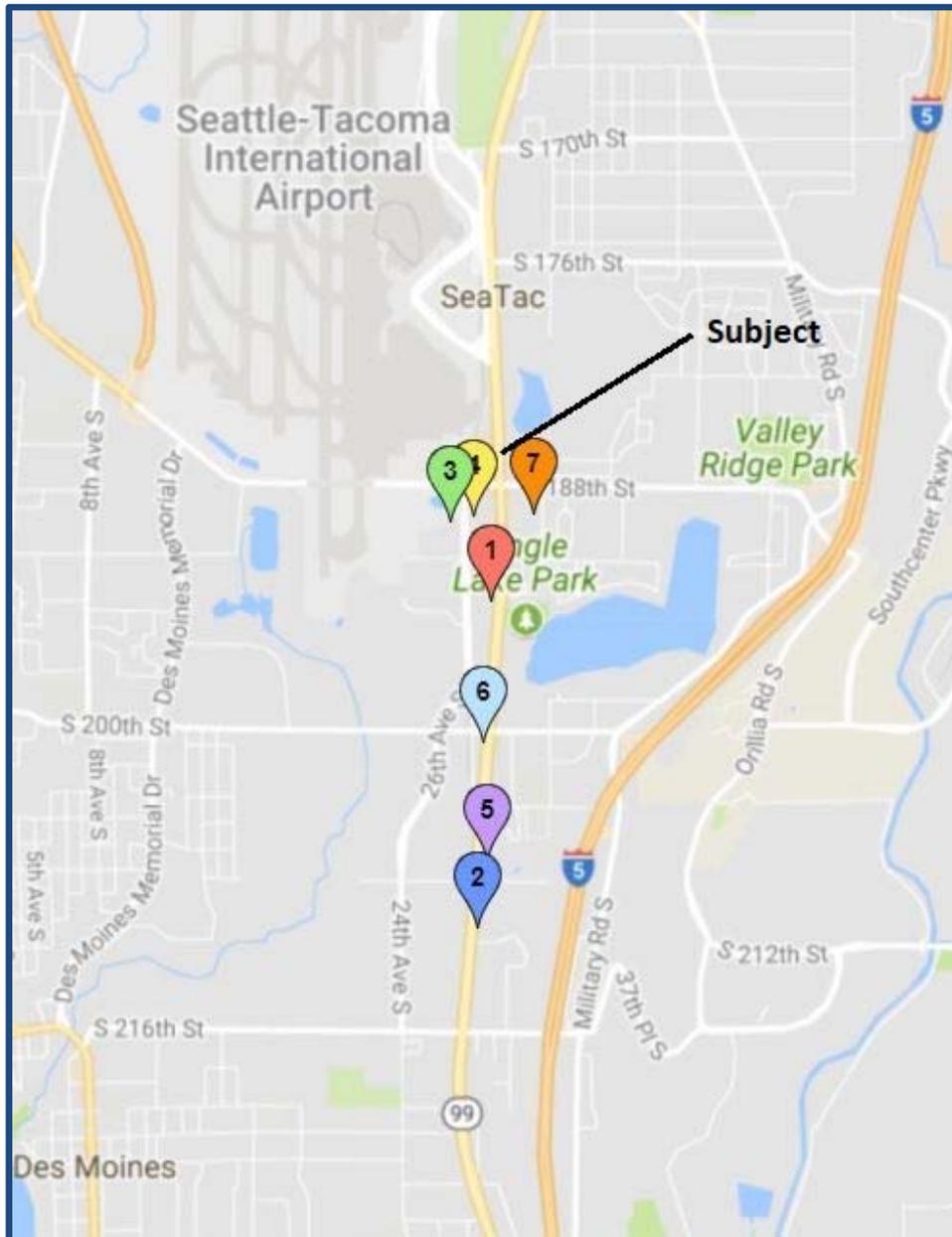
The purpose of this appraisal is to provide our opinion of the market value of the subject, which consists of vacant surplus property. As such, the Sales Comparison Approach is the most relevant approach to the value the property.

Comparable Sales

The sales analyzed for consideration of a land-locked parcel are summarized in the following chart. Maps and property/sale details are included in the *Addenda* to this report, with additional information regarding the sales retained in the Appraiser's file.

