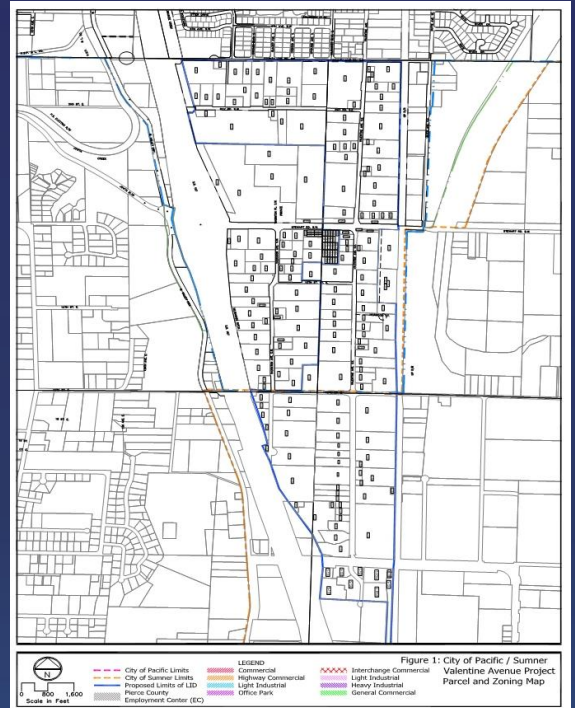




Valbridge
PROPERTY ADVISORS

**Final Special Benefit/Proportionate Assessment Study for
City of Sumner/Pacific LID No. 6
Valentine Avenue SE/136th Avenue E Corridor Improvement Project
in the cities of Pacific and Sumner, Pierce County, Washington**



PREPARED FOR
Mr. Andrew Leach, Associate City Engineer
City of Sumner
1104 Maple Street, Suite 260
Sumner, WA
98390

Mr. James Morgan, P.E., Public Works Manager
City of Pacific
100 3rd Avenue SE
Pacific, WA 98047

Valbridge Property Advisors | Puget Sound

Mr. Robert J. Macaulay, MAI
2927 Colby Avenue, Ste. 100
Everett, WA 98201
(425) 258-2611
www.valbridge.com

Valbridge Job No.: 18-0080



Corporate Office

Smith Tower	2927 Colby Avenue	18728 Bothell Way NE	419 Berkeley Avenue
506 2nd Avenue	Suite 100	Suite B	Suite A
Suite 1001	Everett, WA 98201	Bothell, WA 98011	Fircrest, WA 98466
Seattle, WA 98104	425-258-2611 phone	425-450-4040 phone	253-274-0099 phone
206-209-3016 phone	425-252-1210 fax	425-949-7109 fax	425-949-7109 fax
425-949-7109 fax			

valbridge.com

February 22, 2019

Mr. Andrew Leach, Associate City Engineer
City of Sumner
1104 Maple Street, Ste. 260
Sumner, WA 98390

Mr. James Morgan, P.E., Public Works Manager
City of Pacific
100 3rd Avenue SE
Pacific, WA 98407

RE: FINAL SPECIAL BENEFIT/PROPORTIONATE ASSESSMENT STUDY FOR CITY OF SUMNER/PACIFIC LID NO. 6----VALENTINE AVENUE SE/136TH AVENUE E LOCAL IMPROVEMENT DISTRICT (LID) PROJECT IN THE ADJACENT CITIES OF PACIFIC AND SUMNER, PIERCE COUNTY, WA. VALBRIDGE JOB NO. 18-0080.

Dear Mr. Leach and Mr. Morgan:

Our final special benefit/proportionate assessment study for the City of Sumner/Pacific LID No. 6 (Valentine Avenue SE/136th Avenue E Local Improvement District) project has been completed. Summary data on each parcel within the LID boundary is shown on the spreadsheet following page 8. More detailed property description information based on Pierce County Assessor's office data, is contained in the appraiser's files.

The LID project widens Valentine Avenue SE from two lanes to three in a 63±-foot wide right-of-way in the City of Pacific and creates a 73±-foot wide 136th Avenue E right-of-way in the City of Sumner, together with curbs, gutters, sidewalks, storm drainage improvements, bike lanes, landscaping, street illumination and signalization improvements at Stewart Road SW and Valentine Avenue SE and new signalization at 24 Street E and 136th Avenue E (see Addenda for more detailed breakout). Total estimated LID-funded project cost is \$4,299,073 for the City of Sumner and \$6,270,052 for the City of Pacific.

This limited restricted report uses mass appraisal techniques and summarizes special benefit estimates and recommended final assessments for each parcel within the LID boundary that is specially benefitted by the project as described herein. A personal inspection has been made of all affected parcels, together with a study of current market data, for the purposes of forming opinions as to the special benefit to each parcel. An individual property's special benefit is the change in market value as a result of the project. It is measured as the difference, accruing by reason of the LID project, between the market value of each parcel studied, without the project, and market value of the same parcel with the project assumed completed as of the date of study. It is intended for use by the cities of Sumner and Pacific to levy final assessments against properties specially benefiting from the LID No. 6

improvements as described herein and in further detail on plans and other documents created and maintained by the cities of Sumner and Pacific.

Typically, special benefit studies consist of both written and oral presentations. The written portion consists of this narrative report and included spreadsheet of recommended assessments. In consideration of the complexity of the work completed, and in order to provide more discussion and explanation, a verbal presentation and response to questions at the LID final assessment roll hearing are also considered to be part of this assignment.

The attached final special benefit study is reported in a summary format including narrative and tabular presentation. The report is intended to comply with Standard 6 of the Uniform Standards of Professional Appraisal Practice (USPAP) promulgated by the Appraisal Foundation for a summary mass appraisal report. As such, it includes limited discussions of the data, reasoning and analyses utilized in the valuation process; supporting documentation is retained in the appraiser's files. It conforms with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, which include USPAP. The report is authorized for use by the client and its agents, representatives and legal counsel. The depth of discussion is specific to the needs of the client and for only the intended use stated above. The appraiser is not responsible for unauthorized use of this report and use by a third party is not intended.

The LID boundary encompasses 140 individual tax parcels (48 within the City of Sumner and 92 in the City of Pacific) totaling 246± acres of land in Pierce County, Washington. The northern portion of the district is within the city limits of Pacific and the southern portion is in the City of Sumner. Land uses within the LID boundary consist of office park, industrial and various types of commercial uses, together with unimproved tracts. To make estimates of probable increases in market value or special benefit resulting from the LID project, market sales of land and improved properties were researched, together with rental rate information on the various types of property found within the LID boundary. Also, engineering and economic studies relating to supply and demand, absorption and population growth trends were reviewed. See Addenda for detailed market area information.

The special benefit estimates and recommended final assessments are based on research and analysis of the project area. Review of the current Sumner/Pacific market includes market sale transactions and rental data for the various property types in the project area. The recommended final assessments are reasonable and proportionate to each other; they are based on consideration of the physical characteristics and highest and best use of individual affected parcels with market value estimates derived from comparable sales data.

Estimates are made of the value of individual parcels without the improvement project and again with the project assumed completed, as of the same date. Estimated value ranges without and with the LID are refined into valuation conclusions by making the appropriate adjustments based on factors affecting market value of individual parcels. For each assessable parcel within the LID boundary, this valuation methodology results in a special benefit estimate and recommended final assessments that are reasonable and proportionate to each other. Individual property information, such as building

age, size and site area, were obtained from the Pierce County Assessor Treasurer's Office and utilized within this study.

The LID vicinity without project improvements is characterized by inadequate road infrastructure severely limiting the movements of large trucks, congestion at major intersections and at specific travel times, and safety concerns for both vehicles and pedestrians. With the LID project completed, a negative stigma associated with the neighborhood is significantly diminished. Location and circuitry of traffic flow are vastly improved within the LID boundary, enhancing the properties' location and market appeal. Additionally, without the project, the owners of property with frontage along Valentine Avenue SE/136th Avenue E located within the boundary would be required to construct, at a minimum, half-street frontage improvements and storm drainage to applicable city standards. Based on estimates provided by both the City of Sumner and the City of Pacific, one-half of street improvement costs were estimated at \$800 to \$1,000 per lineal feet of roadway. With the LID completed, these development requirements are satisfied.

In this LID, special benefit is reflected in the underlying land value as the project is needed for properties to develop to their highest and best use. Contributory improvement value (where applicable) is estimated. Because the improvement contribution value does not measurably change from the "without LID" to "with LID" market value estimate, the main focus of the analysis is on underlying land value.

Special benefit estimates generally range from \$0.25/SF to \$0.50/SF of land area for non-frontage properties and \$2.00/SF to \$3.00/SF for parcels with frontage along the Valentine Avenue SE/136th Avenue E corridor. From a proportionality standpoint, this is reasonable given the development requirements for properties fronting on the Valentine Avenue SE/136th Avenue E corridor. The market value difference, not cost basis, is the estimate of special benefit; however, given the frontage mitigation requirements needed for highest and best use development, this frontage cost would be an important consideration in any property owners' sale/purchase decision.

Due to the limited scope of this assignment and the large number of parcels (individual ownerships), separate appraisal reports for each are not prepared. A spreadsheet presenting market value conclusions and recommended final assessment amounts follows the "Summary of Facts and Conclusions." Supporting documentation is retained in the appraiser's file.

Following are the findings resulting from this limited assignment appraisal, which is subject to the accompanying assumptions and limiting conditions, as of February 22, 2019:

City of Sumner

Total Estimated Market Value Without LID	\$118,846,400 (Rd)
Total Estimated Market Value With LID	\$124,621,600 (Rd)
Total Estimated Special Benefit	\$ 5,775,300 (Rd)
Cost Benefit Ratio:	74.44%


City of Pacific

Total Estimated Market Value Without LID	\$126,282,400 (Rd)
Total Estimated Market Value With LID	\$136,216,400 (Rd)
Total Estimated Special Benefit	\$ 9,934,000 (Rd)
Cost Benefit Ratio:	63.12%

The spreadsheet detailing significant facts and figures for the affected parcels (listed by map number - one or more of which may comprise a parcel) is located near the beginning of this report. Total estimated LID-funded project cost is \$4,299,073 for the City of Sumner and \$6,270,052 for the City of Pacific.

If you have questions not answered in this report, please do not hesitate to contact us.

Respectfully submitted,
VALBRIDGE PROPERTY ADVISORS | PUGET SOUND


Robert J. Macaulay, MAI


Jim E. Doge, Senior Associate Appraiser
hw

Table of Contents

Letter of Transmittal

Table of Contents..... i

Location Map..... 1

Vicinity Map 2

LID Boundary Map 3

Aerial Photograph..... 4

Executive Summary 5

**Summary of Final Special Benefit Study and Assumptions Forming the Basis of Recommended Final Assessments
City of Sumner/Pacific LID Number 6---Valentine Avenue SE/136th Avenue E Local Improvement District Project 9**

Introduction.....9

Client and Intended Users.....9

Purpose and Intended Use of the Study.....9

Exposure Period.....9

Washington State Definition of Market Value.....9

Definition of Fee Simple Interest.....10

Highest and Best Use.....10

Interim Use and Interim Value11

Anticipatory Use and Market Value11

Special Benefit11

Final Special Benefit/Proportionate Assessment Study Methodology11

Definition of Local Improvement District.....13

LID Boundary.....13

Date of Valuation.....13

Primary Phases of the Assignment.....13

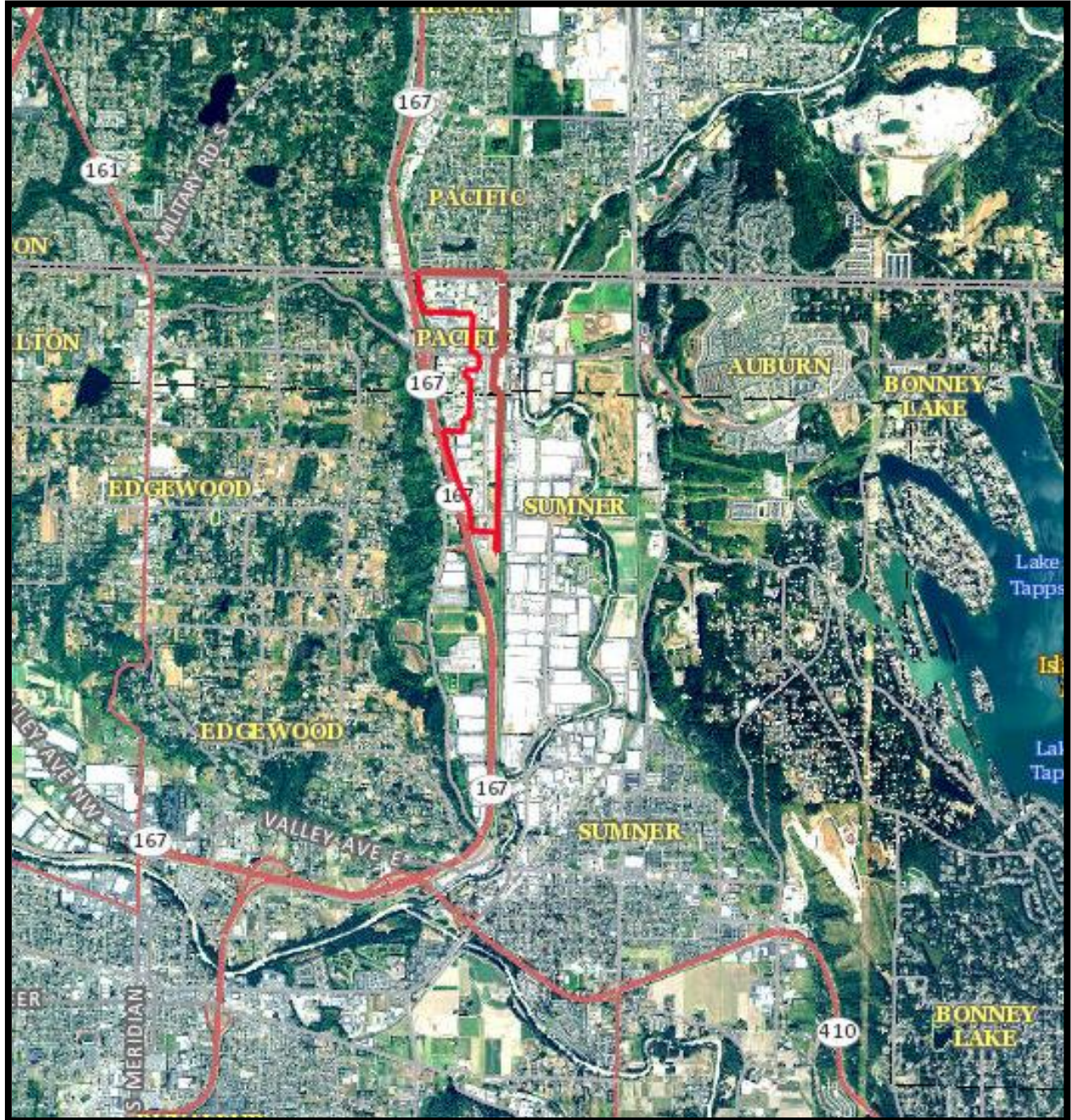
Significant Factors and Extraordinary Assumptions Utilized in the Study.....13

Hypothetical Conditions14

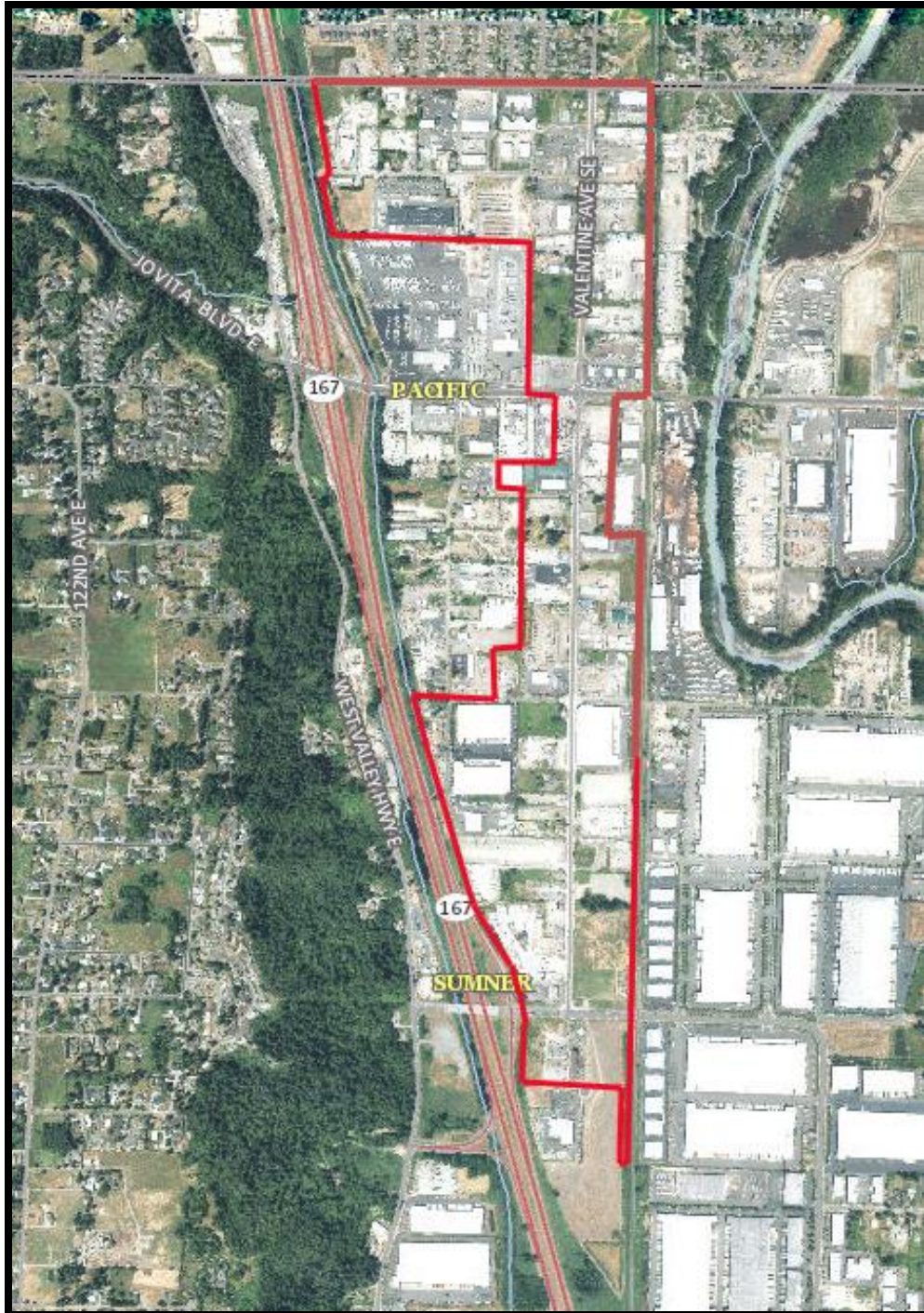
Legal Description of Project.....15

<i>Scope of Study</i>	15
<i>Parcel Descriptions</i>	15
Zoning Map	16
<i>Zoning Designations</i>	17
Valuation Summary	22
<i>Without the LID</i>	22
<i>Valuation Summary – City of Sumner</i>	22
<i>Valuation Summary – City of Pacific</i>	23
<i>With the LID</i>	23
<i>Valuation Summary – City of Sumner</i>	24
<i>Valuation Summary – City of Pacific</i>	24
<i>Special Benefit Summary</i>	24
<i>Conclusions</i>	25
General Assumptions and Limiting Conditions	27
Certification – Robert J. Macaulay, MAI	34
Certification – Jim Dodge, Senior Associate Appraiser	35
Addenda	36
Project Costs	37
Zoning Map – City of Sumner	46
Zoning Map – City of Pacific	47
Pierce County	48
Neighborhood/LID Project Area	56
<i>City of Pacific</i>	58
<i>City of Sumner</i>	58
Market Area Data	60
Qualifications – Robert J. Macaulay, MAI	69

Location Map

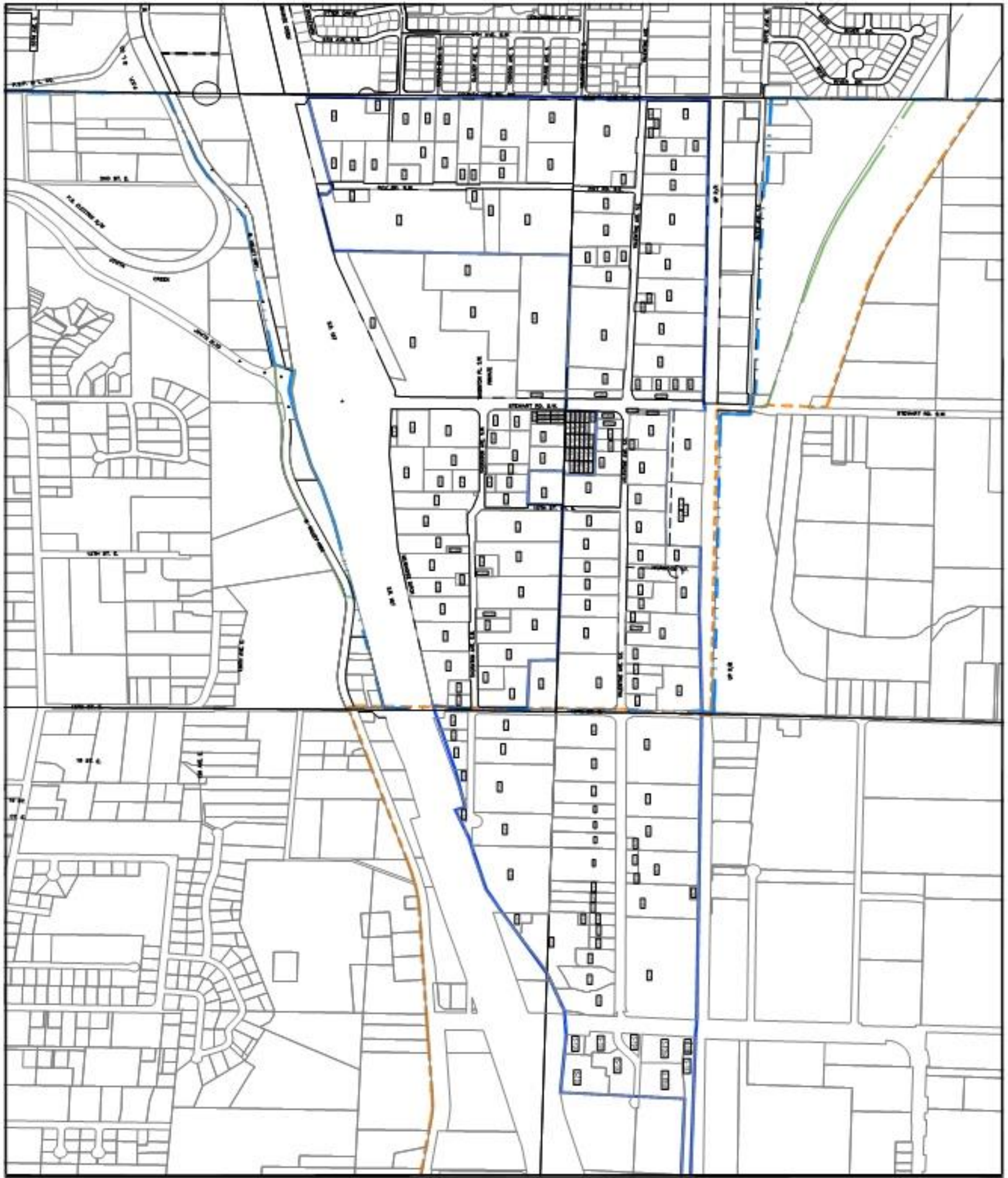


Vicinity Map



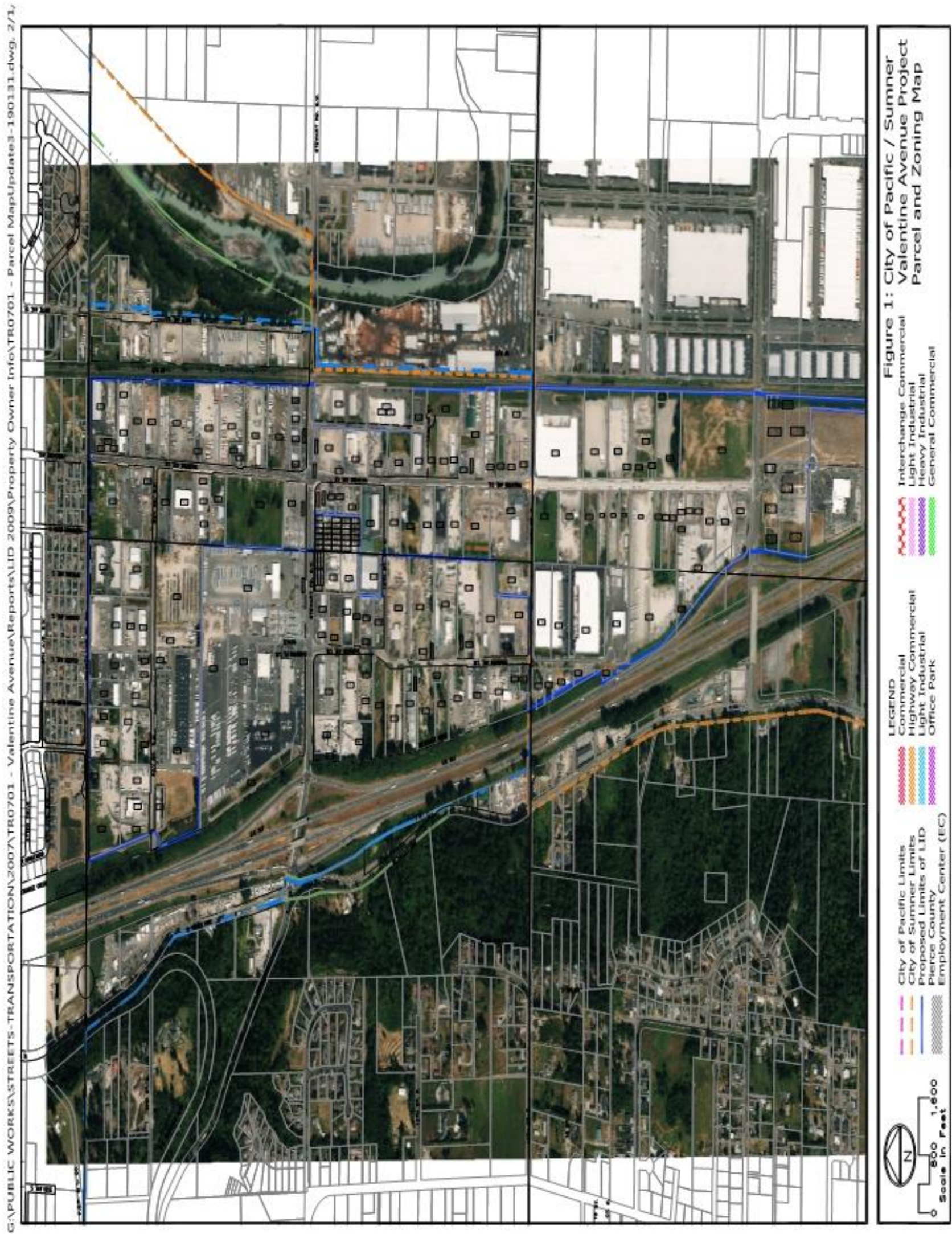
LID Boundary Map

S:\PUBLIC WORKS\GIS\PROJECTS\TRANSPORTATION\2017\180000 - Valentine Avenue\Reports\GIS 2019\Property Owner\180000000 - Parcel Map\gisdata\20190305.dwg, 3/11/2019 9:37:46 AM, Adule PDF



<p>Scale in Feet</p>	<p>--- City of Pacific Limits</p> <p>--- City of Sumner Limits</p> <p>--- Proposed Limits of LID</p> <p>--- Pierce County</p> <p>--- Employment Center (EC)</p>	<p>LEGEND</p> <p>Commercial</p> <p>Highway Commercial</p> <p>Light Industrial</p> <p>Office Park</p>	<p>Interchange Commercial</p> <p>Light Industrial</p> <p>Heavy Industrial</p> <p>General Commercial</p>	<p>Figure 1: City of Pacific / Sumner Valentine Avenue Project Parcel and Zoning Map</p>
----------------------	---	---	---	---

Aerial Photograph



Executive Summary

LID Boundary:

As shown on the aerial photograph and LID boundary maps, the subject vicinity straddles the limits of the cities of Sumner and Pacific. Land within the LID is zoned interchange commercial and light industrial (City of Sumner) and office park, light industrial and commercial (City of Pacific). The irregularly-shaped local improvement district (LID) is bounded on the north by County Line Road SW and on the south by parcels south of the 24th Street East/136th Avenue E interchange, within the City of Sumner.

Definition of Special Benefit:

Special benefit is defined as: "The difference in the fair market value of the property without the improvement and the fair market value of the property with the improvement (commonly called "before and after," more properly called "without and with")." (Local Road Improvement Districts Manual for Washington State, Sixth Edition, 2009.)

Project Overview:

The LID project widens Valentine Road SE from two lanes to three in a 73±-foot wide right-of-way in the City of Sumner and creates a 63±-foot wide right-of-way in the City of Pacific, together with curbs, gutters, sidewalks, bike lanes, landscaping, street illumination and signalization improvements (see Addenda for more detailed breakout). Total estimated project cost is approximately \$22,250,000.

Neighborhood Description:

Without the project, the immediate neighborhood between State Route 167 and the Union Pacific Railroad line consisted of commercially- and industrially-zoned land improved with a variety of industrial/warehouse buildings. Many structures have reached the end of their economic life and contribute little value to the underlying sites. Other tracts are underimproved and have excess land area. Valentine Avenue SE without the project, although highly traveled, was a two-lane arterial that experienced heavy traffic congestion, especially at peak commuting hours. The LID vicinity was characterized by inadequate road infrastructure severely limiting the movements of large trucks, congestion at

major intersections and at specific travel times, and safety concerns for both vehicles and pedestrians.

With the LID project completed, a negative stigma associated with the neighborhood is significantly diminished. Location and circuitry of traffic flow are vastly improved within the LID boundary, enhancing the properties' location and market appeal.

Land Area:

Based on records of the Pierce County Assessor's office, total gross land area of parcels within the LID boundary is approximately 246 acres.

Individual Parcel Sizes:

Tracts considered herein as "parcels" vary in size from 0.13 acres (5,590 SF) to 10.02 acres (436,384 SF) within the City of Sumner and 0.15 acres (6,675 SF) to 12.94 acres (563,605 SF) in the City of Pacific.

Land Use Regulations:

As shown on the exhibits in this report, parcels are zoned interchange commercial and light industrial (City of Sumner) and office park, light industrial and commercial (City of Pacific).

Special Benefit/Proportionate Assessment Methodology:

Assessment that do not materially exceed the special benefit and proportionality between each assessment and its respective special benefit are the two basic legal requirements of an assessment of this type. Market value estimates presented herein are based on the interrelationship between supply and demand for each property in the current economic marketplace. In this instance, it is a market for commercial and light industrial property in a suburban area featuring the amenities of convenient access to transportation networks and to the major regional employment and population centers of Pierce and King counties and elsewhere in the Puget Sound region.

This is a mass appraisal report prepared under the requirements set forth in the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Institute. Market value is estimated for each parcel within the LID boundary based on highest and best use, both without and with the improvement project completed as of the date of this study. The increase in value, if any, is

the special benefit accruing to that particular parcel as a result of the project.

Scope of the Assignment:

The scope of services Valbridge | Puget Sound (formerly Macaulay and Associates, Ltd.) has been engaged to perform is to estimate the special benefit adhering to each affected parcel resulting from the LID-funded project for the project's final assessment roll. To reflect the market's perception of total special benefit accruing to affected property, and to maintain proportionality amongst the special benefit estimates, market value is estimated both without the LID and with the LID in place, as of the same date. Under this valuation basis, properties are treated consistently and market value estimates without and with the completed LID most accurately reflect the special benefit indicated by the market. The special benefit estimated for each parcel within the LID boundary reflects an increase in value under the same market conditions as the benefit estimated for every other assessable parcel within the LID.

