MPO TAC Meeting

March 24, 2025 | 1:00 PM - 3:30 PM

AGENDA

A meeting of the MPO TAC will be held on **Monday, March 24, 2025 at 1:00 pm, at the Provo City Hall, 445 West Center Street, Provo,** and virtually via Zoom: https://us06web.zoom.us/j/81206127894.

1. **Welcome and Introductions**
   Chair, Jered Johnson, 5 minutes

2. **Public Comment**
   Chair, Jered Johnson, 5 minutes

3. **Action: Minutes of the MPO TAC meeting held February 24, 2025**
   Chair, Jered Johnson, 5 minutes

4. **Wasatch Choice Draft Vision**
   Dan Wayne, Community Planning Manager, 15 minutes

5. **Road Functional Classification Data Update**
   Matthew Silski, Senior GIS Analyst, 10 minutes
   Jeff Lewis, UDOT

6. **Action: Corridor Preservation**
   Calvin Clark, Transportation Project Manager, 10 minutes
   a. Springville 2600 West
   b. Saratoga Springs Mountain View Corridor

7. **Other Business and Adjournment**
   Next meeting: April 28, 2025

The MPO TAC holds public meetings in-person, with a virtual option. Persons interested in providing comments can reach out to Kimberly Brenneman at 801-229-3834 or kbrenneman@magutah.gov or attend the meeting and comment during the public comment period.
Pursuant to the Americans with Disabilities Act, individuals needing special accommodations should notify Kimberly Brenneman at 801-229-3834, kbrenneman@magutah.gov at least 24 hours prior to the meeting.
The minutes listing meeting attendees, discussion summary, and motions as well as the meeting video recording will be made available online at https://mountainland.org/mpotac/ after committee approval.

MPO TAC Meeting

February 24, 2025 | 1:30 pm - 3:00 pm

MAG PLANNING

Member Attendees	Present	Member Attendees	Present
Shane Sorensen, Alpine		Jill Spencer, Payson	✓
Jed Muhlestein, Alpine		Scott Darrington, Pleasant Grove	
Ryan Robinson, Alpine	✓	Aaron Wilson, Pleasant Grove	✓
Dave Bunker, American Fork		Neal Winterton, Pleasant Grove	
Ben Hunter, American Fork - VICE CHAIR	✓	Britton Tveten, Pleasant Grove	
Sam Kelly, American Fork		Daniel Cardenas, Pleasant Grove	
Patrick O'Brien, American Fork		Brian Torgersen, Provo	
Paul Raymond, Camp Williams		Scott Henderson, Provo	
Mayor Wyatt Cook, Cedar Fort		Vern Keeslar, Provo	✓
Chandler Goodwin, Cedar Hills		Gordon Haight, Provo	
Kevin Anderson, Cedar Hills		Bill Peperone, Provo	
Mike Whimpey, CUWCD		Matt Marziale, Salem	
Gene Shaweroff, CUWCD		Bradey Wilde, Salem	
Derek Burton, CUWCD		Norm Beagley, Santaquin	
Todd Draper, Draper		Jon Lundell, Santaquin	
Todd Taylor, Draper	✓	Jason Bond, Santaquin	✓
David Salazar, Eagle Mountain	✓	Mark Christensen, Saratoga Springs	
Brandon Larsen, Eagle Mountain	✓	Jeremy Lapin, Saratoga Springs	✓
Royce Swenson, Elk Ridge		Dave Stroud, Saratoga Springs	
Mayor Hollie McKinney, Fairfield		Austin Roy, Saratoga Springs	✓
Kelly Lund, FHWA		Sarah Carroll, Saratoga Springs	
Rex Harris, FHWA		Seth Perrins, Spanish Fork	
Peter Hadley, FTA Region 8		Dillon Muirbrook, Spanish Fork	✓
Mayor Marty Larson, Genola		Jered Johnson, Spanish Fork - CHAIR	✓
Mayor Steven Staheli, Goshen		Brandon Snyder, Spanish Fork	
Christopher Trusty, Highland	✓	Dave Anderson, Spanish Fork	✓
Erin Wells, Highland		Troy Fitzgerald, Springville	
Jeff Murdoch, Highland		Jeff Anderson, Springville	✓
Gretchen Homer, Highland		Chris Wilson, Springville	
Rob Patterson, Highland		Brad Stapley, Springville	
Jason Walker, Lehi		Carla Wise, Springville	✓
Brad Kenison, Lehi	✓	Jeff Lewis, UDOT - Region 3	✓
Luke Seegmiller, Lehi		Eric Mason, UDOT - Region 3	
Kim Struthers, Lehi		Janele Robertson, UTA	
Mike West, Lehi	✓	Alma Haskell, UTA	
Adam Cowie, Lindon		Dede Murray, UTA	✓
Noah Gordon, Lindon	✓	Alex Beim, UTA	✓
Juan Garrido, Lindon		Mary DeLaMare-Schaefer, UTA	
Mike Florence, Lindon	✓	Nick Wilcox, UTA	
Seth Barrus, Mapleton		Ezra Nair, Utah County	✓
Rob Hunter, Mapleton		Richard Nielson, Utah County	✓
Sean Conroy, Mapleton		Glen Tanner, Utah County	
Brenn Bybee, Orem		Bryce Armstrong, Utah County	
Taggart Bowen, Orem	✓	Eric Ellis, Vineyard	
John Dorny, Orem	✓	Naseen Ghandour, Vineyard	
Grant Allen, Orem		Morgan Brim, Vineyard	
Jason W. Bench, Orem		Mayor Brent Winder, Woodland Hills	
Dave Tucket, Payson		Ted Mickelsen, Woodland Hills	✓
Travis Jockumsen, Payson		BG Shawn M. Fuellenbach, UTNG	
Robert Mills, Payson			

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MAG Staff	Present	Alternates/ Others in Attendance	
LaNiece Davenport, MPO Director	✓	Carlie A. Torres, UTA	
Bob Allen, Sr. Transportation Planner	✓		
Calvin Clark, Transportation Project Manager	✓		
Kimberly Brenneman, Executive Assistant	✓		
Andrew Wooley, IT Manager	✓		
Matthew Silski, GIS Analyst	✓		
Tim Hereth, Analytics Manager	✓		
Karol Patterson,	✓		
Shuana Mecham,	✓		
Spencer Foster,			

DISCUSSION & AGENDA ITEMS

Call to Order (00:00:20)
Chair Jered Johnson opened the meeting at 1:30 pm.

Public Comment (00:01:55)
Chair Jered Johnson opened the meeting to the public. There were no public comments.

Minutes - Action (00:03:58)
Jason Bond moved to approve the minutes from January 27, 2025.

Brad Kenison seconded the motion, and the motion passed all in favor.

UTA Rescission Request for Item 4b (UTA Park & Ride Lots EM/SS - Additional Funding) from the January 27, 2025 meeting (00:04:39)
Bob Allen explained that UTA requested rescinding a motion made at the MPO TAC January 27, 2025 meeting regarding park and ride lot projects in Eagle Mountain and Saratoga Springs. UTA emphasized the importance of moving forward with the existing project plans, particularly a new route connecting Eagle Mountain, Saratoga Springs, and Lehi to the American Fork Front Runner station planned for 2026. The discussion highlighted the complexities of transit planning, the need for coordination between cities, and the importance of maintaining project momentum.

Vern Keeslar moved to rescind the motion for item 4b of the January 27th TAC Meeting.

Jeff Lewis seconded the motion, and the motion passed. Brad Kenison opposed the motion.

Eagle Mountain/Saratoga Springs Park and Ride - Additional Funding (00:18:36)
Bob Allen presented a detailed explanation of a tip modification request from UTA to transfer federal funds to park and ride lot projects in Eagle Mountain and Saratoga Springs. He explained that federal funding needs to be obligated within a certain timeframe, and recent FTA notifications require urgent action. The project involves building park and ride lots at two locations: one in Eagle Mountain near Pony Express Parkway and another in Saratoga Springs. UTA proposed adding a hawk signal at the Eagle Mountain location to improve pedestrian

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crossing safety. The total project cost would increase from $4.685 million to $6.024 million by transferring $1.339 million from previously awarded projects. Bob Allen emphasized that the funds are specifically for these park and ride locations, with the Eagle Mountain portion estimated at $2.2 million and the Saratoga Springs portion at approximately $3.8 million. The discussion highlighted the need to obligate funds quickly to prevent them from being rescinded, and UTA representatives confirmed their commitment to the current project locations.

Aaron Wilson moved to recommend that that the MPO Board approve adding funds from PINs 19098, 17052, and 18986, totaling $1,339,274, to the Eagle Mountain and Saratoga Springs Park and Ride Lots Projects and modifying the scope to add a HAWK signal.

Jason Bond seconded the motion, and the motion passed all in favor.

Orem 1200 S 400 W Roundabout - Additional Funding (00:29:58)
Bob Allen presented the Orem 1200 South and 400 West Roundabout project update. Originally funded with $2.3 million in exchange funds in 2016 for reconstruction and expansion, the project is now facing increased costs due to construction inflation, additional right-of-way expenses, and utility costs. The roundabout is located near UVU's new engineering building and is designed to improve traffic flow and accommodate UVX bus routes. While bids have come in higher than initially estimated, Orem City has done a commendable job of keeping the project close to its original budget. They are requesting an additional $272,000 from the general contingency fund to complete the project, with MAG staff able to award a 10% contingency of $230,000. The project includes acquiring some right-of-way from UVU and has already purchased a house in the project area that will be demolished.

Vern Keeslar moved to recommend that the MPO Board add $272,000 to the 1200 South 400 West roundabout project.

Brad Kenison seconded the motion, and the motion passed all in favor.

Safe Streets Check List (00:34:08)
Calvin Clark presented the Safe Streets checklist, a new resource developed by MAG to help identify and address safety concerns in transportation projects. The checklist is based on the Safe System Hierarchy, which includes four tiers: removing serious conflicts, reducing vehicle speeds, managing conflicts in time, and increasing attentiveness and awareness. Clark explained that the tool is designed to be user-friendly and can be applied to various types of projects, including city-funded initiatives and major developments. He provided examples of how the checklist works, such as addressing increased crossing distances for pedestrians and bicyclists by suggesting countermeasures like pedestrian refuge islands, hawk signals, and curb extensions. The goal is to help project planners proactively consider safety elements during the scoping process, potentially preventing unforeseen safety issues and additional costs later in the design phase. Clark emphasized that the checklist is currently a resource for member agencies and not a mandatory requirement, with the intention of making safety considerations more accessible and straightforward.

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MPO Organizational Assessment (00:47:34)
LaNiece Davenport presented the MPO Organizational Assessment, which was a comprehensive review of the organization's strengths, weaknesses, opportunities, and threats. The assessment involved interviews, surveys, and focus groups with various stakeholders, including local government staff, elected officials, legislators, state agencies, and board members. Key findings included the need for staff training, as many employees are new, and a recommendation that the MPO Director spend more time focusing on MPO operations. The assessment highlighted the region's unique collaborative approach among transportation entities like MAG, WFRC, UDOT, UTA, cities, and counties as a significant strength.

The review identified challenges such as being understaffed and needing to modernize processes. It emphasized the region's rapid growth as both an opportunity and a threat, particularly in terms of managing growth and securing adequate funding. The assessment noted that while the MPO is doing great work, there are opportunities to improve. LaNiece Davenport explained that staff will now create an action plan to prioritize and address the findings, with the ultimate goal of enhancing the organization's effectiveness. The consultants repeatedly stressed that the MPO is doing excellent work but can continue to improve its operations and strategic approach.

MPO Board and TAC Bylaws (00:54:11)
LaNiece Davenport presented updates to the MPO Board and TAC Bylaws, which were already approved by the MPO Board. Key changes included updating state agency representatives. For the TAC, the bylaws now require each mayor or county commissioner to formally appoint a voting member to the committee. This member should be a planner, engineer, public works representative, or senior staff member, and they must also designate an alternate. The goal is to formalize representation and ensure clear communication about who represents each jurisdiction.

The changes allow for flexibility, such as permitting smaller communities without dedicated planners to send contracted representatives, and allowing voting members to send a designated alternate if they cannot attend. The bylaws also clarify that if a voting member cannot attend, they can send themselves, a city council person, or a senior staff member to be counted as a voting member. The presentation emphasized that the changes are meant to create a more structured and transparent process for committee membership.

Legislative Update (01:01:23)
LaNiece Davenport provided a comprehensive legislative update covering several key transportation and land use bills. For Senate Bill 195, highlights included a moratorium on highway reduction strategies in Salt Lake City, pushing the transit innovation grant program to 2026, and requiring cities within MPO areas to amend general plans to identify transportation priority connections over waterways, rail crossings, and highways by July 2027.

Two transportation utility fee bills were discussed: House Bill 454 by Representative Karen Peterson, which allows municipalities to impose transportation utility fees with differential rates, and Senate Bill 310 by Senator Brammer, which would exempt religious organizations from such fees. ULCT supports HB 454 but opposes SB 310.

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Additional legislative notes included Salt Lake County passing its fifth local option sales tax, which can be used for public safety expenses, and the current legislative session experiencing lower consensus estimates. She also mentioned Senate Bill 96 on Advanced Air Mobility, which charges UDOT with creating a toolkit for local governments on air mobility.

LaNiece Davenport highlighted several housing-related bills that might impact local planning, such as changes to monarch housing planning requirements and annexation processes. She invited attendees to share any additional legislation of interest and noted that the current legislative session was in its final days for bill passage.

Other Business and Adjournment (00:00:00)
Chair Jered Johnson stated the next MPO TAC meeting is scheduled for April 28, 2025.

Brad Kenison moved to adjourn the meeting.

Michael Florence seconded the motion, and the motion passed all in favor.

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MPO TAC Meeting
March 24, 2025 | 1:30 pm - 3:00 pm

4 | Wasatch Choice Vision Update

Dan Wayne, Community Planning Manager | 801-229-3824 | dan.wayne@magutah.gov

BACKGROUND

Developed in partnership with local governments from Brigham City to Santaquin City, the Wasatch Choice Vision (WCV) is a shared blueprint for future growth and development along the Wasatch Front. Together with a program of multimodal transportation infrastructure and services, this vision is designed to support a growing population and maintain quality of life over the next 30 years. The WCV provides the future land use assumptions used in MAG's travel demand model and the Regional Transportation Plan (RTP). The WCV is being updated in preparation for the 2027 RTP cycle.

In January 2025, the MAG MPO TAC recommended, and the MAG MPO Board subsequently approved, the WCV Update Technical Approach (Attachment A) and WCV Goals and Strategies (Attachment B). Consistent with this direction, Envision Utah and MAG staff have acquired general plan land use data from local governments and have met individually with them to better understand their planned and longer-term growth and development patterns, major transportation improvements, and regionally-significant open spaces.

Input received has been digitized and combined into the initial first-cut WCV land use map. Envision Utah will present this map and preliminary observations at the MAG MPO TAC meeting and receive feedback. This map is also being circulated to local governments for a two-week review and comment period. A final version of the WCV land use map, including all edits and refinements, will be presented to the MAG MPO TAC for review and a recommendation that the MAG MPO Board approve the land use vision for use in the 2027 RTP update. It is anticipated that the final WCV land use vision will be ready for MAG MPO Board approval in June 2025.

STAFF RECOMMENDATION

It is recommended that the TAC provide feedback on the initial first-cut WCV land use map.

ATTACHMENTS

Attachment A: Technical Approach to Updating the WCV
Attachment B: WCV Goals and Strategies
First-Cut Wasatch Choice Vision Land Use Map

WASATCH CHOICE VISION
OVERVIEW OF TECHNICAL APPROACH

Timeline	MAG/Consultant-Led Work Task	Individual Local Govts	WCV Workgroup	Economic Development	MAG TAC	MAG MPO Board
Nov - Dec	Confirm WCV Goals and Strategies Facilitate approval of WCV Update Technical Process		Review and Endorse	Review and Endorse	Review and Recommend Approval	Review and Approve
Nov - Jan	WCV Version 1: Acquire Data and Prepare First-Cut Aggregation of Local Plans	Validate and Update As Needed		Review Economic Activity Centers and CEDS Priorities		
Jan - Mar	Conduct individual meetings with local governments, in conjunction with MAG Transportation, to extend the planning horizon to 2055, with documentation of any changes in long-range assumptions.	Extend Planning Horizon to 2055	Review and Provide Feedback		Review and Provide Feedback	Review and Provide Feedback and Direction
Mar - Apr	WCV Version 2: Prepare Final Draft WCV Update and accompanying documentation for review and approval for its use in the 2027 RTP Update		Review and Endorse	Review and Endorse	Review and Recommend Approval	Approve WCV for Use in the 2027 RTP Update

WASATCH CHOICE VISION GOALS:



Livable & Healthy Communities



Access to Economic and Educational Opportunities



Manageable & Reliable Traffic Conditions



Quality Transportation Choices



Safe, User Friendly Streets



Clean Air



Housing Choices & Affordable Living Expenses



Fiscally-Responsible Communities & Infrastructure



Sustainable Environment



Ample Parks & Open Spaces

WASATCH CHOICE VISION STRATEGIES:



Transportation Choices

Provide people with real choices in how they get around – by driving, transit, biking and walking – so people can easily reach their destinations.



Housing Options

Support housing types and locations that meet the needs of all residents.



Parks and Public Spaces

Ensure ample and convenient parks, public spaces, and open land for gathering and recreating.



City and Town Centers

Create and enhance city and town centers as the hearts of our communities – walkable areas where activity is focused, with places to live, work, and play.

MPO TAC Meeting
March 24, 2025 | 1:30 pm - 3:00 pm

5 | Road Functional Classification Update

Matthew Silski, Senior GIS Analyst| 801-229-3688 | msilski@magutah.gov

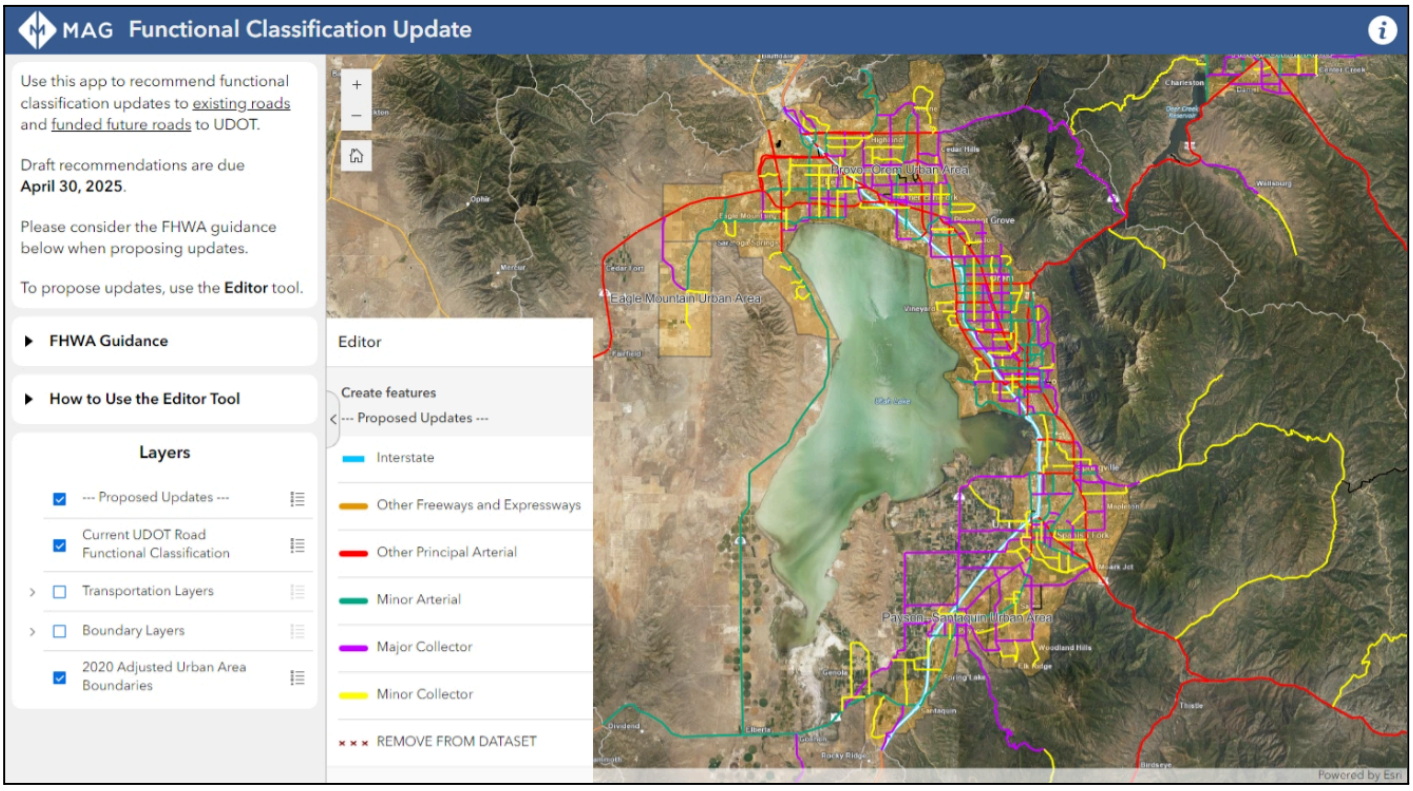
BACKGROUND

In conjunction with updating urban area boundaries every 10 years, UDOT updates the road functional classification system in the state. These are the existing arterial and collector roads and the funded future arterial and collector roads. This highway network constitutes the federal-aid eligible roads in the state.

UDOT is working with MAG to update this system in Utah County. As part of this effort, we built a map application for proposing updates to the functional classification system.

We invite TAC members representing cities to use the Functional Classification Update map application to recommend functional class changes by **April 30, 2025** so MAG can submit a draft to UDOT. **Please review the FHWA Guidance section on the map application before you draw changes on the map.**

MAP



ATTACHMENTS

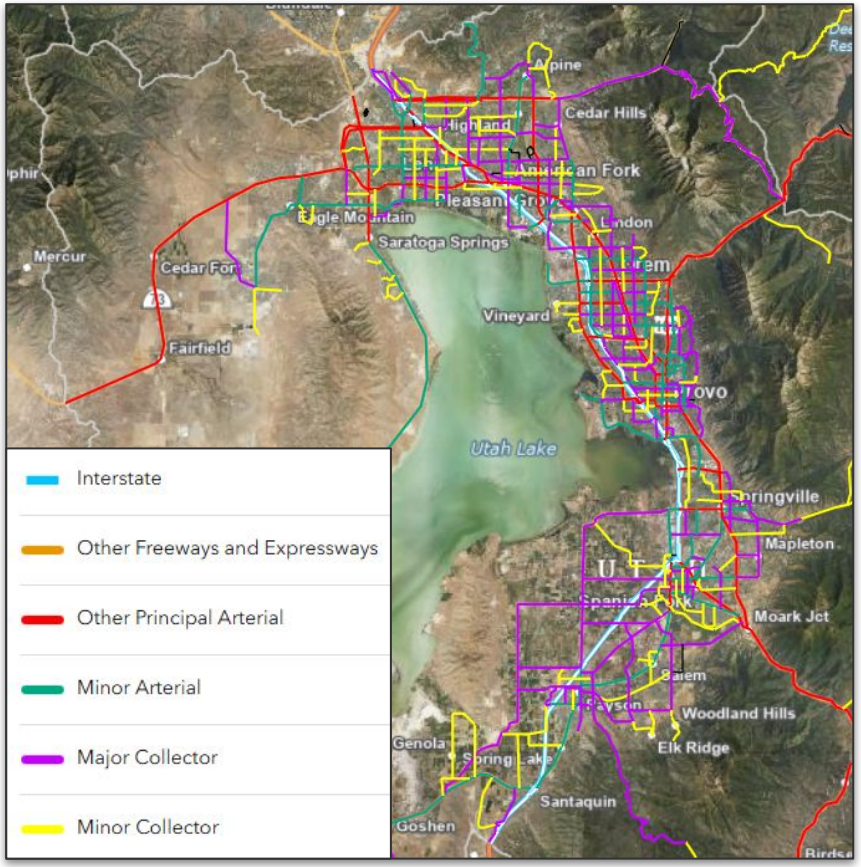
Presentation

ROAD FUNCTIONAL CLASSIFICATION UPDATE

March 24, 2025

OVERVIEW

- Functional Classification System
  - Existing Arterials & Collectors
  - Funded Future Arterials & Collectors
- Updated by UDOT every ~10 years along with Census & urban area boundary
- Required by FHWA

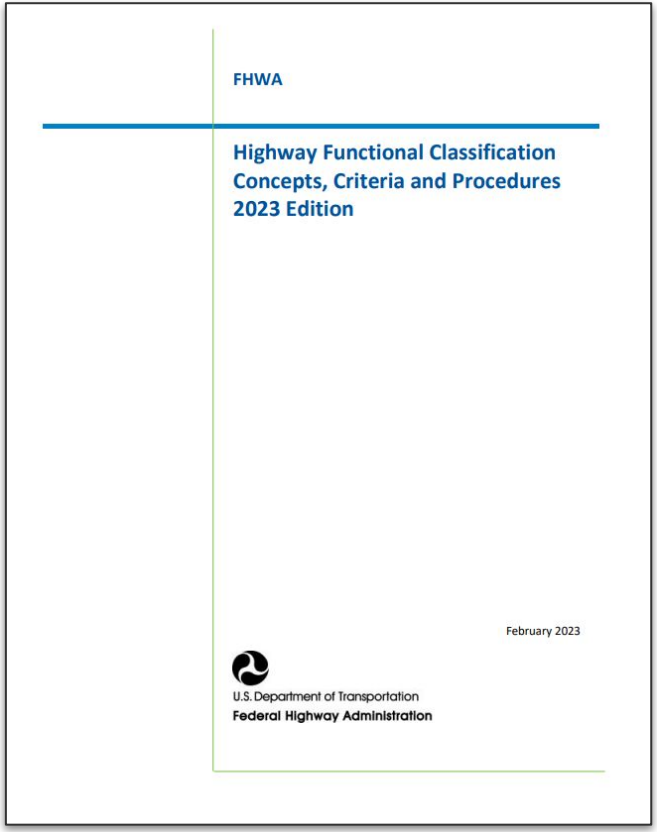


WHY IS THIS IMPORTANT?

- "Federal legislation continues to use functional classification in determining **eligibility for funding** under the Federal-aid program." (ex. TIP funds)

  (FHWA, Highway Functional Classification: Concepts, Criteria and Procedures, February 2023)

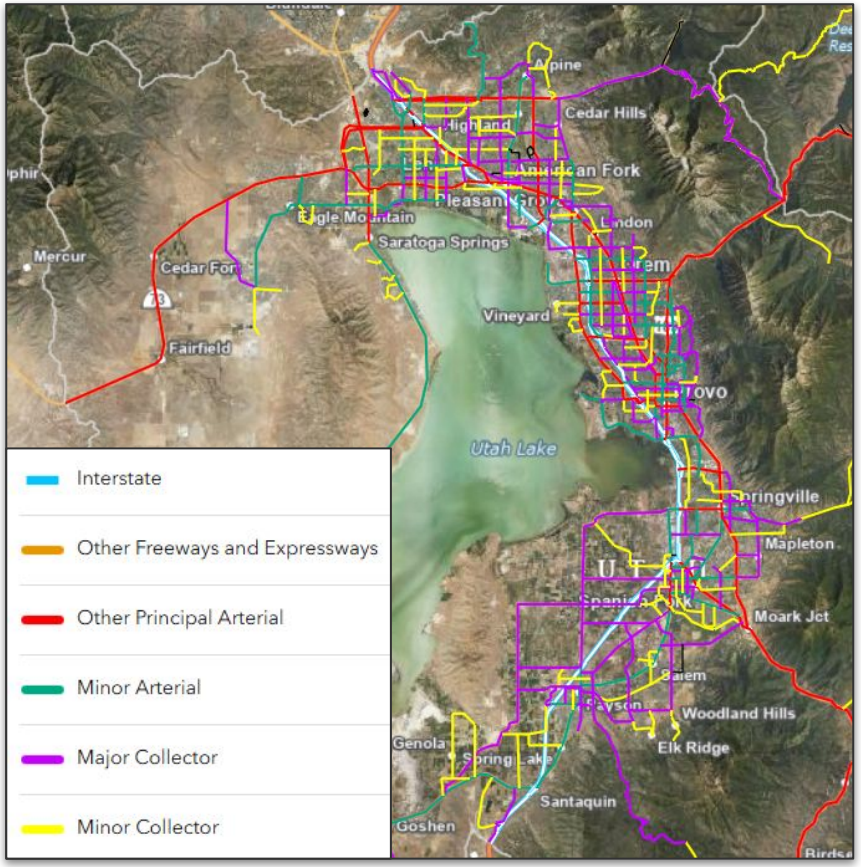
- Required for UDOT to include in national Highway Performance Monitoring System (HPMS) data



MAG

DATA UPDATE

- UDOT & MAG initial draft complete
- Need your input!
  - Review initial draft
  - Propose your own changes
- [Functional Classification Update] app



TIMELINE

March	April	May	June	July	August	September	October	November	December
MPO TAC (city staff) Review and recommend updates to functional class system by **Apr. 30**		**UDOT, MAG, and City Staff** Review recommended updates and work together to find concurrence on differing proposed types					**MPO TAC, MPO Board** Approve functional classification system for Utah County		**UDOT** Submit updated system to FHWA by **Dec. 29**

Questions?

Contact Matthew Silski at MAG at msilski@magutah.gov or Jeff Lewis at UDOT at jefflewis@utah.gov.

MAG

MAG Functional Classification Update

Use this app to recommend functional classification updates to existing roads and funded future roads to UDOT.

Draft recommendations are due **April 30, 2025**.

Please consider the FHWA guidance below when proposing updates.

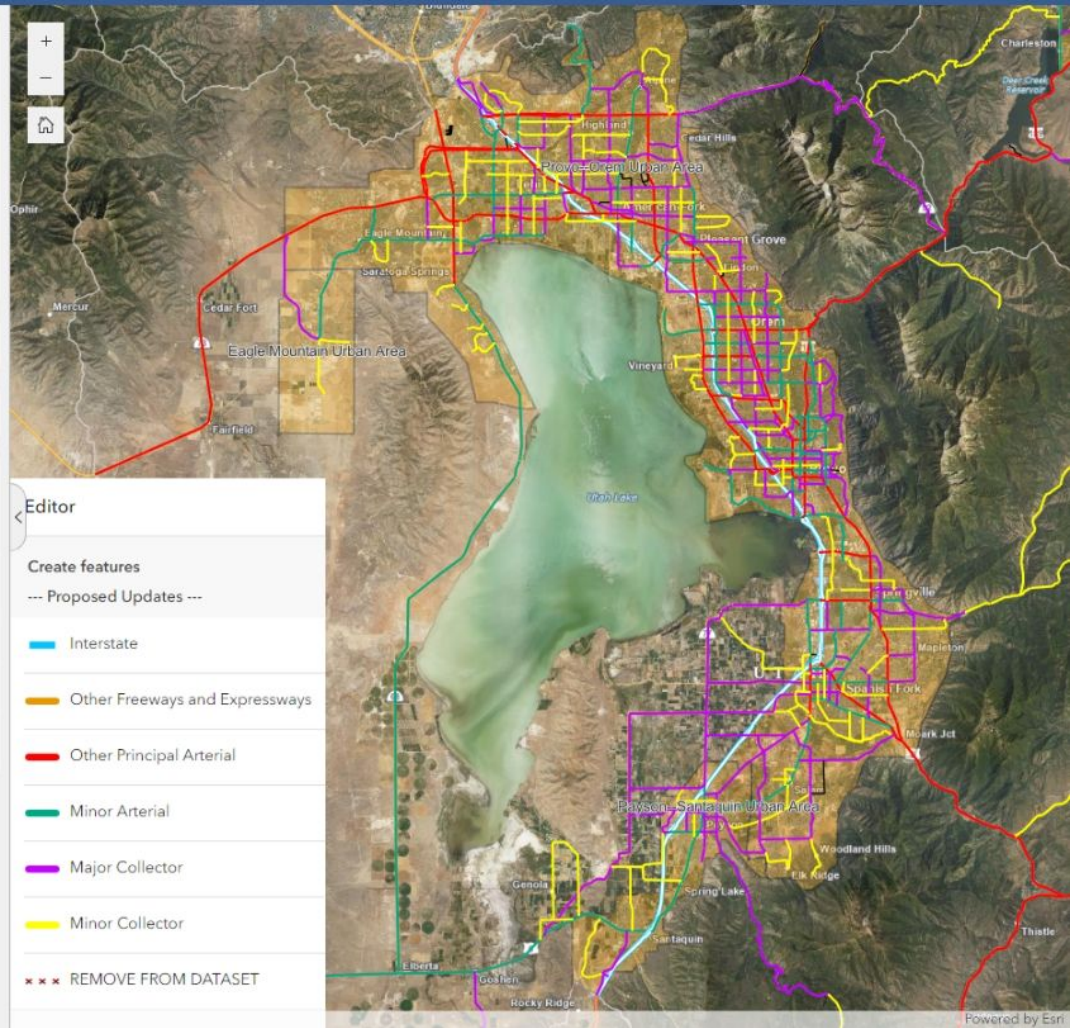
To propose updates, use the **Editor** tool.