Comparable Land Sales

ID	Property Address	Sale Date	Analysis Price	Usable Size (sf)	Price/sf	Zoning
1	19415 International Blvd	06/15/11	\$3,000,000	70,755	\$42.40	CB-C
2	21050 International Blvd	10/15/08	\$1,680,000	65,754	\$25.55	CB-C
3	19032 28th Avenue S.	04/03/08	\$2,933,235	55,064	\$53.27	CB-C
4	18850 28th Avenue S.	06/05/07	\$4,625,000	98,180	\$47.11	CB-C
5	20658 International Blvd	Listing	\$750,000	10,598	\$70.77	CB-C
6	20023 International Blvd	Listing	\$1,500,000	30,958	\$48.45	CB-C
7	19003 32nd Avenue S.	Listing	\$599,950	27,200	\$22.06	CB-C
Sbj.	28th Ave S/Air Cargo Road			23,316		CB-C



Sale 1 consists of a 70,755sf site located on the west side of International Boulevard, south of S. 192nd Street. The mostly rectangular shaped site is level and sits above grade of the easterly abutting International Boulevard. Improvements on the property include a 31,364sf office building. The building was formally leased by Alaska Airlines. The property was previously purchased in 2008 and in June 2011. The 2008 sale was purchased by the owner of the southerly abutting hotel property for use in conjunction with the hotel operation. This previous sale was for \$5,400,000, but it was later repossessed by the bank. The site was then purchased by Seatac Real Estate Holding LLC in June of 2011 for \$3,400,000. The listing agent stated that the buyer was a Chinese Airline Company which intended to occupy a portion of the building and lease out the remainder.

This deal for use by the airline apparently fell through, as the site was recently purchased by \$4,000,000 by the IBEW union for use as its headquarters office. \$1,000,000 is deducted as the contribution of the office building based on discussions with the broker and an analysis of the previous \$5,400,000 sale, where prior offers had been received for approximately \$1,000,000 less from buyers intending to tear the structure down. This results in an analysis price of \$3,000,000 or \$42.40/sf of land area.

Sale 2 is a 65,754sf site at the northeast corner of International Boulevard and S. 211th Street. The site was purchased to develop airport parking but development plans are on hold until the economy recovers. In the interim, the site is being leased to a used tire dealer. After purchase, the buyer determined that city landscaping requirements would only allow approximately 200 stalls at the site, insufficient for a surface lot. The owners are currently looking at a hotel option. The southeasterly portion of the site is sloped and ungraded.

Sale 3 is the sale of the 55,064sf subject site. At the time of purchase, the property was improved with an 11,520sf office/shop structure that had been utilized by the former owner, Budget Car Rentals. The buyer indicated that the building was of no contributory value and has since been demolished. In the interim, the buyer has leased the site to the tenant on the easterly abutting property, Enterprise, for rental car parking. For comparison, the estimated demolition cost associated with removal of the structure, at \$95,000, is added to the sales price.

Sale 4 is the purchase of a 98,180sf site located on the east side of 28th Avenue S., south of its intersection with S. 188th Street. The site is mostly rectangular in shape, sits below grade of the westerly abutting 28th Avenue S., and has a gradual downward slope from north to south. A 31,590sf structure was located on the northern half of the site and was previously occupied by Skychefs as a food production facility. However, the building was vacant at the time of the sale, with the structure considered to be of no contributory value. The buyer has since demolished the structure for redevelopment a hotel and surface parking. In analyzing this transaction, the demolition cost of the structure at \$250,000 is added to the sales price.

Sale 5 is the current listing of a 10,598sf parcel of CB-C zoned commercial land situated along International Boulevard. The property contains roughly 105 feet of frontage and is a corner location at the northeast corner of the intersection with 208th Street. The property previously sold for \$170,000 in late 2009; however, the low purchase price was partially explained by the soil contamination issues that were present at that time. The property has since been relisted for \$750,000. The property contains a level topography throughout, with all utilities available for development.

Sale 6 is the current listing of 30,958sf of CB-C zoned commercial land situated along the west side of International Boulevard, immediately south of S. 200th Street in SeaTac. The property contains a level topography throughout, with all utilities available for re-development. The site is currently improved with some older structures that are considered an interim use. At \$1,500,000, this equates to roughly \$48.45/sf. We have been unable to confirm if there is any soil remediation issues, or if there has been any interest at the current asking price.

Sale 7 is the current listing of 27,200sf acres of CB-C zoned commercial land located along the west side of 32nd Avenue S., behind the Budget airport parking lot, one block easterly of International Boulevard and south of S. 188th Street in SeaTac. The property contains a slightly sloping topography, with all utilities available for re-development. The site is currently unimproved and listed at \$599,950, which equates to roughly \$22.06/sf. There has been no interest at this price and the agent stated it needs to be reduced in price to sell.