Valuation Summary:

A important element of the valuation recognizes that the owners of properties fronting on Valentine Avenue SE/136th Avenue E would be required (at a minimum) to construct half street improvements in the without (before) LID scenario. A frontage cost range, estimated by both the cities of Pacific and Sumner, is \$800 to \$1,000 per lineal foot. The owners of non-frontage parcels, apart from those south of 24th Street E, would have had to pay mitigation costs toward Valentine Ave SE/136th Avenue E road construction prior to any significant development.

Special benefit estimates generally range from \$0.25/SF to \$0.50/SF of land area for non-frontage properties and \$2.00/SF to \$3.00/SF for parcels with frontage along the Valentine Avenue SE/136th Avenue E corridor. From a proportionality standpoint, this is reasonable given the development requirements for properties fronting on the Valentine Avenue SE/136th Avenue E corridor. The market value difference, not cost basis, is the estimate of special benefit; however, given the frontage mitigation requirements needed for highest and best use

development, this frontage cost would be an important consideration in any property owners' sale/purchase decision.

The spreadsheet on the following pages presents pertinent tabulated data on the affected parcels. The map numbers represent individual tax lots and correspond to the exhibit entitled, "LID Boundary Map" on page 4. Each economic entity considered herein as a "parcel" is listed in the following tabulation on one to several lines, depending on the number of map numbers that make up the parcel.

The categories on the spreadsheet pertain to each map number, the most significant of which are "Special Benefit" and "Special Benefit/SF". Compilation of this data on the individual map numbers results in the aggregate conclusions presented below and on the following spreadsheets.

City of Sumner

Total Estimated Market Value Without LID	\$118,846,400 (Rd)
Total Estimated Market Value With LID	\$124,621,600 (Rd)
Total Estimated Special Benefit	\$ 5,775,300 (Rd)
Cost Benefit Ratio:	74.44%

City of Pacific

Total Estimated Market Value Without LID	\$126,282,400 (Rd)
Total Estimated Market Value With LID	\$136,216,400 (Rd)
Total Estimated Special Benefit	\$ 9,934,000 (Rd)
Cost Benefit Ratio:	63.12%

Sumner-Pacific LID - Pacific Portion

LID No.	Pierce County Tax Parcel No.	County Link	Property Address	Taxpayer Name	Taxpayer Mailing Address	Taxpayer City	Taxpayer State	Taxpayer Zip Code	Land Size (acres)	Land Size (sf)	Valentine Ave SE/ 136th Ave E (ff)	Total Building Area (sf)	Year Built	Zoning	Without LID					With LID					Summary			
															Highest and Best Use Without LID	Land Value/SF	Land Value	Improvement Value	Market Value Without LID	Highest and Best Use With LID	Land Value/SF	Land Value	Improvement Value	Market Value With LID	Special Benefit	Special Benefit/SF	Total Assessment	Assessment/SF
P-001	4495700054	https://epip.co.pierce.wa.us/cf1210	210 County Line Rd SW	BILBREY ENTERPRISES PARTNERSHIP	361 ROY RD SW	PACIFIC	WA	98047-2133	3.99	173,804		0	-	LI	\$10.00	\$1,738,040	\$0	\$1,738,000	LI	\$10.50	\$1,824,942	\$0	\$1,824,900	\$86,900	\$0.50	\$54,849	\$0.32	
P-002	4495700090	https://epip.co.pierce.wa.us/cf328	328 County Line Rd SW	BILBREY KEITH & BILBREY KEVIN & BILBREY NORMAN	361 ROY RD SW	PACIFIC	WA	98047-2133	0.5	21,760		1,200	1950	OP	\$12.00	\$261,120	\$0	\$261,100	OP	\$12.50	\$272,000	\$0	\$272,000	\$10,900	\$0.50	\$6,880	\$0.32	
P-003	4495700120	https://epip.co.pierce.wa.us/cf1280	280 County Line Rd	STARMAN MARK & CAROLYN	17300 SE 132ND ST	RENTON	WA	98059	1.64	71,551		7,500	2017	OP	\$10.00	\$715,510	\$475,000	\$1,190,500	OP	\$10.50	\$751,286	\$475,000	\$1,226,300	\$35,800	\$0.50	\$22,596	\$0.32	
P-004	4495700110	https://epip.co.pierce.wa.us/cf1264	264 COUNTY LINE RD SW	KONDRATYEV IVAN & VERA	2202 S 333RD ST	FEDERAL WAY	WA	98003	0.95	41,358		876	1940	OP	\$8.50	\$351,543	\$0	\$351,500	OP	\$9.00	\$372,222	\$0	\$372,200	\$20,700	\$0.50	\$13,065	\$0.32	
P-005	4495700151	https://epip.co.pierce.wa.us/cf1230	230 COUNTY LINE RD SW	NWC #5 PARTNERSHIP LLC	10412 JOHN BANANOLA WAY E	PUYALLUP	WA	98374-9333	1.43	62,200		9,760	1999	OP	\$10.00	\$622,000	\$490,000	\$1,112,000	OP	\$10.50	\$653,100	\$490,000	\$1,143,100	\$31,100	\$0.50	\$19,629	\$0.32	
P-006	4495700143	https://epip.co.pierce.wa.us/cf1210	210 County Line Rd SW	NWC #5 PARTNERSHIP LLP	PO BOX 73399	PUYALLUP	WA	98373-0399	2.09	91,040		1,200	2015	OP	\$10.00	\$910,400	\$130,000	\$1,040,400	OP	\$10.50	\$955,920	\$130,000	\$1,085,900	\$45,500	\$0.50	\$28,718	\$0.32	
P-007	4495700165	https://epip.co.pierce.wa.us/cf1176	176 Roy Rd SW	BUOL LILJESTROM LLC	175 ROY RD SW STE C	PACIFIC	WA	98047-2150	3.55	154,638		30,260	2006	OP	\$11.00	\$1,701,018	\$910,000	\$2,611,000	OP	\$11.50	\$1,778,337	\$910,000	\$2,688,300	\$77,300	\$0.50	\$48,790	\$0.32	
P-008	4495700190	https://epip.co.pierce.wa.us/cf1120	120 County Line Rd SW	STRYDER II LLC	1201 PACIFIC AVE STE 1400	TACOMA	WA	98402-4322	2.86	124,440		45,767	2008	OP	\$12.00	\$1,493,280	\$3,890,000	\$5,383,300	OP	\$12.50	\$1,555,500	\$3,890,000	\$5,445,500	\$62,200	\$0.50	\$39,259	\$0.32	
P-009	4495400051	https://epip.co.pierce.wa.us/cf1732	732-756 Valentine Ave SE	PACIFIC LOGISTICS INDUSTRIAL NORTH LLC	732 VALENTINE AVE SE	PACIFIC	WA	98047-2124	7.00	304,920		0	-	OP & LI	\$15.00	\$4,573,800	\$0	\$4,573,800	LI	\$17.00	\$5,183,640	\$0	\$5,183,600	\$609,800	\$2.00	\$384,888	\$1.26	
P-011	4495400180	https://epip.co.pierce.wa.us/cf1703	703 Valentine Ave SE	TILLAMOOK LIGHT LLC	PO BOX 5788	PORTLAND	OR	97228-5788	2.74	119,354	69	22,400	2006	OP	\$14.00	\$1,670,956	\$260,000	\$1,931,000	OP	\$14.75	\$1,760,472	\$260,000	\$2,020,500	\$89,500	\$0.75	\$56,490	\$0.47	
P-012	4495400170	https://epip.co.pierce.wa.us/cf1751	751 Valentine Ave SE	ANDERSON DOUGLAS R & MICHAELS RESOLUTE S	743 VALENTINE AVE SE	PACIFIC	WA	98047-2124	0.22	9,450	90	1	1979	OP	\$20.00	\$189,000	\$0	\$189,000	OP	\$23.00	\$217,350	\$0	\$217,400	\$28,400	\$3.01	\$17,925	\$1.90	
P-013	4495400161	https://epip.co.pierce.wa.us/cf1755	755 Valentine Ave SE	PETERSON LYLE D & MARIA E	743 VALENTINE AVE SE	PACIFIC	WA	98047-2124	0.19	8,288	78	1	1968	OP	\$20.00	\$165,760	\$0	\$165,800	OP	\$23.00	\$190,624	\$0	\$190,600	\$24,800	\$2.99	\$15,653	\$1.89	
P-014	4495400160	https://epip.co.pierce.wa.us/cf1759	759 Valentine Ave SE	NECESITO RONNIE G	650 MILWAUKEE BLVD S	PACIFIC	WA	98047-1386	0.19	8,293	78	912	1968	LI	\$20.00	\$165,860	\$0	\$165,900	LI	\$23.00	\$190,739	\$0	\$190,700	\$24,800	\$2.99	\$15,653	\$1.89	
P-015	4495700071	https://epip.co.pierce.wa.us/cf1380	380 Roy Rd SW	BILBREY ENTERPRISES PARTNERSHIP	361 ROY RD SW	PACIFIC	WA	98047-2133	0.34	14,985		0	-	LI	\$12.00	\$179,820	\$0	\$179,800	LI	\$12.50	\$187,313	\$0	\$187,300	\$7,500	\$0.50	\$4,734	\$0.32	
P-016	4495700100	https://epip.co.pierce.wa.us/cf1325	325 Roy Rd SW	TRAUTMAN BARRIE M & LINDA S	20213 SE 245TH ST	MAPLE VALLEY	WA	98038-8624	1.42	62,040		0	-	LI	\$14.00	\$868,560	\$0	\$868,600	LI	\$14.50	\$899,580	\$0	\$899,600	\$31,000	\$0.50	\$19,566	\$0.32	
P-017	4495700135	https://epip.co.pierce.wa.us/cf1696	1696 Roy Rd SW	COVEY MICHAEL & KATHLEEN TTEE	6996 E WOODBRIDGE RD	ACAMPO	CA	95220-9431	1.90	82,841		4,379	1969/2003	LI	\$14.00	\$1,159,774	\$310,000	\$1,469,800	LI	\$14.50	\$1,201,195	\$310,000	\$1,511,200	\$41,400	\$0.50	\$26,130	\$0.32	
P-018	4495700136	https://epip.co.pierce.wa.us/cf1285	285 Roy Rd SW	WELLS DAVID L	285 ROY RD SW	PACIFIC	WA	98047-2134	0.9	39,403		4,134	1969-1990	LI	\$14.25	\$561,493	\$0	\$561,500	LI	\$14.75	\$581,194	\$0	\$581,200	\$19,700	\$0.50	\$12,434	\$0.32	
P-019	4495700152	https://epip.co.pierce.wa.us/cf1250	250 Roy Rd SW	NWC #5 PARTNERSHIP LLP	PO BOX 73399	PUYALLUP	WA	98373-0399	1.43	62,200		1,794	2003-2013	LI	\$14.00	\$870,800	\$550,000	\$1,420,800	LI	\$14.50	\$901,900	\$550,000	\$1,451,900	\$31,100	\$0.50	\$19,629	\$0.32	
P-020	4495700106	https://epip.co.pierce.wa.us/cf1361	361 Roy Rd SW	BILBREY ENTERPRISES PARTNERSHIP	361 ROY RD SW	PACIFIC	WA	98047-2133	1.37	59,515		14,517	2008	LI	\$14.00	\$833,210	\$990,000	\$1,823,200	LI	\$14.50	\$862,968	\$990,000	\$1,853,000	\$29,800	\$0.50	\$18,809	\$0.32	
P-021	0420025004	https://epip.co.pierce.wa.us/cf1229	229 Roy Rd SW	SINGH BHUPINDER & KAUR HARDEEP	621 CHICAGO BLVD S	PACIFIC	WA	98047-1374	0.36	15,681		1	1955	LI	\$13.00	\$203,853	\$0	\$203,900	LI	\$13.50	\$211,694	\$0	\$211,700	\$7,800	\$0.50	\$4,923	\$0.31	
P-022	4495700164	https://epip.co.pierce.wa.us/cf1176	176 Roy Rd SW	BUOL LILJESTROM LLC	175 ROY RD SW STE C	PACIFIC	WA	98047-2150	0.90	39,415		0	-	LI	\$12.00	\$472,980	\$0	\$473,000	LI	\$12.50	\$492,688	\$0	\$492,700	\$19,700	\$0.50	\$12,434	\$0.32	
P-023	0420025003	https://epip.co.pierce.wa.us/cf1221	221 Roy Rd SW	SIMPSON JOSHUA Z & JEANINE S	221 ROY RD SW	PACIFIC	WA	98047-2134	0.33	14,374		1	1970	LI	\$13.00	\$186,862	\$0	\$186,900	LI	\$13.50	\$194,049	\$0	\$194,000	\$7,100	\$0.49	\$4,481	\$0.31	
P-024	4495700163	https://epip.co.pierce.wa.us/cf1176	176 Roy Rd SW	BUOL LILJESTROM LLC	175 ROY RD SW STE C	PACIFIC	WA	98047-2150	1.04	45,432		14,490	2008	LI	\$14.00	\$636,048	\$950,000	\$1,586,000	LI	\$14.50	\$658,764	\$950,000	\$1,608,800	\$22,800	\$0.50	\$14,391	\$0.32	
P-025	4495700200	https://epip.co.pierce.wa.us/cf1115	115 Roy Rd SW	DDW LLC	PO BOX 2005	SUMNER	WA	98390-0440	2.86	124,440		23,499	2008	LI	\$14.00	\$1,742,160	\$1,570,000	\$3,312,200	LI	\$14.50	\$1,804,380	\$1,570,000	\$3,374,400	\$62,200	\$0.50	\$39,259	\$0.32	
P-029	4495400032	https://epip.co.pierce.wa.us/cf1161	161 Roy Rd SE	R & R DEVELOPMENT GROUP LLC	161 ROY RD SE	PACIFIC	WA	98047-2136	0.52	22,465	112	5,387	1964/1995	LI	\$17.00	\$381,905	\$210,000	\$591,900	LI	\$20.00	\$449,300	\$210,000	\$659,300	\$67,400	\$3.00	\$42,541	\$1.89	
P-020	4495400193	https://epip.co.pierce.wa.us/cf1767	767 Valentine Ave SE	LAKE PROPERTIES LLC	767 VALENTINE AVE SE	PACIFIC	WA	98047-2124	0.56	24,397		0	-	OP	\$13.00	\$317,161	\$0	\$317,200	OP	\$14.00	\$341,558	\$0	\$341,600	\$24,400	\$1.00	\$15,401	\$0.63	
P-031	4495400195	https://epip.co.pierce.wa.us/cf1767	767 Valentine Ave SE	LAKE PROPERTIES LLC	767 VALENTINE AVE SE	PACIFIC	WA	98047-2124	1.10	47,858	155	16,694	2008	LI	\$14.50	\$693,941	\$1,270,000	\$1,963,900	LI	\$16.50	\$789,657	\$1,270,000	\$2,059,700	\$95,800	\$2.00	\$60,466	\$1.26	
P-032	4495400200	https://epip.co.pierce.wa.us/cf1XXX	Valentine Ave SE	LAKE PROPERTIES LLC	PO BOX 1751	SUMNER	WA	98390-0370	1.66	72,393	155	0	-	LI	\$14.50	\$1,049,699	\$0	\$1,049,700	LI	\$16.50	\$1,194,485	\$0	\$1,194,500	\$14,800	\$2.00	\$91,394	\$1.26	
P-034	4495400212	https://epip.co.pierce.wa.us/cf1799	799 Valentine Ave SE	ALLWEST PROPERTY MANAGEMENT LLC	799 VALENTINE AVE SE	PACIFIC	WA	98047-2124	1.96	85,377	180	9,300	1978/2005	LI	\$14.50	\$1,237,967	\$0	\$1,238,000	LI	\$16.50	\$1,408,721	\$0	\$1,408,700	\$170,700	\$2.00	\$107,741	\$1.26	
P-035	4495400213	https://epip.co.pierce.wa.us/cf1826	826 Valentine Ave SE	PACIFIC SOUTHERN LLC	29710 66TH AVE S	AUBURN	WA	98001-3001	4.71	205,168	424	0	-	LI	\$14.50	\$2,974,936	\$0	\$2,974,900	LI	\$16.50	\$3,385,272	\$0	\$3,385,300	\$410,400	\$2.00	\$259,033	\$1.26	
P-036	4495400063	https://epip.co.pierce.wa.us/cf1828	828 Valentine Ave SE	LCI PARTNERS LLC	11001 E MONTGOMERY DR	SPOKANE VALLEY	WA	99206-4714	2.85	124,146	275	20,200	2009	LI	\$14.00	\$1,738,044	\$1,330,000	\$3,068,000	LI	\$16.00	\$1,986,336	\$1,330,000	\$3,316,300	\$248,300	\$2.00	\$156,720	\$1.26	
P-037	4495400062	https://epip.co.pierce.wa.us/cf1824	824 Valentine Ave SE	C-W WASHINGTON LAND COMPANY LLC	101 WHITNEY RD	ANCHORAGE	AK	99501-1614	1.8	78,202	182	960	1999/2001	LI	\$14.75	\$1,153,480	\$0	\$1,153,500	LI	\$16.75	\$1,309,884	\$0	\$1,309,900	\$156,400	\$2.00	\$98,715	\$1.26	
P-038	0420025002	https://epip.co.pierce.wa.us/cf1114	114 Roy Rd SW	G & J RICHARDS FAMILY LLC	144 ROY RD SW	PACIFIC	WA	98047	6.60	287,496		1,600	1990	LI	\$14.00	\$4,024,944	\$0	\$4,024,900	LI	\$14.50	\$4,168,692	\$0	\$4,168,700	\$143,800	\$0.50	\$90,762	\$0.32	
P-039	0420025001	https://epip.co.pierce.wa.us/cf1192	192 Roy Rd SW	KEATING RYAN KELLY	192 ROY RD SW	PACIFIC	WA	98047-2135	1.53	66,646		1	1930	LI	\$12.00	\$799,752	\$0	\$799										

Sumner-Pacific LID - Pacific Portion

LID No.	Pierce County Tax Parcel No.	County Link	Property Address	Taxpayer Name	Taxpayer Mailing Address	Taxpayer City	Taxpayer State	Taxpayer Zip Code	Land Size (acres)	Land Size (sf)	Valentine Ave SE/ 136th Ave E (ff)	Total Building Area (sf)	Year Built	Zoning	Without LID				With LID				Summary							
															Highest and Best Use Without LID	Land Value/SF	Land Value	Improvement Value	Market Value Without LID	Highest and Best Use With LID	Land Value/SF	Land Value	Improvement Value	Market Value With LID	Special Benefit	Special Benefit/SF	Total Assessment	Assessment/SF		
P-126	4495400683	https://epip.co.pierce.wa.us/cf/1111 Nyberg Rd SW	111 NYBERG RD SW	BOSS INTERNATIONAL LLC	111 NYBERG RD SW	PACIFIC	WA	98047	2	87,120		3,283	1960-2003	LI	LI	\$14.00	\$1,219,680	\$290,000	\$1,509,700	LI	\$14.50	\$1,263,240	\$290,000	\$1,553,200	\$43,500	\$0.50	\$27,456	\$0.32		
P-127	4495400641	https://epip.co.pierce.wa.us/cf/1282 Valentine Ave SE	1282 Valentine Ave SE	VALENTINE TWO LLC	PO BOX 1489	SHELTON	WA	98584	1.48	64,294	155	1	1950	LI	LI	\$14.25	\$916,190	\$0	\$916,200	LI	\$16.25	\$1,044,778	\$0	\$1,044,800	\$128,600	\$2.00	\$81,169	\$1.26		
P-128	4495400640	https://epip.co.pierce.wa.us/cf/1326 Valentine Ave SE	1326 Valentine Ave SE	CASCADE ANIMAL PROTECTION SOCIETY	PO BOX 2085	SUMNER	WA	98390-0460	2.32	101,059	244	2,438	1970	LI	LI	\$14.25	\$1,440,091	\$0	\$1,440,100	LI	\$16.25	\$1,642,209	\$0	\$1,642,200	\$202,100	\$2.00	\$127,560	\$1.26		
P-129	4495400650	https://epip.co.pierce.wa.us/cf/1374 Valentine Ave SE	1374 Valentine Ave SE	WHYSS LLC	1374 VALENTINE AVE SE	PACIFIC	WA	98047-2105	1.47	63,952	156	2,822	1987-2015	LI	LI	\$14.25	\$911,316	\$0	\$911,300	LI	\$16.25	\$1,039,220	\$0	\$1,039,200	\$127,900	\$2.00	\$80,727	\$1.26		
P-130	4495400661	https://epip.co.pierce.wa.us/cf/1390 Valentine Ave SE	1390 Valentine Ave SE	SCHEIDT ROBERT & JOY	9400 JOHNSGOLD CT	YAKIMA	WA	98903	1.52	66,427	157	2,850	1999	LI	LI	\$14.25	\$946,585	\$140,000	\$1,086,600	LI	\$16.25	\$1,079,439	\$140,000	\$1,219,400	\$132,800	\$2.00	\$83,819	\$1.26		
P-131	4495400662	https://epip.co.pierce.wa.us/cf/1414 Valentine Ave SE	1414 Valentine Ave SE	PCM HOLDINGS LLC	33345 STATE ROUTE 20	OAK HARBOR	WA	98277-8718	1.71	74,413	179	0	0	LI	LI	\$14.25	\$1,060,385	\$0	\$1,060,400	LI	\$16.25	\$1,209,211	\$0	\$1,209,200	\$148,800	\$2.00	\$93,918	\$1.26		
P-132	4495400663	https://epip.co.pierce.wa.us/cf/1446 Valentine Ave SE	1446 Valentine Ave SE	PAC-3 LLC	2825 S 154TH ST	SEATTLE	WA	98188	3.03	131,986	315	1	1951	LI	LI	\$14.50	\$1,913,797	\$0	\$1,913,800	LI	\$16.50	\$2,177,769	\$0	\$2,177,800	\$264,000	\$2.00	\$166,629	\$1.26		
P-133	4495400664	https://epip.co.pierce.wa.us/cf/1508 Valentine Ave SE	1508 Valentine Ave SE	PAC-3 LLC	2825 S 154TH ST	SEATAC	WA	98188-2034	4.79	208,652	455	15,992	2004/2005	LI	LI	\$14.50	\$3,025,454	\$1,240,000	\$4,265,500	LI	\$16.50	\$3,442,758	\$1,240,000	\$4,682,800	\$417,300	\$2.00	\$263,388	\$1.26		
P-134	0420013057	https://epip.co.pierce.wa.us/cf/1287 Valentine Rd SE	1287 Valentine Rd SE	GAME FARM SIX LLC	PO BOX 1489	SHELTON	WA	98584	1.17	50,794	192	3,568	2010	LI	LI	\$14.00	\$711,116	\$250,000	\$961,100	LI	\$17.00	\$863,498	\$250,000	\$1,113,500	\$152,400	\$3.00	\$96,190	\$1.89		
P-136	4495400461	https://epip.co.pierce.wa.us/cf/1303 Valentine Ave SE	1303 Valentine Ave SE	PETRO PACIFIC ASSOCIATES LLC	4023 WILLIAMS AV N	RENTON	WA	98056	1.78	77,652	296	1	1998	LI	LI	\$14.00	\$1,087,128	\$170,000	\$1,257,100	LI	\$17.00	\$1,320,084	\$170,000	\$1,490,100	\$233,000	\$3.00	\$147,063	\$1.89		
P-137	4495400475	https://epip.co.pierce.wa.us/cf/1335 Valentine Ave SE	1335 Valentine Ave SE	NORWOOD LANE 1 & 2 LLC	1335 VALENTINE AV SE	PACIFIC	WA	98047-2105	1.07	46,637	158	20,000	1989/1996	LI	LI	\$14.00	\$652,918	\$1,280,000	\$1,932,900	LI	\$16.50	\$769,511	\$1,280,000	\$2,049,500	\$116,600	\$2.50	\$73,595	\$1.58		
P-138	4495400477	https://epip.co.pierce.wa.us/cf/1205 136th Ave E	1205 136th Ave E	NORWOOD LANE 3 LLC	917 SHAW RD	PUYALLUP	WA	98372-7436	1.21	52,638	156	0	-	LI	LI	\$14.00	\$736,932	\$0	\$736,900	LI	\$16.50	\$868,527	\$0	\$868,500	\$131,600	\$2.50	\$83,062	\$1.58		
P-139	4495400476	https://epip.co.pierce.wa.us/cf/1205 136th Ave E	1205 136th Ave E	NORWOOD LANE 1 & 2 LLC	1335 VALENTINE AV SE	PACIFIC	WA	98047-2105	1.02	44,506		7,000	2006	LI	LI	\$12.00	\$534,072	\$320,000	\$854,100	LI	\$12.50	\$556,325	\$320,000	\$876,300	\$22,200	\$0.50	\$14,012	\$0.31		
P-140	4495400478	https://epip.co.pierce.wa.us/cf/1205 136th Ave E	1205 136th Ave E	NORWOOD LANE 4 LLC	917 SHAW RD	PUYALLUP	WA	98372-7436	1.62	70,353		0	-	LI	LI	\$12.00	\$844,236	\$0	\$844,200	LI	\$12.50	\$879,413	\$0	\$879,400	\$35,200	\$0.50	\$22,217	\$0.32		
P-141	4495400491	https://epip.co.pierce.wa.us/cf/1407 Valentine Ave SE	1407 Valentine Ave SE	VALENTINE AVENUE LLC	1011 E MAIN SUITE 205B	PUYALLUP	WA	98372	0.61	26,551	141	1	2006	LI	LI	\$13.00	\$345,163	\$0	\$345,200	LI	\$16.00	\$424,816	\$0	\$424,800	\$79,600	\$3.00	\$50,241	\$1.89		
P-142	4495400492	https://epip.co.pierce.wa.us/cf/1433 Valentine Ave SE	1433 Valentine Ave SE	SCOTTLYNN GROUP LLC	1433 VALENTINE AVE SE STE 200	PACIFIC	WA	98047-2146	1.56	68,011	118	12,555	1995-2005	LI	LI	\$14.00	\$952,154	\$900,000	\$1,852,200	LI	\$16.00	\$1,088,176	\$900,000	\$1,988,200	\$136,000	\$2.00	\$85,839	\$1.26		
P-143	4495400481	https://epip.co.pierce.wa.us/cf/1449 Valentine Ave SE	1449 Valentine Ave SE	HERNANDEZ OSCAR A & LUZ M	1449 VALENTINE AVE SE	PACIFIC	WA	98047-2104	0.38	16,559	95	2,400	2002	LI	LI	\$14.00	\$231,826	\$70,000	\$301,800	LI	\$16.00	\$264,944	\$70,000	\$334,900	\$33,100	\$2.00	\$20,892	\$1.26		
P-144	4495400482	https://epip.co.pierce.wa.us/cf/1453 Valentine Ave SE	1453 Valentine Ave SE	REEDER MICHAEL R & LYNN	9615 29TH STREET CT E	EDGEWOOD	WA	98371-2155	0.33	14,344	82	0	-	LI	LI	\$15.00	\$215,160	\$0	\$215,200	LI	\$17.00	\$243,848	\$0	\$243,800	\$28,600	\$1.99	\$18,051	\$1.26		
P-145	4495400490	https://epip.co.pierce.wa.us/cf/1463 Valentine Ave SE	1463 Valentine Ave SE	REEDER MICHAEL R & LYNN M	9615 29TH STREET CT E	EDGEWOOD	WA	98371-2155	2.81	122,329	112	15,820	2004-2013	LI	LI	\$14.00	\$1,712,606	\$1,260,000	\$2,972,600	LI	\$15.25	\$1,865,517	\$1,260,000	\$3,125,500	\$152,900	\$1.25	\$96,506	\$0.79		
P-146	4495400501	https://epip.co.pierce.wa.us/cf/1493 Valentine Ave SE	1493 Valentine Ave SE	REEDER MIKE & LYNN	9615 29TH STREET CT E	EDGEWOOD	WA	98371-2155	1.95	85,141	161	0	-	LI	LI	\$14.00	\$1,191,974	\$0	\$1,192,000	LI	\$16.00	\$1,362,256	\$0	\$1,362,300	\$170,300	\$2.00	\$107,488	\$1.26		
P-147	4495400510	https://epip.co.pierce.wa.us/cf/1557 Valentine Ave SE	1557 Valentine Ave SE	HATCH AND SONS LLC	36104 W VALLEY HWY S	AUBURN	WA	98001-8567	0.48	20,785	81	1	1900/1975	LI	LI	\$11.00	\$228,635	\$0	\$228,600	LI	\$14.00	\$290,990	\$0	\$291,000	\$62,400	\$3.00	\$39,385	\$1.89		
P-148	4495400520	https://epip.co.pierce.wa.us/cf/1505 136th Ave E	1505 136th Ave E	NIGHT TRAIN LLC	1585 VALENTINE AV SE	PACIFIC	WA	98047	0.96	41,936	178	0	-	LI	LI	\$14.50	\$608,072	\$0	\$608,100	LI	\$17.00	\$712,912	\$0	\$712,900	\$104,800	\$2.50	\$66,147	\$1.58		
P-149	4495400531	https://epip.co.pierce.wa.us/cf/239 Nyberg St SE	239 Nyberg St SE	NIGHT TRAIN LLC	1585 VALENTINE AV SE	PACIFIC	WA	98047	2.61	113,692		2,880	2015	LI	LI	\$13.00	\$1,477,996	\$340,000	\$1,818,000	LI	\$14.00	\$1,591,688	\$340,000	\$1,931,700	\$113,700	\$1.00	\$71,764	\$0.63		
P-150	4495400540	https://epip.co.pierce.wa.us/cf/13515 16th St E	13515 16th St E	NIGHT TRAIN LLC	1585 VALENTINE AV SE	PACIFIC	WA	98047	0.63	27,281	132	0	-	LI	LI	\$15.00	\$409,215	\$0	\$409,200	LI	\$18.00	\$491,058	\$0	\$491,100	\$81,900	\$3.00	\$51,693	\$1.89		
															Without LID Total				With LID Total				Summary							
															\$126,282,400				\$136,216,400				\$9,934,000				\$6,270,052			

Market Value Without (Before) LID	\$126,282,400
Market Value With (After) LID	\$136,216,400
Difference Special Benefit Total	\$9,934,000
LID Assessment (Cost) Amount	\$6,270,052
Cost / Benefit Ratio	63.12%

Summary of Final Special Benefit Study and Assumptions Forming the Basis of Recommended Final Assessments City of Sumner/Pacific LID Number 6---Valentine Avenue SE/136th Avenue E Local Improvement District Project

Introduction

Utilizing limited assignment mass appraisal techniques, the special benefit study involves appraisal of the market value of the fee simple interest in each subject parcel without the local improvement district (LID) being completed and with the completion of the LID. The difference in market value, if any, of each parcel without and with the LID is the special benefit to the individual parcels because of the project. The terms "without" and "with" are used instead of "before" and "after" to remove the inference of a time interval between the two value estimates. The meaning of the two sets of terms is identical.

Client and Intended Users

The clients are the cities of Sumner and Pacific. Intended users of this report are the cities of Sumner and Pacific, their duly appointed representatives and owners of property within the LID boundary.

Purpose and Intended Use of the Study

The purpose and intent of this study is to estimate recommended final assessments to assist the cities of Pacific and Sumner in allocating appropriate, proportionate assessments to each tax parcel within the LID boundary that is specially benefited by the project described herein. To accomplish this objective, estimates of market value of the fee simple interest in each of the parcels within the boundary, based on respective highest and best use, are made, both without and with completion of the LID project as of the date of this special benefit study. A spreadsheet comprising a roll of recommended final assessments has been prepared at the request of the client and is located near the front of this report.

Exposure Period

An exposure period is the estimated length of time the property interest being appraised has been offered on the market prior to a hypothetical sale at market value as of the effective appraisal date. Based on review of comparable sales and discussions with market participants, exposure period for various parcels within the LID boundary is estimated at 6 to 9 months.

Washington State Definition of Market Value

"Fair market value" is the amount in cash which a well-informed buyer willing, but not obliged to buy the property, would pay, and which a well-informed seller willing but not obligated to sell it, would accept, taking into consideration all uses to which the property is adapted and might in reason be applied (Washington Pattern Instruction 150.08).