▸ **FHWA Guidance**

▸ **How to Use the Editor Tool**

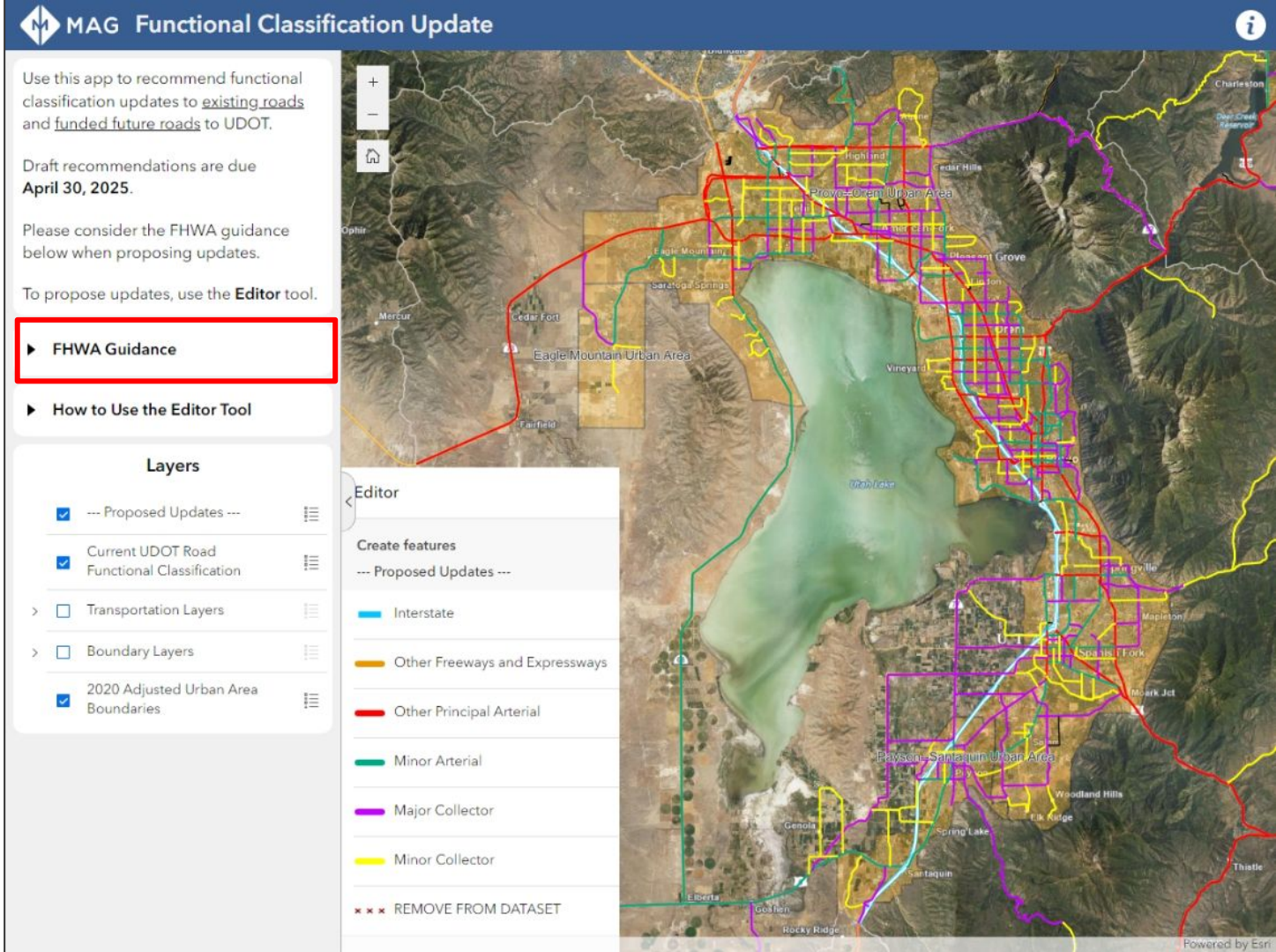
Layers

- [x] --- Proposed Updates ---
- [x] Current UDOT Road Functional Classification
- [ ] Transportation Layers
- [ ] Boundary Layers
- [x] 2020 Adjusted Urban Area Boundaries



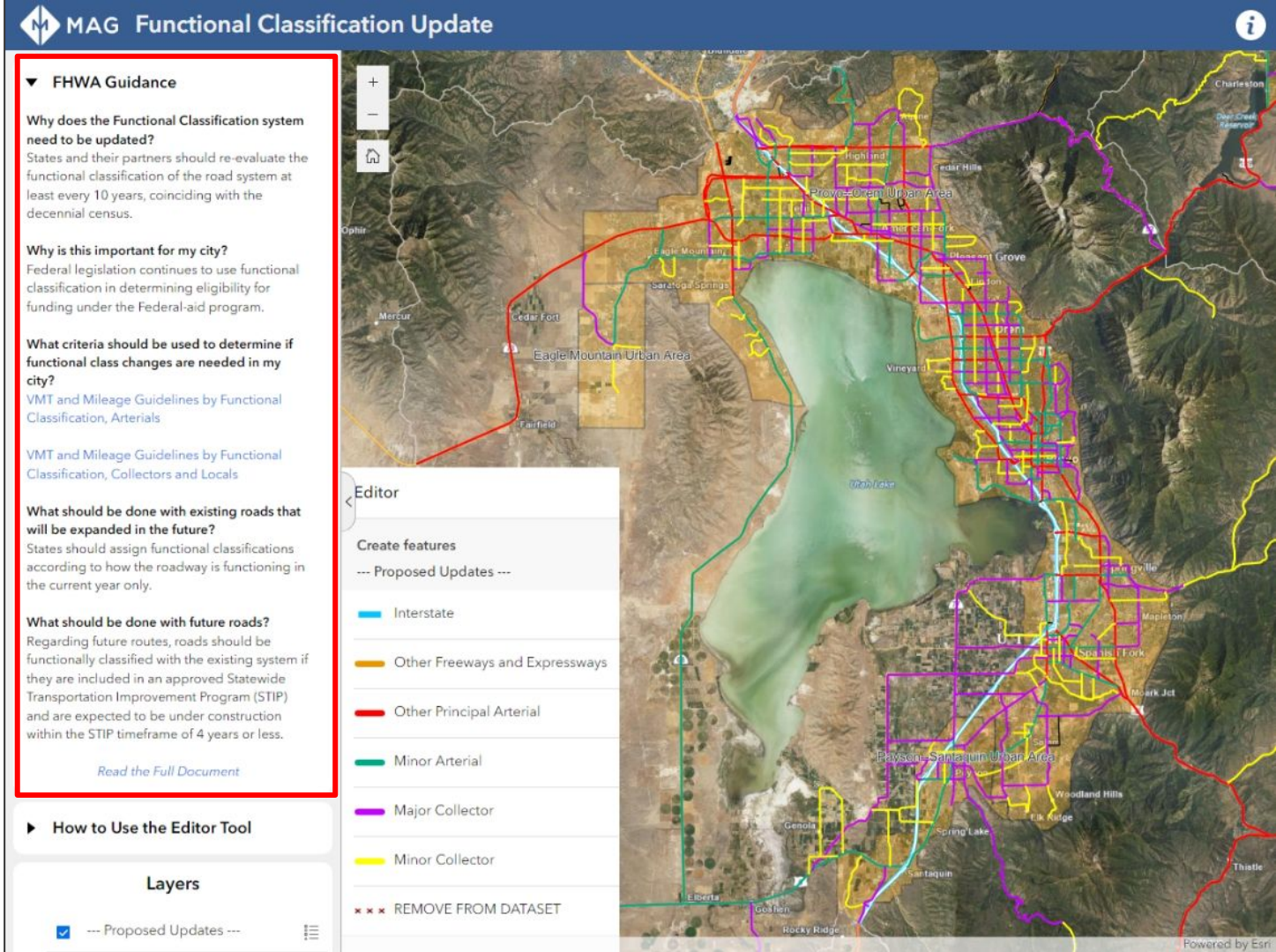
Functional Classification Update Map

- Before you make edits, **please review the FHWA Guidance**



Functional Classification Update Map

- Full Document
- Evaluate existing & funded future roads
- Criteria for classifying arterials and collectors



Functional Classification Update Map

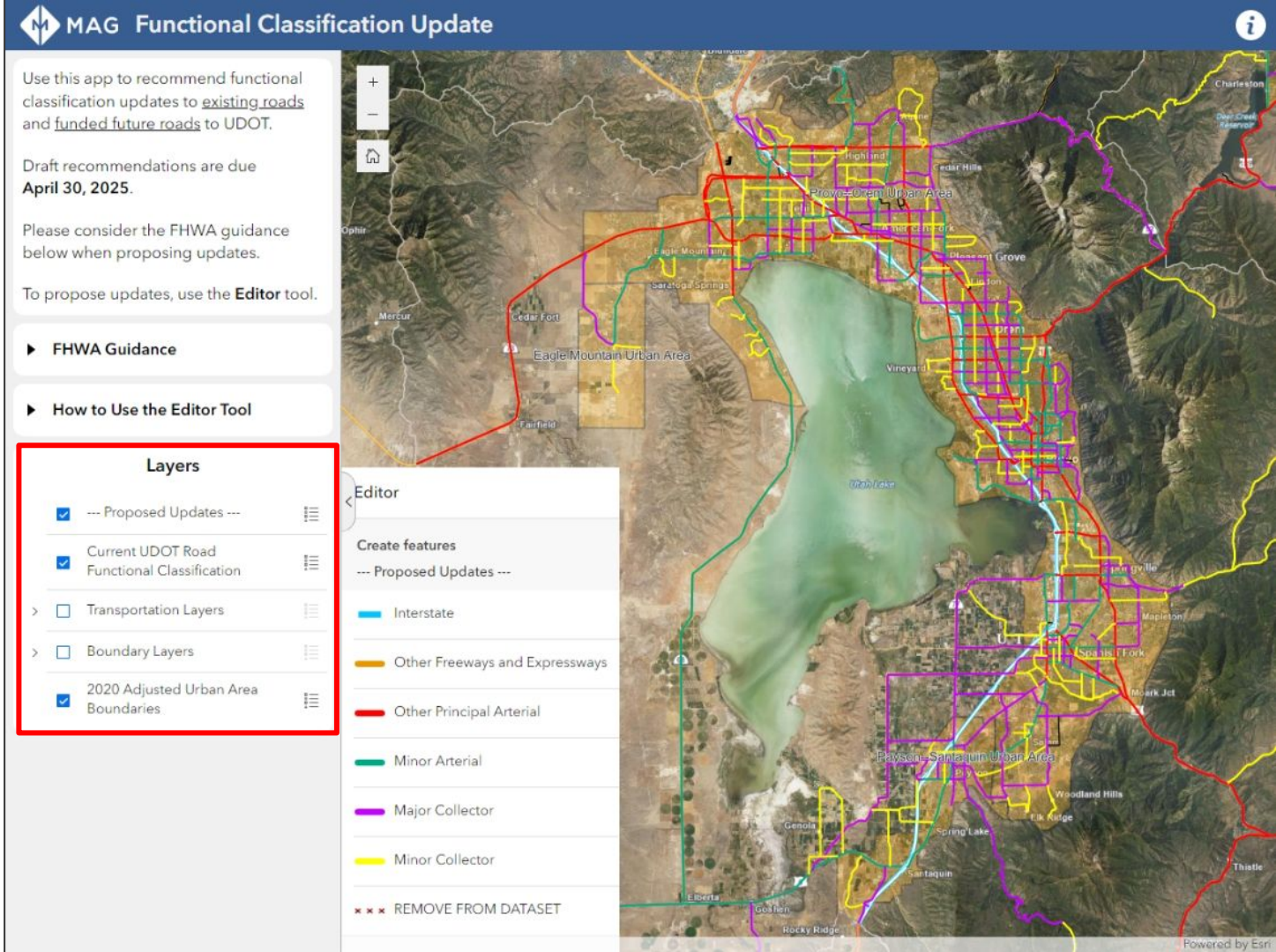
- Criteria for classifying arterials and collectors

Collectors:	Major Collector[2]	Minor Collector[2]
Typical Characteristics		
Lane Width	10 feet - 12 feet	10 - 11 feet
Inside Shoulder Width	0 feet	0 feet
Outside Shoulder Width	1 foot - 6 feet	1 foot - 4 feet
AADT[1] (Rural)	300 - 2,600	150 - 1,110
AADT[1] (Urban)	1,100 - 6,300[2]	1,100 - 6,300[2]
Divided/Undivided	Undivided	Undivided
Access	Uncontrolled	Uncontrolled
Qualitative Description (Urban)	• Serve both land access and traffic circulation in higher density residential, and commercial/industrial areas • Penetrate residential neighborhoods, often for significant distances • Distribute and channel trips between local streets and arterials, usually over a distance of greater than three-quarters of a mile	• Serve both land access and traffic circulation in lower density residential, and commercial/industrial areas • Penetrate residential neighborhoods, often only for a short distance • Distribute and channel trips between local streets and arterials, usually over a distance of less than three-quarters of a mile

Arterials:	Interstate	Other Freeways & Expressway	Other Principal Arterial	Minor Arterial
Typical Characteristics				
Lane Width	12 feet	11 - 12 feet	11 - 12 feet	10 feet - 12 feet
Inside Shoulder Width	4 feet - 12 feet	0 feet - 6 feet	0 feet	0 feet
Outside Shoulder Width	10 feet - 12 feet	8 feet - 12 feet	8 feet - 12 feet	4 feet - 8 feet
AADT[1] (Rural)	12,000 - 34,000	4,000 - 18,500[2]	2,000 - 8,500[2]	1,500 - 6,000
AADT[1] (Urban)	35,000 - 129,000	13,000 - 55,000[2]	7,000 – 27,000[2]	3,000 - 14,000
Divided/Undivided	Divided	Undivided/Divided	Undivided/Divided	Undivided
Access	Fully Controlled	Partially/Fully Controlled	Partially/Uncontrolled	Uncontrolled
Qualitative Description (Urban):	• Serve major activity centers, highest traffic volume corridors, and longest trip demands • Carry high proportion of total urban travel on minimum of mileage • Interconnect and provide continuity for major rural corridors to accommodate trips entering and leaving urban area and movements through the urban area • Serve demand for intra-area travel between the central business district and outlying residential areas		• Interconnect with and augment the principal arterials • Serve trips of moderate length at a somewhat lower level of travel mobility than principal arterials • Distribute traffic to smaller geographic areas than those served by principal arterials • Provide more land access than principal arterials without penetrating identifiable neighborhoods • Provide urban connections for rural collectors	

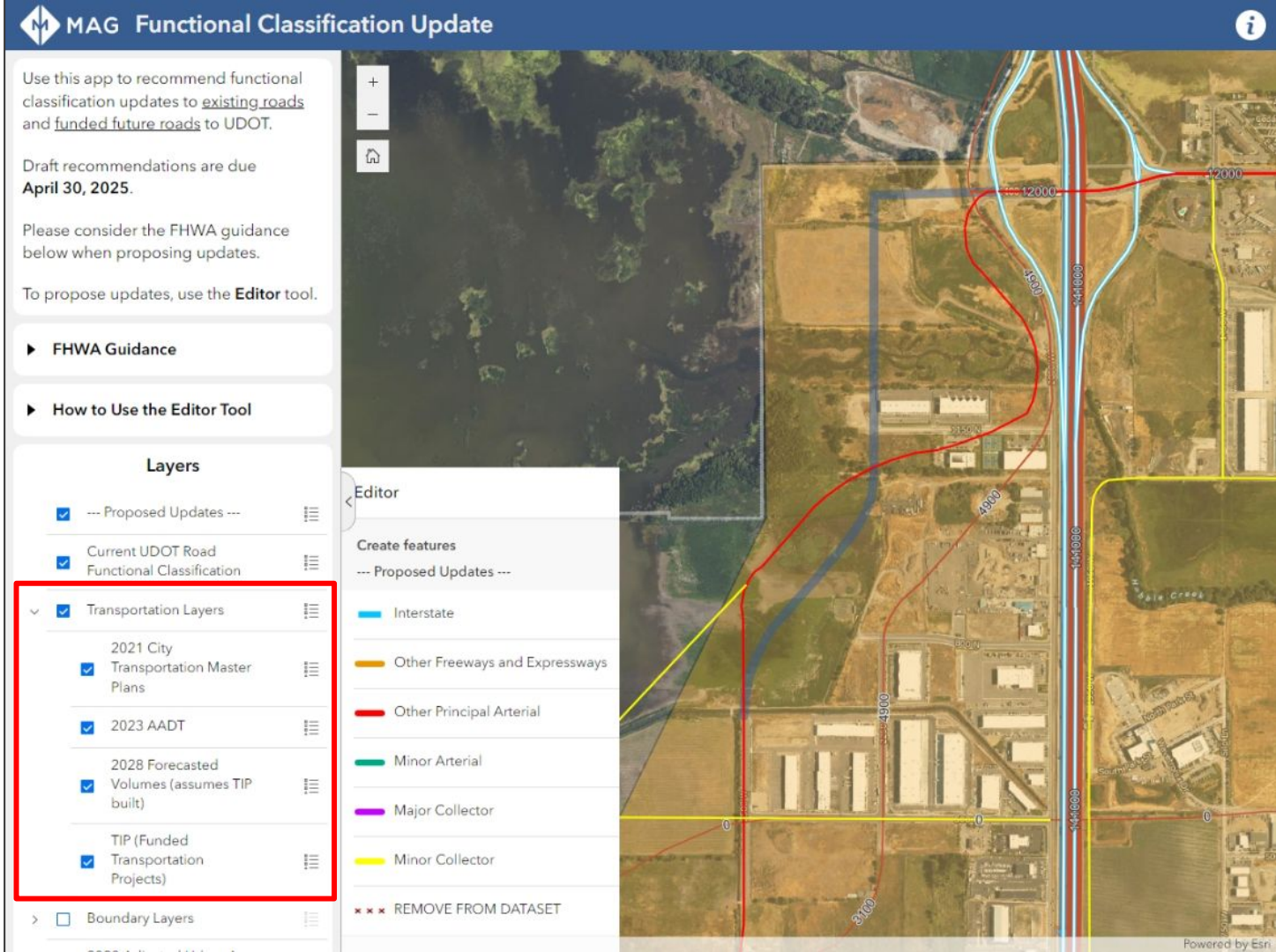
Functional Classification Update Map

- Helpful layers



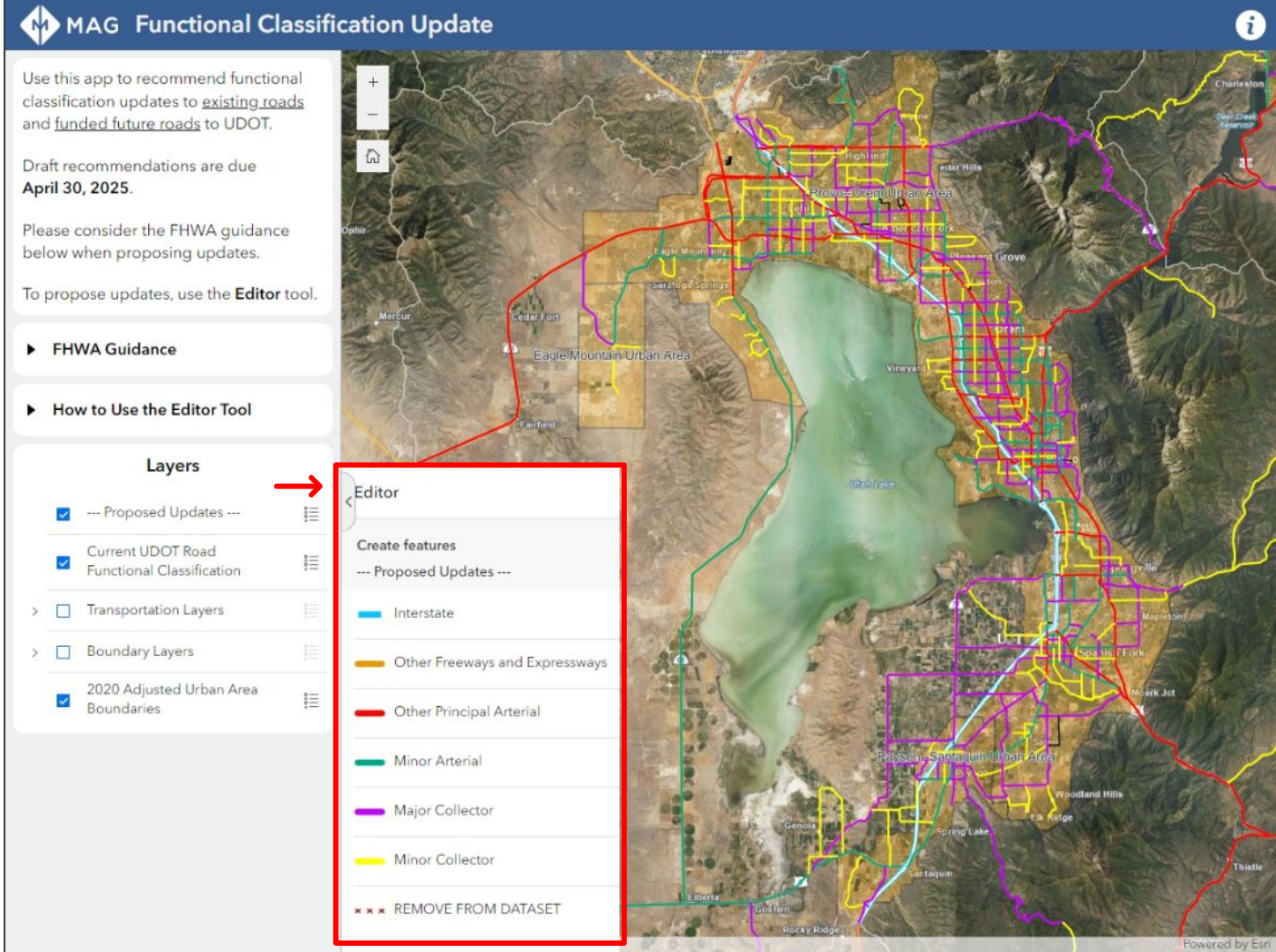
Functional Classification Update Map

- City Transportation Master Plans
- 2023 AADT
- 2028 Forecasted Volumes (assumes TIP built)
- TIP Projects



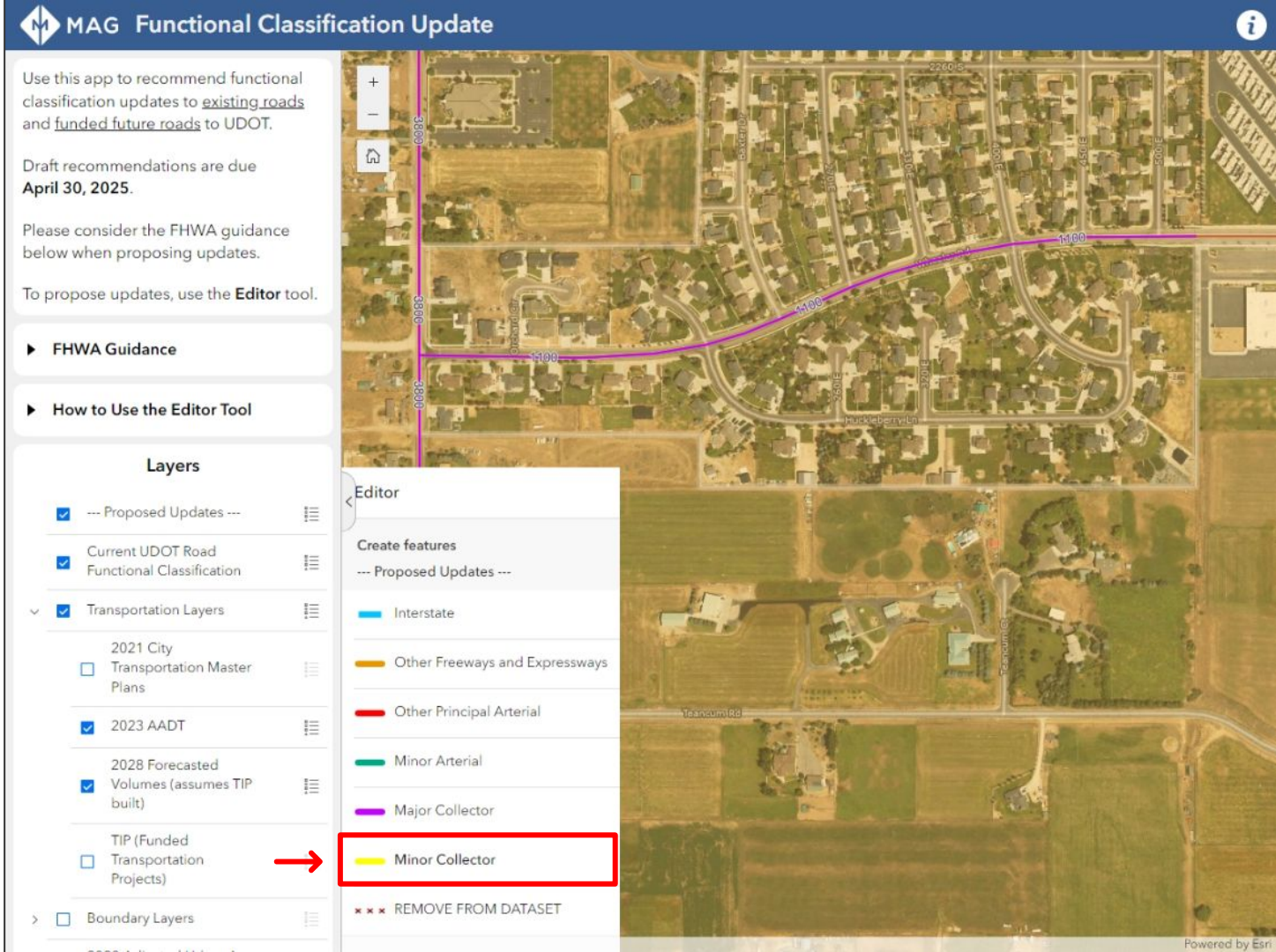
Functional Classification Update Map

- Use the Editor Tool to propose updates
- 3 Scenarios
  - Existing feature, updated functional class
  - Existing feature, remove functional class
  - New feature, new functional class