Comparable Sales Analysis

The subject comparables indicate a value range of \$22.06 to \$70.77/sf. Excluding the listings, the sales indicate a range of \$25.55 to \$53.27/sf. In comparison to the subject, adjustments are considered for differences in market conditions, location, size, shape, and exposure. The adjustments are as follows:

Market Conditions:	Comparables 2, 3, and 4 occurred in superior market conditions and require a downward adjustment. Comparables 5, 6, and 7 require downward adjustments for their listing status.
Location:	Proximity to the airport results in higher general land values. The subject's location north of S. 188 th Street is similar but somewhat superior to most of the Comparables. Comparables 2, 5, and 6 are more significantly inferior, with upward adjustments required.
Size:	The sales represent a wide range of sizes, with only Comparable 5 being outside the range of the economic site area that would be appropriate for the subject if platted with development sites along 28th Avenue S. We have made a downward adjustment to Comparable 5 for its very small size.
Shape:	All of the Comparables have a regular shape and require no adjustment.
Topography:	The Comparables are generally level graded sites similar to the subject. Comparables 2 and 7 however have some sloping areas requiring grading and are adjusted upward.
Exposure:	Sales on International Boulevard have superior exposure and require downward adjustment for comparison. Comparable 7 on 32 nd Street is of less exposure and no adjustment is required.

A summary of the adjustments we've considered is as follows:

Land Sales Adjustment Chart

Sale ID	Price/sf (\$/SF)	Market					Access/Exposure	Cumulative Indication
		Conditions	Location	Size	Shape/Shape	Topo		
1	\$42.40	Sim	Sim	Sim	Sim	Sim	Sup (-)	Sup (-)
2	\$25.55	Sup (-)	Inf (++)	Sim	Sim	Inf (+)	Sup (-)	Inf (+)
3	\$53.27	Sup (--)	Sim	Sim	Sim	Sim	Sup (-)	Sup (---)
4	\$47.11	Sup (--)	Sim	Sim	Sim	Sim	Sup (-)	Sup (---)
5	\$70.77	Sup (--)	Inf (++)	Sup (-)	Sim	Sim	Sup (-)	Sup (---)
6	\$48.45	Sup (--)	Inf (+)	Sim	Sim	Sim	Sup (-)	Sup (--)
7	\$22.06	Sup (--)	Sim	Sim	Sim	Inf (+)	Inf (+)	Sim

Across-the-Fence Value Conclusion

Despite the adjustments, the comparables still indicate a relatively wide range of values for the subject. The low-end of the range is for a then-current listing the furthest south and setback from the airport. The high-end of the range is a very small parcel listing further south of the subject, requiring numerous downward adjustments for comparison. The remaining sales strongly bracket a value for the subject at \$25.00 to \$35.00/sf, taking into account the subject's location without arterial frontage but in very close proximity to the airport. While we have not made an adjustment for the subject's narrow depth and shape because of the ATF methodology and potential for a more regular shape when assembled, it is still of an irregular shape and narrow depth to the east of Air Cargo Road, which we have considered. Giving most weight to the closed transactions, we conclude a market value at the low-end of the range at \$25.00/sf for the subject property prior to consideration of the guideway encumbrance.

Encumbered/Assemblage Value Analysis

The subject surplus creates a larger parcel ownership with the original surplus and a large Port ownership to the west, encompassing the Sea-Tac Airport. As such, valuing its contribution to the larger parcel based on its location, zoning and potential is appropriate. Additionally, we have also considered the guideway encumbrance, which unduly restricts this subject's potential uses. We have also considered its value as an independent parcel to a third party (non-abutter) and the potential contribution to Wally Park to the east and Port ownership to the west. We conclude the most likely and economically motivated party is the Port.

Site areas encumbered with aerial guideway or powerline easements that preclude building improvements contribute to larger ownerships in varying degrees. In locations of low density surface (non-building) uses, or where surface parking and low land-to-building ratios are typical or required by zoning, encumbered surface areas can be used in some cases for the general highest and best use, or a minimum to accommodate required parking, necessary onsite circulation, etc. In these cases, easement discounts range from less than 25% to about 50%, with some of this discount a result of the easements limitation on future potential. In this case, the subject surplus is an accessory use to other large areas of undeveloped land and is adjacent to a planned road project. It will be contiguous with but separated from other Port uses by the roadway. Considering a wide variety of unique characteristics of the subject property and its contribution to the Port's larger ownership, we conclude a larger discount for the aerial guideway encumbrance at 75% of fee value.

Applying an 75% discount to the ATF value conclusion, a value for the subject property at \$6.25/sf is concluded. Given a site size of 23,316sf, the value of the subject property is calculated at \$145,725.

Conclusion of Value

Considering the analysis discussed above, it is our opinion that the market value of the subject property (rounded), as of May 16, 2012, is:

**ONE HUNDRED FORTY-FIVE THOUSAND DOLLARS
(\$145,000)**

CERTIFICATION OF VALUE

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

- The statements of fact contained in this report and upon which the opinions herein are based 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 interest, either present or prospective in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- I have no bias with respect to the subject property, or to the parties involved.
- My engagement in this assignment was in no way contingent upon developing or reporting predetermined results, nor was it based on a requested minimum valuation, a specific value, or the approval of a loan.
- 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.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
- I have not performed valuation or consulting services on this property in the past three years.
- I have made a personal inspection of the subject property.
- No one provided significant real property appraisal assistance to the person signing this certification, with the exception of the person(s) shown on additional certification(s), if enclosed.
- 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 of the Appraisal Institute.