Definition of Fee Simple Interest

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 Appraisal of Real Estate", Fourteenth Edition, 2013, Appraisal Institute, page 354).

Highest and Best Use

"Highest and best use" is the most fundamental premise upon which estimations of market value are based. According to "The Appraisal of Real Estate" (Fourteenth Edition, 2013), highest and best use is defined as:

... "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. Alternatively, the probable use of land or improved property – specific with respect to the user and timing of the use – that is adequately supported and results in the highest present value."

The primary reason for estimating the highest and best use of land as vacant is to estimate land value. If there is an existing improvement on the site, the land is viewed as though vacant. A conclusion is then reached as to what use creates the highest residual to the land or the highest land value. It is then possible to identify comparable sales of vacant land.

Highest and best use of property as improved considers the existing improvements and estimates whether they represent the maximally productive use or create the highest market value. If not, a decision must be made as to whether the improvements should be expanded, renovated, converted or razed to make way for that use which produces the highest return to an investor.

Market sale prices often indicate that an increase in the value of real property within the LID boundary occurs as a result of a proposed project. This anticipatory increment in value is called project enhancement and, as in eminent domain procedures, is not included in the estimate of value without, or before, the LID project. The market value estimate with the LID project assumed completed within a reasonable time recognizes changes in locational characteristics, intensity of use and value resulting from the project.

Interim Use and Interim Value

The use that a site or improved property is put to until it is ready for its highest and best use has traditionally been known as the *interim use*. An interim use is not the highest and best use of the property at the present time, and it should not be represented as the subject property's current highest and best use. Rather, the current highest and best use of a property with an interim use would be to leave the property as is until land value rises to a level that modification of the interim use (or demolition of the improvements and redevelopment for some other use) is financially feasible. An interim use may or may not contribute to value until the highest and best use of the property can be achieved.

Anticipatory Use and Market Value

In some instances, highest and best use of a parcel of land or an improved property may be anticipatory investment. Anticipatory highest and best use of unimproved land would be to remain vacant until development is justified by market demand, which occurs frequently when real estate markets are oversupplied. For many parcels, however, achieving the highest and best use requires some change or improvement which may be provided by the LID project.

Within this analysis, anticipatory use reflects the current market's anticipation of intensity of use as measured by buyers and sellers in the marketplace both without and with the LID project. Market value for an anticipatory use is not an estimate of projected future value but reflects the current market for real estate based on its highest and best use. Anticipatory use resulting in project enhancement is not recognized in the valuation of real estate under the "without LID" premise.

Special Benefit

A special benefit is defined as a specific, measurable increase in value of certain real property in excess of enhancement to the general area (and benefiting the public at large) due to a public improvement project. It is measured as the difference, accruing by reason of the LID project, between market value of each parcel studied, without the LID project, and market value of the same parcel with the LID project completed and as of the same time frame. For this analysis, the date of valuation is February 22, 2019.

Enabling legislation providing for authority to levy assessments by an LID is statutory in Washington State. All assessments must meet two criteria: (1) the amount of an assessment on a particular parcel may not materially exceed the special benefit to that parcel and (2) all assessments within the district must be fair and in rough proportion to all other assessments.

Final Special Benefit/Proportionate Assessment Study Methodology

Special benefit accrues to affected properties due to the project by enhancing traffic flow and circuitry, together with improving the neighborhood's reputation, aesthetic appeal and character, and creating a more desirable location for commercial property and industrial owners and tenants. Furthermore, frontage improvement requirements for parcels fronting along Valentine Avenue SE/136th Avenue E are completed by the LID project. Typically, special benefit to property is reflected in the underlying land value. As the result of a project like this one, the market will pay a higher

price for land; in this instance, probable increases in land value are primarily due to the aforementioned factors.

In order to estimate the costs which a typical property owner/developer/investor would incur in the absence of the proposed project, information obtained from the city was reviewed. Recent sales of comparable commercial and industrial land, together with local commercial lease rates, were researched. Supply and demand information, as well as vacancy rates and absorption costs pertaining to the local commercial and industrial markets, were considered.

At a minimum, the owners of property within the LID would be required to construct street frontage improvements and storm drainage to applicable city standards. In addition to meeting development requirements, the project provides improved traffic flow through the project area as well as enhanced aesthetics and neighborhood reputation. These factors have been considered in the analysis.

The final special benefit study uses mass appraisal techniques and is reported in a summary format including narrative and tabular presentation. This report is intended to comply with Standard 6 of the Uniform Standards of Professional Appraisal Practice (USPAP) promulgated by the Appraisal Foundation for a summary mass appraisal report. As such, it includes limited discussions of the data, reasoning and analyses utilized in the valuation process; supporting documentation is retained in the appraiser's files. The depth of discussion is specific to the needs of the clients and for the intended use stated herein. The report conforms to the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, which include USPAP, as well as additional reporting requirements discussed. The aggregate conclusions presented are subject to specific assumptions and limiting conditions. The first estimate is of market value without the project and the second is with the project assumed completed as of the same time frame. The increase in value, if any, is the special benefit accruing to that parcel due to the project.

Total estimated LID-funded project cost is \$4,299,073 for the City of Sumner and \$6,270,052 for the City of Pacific. Totaling the special benefit estimates for all affected parcels and dividing the sum by the total project cost results in a cost/benefit ratio of 74.44% for the City of Sumner and 63.12% for the City of Pacific.

Recent sales of comparable commercial and industrial land, together with local commercial and industrial lease rates, were researched. Supply and demand information, as well as vacancy rates and absorption costs pertaining to the local commercial and industrial markets, were considered. Where possible, developers/real estate brokers familiar with the subject vicinity were interviewed to obtain perspectives on the LID project and its influence on property values.

On the final assessment roll spreadsheet, the ownership of each parcel listed with a recommended final assessment is an assessable entity and special benefit is attributed to all assessable properties specially benefited by the project.

Aspects of property considered as a "parcel" include (a) the economic unit, (b) the physically contiguous unit and (c) the continuity of ownership. As required by state law, recommended assessments for parcels comprised of more than one county tax lot are segregated into individual tax parcels. It should be emphasized that the individual parcels, as defined above, are the entities to which the special benefits accrue and against which the assessments are levied. Division of the recommended assessments into tax lots used by the Pierce County Assessor Treasurer's office, artificial boundaries from an appraisal standpoint, are made to comply with state law requirements.

Definition of Local Improvement District

An LID is a defined geographical area with a specific improvement of a public nature which provides a special benefit to the real property within its boundaries. The increase in market value of each ownership provides for all or a portion of the cost of improvements to be paid by the owners of benefited property over a period of time, usually 10 to 20 years.

LID Boundary

As shown on the maps at the beginning of this report, the LID boundary extends west to SR 167 and east to the Union Pacific railroad tracks. In the City of Pacific, County Line Road roughly defines the northern boundary with the southern boundary located in the vicinity of 24th Street E in Sumner. Within the LID, 16th Street E separates the cities of Pacific (to the north) and Sumner (to the south).

Date of Valuation

The effective date of the applicable land use regulations and valuation analysis utilized in this report is February 22, 2019.

Primary Phases of the Assignment

Valbridge | Puget Sound (formerly Macaulay and Associates, Ltd.) was requested by the clients to perform the following tasks:

1. Estimate special benefit to each affected parcel.
2. Prepare a final assessment roll including map number, ownership, land area, estimated market value without and with the project, estimated special benefit and special benefit per square foot, for each affected parcel.
3. Prepare a final special benefit/proportionate assessment study report summarizing pertinent findings.

Significant Factors and Extraordinary Assumptions Utilized in the Study

An extraordinary assumption is defined as that which, if found to be false, could alter the opinion of market value. It presumes as fact otherwise uncertain information about the legal, physical or

economic characteristics of the subject properties. Significant factors and extraordinary assumptions include:

1. Both “without” and “with” the project, there is adequate water and sewer service available to all properties within the LID boundary, allowing development/redevelopment to each parcel’s highest and best use.
2. Development of all parcels is subject to the cities’ zoning codes, comprehensive plans, sensitive areas ordinances and other applicable land use regulations.
3. Consideration is given to location, zoning, highest and best use and physical characteristics of the subject parcels and their relationship to the LID project.
4. Public improvements and the time required to obtain development permits for each parcel without and with the LID project are considered. In this instance half-street improvements (at a minimum) would be required for property fronting on Valentine Avenue SE/136th Avenue E in the cities. Additionally, absent the LID, the owners of non-frontage property, with the exception of property south of 24th Street E, would be required to pay mitigation fees towards improvements to Valentine Avenue SE/136th Avenue E within the LID boundary area.
5. An investigation was made of the economic use and outlook, probable land use, relative location and intensity of use for each parcel. Comparative analysis is made between the base study and each parcel, without and with the influence of the LID.
6. Special benefit to parcels with building improvements is derived from the difference in intensity of use and market value, based on overall highest and best use, without and with the LID project.
7. Existing easements and rights-of-way affecting individual parcels are the same, both without and with the LID project.

Hypothetical Conditions

A hypothetical condition is that which is contrary to what exists, but is supposed for purposes of analysis. For this study, market value of each parcel is estimated without the LID and again assuming that the LID project has been completed. Prevailing market conditions and some real estate transactions involving the subject parcels reflect degrees of anticipation; consequently, market sales of various subject parcels contain elements of “without” and “with” sale conditions. When used in the analysis, adjustments are made to reflect current market conditions.

Legal Description of Project

The local improvement district is located in Sections 1, 2, 11 and 12 of Township 20 North, Range 4 East, W.M., in the cities of Pacific and Sumner, Pierce County, WA. A complete narrative legal description of the entire LID project area was not provided.

Scope of Study

As part of this assignment, the appraiser made a number of independent investigations and analyses. Regional and neighborhood analysis included examination of Pierce County, City of Pacific and City of Sumner data including demographic information, land use policies and trends, growth forecasts and employment statistics.

Project improvement descriptions were obtained from the cities of Pacific and Sumner, Pierce County Assessor's records and by field inspection of the exterior of the subject parcels. The analysis included review of the cities' zoning data and land use regulations. Individual parcel land areas are based on the Pierce County Assessor's records.

Three valuation approaches (each of which encompasses various techniques) consisting of the Income Approach, Sales Comparison Approach and Cost Approach were considered, where appropriate, in the valuation estimates for each property, both without and with the LID project.

Income (rent) and expense information was gathered from property owners, managers, real estate agents and brokers. Other sources including various current publications such as the Puget Sound Business Journal, CoStar market reports, CB Richard Ellis market reports, GVA Kidder Mathews market reports and JLL market reports. .

Comparable sales and other market information was obtained from public records, individual buyers and sellers, local Realtors, developers and area property managers. Significant sales data was selected and confirmed with individuals directly involved in the transactions such as buyers, sellers, real estate agents or lenders. Pertinent data was analyzed and used as a basis for valuation conclusions. Construction cost information was based on review of the Marshall Valuation Service Handbook, a nationally recognized cost-reporting authority, and discussions with knowledgeable local commercial contracting companies.

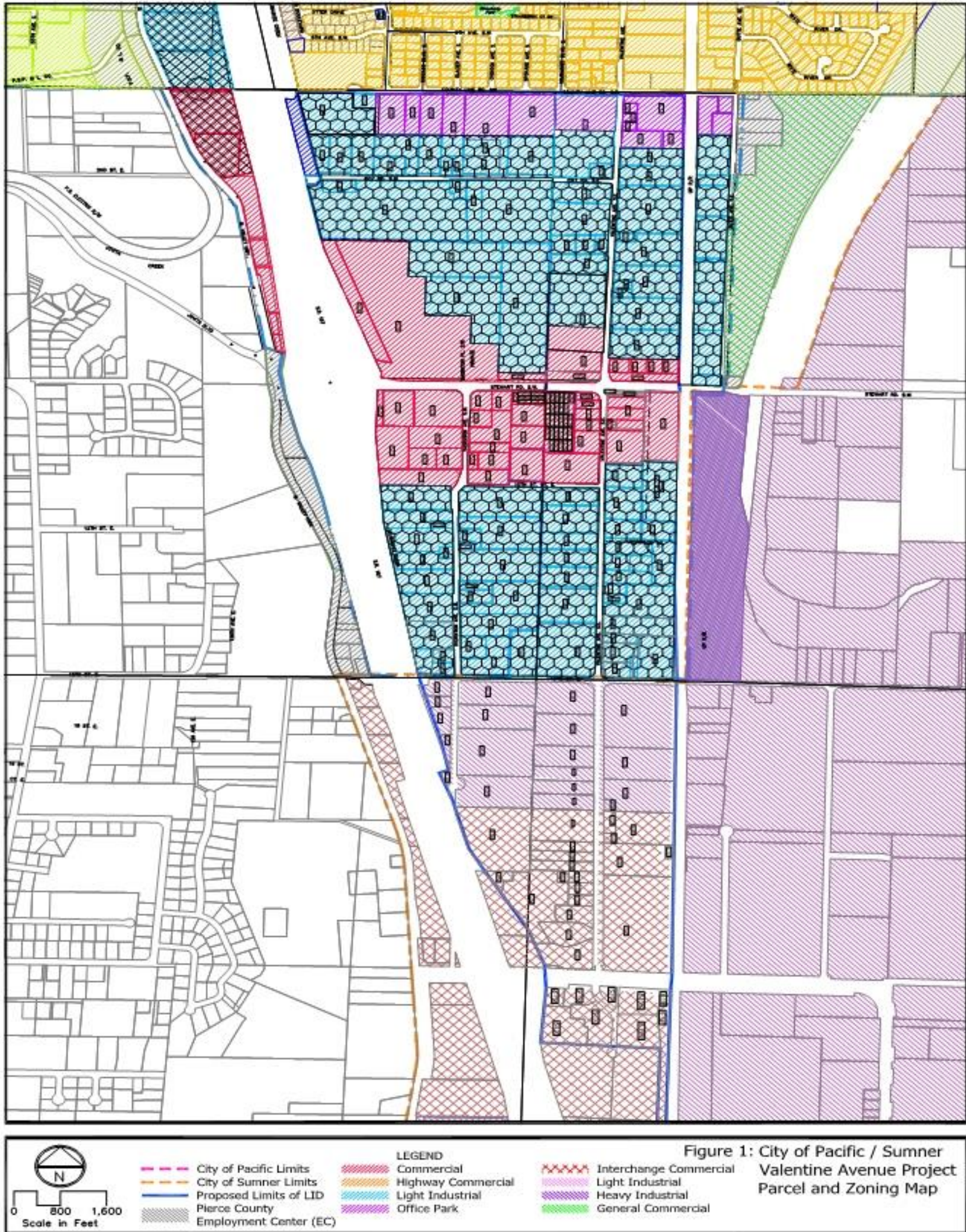
As stated, individual appraisal reports for each affected property are not prepared. Market value conclusions for each parcel both without and with the LID completed are shown on the spreadsheet located near the front of this report.

Parcel Descriptions

Based on Pierce County Assessor's records, descriptions of site and improvement characteristics for each parcel within the LID boundary have been assembled. Summary data is contained in the spreadsheet and more detail can be found in the analyst's work files. Copies of last conveyance deeds of record are also in the files and available to the clients upon request.

Zoning Map

S:\PUBLIC WORKS\218875 - TRANSPORTATION\218875\180700 - Valentine Avenue\218875\2019\Property Owner\21887501 - Parcel Map\218875 - 2019\218875.dwg, 3/12/2019 9:27:21 AM, A604.rvt



Zoning Designations

Zoning designations for the individual LID parcels are listed on the spreadsheet at the beginning of this report. The table below presents details of the various classifications by each of the two city jurisdictions, beginning with the three classifications in the Pacific portion of the project, to the north, followed by the two classifications found in the Sumner portion, to the south. All the current zoning designations in both cities comply with their respective comprehensive plans.

City of Sumner Light Manufacturing

The northerly half (roughly) of the LID parcels within the City of Sumner are zoned M-1, Light Manufacturing (used interchangeable with Light Industrial). This industrial area, as in the City of Pacific, is subject to the MIC overlay (MICO) in addition to the M-1 requirements. Both cities also have a designated MIC zone, with boundaries that differ slightly from the MICO (see zoning map). Per Ryan Windish, Sumner Community Development Director, 253-299-5524, ryanw@sumnerwa.gov, the difference between the MIC zone and areas with the MIC overlay has to do with whether certain retail uses are allowed.

The M-1 district is intended to provide areas for light manufacturing, general industrial activities, warehousing and limited service commercial uses that are complementary and are not detrimental to either existing or proposed industrial uses, or neighboring commercial and residential districts. Typical uses in this district include assembling and manufacturing of products from previously prepared material and may include planned industrial parks which are designed to ensure compatibility between the industrial operations therein and the existing activities and character of the community in which the park is located.

Some of the primary allowed uses in the Light Manufacturing zone are: adult entertainment businesses; agricultural activities; battery storage, distribution and processing businesses; contractor businesses; indoor sports facilities; enclosed sports facilities; enclosed salvage and wrecking operations; existing residential dwellings; hotels and motels; indoor kennels; lumber and wood products manufacturing or assembly; major utility facilities; medical equipment manufacturing; prepared metal processing and assembly; professional and business offices, restaurants with no bar; sales and rental of heavy machinery and equipment; service stations; soil mixing; storage/warehouse and distribution facilities; taverns, micro-breweries, brewpubs and bars; tow truck operations; truck terminals; utility yards; major vehicle repair; vocational and art schools; churches, and other general commercial uses not otherwise listed. Accessory and conditional uses are listed in the matrix in Section 18.18.020 of the Sumner Zoning Code. Primary permitted uses within the MICO are limited to less than 10,000 square feet of gross floor area per development site, unless it is an accessory use.

There are no minimum lot area or lot width requirements in the light manufacturing zone; building setbacks are 10 feet (or per state requirement) from state highways, 30 feet from major arterials and 25 feet from other roads. There are no side or rear setbacks and maximum building height is 50 feet. Maximum lot coverage is governed by Chapter 20.72; other regulations concerning parking, signs, etc. are set out in Chapter 20.56 of the zoning code.

City of Sumner Interchange Commercial

In the northwestern portion of the city, roughly the southern half of that portion of the LID within the City of Sumner is zoned Interchange Commercial (IC). The IC district is intended to provide for retailing and other commercial services that are easily accessible from the freeway yet are not located near residential districts. Such commercial developments primarily rely on the automobile as their principal source of access.

A wide variety of commercial uses are primary permitted in the IC zone. Some of these are: adult entertainment businesses, artists' studios and workshops with a retail component; automotive and motorized vehicles sales; banks, business and professional offices; business and consumer services; car washes; wireless communication facilities; churches; contractor businesses; convenience stores; dancehalls; drive-through businesses, including coffee; existing residential dwellings; family day care homes; service stations; health and fitness clubs; heavy equipment and/or boat sales; hotels, bed and breakfasts and tourist homes; light to medium equipment sales; mass transit systems; medical and dental services; mini warehouses; minor utility facilities; motels, multifamily dwellings (many different types); personal service businesses; private clubs, recycling collection stations; restaurants, retail businesses; taverns, micro-breweries, brewpubs and bars; theaters and other enclosed commercial recreation establishments; truck-related retail and services; unenclosed commercial recreation establishments; minor vehicle repairs, veterinary clinics, vocation or fine arts schools; car rental agencies and funeral homes, mortuaries, and funeral parlors. Accessory and conditional uses are listed in the matrix in Section 18.16.020 of the Sumner Zoning Code.

The minimum required lot area per building site in the Interchange Commercial zone is 5,000 SF. Minimum lot width is 50 feet and minimum depth is 100 feet. Minimum front yard setback is 15 feet, rear yard setback is 20 feet and interior side yard setback is 15 feet. There is a 10-foot required landscaped setback along any common boundary with residentially zoned property. Minimum street frontage is 35 feet and maximum lot coverage is 80%. Maximum building height is 45 feet.

City of Pacific Office Park

Along the south side of County Line Road, at the north end of the LID area in the City of Pacific, zoning is Office Park (OP) for the entire tier of parcels with the exception of Map Nos. P-001. The office park district is intended to provide for those business uses of a professional office, wholesale, fabrication, and distribution nature which are capable of being constructed, maintained and operated in a manner uniquely designed to be compatible with adjoining residential, commercial or other less intensive land uses. Retail businesses and restaurants primarily servicing employees of the office park are also consistent with the purpose of the district.

Primary permitted uses include administrative and professional offices; administrative government facilities and services; business services; communication or cellular facilities; day-care centers; eating and drinking establishments; electric vehicle infrastructure (i.e., charging stations); some food stores; health services; intermediate manufacturing and intermediate/final assembly; pet sales and services; pipelines; planned commercial developments (in accordance with Chapter 20.69 of the zoning code); postal services; printing, publishing and related industries; public safety services; nonprofit

recreational facilities; sewage and stormwater collection facilities; water supply facilities and some wholesale trade. Accessory uses are as outlined in Section 20.54.020.A of the city's zoning code. Conditional uses are listed in Section 20.54.030 of the code.

There are no minimum lot area or lot width requirements; building setbacks are 30 feet from state highways and major arterials and 25 feet from other roads. No side or rear setbacks are required unless abutting a residentially-zoned parcel, in which case a 40-foot wide setback is required. Maximum building height is 30 feet or two and one-half stories. There is no maximum lot coverage requirement; other regulations concerning parking, signs, etc. are set out in Chapter 20.54 of the zoning code.

City of Pacific Light Industrial

Immediately south of the area zoned Office Park is a block of parcels zoned Light Industrial (LI) by the City of Pacific. As shown on the zoning map, this entire region of LI zoning is covered by an overlay called MICO, Manufacturing/Industrial Core Overlay. The MICO is an overlay zone where limited additional or alternate regulations apply, as noted in Chapter 20.60 of the zoning code. The intent of the MICO is to apply additional restrictions on uses that may be incompatible with current manufacturing and industrial uses, and the intensification of these uses in the future, consistent with the City of Pacific Comprehensive Plan. On the more southerly LID area zoned LI (see zoning map), all the LID parcels are also subject to the MICO. Additionally, both cities have a designated MIC zone, with boundaries that differ slightly from the MICO (see zoning map). Per Ryan Windish, Sumner Community Development Director, 253-299-5524, ryanw@sumnerwa.gov, the difference between the MIC zone and areas with the MIC overlay has to do with whether certain retail uses are allowed.

The light industrial district is intended for those industrial uses that can be completely performed on the site with minimum impact to the surrounding neighborhood. They require a high degree of landscaping and buffering, especially from adjacent residential uses. The district is intended for a wide range of light manufacturing and related uses and is typically appropriate to sites with good rail or highway access.

Primary permitted uses include administrative and professional offices; administrative government facilities and services; agricultural services; building materials and garden supplies; business services; recycling centers; communication or cellular facilities; contractor yards; some crop production; day-care centers; eating and drinking establishments; electric vehicle infrastructure (i.e., charging stations); some food stores; food and related products; forestry; health services; industrial services and repair; intermediate manufacturing and intermediate/final assembly; mobile, manufactured, and modular home and office sales; motion picture/television and radio production studios; motor vehicles and related equipment sales/rental/repair and services; natural gas facilities; pet sales and services; pipelines; planned commercial developments (in accordance with Chapter 20.69 of the zoning code); postal services; printing, publishing and related industries; public safety services; nonprofit recreational facilities; recycling processing; rental and repair services; sales of general merchandise; sewage and stormwater collection facilities; transportation; utility or public maintenance facilities; warehousing, distribution and freight movement; waste transfer facilities;

water supply facilities and some wholesale trade. Accessory uses are as outlined in Section 20.60.020.1 of the city's zoning code. Conditional uses are listed in Section 20.60.030 of the code. Primary permitted uses with the MICO are limited to less than 10,000 square feet of gross floor area per development site unless it is an accessory use.

There are no minimum lot area or lot width requirements; building setbacks are 10 feet (or per state requirement) from state highways, 25 feet from major arterials and 22 feet from other roads. No side or rear setbacks are required unless abutting a residentially-zoned or a residential use parcel, in which case there are various requirements as set forth in Chapter 20.60. Maximum building height is 45 feet. There is no maximum lot coverage requirement; other regulations concerning parking, signs, etc. are set out in Chapter 20.60 of the zoning code.

City of Pacific Commercial

Between the two blocks of LI zoning discussed above is an area, situated both north and south of Stewart Road SW, that is zoned Commercial (C). The Commercial zone is intended for those uses which serve a larger public than the immediate neighborhood, including manufacturing, light industrial, retail and office uses. These uses are intended to have access to major arterials and State Route 167, and which may generate traffic on adjacent streets. Parking requirements are generally greater than for neighborhood uses. Uses found in this district include a wide range of retail sales, service and light industrial establishments serving both long-term and short-term needs in locations typically appropriate to commercial clusters near intersections or along major thoroughfares.

Primary permitted uses in the Commercial zone include administrative and professional offices; administrative government facilities and services; adult family homes; agricultural sales and services; amusement and recreation; battery exchange stations; building materials and garden supplies; business services; recycling centers; commercial centers; communication or cellular facilities; community and cultural services; contractor yards; some crop production; day-care centers; eating and drinking establishments; educational facilities; electric vehicle infrastructure (i.e., charging stations); family day care; some food stores; food and related products; forestry; health services; industrial services and repair; intermediate manufacturing and intermediate/final assembly; lodging; mobile, manufactured, and modular home and office sales; motion picture/television and radio production studios; motor vehicles and related equipment sales/rental/repair and services; natural gas facilities; personal services; pet sales and services; pipelines; planned commercial developments (in accordance with Chapter 20.69 of the zoning code); postal services; printing, publishing and related industries; public safety services; nonprofit recreational facilities; recycling processing; rental and repair services; sales of general merchandise; sewage and stormwater collection facilities; storage; transportation; utility or public maintenance facilities; warehousing, distribution and freight movement; waste transfer facilities; water supply facilities and some wholesale trade. Accessory uses are as outlined in Section 20.60.020.1 and conditional uses are listed in Section 20.56.030 of the code.

There are no minimum lot area or lot width requirements in the commercial zone; building setbacks are 10 feet (or per state requirement) from state highways, 30 feet from major arterials and 25 feet from other roads. There are no side or rear setbacks and maximum building height is 50 feet. Maximum lot coverage is governed by Chapter 20.72; other regulations concerning parking, signs, etc. are set out in Chapter 20.56 of the zoning code.

Valuation Summary

The Valentine Avenue SE/136th Avenue E corridor project is needed in order for vacant land to be improved to its highest and best use. Additionally, older improvements near the end of their economic life could not be renovated or redeveloped without the LID project. Building development and expansion of properties with excess land also would not be allowed without the LID project. Recognizing these factors, the impact on property value is reflected in the underlying land value and most emphasis is placed on this valuation basis. Additionally, rental rates for office, retail and industrial properties within the LID boundary and in the subject vicinity (cities of Pacific and Sumner) were analyzed in conjunction with land value estimates. Sales of comparably improved property were also researched and utilized in the valuation process. Contribution value of the improvements was estimated, but because any value change to the improvements was not measurable as a result of the LID project, they are not discussed herein. Estimates of value without and with the project (i.e., estimated special benefit) are briefly summarized below and shown in more detail for each affected parcel in the spreadsheet starting following page 8. Due to the limited scope of this assignment, individual appraisal reports are not prepared and only the following brief summary of findings is presented.

As discussed in the market data sections (see Addenda), strong demand and limited supply of available land is putting upward pressure on land values in the subject LID area and throughout the South King County market. This is evidenced by the recent acquisition and development of Pacific Logistics Industrial North and South along Valentine Avenue SE in the City of Pacific (Map Nos. P-009 and P-052).

Without the LID

Without the LID project, any new development of vacant land or substantial renovation of existing improvements located along Valentine Avenue SE/136th Avenue E within the LID boundary would require (at a minimum) construction of half-street frontage improvements. Based on information obtained from the cities of Pacific and Sumner, the probable per lineal foot cost range is \$800 to \$1,000. Additionally, owners of non-frontage property, with the exception of the area south of 24th Street E, would have to pay mitigation costs toward the road improvements. In the “without LID” scenario, the Valentine Avenue SE/136th Avenue E corridor would be “pieced” together and lack continuity, aesthetic appeal or pedestrian safety.

Valuation Summary – City of Sumner

Without the LID, land value varies depending on zoning, location, parcel size and other physical characteristics. Property within the LID boundary in the City of Sumner is zoned for either light industrial or interchange commercial uses. The light industrial area is north of the interchange commercial area, south of 16th Avenue E (Nyberg Street SE). Land values without the LID generally range from \$11.00/SF to \$15.00/SF. There are two smaller unusable tracts that reflect values below this range due to their lack of use potential. Interchange commercial-zoned tracts that are in the \$12.00 to \$20.00/SF range. The low end of the value range is reflected for non-frontage tracts that

are part of a larger ownership entity. Interchange commercial property south of 24th Street E surrounding the Holiday Inn Express and new Candlewood Suites site (under construction) range from \$15.00/SF to \$23.75/SF, with two irregular-shaped City of Sumner properties below this range and one small, well-located coffee stand site above this range.

Valuation Summary – City of Pacific

Without the LID, land value varies depending on zoning, location, parcel size and other physical characteristics. Properties in the City of Pacific with light industrial and office park zoning are situated to the north of the commercially zoned area, which is concentrated along both sides of Stewart Road. Land value for parcels zoned for light industrial/office park use along County Line Road SW and Roy Road SW lacking Valentine Road SE frontage is estimated at \$8.00/SF to \$14.00/SF± depending on property characteristics. Light industrial/office park properties along Valentine Avenue SE, north of the commercial area, generally range in value from \$14.00/SF to \$20.00/SF, with the high end of the range for smaller (8,000 SF±) lots that have yet to be assembled. Light industrial zoned land south of the commercial area ranges in value from \$10.00 to \$14.50/SF, with the higher end of the indicated range for parcels with Valentine Avenue SE frontage and the lower end of the valuation range for non-frontage parcels. A number of the parcels north and south of the commercial area are owned by a single entity, but have more than one tax parcel. Land values in the commercial area range from \$16.00 to \$20.00/SF without the LID. The high end is characterized by single tax parcel corner property and the lower end for parcels not fronting on Valentine Avenue SE.

Land Value Summary - Without LID*			
City	Location	Zoning	Land Value Range/SF
Sumner	Valentine Avenue SE	LI	\$11.00 to \$15.00
Sumner	Valentine Avenue SE	IC	\$12.00 to \$23.75
Pacific	County Line Road SW & Roy Road SW	LI/OP	\$ 8.00 to \$14.00
Pacific	Valentine Avenue SE	LI/OP	\$14.00 to \$20.00
Pacific	Valentine Road SE/Stewart Road SW	C	\$16.00 to \$20.00
*Typical ranges; some parcels vary from above land values.			

With the LID

With the LID project completed, Valentine Avenue SE/136th Avenue E has three traffic lanes with curbs, gutters and sidewalks on both sides, landscaping, storm drainage improvements and signalization upgrades at Stewart Road SE and Valentine Avenue SE. Additionally, there is street illumination, bike lanes and a new signal at the 24th Street E and 136th Avenue E interchange. The completed project allows property within the LID to develop to their highest and best use. Additionally, circuitry of traffic flow, relative location and neighborhood reputation have all been enhanced by the project.

Valuation Summary – City of Sumner

Land values for the light industrial land, south of Nyberg Road E, typically range from \$11.25/SF to \$16.75/SF with the LID improvements completed. Commercial land value is in the \$12.50/SF to \$24.00±/SF range. One small, well-located corner site south of 24th Street E is above this range at \$45.00/SF. The low end of the value range is reflected for non-frontage tracts that are part of a larger ownership entity.

Valuation Summary – City of Pacific

With the LID, land value for parcels zoned for light industrial or office park use along County Line Road SW and Roy Road SW that lack Valentine Road SE frontage is estimated at \$8.50/SF to \$14.75/SF± depending on property characteristics. Light industrial/office park-zoned properties along Valentine Avenue SE, north of the commercial area, generally range in value from \$14.50/SF to \$23.00/SF, with the high end of the range for smaller 8,000 SF± lots that have yet to be assembled. Light industrial-zoned land south of the commercial area ranges in value from \$10.00/SF to \$17.00/SF, with the higher end of the range indicated for parcels with Valentine Avenue SE frontage and the lower end of the range for non-frontage parcels. A number of the parcels north and south of the commercial area are owned by a single entity, but are made up of more than one tax parcel. Land values in the commercial area range from \$16.50/SF to \$24.00/SF with the LID improvements completed. The high end is characterized by well-located, corner properties and the lower end is indicated for parcels lacking Valentine Avenue SE frontage.