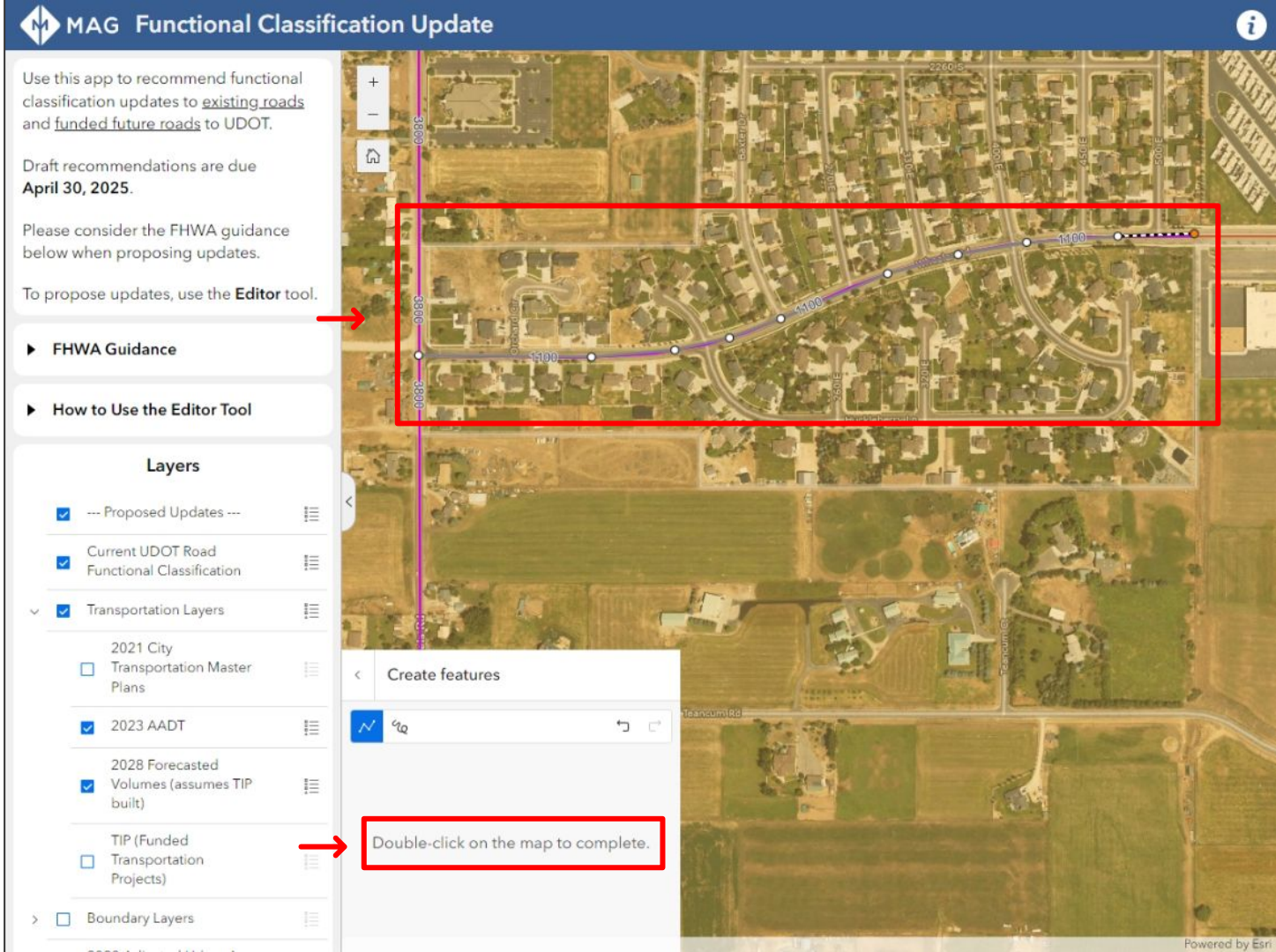
Functional Classification Update Map

- Existing feature, updated functional class



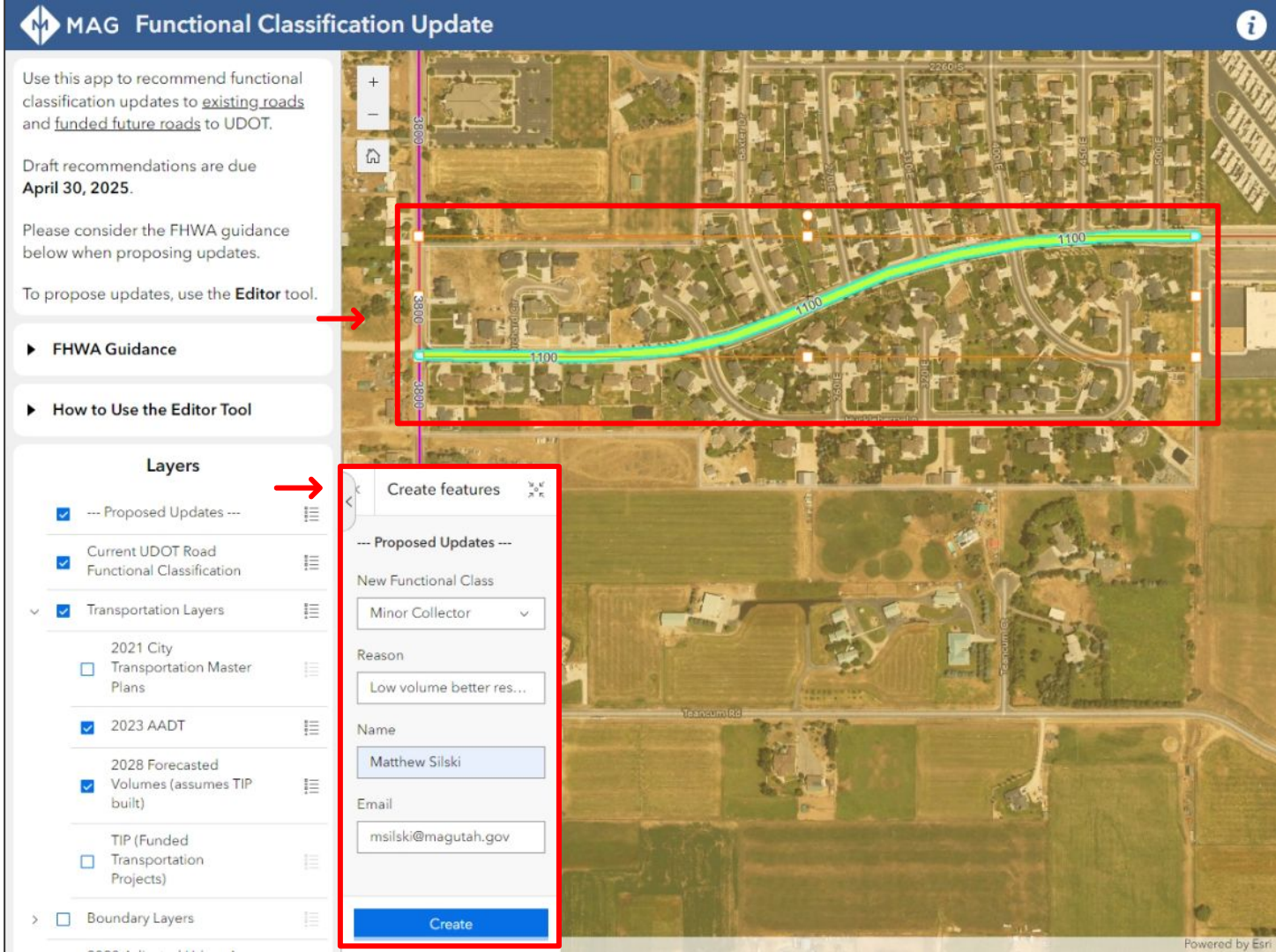
Functional Classification Update Map

- Existing feature, updated functional class



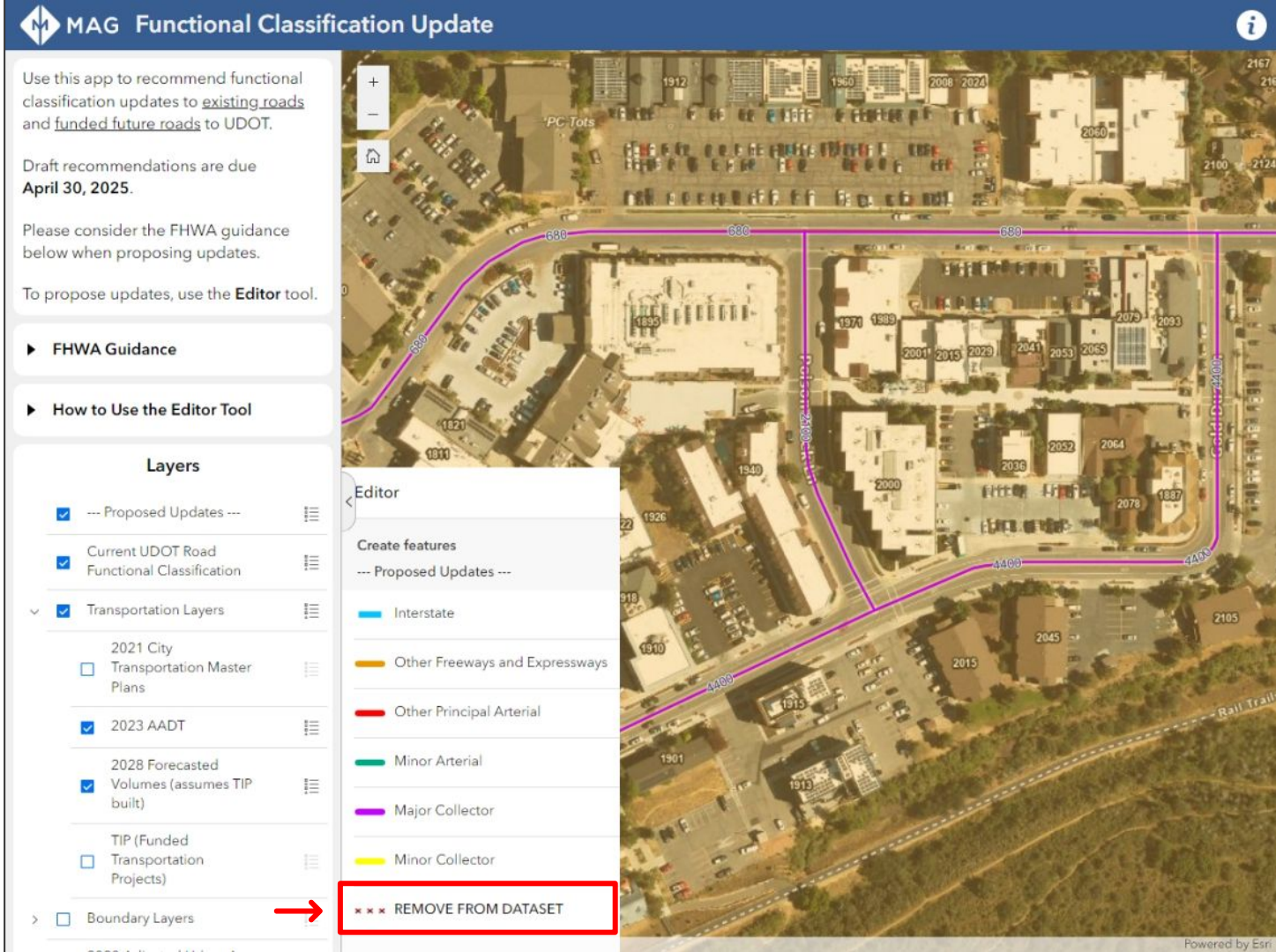
Functional Classification Update Map

- Existing feature, updated functional class



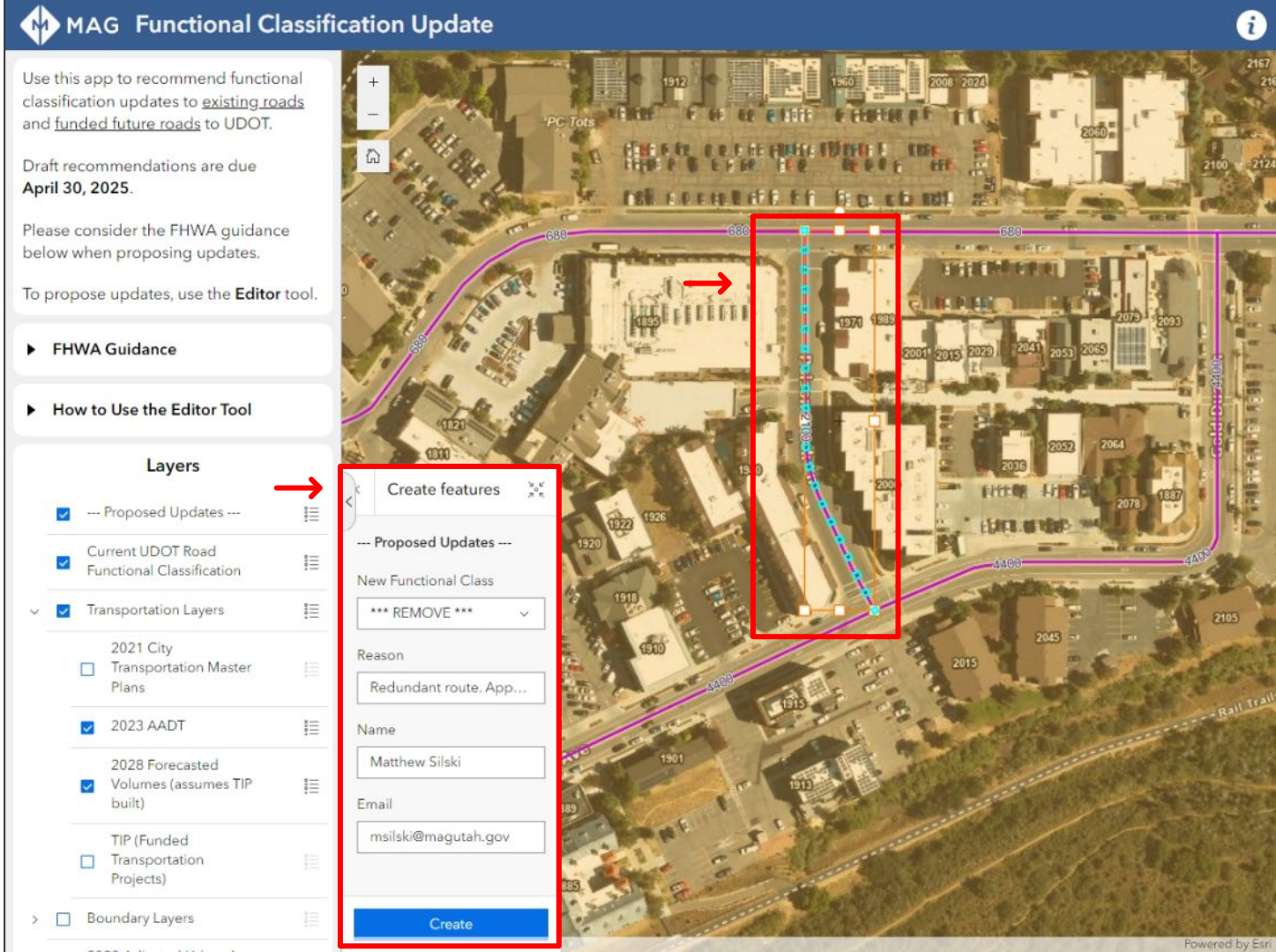
Functional Classification Update Map

- Existing feature, remove functional class



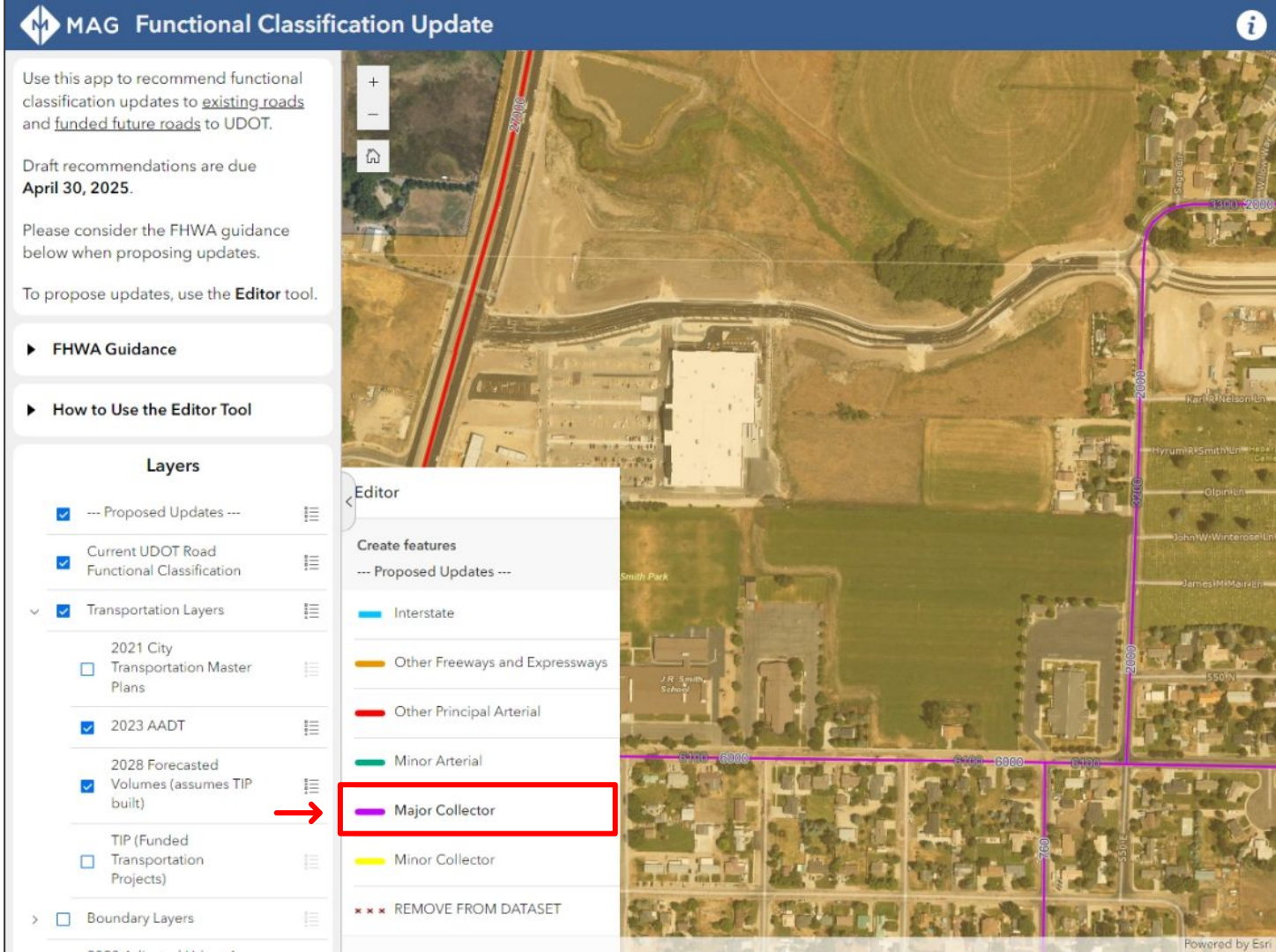
Functional Classification Update Map

- Existing feature, remove functional class



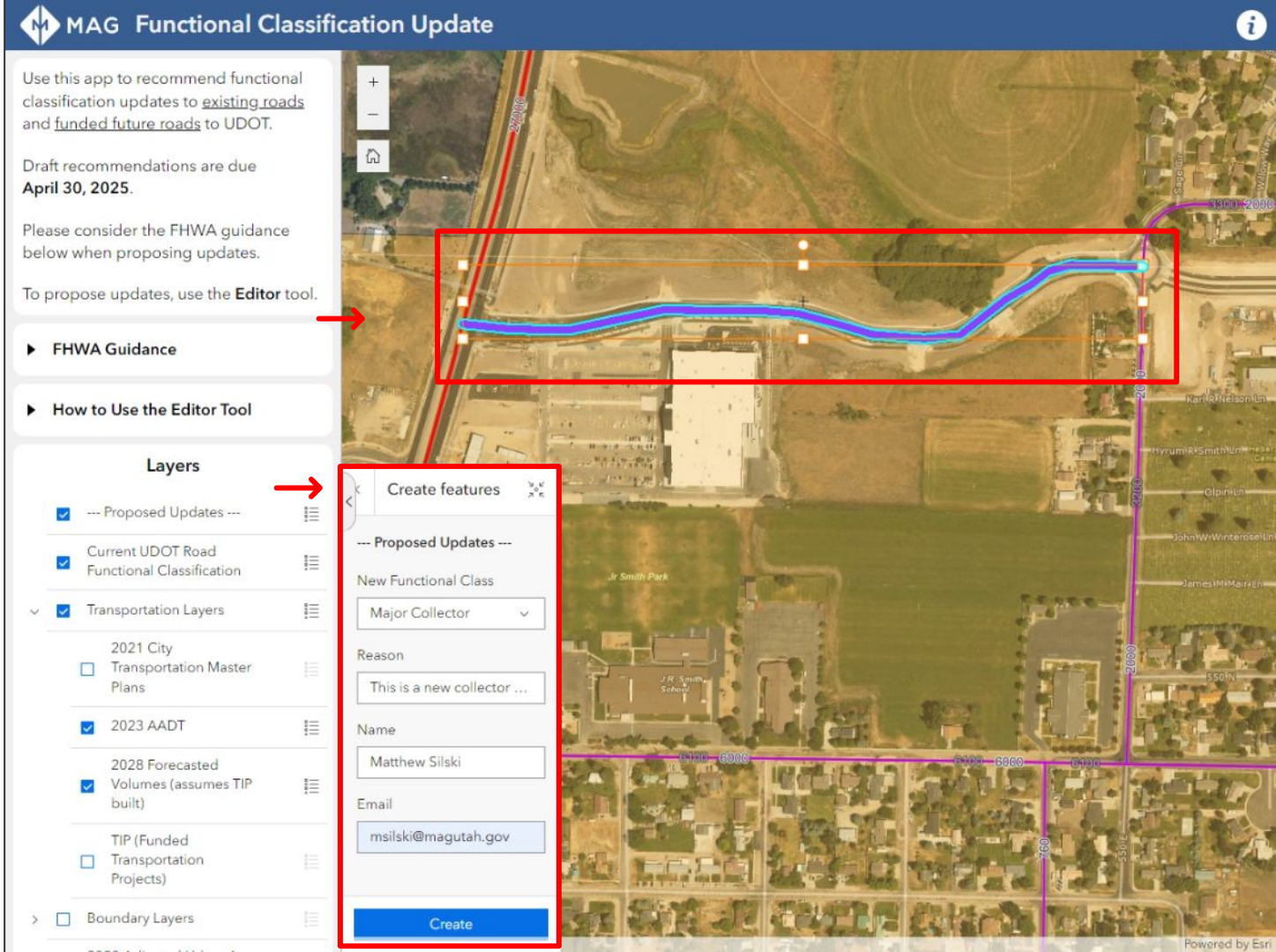
Functional Classification Update Map

- New feature, new functional class



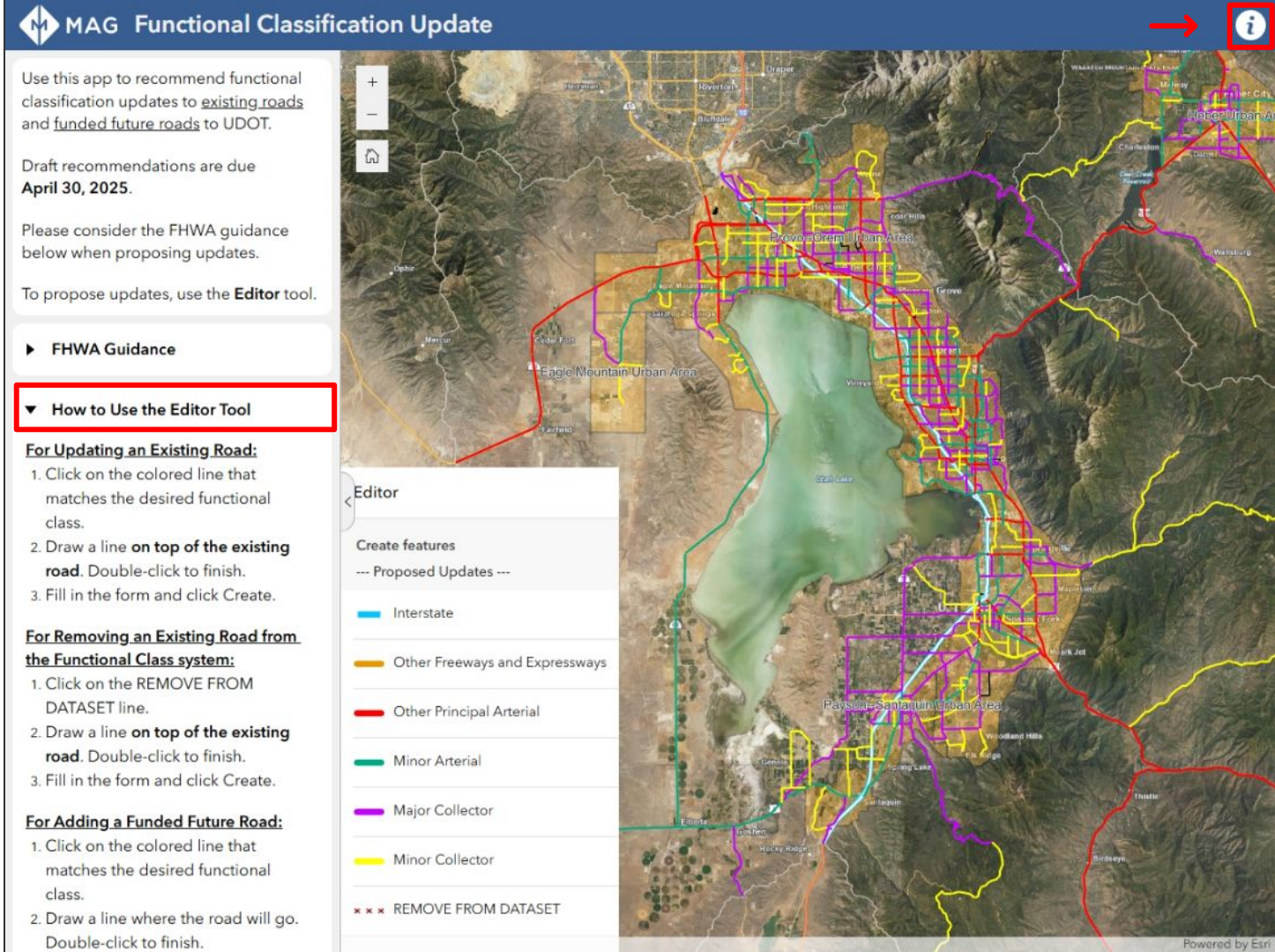
Functional Classification Update Map

- New feature, new functional class



Functional Classification Update Map

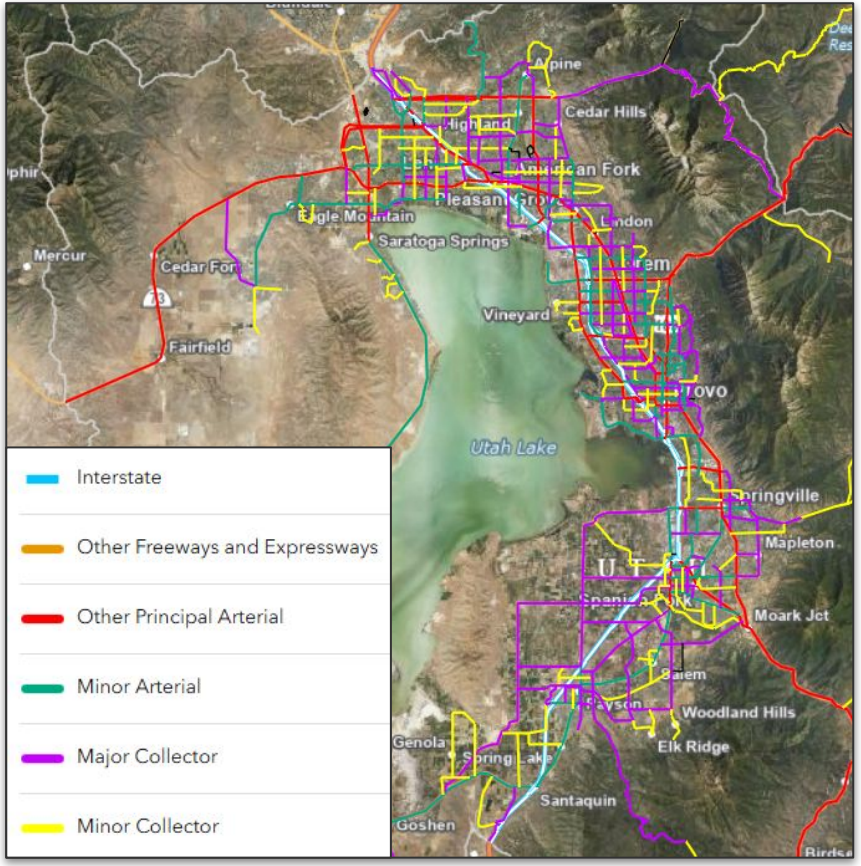
- How to Use the Editor Tool instructions
- Need help?



SUMMARY

Process

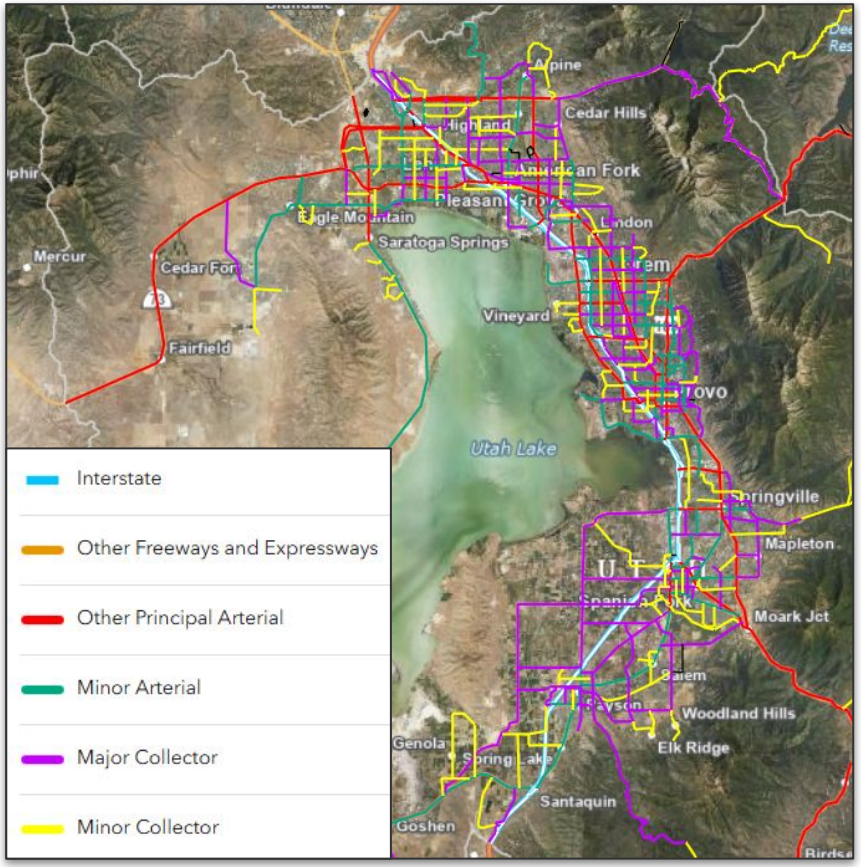
1. Review FHWA Guidelines
2. Review data using the background layers
3. Draw lines to recommend updates



DATA UPDATE

- Once in a decade opportunity

- <u>However,</u>
  "If a road project is proposed that is not on the functional class map, **the MPO TAC Committee can review** and determine that the corridor is regional and **recommend to the state that it be included on the functional class map**."
  (MAG, TIP Project Selection Process, September 2023)



TIMELINE

March	April	May	June	July	August	September	October	November	December
MPO TAC (city staff) Review and recommend updates to functional class system by **Apr. 30**		**UDOT, MAG, and City Staff** Review recommended updates and work together to find concurrence on differing proposed types					**MPO TAC, MPO Board** Approve functional classification system for Utah County		**UDOT** Submit updated system to FHWA by **Dec. 29**

Questions?

Contact Matthew Silski at MAG at msilski@magutah.gov or Jeff Lewis at UDOT at jefflewis@utah.gov.

MAG

MPO TAC Meeting
March 24, 2025| 1:30 pm - 3:00 pm

6a | Corridor Preservation, Springville 2600 West

Calvin Clark, Transportation Project Manager | 801-229-3848 | cclark@magutah.gov

BACKGROUND

The Utah County Corridor Preservation Fund is a dedicated fund for the preservation of planned transportation corridors within Utah County. MAG and Utah County work together to approve purchases using this fund. Properties purchased using this fund become the property and responsibility of the applying city or county.

The city of Springville is requesting funds to purchase unimproved land in the 2600 West corridor (**H108**) from roughly 400 South to 400 North. This request contains portions of 5 different parcels. All associated sellers are willing sellers. Lakeside Land Partners (LLP) LLC is planning imminent development, and Springville is requiring the donation of the maximum allowable right-of-way equivalent to that needed for a 3-lane ribbon road, while the rest of the right-of-way needed for the RTP project is being requested through Corridor Preservation. The other owners have no immediate intention of developing, so the right-of-way for a 3-lane ribbon road is being requested through Corridor Preservation. If and when these parcels develop, the owners will be required to donate the rest of the right-of-way needed for the RTP project through the development process.



Approx Location	Owner	Appraised Cost	Closing Costs	Total Cost
400 North 2500 West	Clements	$159,600	$3,900	$163,500
300 North 2600 West	LLP LLC	$607,800	$3,900	$611,700
100 North 2600 West	Hales	$299,700	$3,900	$303,600
100 North 2600 West	Crandall	$206,400	$3,900	$210,300
400 South 2600 West	Crandall	$367,800	$3,900	$371,700

The total cost of all acquisitions is **$1,660,800**. The total unobligated funds account balance is approximately $10,400,000.

All associated sellers are willing sellers. Lakeside Land Partners (LLP) LLC is planning imminent development, and Springville is requiring the donation of the maximum allowable right-of-way equivalent to that needed for a 3-lane ribbon road, while the rest of the right-of-way needed for the RTP project is being requested through Corridor Preservation. The other owners have no immediate intention of developing, so the right-of-way for a 3-lane ribbon road is being requested through Corridor Preservation. If and when these parcels develop, the owners will be required to donate the rest of the right-of-way needed for the RTP project through the development process.

STAFF RECOMMENDATION

This request meets the requirements and purposes of the Corridor Preservation Fund Program, the fund has an adequate balance, and the properties are needed for the future 2600 West roadway

SUGGESTED MOTION

I move to recommend that the MPO Board approve Springville City's Corridor Preservation request for $1,660,800 for the presented properties for the 2600 West Roadway.

ATTACHMENTS

Presentation
Clements Documents
LLP LLC Documents
Hales Documents
Crandall Farms Documents
Crandall Properties Documents

Corridor Preservation

2600 W, Springville

March 24, 2025

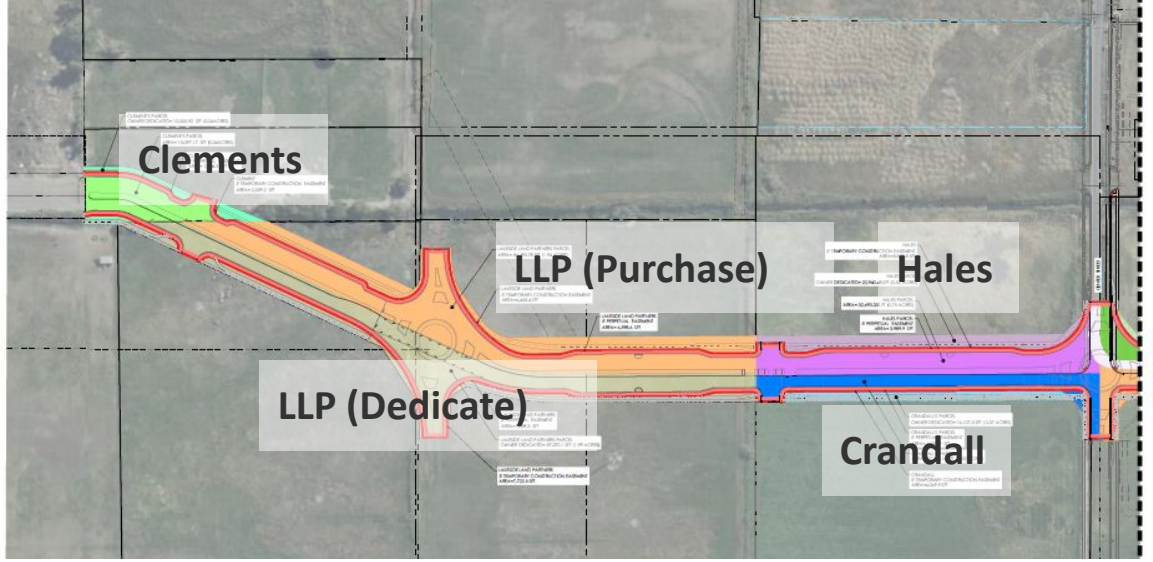
2600 W Springville

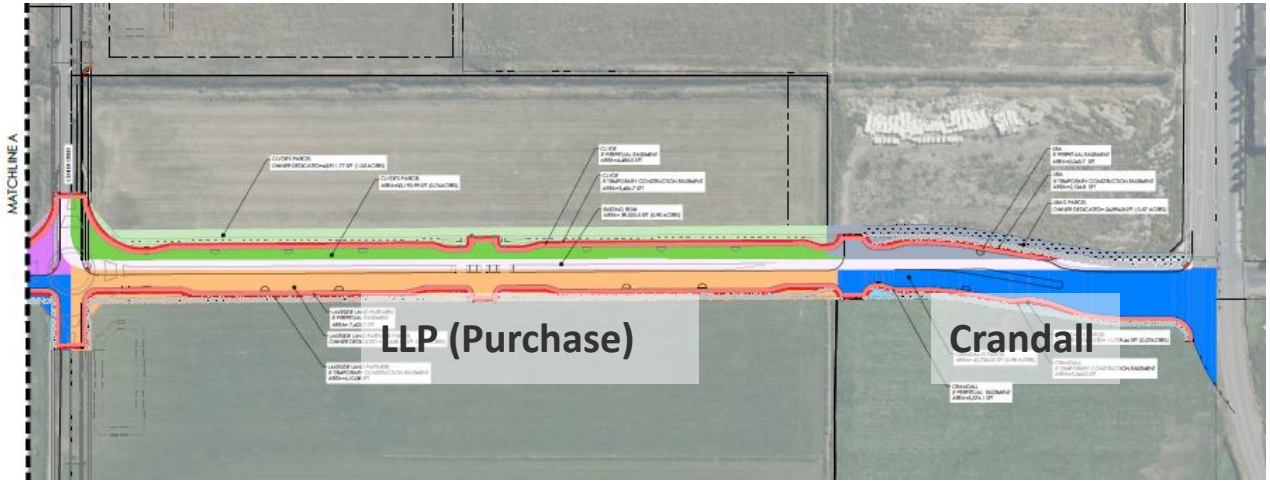
- Corridor H108 (RTP Phase 3)
- Vacant land
- Five property owners
  - All willing sellers
- Lakeside Land Partners LLC is planning imminent development
  - Donating required ROW to city, selling remainder through Corridor Preservation

MAG


Springville 2600 West
Caliber Collision
Love's Travel Stop
Driven Auto Sales
Used car dealer
W 4000 S
W 400 S
Cracker Barrel Old Country Store
Cracker Barrel Restaurant
Lux Lights
Permanent
15
15


N
S


Clements
LLP (Purchase)
Hales
LLP (Dedicate)
Crandall
MATCHLINE A


MATCHLINE A
LLP (Purchase)
Crandall

MAG

Property Owners

Approx Location	Owner	Appraised Cost	Closing Costs	Total Cost
400 North 2500 West	Clements	$159,600	$3,900	$163,500
300 North 2600 West	LLP LLC	$607,800	$3,900	$611,700
100 North 2600 West	Hales	$299,700	$3,900	$303,600
100 North 2600 West	Crandall	$206,400	$3,900	$210,300
400 South 2600 West	Crandall	$367,800	$3,900	$371,700

- Total request: **$1,660,800**
- Unobligated fund balance: $10,400,000

MAG

SUGGESTED MOTION:

I move to recommend that the MPO Board waive the Voluntary Seller Certification for and approve the city of Saratoga Springs' request for $970,000 from the Corridor Preservation Fund.

MAG

Local Corridor Preservation Fund
Application for Funds

Due to the limited amount of funds available, jurisdictions are strongly encouraged to exhaust other avenues for acquisition prior to applying.

Before consideration of awarding funds can occur, the following must be completed and submitted with this application:

1) Documentation by applicant of prior use of all appropriate resources available to the highway authority to acquire property rights, including but not limited to: use of other local funds, exactions, increased setback requirements, or other planning and zoning tools.
2) Initial approach to property owner and obtaining a certified property appraisal.
3) Securing of a Willing Seller Certification document.

Part 1: Use of Other Resources

Discuss with MAG staff the efforts to obtain the property by planning and zoning powers, development incentive, donation, or other means prior to applying for these funds. Document these efforts. MAG will convene a staff review of the application and documentation, flag any concerns or questions, and may request meetings with the applicant in order to resolve such, or to better understand the nature of the situation. Staff review should include CP/ROW, RTP, and Finance staff members.

Part 2: Initial Approach to Property Owner

Contact MAG staff prior to any discussions with the property owner of purchase price or commitments to purchase, and for any questions.

DO NOT tender any offer to purchase the property interest at this time.

If the property owner agrees to consider selling, the applicant orders a property appraisal from a certified appraiser that is acceptable to both parties. For properties intended for future use by UDOT, the appraiser should be listed on the current UDOT Consultant Services Right of Way Services and Local Government Pool. Copy and paste the following link into your browser:

https://docs.google.com/spreadsheets/d/1UURcMt7UvhIkYqADHdApr5KGxXTdeD93WLwRKu8FVl4/edit#gid=922750991

The costs of the appraisal can be reimbursed to the applicant if the funding request is approved.

Part 3: Application

1. Applicant (city, Utah County, UDOT): Springville City
2. Contact Information: Chris Wilson
3. Provide information about the properties to be acquired:
   a. Name of the current owner(s): David H & Cindy A Clements
   b. Address or location of the properties: Approximately 400 North and 2500 West
   c. Utah County parcel serial #: 21:096:0018, 21:096:0020, 2
   d. Type of real property interest to be acquired: (fee title, easement, etc.,) fee title
   e. Total acreage or square footage: 0.34 Acres (15,097.17 SF)
   f. Describe the efforts to obtain the property by planning and zoning powers, development incentive, donation, or other means prior to applying for these funds.
      No current intentions to develop property.
   g. Appraised value (Attach copy of appraisal report): $159,600
   h. Total estimated costs of acquisition, including appraisal and appraisal review, acquisition agent fee, closing costs, and any other associated fees: $3,900
   i. Total funds applying for - these should be no more than the appraised value plus traditional costs of acquisition in (h) above: $163,500
4. Which Eligible Corridor is the project located within or adjacent to? (see Corridor Preservation – Eligible Corridors map): 2600 W, H
5. Anticipated year or RTP phase to begin project roadway construction: Phase 3, Needs
6. Is the project listed on the applicant's official master plan? Yes
7. Has the applicant begun or completed a relevant state or federal environmental study? No
   a. Study results: NA
   b. If not, is the applicant willing to conduct such a study? Yes
8. Will the roadway be a UDOT or a local government facility? Local

If the project will be a state facility and the applicant is a city or county, attach copies of:

Either

a. Applicant's transportation right of way acquisition policy or ordinance.
b. Applicant's access management policy relevant to the type of roadway to be constructed.

OR

c. The executed Cooperative Agreement between the applicant and the Utah Department of Transportation governing right of way acquisition performed by the applicant for UDOT.

NOTES – 1) It is highly recommended that any purchases for a state facility be negotiated and finalized by UDOT Right of Way Division. 2) After funds are awarded but prior to any offer of purchase, UDOT and Utah County must execute a repurchase agreement specific to the property.

9. **Attachments:**

c. One 8" x 11" map in PDF form clearly indicating the future roadway project extents and the location of the properties to be acquired, with detail showing parcel boundaries and anticipated right of way footprint (will be used in presentations to the TAC and the Board).
d. Copy of appraisal report.
e. Copy of executed Willing Seller Certification.

Submit the completed application and maps to by email to Calvin Clark - cclark@mountainland.org

VOLUNTARY ACQUISITION
Certification

Owner Name: CLEMENTS, DAVID H & CINDY A (ET

Utah County Parcel ID#: 21:096:0018 and 21:096:0020

Mountainland Association of Governments is interested in acquiring property at approximately 400 North 2500 West, Springville UT (address) for the future 2600 West Spanish Fork Main Street project.

Although Mountainland Association of Governments possesses eminent domain authority to acquire property, we are not pursuing this acquisition by eminent domain or other coercion, and you hereby certify that you are only selling this property to us voluntarily for the agreed upon amount.

In accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), owner-occupants who move as a result of a voluntary acquisition, are **not** eligible for relocation assistance. Property Owner understands and acknowledges that if they waited for the funded project, they would be eligible for relocation benefits pursuant to 49 CFR 24. By signing below, the Property Owner understands and acknowledges that they are not entitled to any relocation benefits for the voluntary purchase of the property in advance of a funded project and freely chooses to sell the property to Mountainland Association of Governments before the project is funded.