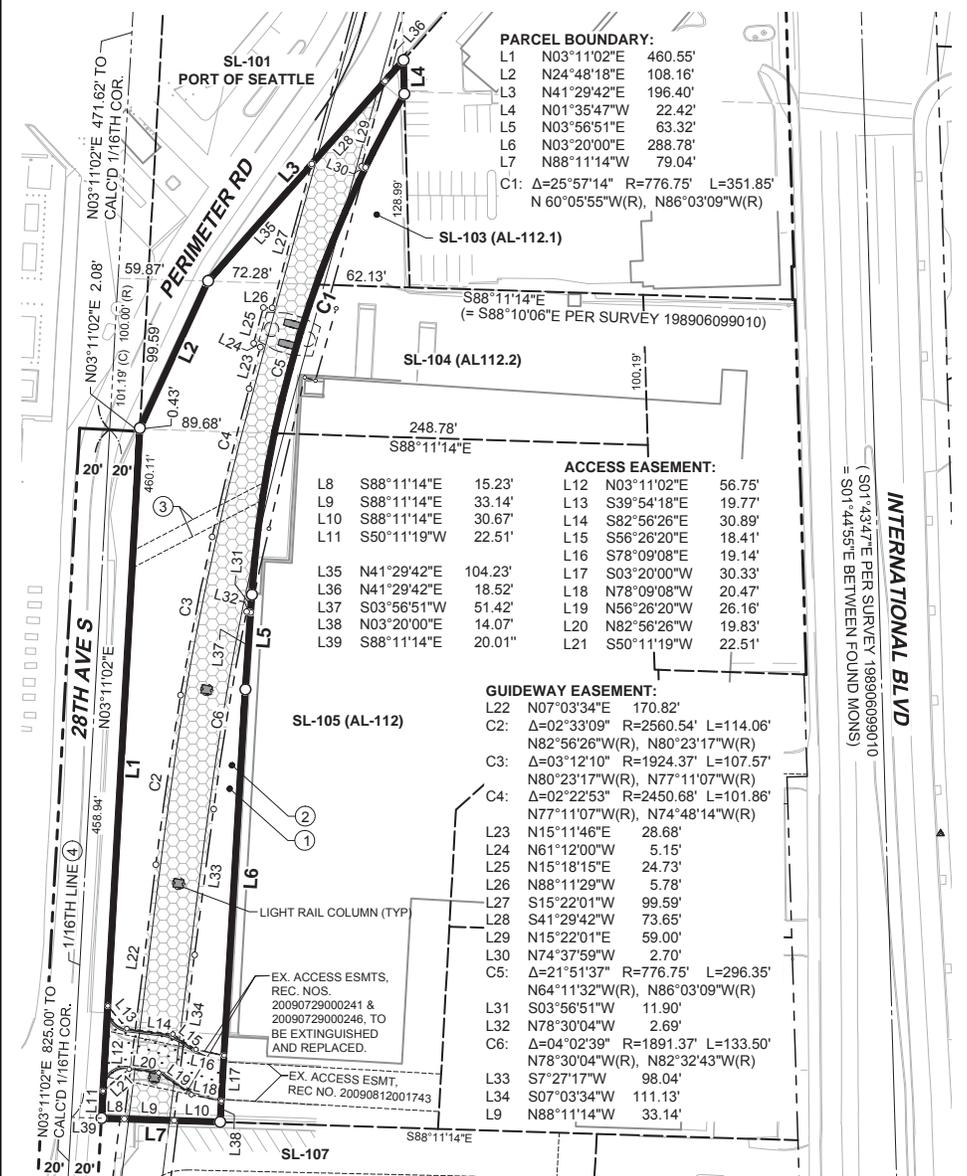


Matthew C. Sloan, MAI
State Cert. #27011-1101655

ADDENDA

MAPS/LEGAL DESCRIPTIONS

NE 1/4 SE 1/4 SEC 33, T 23 N, R 4 E, W.M.



PARCEL BOUNDARY:

L1	N03°11'02"E	460.55'
L2	N24°48'18"E	108.16'
L3	N41°29'42"E	196.40'
L4	N01°35'47"W	22.42'
L5	N03°56'51"E	63.32'
L6	N03°20'00"E	288.78'
L7	N88°11'14"W	79.04'

C1: Δ=25°57'14" R=776.75' L=351.85'
N 60°05'55"W(R), N86°03'09"W(R)

ACCESS EASEMENT:

L8	S88°11'14"E	15.23'	L12	N03°11'02"E	56.75'
L9	S88°11'14"E	33.14'	L13	S39°54'18"E	19.77'
L10	S88°11'14"E	30.67'	L14	S82°56'26"E	30.89'
L11	S50°11'19"W	22.51'	L15	S56°26'20"E	18.41'
L16	S78°09'08"E	19.14'	L17	S03°20'00"W	30.33'
L18	N78°09'08"W	20.47'	L19	N56°26'20"W	26.16'
L20	N82°56'26"W	19.83'	L21	S50°11'19"W	22.51'
L22	N07°03'34"E	170.82'			
L23	N15°11'46"E	28.68'			
L24	N61°12'00"W	5.15'			
L25	N15°18'15"E	24.73'			
L26	N88°11'29"W	5.78'			
L27	S15°22'01"W	99.59'			
L28	S41°29'42"W	73.65'			
L29	N15°22'01"E	59.00'			
L30	N74°37'59"W	2.70'			
L31	S03°56'51"W	11.90'			
L32	N78°30'04"W	2.69'			
L33	S7°27'17"W	98.04'			
L34	S07°03'34"W	111.13'			
L35	N41°29'42"E	104.23'			
L36	N41°29'42"E	18.52'			
L37	S03°56'51"W	51.42'			
L38	N03°20'00"E	14.07'			
L39	S88°11'14"E	20.01'			

GUIDEWAY EASEMENT:

L22	N07°03'34"E	170.82'
C2:	Δ=02°33'09" R=2560.54' L=114.06'	
	N82°56'26"W(R), N80°23'17"W(R)	
C3:	Δ=03°12'10" R=1924.37' L=107.57'	
	N80°23'17"W(R), N77°11'07"W(R)	
C4:	Δ=02°22'53" R=2450.68' L=101.86'	
	N77°11'07"W(R), N74°48'14"W(R)	
L23	N15°11'46"E	28.68'
L24	N61°12'00"W	5.15'
L25	N15°18'15"E	24.73'
L26	N88°11'29"W	5.78'
L27	S15°22'01"W	99.59'
L28	S41°29'42"W	73.65'
L29	N15°22'01"E	59.00'
L30	N74°37'59"W	2.70'
C5:	Δ=21°51'37" R=776.75' L=296.35'	
	N64°11'32"W(R), N86°03'09"W(R)	
L31	S03°56'51"W	11.90'
L32	N78°30'04"W	2.69'
C6:	Δ=04°02'39" R=1891.37' L=133.50'	
	N78°30'04"W(R), N82°32'43"W(R)	
L33	S7°27'17"W	98.04'
L34	S07°03'34"W	111.13'
L9	N88°11'14"W	33.14'

- ① MAINTENANCE ESMT TO EAST NEIGHBORS OVER ENTIRE PARCEL SL-106, PER REC. NO. 20090729000245.
- ② STORM DRAIN ESMT OF UNSPECIFIED SIZE & LOCATION TO EAST NEIGHBORS OVER PARCEL SL-106 FOR FACILITIES DEPICTED IN REC. NO. 20090729000242.
- ③ ELECTRICAL ESMT TO SL-105, REC. NO. 20090729000244.
- ④ 1/16TH LINE CALC'D BY SOUND TRANSIT SURVEY. IT LIES 0.2' TO 0.3' E'LY OF THE LINE OF SURVEY REC. NO. 198906099010 (AND ALSO SURVEY 198703239008) WHICH WAS UTILIZED FOR LOCATION OF THE N, S & E LINES OF PARCEL SL-106 AND THE BOUNDARIES OF THE EASTERLY ADJACENT PROPERTIES. THE SOUTH 1/16TH CORNER HEREON IS CALC'D 1.22' S AND 0.41' E OF THE 1/16TH CORNER PER SAID SURVEY. THE 1/16TH LINE BEARING PER SAID SURVEY IS CALC'D AS N03°12'18"E, AND THE SOUTH PROP LINE AS S88°11'14"E.

NAD 83 (91)



SOUND TRANSIT

L & A LIN & ASSOCIATES

LINK LIGHT RAIL PROJECT

EARL J. BONE
STATE OF WASHINGTON
REGISTERED
19429
PROFESSIONAL LAND SURVEYOR

PARCEL AREA:	50,916 SF	GUIDEWAY ESMT AREA:	20,721 SF
FEE TAKE:		ACCESS ESMT AREA:	2,494 SF
REMAINING AREA:			
PARCEL MAP 440-SL-106			
ASSESSOR NO.:	3323049210	DATE:	1/17/17
OWNER:	SOUND TRANSIT		
BLOCK NO.:	N/A	LOT NO.:	
CITY OF SEATAC	KING COUNTY, WA		

EXHIBIT "A"

R/W No. 440-SL-106
PIN 3323049210
Sound Transit

Grantor's Entire Parcel:

THOSE PARCELS, COMBINED, ACQUIRED BY SOUND TRANSIT ACCORDING TO THE STIPULATED JUDGEMENT AND DECREE OF APPROPRIATION RECORDED UNDER KING COUNTY RECORDING NUMBER 20090729000240.