Land Value Summary - With LID			
City	Location	Zoning	Land Value Range/SF
Sumner	Valentine Avenue SE	LI	\$11.25 to \$16.50
Sumner	Valentine Avenue SE	IC	\$12.50 to \$22.00
Pacific	County Line Road SW & Roy Road SW	LI/OP	\$ 8.50 to \$14.75
Pacific	Valentine Avenue SE	LI/OP	\$16.00 to \$23.00
Pacific	Valentine Road SE/Stewart Road SW	C	\$18.00 to \$24.00

Special Benefit Summary

The greatest estimated special benefit (increase in market value) due to the project accrues to parcels fronting on Valentine Avenue SE/136th Avenue E. Although there is less special benefit to non-frontage parcels, land value is also enhanced by improved circuitry of traffic flow, relative location and neighborhood reputation. Additionally, mitigation costs that would have had to be paid for development are satisfied by the road improvement project.

From a proportionality standpoint, because owners of the properties fronting along the Valentine Avenue SE/136th Avenue E corridor would have had (at a minimum) been required to build half street improvements, frontage costs would have been in the \$800- \$1,000 per lineal foot range. This cost range is supported by personnel with both cities. Several parcels (P-97, P-129 and P-143) had frontage improvements installed prior to the LID. Special benefit to these parcels was less in

consideration of this factor in the marketplace. Below are some sample properties, per lineal foot costs for frontage improvements, and the corresponding per SF of land area costs.

City	Map No.	Ownership	Land Area (SF)	LF Frontage		Total Cost Range	Cost Range/ SF Land Area
				Valentine Avenue SE/ 136th Avenue E	LF Cost Range		
Sumner	S-180	Thomkat Investments LC	301,866	575	\$800 to \$1,000	\$460,000 to \$575,000	\$1.52 to \$1.90
	S-174	James Beckland	18,168	100	\$800 to \$1,000	\$80,000 to \$100,000	\$4.40 to \$5.50
	S-189	Western Wood Preserving Co	436,384	867	\$800 to \$1,000	\$694,000 to \$867,000	\$1.60 to \$2.00
	S-163	Ella Kropf LLC	81,457	287	\$800 to \$1,000	\$230,000 to \$287,000	\$2.82 to \$3.52
Pacific	P-009	Pacific Logistics Industrial North LLC	305,248	330	\$800 to \$1,000	\$488,000 to \$610,000	\$1.60 to \$2.00
	P-035 - P-059	Pacific Southern LLC	217,168	506	\$800 to \$1,000	\$405,000 to \$506,000	\$1.86 to \$2.33
	P-052	Pacific Logistics Industrial South LLC	290,194	698	\$800 to \$1,000	\$558,000 to \$698,000	\$1.92 to \$2.41
	P-99 & P-100	Pacific Marketplace LLC	85,573	244	\$800 to \$1,000	\$195,000 to \$244,000	\$2.28 to \$2.85
	P-56 & P-57	Gordon Pacific LLC	110,464	276	\$800 to \$1,000	\$220,000 to \$276,000	\$2.00 to \$2.50

Special benefit estimates for property with Valentine Avenue SE and 136th Avenue E frontage typically ranged from \$2.00 to slightly over \$3.00/SF depending on parcel size, location, zoning and amount of frontage. The above table of cost estimates strongly supports the special benefit range. The market value difference, not cost basis, is the estimate of special benefit; however, given the frontage mitigation requirements needed for highest and best use development, this frontage cost would be important in any property owners sale/purchase decision.

Non-frontage properties, like those along County Line Road SW, Roy Road SW and 16th Street E (Nyberg Road SW) typically reflected lower special benefit estimates in the \$.25/SF to \$.50/SF range.

In summary, with the LID completed, a much-needed road improvement project provides enhancement to the area by significantly improving access, traffic flow (including maneuvering room for large trucks) and location, which are critical attributes for commercial and industrial growth and development. This road infrastructure improvement project reflects market value enhancement within the LID boundary, as discussed above.

Conclusions

This final special benefit study results in and is used as the basis for the following conclusions:

1. For the assessment roll, the recommended assessment to each parcel is less than the special benefit derived by each parcel from the project, on the assessment roll.
2. The recommended assessment to each parcel is proportionate to the assessments recommended for all other parcels within the LID boundary.
3. Special benefit to individual parcels is derived from the increase in utility and intensity of use as well as physical proximity to public improvements resulting from the LID-funded project.
4. Individual variations in special benefits and recommended assessments to seemingly similar parcels may occur due to differences in location, physical characteristics, land use regulations, highest and best use, proximity to project improvements and other factors which affect value.

5. Estimated special benefit accruing to property within the boundary of the City of Sumner/Pacific LID No. 6 (Valentine Avenue/136th Avenue) due to the project, as of February 22, 2019 and subject to limiting conditions and assumptions as noted herein, is:

City of Sumner

Total Estimated Market Value Without LID	\$118,846,400 (Rd)
Total Estimated Market Value With LID	\$124,621,600 (Rd)
Total Estimated Special Benefit	\$ 5,775,300 (Rd)
Cost Benefit Ratio:	74.44%

City of Pacific

Total Estimated Market Value Without LID	\$126,282,400 (Rd)
Total Estimated Market Value With LID	\$136,216,400 (Rd)
Total Estimated Special Benefit	\$ 9,934,000 (Rd)
Cost Benefit Ratio:	63.12%

General Assumptions and Limiting Conditions

This report is subject to the following limiting conditions:

1. The legal description – if furnished to us – is assumed to be correct.
2. No responsibility is assumed for legal matters, questions of survey or title, soil or subsoil conditions, engineering, availability or capacity of utilities, or other similar technical matters. The appraisal does not constitute a survey of the property appraised. All existing liens and encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management unless otherwise noted.
3. Unless otherwise noted, the appraisal will value the property as though free of contamination. Valbridge Property Advisors | Puget Sound will conduct no hazardous materials or contamination inspection of any kind. It is recommended that the client hire an expert if the presence of hazardous materials or contamination poses any concern.
4. The stamps and/or consideration placed on deeds used to indicate sales are in correct relationship to the actual dollar amount of the transaction.
5. Unless otherwise noted, it is assumed there are no encroachments, zoning violations or restrictions existing in the subject property.
6. The appraiser is not required to give testimony or attendance in court by reason of this appraisal, unless previous arrangements have been made.
7. Unless expressly specified in the engagement letter, the fee for this appraisal does not include the attendance or giving of testimony by Appraiser at any court, regulatory, or other proceedings, or any conferences or other work in preparation for such proceeding. If any partner or employee of Valbridge Property Advisors | Puget Sound is asked or required to appear and/or testify at any deposition, trial, or other proceeding about the preparation, conclusions or any other aspect of this assignment, client shall compensate Appraiser for the time spent by the partner or employee in appearing and/or testifying and in preparing to testify according to the Appraiser's then current hourly rate plus reimbursement of expenses.
8. The values for land and/or improvements, as contained in this report, are constituent parts of the total value reported and neither is (or are) to be used in making a summation appraisal of a combination of values created by another appraiser. Either is invalidated if so used.

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

16. This appraisal shall be used only for the function outlined herein, unless expressly authorized by Valbridge Property Advisors |Puget Sound.
17. This appraisal shall be considered in its entirety. No part thereof shall be used separately or out of context.
18. Unless otherwise noted in the body of this report, this appraisal assumes that the subject property does not fall within the areas where mandatory flood insurance is effective. Unless otherwise noted, we have not completed nor have we contracted to have completed an investigation to identify and/or quantify the presence of non-tidal wetland conditions on the subject property. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
19. The flood maps are not site specific. We are not qualified to confirm the location of the subject property in relation to flood hazard areas based on the FEMA Flood Insurance Rate Maps or other surveying techniques. It is recommended that the client obtain a confirmation of the subject's flood zone classification from a licensed surveyor.
20. If the appraisal is for mortgage loan purposes 1) we assume satisfactory completion of improvements if construction is not complete, 2) no consideration has been given for rent loss during rent-up unless noted in the body of this report, and 3) occupancy at levels consistent with our "Income and Expense Projection" are anticipated.
21. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.
22. Our inspection included an observation of the land and improvements thereon only. It was not possible to observe conditions beneath the soil or hidden structural components within the improvements. We inspected the buildings involved, and reported damage (if any) by termites, dry rot, wet rot, or other infestations as a matter of information, and no guarantee of the amount or degree of damage (if any) is implied. Condition of heating, cooling, ventilation, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. Should the client have concerns in these areas, it is the client's responsibility to order the appropriate inspections. The appraiser does not have the skill or expertise to make such inspections and assumes no responsibility for these items.
23. This appraisal does not guarantee compliance with building code and life safety code requirements of the local jurisdiction. It is assumed that all required licenses, consents, certificates of occupancy or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value conclusion contained in this report is based unless specifically stated to the contrary.

24. When possible, we have relied upon building measurements provided by the client, owner, or associated agents of these parties. In the absence of a detailed rent roll, reliable public records, or "as-built" plans provided to us, we have relied upon our own measurements of the subject improvements. We follow typical appraisal industry methods; however, we recognize that some factors may limit our ability to obtain accurate measurements including, but not limited to, property access on the day of inspection, basements, fenced/gated areas, grade elevations, greenery/shrubbery, uneven surfaces, multiple story structures, obtuse or acute wall angles, immobile obstructions, etc. Professional building area measurements of the quality, level of detail, or accuracy of professional measurement services are beyond the scope of this appraisal assignment.
25. We have attempted to reconcile sources of data discovered or provided during the appraisal process, including assessment department data. Ultimately, the measurements that are deemed by us to be the most accurate and/or reliable are used within this report. While the measurements and any accompanying sketches are considered to be reasonably accurate and reliable, we cannot guarantee their accuracy. Should the client desire a greater level of measuring detail, they are urged to retain the measurement services of a qualified professional (space planner, architect or building engineer). We reserve the right to use an alternative source of building size and amend the analysis, narrative and concluded values (at additional cost) should this alternative measurement source reflect or reveal substantial differences with the measurements used within the report.
26. In the absence of being provided with a detailed land survey, we have used assessment department data to ascertain the physical dimensions and acreage of the property. Should a survey prove this information to be inaccurate, we reserve the right to amend this appraisal (at additional cost) if substantial differences are discovered.
27. If only preliminary plans and specifications were available for use in the preparation of this appraisal, then this appraisal is subject to a review of the final plans and specifications when available (at additional cost) and we reserve the right to amend this appraisal if substantial differences are discovered.
28. Unless otherwise stated in this report, the value conclusion is predicated on the assumption that the property is free of contamination, environmental impairment or hazardous materials. Unless otherwise stated, the existence of hazardous material was not observed by the appraiser and the appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required for discovery. The client is urged to retain an expert in this field, if desired.

29. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey of the property to determine if it is in conformity with the various requirements of the ADA. It is possible that a compliance survey of the property, together with an analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this could have a negative effect on the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in developing an opinion of value.
30. This appraisal applies to the land and building improvements only. The value of trade fixtures, furnishings, and other equipment, or subsurface rights (minerals, gas, and oil) were not considered in this appraisal unless specifically stated to the contrary.
31. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated, unless specifically stated to the contrary.
32. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute prediction of future operating results. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance.
33. Any estimate of insurable value, if included within the scope of work and presented herein, is based upon figures developed consistent with industry practices. However, actual local and regional construction costs may vary significantly from our estimate and individual insurance policies and underwriters have varied specifications, exclusions, and non-insurable items. As such, we strongly recommend that the Client obtain estimates from professionals experienced in establishing insurance coverage. This analysis should not be relied upon to determine insurance coverage and we make no warranties regarding the accuracy of this estimate.
34. The data gathered in the course of this assignment (except data furnished by the Client) shall remain the property of the Appraiser. The appraiser will not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to the appraiser. Notwithstanding the foregoing, the Appraiser is authorized by the client to disclose all or any portion of the appraisal and related appraisal data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable the appraiser to comply with the Bylaws and Regulations of such Institute now or hereafter in effect.
35. You and Valbridge Property Advisors | Puget Sound both agree that any dispute over matters in excess of \$5,000 will be submitted for resolution by arbitration. This includes fee

disputes and any claim of malpractice. The arbitrator shall be mutually selected. If Valbridge Property Advisors | Puget Sound and the client cannot agree on the arbitrator, the presiding head of the Local County Mediation & Arbitration panel shall select the arbitrator. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that, by agreeing to binding arbitration, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury. In the event that the client, or any other party, makes a claim against Valbridge Property Advisors | Puget Sound or any of its employees in connections with or in any way relating to this assignment, the maximum damages recoverable by such claimant shall be the amount actually received by Valbridge Property Advisors | Puget Sound for this assignment, and under no circumstances shall any claim for consequential damages be made.

36. Valbridge Property Advisors | Puget Sound shall have no obligation, liability, or accountability to any third party. Any party who is not the "client" or intended user identified on the face of the appraisal or in the engagement letter is not entitled to rely upon the contents of the appraisal without the express written consent of Valbridge Property Advisors | Puget Sound. "Client" shall not include partners, affiliates, or relatives of the party named in the engagement letter. Client shall hold Valbridge Property Advisors | Puget Sound and its employees harmless in the event of any lawsuit brought by any third party, lender, partner, or part-owner in any form of ownership or any other party as a result of this assignment. The client also agrees that in case of lawsuit arising from or in any way involving these appraisal services, client will hold Valbridge Property Advisors | Puget Sound harmless from and against any liability, loss, cost, or expense incurred or suffered by Valbridge Property Advisors | Puget Sound in such action, regardless of its outcome.
37. The Valbridge Property Advisors office responsible for the preparation of this report is independently owned and operated by Valbridge Property Advisors | Puget Sound. 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.
38. If any claim is filed against any of Valbridge Property Advisors, Inc., a Florida Corporation, its affiliates, officers or employees, or the firm providing this report, in connection with, or in any way arising out of, or relating to, this report, or the engagement of the firm providing this report, then (1) under no circumstances shall such claimant be entitled to consequential, special or other damages, except only for direct compensatory damages, and (2) the maximum amount of such compensatory damages recoverable by such claimant shall be the amount actually received by the firm engaged to provide this report.


39. This report and any associated work files may be subject to evaluation by Valbridge Property Advisors, Inc., or its affiliates, for quality control purposes.
40. Acceptance and/or use of this appraisal report constitutes acceptance of the foregoing general assumptions and limiting conditions.

Certification – Robert J. Macaulay, MAI

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

1. The statements of fact contained in this summary report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. I performed consultation services for the City of Sumner and the City of Pacific regarding this project in 2009 and again in 2018/2019. No other property that is the subject of this report has been appraised by Robert J. Macaulay, MAI, or Jim E. Dodge, Senior Associate Appraiser, within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
9. I have made a personal (exterior) inspection of most of the property that is the subject of this report.
10. Jim Dodge, Senior Associate Appraiser, provided assistance in researching, valuation analysis and report writing.
11. 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 and Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, I have completed the continuing education program for Designated Members of the Appraisal Institute.

Date of Value: February 22, 2019



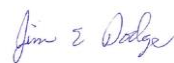
Robert J. Macaulay, MAI
State Cert. #1100517

Certification – Jim Dodge, Senior Associate Appraiser

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

1. the statements of fact contained in this report and upon which the opinions herein are based are true and correct
2. the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions
3. I have no 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.
4. I have no bias with respect to the subject property, or to the parties involved.
5. 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
6. 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
7. My analyses, opinions, and conclusions were developed in conformity with appropriate State and Federal laws, regulations, policies and procedures applicable to the appraisal of right of way and the Uniform Standards of Professional Appraisal Practice (USPAP).
8. I have not performed valuation or consulting services on this property in the past three years.
9. I have made a personal (exterior) inspection of most of the property that is the subject of this report.
10. 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.
11. 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 and Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, I have completed the continuing education program of the Appraisal Institute

Date of Value: February 22, 2019



Jim Dodge, Senior Associate Appraiser
WA State Certified- General Appraiser No. 1100557

Addenda

Project Costs – Sumner and Pacific
Comparable Land Sales Within the LID Boundary
City of Sumner – Zoning Map
City of Pacific – Zoning Map
Pierce County
Neighborhood/LID Project Area
Market Area Data
Qualifications

Project Costs

City of Sumner		138th/Valentine City of Pacific Billing		For Valbridge	
City of Sumner Summary		City of Pacific Summary		Project Totals	
Project: 00802		Project: 00802		Project: 00802	
138th/Valentine Corridor Improvement Project		138th/Valentine Corridor Improvement Project		138th/Valentine Corridor Improvement Project	
Expenditures	City of Sumner	Expenditures	City of Pacific	Expenditures	Total
Financing & Admin	\$ 274,480.23	Financing & Admin	\$ 378,326.79	Financing & Admin	\$ 652,809.02
Design	161,183.27	Design	312,724.15	Design	493,907.42
Right of Way	957,464.57	Right of Way	1,214,993.61	Right of Way	2,172,458.18
Construction	867,046.61	Construction	1,651,700.06	Construction	2,518,746.69
Construction Contract	-	Construction Contract	-	Construction Contract	-
Schedule A - Roadway Improvement Summer	4,301,351.00	Schedule A - Roadway Improvement Summer	-	Schedule A - Roadway Improvement Summer	4,301,351.00
Schedule B - Roadway Improvement Pacific	-	Schedule B - Roadway Improvement Pacific	6,459,151.02	Schedule B - Roadway Improvement Pacific	6,459,151.02
Schedule C - Water Improvements Summer	368,418.42	Schedule C - Water Improvements Summer	-	Schedule C - Water Improvements Summer	368,418.42
Schedule D - Water Improvements Pacific	-	Schedule D - Water Improvements Pacific	1,138,929.78	Schedule D - Water Improvements Pacific	1,138,929.78
Schedule E - Sewer Improvements Summer	293,632.32	Schedule E - Sewer Improvements Summer	-	Schedule E - Sewer Improvements Summer	293,632.32
Schedule F - Sewer Improvements Pacific	-	Schedule F - Sewer Improvements Pacific	382,623.41	Schedule F - Sewer Improvements Pacific	382,623.41
Schedule G - Ecology Funded Pacific	-	Schedule G - Ecology Funded Pacific	592,607.60	Schedule G - Ecology Funded Pacific	592,607.60
Schedule H - Illumination Summer	40,438.30	Schedule H - Illumination Summer	-	Schedule H - Illumination Summer	40,438.30
Schedule I - Illumination Pacific	-	Schedule I - Illumination Pacific	66,037.18	Schedule I - Illumination Pacific	66,037.18
Street Lights	156,172.74	Street Lights	-	Street Lights	156,172.74
BAN Financing not in PA	197,833.39	BAN Financing not in PA	-	BAN Financing not in PA	197,833.39
Remaining BAN financing costs	65,000.00	Remaining BAN financing costs	-	Remaining BAN financing costs	65,000.00
Bond Counsel	23,000.00	Bond Counsel	-	Bond Counsel	23,000.00
Financial Advisor/Placement Agent	62,500.00	Financial Advisor/Placement Agent	-	Financial Advisor/Placement Agent	62,500.00
LID Guarantee Fund	430,000.00	LID Guarantee Fund	-	LID Guarantee Fund	430,000.00
Legal Services - Remaining	47,513.63	Legal Services - Remaining	-	Legal Services - Remaining	47,513.63
Special Benefit Study - Remaining	2,600.00	Special Benefit Study - Remaining	5,200.00	Special Benefit Study - Remaining	7,800.00
Special Benefit Study - Additional	2,500.00	Special Benefit Study - Additional	5,000.00	Special Benefit Study - Additional	7,500.00
Special Benefit Study - Hearing Assistance	4,800.00	Special Benefit Study - Hearing Assistance	9,600.00	Special Benefit Study - Hearing Assistance	14,400.00
Hearing Examiner Time + Travel	3,500.00	Hearing Examiner Time + Travel	3,500.00	Hearing Examiner Time + Travel	7,000.00
Settlement Cost	625,000.00	Settlement Cost	1,125,000.00	Settlement Cost	1,750,000.00
Total	8,904,434.49	Total	13,345,395.61	Total	22,249,830.10
Revenues	City of Sumner	Revenues	City of Pacific	Revenues	Total
CERB Grant	\$ 1,648,667.00	CERB Grant	\$ 2,409,236.91	CERB Grant	\$ 4,057,903.91
STP Grant	2,265,012.00	STP Grant	1,825,925.00	STP Grant	4,090,937.00
DOE Grant	-	DOE Grant	687,077.00	DOE Grant	687,077.00
Public Works Trust Fund Loan	-	Public Works Trust Fund Loan	1,558,305.62	Public Works Trust Fund Loan	1,558,305.62
Contribution - Water Fund (estimated)	368,418.42	Contribution - Water Fund (estimated)	-	Contribution - Water Fund (estimated)	368,418.42
Contribution - Sewer Fund (estimated)	293,632.32	Contribution - Sewer Fund (estimated)	-	Contribution - Sewer Fund (estimated)	293,632.32
Contribution - Stormwater Fund (estimated)	-	Contribution - Stormwater Fund (estimated)	-	Contribution - Stormwater Fund (estimated)	-
Reimbursement from Utilities (estimated)	29,632.07	Reimbursement from Utilities (estimated)	59,264.13	Reimbursement from Utilities (estimated)	88,896.20
Estimated Local Improvement District	4,299,072.66	Estimated Local Improvement District	6,805,586.95	Estimated Local Improvement District	11,104,659.63
Total	8,904,434.49	Total	13,345,395.61	Total	22,249,830.10
LID as % of total project	19%	LID as % of total project	31%	LID as % of total project	50%

Notes:

1. Costs are for 01/01/2011 - 12/31/2018
2. Costs do not include work completed/paid by City of Pacific prior to execution of the interlocal in 2012.
3. Costs do not include future financing (interest or issuance costs).

City of Sumner

138th/Valentine
City of Pacific Billing

City of Pacific AR Breakdown

Expenditures

	AR03181	AR03265	AR03437	AR03515	AR03783	AR03784	AR03791	AR03820	AR03850	AR03892	PENDING	Total
0010 Design	-	-	-	-	-	-	-	-	-	-	71.47	71.47
0020 ROW	-	-	-	-	-	-	-	-	-	-	-	-
0030 Construction	-	-	-	-	-	-	-	-	-	-	562.18	562.18
0060 Financing & Admin	-	1,928.29	29,809.81	34,422.01	3,008.13	35,103.76	38,505.00	46,760.00	25,500.00	2,310.00	(16,573.24)	198,773.76
0090 Financing & Admin (Ashbaugh Beal LLP)	-	17,369.80	84,788.17	38,709.79	16,790.45	16,616.83	-	-	-	-	-	179,565.03
cjoi Construction - Joint	-	3,840.89	1,893.42	147.10	938.70	-	-	-	-	-	-	47,860.21
cjoi Construction - Joint (KPG)	1,176,366.86	226,165.85	137,960.69	36,126.83	10,069.25	-	-	-	-	-	-	1,586,709.49
cpac Construction - Pacific	-	4,289.10	65.23	39.01	-	-	-	-	-	-	-	5,354.76
csum Construction - Sumner	-	-	-	-	-	-	-	-	-	-	-	-
djoi Design - Joint	-	-	-	-	-	-	-	-	-	-	-	45,245.49
dpac Design - Pacific	-	-	-	-	-	-	-	-	-	-	-	267,407.19
dsum Design - Sumner	-	-	-	-	-	-	-	-	-	-	-	-
lqd Liquidated Damages	-	-	-	-	-	-	-	-	-	-	-	-
npjoi Right of Way - Joint	-	-	-	-	61.05	-	-	-	-	-	-	47,785.63
rpac Right of Way - Pacific	1,167,146.92	-	-	-	-	-	-	-	-	-	-	1,167,146.92
rsum Right of Way - Sumner	-	-	-	-	-	-	-	-	-	-	-	-
scha Schedule A - Roadway Improvement Sumner	-	-	-	-	-	-	-	-	-	-	-	-
schb Schedule B - Roadway Improvement Pacific	4,382,725.69	1,633,290.81	243,134.52	-	-	-	-	-	-	-	-	6,459,151.02
schc Schedule C - Water Improvements Sumner	-	-	-	-	-	-	-	-	-	-	-	-
schd Schedule D - Water Improvements Pacific	1,107,586.01	28,644.95	2,677.02	-	-	-	-	-	-	-	21.80	1,138,929.78
sche Schedule E - Sewer Improvements Sumner	-	-	-	-	-	-	-	-	-	-	-	-
schf Schedule F - Sewer Improvements Pacific	350,583.43	28,714.22	3,325.76	-	-	-	-	-	-	-	-	382,623.41
schg Schedule G - Ecology Funded Pacific	394,994.71	197,612.89	-	-	-	-	-	-	-	-	-	592,607.60
schh Schedule H - Illumination Sumner	-	-	-	-	-	-	-	-	-	-	-	-
schl Schedule I - Illumination Pacific	29,015.00	37,022.18	-	-	-	-	-	-	-	-	-	66,037.18
slt Streetlight	-	-	-	-	-	-	-	-	-	-	-	-
	8,616,418.62	2,378,878.98	510,654.61	109,444.74	30,887.59	51,720.59	38,505.00	46,760.00	25,500.00	2,310.00	401,015.49	12,187,085.61
Less for Funding												
CERB	(1,675,315.16)	(733,921.75)	-	-	-	-	-	-	-	-	-	(2,409,236.91)
STP	(1,825,925.00)	-	-	-	-	-	-	-	-	-	-	(1,825,925.00)
DOE	(294,022.56)	(393,054.45)	-	-	-	-	-	-	-	-	-	(687,077.01)
Less: City of Pacific on account for sewer	(460,000.00)	-	-	-	-	-	-	-	-	-	-	(460,000.00)
Less: City of Pacific on account for storm	(125,423.00)	-	-	-	-	-	-	-	-	-	-	(125,423.00)

City of Sumner

136th/Vaentine
City of Pacific Billing

Unbilled Invoice Detail

UNBILLED DETAIL

Date	Vendor	Invoice #	Amount	Check #	Description	Category	PA	City of Sumner		City of Pacific		Check	
								%	\$	%	\$		
01/15/13	Dahlen, Michael	n/a	463.39	n/a	Staff salary & benefits	PE	0010	33%	154.46	67%	308.93	-	2013
01/15/13	Hill, Charles	n/a	726.40	n/a	Staff salary & benefits	PE	0010	33%	242.13	67%	484.27	-	2013
01/15/13	Dahlen, Michael	n/a	670.21	n/a	Staff salary & benefits	PE	djoi	33%	223.40	67%	446.81	-	2013
01/15/13	Hill, Charles	n/a	936.88	n/a	Staff salary & benefits	PE	0010	33%	312.29	67%	624.59	-	2013
02/04/13	Parametrix	16-41027	2,016.22	85004	Prof Svcs for Final Design	PE	dpac	0%	-	100%	2,016.52	-	2013
02/04/13	Widmar & Associates	203109	(520.86)	85050	Biologist #13	CN	cpac	0%	-	100%	(520.80)	-	2013
02/04/13	Widmar & Associates	203109	520.80	85050	Biologist #13	PE	djoi	33%	173.60	67%	347.20	-	2013
02/04/13	WSDOT	RE 43 JC4020 LO	646.35	85044	Project costs for Vaentine/136th	ROW	tjoi	33%	215.45	67%	430.90	-	2013
02/15/13	Dahlen, Michael	n/a	289.60	n/a	Staff salary & benefits	PE	djoi	33%	96.53	67%	193.07	-	2013
02/15/13	Hill, Charles	n/a	1,271.22	n/a	Staff salary & benefits	PE	0010	33%	423.74	67%	847.48	-	2013
02/28/13	Dahlen, Michael	n/a	297.77	n/a	Staff salary & benefits	PE	djoi	33%	99.26	67%	198.51	-	2013
02/28/13	Hill, Charles	n/a	962.16	n/a	Staff salary & benefits	ROW	tjoi	33%	283.72	67%	441.44	-	2013
03/04/13	Parametrix	16-41068	2,067.54	85260	Prof Svcs 12/31/12-1/26/13	PE	djoi	33%	689.16	67%	1,378.36	-	2013
03/04/13	Parametrix	16-41068	288.47	85260	Prof Svcs for 12/31/12-1/26/13	PE	dpac	0%	-	100%	288.47	-	2013
03/04/13	Staples Business Advantage	3193049675	86.30	85262	Office Supplies	PE	djoi	33%	28.77	67%	57.53	-	2013
03/04/13	WSDOT	RE 43 JC4020 LO	(1,733.16)	85286	Project costs for CIP 06-02	PE	djoi	33%	(577.72)	67%	(1,155.44)	-	2013
03/04/13	WSDOT	RE 43 JC4020 LO	1,733.16	85286	Project costs for Vaentine/136th	ROW	tjoi	33%	577.72	67%	1,155.44	-	2013
03/15/13	Dahlen, Michael	n/a	115.83	n/a	Staff salary & benefits	PE	djoi	33%	38.61	67%	77.22	-	2013
03/15/13	Hill, Charles	n/a	90.82	n/a	Staff salary & benefits	PE	djoi	33%	30.27	67%	60.55	-	2013
03/15/13	Hill, Charles	n/a	408.61	n/a	Staff salary & benefits	PE	dpac	0%	-	100%	408.61	-	2013
03/15/13	St. Martin, Pamela	n/a	15.24	n/a	Staff salary & benefits	PE	0010	33%	5.08	67%	10.16	-	2013
03/15/13	Dahlen, Michael	n/a	446.64	n/a	Staff salary & benefits	PE	djoi	33%	148.88	67%	297.76	-	2013
03/15/13	Hill, Charles	n/a	75.38	n/a	Staff salary & benefits	PE	djoi	33%	25.13	67%	50.25	-	2013
03/15/13	Hill, Charles	n/a	452.18	n/a	Staff salary & benefits	PE	dpac	0%	-	100%	452.18	-	2013
04/01/13	Parametrix	16-41139	1,139.05	85546	Project costs for February 2013	PE	djoi	33%	379.68	67%	759.37	-	2013
04/01/13	WSDOT	RE 43 JC4020 LO	(1,306.18)	85573	Project costs for CIP 06-02	PE	djoi	33%	(435.39)	67%	(870.79)	-	2013
04/01/13	WSDOT	RE 43 JC4020 LO	1,306.18	85573	Project costs for Vaentine/136th	ROW	tjoi	33%	435.39	67%	870.79	-	2013
04/15/13	Dahlen, Michael	n/a	231.68	n/a	Staff salary & benefits	PE	djoi	33%	77.23	67%	154.45	-	2013
04/15/13	Hill, Charles	n/a	691.04	n/a	Staff salary & benefits	ROW	tjoi	33%	227.01	67%	454.03	-	2013
04/30/13	Dahlen, Michael	n/a	324.69	n/a	Staff salary & benefits	PE	djoi	33%	103.30	67%	216.39	-	2013
04/30/13	Hill, Charles	n/a	479.66	n/a	Staff salary & benefits	ROW	tjoi	33%	159.89	67%	319.77	-	2013
05/03/13	Parametrix	16-41205	1,701.40	85945	Design Services	PE	djoi	33%	567.13	67%	1,134.27	-	2013
05/03/13	Parametrix	16-41205	3,322.29	85945	Design Services	PE	dpac	0%	-	100%	3,322.29	-	2013
05/15/13	Dahlen, Michael	n/a	289.60	n/a	Staff salary & benefits	PE	djoi	33%	96.53	67%	193.07	-	2013
05/15/13	Hill, Charles	n/a	499.24	n/a	Staff salary & benefits	ROW	tjoi	33%	166.41	67%	332.83	-	2013
05/15/13	Dahlen, Michael	n/a	297.90	n/a	Staff salary & benefits	PE	djoi	33%	99.30	67%	198.60	-	2013
05/15/13	Hill, Charles	n/a	1,193.73	n/a	Staff salary & benefits	PE	dpac	0%	-	100%	1,193.73	-	2013
05/15/13	St. Martin, Pamela	n/a	94.15	n/a	Staff salary & benefits	PE	0010	33%	31.38	67%	62.77	-	2013
06/10/13	WSDOT	RE 43 JC4020 LO	(1,002.10)	86122	Project costs for CIP 06-02	PE	djoi	33%	(334.03)	67%	(668.07)	-	2013
06/10/13	WSDOT	RE 43 JC4020 LO	1,002.10	85044	Project costs for April 2013	ROW	tjoi	33%	334.03	67%	668.07	-	2013
06/15/13	Dahlen, Michael	n/a	254.81	n/a	Staff salary & benefits	PE	djoi	33%	84.94	67%	169.87	-	2013
06/15/13	Hill, Charles	n/a	99.69	n/a	Staff salary & benefits	PE	djoi	33%	33.30	67%	66.39	-	2013
06/30/13	Dahlen, Michael	n/a	396.80	n/a	Staff salary & benefits	PE	djoi	33%	130.93	67%	265.87	-	2013
06/30/13	St. Martin, Pamela	n/a	148.10	n/a	Staff salary & benefits	PE	0010	33%	49.37	67%	98.73	-	2013
07/01/13	Staples Business Advantage	3202398726	58.73	86306	Office Supplies - expansion files	PE	djoi	33%	19.56	67%	39.15	-	2013
07/06/13	Parametrix	16-41327	3,706.40	86361	Design Services	PE	djoi	33%	1,235.47	67%	2,470.93	-	2013
07/06/13	Parametrix	16-41327	21,046.49	86361	Design Services	PE	dpac	0%	-	100%	21,046.49	-	2013
07/15/13	Dahlen, Michael	n/a	294.74	n/a	Staff salary & benefits	PE	djoi	33%	98.25	67%	196.49	-	2013
07/15/13	Hill, Charles	n/a	1,986.89	n/a	Staff salary & benefits	PE	dpac	0%	-	100%	1,986.89	-	2013
07/15/13	Hill, Charles	n/a	69.32	n/a	Staff salary & benefits	ROW	tjoi	33%	23.11	67%	46.21	-	2013
07/15/13	Dahlen, Michael	n/a	452.44	n/a	Staff salary & benefits	PE	djoi	33%	150.81	67%	301.63	-	2013
07/15/13	St. Martin, Pamela	n/a	133.03	n/a	Staff salary & benefits	PE	0010	33%	44.34	67%	88.69	-	2013
08/13/13	Parametrix	16-41360	27,809.35	86669	Prof Svcs 5/28/13-8/29-13	PE	dpac	0%	-	100%	27,809.35	-	2013
08/15/13	Dahlen, Michael	n/a	294.74	n/a	Staff salary & benefits	PE	djoi	33%	98.25	67%	196.49	-	2013
08/15/13	Dahlen, Michael	n/a	329.00	n/a	Staff salary & benefits	PE	djoi	33%	109.67	67%	219.33	-	2013
08/15/13	Hill, Charles	n/a	762.84	n/a	Staff salary & benefits	PE	djoi	33%	254.28	67%	508.56	-	2013
08/15/13	St. Martin, Pamela	n/a	144.94	n/a	Staff salary & benefits	PE	0010	33%	48.31	67%	96.63	-	2013
09/15/13	Dahlen, Michael	n/a	324.20	n/a	Staff salary & benefits	PE	djoi	33%	108.07	67%	216.13	-	2013
09/15/13	Hill, Charles	n/a	609.93	n/a	Staff salary & benefits	PE	djoi	33%	203.31	67%	406.62	-	2013
09/15/13	Hill, Charles	n/a	559.04	n/a	Staff salary & benefits	ROW	tjoi	33%	186.35	67%	372.69	-	2013
09/15/13	St. Martin, Pamela	n/a	247.60	n/a	Staff salary & benefits	PE	0010	33%	82.53	67%	165.07	-	2013
09/30/13	Dahlen, Michael	n/a	411.31	n/a	Staff salary & benefits	PE	djoi	33%	137.10	67%	274.21	-	2013