Signature of Property Owner — Date: 11/27/24

Purchasing Entity Representative — Date: 3/10/2025

THE CLEMENTS FAMILY TRUST PARCEL

400 North 2500 West
Springville, Utah 84663

APPRAISAL REPORT

Date of Report: March 10, 2025

Colliers File #: SLC250043



PREPARED FOR
Calvin Clark
Transportation Project Manager
Mountainlands Association of Governments (MAG)
586 East 800 North
Orem, UT 84097

PREPARED BY
COLLIERS INTERNATIONAL
VALUATION & ADVISORY SERVICES

LETTER OF TRANSMITTAL

COLLIERS INTERNATIONAL
VALUATION & ADVISORY SERVICES

6440 S. Millrock Dr. | Suite 500
Salt Lake City, UT 84121 USA
MAIN +1 385 249 5450
FAX +1 385 249 5451
WEB www.colliers.com/valuationadvisory

March 10, 2025

Calvin Clark
Transportation Project Manager
Mountainlands Association of Governments (MAG)
586 East 800 North

Orem, UT 84097

RE: The Clements Family Trust Parcel
400 North 2500 West
Springville, Utah 84663

Colliers File #: SLC250043

Mr. Clark:

Pursuant with our engagement, the above captioned property was appraised utilizing best practice appraisal principles for this property type. This appraisal report satisfies the scope of work and requirements agreed upon by Mountainlands Association of Governments (MAG) and Colliers International Valuation & Advisory Services.

The date of this report is March 10, 2025. At the request of the client, this appraisal is presented in an Appraisal Report format as defined by *USPAP* Standards Rule 2-2(a). Our appraisal format provides a detailed description of the appraisal process, subject and market data and valuation analyses.

The purpose of this appraisal is to develop an opinion of the As-Is Fair Market Value of the subject property's fee simple estate, as well as the value of a potential fee acquisition, perpetual easement, and temporary construction easement. The intended use of this appraisal is to assist the client in providing funds to the landowner to preserve future road corridors. The effective date is February 12, 2025, which is the date of our inspection of the property.

Property Information
The larger parcel is a 2.91-acre site at 400 North 2500 West in Springville, Utah. The offsite improvements include an asphalt street, and concrete curb and gutter. All municipal utilities are available in the street frontage. On-site improvements consist of a wood post and wire fence that spans the perimeter of the larger parcel.

The property is in an area that has historically been used for agriculture. We do not have contact information for the property owners but based on the condition of the property and surrounding land uses, we assume the

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property has historically been used for agriculture. According to the map provided by the Utah Division of Water Rights, there is not a water right located on the larger parcel.

The larger parcel is currently vacant and zoned A-1 (Agricultural). However, based on a conversation with the Springville City Planning Department, if the owners are willing to adopt the Westfield and Lakeside Overlay and develop the site in a way that is harmonious with the proposed Lakeside Village development, the larger parcel can be rezoned to residential and developed to a similar density as the surrounding Lakeside Village master plan.

Project Information

The larger parcel will be impacted by a project by Mountainlands Association of Governments and Springville City to extend 2600 West Street northward from 400 South where it will intersect with Center Street. The street will then continue northward, where it will eventually turn northeastward and connect with 2500 West at approximately 400 North near the subject. The project is currently in its preliminary planning phases, with limited surveying and engineering information. An exhibit provided in connection with this assignment indicates that 15,097 SF (0.34 acre) of the subject property will be taken in fee for a 59-foot-wide road right-of-way.

Mountainlands Association of Governments is also considering a perpetual easement and a temporary construction easement in connection with the project. The exhibit provided in connection with this assignment indicates that these will each be five feet wide and run along the border of the fee taking. The exhibit indicates the perpetual easement will be 2,284 SF and the temporary construction easement will be 2,359 SF. No legal descriptions were provided for the perpetual easement or temporary construction easement, nor were we provided with site-specific maps with easement dimensions. It is an extraordinary assumption of this report that the provided size of the perpetual easement and temporary construction easement are accurate and that the areas are sufficient in size, shape and utility for their intended use.

The subject property has the same highest and best use in the before and after condition. However, completion of the project will improve access to the site and will facilitate development of the area. The subject will receive these special benefits from the project in the after condition. According to Utah state law, special benefits can offset damages to the remainder, but cannot offset the part taken. As we conclude that the subject will suffer no severance damages as a result of the taking, an analysis of the special benefits is moot

The following table conveys the final opinion of market value of the subject property that is developed within this appraisal report:

VALUATION SUMMARY

	VALUE OPINIONS	VALUE OF PROPERTY RIGHTS
Value of the Larger Parcel	$1,235,182	
Fee Taking (inc. Site Imp.)	($147,196)	$147,196
Perpetual Easement	($6,681)	$6,681
Value of the Remainder as a Portion of the Whole	$1,081,306	
Value of the Remainder in the After Condition	$1,081,306	
Severance Damages	$0	
Cost to Cure	$0	
Project Benefits	$0	
Net Severance Damages	$0	$0
Temporary Construction Easement (TCE)		$5,744
TOTAL FAIR MARKET VALUE OF PROPOSED PROPERTY AND RIGHTS TAKEN (ROUNDED)		**$159,600**

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The analyses, opinions and conclusions communicated within this appraisal report were developed based upon the requirements and guidelines of the current Uniform Standards of Professional Appraisal Practice (USPAP), the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.

The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter. *USPAP* defines an Extraordinary Assumption as, "an assignment specific-assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions". *USPAP* defines a Hypothetical Condition as, "that which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis".

The Extraordinary Assumptions and/or Hypothetical Conditions that were made during the appraisal process to arrive at our opinion of value are fully discussed below. We advise the client to consider these issues carefully given the intended use of this appraisal, as their use might have affected the assignment results.

EXTRAORDINARY ASSUMPTIONS

- This analysis makes the assumption that the subject can be rezoned to a residential zone and be developed to a similar density as the surrounding Lakeside Village master plan.
- This appraisal is based on the extraordinary assumption that the provided size of the fee acquisition area is accurate despite the absence of a legal description.
- It is also based on the extraordinary assumption that provided size of the perpetual easement and temporary construction easement is accurate. No legal descriptions were provided for the fee taking, perpetual easement or temporary construction easement, nor were we provided with site-specific maps with easement dimensions. If these assumptions prove to be inaccurate, the opinions of value stated herein may require revision.
- We also assume that the locations of the perpetual and construction easements are as described later in this report. If this assumption proves to be inaccurate, the opinions of value stated herein may require revision.
- According to the map provided by the Utah Division of Water Rights, there is not a water right located on the larger parcel. We assume that the project will not impact any water rights and no water rights are evaluated in our report.

HYPOTHETICAL CONDITIONS

- This Appraisal Report is not contingent on any hypothetical conditions.

RELIANCE LANGUAGE

The Appraisal is for the sole use of the Client; however, Client may provide only complete, final copies of the Appraisal report in its entirety (but not component parts) to third parties who shall review such reports in connection with loan underwriting or securitization efforts. Colliers International Valuation & Advisory Services is not required to explain or testify as to appraisal results other than to respond to the Client for routine and customary questions. Please note that our consent to allow the Appraisal prepared by Colliers International Valuation & Advisory Services or portions of such Appraisal, to become part of or be referenced in any public offering, the granting of such consent will be at our sole and absolute discretion and, if given, will be on condition that Colliers International Valuation & Advisory Services will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to Colliers International Valuation & Advisory Services, by a party satisfactory to Colliers International Valuation & Advisory Services. Colliers International Valuation & Advisory Services does consent to your submission of the reports to rating agencies, loan

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participants or your auditors in its entirety (but not component parts) without the need to provide Colliers International Valuation & Advisory Services with an Indemnification Agreement and/or Non-Reliance letter.

Colliers International Valuation & Advisory Services hereby expressly grants to Client the right to copy the Appraisal and distribute it to other parties in the transaction for which the Appraisal has been prepared, including employees of Client, other lenders in the transaction, and the borrower, if any.

Our opinion of value reflects current conditions and the likely actions of market participants as of the date of value. It is based on the available information gathered and provided to us, as presented in this report, and does not predict future performance. Changing market or property conditions can and likely will have an effect on the subject's value.

The signatures below indicate our assurance to the client that the development process and extent of analysis for this assignment adhere to the scope requirements and intended use of the appraisal. If you have any specific questions or concerns regarding the attached appraisal report, or if Colliers International Valuation & Advisory Services can be of additional assistance, please contact the individuals listed below.

Sincerely,

COLLIERS INTERNATIONAL
VALUATION & ADVISORY SERVICES



Chelsey Jorgensen, MAI
Senior Valuation Specialist
Certified Residential Real Estate Appraiser
State of Utah License #9877947-CG00
+1 385 249 5448
chelsey.jorgensen@colliers.com



Kelly Tate, MAI
Senior Valuation Services Director
Certified General Real Estate Appraiser
State of Utah License #8384882-CG00
+1 385 249 5444
kelly.tate@colliers.com

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LETTER OF TRANSMITTAL

INTRODUCTION 1
- Executive Summary 1
- Aerial Photograph 2
- Subject Property Photographs 3
- Identification of Appraisal Assignment 4
- Scope of Work 8

DESCRIPTIONS & EXHIBITS 10
- Regional Map 10
- Regional Analysis 11
- Local Area Map 18
- Local Area Analysis 19
- Site Description 28
  - Plat Map 30
  - Zoning Map 31
  - Flood Map 32
- Assessment & Taxation 33
- Zoning Analysis 34
- Market Analysis 35
- Highest & Best Use 45

VALUATION 51
- Valuation Methods 51
- Land Valuation 52
  - Land Sales Summation Table 53
  - Land Sales Location Map 54
  - Land Sales Data Sheets 55
  - Calculation of Land Value 63

AFTER CONDITION ANALYSIS 65
- Introduction 65
- Value of Parts Taken 65
- Value of Remainder Part of the Whole 67
- Value of the Remainder in the After Condition 67
- Severance Damages 67
- Project Benefits 67
- Temporary Construction Easements 68
- Valuation Summary 69

CERTIFICATION

ASSUMPTIONS & LIMITING CONDITIONS

ADDENDA

Engagement Letter
Professional Service Agreement
Valuation Glossary
Qualifications of Appraisers
Qualifications of Colliers International Valuation & Advisory Services

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GENERAL INFORMATION

Property Name	The Clements Family Trust Parcel
Property Type	Land - Residential (Single-family) Land
Address	400 North 2500 West
City	Springville
State	Utah
Zip Code	84663
County	Utah
Core Based Statistical Area (CBSA)	Provo-Orem, UT
Market	Utah County
Submarket	Springville City
Latitude	40.171710
Longitude	-111.655300
Number Of Parcels	1
Assessor Parcel	21-096-0018
Total Taxable Value	$250
Census Tract Number	105.03

LARGER PARCEL INFORMATION

Land Area - Larger Parcel	**Acres**	**Square Feet**
Usable	2.91	126,685
Unusable	0.00	0
Excess	0.00	0
Surplus	0.00	0
Total	**2.91**	**126,685**

Land Area - The Parts Taken	**Acres**	**Square Feet**
Fee Taking	0.35	15,097
Perpetual Easement	0.05	2,284
Temporary Construction Easement	0.05	2,359

Topography	Level at street grade
Shape	Rectangular
Access	Average
View	Average
Current Zoning	Agricultural Zone (A-1)
Flood Zone	Zone AE
Seismic Zone	Very High Risk

VALUATION SUMMARY

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2500 WEST VIEWING NORTH



SUBJECT SITE VIEWING SOUTHEAST



SUBJECT SITE VIEWING EAST



2250 WEST (PRIVATE ROAD) VIEWING WEST



SUBJECT SITE VIEWING NORTHWEST



SUBJECT SITE VIEWING NORTH

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PROPERTY IDENTIFICATION

The larger parcel is a 2.91-acre site at 400 North 2500 West in Springville, Utah. The offsite improvements include an asphalt street, and concrete curb and gutter. All municipal utilities are available in the street frontage. On-site improvements consist of a wood post and wire fence that spans the perimeter of the larger parcel.

The property is in an area that has historically been used for agriculture. We do not have contact information for the property owners but based on the condition of the property and surrounding land uses, we assume the property has historically been used for agriculture. According to the map provided by the Utah Division of Water Rights, there is not a water right located on the larger parcel.

The larger parcel is currently vacant and zoned A-1 (Agricultural). However, based on a conversation with the Springville City Planning Department, if the owners are willing to adopt the Westfield and Lakeside Overlay and develop the site in a way that is harmonious with the proposed Lakeside Village development, the larger parcel can be rezoned to residential and developed to a similar density as the surrounding Lakeside Village master plan.

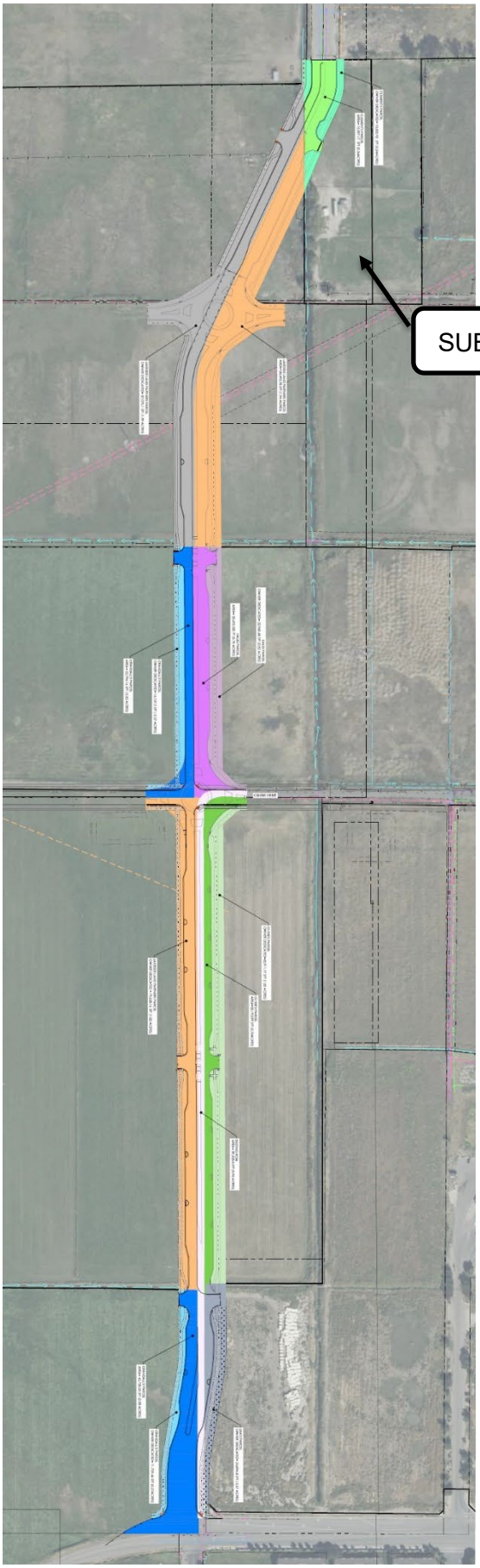
The legal description of the subject property is as follows: COM N 1659.57 FT FR E 1/4 COR. SEC. 36, T7S, R2E, SLB&M.; N 89 DEG 36' 12" W 187.77 FT; N 0 DEG 10' 13" W 674.84 FT; N 89 DEG 22' 26" E 186.77 FT; S 0 DEG 20' 46" E 678.18 FT TO BEG. AREA 2.908 AC.

PROJECT DESCRIPTION

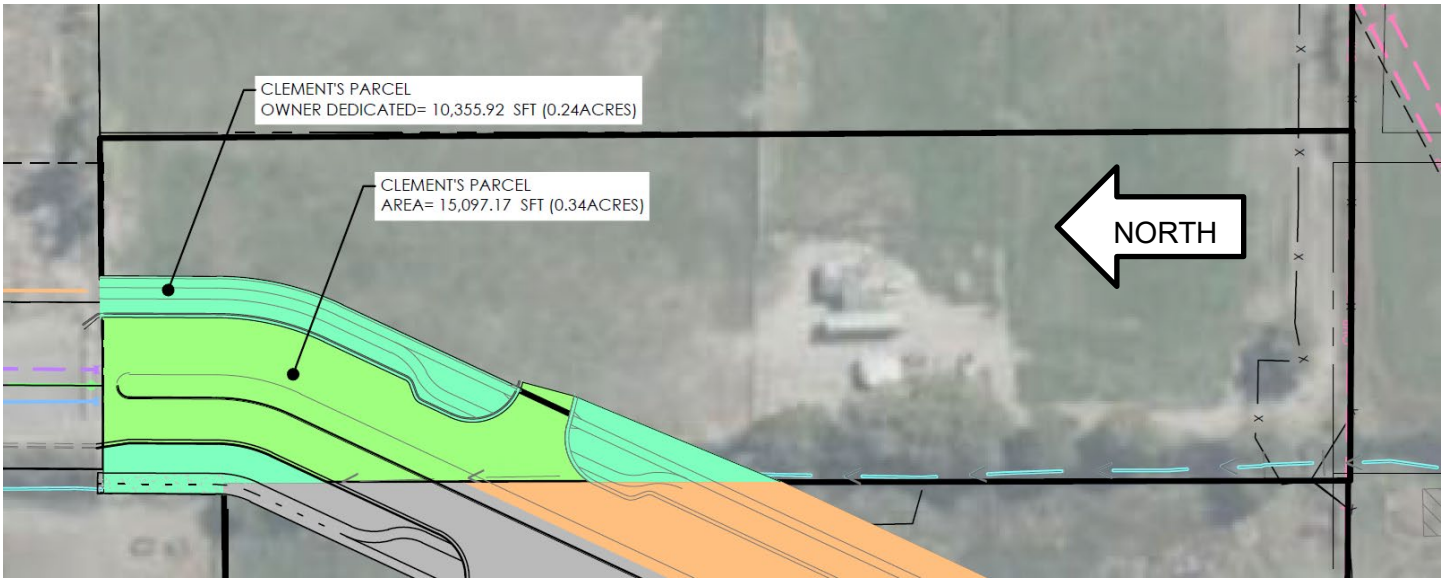
The Mountainlands Association of Governments' 2600 West ROW project will extend 2600 West northward where it will intersect with Center Street and then continue north where it will eventually turn northeastward and connect with 2500 West at approximately 400 North. The four-lane road will provide access to an area that is in the planning process for residential and commercial development. Mountainlands Association of Governments is providing partial funding for the project. Construction is anticipated to begin by June 2025.

The exhibit below was provided by the client in connection with this assignment. The dark-green shaded area is the area of the fee taking. The light-green shaded area is to be dedicated by the owner in the future if and when development of the site should occur; the light-green shaded area is not part of this assignment t.

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CLIENT IDENTIFICATION

The client of this specific assignment is Mountainlands Association of Governments (MAG).

PURPOSE

The purpose of this appraisal is to develop an opinion of the Fair Market Value of the larger parcel's fee simple interest, as well as the value of a fee taking, perpetual easement and temporary construction easement.

INTENDED USE

The intended use of this appraisal is to assist the client to provide funds to the landowner to preserve future road corridors.

INTENDED USERS

Intended users of this report include Mountainlands Association of Governments (MAG) and Springville City. Use of this report by third parties and other unintended users is not permitted. This report must be used in its entirety. Reliance on any portion of the report independent of others, may lead the reader to erroneous conclusions regarding the property values. Unless approval is provided by the authors no portion of the report stands alone.

ASSIGNMENT DATES

Date of Report	March 10, 2025
Date of Inspection	February 12, 2025
Valuation Date - As-Is	February 12, 2025

PERSONAL INTANGIBLE PROPERTY

No personal property or intangible items are included in this valuation.

PROPERTY AND SALES HISTORY

Current Owner

The subject title is currently recorded in the name of The Clements Family Trust.

Three-Year Sales History

Research of the applicable public records and private data services revealed that the subject property has not transferred during the past three years of the effective date of value stated in this report.

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Subject Sale Status
Research of the applicable public records, private data services and an interview of the current owner and/or broker revealed that the subject property is not under a current agreement of sale or option and is not currently offered for sale on the open market.

DEFINITIONS

This section summarizes the definitions of value, property rights appraised, and value scenarios that are applicable for this appraisal assignment. All other applicable definitions for this assignment are located in the Valuation Glossary section of the Addenda.

DEFINITIONS OF VALUE

Given the scope and intended use of this assignment, the following definition of value is applicable:

Fair Market Value
The definition of fair market value, as used in this report, is "…the amount at which a property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the relevant facts."[1]

PROPERTY RIGHTS APPRAISED

The property rights appraised constitute the fee simple interest.

Fee Simple Estate
Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.[2]

VALUE SCENARIOS

As-Is Value
The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.[3]

[1] Utah Code, Title 59-2-102(12)
[2] The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022
[3] The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022

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INTRODUCTION

The appraisal development and reporting processes requires gathering and analyzing information about those assignment elements necessary to properly identify the appraisal problem to be solved. The scope of work decision must include the research and analyses that are necessary to develop credible assignment results given the intended use of the appraisal. Sufficient information includes disclosure of research and analyses performed and might also include disclosure of research and analyses not performed. The scope of work for this appraisal assignment is outlined below:

- The appraisers analyzed the regional and local area economic profiles including employment, population, household income, and real estate trends. The local area was further studied to assess the general quality and condition, and emerging development trends for the real estate market. The immediate market area was inspected and examined to consider external influences on the subject.
- The appraisers confirmed and analyzed legal and physical features of the subject property including sizes of the site, flood plain data, seismic zone, zoning, easements and encumbrances, access and exposure of the site.
- The appraisers completed a land market analysis that included market and sub-market overviews. The Utah County market and Springville City sub-market overviews analyzed supply/demand conditions using vacancy, absorption, supply change and rent change statistics. Conclusions were drawn regarding the subject property's competitive position given its physical and locational characteristics, the prevailing economic conditions and external influences.
- The appraisers conducted Highest and Best Use analysis and conclusions were drawn for the highest and best use of the subject property As-Vacant. The analysis considered legal, locational, physical and financial feasibility characteristics of the subject site.
- The appraisers confirmed and analyzed financial features of the subject property including potential entitlement issues, and tax and assessment records. This information as well as trends established by confirmed market indicators was used to forecast performance of the subject property.
- Selection of the valuation methods was based on the identifications required in USPAP relating to the intended use, intended users, definition and date of value, relevant property characteristics and assignment conditions. This appraisal developed the Sales Comparison Approach to value, which was adjusted and reconciled as appropriate. The appraisal develops an opinion of the Fair Market Value of the subject property's fee simple interest.
- Reporting of this appraisal is in an Appraisal Report format as required in USPAP Standard 2. The appraiser's analysis and conclusions are fully described within this document.
- We understand the Competency Rule of USPAP and the authors of this report meet the standards.
- Jake Jorgensen (Utah State Registered Appraiser Assistant No. 7338339-CR00) provided significant real property appraisal assistance to the appraisers signing the certification.

SOURCES OF INFORMATION

The following sources were contacted to obtain relevant information:

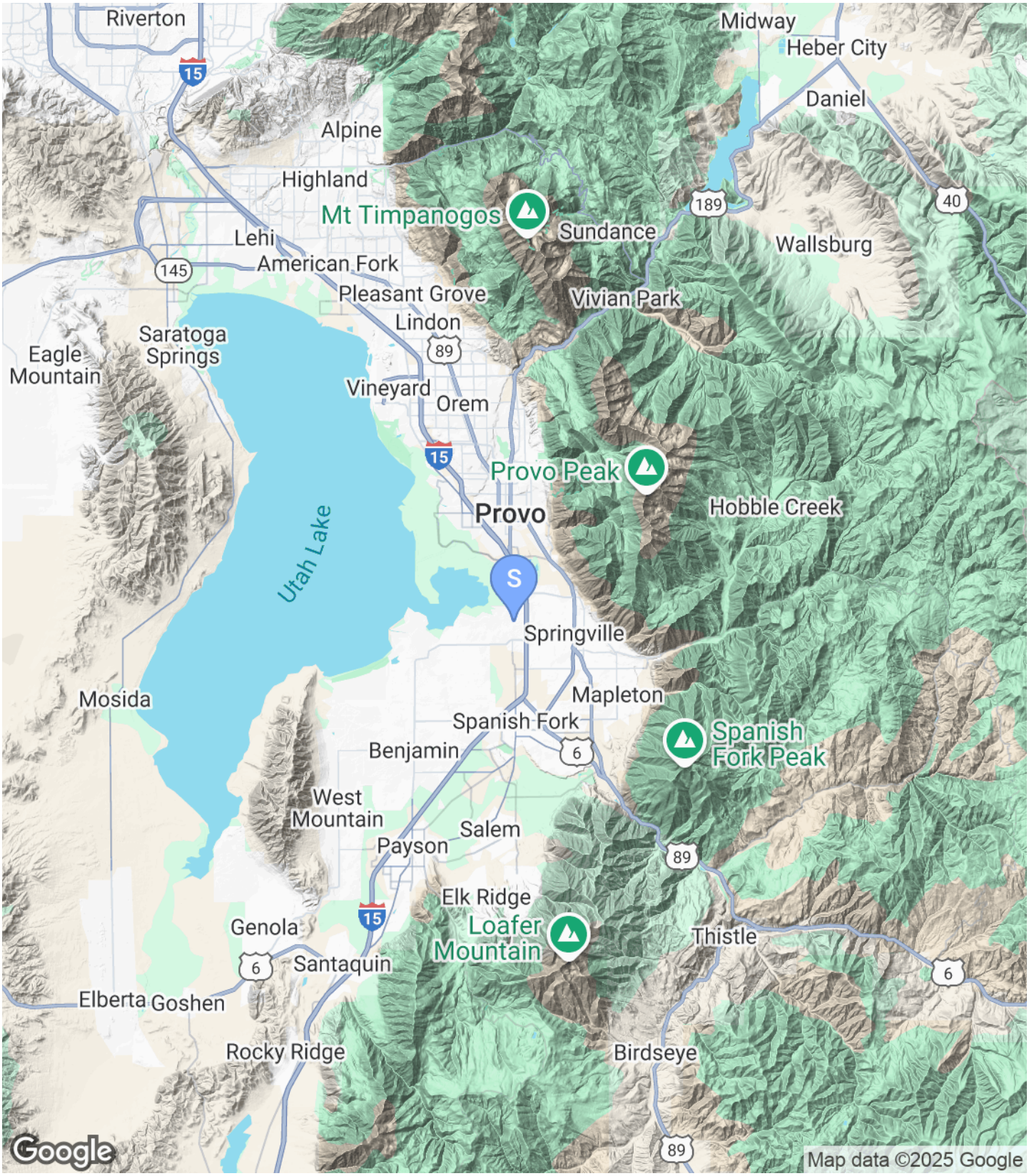
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SOURCES OF INFORMATION	
ITEM	**SOURCE**
Tax Information	Utah County Tax Assessor
Zoning Information	City of Springville Zoning Code
Site Size Information	Utah County Tax Assessor
Flood Map	InterFlood
Demographics	Pitney Bowes/Gadberry Group - GroundView®
Comparable Information	See Comparable Datasheets for details
Legal Description	Utah County Tax Assessor

SUBJECT PROPERTY INSPECTION

SUBJECT PROPERTY INSPECTION			
APPRAISER	**INSPECTED**	**EXTENT**	**DATE OF INSPECTION**
Chelsey Jorgensen, MAI	Yes	Exterior Only	February 27, 2025
Kelly Tate, MAI	No	-	-
Jake Jorgensen	Yes	Site Only	February 12, 2025

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Riverton
Midway
Heber City
Daniel
Alpine
Highland
Mt Timpanogos
Sundance
Wallsburg
Lehi
American Fork
Pleasant Grove
Vivian Park
Lindon
Saratoga Springs
Eagle Mountain
Vineyard
Orem
Provo Peak
Hobble Creek
Provo
Utah Lake
Springville
Mapleton
Mosida
Spanish Fork
Spanish Fork Peak
Benjamin
West Mountain
Salem
Payson
Elk Ridge
Loafer Mountain
Thistle
Genola
Santaquin
Elberta
Goshen
Rocky Ridge
Birdseye
15
145
89
189
40
6
Google
Map data ©2025 Google

INTRODUCTION



The Provo-Orem Metropolitan Statistical Area is comprised of Utah and Juab Counties. Seven counties as well as the State of Nevada border the Provo-Orem MSA. The MSA is located in north central Utah and is anchored by the cities of Provo and Orem.

The geography of the Provo-Orem MSA includes arid desert, lakes, and high-mountain peaks. Elevations within the area range from around 4,300 feet at the valley floor to nearly 12,000 feet above sea level in the Wasatch Mountains. Orem and Provo are located in the northern portion of Utah County at the base of the Wasatch Mountains on the east.

The Utah Lake, which is located to the west of the cities of Provo and Orem in Utah County, is the largest fresh-water lake in the state. The lake drains via the Jordan River at its north end into the Great Salt Lake. The Jordan River is a 60-mile-long river that receives the water of many streams flowing down from the Wasatch Range.

The majority of the population of Utah County lies in cities found along Interstate 15 which runs north-to-south just west of Orem and Provo and other smaller communities. This freeway provides access to Arizona to the south and Idaho to the north. The Salt Lake City International Airport is the nearest large airport; however, the Provo Municipal Airport, located in Provo, is used extensively for private flight training and is home to the Utah Valley University flight school. The city of Nephi, in Juab County, also has a municipal airport.



Provo and Orem's mass transit service is operated by the Utah Transit Authority (UTA) and includes a bus system, which connects commuters to local services as well as the greater Salt Lake City region. UTA's commuter rail service, FrontRunner, was extended to Provo from Salt Lake City in 2012. Amtrak, a national passenger rail system, provides service to Provo station, operating its California Zephyr daily in both directions between Chicago, Illinois and Emeryville, California. Provo is also serviced by Greyhound Bus Lines.

Provo is the economic and demographic center of the Provo-Orem MSA and the third-largest city in Utah according to the 2008 U.S. Census Bureau. Provo is the county seat of Utah County. It was first settled in 1849 by 33 Mormon families from Salt Lake City. The residents of Provo are predominantly (88.0%) members of The Church of Jesus Christ of Latter-day Saints. The large population of students that attend Brigham Young University and Utah Valley University make Provo and Orem "college towns". Provo is also home to The Church of Jesus Christ of Latter-days Saints' largest Missionary Training Center. Each week some 475 missionaries enter for 2 to 12 weeks of training before they depart for the mission field. Orem, the sixth-largest city in the state, is adjacent to the north of Provo City and is located approximately 45 miles south of Salt Lake City. Orem was incorporated in 1919 and is home to Utah Valley University.

Today the area's major industries are government, trade, transportation, utilities, and professional and business services. Provo is home to international companies including Nature's Sunshine Products, Novell, and Nu Skin Enterprises.

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DEMOGRAPHIC ANALYSIS

The following is a demographic study of the region sourced by *Esri ArcGIS®*, an online resource center that provides information used to analyze and compare the past, present, and future trends of geographical areas. Demographic changes are often highly correlated to changes in the underlying economic climate. Periods of economic uncertainty necessarily make demographic projections somewhat less reliable than projections in more stable periods. These projections are used as a starting point, but we also consider current and localized market knowledge in interpreting them within this analysis. Please note that our demographics provider sets forth income projections in constant dollars which, by definition, reflect projections after adjustment for inflation. We are aware of other prominent demographic data providers that project income in current dollars, which do not account for inflation. A simple comparison of projections for a similar market area made under the constant and current dollar methodologies can and likely will produce data points that vary, in some cases, widely. Further, all forecasts, regardless of demographer methodology(ies), are subjective in the sense that the reliability of the forecast is subject to modeling and definitional assumptions and procedures.

Population

According to Esri ArcGIS®, a Geographic Information System (GIS) Company, the Provo-Orem-Lehi metropolitan area had a 2024 population of 749,524 and experienced an annual growth rate of 2.7%, which was higher than the Utah annual growth rate of 1.6%. The metropolitan area accounted for 21.4% of the total Utah population (3,506,694). Within the metropolitan area the population density was 138.9 people per square mile compared to the lower Utah population density of 42.5 people per square mile and the lower United States population density of 95.8 people per square mile.

POPULATION

YEAR	US	UT	CBSA
2020 Population	331,839,624	3,284,843	674,930
2024 Population	338,440,954	3,506,694	749,524
2029 Population	344,873,411	3,719,346	823,415
2020-2024 CAGR	0.5%	1.6%	2.7%
2024-2029 CAGR	0.4%	1.2%	1.9%

Source: Esri ArcGIS®

POPULATION DENSITY

YEAR	US	UT	CBSA
2024 Per Square Mile	95.8	42.5	138.9
2029 Per Square Mile	97.6	45.0	152.6

Source: Esri ArcGIS®

The 2024 median age for the metropolitan area was 27.4, which was 43.9% younger than the United States median age of 39.3 for 2024. The median age in the metropolitan area is anticipated to grow by 0.86% annually, increasing the median age to 28.6 by 2029.

MEDIAN AGE

YEAR	US	UT	CBSA
2024	39.3	32.2	27.4
2029	40.4	33.4	28.6
2024-2029 CAGR	0.55%	0.73%	0.86%

Source: Esri ArcGIS®

Education

The Provo-Orem MSA has two universities, Brigham Young University and Utah Valley University. Brigham Young University (BYU) is a private research institution located in Provo, owned and operated by the Church of Jesus

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Christ of Latter-day Saints. BYU has an endowment of $1.47 million and an annual enrollment of 33,363 students. The university's primary focus is on undergraduate education, but also offers masters and doctoral degree programs. Utah Valley University (UVU) is a publicly funded university located in Orem. With an annual enrollment of over 34,000 students, UVU is the largest public university in the state. The university currently offers bachelor and associate degrees and more than 20 certificate programs and high-demand degrees in education and nursing.

Household Trends

The 2024 Households number of households in the metropolitan area was 213,725. The number of households in the metropolitan area is projected to grow by 2.4% annually, increasing the number of households to 240,483 by 2029 Households. The 2024 average household size for the metropolitan area was 3.43, which was 35.57% larger than the United States average household size of 2.53 for 2024. The average household size in the metropolitan area is anticipated to retract by 0.41% annually, reducing the average household size to 3.36 by 2029.

NUMBER OF HOUSEHOLDS

YEAR	US	UT	CBSA
2024 Households	130,716,571	1,147,946	213,725
2029 Households	134,930,577	1,240,486	240,483
2024-2029 CAGR	0.6%	1.6%	2.4%

Source: Esri ArcGIS®

AVERAGE HOUSEHOLD SIZE

YEAR	US	UT	CBSA
2024	2.53	3.01	3.43
2029	2.50	2.96	3.36
2024-2029 CAGR	(0.24%)	(0.33%)	(0.41%)

Source: Esri ArcGIS®

The Provo-Orem-Lehi metropolitan area had 28.58% renter occupied units, compared to the higher 29.18% in Utah and the higher 35.64% in the United States.

HOUSING UNITS

	US	UT	CBSA
Owner Occupied	64.36%	70.82%	71.42%
Renter Occupied	35.64%	29.18%	28.58%

Source: Esri ArcGIS®

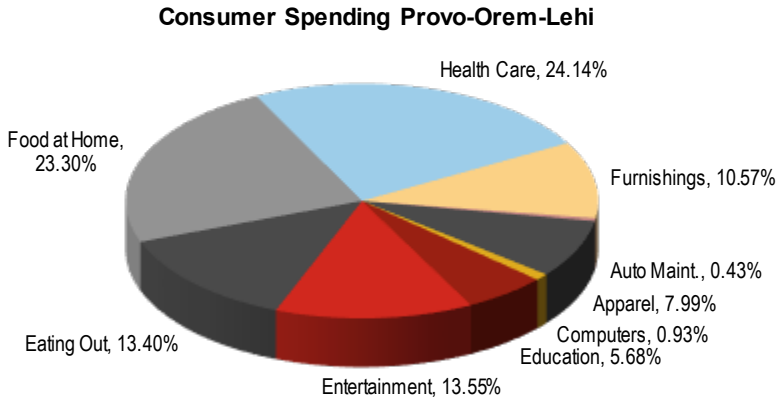
The 2024 median household income for the metropolitan area was $102,425, which was 29.54% higher than the United States median household income of $79,068. The median household income for the metropolitan area is projected to grow by 2.66% annually, increasing the median household income to $116,814 by 2029.