[SAID PARCEL BEING MORE PARTICULARLY, THOUGH INFORMALLY, DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHWEST CORNER OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 33, TOWNSHIP 23 NORTH, RANGE 4 EAST, W.M., IN KING COUNTY, WASHINGTON;

THENCE N03°11'02"E ALONG THE WEST LINE THEREOF A DISTANCE OF 926.19 FEET (925 FEET PER DEED);

THENCE S88°11'14"E A DISTANCE OF 19.87 FEET TO THE SOUTHWEST CORNER OF LOT 1 OF KING COUNTY SHORT PLAT NUMBER 777035, RECORDED UNDER RECORDING NUMBER 7802700794, AS LOCATED ACCORDING TO THE SURVEY RECORDED UNDER RECORDING NUMBER 8906099010;

THENCE S88°11'14"E ALONG THE SOUTH LINE OF SAID LOT 1 A DISTANCE OF 40 FEET TO THE TRUE POINT OF BEGINNING, BEING THE SOUTHWEST CORNER OF PARCEL "C" ACCORDING TO SAID SURVEY;

THENCE N24°48'18"E A 196.40 FEET TO A POINT ON THE EAST LINE OF SAID LOT 1 DISTANT 109.80 FEET SOUTHERLY OF THE NORTHEAST CORNER OF SAID LOT 1 AS MEASURED ALONG THE EAST LINE THEREOF;

THENCE S01°35'47"E ALONG SAID EAST LINE A DISTANCE OF 22.42 FEET TO A POINT DISTANT 128.99 FEET NORTHERLY OF THE SOUTHEAST CORNER OF SAID LOT 1 AS MEASURED ALONG SAID EAST LINE, SAID POINT BEING THE BEGINNING OF A NON-TANGENT CURVE, HAVING A RADIUS OF 776.75 FEET, TO WHICH POINT A RADIAL LINE BEARS N60°05'55"W;

THENCE SOUTHWESTERLY, TO THE LEFT ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 25°57'14", AN ARC LENGTH OF 351.85 FEET;

THENCE S03°56'51"W A DISTANCE OF 63.32 FEET;

THENCE S03°20'00"W A DISTANCE OF 288.78 FEET TO THE SOUTH LINE OF THE NORTH 560 FEET OF THE SOUTH 925 FEET OF SAID SUBDIVISION, SAID 925 FEET BEING MEASURED ALONG THE WEST LINE THEREOF AND LOCATED ACCORDING TO THE SURVEY RECORDED UNDER RECORDING NUMBER 8906099010;

THENCE N88°11'14"W ALONG SAID SOUTH LINE A DISTANCE OF 79.04 FEET TO THE EAST MARGIN OF 28TH AVENUE SOUTH;

THENCE N03°11'02"E ALONG SAID EAST MARGIN 460.55 FEET TO THE WEST LINE OF PARCEL "A" AS LOCATED ACCORDING TO THE SURVEY RECORDED UNDER RECORDING NUMBER 8906099010;

THENCE N24°48'18"E ALONG SAID WEST LINE A DISTANCE OF 108.16 FEET TO THE TRUE POINT OF BEGINNING.]

EXHIBIT "B"

R/W No. 440-SL-106
PIN 3323049210
Sound Transit

Guideway Easement retained by Sound Transit:

COMMENCING AT THE SOUTHWEST CORNER OF GRANTOR'S PARCEL;

THENCE S88°11'14"E ALONG THE SOUTH LINE OF GRANOTOR'S PARCEL A DISTANCE OF 15.23 FEET TO THE **POINT OF BEGINNING**;

THENCE LEAVING SAID LINE N07°03'34"E, A DISTANCE OF 170.82 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT HAVING A RADIUS OF 2,560.54 FEET;

THENCE NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 02°33'09", AN ARC DISTANCE OF 114.06 FEET TO THE BEGINNING OF A COMPOUND CURVE HAVING A RADIUS OF 1,924.37 FEET;

THENCE NORTHERLY, TO THE RIGHT ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 03°12'10", AN ARC DISTANCE OF 107.57 FEET TO THE BEGINNING OF A COMPOUND CURVE HAVING A RADIUS OF 2,450.68 FEET;

THENCE NORTHERLY, TO THE RIGHT ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 02°22'53", AN ARC DISTANCE OF 101.86 FEET;

THENCE N15°11'46"E, A DISTANCE OF 28.68 FEET;

THENCE N61°12'00"W, A DISTANCE OF 5.15 FEET;

THENCE N15°18'15"E, A DISTANCE OF 24.73 FEET;

THENCE S88°11'29"E, A DISTANCE OF 5.78 FEET;

THENCE N15°22'01"E, A DISTANCE OF 99.59 FEET TO THE NORTH LINE OF GRANTOR'S PARCEL;