City of Sumner	136th/Valentine City of Pacific Billing	Unbilled Invoice Detail
09/30/13 Hill, Charles	n/a	624.14 n/a Staff salary & benefits PE dpoi 33% 208.06 67% 416.09 - 2013
09/30/13 Hill, Charles	n/a	2,011.13 n/a Staff salary & benefits ROW tpi 33% 670.38 67% 1,340.75 - 2013
10/04/13 Universal Field Services	38697	377.63 87146 Consultant services for ROW ROW tpi 33% 125.68 67% 251.75 - 2013
10/04/13 Universal Field Services	38102	560.24 87146 Consultant services for ROW ROW tpi 33% 186.75 67% 373.49 - 2013
10/15/13 Dahlen, Michael	n/a	176.87 n/a Staff salary & benefits PE dpoi 33% 58.96 67% 117.91 - 2013
10/21/13 Dahlen, Michael	n/a	377.12 n/a Staff salary & benefits PE dpoi 33% 125.71 67% 251.41 - 2013
10/21/13 Hill, Charles	n/a	381.40 n/a Staff salary & benefits PE dpoi 33% 127.13 67% 254.27 - 2013
10/21/13 Hill, Charles	n/a	349.64 n/a Staff salary & benefits ROW tpi 33% 116.55 67% 233.09 - 2013
11/01/13 Universal Field Services	38143	7,771.09 87401 Consultant services for ROW ROW tpi 33% 2,590.36 67% 5,180.73 - 2013
11/01/13 WSDOT	RE 43 JC4020 L813	583.06 87406 Project costs for Sept 13 ROW tpi 33% 194.35 67% 388.71 - 2013
11/15/13 Dahlen, Michael	n/a	117.90 n/a Staff salary & benefits PE dpoi 33% 39.30 67% 78.60 - 2013
11/15/13 Hill, Charles	n/a	277.33 n/a Staff salary & benefits PE dpoi 33% 92.44 67% 184.89 - 2013
11/20/13 Dahlen, Michael	n/a	90.30 n/a Staff salary & benefits PE dpoi 33% 30.10 67% 60.20 - 2013
11/20/13 Hill, Charles	n/a	152.29 n/a Staff salary & benefits PE dpoi 33% 50.78 67% 101.53 - 2013
12/02/13 Parametrix	20-20288	4,169.11 87607 Prof Svcs 6/30/13-10/27/13 PE dpoi 33% 1,389.37 67% 2,778.74 - 2013
12/02/13 Parametrix	20-20288	106,875.11 87607 Prof Svcs 6/30/13-10/27/13 PE dpaac 0% - 100% 106,875.11 - 2013
12/02/13 Parametrix	20-20289	2,473.83 87607 Prof Svcs 12/31/12-10/26/13 ROW tpi 33% 824.61 67% 1,649.22 - 2013
12/02/13 Universal Field Services	38214	2,495.23 87641 Consultant services for ROW ROW tpi 33% 831.74 67% 1,663.49 - 2013
12/02/13 WSDOT	RE 43 JC4020 L813	1,570.04 87643 Project costs for October 2013 ROW tpi 33% 495.68 67% 1,071.36 - 2013
12/13/13 Foster Paper PLLC	1056882	1,956.00 87695 Legal services ROW tpi 33% 652.00 67% 1,304.00 - 2013
12/15/13 Dahlen, Michael	n/a	191.38 n/a Staff salary & benefits PE dpoi 33% 63.79 67% 127.59 - 2013
12/20/13 Universal Field Services	38287	1,718.72 87676 Consultant services for ROW ROW tpi 33% 572.91 67% 1,145.81 - 2013
12/21/13 Dahlen, Michael	n/a	150.56 n/a Staff salary & benefits PE dpoi 33% 50.19 67% 100.37 - 2013
12/21/13 Parametrix	18-81422	54,398.64 88083 Prof Svcs 6/30/13-10/27/13 PE dpaac 0% - 100% 54,398.64 - 2013
12/21/13 Parametrix	20-20426	31,624.90 87971 Prof Svcs 10/27/13-11/30/13 PE dpaac 0% - 100% 31,624.90 - 2013
12/21/13 Universal Field Services	99-00/1122	1,447.44 88069 Consultant services for ROW ROW tpi 33% 482.48 67% 964.96 - 2013
01/15/14 Dahlen, Mike	n/a	59.84 n/a Staff salary & benefits PE dpoi 33% 19.95 67% 39.89 - 2014
01/15/14 Hill, Charles	n/a	742.52 n/a Staff salary & benefits PE dpaac 0% - 100% 742.52 - 2014
01/15/14 Hill, Charles	n/a	651.12 n/a Staff salary & benefits PE tpi 33% 217.04 67% 434.08 - 2014
01/17/14 Daily Journal of Commerce	3283624	193.80 88035 Advertisement PE dpoi 33% 64.60 67% 129.20 - 2014
01/21/14 Dahlen, Mike	n/a	228.44 n/a Staff salary & benefits PE dpoi 33% 76.15 67% 152.29 - 2014
02/15/14 Dahlen, Mike	n/a	263.40 n/a Staff salary & benefits PE dpoi 33% 87.80 67% 175.60 - 2014
02/15/14 Hill, Charles	n/a	544.12 n/a Staff salary & benefits PE tpi 33% 181.37 67% 362.75 - 2014
02/15/14 St. Martin, Pamela	n/a	53.74 n/a Staff salary & benefits PE 0010 33% 17.91 67% 35.83 - 2014
02/28/14 Dahlen, Mike	n/a	274.08 n/a Staff salary & benefits PE dpoi 33% 91.36 67% 182.72 - 2014
02/28/14 Hill, Charles	n/a	159.62 n/a Staff salary & benefits PE dpoi 33% 53.21 67% 106.41 - 2014
02/28/14 Leach, Andrew	n/a	595.92 n/a Staff salary & benefits PE tpi 33% 198.64 67% 397.28 - 2014
02/28/14 St. Martin, Pamela	n/a	162.58 n/a Staff salary & benefits PE 0010 33% 54.19 67% 108.39 - 2014
03/01/14 AJE	Racode St. Martin	(4,290.06) n/a Staff salary & benefits PE 0010 33% (1,430.02) 67% (2,860.04) - 2014
03/01/14 St. Martin, Pamela	Adjustment	4,290.06 n/a Staff salary & benefits PE tpi 33% 1,430.02 67% 2,860.04 - 2014
03/15/14 Dahlen, Mike	n/a	197.56 n/a Staff salary & benefits PE dpoi 33% 65.85 67% 131.71 - 2014
03/15/14 Hill, Charles	n/a	326.62 n/a Staff salary & benefits CN dpaac 0% - 100% 326.62 - 2014
03/15/14 Hill, Charles	n/a	391.09 n/a Staff salary & benefits PE tpi 33% 127.03 67% 254.06 - 2014
03/21/14 Dahlen, Mike	n/a	249.16 n/a Staff salary & benefits PE dpoi 33% 83.05 67% 166.11 - 2014
03/21/14 Hill, Charles	n/a	943.04 n/a Staff salary & benefits PE dpoi 33% 314.35 67% 628.69 - 2014
03/21/14 Hill, Charles	n/a	725.36 n/a Staff salary & benefits PE tpi 33% 241.79 67% 483.57 - 2014
04/04/14 Daily Journal of Commerce	3285579	117.80 88599 Advertisement PE 0030 33% 39.27 67% 78.53 - 2014
04/04/14 Daily Journal of Commerce	3285579	(117.80) 88599 Advertisement PE tpi 33% (39.27) 67% (78.53) - 2014
04/15/14 Dahlen, Mike	n/a	239.50 n/a Staff salary & benefits PE dpoi 33% 79.83 67% 159.67 - 2014
04/15/14 Hill, Charles	n/a	692.84 n/a Staff salary & benefits PE tpi 33% 230.95 67% 461.89 - 2014
04/30/14 Dahlen, Mike	n/a	332.25 n/a Staff salary & benefits PE dpoi 33% 110.75 67% 221.50 - 2014
05/02/14 Tacoma News Tribune	TNT 2014-03	187.23 88968 Advertisement CN dpoi 33% 62.41 67% 124.82 - 2014
05/02/14 WSDOT	RE 43 JC4020 Low	5,000.00 n/a Project costs ROW tpi 33% 1,666.67 67% 3,333.33 - 2014
05/15/14 Dahlen, Mike	n/a	239.49 n/a Staff salary & benefits PE dpoi 33% 79.83 67% 159.66 - 2014
05/15/14 Hill, Charles	n/a	445.36 n/a Staff salary & benefits CN dpoi 33% 148.45 67% 296.91 - 2014
05/20/14 Daily Journal of Commerce	3287938	289.80 89146 Advertisement CN dpoi 33% 96.27 67% 193.53 - 2014
05/21/14 Dahlen, Mike	n/a	332.25 n/a Staff salary & benefits PE dpoi 33% 110.75 67% 221.50 - 2014
05/21/14 Hill, Charles	n/a	1,373.20 n/a Staff salary & benefits CN dpoi 33% 457.73 67% 915.47 - 2014
06/15/14 Dahlen, Mike	n/a	395.08 n/a Staff salary & benefits PE dpoi 33% 131.69 67% 263.39 - 2014
06/15/14 Hill, Charles	n/a	871.05 n/a Staff salary & benefits CN dpoi 33% 290.35 67% 580.70 - 2014
06/30/14 Dahlen, Mike	n/a	498.24 n/a Staff salary & benefits PE dpoi 33% 166.08 67% 332.16 - 2014
07/03/14 Tacoma News Tribune	TNT 5/5-6/1/2014	526.55 89454 Advertisement CN dpoi 33% 175.52 67% 351.03 - 2014
07/15/14 Dahlen, Mike	n/a	419.10 n/a Staff salary & benefits PE dpoi 33% 139.70 67% 279.40 - 2014
07/15/14 Hill, Charles	n/a	495.00 n/a Staff salary & benefits CN dpoi 33% 165.00 67% 330.00 - 2014
07/15/14 Dahlen, Mike	n/a	533.00 n/a Staff salary & benefits PE dpoi 33% 177.67 67% 355.33 - 2014

City of Sumner			136th/Valentine City of Pacific Billing								Unbilled Invoice Detail
07/01/14 Hill, Charles	n/a	2,186.80	n/a	Staff salary & benefits	CN	qoi	33%	738.87	67%	1,457.73	- 2014
08/15/14 Dahlem, Mike	n/a	299.34	n/a	Staff salary & benefits	PE	dpei	33%	99.78	67%	199.56	- 2014
08/15/14 Hill, Charles	n/a	742.56	n/a	Staff salary & benefits	CN	qoi	33%	247.52	67%	495.04	- 2014
08/15/14 L&L Printing	100255	1,292.10	89754	Construction Plan Books	CN	qoi	33%	430.70	67%	861.40	- 2014
08/15/14 Dahlem, Mike	n/a	496.76	n/a	Staff salary & benefits	PE	dpei	33%	152.25	67%	304.51	- 2014
08/15/14 Hill, Charles	n/a	556.41	n/a	Staff salary & benefits	CN	qoi	33%	185.47	67%	370.94	- 2014
08/15/14 Leach, Andrew	n/a	41.01	n/a	Staff salary & benefits	ROW	qoi	33%	13.67	67%	27.34	- 2014
08/15/14 Dahlem, Mike	n/a	179.61	n/a	Staff salary & benefits	CN	qoi	33%	59.87	67%	119.74	- 2014
08/15/14 Hill, Charles	n/a	544.52	n/a	Staff salary & benefits	CN	qoi	33%	181.51	67%	363.01	- 2014
08/15/14 Leach, Andrew	n/a	29.22	n/a	Staff salary & benefits	CN	qoi	33%	9.74	67%	19.48	- 2014
08/30/14 Dahlem, Mike	n/a	332.25	n/a	Staff salary & benefits	CN	qoi	33%	110.75	67%	221.50	- 2014
08/30/14 Hill, Charles	n/a	867.28	n/a	Staff salary & benefits	CN	qoi	33%	289.09	67%	578.19	- 2014
08/30/14 Holten, Scott	n/a	248.16	n/a	Staff salary & benefits	CN	qoi	33%	82.72	67%	165.44	- 2014
10/03/14 Dept of Ecology	2015-WAF00152ax	741.73	90046	Stormwater construction - annual permit	CN	qoi	33%	247.24	67%	494.49	- 2014
10/15/14 Dahlem, Mike	n/a	179.61	n/a	Staff salary & benefits	CN	qoi	33%	59.87	67%	119.74	- 2014
10/15/14 Hill, Charles	n/a	544.56	n/a	Staff salary & benefits	CN	qoi	33%	181.52	67%	363.04	- 2014
10/17/14 WSDOT	RE-313-ATB40916x	1,477.98	90293	Project management	CN	qoi	33%	482.66	67%	965.32	- 2014
10/24/14 AIR Invoice Posting	?	(9,921.11)	pending	researching	PE	dpei	33%	(3,037.04)	67%	(6,814.07)	- 2014
10/30/14 Dahlem, Mike	n/a	457.39	n/a	Staff salary & benefits	CN	qoi	33%	152.46	67%	304.93	- 2014
10/30/14 Hill, Charles	n/a	367.50	n/a	Staff salary & benefits	CN	qoi	33%	122.50	67%	245.00	- 2014
11/15/14 Dahlem, Mike	n/a	329.24	n/a	Staff salary & benefits	CN	qoi	33%	109.75	67%	219.49	- 2014
11/15/14 Hill, Charles	n/a	381.01	n/a	Staff salary & benefits	CN	qoi	33%	127.00	67%	254.01	- 2014
11/30/14 Dahlem, Mike	n/a	548.40	n/a	Staff salary & benefits	CN	qoi	33%	182.80	67%	365.60	- 2014
11/30/14 Hill, Charles	n/a	784.80	n/a	Staff salary & benefits	CN	qoi	33%	261.60	67%	523.20	- 2014
12/01/14 WSDOT	RE-313-ATB41112	467.21	90641	Project management	CN	qoi	33%	155.74	67%	311.47	- 2014
12/01/14 WSDOT	RE 43 JC4020 Low	27,478.78	90641	Project costs - October 2014	ROW	qoi	33%	9,159.59	67%	18,319.19	- 2014
12/15/14 Dahlem, Mike	n/a	353.67	n/a	Staff salary & benefits	CN	qoi	33%	117.89	67%	235.78	- 2014
12/15/14 Hill, Charles	n/a	1,093.05	n/a	Staff salary & benefits	CN	qoi	33%	353.02	67%	736.03	- 2014
12/29/14 L&L Printing	102899	835.58	90620	Construction Plan Books	CN	qoi	33%	278.53	67%	557.05	- 2014
12/31/14 Dahlem, Mike	n/a	308.05	n/a	Staff salary & benefits	CN	qoi	33%	102.68	67%	205.37	- 2014
12/31/14 Hill, Charles	n/a	536.87	n/a	Staff salary & benefits	CN	qoi	33%	178.96	67%	357.91	- 2014
12/31/14 Parametric	16-82220	51,599.31	91045	Design engineering	PE	dpei	33%	17,189.77	67%	34,379.54	- 2014
12/31/14 Parametric	16-82220	16,241.49	91045	Design engineering	PE	dpei	0%	-	100%	16,241.49	- 2014
01/15/15 Dahlem, Mike	n/a	330.86	n/a	Staff salary & benefits	CN	qoi	33%	110.29	67%	220.57	- 2015
01/15/15 Hill, Charles	n/a	803.44	n/a	Staff salary & benefits	CN	qoi	33%	261.15	67%	542.29	- 2015
01/31/15 Dahlem, Mike	n/a	554.18	n/a	Staff salary & benefits	CN	qoi	33%	184.73	67%	369.45	- 2015
01/31/15 Hill, Charles	n/a	324.34	n/a	Staff salary & benefits	CN	qoi	33%	108.11	67%	216.23	- 2015
02/16/15 UPS of America, Inc.	US Bank 0963	39.40	91143	Mailing to DOE	CN	qpac	0%	-	100%	39.40	- 2015
02/15/15 Dahlem, Mike	n/a	509.42	n/a	Staff salary & benefits	CN	qoi	33%	169.81	67%	339.61	- 2015
02/15/15 Hill, Charles	n/a	763.96	n/a	Staff salary & benefits	CN	qoi	33%	251.32	67%	512.64	- 2015
02/15/15 Holten, Scott	n/a	65.29	n/a	Staff salary & benefits	CN	qoi	33%	21.76	67%	43.53	- 2015
02/15/15 Holten, Scott	n/a	21.80	n/a	Staff salary & benefits	CN	schd	0%	-	100%	21.80	- 2015
02/28/15 Dahlem, Mike	n/a	303.60	n/a	Staff salary & benefits	CN	qoi	33%	101.20	67%	202.40	- 2015
02/28/15 Hill, Charles	n/a	794.49	n/a	Staff salary & benefits	CN	qoi	33%	264.83	67%	529.66	- 2015
03/13/15 WSDOT	RE-313-ATB50217159	449.71	91497	Construction engineering	CN	qoi	33%	149.90	67%	299.81	- 2015
03/15/15 Dahlem, Mike	n/a	364.40	n/a	Staff salary & benefits	CN	qoi	33%	121.47	67%	242.93	- 2015
03/15/15 Hill, Charles	n/a	542.69	n/a	Staff salary & benefits	CN	qoi	33%	180.90	67%	361.79	- 2015
03/15/15 Hill, Charles	n/a	166.96	n/a	Staff salary & benefits	CN	qpac	0%	-	100%	166.96	- 2015
03/30/15 Dahlem, Mike	n/a	337.79	n/a	Staff salary & benefits	CN	qoi	33%	112.60	67%	225.19	- 2015
03/30/15 Hill, Charles	n/a	589.65	n/a	Staff salary & benefits	CN	qoi	33%	196.22	67%	392.43	- 2015
03/31/15 Holten, Scott	n/a	56.48	n/a	Staff salary & benefits	CN	schd	100%	56.48	0%	-	- 2015
04/15/15 Dahlem, Mike	n/a	132.56	n/a	Staff salary & benefits	CN	qoi	33%	44.19	67%	88.37	- 2015
04/15/15 Hill, Charles	n/a	603.35	n/a	Staff salary & benefits	CN	qoi	33%	201.12	67%	402.23	- 2015
04/30/15 Dahlem, Mike	n/a	552.71	n/a	Staff salary & benefits	CN	0330	33%	184.24	67%	368.47	- 2015
04/30/15 Hill, Charles	n/a	319.25	n/a	Staff salary & benefits	CN	qoi	33%	106.42	67%	212.83	- 2015
04/30/15 LaCrosse, Beau	n/a	70.23	n/a	Staff salary & benefits	CN	qpac	0%	-	100%	70.23	- 2015
04/30/15 Leach, Andrew	n/a	43.10	n/a	Staff salary & benefits	CN	0330	33%	14.37	67%	28.73	- 2015
04/30/15 Reedy, Lester	n/a	70.29	n/a	Staff salary & benefits	CN	qpac	0%	-	100%	70.29	- 2015
05/01/15 WSDOT	RE-313-ATB50317156	256.98	91692	Construction engineering	CN	qoi	33%	85.66	67%	171.32	- 2015
05/15/15 Dahlem, Mike	n/a	66.27	n/a	Staff salary & benefits	CN	0330	33%	22.09	67%	44.18	- 2015
05/15/15 Hill, Charles	n/a	191.99	n/a	Staff salary & benefits	CN	qoi	33%	64.00	67%	127.99	- 2015
05/31/15 Ellingson, David	n/a	230.88	n/a	Staff salary & benefits	CN	qpac	0%	-	100%	230.88	- 2015
05/31/15 Hill, Charles	n/a	441.40	n/a	Staff salary & benefits	CN	qoi	33%	147.13	67%	294.27	- 2015
05/31/15 Langford, Joseph	n/a	308.56	n/a	Staff salary & benefits	CN	qpac	0%	-	100%	308.56	- 2015
05/31/15 Uphaus, Daron	n/a	785.06	n/a	Staff salary & benefits	CN	qpac	0%	-	100%	785.06	- 2015

City of Sumner			136th/Valentine City of Pacific Billing							Unbilled Invoice Detail		
05/01/15 Ularis, Anthony	n/a	59.16	n/a	Staff salary & benefits	CN	cpac	0%	-	100%	59.16	-	2015
06/15/15 Hill, Charles	n/a	194.55	n/a	Staff salary & benefits	CN	cpai	33%	54.85	67%	108.70	-	2015
06/30/15 Hill, Charles	n/a	964.08	n/a	Staff salary & benefits	CN	cpai	33%	321.36	67%	642.72	-	2015
06/30/15 Leach, Andrew	n/a	222.95	n/a	Staff salary & benefits	CN	cpai	33%	74.32	67%	148.63	-	2015
07/02/15 WSDOT	RE-313-ATB0016	2,280.84	92370	Construction engineering	CN	cpai	33%	760.28	67%	1,520.56	-	2015
07/15/15 Holten, Scott	n/a	63.39	n/a	Staff salary & benefits	CN	0030	33%	21.13	67%	42.26	-	2015
07/15/15 Holten, Scott	n/a	42.32	n/a	Staff salary & benefits	CN	cpai	33%	14.11	67%	28.21	-	2015
07/15/15 Leach, Andrew	n/a	368.20	n/a	Staff salary & benefits	CN	cpai	33%	122.73	67%	245.47	-	2015
07/31/15 Dahlem, Mike	n/a	513.10	n/a	Staff salary & benefits	CN	cpai	33%	171.03	67%	342.07	-	2015
07/31/15 Leach, Andrew	n/a	638.88	n/a	Staff salary & benefits	PE	cpai	33%	212.96	67%	425.92	-	2015
07/31/15 Leach, Andrew	n/a	73.85	n/a	Staff salary & benefits	ROW	cpai	33%	24.55	67%	49.10	-	2015
07/31/15 WSDOT	RE-313-ATB0071	1,686.28	n/a	Construction engineering	CN	cpai	33%	562.09	67%	1,124.17	-	2015
08/15/15 Dahlem, Mike	n/a	296.53	n/a	Staff salary & benefits	CN	cpai	33%	99.84	67%	197.69	-	2015
08/15/15 Leach, Andrew	n/a	485.58	n/a	Staff salary & benefits	CN	cpai	33%	161.86	67%	323.72	-	2015
08/31/15 Dahlem, Mike	n/a	196.59	n/a	Staff salary & benefits	CN	cpai	33%	62.20	67%	124.39	-	2015
08/31/15 Leach, Andrew	n/a	822.37	n/a	Staff salary & benefits	CN	cpai	33%	274.12	67%	548.25	-	2015
08/15/15 Dahlem, Mike	n/a	269.74	n/a	Staff salary & benefits	CN	cpai	33%	89.91	67%	179.83	-	2015
09/15/15 Leach, Andrew	n/a	368.21	n/a	Staff salary & benefits	CN	cpai	33%	122.74	67%	245.47	-	2015
09/15/15 Van Gilder, Jason	n/a	696.11	n/a	Staff salary & benefits	CN	cpai	33%	230.70	67%	457.41	-	2015
09/18/15 WSDOT	RE-313-ATB0081	2,362.72	92080	Inspections & testing	CN	cpai	33%	787.57	67%	1,575.15	-	2015
09/30/15 Dahlem, Mike	n/a	373.13	n/a	Staff salary & benefits	CN	cpai	33%	124.38	67%	248.75	-	2015
09/30/15 Leach, Andrew	n/a	1,416.31	n/a	Staff salary & benefits	CN	cpai	33%	472.10	67%	944.21	-	2015
09/30/15 Leach, Andrew	n/a	182.76	n/a	Staff salary & benefits	CN	cpac	0%	-	100%	182.76	-	2015
09/30/15 Van Gilder, Jason	n/a	1,339.16	n/a	Staff salary & benefits	CN	cpai	33%	446.39	67%	892.77	-	2015
10/15/15 Dahlem, Mike	n/a	202.25	n/a	Staff salary & benefits	CN	cpai	33%	67.42	67%	134.83	-	2015
10/15/15 Leach, Andrew	n/a	1,324.78	n/a	Staff salary & benefits	CN	cpai	33%	441.59	67%	883.17	-	2015
10/15/15 Leach, Andrew	n/a	36.80	n/a	Staff salary & benefits	CN	cpac	0%	-	100%	36.80	-	2015
10/15/15 Van Gilder, Jason	n/a	923.81	n/a	Staff salary & benefits	CN	cpai	33%	307.87	67%	615.74	-	2015
10/31/15 Dahlem, Mike	n/a	196.59	n/a	Staff salary & benefits	CN	cpai	33%	62.20	67%	124.39	-	2015
10/31/15 Leach, Andrew	n/a	936.57	n/a	Staff salary & benefits	CN	cpai	33%	312.19	67%	624.38	-	2015
10/31/15 Van Gilder, Jason	n/a	195.30	n/a	Staff salary & benefits	CN	cpai	33%	65.10	67%	130.20	-	2015
11/15/15 Dahlem, Mike	n/a	519.12	n/a	Staff salary & benefits	CN	cpai	33%	173.04	67%	346.08	-	2015
11/15/15 Leach, Andrew	n/a	890.56	n/a	Staff salary & benefits	CN	cpai	33%	296.85	67%	593.71	-	2015
11/15/15 Leach, Andrew	n/a	80.96	n/a	Staff salary & benefits	CN	cpac	0%	-	100%	80.96	-	2015
11/15/15 Van Gilder, Jason	n/a	841.84	n/a	Staff salary & benefits	CN	cpai	33%	280.55	67%	561.09	-	2015
11/30/15 Dahlem, Mike	n/a	373.12	n/a	Staff salary & benefits	CN	cpai	33%	124.37	67%	248.75	-	2015
11/30/15 Leach, Andrew	n/a	593.93	n/a	Staff salary & benefits	CN	cpai	33%	197.98	67%	395.95	-	2015
11/30/15 Leach, Andrew	n/a	182.75	n/a	Staff salary & benefits	CN	cpac	0%	-	100%	182.75	-	2015
11/30/15 Van Gilder, Jason	n/a	273.30	n/a	Staff salary & benefits	CN	cpai	33%	91.10	67%	182.20	-	2015
12/15/15 Dahlem, Mike	n/a	129.76	n/a	Staff salary & benefits	CN	cpai	33%	43.25	67%	86.51	-	2015
12/15/15 Leach, Andrew	n/a	883.66	n/a	Staff salary & benefits	CN	cpai	33%	294.55	67%	589.11	-	2015
12/15/15 Van Gilder, Jason	n/a	712.59	n/a	Staff salary & benefits	CN	cpai	33%	237.53	67%	475.06	-	2015
12/30/15 WSDOT	RE-313-ATB0081	248.71	93837	Inspections & testing	CN	cpai	33%	82.90	67%	165.81	-	2015
12/31/15 Dahlem, Mike	n/a	461.88	n/a	Staff salary & benefits	CN	cpai	33%	153.96	67%	307.92	-	2015
12/31/15 Leach, Andrew	n/a	163.00	n/a	Staff salary & benefits	CN	0090	33%	54.33	67%	108.67	-	2015
12/31/15 Leach, Andrew	n/a	706.47	n/a	Staff salary & benefits	CN	cpai	33%	235.49	67%	470.98	-	2015
12/31/15 Leach, Andrew	n/a	54.35	n/a	Staff salary & benefits	CN	cpac	0%	-	100%	54.35	-	2015
12/31/15 Van Gilder, Jason	n/a	619.03	n/a	Staff salary & benefits	CN	0090	33%	206.34	67%	412.69	-	2015
12/31/15 Van Gilder, Jason	n/a	722.14	n/a	Staff salary & benefits	CN	cpai	33%	240.71	67%	481.43	-	2015
01/15/16 Dahlem, Mike	n/a	647.88	n/a	Staff salary & benefits	CN	cpai	33%	215.89	67%	431.79	-	2016
01/15/16 Leach, Andrew	n/a	41.55	n/a	Staff salary & benefits	CN	0090	33%	13.85	67%	27.70	-	2016
01/15/16 Leach, Andrew	n/a	1,582.06	n/a	Staff salary & benefits	CN	cpai	33%	527.35	67%	1,054.71	-	2016
01/15/16 Van Gilder, Jason	n/a	700.84	n/a	Staff salary & benefits	CN	0090	33%	233.61	67%	467.23	-	2016
01/15/16 Van Gilder, Jason	n/a	756.92	n/a	Staff salary & benefits	CN	cpai	33%	252.31	67%	504.61	-	2016
01/31/16 Dahlem, Mike	n/a	269.80	n/a	Staff salary & benefits	CN	cpai	33%	89.87	67%	179.73	-	2016
01/31/16 Leach, Andrew	n/a	729.74	n/a	Staff salary & benefits	CN	cpai	33%	242.91	67%	485.83	-	2016
01/31/16 Van Gilder, Jason	n/a	396.80	n/a	Staff salary & benefits	CN	cpai	33%	132.27	67%	264.53	-	2016
02/15/16 Dahlem, Mike	n/a	287.85	n/a	Staff salary & benefits	CN	cpai	33%	95.95	67%	191.90	-	2016
02/15/16 Leach, Andrew	n/a	707.82	n/a	Staff salary & benefits	CN	cpai	33%	235.94	67%	471.88	-	2016
02/15/16 Leach, Andrew	n/a	333.07	n/a	Staff salary & benefits	CN	cpac	0%	-	100%	333.07	-	2016
02/15/16 Van Gilder, Jason	n/a	993.29	n/a	Staff salary & benefits	CN	cpai	33%	329.76	67%	663.53	-	2016
02/15/16 Wright, Robert	n/a	25.91	n/a	Staff salary & benefits	CN	0090	33%	8.64	67%	17.27	-	2016
02/29/16 Beagle, Douglas	n/a	1,233.80	n/a	Staff salary & benefits	CN	0090	33%	411.20	67%	822.40	-	2016
02/29/16 Dahlem, Mike	n/a	486.59	n/a	Staff salary & benefits	CN	cpai	33%	162.20	67%	324.39	-	2016
02/29/16 Leach, Andrew	n/a	365.09	n/a	Staff salary & benefits	CN	0090	33%	121.70	67%	243.39	-	2016