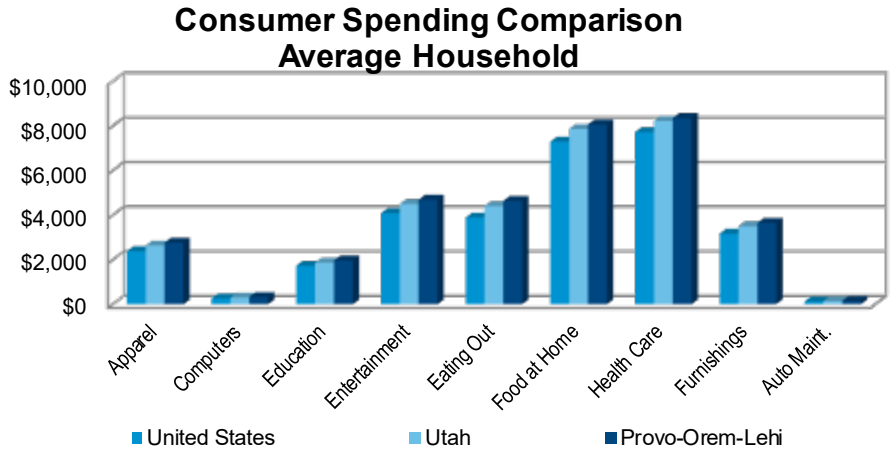
As is often the case when the median household income levels are higher than the national average, the cost of living index is also higher. According to the American Chamber of Commerce Researchers Association (ACCRA) Cost of Living Index, the MSA's cost of living is 103.4 compared to the national average score of 100. The ACCRA Cost of Living Index compares groceries, housing, utilities, transportation, health care and miscellaneous goods and services for over 300 urban areas.

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MEDIAN HOUSEHOLD INCOME			
YEAR	US	UT	CBSA
2024	$79,068	$95,801	$102,425
2029	$91,442	$110,702	$116,814
2024-2029 CAGR	2.95%	2.93%	2.66%

Source: Esri ArcGIS®





EMPLOYMENT

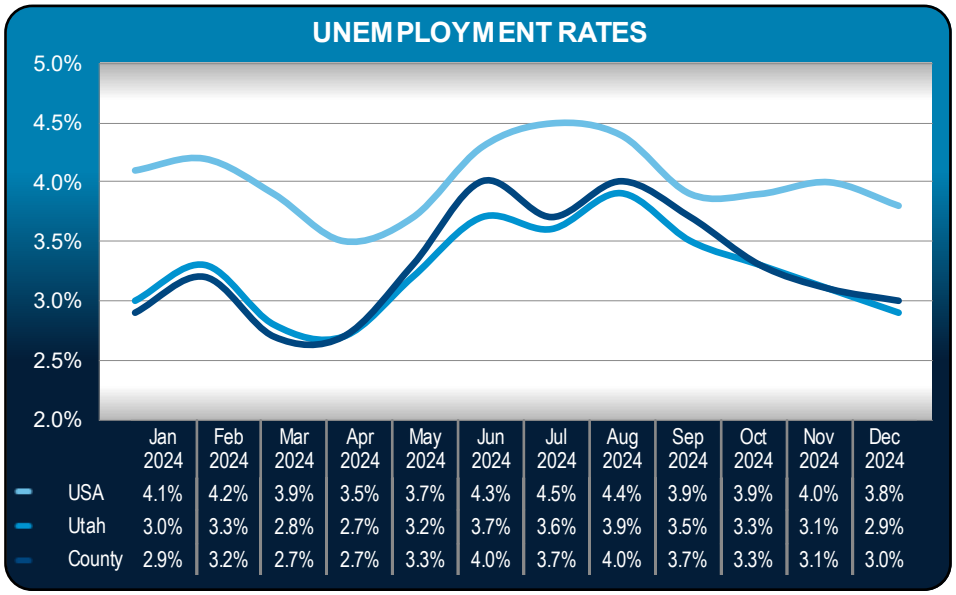
Total employment has increased annually over the past decade in the state of Utah by 2.8% and increased annually by 3.9% in the county. From 2022 to 2023 unemployment increased in Utah by 0.2% and increased by 0.4% in the county. In the state of Utah unemployment has decreased over the previous month by 0.2% and decreased by 0.1% in the county.

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EMPLOYMENT & UNEMPLOYMENT STATISTICS 2014 - 2023

	TOTAL EMPLOYMENT				UNEMPLOYMENT RATE		
	Utah		Utah County, UT		United States*	Utah	Utah County, UT
Year	Total	% Δ Yr Ago	Total	% Δ Yr Ago			
2014	1,364,353	2.8%	244,673	3.8%	6.2%	3.6%	3.3%
2015	1,401,945	2.8%	256,260	4.7%	5.3%	3.5%	3.2%
2016	1,449,981	3.4%	269,619	5.2%	4.9%	3.3%	3.0%
2017	1,505,413	3.8%	283,780	5.3%	4.4%	3.1%	2.8%
2018	1,538,295	2.2%	293,798	3.5%	3.9%	2.9%	2.7%
2019	1,577,970	2.6%	302,821	3.1%	3.7%	2.5%	2.3%
2020	1,564,747	(0.8%)	304,982	0.7%	8.1%	4.8%	3.9%
2021	1,636,957	4.6%	323,973	6.2%	5.3%	2.8%	2.4%
2022	1,696,513	3.6%	337,405	4.1%	3.6%	2.4%	2.2%
2023	1,743,223	2.8%	344,042	2.0%	3.6%	2.6%	2.6%
CAGR	**2.8%**	**-**	**3.9%**	**-**	**-**	**-**	**-**

Source: U.S. Bureau of Labor Statistics *Unadjusted Non-Seasonal Rate



TOP EMPLOYERS		
EMPLOYER NAME	EMPLOYEES	INDUSTRY
Brigham Young University	15,000-19,999	University
Alpine School District	7,000-9,999	Education
Utah Valley University	5,000-6,999	University
Utah Valley Regional Medical Center	5,000-6,999	Healthcare
Vivint	3,000-3,999	Technology
Nebo School District	3,000-3,999	Education
Wal-Mart	2,000-2,999	Retail
State of Utah	2,000-2,999	State Government
RBD Acquisition	2,000-2,999	Services to Buildings
Young Living Essential Oils	2,000-2,999	Direct Selling
Vivint Solar	1,000-1,999	Solar Energy
Provo School District	1,000-1,999	Education
Nexeo Staffing	1,000-1,999	Employment Services
Doterra International	1,000-1,999	Direct Selling
IM Flash Technologies	1,000-1,999	Technology
Entrata	1,000-1,999	Data Processing & Hosting
Adobe Systems	1,000-1,999	Technology
Nu Skin	1,000-1,999	Health Products
Smith's Food & Drug	1,000-1,999	Grocery Store
Sundance Resort	1,000-1,999	Hospitality

Source: Utah Department of Workforce Services

The preceding chart depicts the top employers in Utah County. Principal employers in the region are spread throughout different sectors including education healthcare/social assistance, and professional/scientific/ technical services. Brigham Young University is the top employer. A private research university located in Provo, owned and operated by The Church of Jesus Christ of Latter-day Saints, BYU is the country's largest religious university and the third-largest private university. The third largest employer is Utah Valley University. With a total of 5,000-6,999 employees, Utah Valley University is the largest institution of higher education in the state. The fourth largest employer is Utah Valley Regional Medical Center. The 395-bed not-for-profit hospital is part of the Intermountain Healthcare system and serves Utah County, central and southern Utah.

AIRPORT PORT STATISTICS

It is noted that the decrease in the number of enplaned passengers during 2020 and the resulting increase in 2021 is a result of COVID-19. The number of enplaned passengers reached a record high in 2023, nearly doubling from the prior year.

PROVO MUNICIPAL AIRPORT (PVU)		
YEAR	ENPLANED PASSENGERS	% CHG
2013	30,090	-
2014	62,011	106.1%
2015	65,303	5.3%
2016	78,451	20.1%
2017	91,581	16.7%
2018	80,106	(12.5%)
2019	110,279	37.7%
2020	77,217	(30.0%)
2021	118,740	53.8%
2022	211,741	78.3%
2023	415,197	96.1%

Source: U.S. Department of Transportation

Taxes

Property taxes are levied at the state and local level, based on assessed valuations established by elected county assessors and, in the case of certain properties, by the State Tax Commission's Property Tax Division. The amount of taxes paid is based on the tax rate applied against the taxable value of the property.

Tax rates are set by local entities (counties and towns, school districts, and special taxing districts) and approved by the Property Tax Division. Effective tax rates range from 0.86% to 2.2% in 2014.

State Income Tax is based on 5% of every dollar of income earned. Utah has sales and use tax for retail sales of tangible personal property and select services such as admissions to places of amusement, intrastate transportation service, hotel and motel accommodations, and certain other goods and services. Rates for sales and use tax within each municipality vary between 5.95% and 8.35% of purchase price. Additional local sales taxes for specific goods also exist.

The restaurant tax is an additional 1%. The motor vehicle rental tax of 2.5% is applied statewide with an additional tax of 3% in Duchesne, Grand, and Uintah counties and 7% in Davis, Morgan, Salt Lake, Sevier, Washington, and Weber counties.

Local taxes, in addition to sales taxes from room rates, vary from 3 to 4.5%. Municipal energy sales and use tax rates, when charged, varies from 1% to 6%. A general sales tax of up to 1.5% is applied in 12 resort communities.

The state of Utah taxes all corporations' net income, which has been determined by law to be allocable to the state. Utah has the three factors-sales, payroll and property-to equally apportion federal taxable income. The corporate franchise tax rate is 5% of net taxable income. Minimum tax for state banks and corporations is $100.

Employers must pay on the first $21,400 of wages paid to each employee during the calendar year. Unemployment tax rates vary from 0.1% to 8.1% of taxable payroll, depending on unemployment experience and type of industry.

Utah's free port law is among the most liberal inventory tax laws in the country. Goods used by retailers, wholesalers, or manufacturers for processing and sale in Utah are exempt from ad valorem taxes.

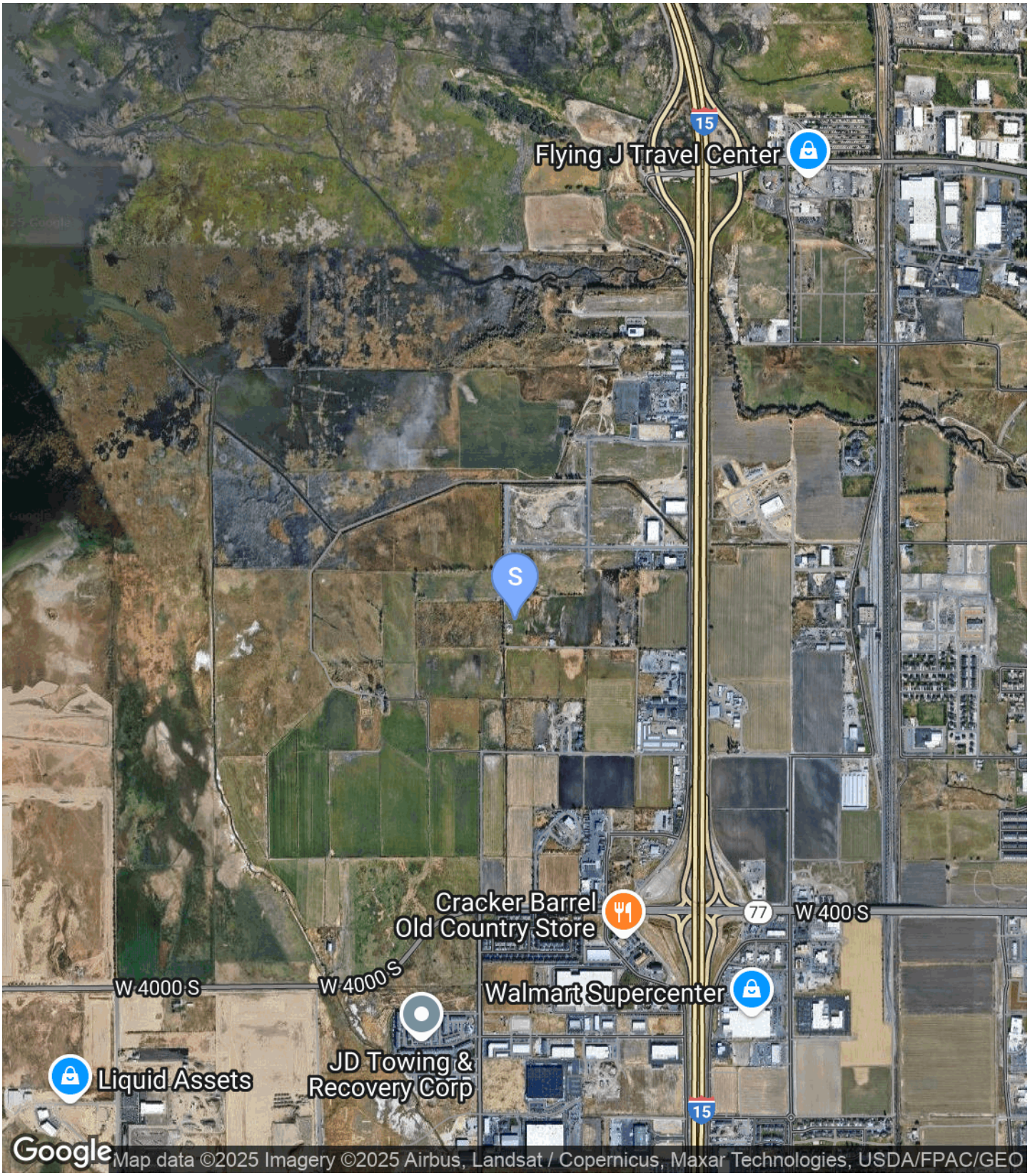
Salt Lake, a customs port city, offers a foreign trade zone. The service allows duties to be deferred or reduced.

Motor vehicles have a uniform fee in lieu of property tax based on the model year of the vehicle. The fee ranges from $10 to $150, depending on the age of the vehicle.

SUMMARY

The Provo-Orem Metropolitan Statistical Area benefits from a strong economy supported by education, healthcare, tourism, and recreational sectors. The county’s natural attractions are a competitive advantage for the region’s economy and will play a vital role in the future economic health and prosperity of the region. It is anticipated that the Provo-Orem MSA will continue to be a part of a growing regional economy, thus supporting positive trends for multi-family developments in the area. Economic growth across the Wasatch Front is projected to outpace the national average over the forecast horizon due to these factors.

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15
Flying J Travel Center
S
Cracker Barrel
Old Country Store
77
W 400 S
W 4000 S
W 4000 S
Walmart Supercenter
JD Towing &
Recovery Corp
Liquid Assets
15
Google
Map data ©2025 Imagery ©2025 Airbus, Landsat / Copernicus, Maxar Technologies, USDA/FPAC/GEO

INTRODUCTION

In this section of the report, we provide details about the local area and describe the influences that bear on the real estate market as well as the subject property. A map of the local area is presented on the prior page. Below are insights into the local area based on fieldwork, interviews, demographic data and experience working in this market.

LOCAL AREA PROFILE

The subject property is located in Springville, Utah, within Utah County. Springville is located on the west side of the Wasatch Mountain Range, about 3 miles east of Utah Lake's shoreline and mostly east of Interstate 15. Its strategic location near a key interstate hub facilitates vehicular traffic transporting goods in all directions. Known as "Art City," Springville has a strong focus on the arts and is home to the Springville Museum of Art, Utah's oldest visual fine arts museum, established in 1937. As of the 2020 United States Census, the city's population was 35,268.

DEMOGRAPHIC PROFILE

Below is a demographic study of the area, sourced by *Esri ArcGIS*®, an on-line resource center that provides information used to analyze and compare the past, present, and future trends of properties and geographical areas. Please note that our demographics provider sets forth income projections in constant dollars which, by definition, reflect projections after adjustment for inflation. We are aware of other prominent demographic data providers that project income in current dollars, which do not account for inflation. A simple comparison of projections for a similar market area made under the constant and current dollar methodologies can and likely will produce data points that vary, in some cases, widely. Further, all forecasts, regardless of demographer methodology(ies), are subjective in the sense that the reliability of the forecast is subject to modeling and definitional assumptions and procedures.

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LOCAL AREA DEMOGRAPHICS							
DESCRIPTION	**1 MILE**	**3 MILES**	**5 MILES**	**DESCRIPTION**	**1 MILE**	**3 MILES**	**5 MILES**
POPULATION				**AVERAGE HOUSEHOLD INCOME**			
2010 Population	732	20,062	108,804	2024	$108,037	$104,549	$100,512
2020 Population	985	24,704	124,878	2029	$124,469	$124,912	$119,030
2024 Population	962	26,462	131,098	Change 2024-2029	15.21%	19.48%	18.42%
2029 Population	954	27,519	140,193	**MEDIAN HOUSEHOLD INCOME**			
Change 2010-2020	34.56%	23.14%	14.77%	2024	$77,225	$84,298	$77,421
Change 2020-2024	(2.34%)	7.12%	4.98%	2029	$91,851	$101,996	$92,016
Change 2024-2029	(0.83%)	3.99%	6.94%	Change 2024-2029	18.94%	20.99%	18.85%
NUMBER OF HOUSEHOLDS				**PER CAPITA INCOME**			
2010 Households	204	5,882	32,310	2024	$35,563	$31,481	$31,012
2020 Households	388	7,425	38,001	2029	$42,273	$38,532	$37,888
2024 Households	380	8,048	40,521	Change 2024-2029	18.87%	22.40%	22.17%
2029 Households	384	8,590	44,733	**HOUSEHOLDS BY INCOME (2022)**			
Change 2010-2020	90.20%	26.23%	17.61%	Less than $15,000	1.64%	4.36%	7.71%
Change 2020-2024	(2.06%)	8.39%	6.63%	$15,000 - $24,999	3.95%	6.55%	7.24%
Change 2024-2029	1.05%	6.73%	10.39%	$25,000 - $34,999	5.59%	6.37%	7.11%
HOUSING UNITS				$35,000 - $49,999	8.88%	12.37%	12.66%
Owner Occupied	215	5,636	23,172	$50,000 - $74,999	35.20%	17.60%	17.92%
Renter Occupied	165	2,412	17,349	$75,000 - $99,999	9.21%	17.37%	15.44%
HOUSING UNITS BY YEAR BUILT				$100,000 - $149,999	27.30%	20.39%	17.91%
Built 2020 or Later	19	72	390	$150,000 - $199,999	2.96%	8.39%	7.85%
Built 2010 to 2019	150	1,172	4,990	$200,000 or More	5.59%	6.59%	6.16%
Built 2000 to 2009	64	1,954	6,605	**HOUSING BY UNITS IN STRUCTURE**			
Built 1990 to 1999	30	1,281	7,228	1, Detached	104	4,438	21,215
Built 1980 to 1989	18	412	4,169	1, Attached	41	1,014	4,200
Built 1970 to 1979	28	914	5,799	2	3	215	2,296
Built 1960 to 1969	0	333	2,397	3 or 4	28	486	2,728
Built 1950 to 1959	4	358	2,488	5 to 9	77	313	2,426
Built 1940 to 1949	5	236	2,152	10 to 19	26	320	2,787
Built 1939 or Earlier	17	584	3,584	20 to 49	48	272	2,235
HOME VALUES				50 or More	7	11	1,033
Average	$489,836	$547,192	$566,192	Mobile Home	2	246	875
Median	$360,000	$484,341	$518,985	Boat, RV, Van, etc.	0	0	7

Source: Esri ArcGIS®

Transportation Routes

Major traffic arteries are shown in the chart below:

MAJOR ROADWAYS & THOROUGHFARES			
HIGHWAY	**DIRECTION**	**FUNCTION**	**DISTANCE FROM SUBJECT**
I-15	north-south	Interstate Highway	This is within a mile of the subject property.
SURFACE STREETS	**DIRECTION**	**FUNCTION**	**DISTANCE FROM SUBJECT**
2500 West	north-south	Secondary Arterial	The subject fronts this street.
Center Street	east-west	Secondary Arterial	This is within a mile of the subject property.
400 South	east-west	Primary Arterial	This is within a mile of the subject property.

Economic Factors

Springville's largest employers include Stouffer Foods Corporation, with over 500 employees, and Valtek, which has more than 400 employees. Over the last few years Springville has seen a massive amount of development, which primarily includes residential and industrial development.

Community Services

Community services and facilities are readily available in the surrounding area. These include public services such as fire stations, hospitals, police stations, and schools (all ages).

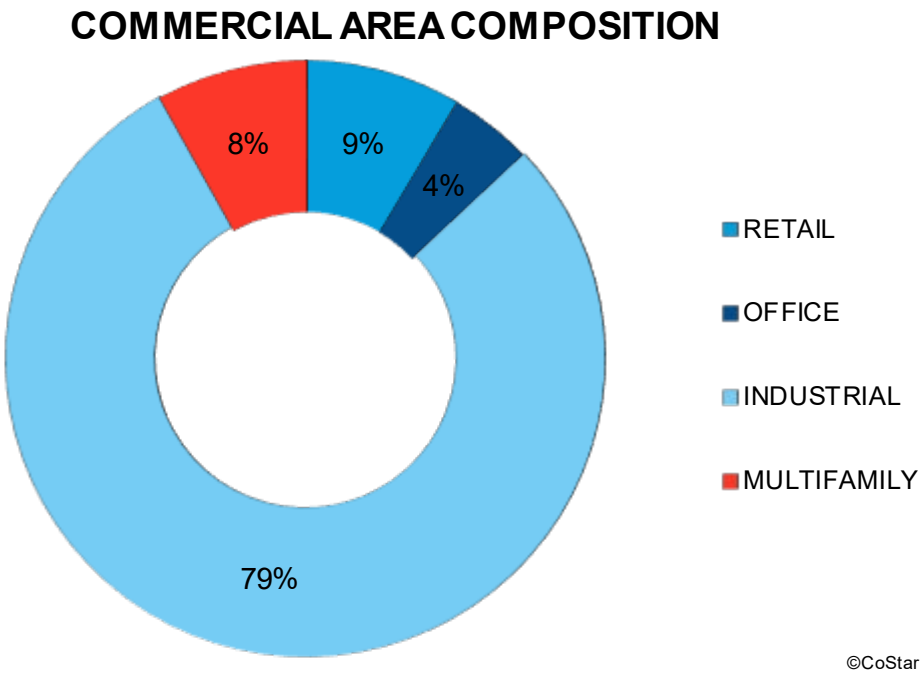
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IMMEDIATE AREA PROFILE

This section discusses uses and development trends in the immediate area that directly impact the performance and appeal of the subject property.

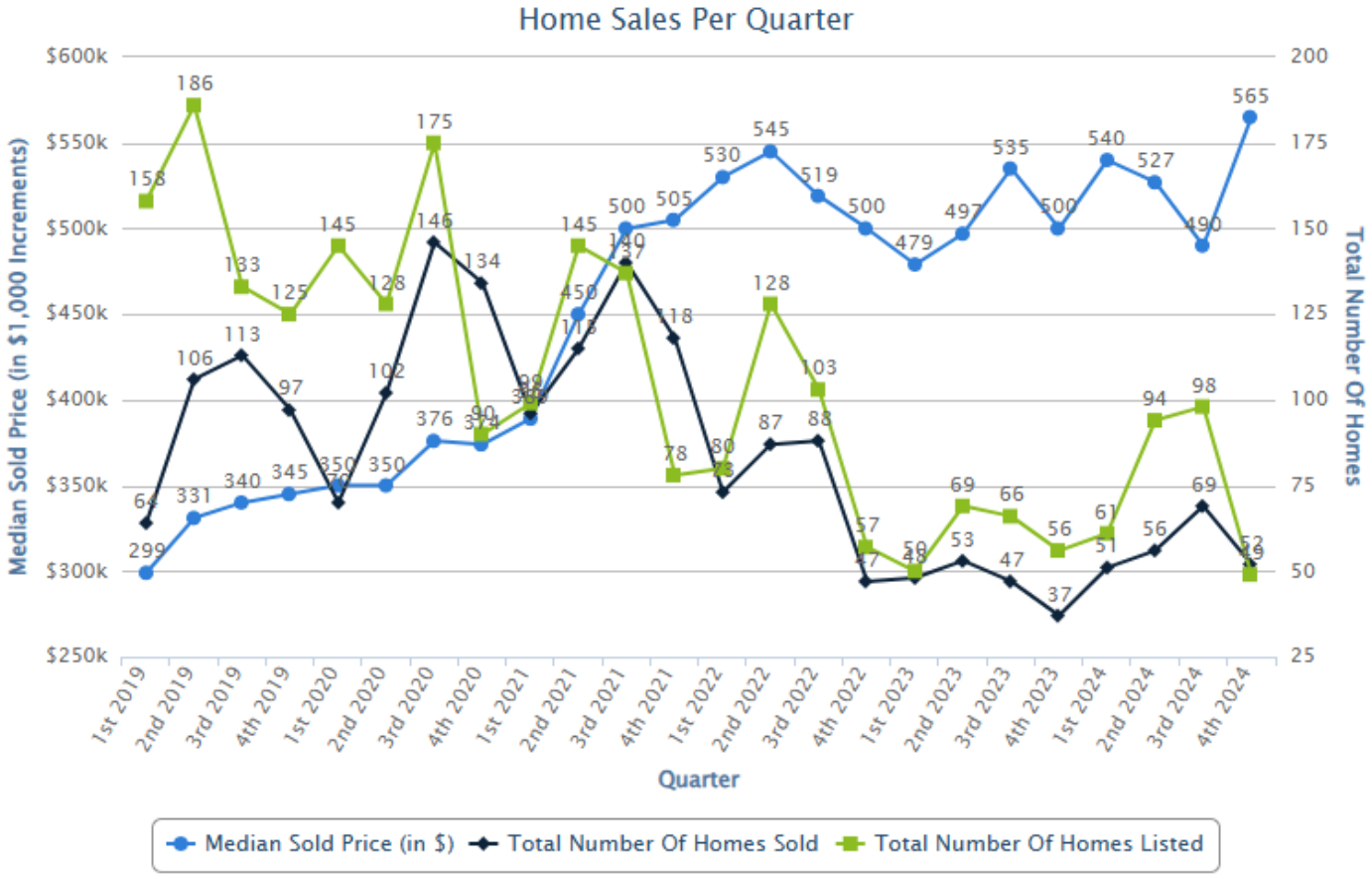
Predominant Land Uses

Significant development in the immediate area consists primarily of industrial and single family residential. The local area has a mix of commercial uses nearby and the composition is shown in the following graph.



Residential Development

Residential users in the immediate area are primarily single-family residential. According to the Utah MLS, median home sales prices consistently increased quarter after quarter from Q1 2019 to Q2 2022 before decreasing slightly through Q1 2023. Sales prices have been somewhat volatile since then but the area experienced a new high in median home sale prices during Q1 2024 with a median sold price of $565,000. The rise in home prices has coincided with a decline in available housing inventory. The table below depicts median home sale figures within the subject's zip code.



Multi-Family Development

The following chart shows a summary of multi-family data by type in the immediate area from CoStar.

MULTIFAMILY SUMMARY

CLASS	PROPERTIES	NRA (SF)	AVG YR BLT
A	1	50,000	2019
B	7	732,002	2016
C	10	229,393	1963
TOTAL	**18**	**1,011,395**	**1987**

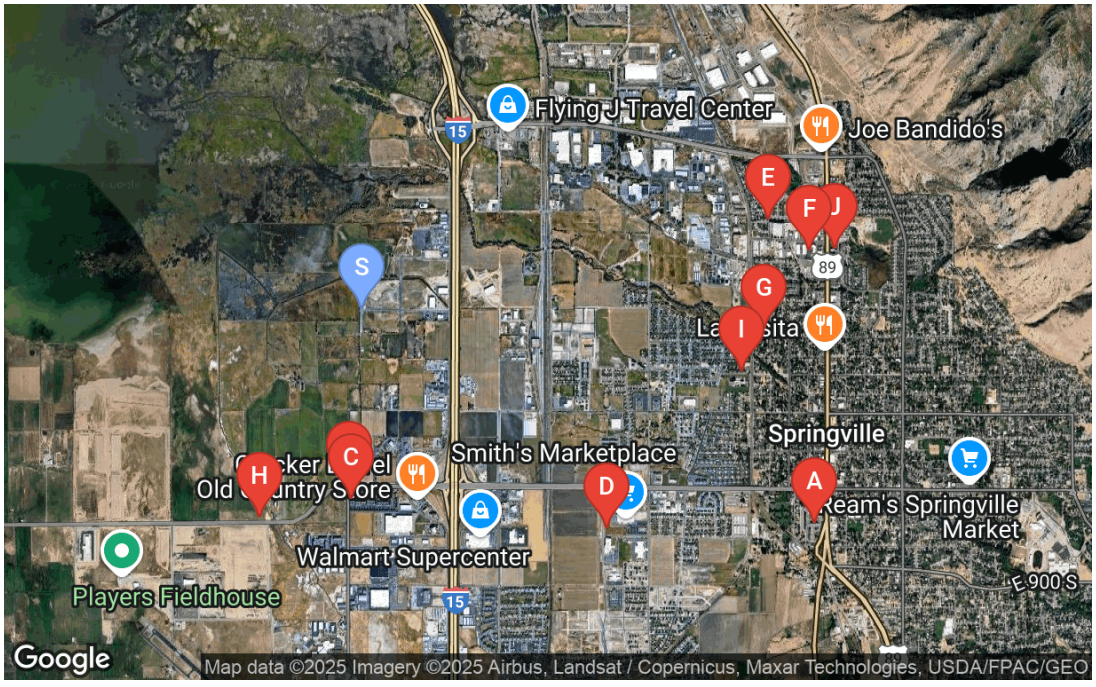
Source: CoStar

The three largest multi-family properties are at 67 West 600 South, 664 South 2600 West and 474 South 2550 West with an NRA of 190,212 SF, 175,887 SF and 148,545 SF that were built in 2021, 2014 and 1998, respectively. The closest large multi-family property in proximity to the subject is at 664 South 2600 West. The majority of properties were constructed after 2000. The following chart and map show the subject property and its location relative to the 10 largest multi-family properties in the immediate area from CoStar.

LARGEST MULTIFAMILY PROPERTIES

NAME	DISTANCE	MAP PIN	CLASS	NRA (SF)	STORIES	YEAR BUILT
Fox Ridge Condominiums	2.6 Miles	A	B	190,212	3	2021
Outlook Apartments	0.9 Miles	B	B	175,887	3	2014
Brookline	1.0 Miles	C	B	148,545	2	1998
The Gallery	1.7 Miles	D	B	114,398	3	2024
Oakbrook Park	2.1 Miles	E	C	100,000	0	1970
Art City Center	2.3 Miles	F	B	76,372	4	2018
Multifamily Building	2.1 Miles	G	C	75,000	0	-
Village on 4th	1.2 Miles	H	A	50,000	3	2019
Grassland Condos	2.0 Miles	I	B	25,000	3	2015
Spring Creek Apartments	2.4 Miles	J	C	22,749	2	1973

Source: CoStar



Retail Development

The following chart shows a summary of retail data by type in the immediate area from CoStar.

RETAIL SUMMARY

TYPE	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
General Retail	134	1,071,399	1971	98.6	$39.00
TOTAL	**134**	**1,071,399**	**1971**	**98.6**	**$39.00**

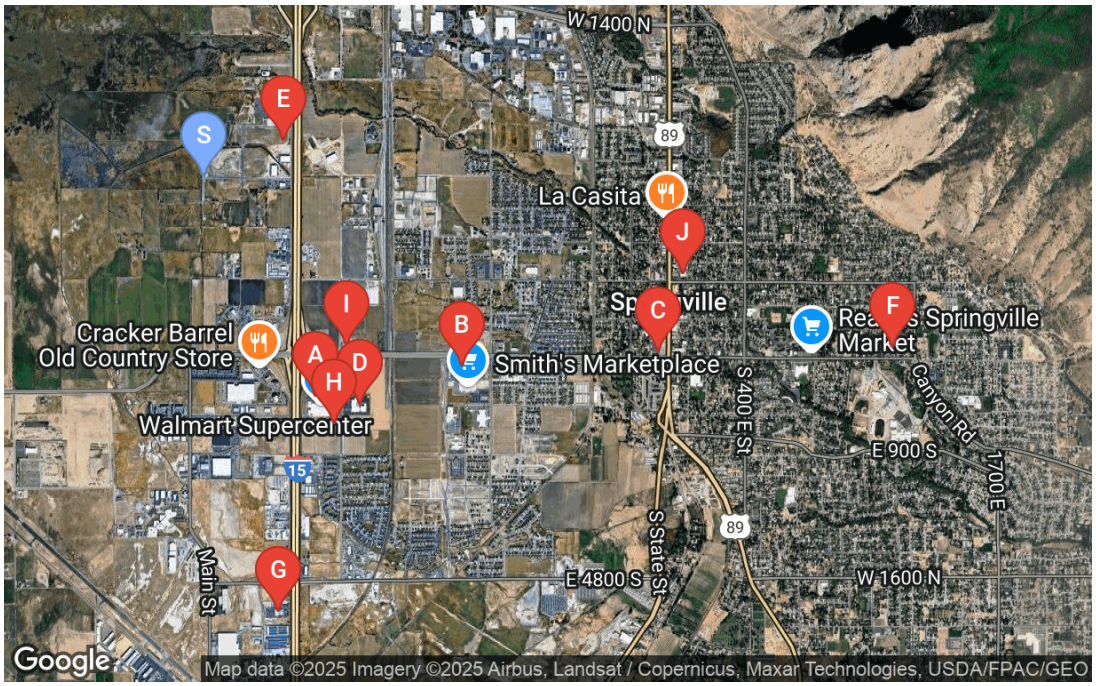
Source: CoStar

The three largest retail properties are at 660 South 1750 West, 1117 West 400 South and 340-380 South Main Street with an NRA of 204,596 SF, 120,000 SF and 75,180 SF that were built in 2001, 2017 and 1982, respectively. The closest large retail property in proximity to the subject is at 751 North 2000 West with an NRA of 45,250 SF that was built in 2021. The majority of properties were constructed after 2000. The following chart and map show the subject property and its location relative to the 10 largest retail properties in the immediate area from CoStar.

LARGEST SHOPPING CENTERS

NAME	DISTANCE	MAP PIN	TYPE	NRA (SF)	% LEASED	YEAR BUILT
Wal-Mart Supercenter	1.3 Miles	A	General Retail	204,596	100.0	2001
Springville Marketplace	1.6 Miles	B	Community Center	120,000	100.0	2017
Retail Building	2.5 Miles	C	General Retail	75,180	90.9	1982
Deseret Industries Thirft Store	1.4 Miles	D	General Retail	50,000	100.0	2016
Retail Building	0.5 Miles	E	General Retail	45,250	100.0	2021
Springville Marketplace	3.6 Miles	F	Community Center	37,400	100.0	2023
Retail Building	2.2 Miles	G	General Retail	26,625	100.0	2003
Retail Building	1.4 Miles	H	General Retail	23,666	100.0	2015
Springville Corner	1.1 Miles	I	Strip Center	17,965	100.0	2007
United States Postal Service	2.5 Miles	J	General Retail	17,671	100.0	-

Source: CoStar



Office Development

The following chart shows a summary of office data by class in the immediate area from CoStar.