THENCE N41°29'42"E, ALONG SAID LINE, A DISTANCE OF 73.65 FEET;

THENCE LEAVING SAID LINE S15°22'01"W, A DISTANCE OF 59.00 FEET;

THENCE S74°37'59"E, A DISTANCE OF 2.70 FEET TO THE EAST LINE OF GRANTOR'S PARCEL, BEING THE BEGINNING OF A NON-TANGENT CURVE HAVING A RADIUS OF 776.75 FEET, TO WHICH POINT A RADIAL LINE BEARS N64°11'32"W;

THENCE SOUTHERLY ALONG SAID EAST LINE, TO THE LEFT ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 21°51'37", AN ARC DISTANCE OF 296.35 FEET;

THENCE S03°56'51"W, A DISTANCE OF 11.90 FEET;

THENCE LEAVING SAID EAST LINE, N78°30'04"W, A DISTANCE OF 2.69 FEET TO THE BEGINNING OF A NON-TANGENT CURVE HAVING A RADIUS OF 1,891.37 FEET, TO WHICH POINT A RADIAL LINE BEARS N78°30'04"W;

THENCE SOUTHERLY, TO THE LEFT ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 04°02'39", AN ARC DISTANCE OF 133.50 FEET;

THENCE S07°27'17"W, A DISTANCE OF 98.04 FEET;

THENCE S07°03'34"W, A DISTANCE OF 111.13 FEET TO THE SOUTH LINE OF GRANTOR'S PARCEL;

THENCE N88°11'14"W, ALONG SAID LINE, A DISTANCE OF 33.14 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 20,721 SQUARE FEET, MORE OR LESS.

COMPARABLE SALES

Comparable Land Sale 1

Property Name: Alaska Airlines/Airport Plaza Building
Address: 19415 International Boulevard
APN: 042204-9125
Status: Sold – October 2011
Lot Size (sf): 70,755sf
Zoning: CB-C
Recording No: 20111003000225
Buyer: International Brotherhood of Electrical Workers 77
Seller: SeaTac Real Estate Holdings LLC
Confirmation: David Magee, broker

Description: This is the October 2011 sale of a 70,755sf site located on the west side of International Boulevard, south of S. 192nd Street. The mostly rectangular shaped site is level and sits above grade of the easterly abutting International Boulevard. Improvements on the property include a 31,364sf office building. The building was formally leased by Alaska Airlines. The property was previously purchased in 2008 and in June 2011. The 2008 sale was purchased by the owner of the southerly abutting hotel property for use in conjunction with the hotel operation. This previous sale was for \$5,400,000, but it was later repossessed by the bank. The site was then purchased by SeaTac Real Estate Holding LLC in June of 2011 for \$3,400,000. The listing agent stated that the buyer was a Chinese Airline Company which intended to occupy a portion of the building and lease out the remainder.



Comparable Land Sale 1



Comparable Land Sale 2

Address: 21050 International Boulevard
APN: 092204-9390;092204-9391
Status: Sold – October 2008
Lot Size (sf): 65,754sf
Zoning: CB-C
Recording No: 200810151481
Buyer: Igums Airport, LLC
Seller: #211 LLC
Confirmation: Tom Roush, Broker

Description: This is a 1.51-acre site at the northeast corner of International Boulevard and S. 211th Street. The site was purchased to develop airport parking, but development plans are on hold until the economy recovers. In the interim, the site is being leased to a used tire dealer. After purchase, the buyer determined that city landscaping requirements would only allow approximately 200 stalls at the site, insufficient for a surface lot. The owners are currently looking at a hotel option. The southeasterly portion of the site is sloped and ungraded.



Comparable Land Sale 2



Comparable Land Sale 3

Property Name: Former Budget RAC Site
Address: 19030 28th Avenue S.
APN: 332304-9139
Status: Sold – April 2008
Lot Size (sf): 55,064sf
Zoning: CB-C
Recording No: 20080403002496
Buyer: MP LLC
Seller: RJS 2007 Investments LLC
Confirmation: Roger McCrackin, Buyer

Description: This is the sale of 55,064sf site located on the east side of 28th Avenue S., between S. 188th Street and S. 192nd Street. At the time of purchase, the property was improved with an 11,520sf office/shop structure that had been utilized by the former owner, Budget Car Rentals. The buyer indicated that the building was of no contributory value and has since been demolished. In the interim, the buyer has leased the site to the tenant on the easterly abutting property, Enterprise, for surface parking. For comparison, the estimated demolition cost associated with removal of the structure at \$95,000 is added to the sales price.