City of Sumner			136th/Valentine City of Pacific Billing						Unbilled Invoice Detail			
02/29/16	Leach, Andrew	n/a	938.82	n/a	Staff salary & benefits	CN	qjai	33%	312.94 67%	625.88	-	2016
02/29/16	Leach, Andrew	n/a	208.64	n/a	Staff salary & benefits	CN	qpac	0%	- 100%	208.64	-	2016
02/29/16	Van Gilder, Jason	n/a	830.47	n/a	Staff salary & benefits	CN	0980	33%	276.82 67%	553.65	-	2016
02/29/16	Wright, Robert	n/a	82.98	n/a	Staff salary & benefits	CN	0080	33%	27.66 67%	55.32	-	2016
03/15/16	Beegle, Douglas	n/a	488.33	n/a	Staff salary & benefits	CN	0080	33%	162.78 67%	325.55	-	2016
03/15/16	Dahlens, Mike	n/a	575.72	n/a	Staff salary & benefits	CN	qjai	33%	191.91 67%	383.81	-	2016
03/15/16	Leach, Andrew	n/a	83.28	n/a	Staff salary & benefits	CN	0980	33%	27.76 67%	55.52	-	2016
03/15/16	Leach, Andrew	n/a	624.55	n/a	Staff salary & benefits	CN	qjai	33%	208.18 67%	416.37	-	2016
03/15/16	Leach, Andrew	n/a	83.28	n/a	Staff salary & benefits	CN	qpac	0%	- 100%	83.28	-	2016
03/15/16	Van Gilder, Jason	n/a	830.54	n/a	Staff salary & benefits	CN	0980	33%	276.85 67%	553.69	-	2016
03/15/16	Van Gilder, Jason	n/a	178.00	n/a	Staff salary & benefits	CN	qjai	33%	59.33 67%	118.67	-	2016
03/31/16	Dahlens, Mike	n/a	329.38	n/a	Staff salary & benefits	CN	qjai	33%	109.79 67%	219.59	-	2016
03/31/16	Leach, Andrew	n/a	86.98	n/a	Staff salary & benefits	CN	0980	33%	28.99 67%	57.99	-	2016
03/31/16	Leach, Andrew	n/a	260.94	n/a	Staff salary & benefits	CN	qjai	33%	86.98 67%	173.96	-	2016
03/31/16	Van Gilder, Jason	n/a	346.16	n/a	Staff salary & benefits	CN	0980	33%	115.39 67%	230.77	-	2016
03/31/16	Van Gilder, Jason	n/a	622.90	n/a	Staff salary & benefits	CN	0980	33%	207.63 67%	415.27	-	2016
04/15/16	Dahlens, Mike	n/a	293.19	n/a	Staff salary & benefits	CN	qjai	33%	97.73 67%	195.46	-	2016
04/15/16	Leach, Andrew	n/a	374.73	n/a	Staff salary & benefits	CN	qjai	33%	124.91 67%	249.82	-	2016
04/15/16	Leach, Andrew	n/a	41.64	n/a	Staff salary & benefits	CN	qpac	0%	- 100%	41.64	-	2016
04/15/16	Leach, Andrew	n/a	83.28	n/a	Staff salary & benefits	CN	qpac	0%	- 100%	83.28	-	2016
04/15/16	Van Gilder, Jason	n/a	178.00	n/a	Staff salary & benefits	CN	0980	33%	59.33 67%	118.67	-	2016
04/15/16	Van Gilder, Jason	n/a	59.35	n/a	Staff salary & benefits	CN	qjai	33%	19.78 67%	39.57	-	2016
04/15/16	WSDOT	RE-313-ATB5081	973.64	94613	Inspections & testing	CN	qpac	0%	- 100%	973.64	-	2016
04/30/16	Dahlens, Mike	n/a	592.25	n/a	Staff salary & benefits	CN	qjai	33%	197.42 67%	394.83	-	2016
04/30/16	Leach, Andrew	n/a	104.31	n/a	Staff salary & benefits	CN	0980	33%	34.77 67%	69.54	-	2016
04/30/16	Leach, Andrew	n/a	489.41	n/a	Staff salary & benefits	CN	qjai	33%	159.47 67%	312.94	-	2016
04/30/16	Van Gilder, Jason	n/a	332.24	n/a	Staff salary & benefits	CN	qjai	33%	110.75 67%	221.49	-	2016
05/13/16	Ashbaugh Beal LLP	13880	1,540.00	94758	Legal services	CN	0980	33%	513.33 67%	1,026.67	-	2016
05/13/16	Ashbaugh Beal LLP	14106	6,390.00	94758	Legal services	CN	0980	33%	2,126.67 67%	4,263.33	-	2016
05/13/16	WSDOT	RE-313-ATB5081	536.20	94613	Inspections & testing	CN	qpac	0%	- 100%	536.20	-	2016
05/15/16	Dahlens, Mike	n/a	483.23	n/a	Staff salary & benefits	CN	qjai	33%	161.08 67%	322.15	-	2016
05/15/16	Leach, Andrew	n/a	91.53	n/a	Staff salary & benefits	CN	0980	33%	30.51 67%	61.02	-	2016
05/15/16	Leach, Andrew	n/a	411.88	n/a	Staff salary & benefits	CN	qjai	33%	137.29 67%	274.59	-	2016
05/15/16	Van Gilder, Jason	n/a	130.49	n/a	Staff salary & benefits	CN	0980	33%	43.50 67%	86.99	-	2016
05/15/16	Van Gilder, Jason	n/a	489.37	n/a	Staff salary & benefits	CN	qjai	33%	163.12 67%	326.25	-	2016
05/31/16	Dahlens, Mike	n/a	329.14	n/a	Staff salary & benefits	CN	qjai	33%	109.71 67%	219.43	-	2016
05/31/16	Leach, Andrew	n/a	652.36	n/a	Staff salary & benefits	CN	qjai	33%	217.45 67%	434.91	-	2016
05/31/16	Van Gilder, Jason	n/a	276.88	n/a	Staff salary & benefits	CN	0980	33%	92.29 67%	184.59	-	2016
05/31/16	Van Gilder, Jason	n/a	139.49	n/a	Staff salary & benefits	CN	qjai	33%	46.16 67%	92.33	-	2016
06/03/16	WSDOT	RE-313-ATB5081	1,019.03	94694	Inspections & testing	CN	qpac	0%	- 100%	1,019.03	-	2016
06/15/16	Dahlens, Mike	n/a	292.98	n/a	Staff salary & benefits	CN	qjai	33%	97.66 67%	195.32	-	2016
06/15/16	Leach, Andrew	n/a	83.28	n/a	Staff salary & benefits	CN	0980	33%	27.76 67%	55.52	-	2016
06/15/16	Leach, Andrew	n/a	791.17	n/a	Staff salary & benefits	CN	qjai	33%	263.72 67%	527.45	-	2016
06/15/16	Van Gilder, Jason	n/a	326.30	n/a	Staff salary & benefits	CN	0980	33%	109.77 67%	217.53	-	2016
06/30/16	Dahlens, Mike	n/a	179.50	n/a	Staff salary & benefits	CN	qjai	33%	59.83 67%	119.67	-	2016
06/30/16	Leach, Andrew	n/a	188.69	n/a	Staff salary & benefits	CN	0980	33%	62.90 67%	125.79	-	2016
06/30/16	Leach, Andrew	n/a	664.01	n/a	Staff salary & benefits	CN	qjai	33%	221.34 67%	442.67	-	2016
06/30/16	Van Gilder, Jason	n/a	830.64	n/a	Staff salary & benefits	CN	qjai	33%	276.88 67%	553.76	-	2016
07/13/16	Brace C Allen & Assoc	18-0080C	(36,125.00)	101207	Special Benefit Study	CN	0980	34%	(12,385.00) 67%	(23,840.00)	-	2016
										<u>63,807.35</u>	<u>401,015.49</u>	

	Staff salary & benefits	Other	WSDOT	Parametric	Total
2013	16,943.07	10,807.32	2,132.97	296,562.68	286,436.01
2014	17,528.67	(3,503.55)	22,949.31	50,621.03	67,195.47
2015	21,855.81	39.40	4,896.81	-	26,792.02
2016	16,661.12	5,280.00	2,530.87	-	24,471.99
2017	-	-	-	-	-
2018	-	(23,840.00)	-	-	(23,840.00)
2019	-	-	-	-	-
	<u>72,988.67</u>	<u>(11,616.83)</u>	<u>32,469.96</u>	<u>307,173.69</u>	<u>401,015.49</u>

Pacific Share of Valentine / 136th Ave Revenues and Expenses

EXPENSES

	Description	Cost	Source
1	Design	\$ 1,082,677.26	Pacific
2	ROW	\$ 1,214,993.61	Sumner
3	Power Relocation	\$ 174,824.55	Pacific
4	Schedule B - Roadway Improvement Pacific	\$ 6,459,151.02	Sumner
5	Schedule D - Water Improvements Pacific	\$ 1,138,929.78	Sumner
6	Schedule F - Sewer Improvements Pacific	\$ 382,623.41	Sumner
7	Schedule G - Ecology Funded Pacific	\$ 592,607.60	Sumner
8	Schedule I - Illumination Pacific	\$ 400,453.18	Sumner and Pacific
9	Bond Council Costs	\$ 27,000.00	Pacific
10	Finance Advisor	\$ 25,170.00	Pacific
11	Special Benefit Study	\$ 23,300.00	Sumner
12	LID Guarantee	\$ 550,000.00	Est
13	Stewart Valentine Site Clean-Up	\$ 159,861.00	Pacific
14	Settlement	\$ 1,125,000.00	Sumner
TOTAL		\$ 13,356,591.41	

Estimated cost per foot for property development

REVENUES

101	CERB Grant:	\$ 3,300,000.00	Pacific
102	STP Grant	\$ 1,825,925.00	Sumner
103	Ecology stormwater grant	\$ 687,077.00	Sumner
104	PWTF Loan	\$ 1,558,305.62	Pacific
TOTAL		\$ 7,371,307.62	

Difference between Expenses and Revenues	\$ 5,985,283.79
Sewer Fund	\$ (382,623.41)
Storm Fund	\$ (250,000.00)

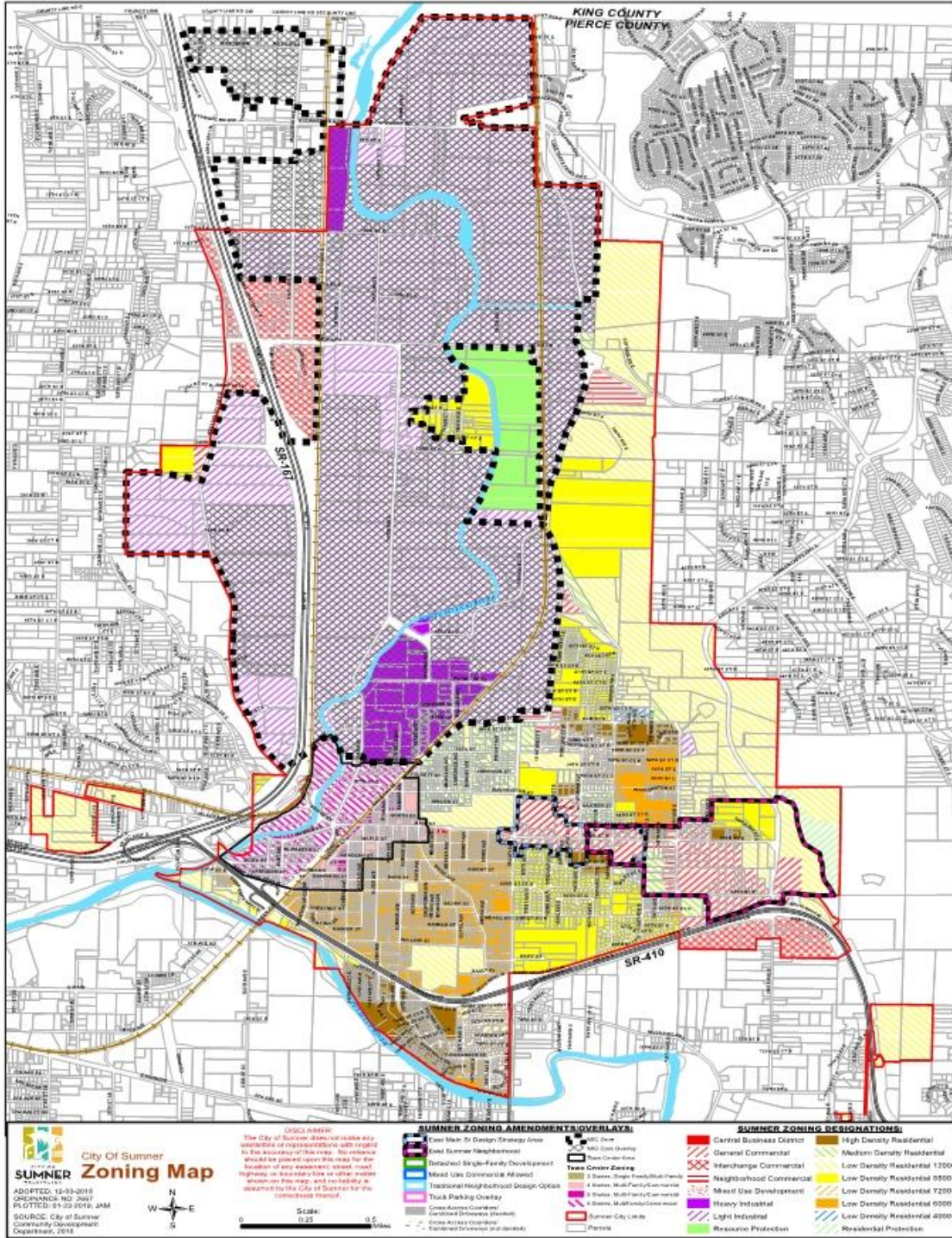
LID need \$5,352,660.38

Comparable Land Sales Within the LID Boundary

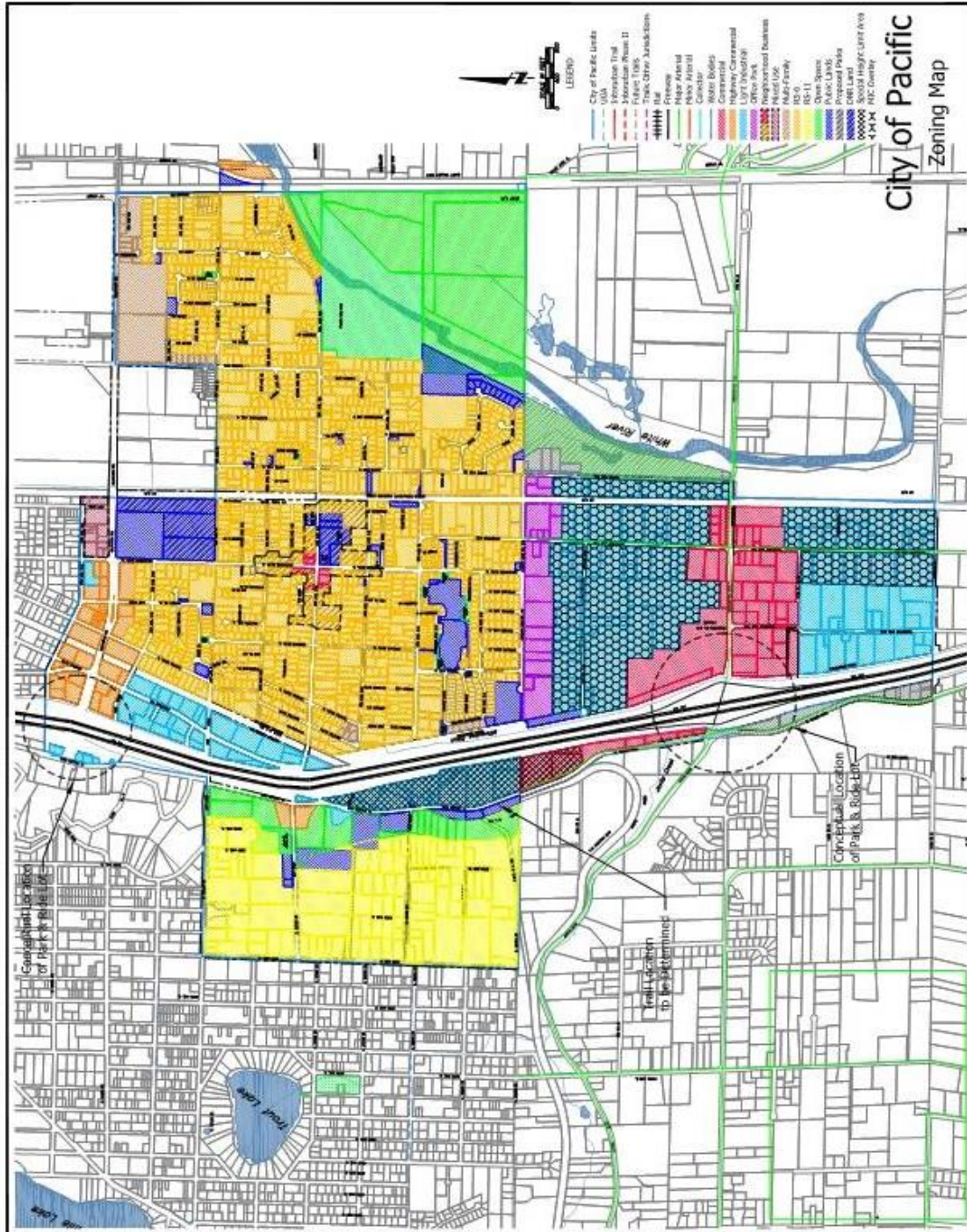
Sale No.	LID #	Location	City	Sale Date	Sale Price	Zoning	Land		Comments
							Area-SF	Price per SF	
1	P-009	732-756 Valentine Ave SE	Pacific	6/25/18	\$4,770,216	OP	305,248	\$15.63	Previous Map Nos. P-009, P-010, P-026, P-027, P-028, P-033. The property sold in June 2018 for \$15.63/SF after the road improvement project was in place. The buyer (Panattoni) assumed a preliminary LID assessment of approximately \$0.75/SF, reflecting an adjusted value of \$16.38±/SF. Site being developed with a 165,000 SF office/warehouse.
2	P-052	942-1045 Valentine Ave	Pacific	5/22/18	\$4,446,483	LI/C	290,194	\$15.32	Previous map numbers P-052, P-053, P-054 and P-055. Similar to Sale No. 1, Panattoni purchased the property in May 2018 and assumed a preliminary LID assessment of \$0.81/SF reflecting an adjusted price of \$16.13/SF. Being developed as a 128,300 SF office and warehouse facility.
3	P-052	942-1045 Valentine Ave	Pacific	3/7/2017 11/3/17	\$3,383,770	LI/C	290,194	\$11.66	Purchased by R-3 Investors under two separate transactions. The site was resold to Panattoni (Sale No. 2). With the preliminary assessment, the reflected value is \$13.01/SF.
4	P-017	263 Roy Road SW	Pacific	3/21/18	\$1,500,000 \$1,190,000*	LI	82,841	\$14.36	Purchased for investment hold for future redevelopment. Estimated contributory improvement value \$310,000, indicating land value of \$1,190,000 or \$14.36/SF.
5	S-191	2412 136th Ave Ct E	Sumner	7/24/18	\$900,000	IC	37,026	\$24.31	Commercial corner land sale adjacent to Holiday Inn in Sumner. Created by boundary line adjustment so preliminary assessment amount is not available.
6	S-190	2418 136th Ave Ct E	Sumner	10/12/17	\$500,000	IC	21,774	\$22.96	Fairly level site purchased for retail pad. Subject to LID assessment, preliminary assessment amount is unknown.
7	P-004	264 County Line Rd SW	Pacific	12/1/17	\$240,000	OP	41,358	\$5.80	Long, narrow tract zoned OP (Office Park). Old SFR on site at time of sale.
8	P-003	280 County Line Rd	Pacific	9/28/16	\$562,000	OP	71,551	\$7.85	Generally level, vacant OP (Office Park) zoned site at time of sale. Warehouse constructed in 2017. No preliminary assessment amount available.
9	P-100	1151 Valentine Ave SE	Pacific	3/2/15	\$1,515,000	Comm.	78,898	\$19.20	Older sale of level, corner site. Currently being developed with a Shell service station. Preliminary assessment amount is unavailable.
10	S-160, S-169, S-170	2000 136th Ave E	Sumner	5/29/2015 2/12/2016	\$4,588,437	IC	436,495	\$10.51	Partially fenced gravel surfaced site at time of sale. Two separate transactions. The main sale, Map Nos. S-160 and S-169, was distressed and below market. Buyer assumed preliminary assessment amount is unavailable.
11	S-169 (S-160 & S-170)	2014 136th Ave E	Sumner	Listing	\$6,220,053	IC	436,495	\$14.25	Listing of above Sale No. 10, Map Nos. 160, 169 and 170.
12	S-194	13600 24th St E, Lot 4 Summer Landing	Sumner	6/11/2015	\$750,000	IC	16,710	\$44.88	Older sale of smaller, corner parcel purchased for espresso stand site.
13	P-028	784 Valentine Ave SE	Pacific	6/5/15	\$330,000	LI	16,114	\$20.48	Small lot assemblage purchase of what now is Map No. P-009, purchased by Panattoni for Pacific Logistics Industrial North LLC development.
14	P-114	1590 Thornton Ave SW	Pacific	10/2/17	\$285,000	LI	20,171	\$14.13	Small lot outside LID boundary. Older SFR on site did not contribute value. Buyer owns adjacent land.
15	P-147	1557 Valentine Ave SE	Pacific	12/15/16	\$200,000	LI	20,785	\$9.62	Older improvements on site at time of sale did not contribute value. Appears to be below market sale.

*Estimated Land Value

Zoning Map – City of Sumner



Zoning Map – City of Pacific



Pierce County

Overview

Pierce County is located at the southern end of Puget Sound, in the southcentral portion of western Washington. King County lies to the north of Pierce County, with Thurston County on the southwest and Lewis County to the south. Pierce is the second most populous county in the state, behind King. It comprises a total area of 1,800± square miles (1,670 square miles of land and 130 square miles of water). The highest point in Washington State and fifth highest in the continental United States, the summit of Mt. Rainier at 14,410 feet, is in Pierce County. The estimated 2018 population figure (latest available) for the county is 872,220 and it ranks fourth in the state in population density, with an average of 475± persons per square mile (for comparison, King County to the north is home to about 1,000 persons per square mile).

Transportation

Pierce County has a diverse and well-developed transportation system. Intercontinental rail service is provided by Burlington Northern Santa Fe and Union Pacific railroads. The Port of Tacoma is a deep-water marine terminal facility handling general and bulk products as well as refrigerated cargo and container shipping. The Seattle-Tacoma International Airport, located approximately 16 miles north of Tacoma, has numerous daily scheduled commercial flights to various parts of the U.S. and foreign countries. Interstate Highway 5 (the major north-south arterial on the west coast) and Interstate Highway 90 (a major east-west arterial) provide freeway links with the rest of the country. Additionally, the local area is served by extensive ferry and transit systems and a well-developed network of highways and freeways.

Economy and Employment

The Pierce County preliminary unemployment rate (not seasonally adjusted) in December 2018, as published by the Washington State Employment Security Department, was 5.3%, near the lowest number in decades (5.2%), which had occurred earlier in 2018. This is compared to seasonally adjusted rates for the same month of 4.3% in Washington State and 3.9% nationwide, both near historic lows. In August 2011, still feeling the effects of the "Great Recession", it was 10.0% and above or near double digits in most other counties. Pierce County's December 2018 civilian labor force totaled 439,858, an increase of over 5% from eighteen months ago (418,013).

Total non-farm employment was up in December 2018 to 323,600 from 317,500 in December 2017. According to the department's regional labor economist (writing in October 2017), the county can now "look in the rearview mirror" at the recession and look forward as non-farm employment continues to expand and the unemployment rate shrinks. The county's pre-recession non-farm employment high was 285,400 jobs in 2007.

As of December 2018, the largest sector of Pierce County's employment was trade, transportation and utilities (69,700 workers), followed by non-military government services (59,300). Non-military government sector employment increased by 0.5% over the prior year, when the total was 59,000, while the trade, transportation and utilities sector declined by 0.7% or 500 workers. Education and

health services is the third largest sector in Pierce County, employing 53,500 while aerospace is playing a growing role in the manufacturing sector. Facilities in Pierce County produce vertical tail fins for several of the company's newer aircraft models, as well as related aircraft parts; Toray Composites is one such company based in Pierce County.

Only about 17,600 Pierce County workers are currently employed in the manufacturing sector; looking to replace the manufacturing wages lost during the transition from wood and paper products manufacturing to the new "tech economy", many Pierce County residents began commuting to jobs in King County. According to the employment security department, more than 25% of Pierce county's workforce in Pierce County commutes north to jobs in King County. The expanding economy in King County is exerting upward pressure on land values and housing costs, encouraging workers who might normally have lived in King County to reside in Pierce and other neighboring counties. Stories are becoming commonplace about long-time residents of the Seattle area (and other cities in King County) who are finding that they are no longer able to afford to live there.

In October 2017 (latest update), the regional economist summed up the employment picture for the county as follows, "Pierce County will continue to benefit from its economic ties to King County. As an example, Amazon has become a major player in the Pierce landscape by adding warehouse fulfillment centers to the area. While Amazon orders soar, shipping giant UPS gets more business, therefore needing more employees and space. The new UPS facility in Tacoma promises to add between 800 and 1,200 jobs. With the King County housing market continuing to surge, Pierce has benefited with more affordable housing options for King County workers. Although Pierce County real estate prices are climbing as well, overall the business climate is one of positive growth, as the city of Tacoma rolls out initiatives like Tacoma 2025 that looks to improve and expand all areas of the local economy, and Tacoma Works, which has its focus on bolstering employment opportunities for local construction workers.

Like all counties throughout the state, government is an important part of the local economy and is a significant employer. The year 2017 has shown the local economy growing at a better rate than most areas in the state. The coming year promises to be more of the same as construction begins or wraps up on several new projects with new hotels and leisure and hospitality opportunities set to open and/or expand."

It has been almost ten years (116 months) since the last recession; if it continues for four more months, this will be the longest expansion period on record, surpassed only by expansion in the 1990s. However, there are many variables on the horizon that may cause this expansion to end. On the front page of the latest issue (December 2018) of the Puget Sound Economic Forecaster (PSEF), in a section entitled, "*Regional Outlook---Shaky Ground*", they write the following about the economic expansion, ".....there are many people who really have not benefited from the growth we've seen over the past 114 months. They have not seen any increase in their wage nor found better economic opportunities. While this problem is not as significant in the Puget Sound region as in many other parts of the country, it is true, nonetheless. Such concerns notwithstanding, we anticipate more growth, though slowing, with a heavy dose of uncertainty. Starting with the big

picture: the Federal Reserve has revised upward its forecast for US GDP growth in 2018 and 2019. The Fed is also calling for 2 percent growth in 2020 and sub-4 percent unemployment for the next several years with inflation running close to 2 percent. This is a rather positive outlook, with no mention of a recession or downturn anytime soon.” The publication goes on to estimate employment growth in the region (source: “Blue Chip Economic Indicators”) of 2.8% in 2018 (yearly data not yet compiled) and 1.9% in 2019.

Again according to the most recent issue of the PSEF, the region’s manufacturing sector added 1,800 jobs, boosted by an increase of 1,200 aerospace employees. Orders and deliveries by the Boeing Company continue to be robust; earlier editions of the PSEF had reported that while steel and aluminum are large components in aircraft manufacturing, much of Boeing’s metal is domestically sourced and the effect on plane cost is minimal. However, China has made up a huge amount of Boeing’s recent orders and retaliation against the US if the contemplated tariffs are implemented is still a possibility.

At the July 2018 Farnborough Air Show in Britain, which alternates with Paris as the aviation industry’s premier showcase, both Boeing and its chief competitor Airbus said demand for aircraft surged amid increased passenger and cargo traffic. In online coverage of the event, Boeing announced a total of 673 order and commitments for planes, compared with 571 at last year’s Paris Air Show. Airbus said it received orders and commitments for 431 aircraft, compared with 326 at the last Paris event. Boeing says its total reflects “resurgence in demand for freighters and strong order activity for the 737 MAX and 787 passenger airplanes.” While Boeing has been recently trimming jobs in the area, they are planning to boost monthly production of the 737 and 787 jets in 2019 and the 767 in 2020. The biggest backlog on jet orders is the 737 at 4,654 jets. They plan to increase production of the 737 from 52 to 57 planes per month.

Following is a chart of local real estate forecasts from the PSEF; quarterly data are seasonally adjusted and expressed on an annual basis. Included in the December 2018 newsletter’s “Construction and Real Estate” section are the following comments, “Nationally, house sales have been falling, in some areas by as much as 22 percent. The good news is that the Northwest has seen the smallest decrease in the country—about 3.2 percent—meaning that our changes might still fall within the realm of seasonal cooling, a hypothesis supported by the most recent bump in Puget Sound closed sales in October.....Despite patterns indicating a correction in the housing market arriving hand-in-hand with the seasonal decrease in home sales and increase in inventory, Puget Sound is seeing a slight shift back into the patterns of decreasing inventory that we have observed since around 2011. So, for now, there is good news for buyers and sellers. Buyers can be happy that Seattle is no longer the top city (or even in the top 10) for bidding wars and that prices are dropping slightly, while sellers can breathe easy seeing that much of the correction we’ve seen in the market so far has been a larger than usual seasonal shift.”

As further reported in the December 2018 PSEF, “In a sign that the housing market may be turning, seasonally adjusted Seattle area home prices have declined for three consecutive months. According to the S&P/Case Shiller Home Price Indices, Seattle area home prices fell 0.3 percent in September after a 1.0 percent decline in August and a 0.2 percent decline in July. In September, the over-the -

year growth was 8.4 percent in Seattle, compared to the 5.2 percent increase in the composite index for the 20 largest US metropolitan areas. Seattle home prices are still up 88 percent since the December 2011 through and exceed the May 2007 peak by 31 percent". However, early signs indicate that this recent downward trend in the number of closed sales and prices appears to be continuing into 2019; the following table contains both historical data and forecasts by the Puget Sound Economic Forecaster.