OFFICE SUMMARY

CLASS	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
A	1	84,511	2002	100.0	-
B	27	385,516	1999	97.7	$15.86
C	10	95,953	1990	100.0	$10.00
TOTAL	**38**	**565,980**	**1997**	**98.3**	**$14.27**

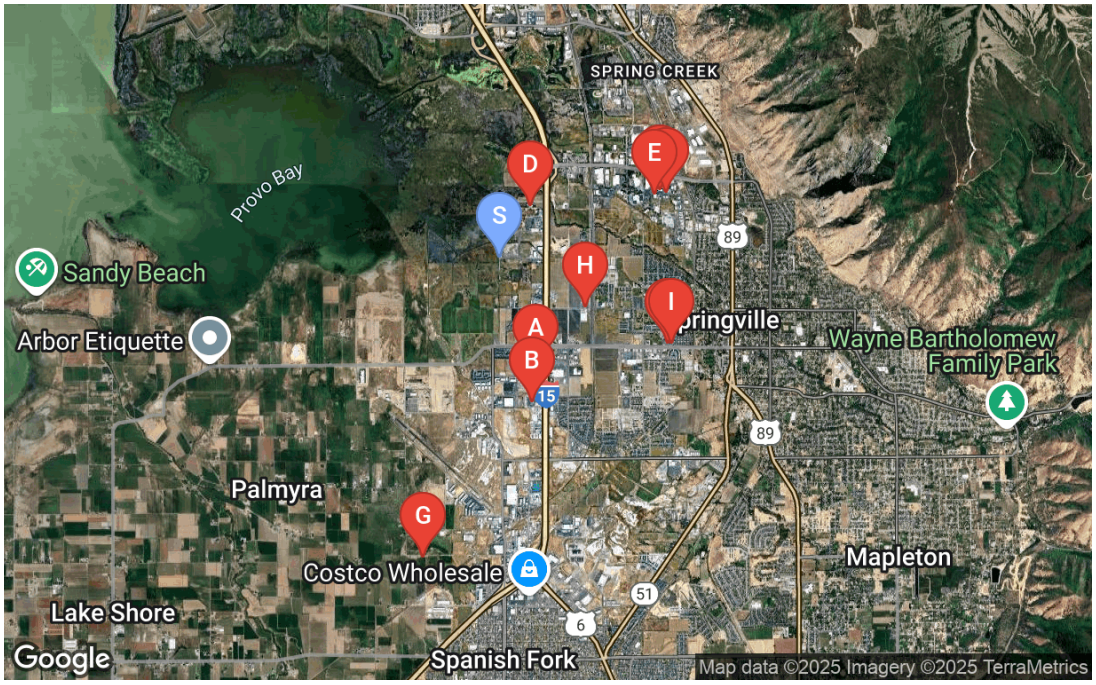
Source: CoStar

The three largest office properties are at 588 South 2000 West, 926-940 South 2000 West and 786 West 1200 North with an NRA of 84,511 SF, 79,188 SF and 38,000 SF that were built in 2002, 2001 and 2002, respectively. The closest large office property in proximity to the subject is at 2115 West 1150 North with an NRA of 33,000 SF that was built in 2012. The majority of properties were constructed after 2000. The following chart and map show the subject property and its location relative to the 10 largest office properties in the immediate area from CoStar.

LARGEST OFFICE BUILDINGS

NAME	DISTANCE	MAP PIN	CLASS	NRA (SF)	% LEASED	YEAR BUILT
Springville Office	1.2 Miles	A	A	84,511	100.0	2002
MAPLE VIEW PLAZA	1.5 Miles	B	B	79,188	100.0	2001
Office Building	1.8 Miles	C	C	38,000	100.0	2002
Office Building	0.6 Miles	D	B	33,000	68.2	2012
River Bend Park	1.7 Miles	E	B	23,200	100.0	1987
Spring Creek Place	1.8 Miles	F	B	20,455	100.0	2006
Office Building	3.2 Miles	G	B	19,916	68.4	2024
Office Building	1.0 Miles	H	B	17,856	100.0	2009
Office Building	2.0 Miles	I	B	15,000	100.0	2014
Office Building	1.9 Miles	J	B	15,000	100.0	2013

Source: CoStar



Industrial Development

The following chart shows a summary of industrial data by type in the immediate area from CoStar.

INDUSTRIAL SUMMARY

TYPE	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
Industrial	153	8,291,331	2004	94.9	$13.61
Flex	41	1,652,832	2007	97.0	$14.68
TOTAL	**194**	**9,944,163**	**2005**	**95.4**	**$13.84**

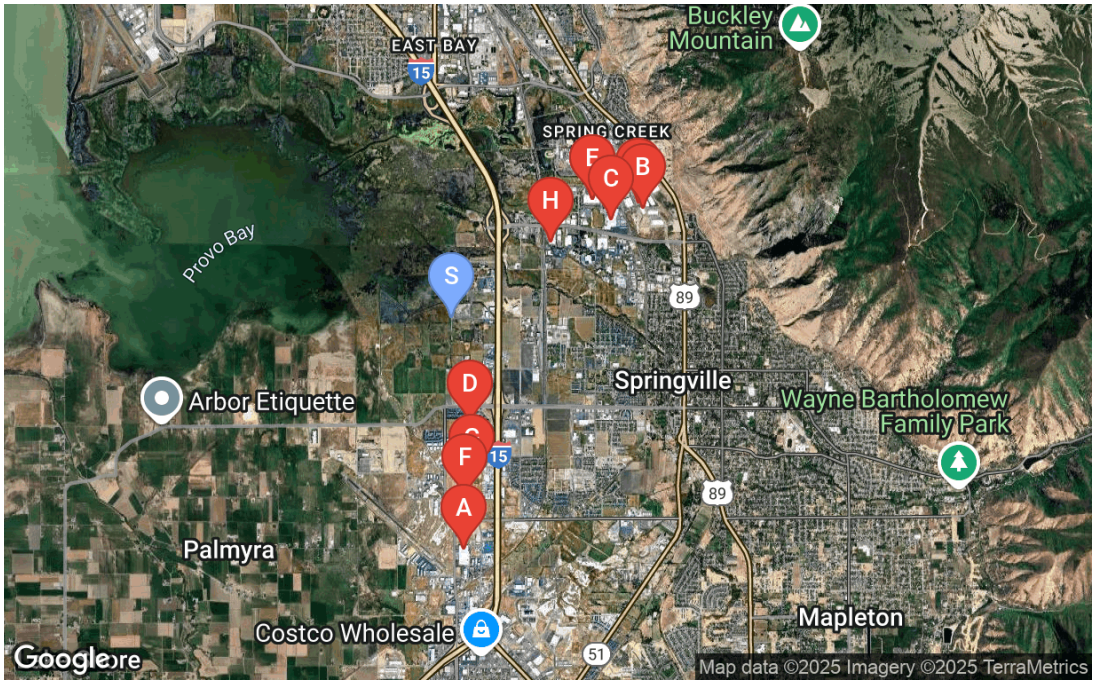
Source: CoStar

The three largest industrial properties are at 2200-2406 North Main Street, 3582 South Mountain Vista Parkway and 815 Raymond Klauck Way with an NRA of 616,928 SF, 600,090 SF and 401,512 SF that were built in 1989, 2016 and 1990, respectively. The closest large industrial property in proximity to the subject is at 530 South 2000 West with an NRA of 305,520 SF that was built in 1992. The majority of properties were constructed after 2000. The following chart and map show the subject property and its location relative to the 10 largest industrial properties in the immediate area from CoStar.

LARGEST INDUSTRIAL PROPERTIES

NAME	DISTANCE	MAP PIN	TYPE	NRA (SF)	% LEASED	YEAR BUILT
Industrial Building	2.4 Miles	A	Industrial	616,928	100.0	1989
Mountain Vista Business Park	2.2 Miles	B	Flex	600,090	100.0	2016
Industrial Building	1.9 Miles	C	Industrial	401,512	100.0	1990
Industrial Building	1.1 Miles	D	Industrial	305,520	100.0	1992
Pow erHouse Industrial	1.9 Miles	E	Industrial	292,791	100.0	2023
Spanish Springs Industrial Park	1.8 Miles	F	Industrial	280,980	0.0	2023
Spanish Springs Industrial Park	1.7 Miles	G	Industrial	280,800	100.0	2021
Industrial Building	1.3 Miles	H	Industrial	278,000	100.0	2005
Pow erHouse Industrial	1.9 Miles	I	Industrial	265,435	100.0	2022
Industrial Building	2.2 Miles	J	Industrial	254,628	100.0	2018

Source: CoStar



SUBJECT PROPERTY ANALYSIS

The following discussion draws context and analysis on how the subject property is influenced by the local and immediate areas.

Subject Property Analysis

The uses adjacent to the property are noted below:

- **North -** Vacant Land, 2500 West
- **South -** Vacant Land
- **East -** Vacant Land
- **West -** Vacant Land

Access

The larger parcel is accessed by 2500 West which is a connector street that dead ends at the subject. Based on our field work, the subject's access is rated average compared to other properties with which it competes.

Visibility

The subject is visible in both directions along the street. The visibility of the property is not hampered by adjacent properties, trees or other obstructions. In comparison to competitive properties, the subject property has average visibility.

Subject Conclusion

Trends in the local and immediate areas, adjacent uses and the property's specific location features indicate an overall typical external influence for the subject, which is concluded to have an average position in context of competing properties.

SUMMARY

As of the effective date, the long-term outlook for Utah County remained highly optimistic. The county's young population, high birth rates, and strong in-migration trends contributed to sustained growth. The region's dynamic economy, supported by a skilled workforce and a strong entrepreneurial ecosystem, positioned it well for continued prosperity. Utah County's strategic investments in infrastructure and its appeal as a tech hub further reinforced its potential for future growth. As of Q2 2024, the local industrial market had begun to slow, although it remained strong relative to other sectors. Vacancy rates had risen compared to the lows of early 2022, and new development had decreased due to the increased cost of capital.

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SITE DESCRIPTION – LARGER PARCEL

The larger parcel is the property for which the condemnor is required to pay just compensation for damages. In determining the extent of the larger parcel, three tests are applied;

1. Unity of title;
2. Unity of use; and
3. Contiguity

Unity of title requires that the property be under the same ownership, or, at least under the beneficial control of a single individual or entity. Unity of use requires that the property have the same, or an integrated, highest and best use. Contiguity generally requires that the property be adjoining, although separation by a road or a right-of-way does not necessarily make a property non-contiguous.

We have determined the larger parcel for this assignment to be all of parcel 21-096-0018, which is owned by The Clements Family Trust. This parcel is all owned by the same entity, all has the same highest and best use and is contiguous.

General Description The larger parcel consists of 1 parcel. As noted below, the subject site has 126,685 SF (2.91 AC) of land area. The area is estimated based on the assessor's parcel map, and may change if a professional survey determines more precise measurements. Going forward, our valuation analyses will utilize the usable site area. The following discussion summarizes the subject site size and characteristics.

Assessor Parcel 21-096-0018

Number Of Parcels 1

Land Area	**Acres**	**Square Feet**
Primary Parcel	2.91	126,685
Unusable Land	0.00	0
Excess Land	0.00	0
Surplus Land	0.00	0
Total Land Area	**2.91**	**126,685**

Shape Rectangular - See Plat Map For Exact Shape

Topography Level at street grade

Drainage Assumed Adequate

Utilities All available to the site

Street Improvements	**Street**	**Direction**	**No. Lanes**	**Street Type**	Curbs	Sidewalks	Streetlights	Center Lane	Gutters
2500 West	Secondary Street	two-way	two-lane	connector street	✓			✓	

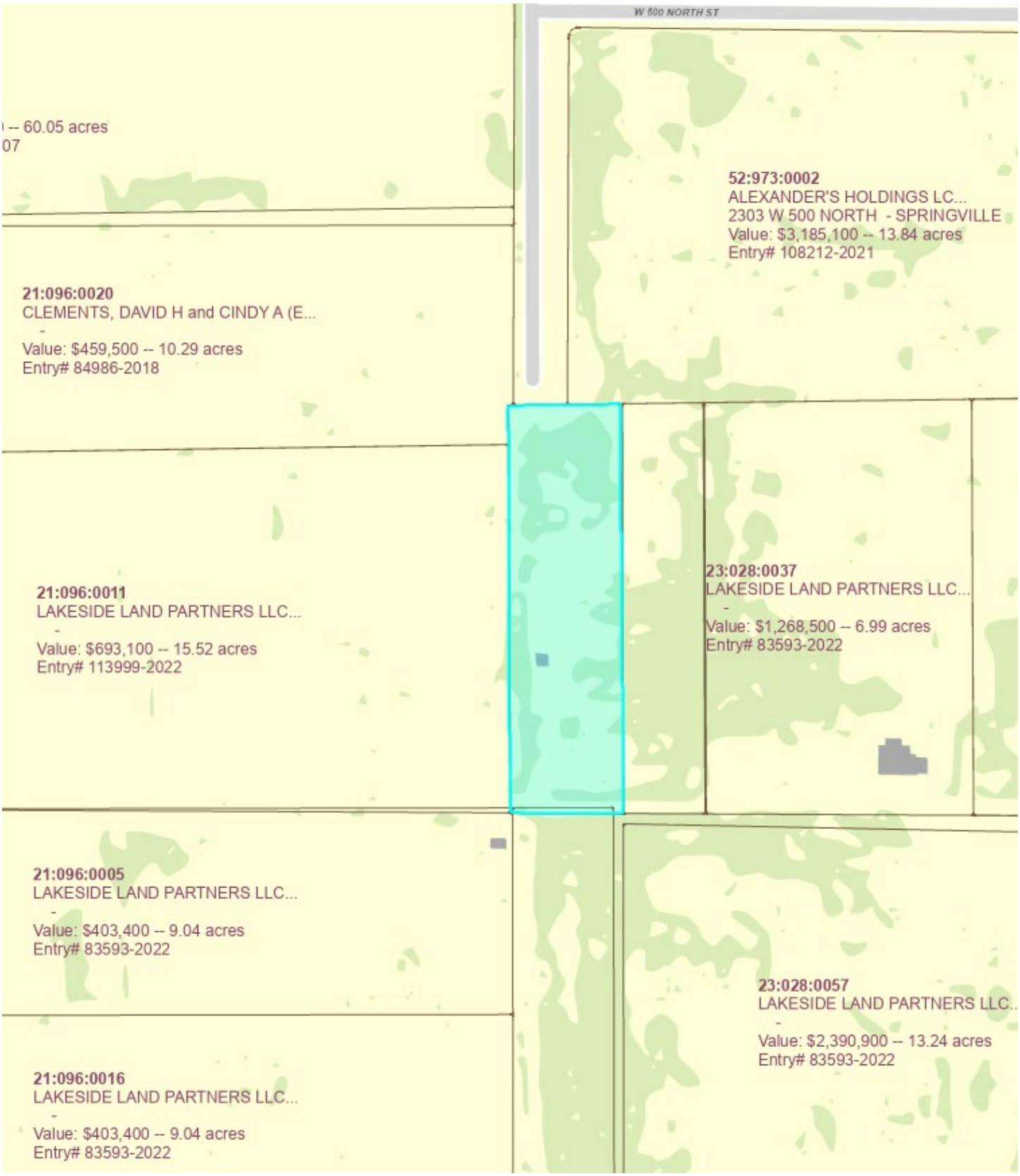
Frontage The subject has approximately 65 feet of frontage on 2500 West, which dead ends at the subject property.

Accessibility The accessibility of the subject is rated as average. The subject is accessed from one street, with the main entrance and primary point of ingress/egress being 2500

	West. I-15 is a major transportation arterial within proximity to the subject, providing linkage to the surrounding area.
Views	The subject has average views compared to other residential development sites in the area.
Water Rights	According to the map provided by the Utah Division of Water Rights, there is not a water right located on the larger parcel.
Seismic	The subject is in Very High Risk. The seismic zone factor (or Z factor) corresponds numerically to the effective horizontal peak bedrock acceleration (or equivalent velocity) that is estimated as a component of the design base shear calculation. In each seismic zone an earthquake-related event would create an effective peak bedrock acceleration of 0.1 times the force of gravity for Zone 1, 0.15 times the force of gravity for Zone 2A, 0.2 times the force of gravity for Zone 2B, 0.3 times the force of gravity for Zone 3 and 0.4 times the force of gravity for Zone 4. These values correspond to ground motion values with a 10% probability of being exceeded in 50 years.
Flood Zone	Zone AE. This is referenced by Community Number 490163, Panel Number 49049C0542F, dated June 19, 2020. Zone AE is a Special Flood Hazard Area (SFHA) where base flood elevations are provided. AE Zones are now used on new format Flood Insurance Rate Maps (FIRM) instead of A1-A30 Zones. In communities that participate in the National Flood Insurance Program (NFIP), mandatory flood insurance purchase requirements apply to this zone.
Site Rating	Overall, the subject site is considered a good residential development site in terms of its location, exposure, and access to employment, education and shopping centers, recognizing its location along a connector street.
Easements	A preliminary title report was not available for review. During the on-site inspection, no adverse easements or encumbrances were noted. This appraisal assumes that there is no negative value impact on the subject improvements. If questions arise regarding easements, encroachments, or other encumbrances, further research is advised.
Soils	A soils analysis was not available for review. Based on the development of the subject, it appears the soils are stable and suitable for the existing improvements.
Hazardous Waste	We have not conducted an independent investigation to determine the presence or absence of toxins on the subject property. If questions arise, the reader is strongly cautioned to seek qualified professional assistance in this matter. Please see the Assumptions and Limiting Conditions for a full disclaimer.

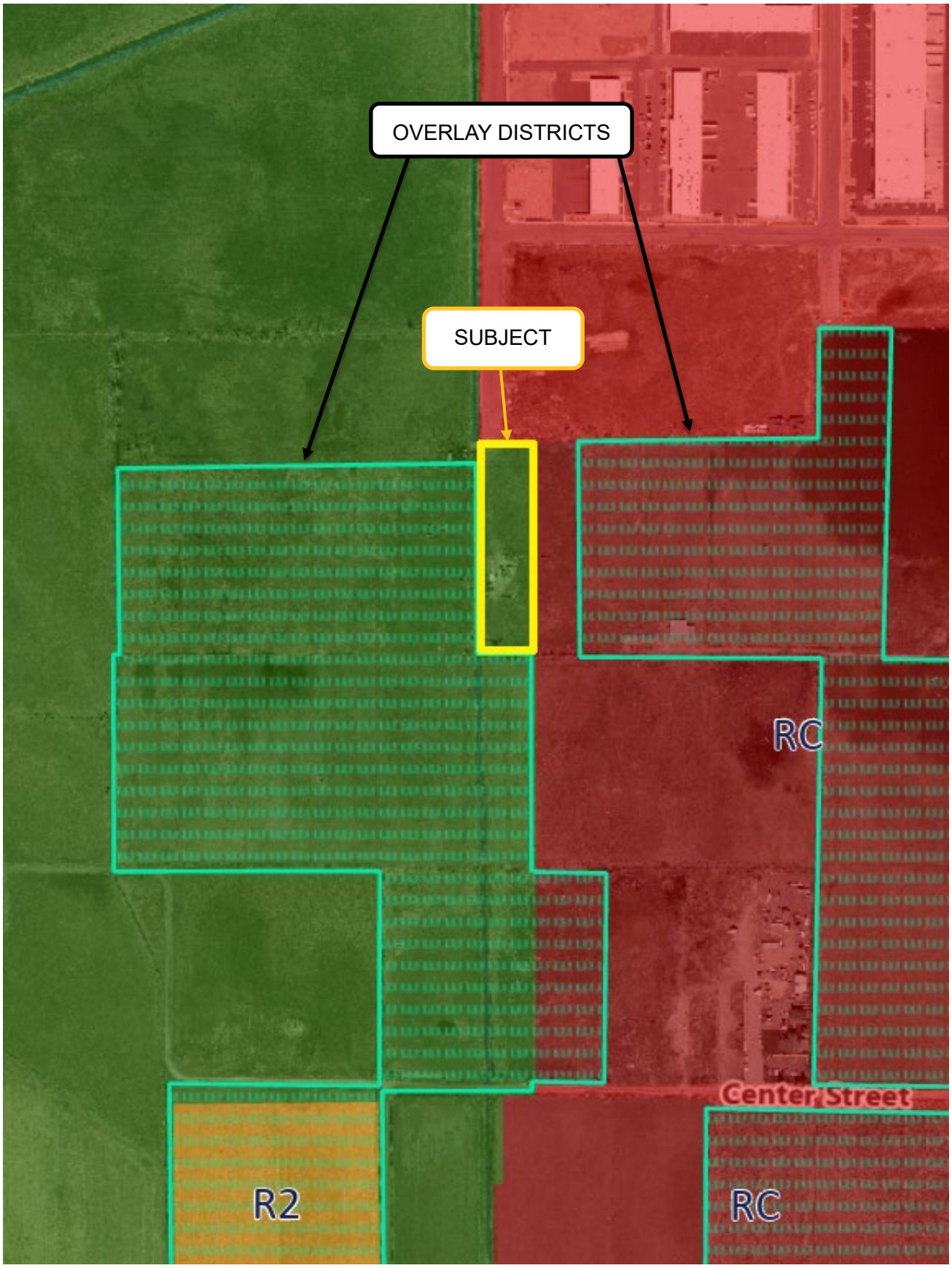
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PLAT MAP

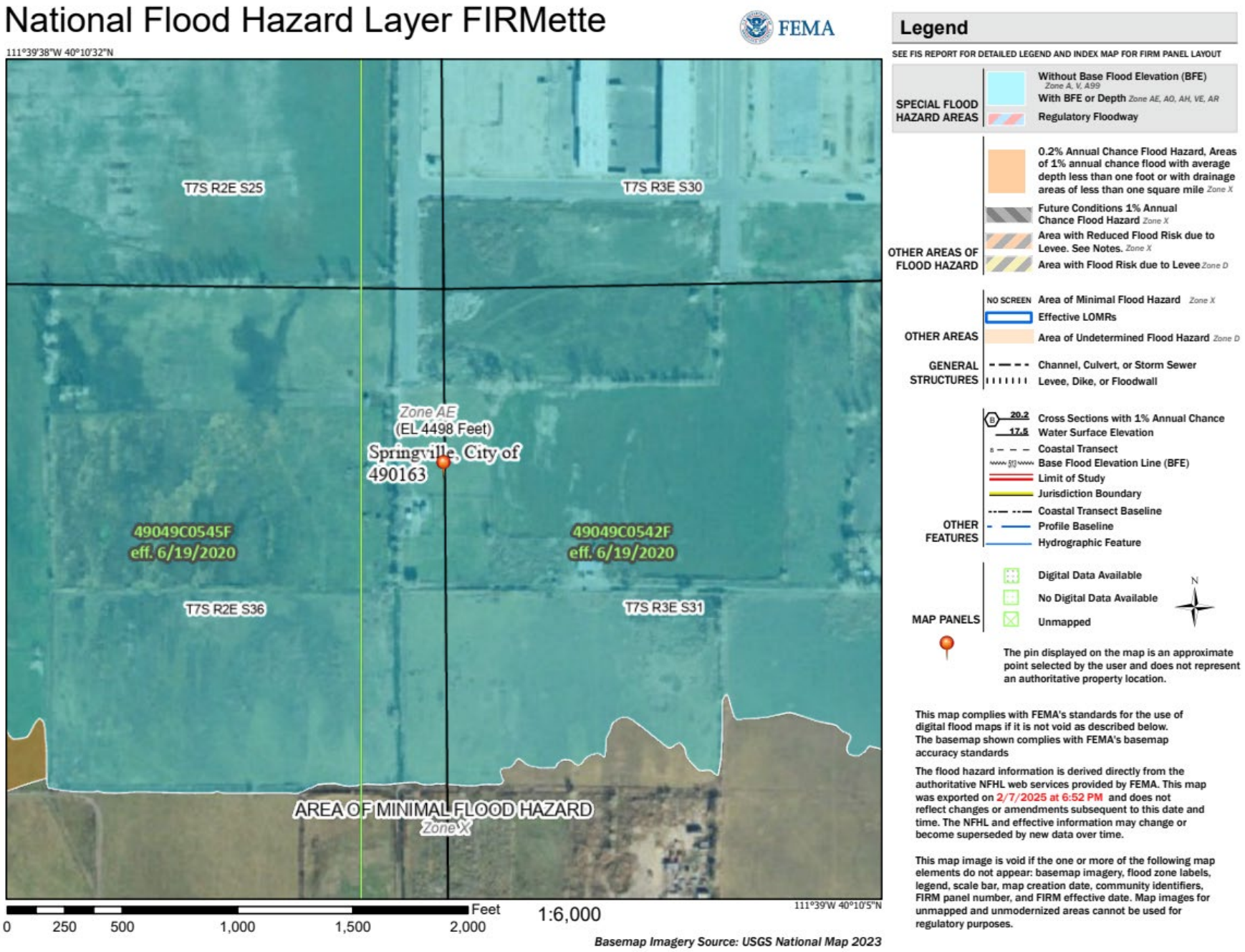


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ZONING MAP



FLOOD MAP



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INTRODUCTION

Assessment of real property is established by an assessor who is an appointed or elected official charged with determining the value of each property. The assessment is used to determine the necessary rate of taxation required to support the municipal budget. A property tax is a levy on the value of property that the owner is required to pay to the municipality in which it is situated. Multiple jurisdictions may tax the same property.

The subject property is located within Utah County. The assessed value and property tax for the current year are summarized in the following table.

ASSESSMENT & TAXES

Tax Year	2024				Tax Rate	1.00075%
Tax Rate Area					Taxes Current	Yes
APN	**LAND**	**IMPV**	**TOTAL**	**EXEMPTIONS**	**TAXABLE**	**BASE TAX**
21-096-0018	$129,800	$0	$129,800	$129,550	$250	$3
Totals	**$129,800**	**$0**	**$129,800**	**$129,550**	**$250**	**$3**
Total Base Tax						**$3**

Source: Utah County Assessment & Taxation

SUBJECT PROPERTY ANALYSIS

The total assessment for the larger parcel is $129,800 or $1.02/SF. The subject property benefits from an exemption in the amount of $129,550, reducing the taxable assessment to $250. If the subject property is developed, it should be assumed that the greenbelt exemption will be removed. When a piece of real property is determined by the County Assessor's office as no longer qualifying for assessment under the FFA "Greenbelt" law, the Assessor is required to apply a rollback tax to the property. Land that is withdrawn from assessment under the FAA is subject to a rollback tax equal to the difference between:

- the amount of taxes that would have been charged under a market-based assessment, and
- the amount of taxes that were charged under the FAA assessment.

Once a property has been withdrawn from "Greenbelt" status, the Assessor calculates the rollback tax for each year the land was assessed under the FAA, going back no more than five years.

The Assessor provided a rollback tax estimate for the subject parcel of $5,856. The estimate is valid through March 24, 2025.

In Utah, taxes are calculated by multiplying the tax rate by the taxable value. The taxable value is calculated at 100% of the final value or market value for commercial properties and 55% for residential properties. All multifamily properties receive this exemption noted above for the subject. All property is reappraised annually, and Utah law requires a review of property characteristics once every five years. A sale of the subject does not necessarily trigger a reassessment. Utah is a non-disclosure state, so purchase prices are not known by the Assessor’s office. The final value is the reported market value of the property, as reported by the assessor’s offices. Tax rates are set by procedures established in the Utah Constitution. There are many different rates in Utah County, and they vary across the county depending on which school district, city, special service district, and etc. the property is located.

According to the Utah County Assessor’s Office website, real estate taxes for the subject property are current as of the date of this report.

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INTRODUCTION

Zoning requirements typically establish permitted and prohibited uses, building height, lot coverage, setbacks, parking and other factors that control the size and location of improvements on a site. The zoning characteristics for the subject property are summarized below:

ZONING SUMMARY	
Municipality Governing Zoning	City of Springville Planning & Zoning Department
Current Zoning	Agricultural Zone (A-1)
Permitted Uses	Permitted uses within the agriculture zone generally include most agriculture uses and low density residential, as well as golf courses, religious facilities, and small residential facilities for elderly persons.
Prohibited Uses	Medium and high density residential and most commercial and industrial uses.
Current Use	Vacant
Is Current Use Legally Permitted?	Yes
Zoning Change	Yes

ZONING REQUIREMENTS	
Minimum Site Area (SF)	200,000 SF
Minimum Yard Setbacks	
Front (Feet)	30
Rear (Feet)	30
Side (Feet)	20
Maximum Site Coverage	50%
Maximum Building Height	35 Feet
Minimum Dwelling Unit Size	1,000 SF

Source: City of Springville Planning & Zoning Department

ZONING CONCLUSIONS

The subject is zoned Agriculture (A-1). The subject is located between parcels within the Westfields and Lakeside Overlay District, which allows for residential development. The purpose of the Westfields and Lakeside Overlay District is to carry out the adopted policies of Springville City to create attractive, diverse neighborhoods with a wide variety of attached and detached housing, as well as some shopping and services. The properties adjacent east, south and west of the subject are part of a proposed 152.47-acre development named Lakeside Village. The current site plan for Lakeside Village calls for 887 single family and townhome lots, and 48 multifamily units with ground-floor retail. The overall density of Lakeside Village is approximately six units per acre. Based on a conversation with Carla Wiese with the Springville City Planning Department, the subject can be rezoned to residential, if the owners are willing to be adopted into the Westfields and Lakeside Overlay District and develop the site in a way that is harmonious with the proposed Lakeside Village development.

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INTRODUCTION

As concluded ahead, the highest and best use of the subject site as-vacant is medium-density residential. Therefore, this section provides a brief study of residential supply/demand conditions for the Utah County Market and the Springville City submarket, market participant interviews, and transaction trends. We have also included a Multi-Family market analysis discussing the Utah County Submarket. These findings are used to support our conclusions for the competitive position, and exposure period of the subject site.

RESIDENTIAL MARKET ANALYSIS

Home Prices & Sales

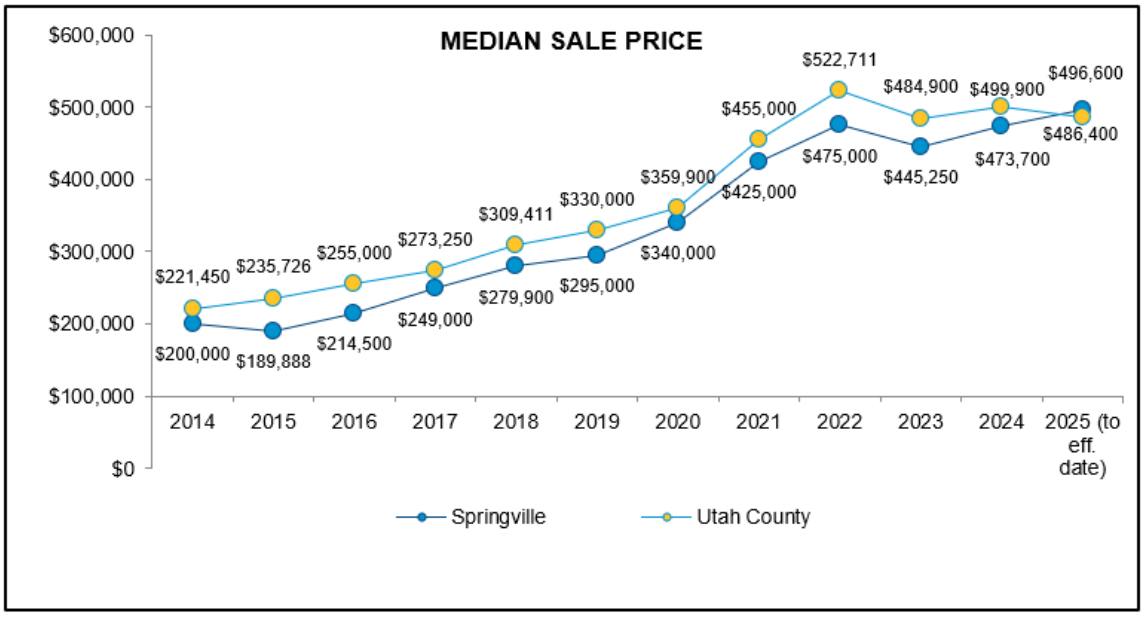
Median home prices have generally increased over the last ten years in both the city and county. As noted in the chart below, median prices in Springville have historically been slightly lower than the trend in pricing in Utah County. The table below summarizes historical median home prices and historical sales in the city and county from 2014 to 2025 Year-To-Date (YTD). The median combined days on the market (CDOM) is also included in the table. The chart below the table illustrates the trends in the median sale price of homes.