Comparable Land Sale 3



Comparable Land Sale 4

Property Name: Former SkyChefs Site
Address: 18850 28th Avenue S.
Status: Sold – June 2007
Lot Size (sf): 98,181sf
Zoning: CB-C
Recording No: 20070605002369
Buyer: Kim Grandchildren Trust
Seller: SFI I LLC
Confirmation: Kurt Sorenson, Broker

Description: This is the purchase of a 98,180sf site located on the east side of 28th Avenue S., south of its intersection with S. 188th Street. The site is mostly rectangular in shape, sits below grade of the westerly abutting 28th Avenue S. and has a gradual downward slope from north to south. A 31,590sf structure was located on the northern half of the site and was previously occupied by Skychefs as a food production facility. However, the building was vacant at the time of the sale with the structure considered to be of no contributory value. The buyer has since demolished the structure for redevelopment a hotel and surface parking. In analyzing this transaction, the demolition cost of the structure at \$250,000 is added to the sales price.



Comparable Land Sale 4



Comparable Land Sale 5

Property Name: CB-C Zoned Land
Address: 20658 International Boulevard
Status: Listing
Lot Size (sf): 10,598sf
Zoning: CB-C
Recording No: N/A
Buyer: N/A
Seller: Thana Quach (Qq Place)
Confirmation: Thana Quach, Broker

Description: This is the current listing of a 0.24-acre parcel of CB-C zoned commercial land situated along International Boulevard. The property contains roughly 105 feet of frontage and is a corner location at the northeast corner of the intersection with 208th Street. The property previously sold for \$170,000 in late 2009; however, the low purchase price was partially explained by the soil contamination issues that were present at that time. The property has since been relisted for \$750,000. The property contains a level topography throughout, with all utilities available for development.



Comparable Land Sale 5



Comparable Land Sale 6

Property Name: CB-C Zoned Land
Address: 20023 International Boulevard
Status: Listing
Lot Size (sf): 30,958sf
Zoning: CB-C
Recording No: N/A
Buyer: N/A
Seller: CHL Land Investments
Confirmation: Costar Listing, Public Records

Description: This is the current listing of 0.71 acres of CB-C zoned commercial land situated along the west side of International Boulevard, immediately south of S. 200th Street in SeaTac. The property contains a level topography throughout, with all utilities available for re-development. The site is currently improved with some older structures that are considered an interim use. At \$1,500,000, this equates to roughly \$48.45/sf. We have been unable to confirm if there is any soil remediation issues, or if there has been any interest at the current asking price.



Comparable Land Sale 6



Comparable Land Sale 7

Property Name: CB-C Zoned Land
Address: 19003 32nd Avenue S.
Status: Listing
Lot Size (sf): 27,200sf
Zoning: CB-C
Recording No: N/A
Buyer: N/A
Seller: Nariya Vrajlal
Confirmation: Rupider Sulay, Broker

Description: This is the current listing of 0.62 acres of CB-C zoned commercial land located along the west side of 32nd Avenue S., behind the Budget airport parking lot, one block easterly of International Boulevard and south of S. 188th Street in SeaTac. The property contains a slightly sloping topography, with all utilities available for re-development. The site is currently unimproved and listed at \$599,950, which equates to roughly \$22.06/sf. There has been no interest at this price and the agent stated it needs to be reduced in price to sell.



Comparable Land Sale 7



APPRAISER QUALIFICATIONS

Qualifications of Matthew C. Sloan, MAI

Director

Valbridge Property Advisors | Puget Sound

Experience

Principal – Allen Brackett Shedd (formerly Bruce C. Allen & Associates)

Involved in the real estate field since April 2000. Appraisal experience includes a wide variety of appraisal assignments, including commercial, industrial and residential real estate, easements, condemnation, and sensitive properties. Appraisal assignments include work throughout the Puget Sound Region, including King, Pierce, Snohomish, and Kitsap Counties.

Education

University of Washington, Seattle, Washington:

Commercial Real Estate Certificate, a nine-month interdisciplinary program of specialized subject study including commercial real estate development, valuation, insurance, risk management, and business and real estate law. Completed June 2006.

City University, Seattle, Washington:

Bachelor of Science in Business Administration, emphasis in project management. Completed June 2005.

Appraisal Institute/North Seattle Community College, Seattle, Washington:

Completion of various appraisal and other real estate courses required for state licensing and towards MAI designation.

Representative Client List:

Government

City of Federal Way	Snohomish County
City of Kent	Sound Transit
City of Redmond	Community Transit
City of Seattle	Port of Seattle
City of Leavenworth	City of North Bend
King County	Washington State Department of Transportation
Pierce County	Seattle Public Schools

Private Sector

Graham & Dunn	Preston Gates & Ellis
Foster Pepper	CH2M Hill
Pharos Corporation	LaBonde Land
David Evans and Associates	Universal Field Services
Puget Sound Energy	Perteet Engineering
Parametrix	Overland, Pacific & Cutler

State Certification Number – General: 27011-1101655

Expiration: 03/04/20

(Revised 03/05/15)