PUGET SOUND CONSTRUCTION AND REAL ESTATE									
	2018.2	2018.3	2018.4	2019.1	2019.2	2016	2017	2018	2019
Housing permits (thous.)	26.0	22.0	21.5	22.2	22.8	25.8	27.8	25.0	23.0
Single-family	9.5	9.6	9.0	9.5	9.9	10.1	10.9	9.8	10.1
Multi-family	16.5	12.4	12.5	12.7	12.8	15.6	16.9	15.2	12.9
Housing permits (mils. \$)	5246.9	4889.2	5013.2	5274.9	5488.0	5341.8	6099.9	5423.5	5594.5
Single-family	3174.6	3350.0	3188.9	3393.4	3567.3	3327.7	3553.8	3360.1	3654.1
Multi-family	2072.3	1539.2	1824.3	1881.5	1920.8	2014.1	2546.1	2063.4	1940.3
Average home price (thous. \$)	582.5	567.7	565.6	562.9	561.4	466.3	521.4	566.0	562.4
Active home listings (thous.)	7.4	8.8	9.2	9.4	9.6	7.9	6.4	7.7	9.7
Home sales (thous.)	69.7	64.0	60.7	59.5	59.6	71.2	73.3	66.1	59.9
Apartment vacancy rate (%)	4.8	5.0	5.0	4.9	4.9	4.1	4.7	5.0	4.8
Average apartment rent (\$)	1634	1657	1667	1678	1688	1458	1560	1635	1693
Annual growth (% change)									
Housing permits (mils. \$)	-79.3	-27.3	10.1	20.9	16.2	-4.5	14.2	-11.1	3.2
Average home price	25.1	-10.2	-1.5	-1.9	-1.1	9.8	11.8	8.5	-0.6
Average apartment rent	13.4	5.5	2.5	2.7	2.3	9.6	7.0	4.8	3.6

On the following page is a current listing of Pierce County's 25 largest employers. According to the Economic Development Board of Tacoma-Pierce County, this list identified 259 major employers located in Pierce County, each of which has 100 or more full-time equivalent (FTE) employees. The employers on this year's list represent 163,205 jobs.

Rank-Order Listing of 2018 Major Employers of Pierce County

2018 Rank	Organization	Industry	2018 FTE
1	JOINT BASE LEWIS-MCCHORD	MILITARY	53000
2	MULTICARE HEALTH SYSTEM	HEALTH CARE	7705
3	STATE OF WASHINGTON	GOVERNMENT	7621
4	CHI FRANCISCAN HEALTH	HEALTH CARE	6786
5	CITY OF TACOMA & TACOMA PUBLIC UTILITIES	GOVERNMENT	3591
6	TACOMA PUBLIC SCHOOLS	EDUCATION	3333
7	PIERCE COUNTY GOVERNMENT	GOVERNMENT	3089
8	PUYALLUP SCHOOL DISTRICT	EDUCATION	2190
9	EMERALD QUEEN CASINO	GAMING	2165
10	BETHEL SCHOOL DISTRICT	EDUCATION	2028
11	SAFEWAY & ALBERTSONS	RETAIL	1680
12	STATE FARM INSURANCE COMPANIES	INSURANCE	1637
13	BOEING	MANUFACTURING AEROSPACE	1550
14	CLOVER PARK SCHOOL DISTRICT	EDUCATION	1446
15	FRED MEYER RETAIL & DISTRIBUTION CENTER	RETAIL & DISTRIBUTION	1364
16	U.S. POSTAL SERVICE	GOVERNMENT	1336
17	GOODWILL OF THE OLYMPICS AND RAINIER REGION	NONPROFIT PHILANTHROPIC	1243
18	AMAZON DISTRIBUTION CENTERS	DISTRIBUTION	1200
19	WALMART	RETAIL	1192
20	DAVITA	HEALTH CARE	1184
21	PUYALLUP TRIBE	GOVERNMENT	1147
22	CAMP MURRAY	MILITARY	1050
23	PACIFIC MARITIME ASSOCIATION (represented by ILWU LOCAL 23)	NONPROFIT TRADE/UNION	1028
24	MILGARD MANUFACTURING	MANUFACTURING	990
25	PENINSULA SCHOOL DISTRICT	EDUCATION	947
26	PIERCE TRANSIT	TRANSIT	922
27	FRANKLIN PIERCE SCHOOL DISTRICT	EDUCATION	914
28	PIERCE COLLEGE	HIGHER EDUCATION	850
29	TARGET	RETAIL	772
30	KAISER PERMANENTE	HEALTH CARE	755
31	HOME DEPOT	RETAIL	706
32	COLUMBIA BANK	BANKING	704
33	UNIVERSITY OF WASHINGTON TACOMA	HIGHER EDUCATION	702

Source: Economic Development Board for Tacoma-Pierce County (edbtacomapierce.org/major_employers) February 2019

The Port of Tacoma and Joint Base Lewis-McChord (JBLM) are critical components of the Pierce County economy. JBLM is an amalgamation of the US Army's Fort Lewis and the US Air Force's McChord Air Force Base, which merged in February 2010 as a result of the Federal Base Realignment and Closure Commission's recommendations of 2005. JBLM has two Senior Service Component Commanders, one Army (Commander, I Corps) and one Air Force (Commander, 62nd Airlift Wing), and employs more than 50,000 service members and civilian workers. The post supports over 120,000 military retirees and more than 29,000 family members living both on and off post. The base has a total active population of nearly 210,000 inhabitants, making it the fourth largest military installation in the world, by population. JBLM consists of four geographical areas; Lewis Main, Lewis North, McChord Field and the Yakima Training Center in eastern Washington.

Improvements in port facilities, together with an expanding role in the modern era of economic globalization, have allowed the Port of Tacoma to handle growing shipment volumes. The Port of Tacoma is a major center for bulk and "heavy-lift" cargoes, as well as automobiles and medium duty trucks. The ports of Tacoma and Seattle have formed the Northwest Seaport Alliance; the first of its

kind in North America, the NWSA is the fourth-largest container gateway in the world. Regional marine cargo facilities also are a major center for bulk, breakbulk, project/heavy-lift cargoes, automobiles and trucks.

Container volumes moving through the ports of both Tacoma and Seattle fluctuated in 2018. In November, container volumes were up nearly 7% with 319,242 TEUS (twenty-foot equivalent units--an inexact measure of cargo capacity roughly equal to that of a standard 20-foot-long shipping container, containing about ten pallets). Strong results in November moved the year-to-date totals from the negative to a positive 1.7%. Import volumes were up 8.9% at 134,909 TEUS as well as up 4.8% year-to-date over 2017 totals. Breakbulk cargo volume was up an impressive 20.5% in the first three quarters of 2018, while auto volumes continue to be down by 8.1%. In 2016, the Northwest Seaport Alliance moved more than 3.6 million 20-foot equivalents. In 2013, the most recent study year, the economic impact of this marine cargo operation was estimated at \$4.3 billion and it is reported that 40±% of jobs in Washington State are tied to trade.

Operational capacity was significantly enlarged by the four "super post-Panamax" cranes delivered to the Port of Tacoma in February 2018. Manufactured in China (no container cranes are currently made in the US) by Shanghai Zhenhua Heavy Industries Company, these cranes service the larger and wider ships that can pass through the widened Panama Canal. The cranes were installed at the Port of Tacoma's Husky Terminal as part of a \$250 million terminal improvement project. Each crane is 434 feet tall with their booms up (for comparison, the Tacoma Dome is 152 feet tall) and can load and unload goods from vessels of 22 or more containers wide. Four additional cranes are to be installed in 2019.

According to a January 2, 2019 report posted on the website WorkForce Central (www.workforce-central.org), called "*Economic Overview of Pierce County, Washington*" the county's average annual wage in the third quarter of 2018 was \$49,996, which typically falls below the state average. The median household income in 2018 was \$61,468, compared to \$62,848 for Washington State and \$55,322 for the nation. The median hourly wage for jobs in Pierce County in 2017 was \$22.91, which surpasses the state's median hourly wage of \$22.00 when King County is excluded but falls below the state's median hourly wage of \$24.89 when including King. Per capita personal income in 2018 for the county, state and nation (from the same report) were \$29,750; \$32,999 and \$29,829, respectively. About 12.7% of Pierce County residents live below the poverty level (the same percentage as the state and lower than the national average of 15.1%).

Population

The region (King, Pierce, Snohomish, and Kitsap counties) gained another 82,000 people between mid-2016 and mid-2017, reaching a total population of 4,067,000 as of April 1, 2017. According to a July 2018 article on the website of the Puget Sound Regional Council (www.psrc.org), this was the second year in a row that the region experienced population growth exceeding 80,000 in a single year. The last time the region saw comparable levels of growth was in 1990-91.

Snohomish County was the region's fastest growing county in 2018, increasing by 15,720 persons at a rate of 2.0%. King County was second fastest, adding 36,500 persons or 1.7%. Pierce County's

population increased by 1,820 persons at a rate of 1.5% and Kitsap County grew by 2,820 residents, or 1.1%. According to the Puget Sound Regional Council, the pace of regionwide population growth from 2017-2018 eased up compared to the previous two years – but still represents the third highest increase in the past two decades.

Population of Central Puget Sound Counties					
Area	2016 Population	2017 Population	2018 Population	2016-2017 Change	2017-2018 Change
Region	3,985,000	4,066,800	4,082,660	81,800/+2.0%	15,860/+0.4%
King	2,105,100	2,153,700	2,190,200	48,600/+2.3%	36,500/+1.7%
Kitsap	262,600	264,300	267,120	1,700/+0.7%	2,820/+1.1%
Pierce	844,500	859,400	872,220	14,900/+1.8%	12,820/+1.5%
Snohomish	722,900	789,400	805,120	16,500/+2.1%	15,720/+2.0%

Source: Washington State Office of Financial Management April 2018.

Since 2008 King County’s population growth has almost equaled the region’s other three counties put together, in all but one year (2010-2011). This is a dramatic reversal of the trend over the preceding three-plus decades in which King County’s share of the regional population growth continuously lost ground to Snohomish, Pierce and Kitsap counties.

The 2018 Pierce County population estimate of 872,220 is an increase of 9.7% (1.2±%/year) over the 2010 census (795,225). The rate of growth, however, has slowed over the last few years; the annual rate between the 2000 Census and the 2010 Census averaged 1.35%±/year. Current and historical population figures for individual cities, as shown below, are from the Washington State Office of Financial Management. Newer figures will not be available until April 1, 2019.

Focusing job and housing growth within the region’s urban growth areas is seen as central to the success of the region’s growth strategy, entitled “Vision 2040” by the Puget Sound Regional Council. The region has seen a significant shift toward building housing in cities since the early 1990s; in 2015, 96% of permitted housing units were in the region’s cities and urban areas, compared to 72% in 1991. The PSRC’s board expects to implement “Vision 2050” by the year 2020. Meanwhile, the state and region have made major progress in new transportation infrastructure including Link Light Rail, the new 520 floating bridge, the SR 99 tunnel, Kitsap fast ferries, and more. New policies in Vision 2050 will address technology, freight and goods movement, and climate change.

Pierce County Population Trends						
City	2013	2014	2015	2016	2017	2018
Incorporated	436,005	439,330	444,070	452,230	458,920	463,200
Unincorporated	378,495	381,970	386,050	392,260	400,480	409,020
Pierce County	814,500	821,300	830,120	844,490	859,400	872,220
Auburn (por)	8,915	9,280	9,595	9,720	9,900	9,965
Bonney Lake	18,010	18,520	19,490	20,000	20,500	20,940
Buckley	4,370	4,430	4,440	4,550	4,670	4,765
Carbonado	610	610	615	635	665	665
DuPont	8,855	9,175	9,250	9,330	9,385	9,385
Eatonville	2,815	2,840	2,880	2,925	2,950	2,955
Edgewood	9,460	9,525	9,615	9,735	10,420	10,990
Fife	9,290	9,405	9,545	9,910	10,100	10,100
Fircrest	6,540	6,555	6,575	6,625	6,640	6,710
Gig Harbor	7,670	7,985	8,555	9,065	9,560	10,320
Lakewood	58,310	58,360	58,400	58,800	59,280	59,350
Milton (por)	6,345	6,350	6,375	6,625	6,705	6,705
Orting	6,930	7,065	7,290	7,535	7,835	8,105
Pacific (por)	85	80	70	55	55	40
Puyallup	37,980	38,670	38,950	39,850	40,500	41,100
Roy	805	805	805	805	815	815
Ruston	795	830	905	935	975	990
South Prairie	435	435	435	435	435	435
Steilacoom	6,040	6,060	6,115	6,170	6,410	6,425
Sumner	9,520	9,545	9,660	9,705	9,920	10,030
Tacoma	200,400	200,900	202,300	206,100	208,100	209,100
University Place	31,340	31,420	31,720	32,230	32,610	32,820
Wilkeson	485	485	485	490	490	490

Source "Population Trends," Washington State Office of Financial Management, April 2018

Summary

The primary industries of government, forestry and aerospace provide a relatively stable economic base for Pierce County as it continues to recover from the economic recession of 2007 – 2008 and beyond. The service and technological manufacturing industries add further diversification, although the manufacturing sector continues to struggle. This is despite recent optimistic forecasts from the Boeing Company and the availability of favorable locations in the county for satellite businesses that provide airplane components and other services to the aerospace sector. Growth rates for Pierce County in the foreseeable future are anticipated to equal or exceed that of the Puget Sound region as more industries look beyond King County for new development and expansion opportunities.

Pierce County .0219

Neighborhood/LID Project Area

The LID boundary encompasses portions of the two cities of Sumner and Pacific (partially situated in King County, north of the LID vicinity). Pacific, with a total of 6,915 residents (2018 estimate from the Washington State Office of Financial Management), is approximately 2.6 square miles in size, most of which is situated in south King County. The entire LID area, however, is within Pierce County and includes the southern portion of Pacific (south of County Line Road SW) together with a small portion of Sumner (between 16th Street East and just south of 24th St E). The City of Sumner has a 2018 estimated population of 10,030 and it covers about 7.2 square miles of land area. To the north of Pacific are the King County cities of Algona and Auburn.

Most of the City of Pacific is situated between the White River and State Highway 167 (Valley Freeway). The White River extends south through the central part of Sumner, joining the Puyallup River just west of downtown, near a major interchange of state highways 167 and 410. The eastern city limits of Sumner are east of the East Valley Highway, in the vicinity of Lake Tapps.

The conversion of farmland to industrial uses was hastened by the installation of sewage systems throughout the valley by the Municipality of Metropolitan Seattle (METRO) in the 1970s. In 2009, the Sumner Station was built at 810 Maple Street. The station includes service by the Lakewood to Seattle Sounder commuter train system, Sound Transit Express Bus and Pierce Transit. The weekday train service has 13 daily trips each way and there are 302 parking spaces at the station.

The Kent and White River valleys have been conducive to light industrial development due to level topography and proximity to Seattle-Tacoma International Airport (15± miles to the north), rail service (Burlington Northern/Santa Fe and Union Pacific) and freeways including I-5, State Route 18 and Interstate 405. These same characteristics are evident in the Sumner/Pacific vicinity. The SR 167 freeway interchange at 24th Street East in Sumner (south end of the subject project) has facilitated extensive industrial development in northern Sumner, where hundreds of acres of former farmland have been designated for industrial use, resulting in a heavily developed industrial/warehouse/distribution area along 142nd Avenue E, between 24th Street E and the White River. In an area with a positive business environment, the Sumner/Pacific industrial region is characterized by nearly level terrain and parcels of various sizes. Major industrial projects completed in the last few years include Sumner Corporate Park, Valley Distribution Center and Sumner Landing North and South.

The Kent Valley, in King County to the north, has been the center of most of the region's past industrial development, but is now largely built out and large parcels suitable for new development have become scarce. New light industrial development has moved south towards Auburn, Pacific, Sumner and Puyallup. Several factors have combined to make the Sumner/Pacific area attractive for new industrial ventures. Several years ago, the City of Sumner identified 750± acres suitable for industrial and warehouse development. Large vacant land tracts became available and have been subsequently developed. The advent of longer trucks for freight hauling - formerly 35 feet and now up to 60 feet in length - is requiring larger buildings and new configurations for loading areas, vehicle maneuvering room and outside storage space. The cities of Sumner and Pacific are well-

positioned to meet these needs and most of the recent construction reflects designs suitable for modern operations.

In the City of Pacific, the northern portion of the LID area is governed by three zoning classifications. At the extreme north end, south of County Line Road, zoning is Office Park (OP). South of the OP zone and north of Stewart Road SW is zoned Light Industrial, as is the area south of Stewart Road between 10th Street E and 16th Street E, the boundary line between Pacific and Sumner. The LID area on either side of Stewart Road is zoned Commercial by the City of Pacific. The Sumner portion of the LID, south of 16th Street E, is zoned Light Industrial and Interchange Commercial.

On January 24, 2019, the Executive Board of the Puget Sound Regional Council certified a full designation for the Sumner-Pacific Manufacturing Industrial Center (MIC). Since the designation was provisionally approved in 2016, the two cities have prepared a subarea plan to support the continued growth of industrial and manufacturing jobs in the area. The plan also supports enhancement of the White River floodplain to reduce flooding impacts and restore natural habitat.

The Sumner-Pacific center is one of nine manufacturing industrial centers (MICs) in the region, and the third to be designated in Pierce County. The center is home to the REI Distribution Center; Amazon; Brooks Sports; Green Mountain Coffee Roasters, and Pacific Northwest Baking Company (known for baking millions of sesame seed buns for McDonald’s each year).

Manufacturing industrial centers are places that are expected to accommodate a significant share of regional employment growth, support the industrial and manufacturing sectors of the region’s economy, and promote efficient use of land and provision of infrastructure. Regional growth centers and MICs receive priority for PSRC’s federal transportation funding. The Sumner-Pacific MIC encompasses 2,160 acres, with approximately 90 percent in Sumner and 10 percent in Pacific.

Major Employers in the LID Vicinity - 2017

Organization	Industry	Employees
Amazon	Distribution	1,400
Costco	Retail	600
REI	Retail/distribution	486
Golden State Foods	Food manufacture	159
Keurig Green Mtn Coffee Roasters	Food manufacture	100

Source: Tacoma Economic Development Board, 2017

*Not included in above chart, The UPS Distribtuion Center in Paciifc has approximately 275-300 employees as of 2019

Terrain in Sumner and Pacific is relatively flat, minimizing site preparation costs for new development. Also, Sumner allows truck trailer parking in all manufacturing, assembly or distribution facilities in the city, making it easier for distributors who want to keep containerized goods stored in trailers before moving them into the warehouse; especially desirable when trucks arrive at a destination facility during the night. Another competitive advantage is the cities’ relatively

close location to the ports of both Seattle and Tacoma. According to a recent article in the Puget Sound Business Journal "...Tacoma's port is the fastest-growing container port on the West Coast and well-positioned to absorb the growing tide of manufacturing imports from China".

City of Pacific

Major developments within the Pacific portion of the LID boundary include Pacific Logistics North and Pacific Logistics South, projects along Valentine Avenue SE being developed by Panattoni Development. The north project is a proposed 162,350 SF 37-foot tall office/warehouse. The southern project is a 128,300 SF office/warehouse schedule for completion in 2019. Another recent project that is nearing completion is a Shell convenience store/gas station with separate retail strip building at the southeast corner of Valentine Ave and Stewart Road.

City of Sumner

Tarragon, a major local developer, completed the final 400,000 SF of Valley South Corporate Park in 2009. The 1.5 million square foot complex of concrete tilt-up buildings had been under development since 1995. According to their representatives, it was built "on spec" but all completed space was leased within a short time frame. Costco Corporation chose this park as the location for its 94-acre regional distribution site, constructed in 1999. Additional tenants in the park include; Green Mountain Coffee Roasters, Pacific Distribution Services, and Cooper Tire and Rubber Company.

Panattoni Development is building out the Rainier Park of Industry along West Valley Highway East. A 234,500 SF building has been constructed and 150,000 SF of the space leased to Simmons Mattress. The second building, Rainier Building 5, totals 358,673 SF and was fully leased to American Port Services before completion in 2005.

Bellevue developer Ted Knapp completed the 148-acre Sumner Corporate Park just east of the southern portion of the LID area; it features three million square feet in eight institutional quality, state-of-the-art structures. Currently, according to the Sumner Corporate Park website, five are completed and three others will be built-to-suit. The completed buildings are nearly fully leased (Norvanco International, Inc., a Kent-based company that handles shipping and distribution for a variety of worldwide clients).

Within the LID area a new Candlewood Suites hotel is under construction adjacent to the Holiday Inn Express. Additionally, a new retail center is just finishing construction on the west side of 136th Avenue E, just north of 24th Street E.

All these projects illustrate recent industrial and commercial activity in the area and demonstrate that Sumner and Pacific are becoming increasingly attractive to major developers. Additional development is anticipated due to completion of the 136th Avenue SE widening and other street improvements.

As stated, Burlington Northern/Santa Fe and Union Pacific operate rail lines in the area, primarily for freight service. Amtrak uses the Burlington Northern line but there are no stops in Sumner or Pacific. Sound Transit has a rail station in downtown Sumner and the train serves commuters traveling between Tacoma and Seattle. Metro and Pierce County Transit provide public transportation to nearby communities.

On the following page are summaries of employment growth trends and forecasts from the Puget Sound Regional Council’s 2017 “Vision 2040” study for the Puget Sound region. The Sumner FAZ (900) covers the Sumner vicinity of Pierce County and Algona/Pacific FAZ (3110) encompasses the Algona/Pacific area of King County. The Sumner FAZ rate of employment increase projection from 2015 to 2040 is 25.7%, 58.5% for Algona/Pacific and 42.2% for Pierce County. Until Puget Sound Regional Council rolls out its new planning study, to be called “Vision 2050”, these are still the most recent forecasts.

LID Area Local Employment Trends			
Year	Sumner FAZ-900	Algona/Pacific FAZ-3110	Pierce County
2015	16,544	3,069	350,208
2020	18,481	3,249	368,237
2025	19,489	3,527	386,148
2030	19,860	3,797	405,462
2035	20,280	4,454	443,565
2040	20,798	4,864	498,086

Source: Puget Sound Regional Council-Forecasts, April 2017.

In summary, the small cities of Sumner and Pacific lie in the path of the southward growth of King County and the Kent Valley. Location near state routes 167, 512 and 410 provides convenient freeway access to the entire region. Better vehicular access, job growth through new construction, together with residential growth in areas to the east, will continue to bring increased traffic flows to the Sumner/Pacific vicinity. The area is well-positioned for increased commercial and industrial development, as evidenced by the recent increase in activity, shown as Pacific Logistics North and South within the LID boundary. Reports in various industrial trade journals discuss the extremely active Seattle market and the move toward outlying areas for economic feasibility and continued availability of land suitable for commercial and industrial development to meet the strong demand.

Market Area Data

Retail Market

According to a fourth quarter 2018 retail study of the five-county region by GVA Kidder Mathews, the overall direct vacancy rate declined slightly from 3.31% in the third quarter to 3.16% in the last quarter of 2018. Total available space (total vacant as well as occupied but available) declined from 4.39% in the third quarter of 2018 to 4.34% and remains well below the recession peak in the 4th quarter of 2010 at 8.00%. The sector's vacancy is down significantly from an 8% peak in the fourth quarter of 2010. According to the Kidder Mathews report, King and Thurston counties are stabilized and have direct vacancy under 3.0% and total vacancy under 4.0%, while Snohomish County is the softest market, with direct vacancy of 3.95%. Pierce County's direct vacancy is 3.64% and total vacancy of 5.00%, the highest in the region. Kitsap County's total vacancy rate is 4.45%. Properties with 50,000 SF or more of contiguous vacancy represent 1.5% of total inventory and 23.7% of vacancy.

The Kidder Mathews report summarizes current market conditions as follows, "The retail market is extremely challenging. Developers are challenged by rising construction costs. Owners are challenged by rising interest rates and tenant turnover. Tenants are challenged by e-commerce, increasing occupancy and employee costs. Retailers in strong trade areas have difficulty finding employees. Customers are challenged for time and disposable income with high housing costs. The market is strong in Seattle and the Eastside, where most employment growth is occurring. The balance of the market is stable to slightly soft. There is positive absorption, measured new construction and a strong investment climate for daily needs anchored centers and single tenant net leased properties".

New construction peaked in 2008, with 4.1 million square feet added, and the tail end of this wave (2.8 million square feet) came on line in 2009. In 2007, 2.8 million square feet were added to overall inventory. In 2018, new retail development activity is moderate; smaller scale developments are most common, whether it is build-to-suit structures for single tenants or smaller buildings for two or three expanding tenants. Kemper is getting ready for its southeast expansion of Bellevue Square. KG/Principal is underway on Bellevue Central on 116th to be anchored by PCC, Target and Dave & Busters. Merlone Geier announced a mixed-use redevelopment of the former Sears at Aurora Square in Shoreline. Seritage has a master use plan for a mixed-use redevelopment of the Sears in Redmond. New development feasibility is challenged by rising construction costs for developers and occupancy costs for tenants. Development costs are high for hard construction costs due to high levels of activity in other sectors like residential, office and industrial. Costs are also high for entitlements, including mitigation fees.

Net absorption has been positive for the last eight years straight, with an annual average of 1.93 million square feet for the five-year period ending in 2018. Absorption is slowing somewhat with the most recent 12 months at 1.53 million SF. Fitness chains continue to expand with both large and small formats. PCC continues its expansion with announced stores in mixed use projects in Bellevue,

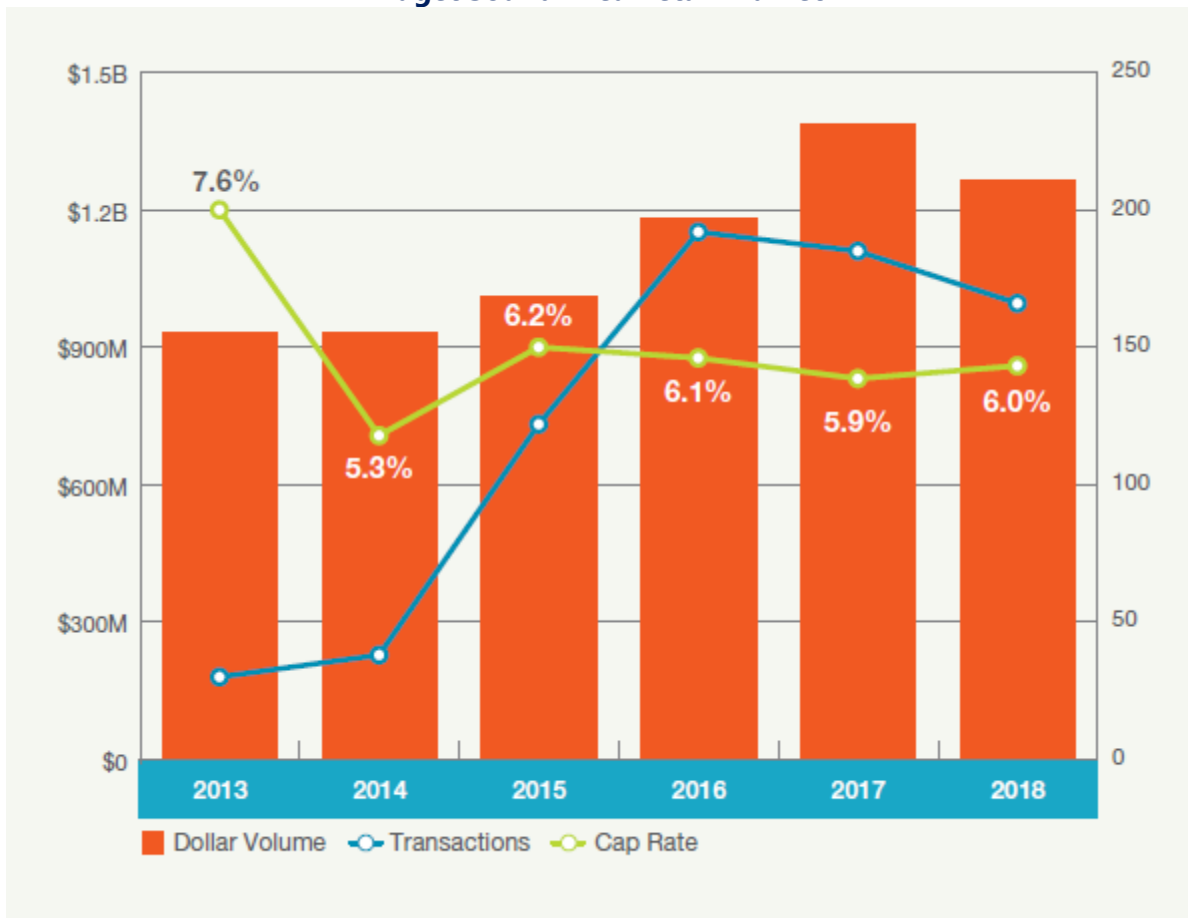
Ballard, Madison Valley, West Seattle and the Seattle CBD. Target will open three smaller format stores in Seattle (2) and Bellevue (1). Sprouts grocery opened its first Washington store in Mill Creek and announced additional stores for north Seattle and Lynnwood.

Over the last twelve months, asking rents for direct vacancy have increased 4.56%. With total regional vacancy below 4.5% and less than 4% in King County, the largest market, there is some upward pressure on rates except for the lowest quality segment. Retail rents in the region are as follows: Seattle CBD: \$40.00 to \$80.00/SF NNN; Seattle mixed-use: \$30.00 to \$50.00/SF NNN and suburban: \$20.00 to \$40.00/SF. Total taxable retail sales in Pierce County, according to the Washington State Department of Revenue, showed a massive 10.59% increase between 2017 and 2018 (rising from \$3,966,592,417 in the second quarter of 2017 to \$4,386,572,331 in the second quarter of 2018).

A cautionary note in one of the Puget Sound Economic Forecaster's newsletters concerns retail debt. They report that, "The possible risk for us in the Seattle area is that the vast majority of retail debt is not held by national banks, who might be able to insulate themselves from possible defaults, but by regional and local banks...The good news here is that the Puget Sound region appears to be largely insulated from the effects of increasing retail debt. While some metro areas, such as Pittsburgh, Kansas City and Phoenix, have retail real estate loan delinquency rates up to 26.8%, Seattle has a rate of less than 5%. Still.....don't be surprised if the 'retail apocalypse' comes knocking in Seattle over the next ten years."

As shown in the chart below, the dollar volume of purchases of retail properties, after increasing since a trough in 2012, declined in 2018. The regional market is targeted by institutional investors for core product because of healthy economic conditions. Capitalization rates are generally low but increases have appeared in certain categories, most notably for B and C quality malls that are at risk due to struggling apparel anchors and co-tenancy clauses. The average capitalization rate in a fourth quarter investor survey increased 8 basis points year over year for power centers (6.48% to 6.56%) and 43 basis points for retail centers (from 6.27% to 6.70%).