SINGLE-FAMILY HOME PRICES & SALES (2014 - YTD FEB 2025)

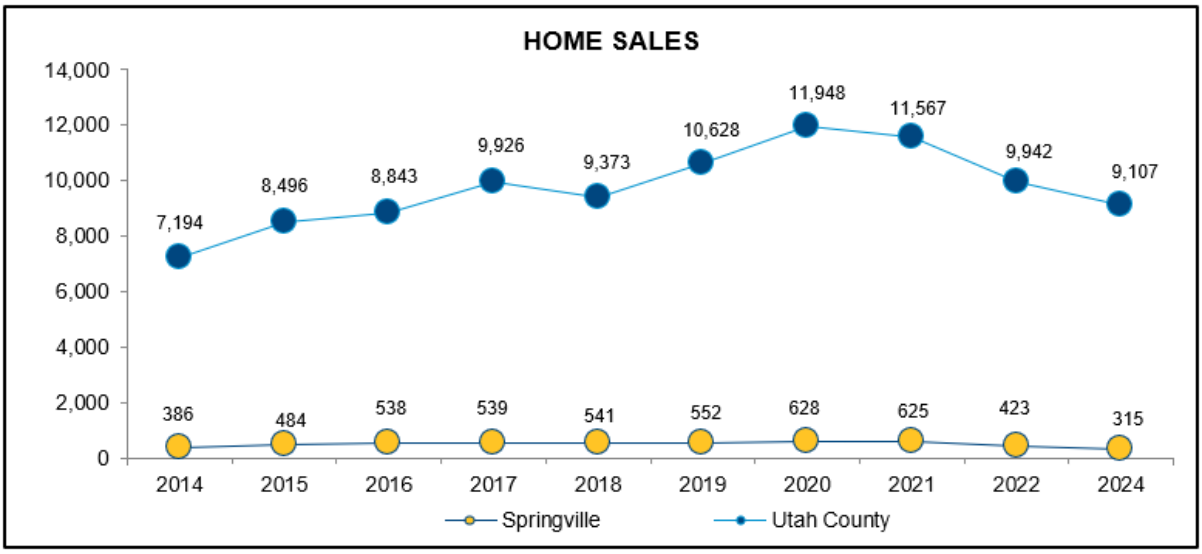
	Springville			Utah County		
Year	Median Price	No. Sold	Median CDOM	Median Price	No. Sold	Median CDOM
2014	$200,000	386	56	$221,450	7,194	46
2015	$189,888	484	21	$235,726	8,496	26
2016	$214,500	538	14	$255,000	8,843	17
2017	$249,000	539	15	$273,250	9,926	18
2018	$279,900	541	15	$309,411	9,373	19
2019	$295,000	552	21	$330,000	10,628	29
2020	$340,000	628	10	$359,900	11,948	14
2021	$425,000	625	7	$455,000	11,567	6
2022	$475,000	423	11	$522,711	9,942	11
2023	$445,250	304	31	$484,900	8,349	30
2024	$473,700	315	27	$499,900	9,107	31
2025 (to eff. date)	$496,600	22	102	$486,400	747	49

CDOM = Combined Days On Market

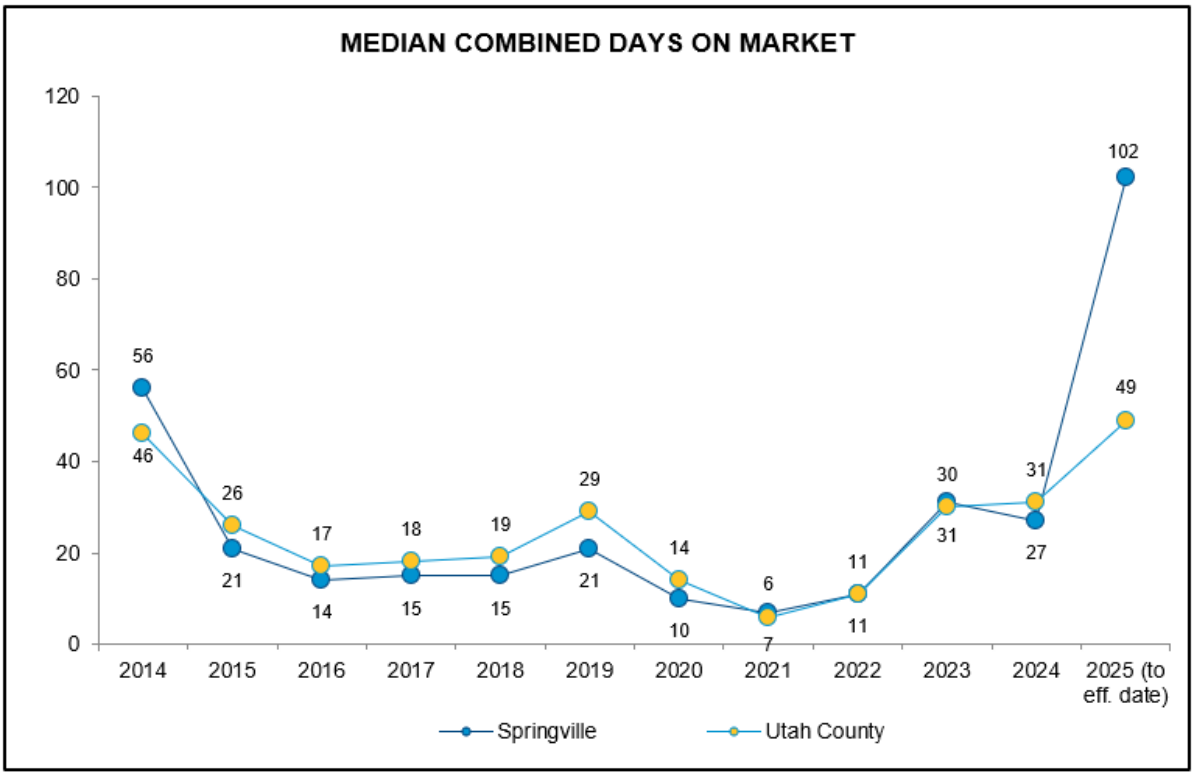
Source: Wasatch Front Regional MLS



The chart below depicts the number of home sales in Springville and Utah County from 2014 to YTD 2025. The number of home sales in the city has historically been significantly lower than in the county based on the smaller market area. The city experienced a ten-year high in the number of homes sold during 2020 with 628 homes sold. Utah County also experienced a ten-year high in number of homes sold in 2020 with 11,948 homes sold.



The chart below indicates the median CDOM for lot sales of the city and county.



Lot Prices & Sales

The table below summarizes the historical median lot prices and historical sales in Springville and Utah County from 2014 to YTD 2025. In addition, the median CDOM (Combined Days On Market) is indicated. The county and subject area indicate similar trends in increasing median lot prices over the past several years, however, lot prices in Springville have generally been lower than those in the county. The chart following the table below illustrates the historical lot prices.

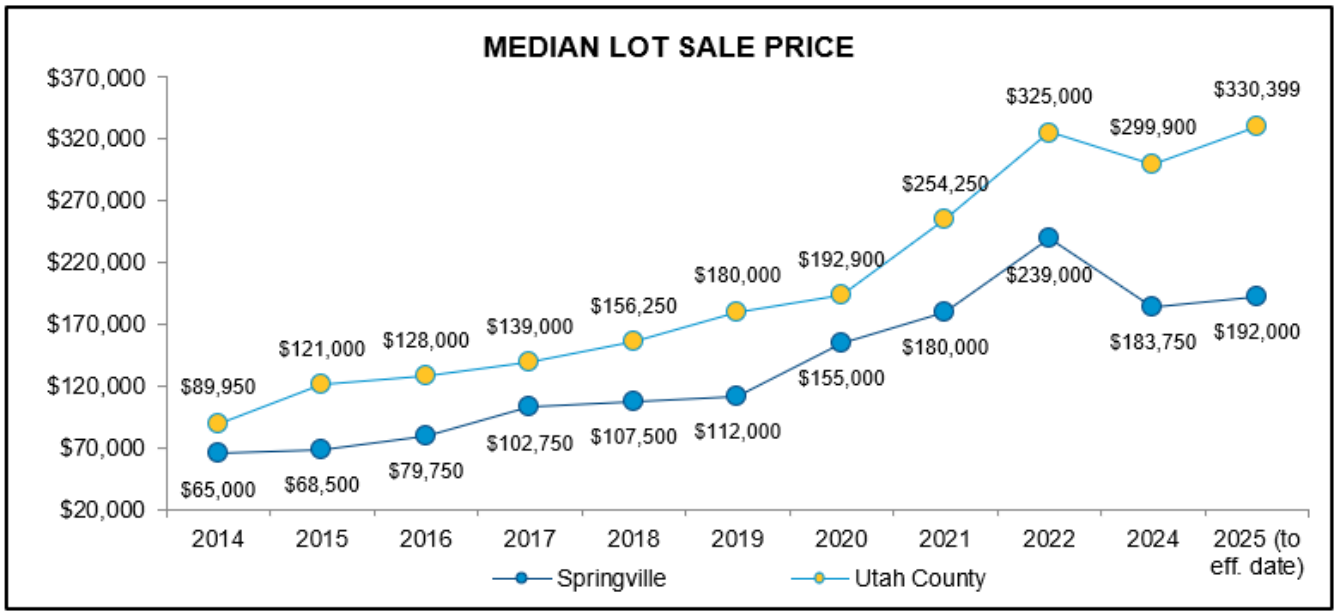
LOT PRICES & SALES (UP TO 1 ACRE, 2014 - YTD FEB 2025)

	Springville			Utah County		
Year	Median Price	No. Sold	Median CDOM	Median Price	No. Sold	Median CDOM
2014	$65,000	11	77	$89,950	334	98
2015	$68,500	13	68	$121,000	251	97
2016	$79,750	12	98	$128,000	303	148
2017	$102,750	14	89	$139,000	317	93
2018	$107,500	10	38	$156,250	378	101
2019	$112,000	10	175	$180,000	346	93
2020	$155,000	14	91	$192,900	506	126
2021	$180,000	27	26	$254,250	432	28
2022	$239,000	9	27	$325,000	301	36
2023	$180,500	12	61	$300,000	267	74
2024	$183,750	10	60	$299,900	316	90
2025 (to eff. date)	$192,000	2	75	$330,399	160	22

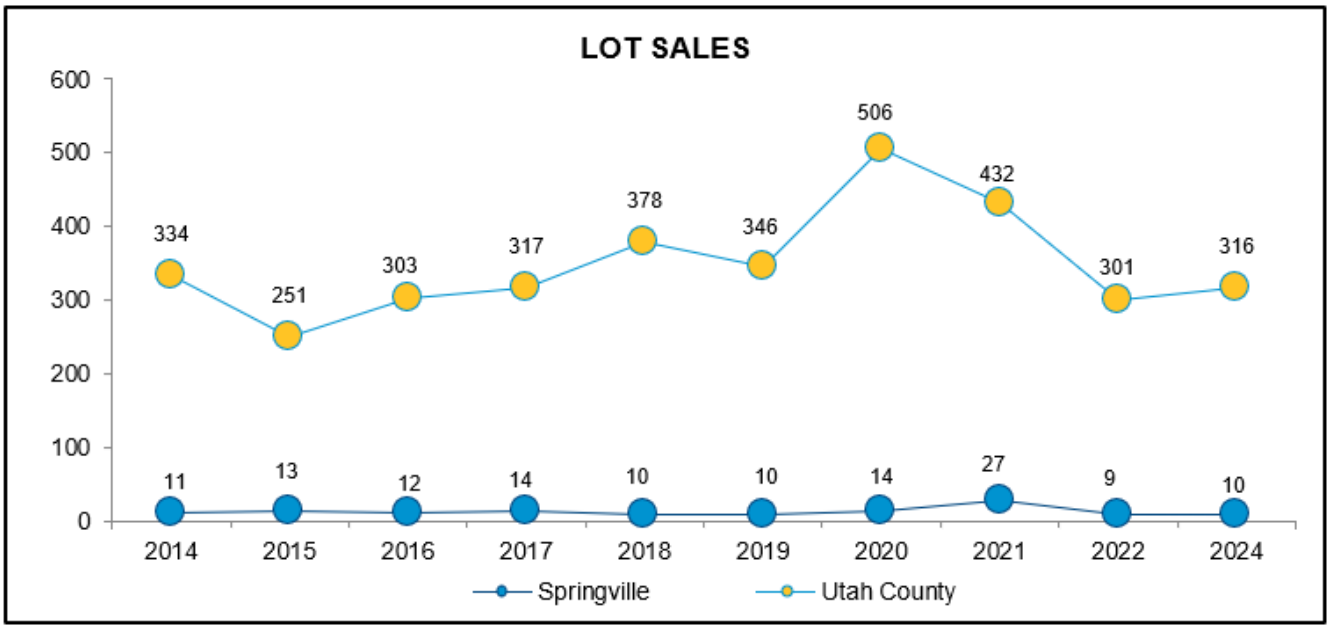
CDOM = Combined Days On Market

Source: Wasatch Front Regional MLS

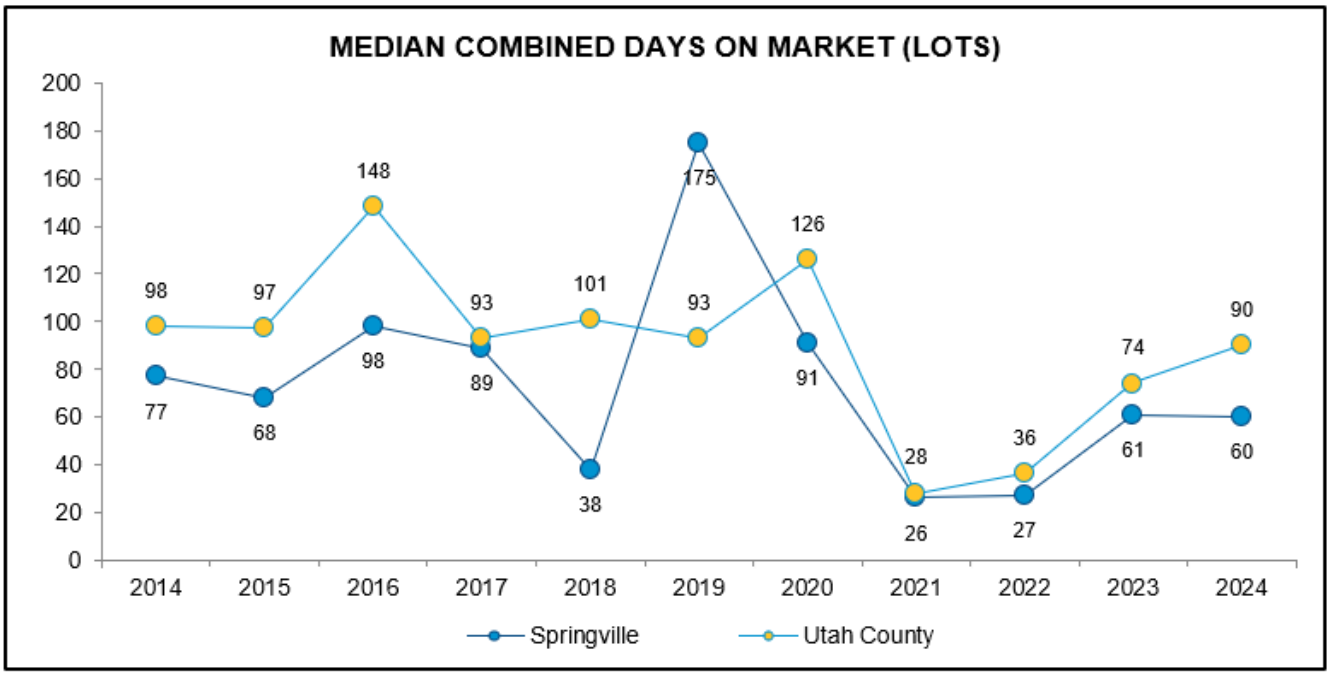
Median lot sale prices have increased quarter-over-quarter since 2014. The county reached a ten-year high in 2022 with a median lot price of $325,000. The city reached a ten-year high in 2022 with a median lot price of $239,000.



In Utah County, the number of lot sales peaked during 2020 with 506 lot sales. Springville experienced a ten-year high in 2021 with 27 lot sales.



The chart below indicates the median CDOM for lot sales of the city and county.



Inventory (Supply)

The amount of inventory or supply has played a major part in the residential home and lot market over the past few years throughout the region. The following table summarizes the current number of homes and lots on the market in Utah County and Springville. There are currently 1,486 homes listed on the market in Utah County with 49 of those homes in Springville, according to the local MLS. There are 278 lots listed on the market in Utah County with 12 of those located in Springville. There are currently 422 townhomes listed for sale in Utah County with 7 of those located in Springville.

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ACTIVE LISTINGS		
	Springville	**Utah County**
Single-Family Homes	49	1,486
Land/Lots	12	278
Townhomes	7	422
Total	**68**	**2,186**
Source: Wasatch Front Regional MLS		

Conclusion

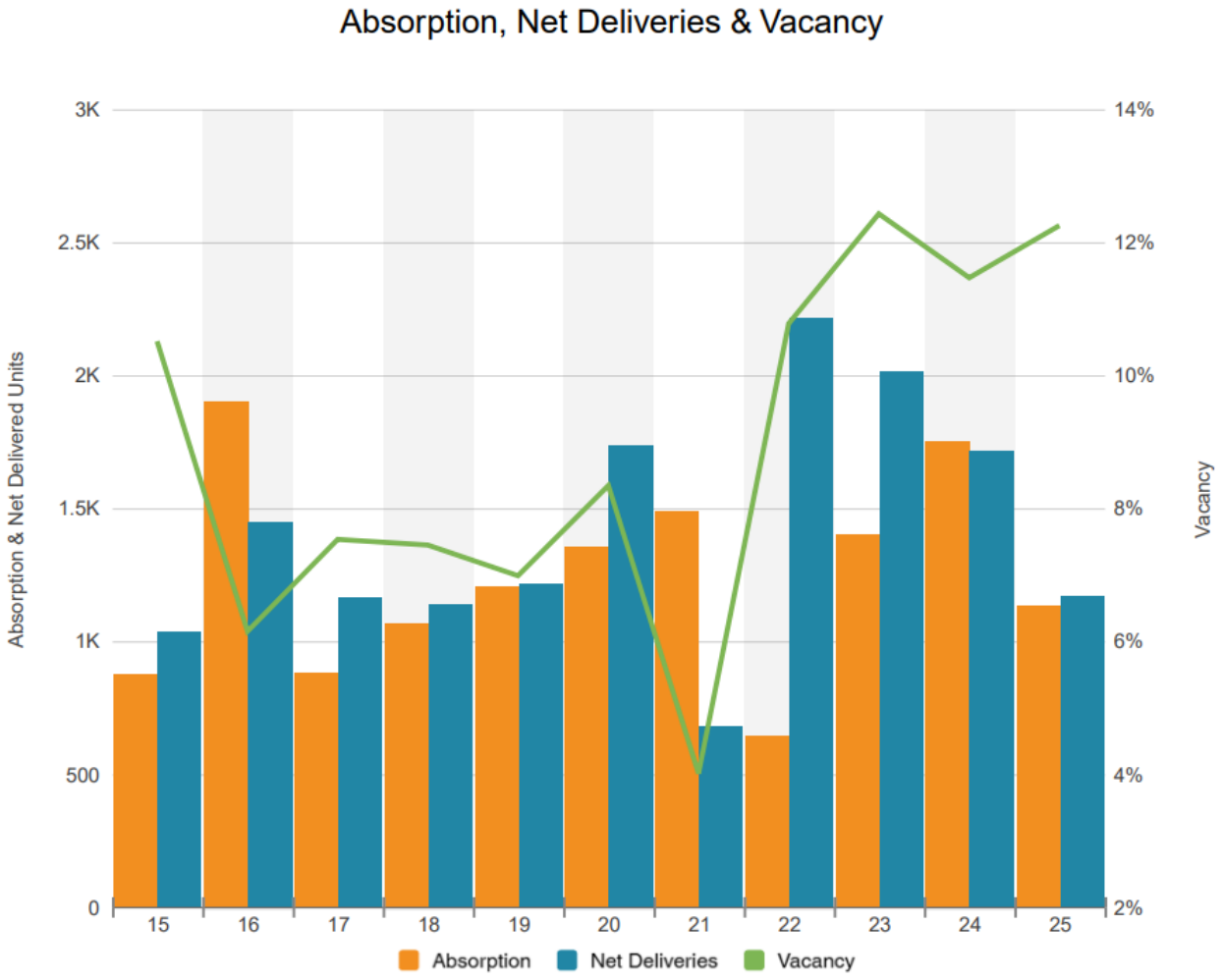
Prices are likely to continue to increase in Utah County over the forecast horizon. As development proceeds and new homes are delivered to the market, there will be an increased demand for the subject property.

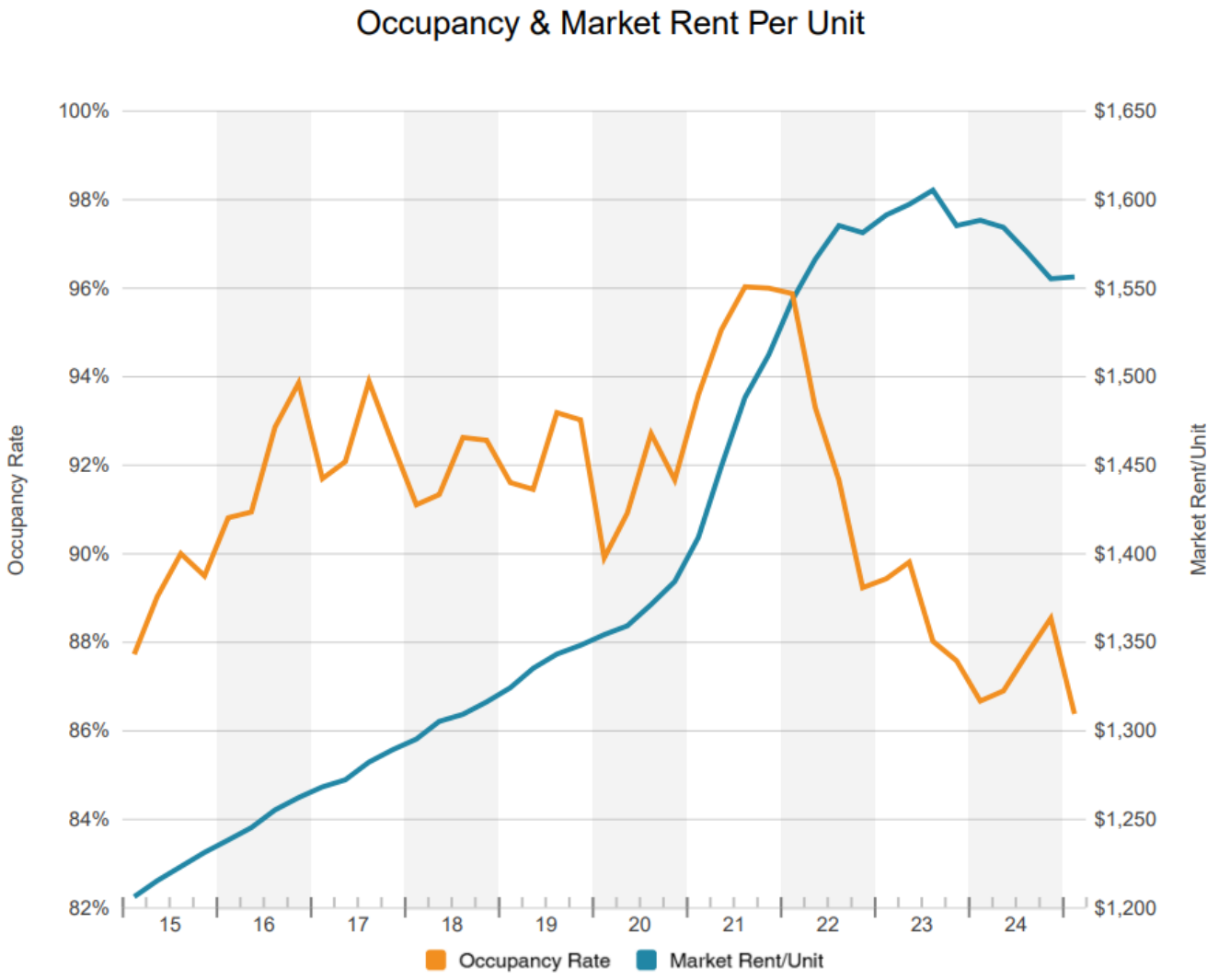
UTAH COUNTY APARTMENT MARKET

According to CoStar, multi-family rents decreased 1.6% from the prior period ($1,586 to $1,561 per unit per month). 2,412 apartment units are currently underway in the Utah County Market. Although employment has consistently remained positive, the area is currently experiencing the weakest job creation rate in the last 12 months. The vacancy rate declined to 11.5% in Q4 2024 from 12.3% in Q3 2024, but remains relatively high. Vacancy had increased each quarter during 2022 and most quarters during 2023. Effective rent growth increased from 2021 to 2022 before stagnating from 2023 through 2024. However, the area is anticipated to continue to out-perform other apartment markets as well as the nation overall over the long term.

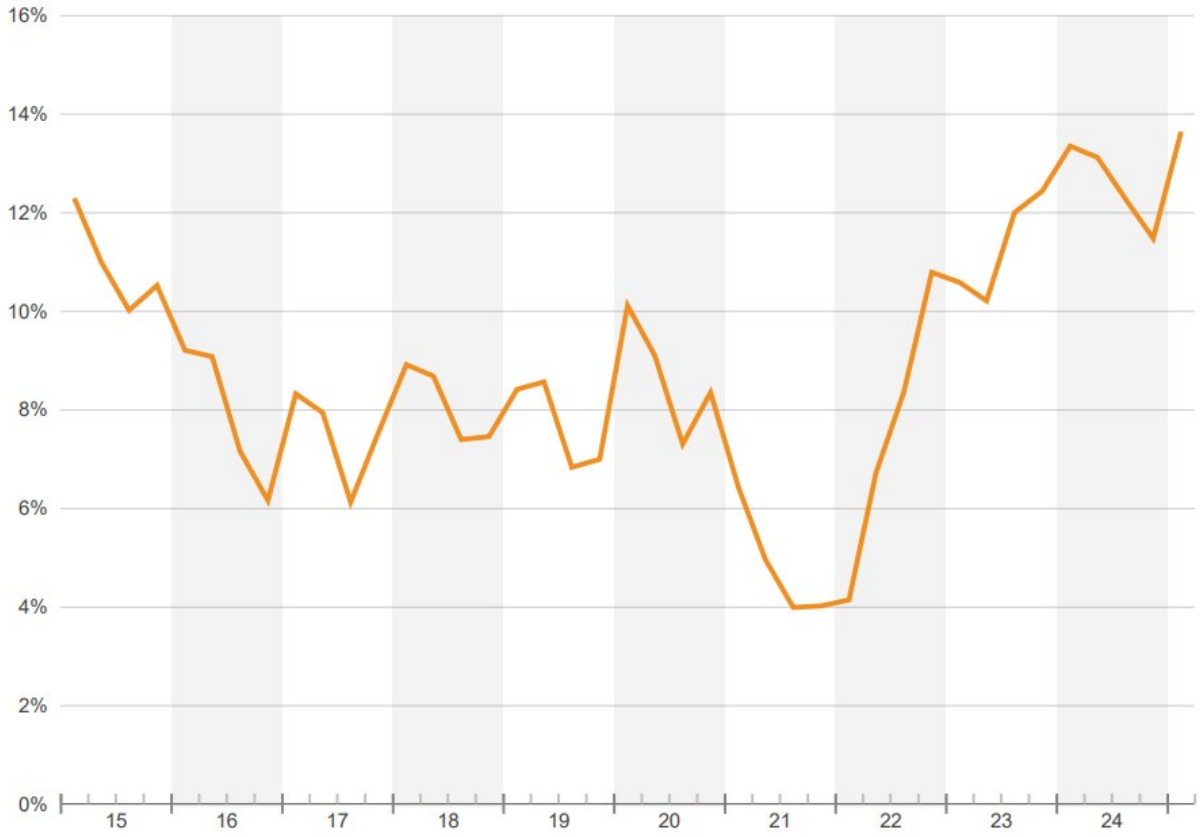
Vacancy

The vacancy rate in Utah County is currently 11.5% with strong leasing trends during the pandemic, and the forecast calls for more high-end, 4 & 5-star units to deliver. Vacancies for 4 & 5-star properties, where most of the new construction has been focused, are about 6.0%.




Occupancy & Market Rent Per Unit
100%
98%
96%
94%
92%
90%
88%
86%
84%
82%
Occupancy Rate
$1,650
$1,600
$1,550
$1,500
$1,450
$1,400
$1,350
$1,300
$1,250
$1,200
Market Rent/Unit
15
16
17
18
19
20
21
22
23
24
Occupancy Rate
Market Rent/Unit

Vacancy Rate



SUMMARY STATISTICS

Leasing Units	Survey	5-Year Avg
Vacant Units	3,181	1,839
Vacancy Rate	12.3%	8.7%
12 Mo. Absorption Units	1,635	1,302

Inventory in Units	Survey	5-Year Avg
Existing Units	27,724	21,056
12 Mo. Const. Starts	1,440	1,715
Under Construction	1,959	2,670
12 Mo. Deliveries	2,053	1,700

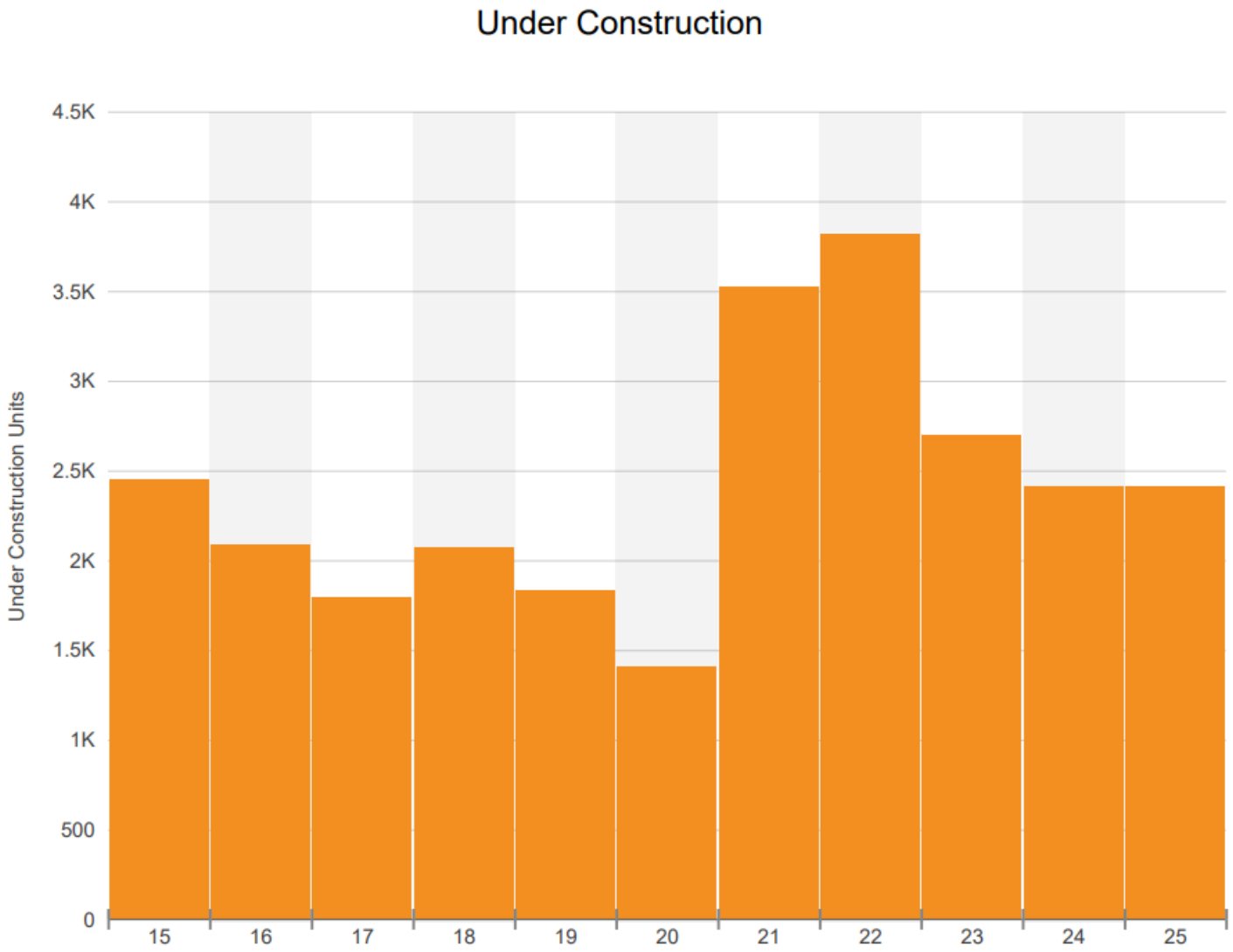
Rents	Survey	5-Year Avg
Studio Asking Rent	$1,460	$1,417
1 Bed Asking Rent	$1,359	$1,293
2 Bed Asking Rent	$1,545	$1,471
3+ Bed Asking Rent	$1,967	$1,841
Concessions	1.6%	1.1%

Sales	Past Year	5-Year Avg
Sale Price Per Unit	$240,737	$159,070
Asking Price Per Unit	$312,968	$214,976
Sales Volume (Mil.)	$1.9	$18
Cap Rate	5.0%	5.6%

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Construction Activity

Inventory in Utah County nearly doubled over the past six years, with nearly 14,000 market-rate apartment units delivered since the start of 2014. Approximately 1,717 units have delivered in the past 12 months, compared to the 10-year annual net deliveries average of 1,360 units. Currently, there are about 2,412 units in the pipeline, compared to roughly 2,412 in the prior period.



Utah County Apartment Submarket Conclusion

Overall, the subject's apartment submarket appears to be stable. Market rent has generally increased over the last several years. It is anticipated that the submarket will continue to improve given the area's high employment rates and young & educated workforce.

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TRANSACTION TRENDS

In the open market, the subject property type would command most interest from local and regional buyers that are actively pursuing similar quality investment properties. There is currently strong buyer demand for substitute properties of the subject based on the volume of sale transactions and reports by buyers, sellers and other market participants during confirmation of market transactions. The most probable buyer is a national and regional investor.

Based on the preceding analysis, there is an established sales market for the subject property. As previously discussed, the velocity of sale transactions has been steady over the past six months. Currently there is strong buyer demand, while there is somewhat limited availability for this property type on the supply side. Based on the factors, conditions are in equilibrium in regard to negotiating sale terms.

SUBJECT PROPERTY ANALYSIS

Based on our analysis of the subject property and investigation of substitute properties in the marketplace, the subject is considered to have average overall buyer appeal with an average competitive position if the asset was exposed to the open market.

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INTRODUCTION

The highest and best use of an improved property is defined as that reasonable and most probable use that will support its highest present value. The highest and best use, or most probable use, must be legally permissible, physically possible, financially feasible, and maximally productive. This section develops the highest and best use of the subject property As-Vacant.

AS-VACANT ANALYSIS – BEFORE CONDITION

Legal Factors

The legal factors that possibly influence the highest and best use of the subject site are discussed in this section. Private restrictions, zoning, building codes, historic district controls, and environmental regulations are considered, if applicable to the subject site. Permitted uses of the subject's A-1 (Agricultural Zone) zoning were listed in the Zoning Analysis section.

The subject is located between parcels within the Westfields and Lakeside Overlay District, which allows for residential development. The purpose of the Westfields and Lakeside Overlay District is to carry out the adopted policies of Springville City to create attractive, diverse neighborhoods with a wide variety of attached and detached housing, as well as some shopping and services. The properties adjacent east, south and west of the subject are part of a proposed 152.47-acre development named Lakeside Village. The current site plan for Lakeside Village calls for 887 single family and townhome lots, and 48 multifamily units with ground-floor retail. Based on a conversation with Carla Wiese with the Springville City Planning Department, the subject could very likely be rezoned to residential, if the owners are willing to be adopted into the Westfields and Lakeside Overlay District and develop the site in a way that is harmonious with the proposed Lakeside Village development. The overall proposed density of Lakeside Village is approximately six units per acre.

Physical & Locational Factors

Regarding physical characteristics, the subject site is rectangular in shape and has level topography with average access and average exposure. The subject is surrounded by undeveloped land, much of which is in the process of being master-planned for mixed-use residential. Of the outright permitted uses, physical and locational features best support mixed residential development at a density of six units per acre for the site's highest and best use as-vacant.

Feasibility Factors

The financial feasibility of those uses that meet the legal and physical tests discussed is analyzed further in this section. Supply and demand conditions affect the financial feasibility of possible uses. Indicators of feasibility, which typically indicate favorable or non-favorable supply and demand conditions, include construction financing and proposed projects. In recent quarters there has been new residential development throughout the subject's submarket. This is evidence that new residential construction is feasible at this time. Financial feasibility factors generally support near-term development of the subject site.

As-Vacant Conclusion – Before Condition

Based on the previous discussion, the subject's highest and best use as-vacant is concluded to be residential development at a density of six units per acre.

AS-VACANT ANALYSIS—AFTER CONDITION

In the after condition, the subject site is reduced from 126,685 square feet to 111,588 square feet, or 11.9% smaller than in the before condition. The site size in the after condition is commensurate with other similar properties with average access and average exposure. The site will have frontage on the new street and will have similar access as before. The northwest corner will be removed, but otherwise the shape will remain

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generally the same as its before condition. We conclude that the highest and best use of the site as-if vacant remains unchanged in the after condition.