Puget Sound Area Retail Market



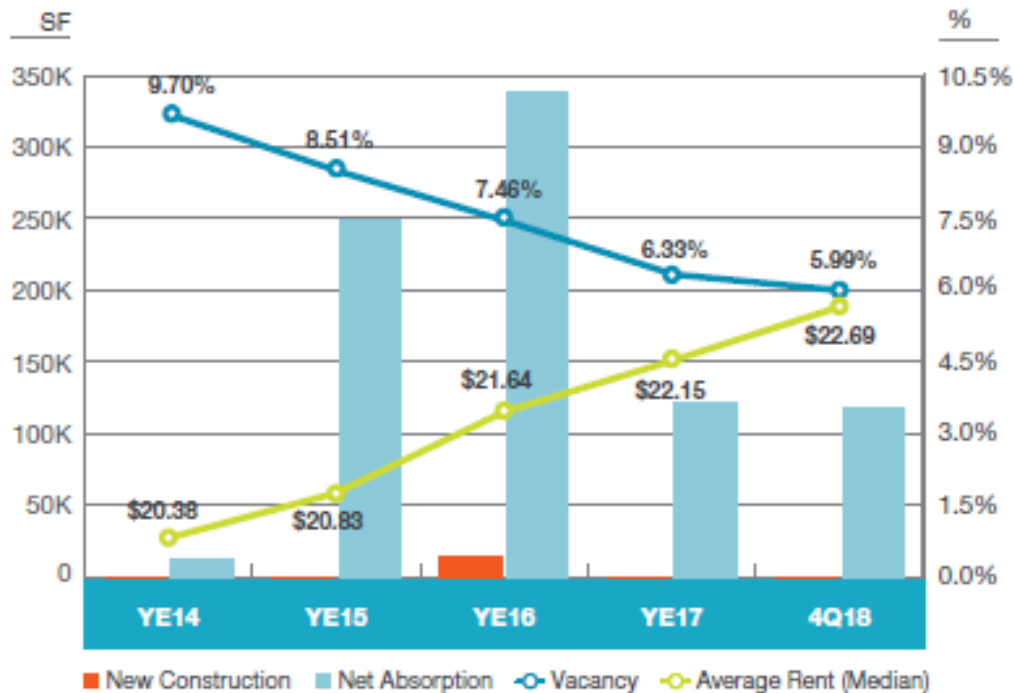
Source: Kidder Mathews 4th Quarter 2018 Seattle Retail Market Review

Office Market

The regional office market continues to see positive absorption, falling vacancy rates, and continued rent growth. Although the fourth quarter is typically slow in terms of leasing activity as companies are preoccupied with the holidays and year-end accounting, that was not the case last year. Regional absorption of 1.37 million square feet was more than the annual total for 2017, according to the Kidder Mathews "Fourth Quarter 2018 Office Market Review". As of year-end 2018, the region has a total standing office supply of 203.6 million SF, up about 1.1 million SF over the year. The office vacancy rate started the year at 7.74%, continuing its 10-year recovery from the 2009 recession, and ending the year at 6.10%. Steady absorption covered the new construction and more over the year with the regional total of 4.46 million SF of net occupancy gain. National and international real estate funds and private REITs continue to look at the Seattle region, but face a dwindling supply of available product to purchase.

The fourth quarter of 2018 saw several large leases announced for spaces in the 7.88 million SF under construction. That space is now 52% pre-leased with highly expected, but not yet formally announced, deals pushing that number closer to 70%. In 2018, the core tech drivers over the past ten years - Amazon, Facebook, Google and Tableau - were very busy and were joined by an expanding group of newcomers to the market including Indeed, Spaces, and a major push from WeWork. This activity shaved 59 basis points off the regional vacancy rate, now at 6.1%. The availability rate fell even more, shedding 113 basis points, to 8.14%.

PIERCE COUNTY



Source: Kidder Mathews 4th Quarter 2018 Seattle Retail Market Review

The Pierce County office market's average building size is 11,820 SF. By the end of 2018, the overall market vacancy rate had dropped to 5.99%, 34 basis points lower than at year-end 2017. Vacancy is similar in the Tacoma CBD, where one third of the market's space is located. The availability rate had even greater improvement, falling by 300 basis points over the year to 7.20%. The year's net absorption was modest, at a positive 118,332 SF. Encouragingly, the CBD availability rate fell 310 basis points over the year to 7.3%. In the rest of the market (excluding the Tacoma CBD), the vacancy rate is currently 5.8% and the availability rate is 7.7%.

The only major speculative projects outside the Seattle and Eastside markets are the 688,147 SF Southport Office Campus in Renton and a 129,000 SF expansion of the Alaska Airlines Headquarters in the City of SeaTac, just southeast of the airport.

Annual rental rates in Pierce County have been relatively flat at about \$22.69/SF, little changed from \$22.26/SF at the beginning of 2018 and from \$22.15/SF/year in the fourth quarter of 2017. Except for downtown Tacoma, and as in the south King County market, office space in Pierce County is primarily utilized by small businesses.

In the Pierce County office market in 2018, there were only ten sale transactions at prices over \$2 million. As stated in the Kidder Mathews report, "Historically most sales in Pierce County are geared toward owner/users and local investors. Optimism remains strong for the resurging Tacoma CBD, aided by retail, residential, and convention center expansion, and growth of the UW Tacoma campus, creating a more well-rounded downtown real estate market".

Industrial Market

A recent publication by JLL, a market data research firm, entitled, "Warehouse of the Future" lists nine factors affecting the entire industrial real estate sector in the 21st century. Their report explains, "Industrial vacancies continue to fall alongside rising operating costs and shrinking availabilities of prime land parcels. The continued growth of e-commerce, last mile delivery, and warehousing as a whole are driving significant demand for industrial properties, and spurring innovation in how the assets are built and utilized". Briefly, these factors are:

1. Advances in wireless technology and real time tracking.
2. Hyper-connected warehouses allowing for a variety of plug-ins and higher levels of technology.
3. State-of-the-art forklifts with alternative fuel systems, more energy efficiency, increased automation and mobility.
4. Factors such as automation, advances in fire suppression and lighting capacity have created demand for higher building clear heights to optimize warehouse utilization; 24 to 26-foot clear heights in the 1990s have grown to 36 to 40 feet today.
5. New picking technology includes multi-lingual voice picking and augmented reality to specialized robots.
6. The new age of "green tech" has atypical power requirements to enable techniques such as solar panels, LED lighting, cool roof systems, thermal glass, clerestory windows, new packing efficiencies, among others.
7. Modern warehouses are focusing on workers' quality of life, not only to reduce labor turnover but also to address liability issues.
8. Larger industrial tenants look to control additional "flex land" for possible future business needs including additional truck parking/storage or physical building expansions.
9. Robotized picking and racking technology requires floors that are either "super flat" or purposefully sloped to assist in moving goods.

The subject Sumner/Pacific region is considered part of the larger Kent Valley, encompassing Auburn, Kent and eastern Pierce County. The fourth quarter 2018 Kidder Mathews Seattle Industrial Market Review sums up the regional perspective on the industrial market as follows, "The Puget Sound region's industrial market 4th quarter results continue to be positive. On the leasing front,

the region absorbed a positive 1.4 million SF while 2.05 million SF of product was delivered this quarter. With supply outpacing absorption, the vacancy rate inched upward to 3.6% from 3.5%, still a very tight market. Construction activity is still strong at nearly 5.5 million SF (36 buildings), with Pierce County the most active at just over 3 million SF. About 16% of the speculative construction is pre-leased”.

Their report goes on to say that, “During the quarter there were over 2.6 million SF of leases signed, but most of these will not be moving into their new spaces until the next several months, so we expect the vacancy to continue to hold in the 3% to 4% range. Another 20.6 million SF is in the pipeline, with the bulk in Pierce, Snohomish, and Thurston counties. Given the availability of land to develop in these counties, additional growth is likely assuming our economy continues to expand”.

A different look at the regional industrial market is provided by JLL, another market data research firm: their reports divide the Puget Sound region into 31 submarkets and the report’s most recent published edition is for third quarter 2018. They state that rents for industrial space hit another high in the third quarter at \$8.64/SF on NNN leases and vacancy for the properties in their study was 3.1%. Their outlook says that, “Interest in locations that have previously been passed over due to characteristics such as difficult access and lack of proximity to urban areas, such as the Frederickson area, are seeing activity from tenants desperate for large blocks and developers seeking suitable land for new industrial sites”.

The expansion of e-commerce continues to make waves in the industrial real estate market as demand for space that supports last-mile delivery grows. Spaces located closer to urban centers are serving the demand for ever-shorter deliver times, and new warehouse models such as the Prologis Georgetown Crossing property will add urban industrial inventory for these tenants. Announcement of a major tenant for Georgetown Crossing is expected early in 2019.

Three of the JLL submarkets pertain to the subject area; Auburn, Kent and Puyallup/South Hill. The following table illustrate these three submarkets at a glance---totals are for both warehouse/distribution and other (“flex”) manufacturing space.

Industrial Market Stats - JLL 4th Quarter 2018						
Submarket	Inventory (SF)	Absorption (SF)	Vacancy %	Average Asking Rent (\$/SF/mo.)	Quarterly Completions (SF)	Under Construction (SF)
Auburn	21,033,021	302,541	1.70%	\$0.58	61,985	287,832
Kent	48,149,592	148,258	0.60%	\$0.63	212,810	190,913
Puyallup/South Hill	28,292,901	109,123	1.10%	\$0.62	229,016	1,157,927

CB Richard Ellis also publishes periodic overviews of the regional industrial market; studies cover five submarkets called Seattle Close-In, Eastside, Kent Valley, Northend and Tacoma/Fife. Their fourth quarter 2018 report says that the overall market has sustained its strength, vacancy remained generally steady over the past 12 months, at 4.0% overall, and that rentals rates are at an all-time high regionally of \$0.73/SF on NNN leases (a 9±% year over year increase). (The table below of

submarkets encompassing the subject area shows that asking lease rates were lower than the regional-wide average of \$0.73/SF.) One of their recent reports states that a major current influence on the industrial market is the grocery/food sector. Cold storage is critical to warehousing perishable items; sales in the growing online grocery industry are forecast to grow significantly over the next decade. Washington State has the second most cold storage cubic feet per capita in the nation, totaling 271.3 million square feet throughout the state.

Further dividing the CBRE submarkets of Kent Valley and Tacoma/Fife, four of their divisions pertain to the competing market areas for parcels within the LID, and recent statistics on the four relevant divisions are presented in the table below.

Industrial Market Stats - CB Richard Ellis - 4th Quarter 2018						
Portion of Submarket	Net Rentable Area (SF)	Vacancy Rate %	4th Qtr. Net Absorption (SF)	Last Four Qtrs. Net Absorption (SF)	Under Construction (SF)	Average Asking Lease Rate, NNN (\$/SF/mo.)
Kent	45,812,374	4.90%	156,063	155,581	220,346	\$0.62
Auburn	26,579,180	2.20%	(173,216)	76,540	628,256	\$0.62
Sumner	16,437,519	4.80%	88,213	303,651	195,013	\$0.62
Puyallup	6,260,620	1.40%	(1,122)	240,428	699,065	\$0.55

Sumner, Kent and Auburn are in CBRE's Kent Valley submarket, while Puyallup is in the Tacoma/Fife submarket, most of which is farther west and more influenced by the City of Tacoma and the I-5 corridor than is the Sumner/Pacific vicinity. No data is available for the City of Pacific as a separate division. According to the latest CBRE report, availability in the Kent Valley tightened at the end of 2018, with the direct vacancy rate dropping to 3.6%, a year-over-year decrease of 84 basis points. Absorption for fourth quarter 2018 totaled 192,013 SF, bringing the annual figure to about two million SF. Leasing activity and absorption continue to outpace construction; although 1.72 million SF of new space was delivered in 2018, the direct average asking monthly lease rate increased to \$0.62 per SF, NNN.

The demand to be closer to Seattle is boosting activity in the north Kent Valley, while businesses seeking larger spaces and slightly cheaper rates are moving father to the south. Despite building almost 6.7 million SF of new industrial buildings in three years, the Tacoma-Fife market has another 3.4 million SF under construction. As stated, most of this market is in western Pierce County and is within the City of Tacoma's sphere of influence.

Industrial sales around the region, again reported by CB Richard Ellis, totaled over \$1.1 billion, bringing the annual total to almost \$2.9 billion and averaging \$185 per square foot, according to Real Capital Analytics. A major lease was signed last quarter by East Bay Logistics, who also moved into their new 228,256 SF space at Valley Distribution Center in Sumner. EVO will move into 164,205 SF at the IPT Sumner Distribution Center in the second half of 2019. Early in the fourth quarter of 2018, Young's Market leased the entire 287,832 SF in the new ProLogis Hudson Distribution Center building in Auburn. A relatively recent sale in the immediate subject area was the Cummins Building in Sumner, purchased by the Bixby Land Company for \$18.8 million (\$337±/SF).

One more look at the regional industrial market is prepared by the market data research firm of CoStar. Their year-end 2018 report on the “Seattle/Puget Sound Industrial Market” states that net overall absorption was 459,282 SF in the last quarter, as compared to 1,536,909 SF in the third quarter of 2017, and a total of almost 11 million square feet absorbed for the year. They also report a slight increase in vacancy, to 3.6% at year-end from 3.2% at the end of the previous quarter. Their industrial inventory totaled 324,316,265 SF in 8,453 buildings at fourth quarter 2018’s end, broken down into 31,337,666 SF of flex warehouse space in 1,036 buildings and 292,978,599 SF of warehouse space in 7,417 buildings. Within the industrial market, there were 1,043 owner-occupied structures accounting for 69,257,664 SF of the total industrial building square footage.

CoStar reports that capitalization rates capitalization rates have been lower in 2018, averaging 5.81%, compared to the first nine months of 2017 when they averaged 6.05%. One of the largest transactions that has occurred within the last four quarters in the Seattle/Puget Sound market is the sale of a group of industrial/flex buildings within Canyon Park Business Center, located in Bothell. The 17 buildings, totaling 632,591 square feet, sold for \$145,500,000, or \$230.01 per square foot. The property sold on 10/30/2018, at a 7.00% cap rate.

CoStar’s market research divides the Puget Sound region into five submarket clusters, two of which contain areas that compete with the Sumner/Pacific vicinity; the “Southend Industrial” and “Tacoma Industrial” submarket clusters. These clusters are further divided into individual submarkets. The Auburn Industrial, Kent Valley North and Kent Valley South submarkets (within the “Southend Industrial” submarket cluster) and the Puyallup/South Hill submarket (within the “Tacoma Industrial” cluster) pertain to the subject area’s industrial market. The table below compares the pertinent statistics from CoStar’s year-end 2018 report for the entire Southend Industrial and Tacoma Industrial clusters and shows the same data for each of the four submarkets containing industrial space within the subject Sumner/Pacific market area.

Industrial Market Stats - CoStar Year-End 2018									
Submarket Cluster or Submarket	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Construction	Quoted Rates (\$/SF/mo)
	# of Buildings	Total RBA	Direct SF	Total SF	%				
Southend	1,980	112,411,827	4,138,970	4,647,854	4.10%	1,117,101	1,765,896	1,071,574	\$9.01
Auburn	438	27,144,605	344,447	536,790	2.00%	71,126	339,553	349,817	\$7.48
Kent Valley N.	403	30,911,852	1,179,403	1,262,946	4.10%	871,508	212,810	42,913	\$7.60
Kent Valley S.	431	20,264,731	974,592	1,025,914	5.10%	329,529	220,800	144,400	\$8.77
Tacoma	1,980	78,935,780	2,736,702	3,126,864	4.00%	1,693,313	3,170,790	3,039,102	\$7.90
Puyallup/South Hill	495	29,019,786	582,913	861,937	3.00%	69,080	414,838	1,157,927	\$8.28

Hotel Market

An extensive study of the regional hotel market is prepared every quarter by CB Richard Ellis; however, the market area for this study and report, entitled “Hotel Horizons”, encompasses only King and Snohomish counties. Therefore, the City of Pacific is at the extreme southern periphery of the study area and the only hotel property within the LID boundary is located further south, in Sumner, consisting of a Holiday Inn Express and Candlewood Suites (under construction). Some of the statistics contained in the study, however, are presented below as a brief snapshot of the hotel

market. Data in the most recent issue, dated “December 2018 – February 2019 Edition”, is from the previous four quarters (i.e., all of 2018).

Within the CBRE study area, there are 47,146 hotel rooms (an increase over 2,196 rooms over one year ago), most of which are in Seattle’s Central Business District. Overall market forecasts for the next four quarters (i.e., 2019) are for an occupancy rate of 75.0%, which is a slight decline from the average rate of 75.4% over the prior four quarters (2018) but above the long run average of 69.6%. Growth expectations for average daily rates (ADRs) in 2019 are increasing; the forecasted increase in ADR is 3.1% compared to the prior four quarters’ rate of 2.8% increase and well below the long run average of 3.9% per year. Revenue per available room (RevPAR) growth projections are climbing to 2.5%, as compared to the 2018 result of only positive 0.8% and the long run average of positive 4.4%. Supply growth is climbing—the most recent forecast is for 6.8% in 2019 as compared to 4.7% in 2018 and well above the long run average of 2.6%. Forecast demand is, however, also growing; predicted for 2019 is a 6.1% increase in demand, compared to the 2018 rate of 2.7% and well above the long run average of 2.9% per year.

Of the six submarkets studied, the one closest to the subject LID area is Kent/Renton, where 63 of the 441 hotel properties in the study are located. Again, it should be emphasized that all properties in the study are in markets to the north of the immediate LID vicinity. The Kent/Renton submarket contains a total of 4,443 rooms (9.4±% of the market). For the overall market year-to-date in the third quarter of 2018, occupancy rates were about 77.8%, the average daily room rate was \$170.58 and revenue per room was \$132.73.

Qualifications – Robert J. Macaulay, MAI

Senior Managing Director

Valbridge Property Advisors | Puget Sound

Education

Bachelor of Arts in Economics, Washington State University, 1983.

Professional Education

Appraisal Courses: All appraisal courses required for MAI designation.

Seminars and Continuing Education (abbreviated summary of coursework):

- Environmental & Property Dangers
- UASFLA Seminar (Yellow Book)
- Introduction to Valuation for Financial Reporting
- Eminent Domain and Condemnation
- Evaluating Commercial Construction
- The Road Less Traveled: Special Purpose Properties
- The Appraiser as Expert Witness
- Litigation Appraising: Specialized Topics and Applications
- Appraiser Consulting: A Solutions Approach for Professionals
- Subdivision Valuation

Professional Affiliations

Member, Appraisal Institute. Received MAI Designation in 1995. (Member No. 10,712)

Approved Appraiser and Review Appraiser, Washington State Department of Transportation

Member, International Right-of-Way Association

Past Board of Trustees - Washington Center for Real Estate Research

Appraisal Experience

Principal with Valbridge Property Advisors | Puget Sound (*Macaulay & Associates merged with Valbridge in 2015*). Appraisal assignments include a wide variety of commercial, industrial and residential properties for financial institutions, governmental entities, law firms, corporations and private individuals. Examples include office buildings, retail shopping centers, multifamily residential complexes, industrial warehouses, restaurants, retail stores, mobile home parks, service stations, single family subdivisions and special purpose properties. Other valuation assignments cover rental valuations, partial interest studies (leasehold/leased fee estates), waterfront commercial and industrial properties for various port authorities, together with remote large acreage agricultural and forest land.

One of Mr. Macaulay's specialties in which he has extensive knowledge and over 30 years of experience with is Local improvement district (LID) special benefit and feasibility study analysis. Robert's (LID) special benefit and feasibility study experience includes a variety of road improvement, utility and other infrastructure projects. Special benefit and economic feasibility studies have been completed for the cities of Seattle, Bellevue, Bellingham, Everett, Tukwila, Issaquah, Sumner, Pacific, Port Townsend, Vancouver, Burien, Ferndale, Freeland, Kent, Lynnwood, Ocean Shores, Clallam County, Skagit County and Jefferson County. Other examples of current or recently completed projects (2010-2017) include special benefit and feasibility studies for the cities of Bellevue, Edgewood, Freeland, Kent, Lynnwood, Tukwila, Longview, Marysville and Tacoma.

ROBERT J. MACAULAY, MAI (cont.)

A wide variety of multi-parcel right-of-way acquisition appraisals have been completed, such as riverbank protection easements for the City of Tukwila, right-of-way acquisition for road widening for the City of Bellingham and utility line easements, road widening and other public improvement projects for the City of Everett. A large right-of-way project for the Montana Department of Highways near Kalispell, Montana was completed several years ago. Also, eminent domain appraisals have been completed for the Washington State Department of Transportation (WSDOT) and Burlington Northern Santa Fe Railroad in Wenatchee and Tacoma. Other special purpose assignments are 6,000 acres on the Tulalip Indian Reservation for the Tulalip Tribes, 80 acres on Burrows Island in Skagit County, 900 acres in Skagit County for Skagit County Parks and Recreation Department, and the Eagle Harbor ferry maintenance site on Bainbridge Island for WSDOT. The firm's extensive experience with these projects dates back to 1975. Additional right-of-way projects include easement analysis for the United States Navy and analysis of 70+ parcels for the City of Renton for acquisition and easement purposes. Numerous appraisals were also prepared for a large trunk water line easement extending under the Snohomish River to the Tulalip Tribes and City of Marysville for the City of Everett.

Other Experience

Mr. Macaulay has been involved with MRSC dating back to the late 1990's and involves published (and updated) information on their website pertaining to local improvement district (LID) special benefit analysis, methodology and proportionality issues for a wide range of LID projects such as freeway interchange/arterial road improvements, utility (large sewer/water installation) infrastructure, slope stabilization, bridge improvements and other related publicly funded development.

Numerous presentations have been made around the state for MRSC involving LID analysis examples completed for various cities and utility districts. Conferences have been made touching upon a wide variety of special benefit analysis issues relating to a wide variety of LID projects ranging from \$500,000 to over 100 million in project cost.

Representative Client List

Cities/Counties

Cities of Aberdeen, Arlington, Bellevue, Bellingham, Blaine, Bothell, Burlington, Edgewood, Edmonds, Everett, Ferndale, Issaquah, Kent, Kirkland, Lacey, Lake Forest Park, Lake Stevens, Lynnwood, Marysville, Mount Vernon, Mukilteo, Oak Harbor, Ocean Shores, Pacific, Port Townsend, Redmond, Renton, Seattle, Shoreline, Stanwood, Sultan, Tacoma, Vancouver, Wenatchee and Washougal. Counties of Clark, Clallam, Douglas, Island, Jefferson, King, Kitsap, Pierce, San Juan, Skagit, Snohomish, Thurston and Whatcom.

Government

Ports of Anacortes, Edmonds, Everett, Seattle and Skagit County. Edmonds, Everett, Lake Stevens, Lynnwood, Monroe, Mukilteo, Marysville and Snohomish School Districts. Washington State Parks, WSDOT (Approved Appraiser/Reviewer Lists), DNR, WA State Attorney General, U.S. Army Corps of Engineers, U.S. Navy, Everett Parks Foundation, Seattle DOT, University of Washington, Department of Interior, Snohomish County PUD, Skagit County PUD, Montana Department of Highways,

ROBERT J. MACAULAY, MAI (cont.)

Financial Institutions

Anchor Bank, Bank of Washington, Banner Bank, BECU, China Trust Bank, Coastal Community Bank, Columbia Bank, Commerce Bank, First Savings Bank Northwest, GBC International Bank, Heritage Bank, Home Homestreet Bank, Key Bank, Mountain Pacific Bank, One Pacific Coast Bank, Opus Bank, Prime Pacific Bank, Peoples Bank, US Bancorp and Wells Fargo.

Corporations, Law Firms and Non-Profits

Weyerhaeuser Company, Puget Sound Energy, SCA Engineering, Entranco Engineering, The Trust for Public Land, OTAK, HDR, Inc., The Boeing Company, Coates Field Service, Inc., Perteet Engineering, Gray & Osborne, Inc., Tetra Tech, Steven J. Fields, Brew Layman, Weed, Graafstra & Benson, Inc., P.S., Anderson Hunter, Foster Pepper, Burgess, Fitzer, Leighton & Phillips, Inslee, Best & Dozier, Preston, Gates & Ellis.

State Certification Number - General: 1100517

Expiration: 10/10/19

Robert J. Macaulay, MAI, is a partner with the firm Valbridge Property Advisors | Puget Sound. In 2015, the firm previously owned and operated by Mr. Macaulay, Macaulay & Associates, Ltd., joined Valbridge Property Advisors. The following LID special benefit studies, feasibility studies and consultation assignments illustrate Mr. Macaulay's experience with a wide variety of property types and project improvements since 2004. Additional list of studies performed dating back to the 1990s is also available upon request.

Sample List LID Experience – Robert J. Macaulay

Year	Project
2015 to 2018	Feasibility study through formation special benefit study Waterfront Seattle LID, City of Seattle
2018	Feasibility study for Riverpoint, City of Everett
2017	Preliminary special benefit study, Beach Street Road Extension, City of Longview
2016	LUD preliminary and final special benefit studies, water improvement projects throughout Skagit County.
2016	Special Benefit and assessment amounts for 17 tax parcels under six ownerships, ULID No. 6, City of North Bend
2015	Special benefit feasibility Study, Broadway Streetcar Extension project, City of Seattle
2014	Feasibility study for proposed Waterfront project, City of Vancouver
2012	Special benefit study for 6 LID projects - Point Ruston Planned Development LID, City of Tacoma and Town of Ruston
2012	Kent LID No. 363 special benefit study - final assessment roll, City of Kent
2012	Kickitat/Southcenter Access Improvement LID, City of Tukwila
2012	Preliminary special benefit proportionate assessment study - Driftwood Beach Sewer Special Benefit analysis, City of Oak Harbor
2012	Final special benefit study for road improvements, Kent LID No. 363, Kent
2012	Irondale/Port Hadlock Urban Growth Area-Wastewater Facility Special Benefit Feasibility Analysis, Jefferson Co.
2011	Formation special benefit study for proposed sanitary sewer system for Whidbey Island community of Freeland; Freeland Water and Sewer District
2011 to 2014	Final special benefit study/re-assessments for sewer infrastructure along Meridian Avenue; City of Edgewood
2010	Final special benefit study for road improvements throughout the entire city; City of Ocean Shores
2010	Formation special benefit study for proposed NE 4 th Street improvements; City of Bellevue
2010	Special benefit study for construction of a roundabout; City of Issaquah
2009	Feasibility study for proposed NE 4 th Street improvements; City of Bellevue
2009	Feasibility study for proposed light rail tunnel; City of Bellevue
2009	Formation special benefit study for road improvements in the Valentine Avenue /136th Avenue corridor in the cities of Pacific and Sumner; City of Pacific
2009	Feasibility and formation special benefit study for road improvements near the Westfield Southcenter regional shopping mall; City of Tukwila
2006, 2007, 2009	Formation special benefit study for proposed I-5 overpass; City of Marysville
2009	Feasibility study and boundary recommendation for NE 4 th Street improvements; City of Bellevue
2009	Formation special benefit study for the Oyehut area of Grays Harbor County; City of Ocean Shores
2008	Feasibility study for hypothetical subdivision of city-owned golf course; City of Maple Valley
2008	Feasibility study and boundary recommendation for 204 th Street SW improvements; City of Lynnwood
2008	Feasibility study for possible ULID formation; Valley View Sewer District
2008	Feasibility study and boundary recommendation for 1 st Ave. So. improvements; City of Burien
2008	Samish River Park, formation special benefit study; Skagit Co. PUD No. 1
2008	Marblemount LUD final special benefit study; Skagit Co. PUD No. 1
2008	Feasibility study for Valentine Avenue improvements; City of Pacific
2008	Draft feasibility study for road improvements; City of Port Townsend
2007	Feasibility study for road improvements; City of Ferndale
2007	Feasibility study for sanitary sewer system for community of Freeland on Whidbey Island; Freeland Water and Sewer District
2007	Feasibility study for road improvements; City of Kent
2007	Feasibility study for new downtown center; City of Lynnwood
2007	Formation special benefit study for the prior project; City of Ocean Shores
2006	Feasibility study for road improvements throughout the entire city; City of Ocean Shores
2006	Feasibility study for road improvements; City of Lynnwood
2006	Feasibility study for road improvements and utilities; City of Ferndale
2006	Proposed Killion Road LID; City of Yelm
2005	Feasibility study for road improvements; City of Tukwila
2005	Final special benefit study for ULID No. 13; Lake Stevens Sewer District
2005	Feasibility study for proposed road improvement LID project; City of Covington
2004	106th Street SE road improvement LID; City of Everett
2004	Preliminary ULID special benefit study; City of Lake Stevens
2004	Feasibility study for proposed road improvement LID; City of Port Townsend
2004	Feasibility study for proposed St Helens area road improvement LID; City of Tacoma
2004	Feasibility study for proposed sewer line extension project in Gorst; Kitsap County Public Works

Qualifications of Jim E. Dodge

Senior Associate Appraiser

Valbridge Property Advisors | Puget Sound

Education

Bachelor of Science in Business Management, University of Idaho, 1977.

Professional Education

Appraisal Courses: Standards of Professional Practice SPP- Part C, Standards of Professional Practice SPP- Part B, Report Writing and Valuation Analysis, Case Studies 2-1, Uniform Standards of Professional Appraisal Practice, Module A, Capitalization Theory & Techniques, Parts 1BA & 1BB, Basic Valuation Procedures 1A2, Real Estate Appraisal Principles 1A1

Seminars and Continuing Education (abbreviated summary of coursework):

- Uniform Standards of Professional Appraisal Practice (USPAP)
- IRWA: 403-Easement Valuation
- IRWA: 802 - Legal Aspects of Easements
- AI: Business Practice & Ethics, Agricultural Special Use
- AI: Uniform Appraisal Standards for Federal Land Acquisitions (Yellow Book)
- AI: Easements & Divided Partial Interests, Errors & Misconceptions in Yellow Book
- AI: USPAP, Evaluating Commercial Construction, Business Practices & Ethics
- AI: Attacking/Defending Appraisals in Litigation, Fall Real Estate Conference
- AI: Real Estate Finance, Statistics & Valuation Modeling, Course 300
- AI: Eminent Domain & Condemnation, Conservation Easements, Analyzing Distressed Properties
- Appraisal Review Overview (WSDOT)
- AI: Partial Interest Valuation
- AI: Condemnation Appraising - Basic Principles, 710

Professional Affiliation

Practicing Affiliate, Appraisal Institute.

Approved Appraiser and Review Appraiser, Washington State Department of Transportation

Member, International Right-of-Way Association

Appraisal Experience

Assignments have included fee and ad valorem appraisals of commercial, industrial, residential, agricultural and special use properties. Qualified as an expert witness in Snohomish County and Island County Superior Courts. Presentations at LID/LUD preliminary and final assessment roll hearings. Ad Valorem appraisal contracts completed for several northern Idaho counties. Tasks included field inspections, analysis of market data, agricultural production income/costs, depreciation studies and board of equalization.

Jim E. Dodge, Senior Associate Appraiser (cont.)

A variety of right-of-way acquisition appraisals have been completed, typically involving multiple parcel assignments. Projects include trail acquisition for the Snohomish County Parks Department and the Skagit County Parks Department. Right-of-way acquisition for road widening purposes have been completed for Snohomish and Skagit County Public Works departments and the cities of Marysville, Snohomish, Stanwood, Lake Stevens and Everett. A highway right-of-way acquisition project for the Montana Department of Highways involved approximately 100 properties. Eminent domain appraisals have been completed for the Washington State Department of Transportation. Currently on the WSDOT approved list for fee and review appraisers.

Valuation assignments completed cover a wide variety of commercial, industrial, residential, agricultural and special use properties in addition to real estate consultations with private individuals and organizations. LID Special Benefit Study experience includes the 1,400-acre Northwest Landing development by Weyerhaeuser Real Estate Company at DuPont, WA, City of Ocean Shores sewer LID 98-01 and various studies for Snohomish County PUD No. 1 and Skagit County PUD No. 1.

Representative Client List

Cities/Counties

Cities of Arlington, Bellingham, Burlington, Edmonds, Everett, Lake Stevens, Lynnwood, Marysville, Monroe, Mountlake Terrace, Mount Vernon, Mukilteo, Oak Harbor, Ocean Shores, Renton, Seattle, Snohomish, Stanwood, Sultan, and Woodinville. Counties of Island, King, San Juan, Skagit, Snohomish, and Whatcom.

Government

Ports of Everett and Skagit County. Edmonds, Everett, Granite Falls, Mukilteo, Marysville and Stanwood School Districts. WSDOT, U.S. Naval Facilities Engineering Command NW, Seattle City Light, Snohomish County PUD, Skagit County PUD, Tulalip Tribes, Lummi Indian Nation and Montana Department of Highways.

Financial Institutions

Bank of Washington, BECU, Everett Mutual Bank, Farm Credit Services, First Heritage Bank, First Interstate Bank, Frontier Savings Bank, Seafirst National Bank, The Commerce Bank and US Bancorp.

Corporations, Law Firms and Non-Profits

Weyerhaeuser Real Estate Company, Puget Sound Energy, OTAK, HDR Inc., Coates Field Service, Inc., Perteet Engineering, Brewe Layman, Weed, Graafstra & Benson, Inc., P.S., Anderson Hunter, Hill Street Development, Industrial Electric, Les Schwab, Millstone, Northcoast Electric, Northwest Pipeline Corporation, Providence Hospital, Steel Fab and Tyr Energy.

State Certification Number - General: 1100557 **Expiration:** 9/3/19