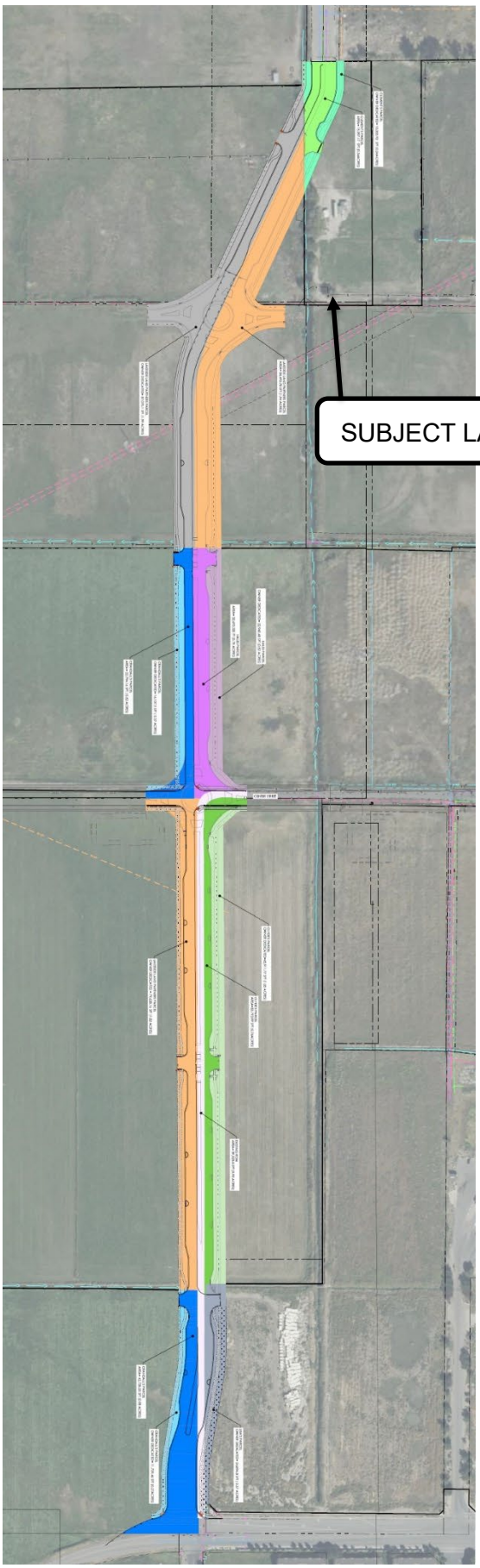
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IMPROVEMENTS IN THE MANNER PROPOSED

The Mountainlands Association of Governments' 2600 West ROW project will extend 2600 West northward from 400 South where it will intersect with Center Street and then continue north where it will eventually turn northeastward and connect with 2500 West at approximately 400 North. The four-lane road will provide access to an area that is in the planning process for residential and commercial development. Mountainlands Association of Governments is providing partial funding for the project. The project is currently in preliminary planning phases, with limited surveying and engineering information. Construction is anticipated to begin by Summer 2025.

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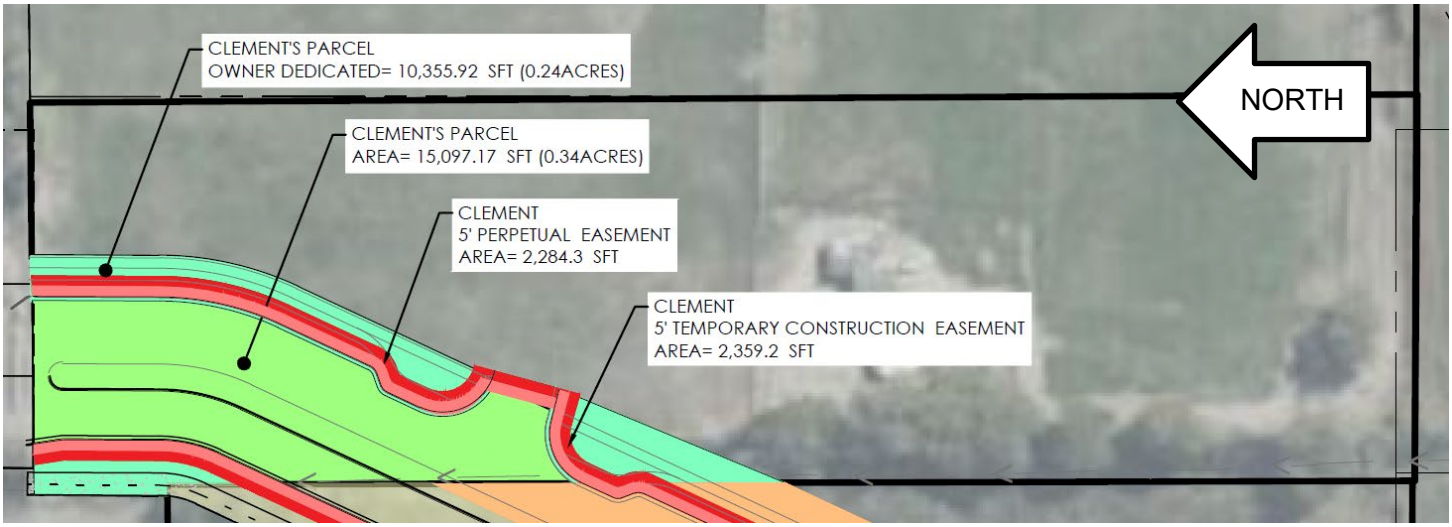
Project Overview



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Project Overview - Subject Larger Parcel

The exhibit below was provided by the client in connection with this assignment. The dark-green shaded area is the area of the fee taking. The light-green shaded area is to be dedicated by the owner in the future if and when development of the site should occur; the light-green shaded area is not relevant to this assignment. The light-red area is the location of the perpetual easement; the dark red area is the location of the temporary construction easement. We have not been provided with maps or legal descriptions for the easements. These details are typically provided by the client for right-of-way valuations. It is an extraordinary assumption of this report that the provided sizes of the easements are accurate and that the areas are sufficient in size, shape and utility for their intended use.



THE PARTS TAKEN

Fee Taking

To complete the project as proposed, a portion of the subject property must be acquired. The permanent area being acquired by Mountainlands Association of Governments is on land assumed to be previously unencumbered by any adverse easements or encumbrances. However, we were not provided with an ALTA survey, so we are unaware of the location of any existing easements. Based on the exhibit provided by the client, it covers 15,097 square feet, or 0.35 acre.

The fee taking is located on the northwest corner of the subject. It is shaded dark green in the above exhibit, which was provided by the client. It is irregular in shape. A legal description of the fee taking is not available, nor were we provided with site-specific maps with taking dimensions. This report assumes the square footage figures of the fee taking provided by the client are accurate.

Perpetual Easement

Mountainlands Association of Governments is considering a 5-foot-wide perpetual easement along the eastern edge of the new subject boundary to allow for utility maintenance. It would be located between the temporary construction easement and fee taking. The exhibit provided in connection with this assignment indicates the size of the perpetual easement to be 2,284 square feet.

Temporary Construction Easement

A temporary construction easement is also being considered by Mountainlands Association of Governments. It would also be five feet wide and would allow for access during construction. The temporary construction easement would be located west of the fee taking and the perpetual easement. The easement would commence at the beginning of construction, which is anticipated to begin in June 2025, and we estimate construction will last three years. The exhibit provided in connection with this assignment indicates the size of the temporary construction easement to be 2,359 square feet. We were not provided with legal descriptions of the proposed easements, and we were not provided with site-specific maps with easement dimensions.

This appraisal is based on the extraordinary assumption that the project will include a perpetual easement and a temporary construction easement.

This appraisal is based on the extraordinary assumption that the provided size of the fee acquisition area is accurate despite the absence of a legal description or site-specific maps with dimensions. Additionally, we assume that the 5-foot-wide perpetual easement and the 5-foot-wide temporary construction easement exist as described, with their locations and extents aligning with the intended project scope, though no exact legal descriptions or surveyed dimensions were provided. If any of these assumptions prove to be inaccurate, the opinions of value stated herein may require revision.

We also assume that the locations of the perpetual and construction easements are as described above. If this assumption proves to be inaccurate, the opinions of value stated herein may require revision.

THE REMAINDER PARCEL

In the after condition, the subject site is reduced from 126,685 square feet to 111,588 square feet, or 11.9% smaller than in the before condition. The shape of the site is altered somewhat; the northwest corner will be removed and will be fronted by a road. However, the utility will be similar and access will be improved.

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INTRODUCTION

The following presentation of the appraisal process deals directly with the valuation of the subject property. The As-Is Market Value of the subject's fee simple interest is estimated using the Sales Comparison Approach, which is recognized as the standard appraisal technique for commercial land. The Cost and Income Capitalization Approaches are not applicable when valuing unimproved commercial land and are therefore excluded. Their exclusion is not detrimental to the reliability or credibility of the final value conclusion.

VALUE IN THE BEFORE CONDITION

The following paragraphs describe the standard approaches to value that were considered for this portion of the analysis.

SALES COMPARISON APPROACH

The Sales Comparison Approach is based on the principle of substitution, which asserts that no one would pay more for a property than the value of similar properties in the market. This approach analyzes comparable sales by applying transactional and property adjustments in order to bracket the subject property on an appropriate unit value comparison. The sales comparison approach is applicable when sufficient data on recent market transactions is available. Alternatively, this approach may offer limited reliability because many properties have unique characteristics that cannot be accounted for in the adjustment process.

METHODOLOGY

The appraisal of the subject is a complex assignment as it involves a partial take analysis. The following is a basic outline of our valuation process:

- Value the land in Larger Parcel, using the Sales Comparison Approach (Land Valuation).
- Value the permanent parts taken as part of the whole. Value any easements taken as part of the whole. Calculate the value of the remainder as part of the whole.
- Value the remainder property in the after condition.
- Compare the value of the remainder as part of the whole with the value of the remainder in the after condition to calculate severance damages, if any.
- Consider project benefits (if any) and calculate net severance damages (if any).
- Calculate the temporary loss of use of the property during construction (if any).
- Compile a final estimate of the fair market value of the parts taken, including all of the above.

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LAND VALUATION

As previously discussed within the Valuation Methods section, the subject is valued as one marketable economic site in this appraisal. Land value is influenced by a number of factors; most prominent of which is development and use potential. These factors, as well as others, are considered in the following analysis.

UNIT OF COMPARISON

The most relevant unit of comparison is the price per square foot. This indicator best reflects the analysis used by buyers and sellers in this market for land with similar utility and zoning in this marketplace.

COMPARABLE SELECTION

A thorough search was made for similar land sales in terms of proximity to the subject, size, location, development potential, and date of sale. In selecting comparables, emphasis was placed on confirming recent sales of commercial sites that are similar to the subject property in terms of location and physical characteristics. Overall, the sales selected represent the best comparables available for this analysis.

ADJUSTMENT PROCESS

Quantitative adjustments are made to the comparable sales. The following adjustments or general market trends were considered for the basis of valuation.

Transactional Adjustments
Dollar adjustments to the comparable sales were considered and made when warranted for transactional adjustments in the sequence shown below:

Property Rights Transferred	The valuation of the subject site was completed on a fee simple basis. If warranted, leased fee, leasehold and/or partial interest land sales were adjusted accordingly.
Financing Terms	The subject site was valued on a cash equivalent basis. Adjustments were made to the comparables involving financing terms atypical of the marketplace.
Conditions of Sale	This adjustment accounts for extraordinary motivation on the part of the buyer or seller often associated with distressed sales and/or assemblages.
Expenditures After Purchase	Adjustments were applied if site conditions warranted expenditures on the part of the buyer to create a buildable site. Examples include costs for razing pre-existing structures, general site clearing and/or mitigation of environmental issues.
Market Conditions	Market conditions adjustments were based on a review of historical sale data, market participant interviews and review of current versus historical pricing. Based on our research, the following table summarizes the market conditions adjustment applied in this analysis.

MARKET CONDITIONS ADJUSTMENT			
Per Year As Of	February 2025	(As-Is)	3%

The analysis applies an upward market conditions adjustment of 3% annually reflecting the conditions between the oldest comparable sale date up through the effective valuation date. This is supported by price trends discussed and analyzed in the market analysis section.

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Property Adjustments

Quantitative percentage adjustments are also made for location and physical characteristics such as size, shape, access, exposure, topography, zoning and overall utility. Where possible the adjustments applied are based on paired data or other statistical analysis. For example, location adjustments are based primarily on review of land values in the market areas for the comparables relative to the subject. It should be stressed that the adjustments are subjective in nature and are meant to illustrate our logic in deriving a value opinion for the subject site.

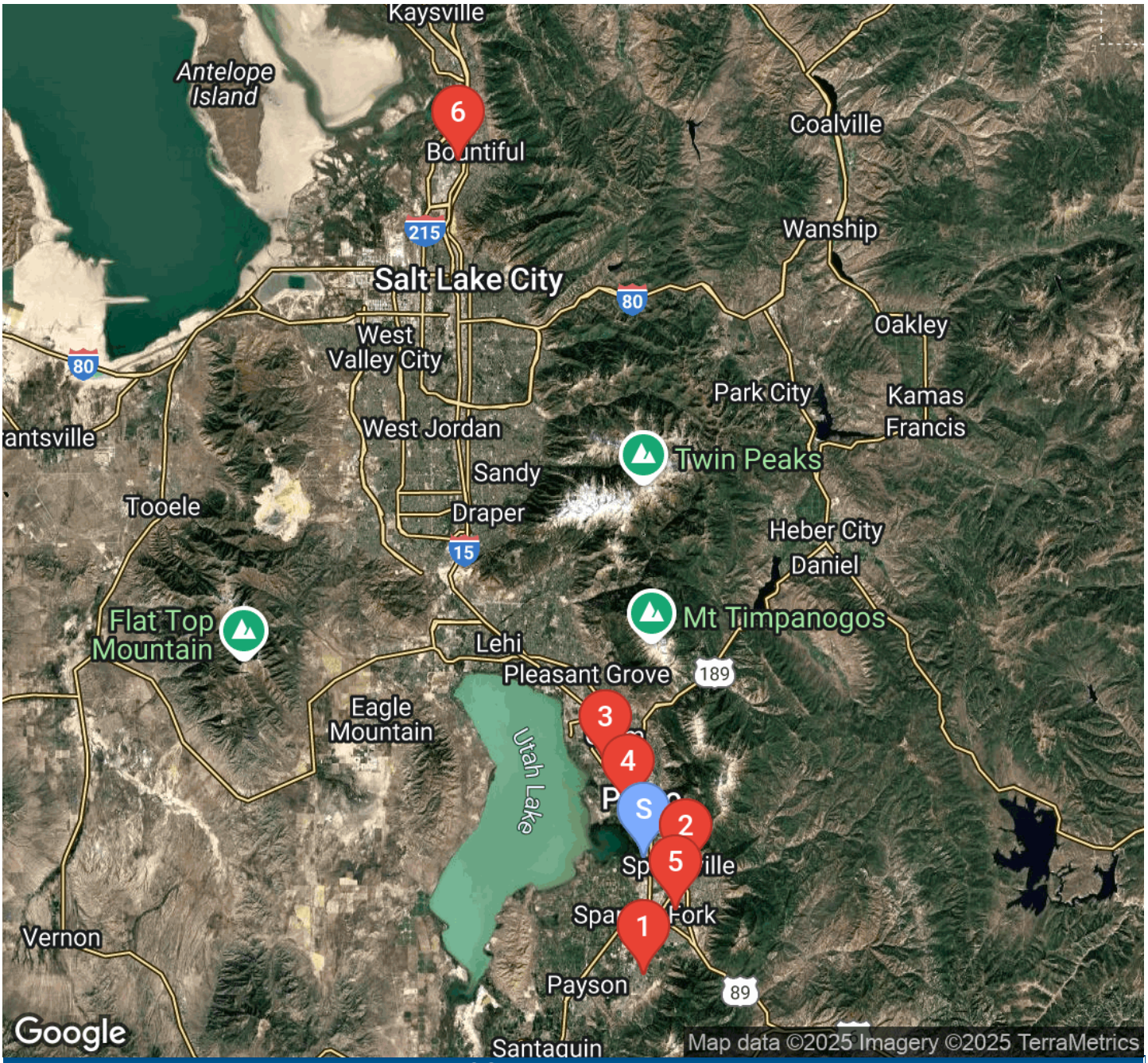
LAND VALUATION PRESENTATION

The following Land Sales Summation Table, Location Map and datasheets summarize the sales data used in this analysis. Following these items, the comparable land sales are adjusted for applicable elements of comparison and the opinion of site value is concluded.

LAND SALES SUMMATION TABLE

COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5	COMPARABLE 6
Name	The Clements Family Trust Parcel	Orem Residential Land	Residential Development Land	Salem Residential Land	Lehi Residential Land	Utah County Residential Land	Provo Residential Land
Address	400 North 2500 West	1716 South 400 West Street	636 Slant Road	824 E Salem Canal Road	500 South Center Street	6800 S 1050 W	968 West 1020 South
City	Springville	Orem	Spanish Fork	Salem	Lehi	Spanish Fork	Provo
State	UT	UT	UT	UT	UT	UT	UT
Zip	84663	84058	84660	84653	84043	84660	84601
County	Utah	Utah	Utah	Utah	Utah	Utah	Utah
APN	21-096-0018	19-025-0411	46-416-0013	30-039-0043	13-006-0057	25-015-0003	21-044-0029
PHYSICAL INFORMATION							
SF	126,685	141,570	118,388	87,120	304,484	382,456	81,892
Zoning	A-1	R1-8	R-1-9	R15	RA-1	RA-5	R17
Topography	Level	Level	Generally Level	Flat	Level	Level	Flat
Utilities	Yes	Yes	No	Yes	Yes	No	Yes
Approvals	No	Immediate	Immediate	Immediate	Immediate	Uncertain	Immediate
SALE INFORMATION							
Date		1/14/2025	8/26/2024	1/29/2024	9/27/2023	6/2/2023	4/27/2023
Status		In Contract	Recorded	Recorded	Recorded	Recorded	Recorded
Rights Transferred		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Transaction Price		$1,755,000	$1,350,000	$850,000	$2,850,000	$2,750,000	$800,000
Analysis Price		$1,755,000	$1,350,000	$850,000	$2,850,000	$2,750,000	$810,000
$/SF Land		$12.40	$11.40	$9.76	$9.36	$7.19	$9.89

LAND SALES LOCATION MAP



COMPARABLE KEY

COMP	DISTANCE	ADDRESS	SALE DATE	ACRES	SF	$/ACRE
SUBJECT	-	Approx. 400 North 2500 West, Springville, UT	-	2.9	126,685	-
No. 1	8.3 Miles	824 E Salem Canal Road, Salem, UT	1/29/2024	2.0	87,120	$425,000
No. 2	3.2 Miles	900 South 700 East, Springville, UT	9/1/2023	4.7	206,474	$417,722
No. 3	7.0 Miles	1716 South 400 West Street, Orem, UT	1/14/2025	3.3	141,570	$540,000
No. 4	3.5 Miles	968 West 1020 South, Provo, UT	4/27/2023	1.9	81,892	$430,851
No. 5	4.3 Miles	636 Slant Road, Spanish Fork, UT	8/26/2024	2.7	118,388	$496,689
No. 6	50.6 Miles	986 South 800 West, Woods Cross, UT	3/6/2024	2.4	104,979	$829,876

COMPARABLE 1

LOCATION INFORMATION

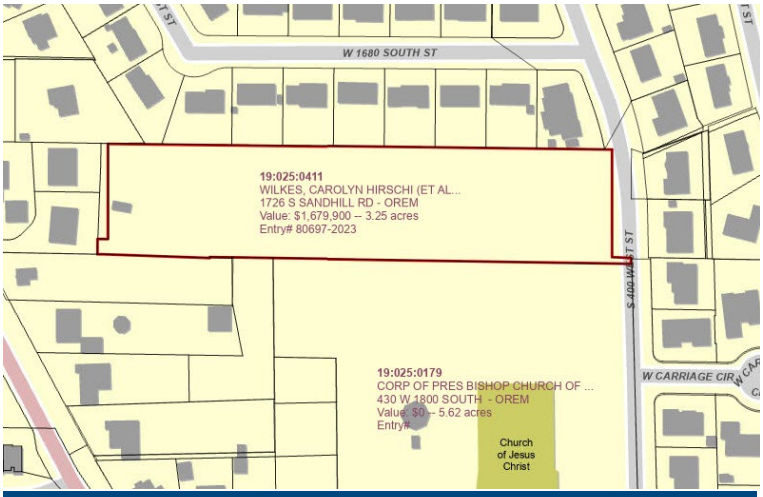
Name	Orem Residential Land
Address	1716 South 400 West Street
City, State, Zip Code	Orem, UT, 84058
County	Utah
MSA	Provo-Orem, UT
APN	19-025-0411

SALE INFORMATION

Buyer	Under Contract
Seller	Carolyn Hirschi Wilkes
Transaction Date	01/14/2025
Transaction Status	In Contract
Transaction Price	$1,755,000
Analysis Price	$1,755,000
Rights Transferred	Fee Simple
Financing	Undisclosed
Conditions of Sale	Under Contract
Marketing Time	6 Months

PHYSICAL INFORMATION

Intended Use	Single-Family Residential
Location	Good/Excellent
Site Size (Net)	3.25 Acres (141,570 SF)
Site Size (Gross)	3.25 Acres (141,570 SF)
Zoning	R1-8
Development Potential	14
Density	4.307692308
Shape	Rectangular
Topography	Level
Access	Average
Exposure	Average
Corner	No
Utilities	Yes



OREM RESIDENTIAL LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$540,000	$12.40	$125,357
Net	$540,000	$12.40	$125,357

CONFIRMATION

Name	Todd Gubler	
Company	G Utah Real Estate	
Source	Seller's Broker	
Date / Phone Number	01/7/2025	+1 801 494 9911

REMARKS

This site is situated along 400 W in the western portion of Orem, UT just east of I-15. This site is rectangular in shape and has level topography. No water shares were included. The LDS church building is adjacent to the south. Sewer and storm drainage is available on the south side of the parcel. According to the Listing Broker, this site is currently under contract. This is raw development ground with no entitlements or approvals in place.The listing price was $1,950,000. The broker would not give the exact price; however, he mentioned that it was approximately 5%-10% under the listing price. We have reduced our analysis price by 10%. The broker reports that utilities are on the property. The zoning allows for 8,000 sf lots. We estimate the development capacity to be 14 units. Primary information is available through MLS #2012669.

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COMPARABLE 2

LOCATION INFORMATION

Name	Residential Development Land
Address	636 Slant Road
City, State, Zip Code	Spanish Fork, UT, 84660
County	Utah
MSA	Provo-Orem, UT
APN	46-416-0013

SALE INFORMATION

Buyer	Alpine Homes, LLC
Seller	DF Adams Ranch, LLC
Transaction Date	08/26/2024
Transaction Status	Recorded
Transaction Price	$1,350,000
Analysis Price	$1,350,000
Recording Number	57418:2024
Rights Transferred	Fee Simple
Financing	Conventional
Conditions of Sale	Arms-Length
Marketing Time	4 Months

PHYSICAL INFORMATION

Intended Use	Single-Family Residential
Location	Average
Site Size (Net)	2.72 Acres (118,388 SF)
Site Size (Gross)	2.89 Acres (125,888 SF)
Zoning	R-1-9
Development Potential	12
Density	4.42
Shape	Irregular
Topography	Generally Level
Access	Average
Exposure	Average
Corner	No
Utilities	No



RESIDENTIAL DEVELOPMENT LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$467,128	$10.72	$112,500
Net	$496,689	$11.40	$112,500

CONFIRMATION

Name	Bryant Parker	
Company	Colliers	
Source	Seller's Broker	
Date / Phone Number	01/14/2025	+1 385 866 3007

REMARKS

This is in a residential area of Spanish Fork 1/3 mile away from Maple Mountain High School. There is a proposed grocery store nearby. Frontage would be on Spanish Fork Parkway. The entire site is planned for 13 lots; however, lot 12 (estimated 7,500 SF) was not included with the sale. The net land reflects the actual sold property. According to the listing broker, approvals had been received from Spanish Fork City.

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COMPARABLE 3

LOCATION INFORMATION

Name	Salem Residential Land
Address	824 E Salem Canal Road
City, State, Zip Code	Salem, UT, 84653
County	Utah
MSA	Provo-Orem, UT
APN	30-039-0043

SALE INFORMATION

Buyer	Kory Isaac Tanner
Seller	Steven Bird
Transaction Date	01/29/2024
Transaction Status	Recorded
Transaction Price	$850,000
Analysis Price	$850,000
Recording Number	5556:2024
Rights Transferred	Fee Simple
Financing	Cash at Settlement
Conditions of Sale	Arms-Length
Marketing Time	5 Months

PHYSICAL INFORMATION

Intended Use	Residential
Location	Average
Site Size (Net)	2.00 Acres (87,120 SF)
Site Size (Gross)	2.00 Acres (87,120 SF)
Zoning	R15
Development Potential	4
Density	2.32
Shape	Irregular
Topography	Flat
Access	Average
Exposure	Average
Corner	No
Utilities	Yes



SALEM RESIDENTIAL LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$425,000	$9.76	$212,500
Net	$425,000	$9.76	$212,500

CONFIRMATION

Name	Jordan Durfey	
Company	Brand Real Estate and Investment Group	
Source	Seller's Broker	
Date / Phone Number	02/10/2025	+1 801 362 1883

REMARKS

This property was zoned R-15 which allows 15,000 square foot lots. We estimate the development capacity to be 2.3 units per acre based on a 20% land area allocation for infrastructure.

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COMPARABLE 4

LOCATION INFORMATION

Name	Lehi Residential Land
Address	500 South Center Street
City, State, Zip Code	Lehi, UT, 84043
County	Utah
MSA	Provo-Orem, UT
APN	13-006-0057

SALE INFORMATION

Transaction Date	09/27/2023
Transaction Status	Recorded
Transaction Price	$2,850,000
Analysis Price	$2,850,000
Rights Transferred	Fee Simple
Conditions of Sale	Arms-Length

PHYSICAL INFORMATION

Intended Use	Residential
Location	Good
Site Size (Net)	6.99 Acres (304,484 SF)
Site Size (Gross)	6.99 Acres (304,484 SF)
Zoning	RA-1
Development Potential	22
Density	3.25
Shape	L-shaped
Topography	Level
Access	Average
Exposure	Average
Corner	No
Utilities	Yes



LEHI RESIDENTIAL LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$407,725	$9.36	$129,545
Net	$407,725	$9.36	$129,545

CONFIRMATION

Name	Dan Ford	
Company	Colliers International	
Source	Seller's Broker	
Date / Phone Number	01/5/2024	+1 801 420 0137

REMARKS

This land sale is situated along S Center Street and is located in the central portion of Lehi, UT. This land is zoned RA-1 and allows for 3.25 units/acre. The land is generally L-shaped and has a level topography. According to Dan Ford, the listing agent on the sale, this parcel was sold on September 27, 2023 for $2,850,000 and was an arms-length transaction.

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COMPARABLE 5

LOCATION INFORMATION

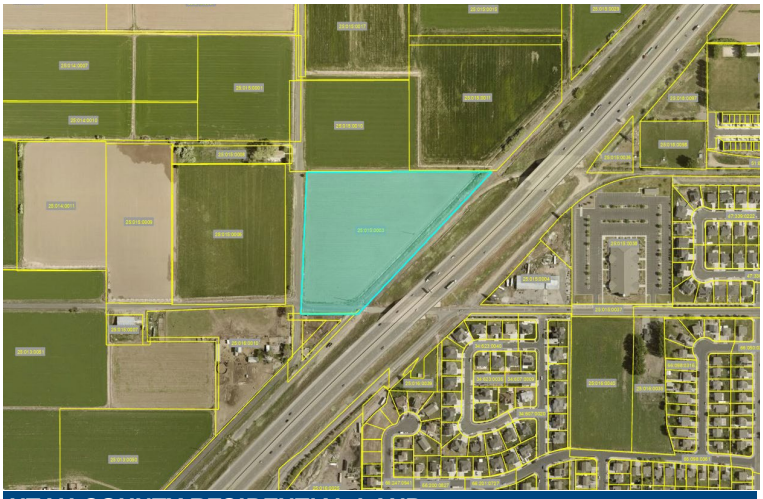
Name	Utah County Residential Land
Address	6800 S 1050 W
City, State, Zip Code	Spanish Fork, UT, 84660
County	Utah
MSA	Provo-Orem, UT
APN	25-015-0003

SALE INFORMATION

Buyer	15 Center Farm LLC
Seller	Markham Family LLC
Transaction Date	06/2/2023
Transaction Status	Recorded
Transaction Price	$2,750,000
Analysis Price	$2,750,000
Recording Number	35877:2023
Rights Transferred	Fee Simple
Financing	All Cash
Conditions of Sale	Arms-Length
Marketing Time	1 Months

PHYSICAL INFORMATION

Intended Use	Single-Family Residential
Location	Average
Site Size (Net)	8.78 Acres (382,456 SF)
Site Size (Gross)	8.78 Acres (382,456 SF)
Zoning	RA-5
Density	0.2
Shape	Triangular
Topography	Level
Access	Average
Exposure	Average
Corner	No
Utilities	No



UTAH COUNTY RESIDENTIAL LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$313,212	$7.19	$2,750,000
Net	$313,212	$7.19	$2,750,000

CONFIRMATION

Name	Steve Vincent	
Company	Berkshire Hathaway HomeServices Elite Real Estate	
Source	Seller's Broker	
Date / Phone Number	02/17/2025	+1 801 362 9235

REMARKS

This property is located in Utah County, just outside the city limits of Spanish Fork. The MLS listing reports that Spanish Fork has the site master planned for Mixed Use. The sale included 18 shares of Spanish Fork West irrigation water. Sewer and power are in the street. Culinary water is approximately 1,200 feet to the east at 100 South and 1230 West in Spanish Fork. Development at a density higher than one unit per five acres would require annexation into Spanish Fork. The agent reports that the buyers were speculative and anticipated holding the property for a few years and then annexing into the city and developing the property with a mix of commercial and medium to high density residential.

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COMPARABLE 6

LOCATION INFORMATION

Name	Provo Residential Land
Address	968 West 1020 South
City, State, Zip Code	Provo, UT, 84601
County	Utah
MSA	Provo-Orem, UT
APN	21-044-0029

SALE INFORMATION

Buyer	Tristan Taei
Seller	Innova Concepts Inc
Transaction Date	04/27/2023
Transaction Status	Recorded
Transaction Price	$800,000
Analysis Price	$810,000
Recording Number	27151
Rights Transferred	Fee Simple
Financing	All Cash
Conditions of Sale	Arms-Length
Marketing Time	7 Months

PHYSICAL INFORMATION

Intended Use	Residential
Location	Average/Good
Site Size (Net)	1.88 Acres (81,892 SF)
Site Size (Gross)	1.88 Acres (81,892 SF)
Zoning	R17
Development Potential	8
Density	4.25
Shape	Rectangular
Topography	Flat
Access	Average
Exposure	Average
Corner	No
Utilities	Yes



PROVO RESIDENTIAL LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$430,851	$9.89	$101,250
Net	$430,851	$9.89	$101,250

CONFIRMATION

Name	Elizabeth Linares	
Company	Remax	
Source	Seller's Broker	
Date / Phone Number	02/10/2025	+1 801 669 4562

REMARKS

This property had preliminary approval from the city for eight lots. There was an old home on the property that had to be demolished before getting a final plat approval from the city. We estimate the demolition cost to be $10,000. Utilities were in the street.

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LAND SALES ADJUSTMENT TABLE

COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5	COMPARABLE 6
Name	The Clements Family Trust Parcel	Orem Residential Land	Residential Development Land	Salem Residential Land	Lehi Residential Land	Utah County Residential Land	Provo Residential Land
Address	400 North 2500 West	1716 South 400 West Street	636 Slant Road	824 E Salem Canal Road	500 South Center Street	6800 S 1050 W	968 West 1020 South
City	Springville	Orem	Spanish Fork	Salem	Lehi	Spanish Fork	Provo
SF	126,685	141,570	118,388	87,120	304,484	382,456	81,892
SALE INFORMATION							
Date		1/14/2025	8/26/2024	1/29/2024	9/27/2023	6/2/2023	4/27/2023
Status		In Contract	Recorded	Recorded	Recorded	Recorded	Recorded
Rights Transferred		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Analysis Price		$1,755,000	$1,350,000	$850,000	$2,850,000	$2,750,000	$810,000
Price/SF		$12.40	$11.40	$9.76	$9.36	$7.19	$9.89
TRANSACTIONAL ADJUSTMENTS							
Property Rights		0%	0%	0%	0%	0%	0%
Financing		0%	0%	0%	0%	0%	0%
Conditions of Sale		0%	0%	0%	0%	0%	0%
Expenditures After the Sale		0%	0%	0%	0%	0%	0%
Market Conditions[1]		0%	1%	3%	3%	4%	5%
Subtotal Transactional Adj Price		$12.40	$11.51	$10.05	$9.64	$7.48	$10.38
PROPERTY ADJUSTMENTS							
Location	Average	Good/Excellent	Average	Average	Good	Average	Average/Good
Adjustment		-25%	0%	0%	-10%	0%	-5%
Size	2.91	3.25	2.72	2.00	6.99	8.78	1.88
Adjustment		5%	0%	-5%	15%	20%	-5%
Access	Average	Average	Average	Average	Average	Average	Average
Adjustment		0%	0%	0%	0%	0%	0%
Shape	Rectangular	Rectangular	Irregular	Irregular	L-shaped	Triangular	Rectangular
Adjustment		0%	0%	0%	0%	0%	0%
Site Utility Rating	Average	Average	Average	Average	Average	Average	Average
Adjustment		0%	0%	0%	0%	0%	0%
Density (Units/AC)	6.0 : 1	4.3 : 1	4.4 : 1	2.3 : 1	3.1 : 1	0.2 : 1	4.3 : 1
Adjustment		10%	10%	25%	20%	0%	10%
Development Timeline	Near Term	Immediate	Immediate	Immediate	Immediate	Uncertain	Immediate
Adjustment		-20%	-25%	-20%	-20%	10%	-20%
Subtotal Property Adjustment		-30%	-15%	0%	5%	30%	-20%
TOTAL ADJUSTED PRICE		**$8.68**	**$9.78**	**$10.05**	**$10.12**	**$9.72**	**$8.30**

STATISTICS	UNADJUSTED	ADJUSTED
LOW	$7.19	$8.30
HIGH	$12.40	$10.12
MEDIAN	$9.83	$9.75
AVERAGE	$10.00	$9.44

[1] Market Conditions Adjustment: 3%

Date of Value (for adjustment calculations): 2/12/25

LAND SALES ANALYSIS

Introduction

The comparable land sales indicate an adjusted value range from $8.30 to $10.12/SF, with a median of $9.75/SF and an average of $9.44/SF. The range of total gross adjustment applied to the comparables was from 34% to 68%, with an average gross adjustment across all comparables of 49%. The level of total adjustment applied to the comparables is considered to be moderate. Overall, the availability of market data and extent of analysis was adequate to develop a reasonably credible opinion of land value. The adjustment process for each comparable land sale is discussed in the following paragraphs.

PROPERTY ADJUSTMENTS

Location

Comparables 2, 3 and 5 are located in southern Utah County in areas similar to the subject. Comparable 6 is in Provo, west of the freeway and nearer the airport, and is adjusted downward 5% as well. Comparable4 is in a superior area in west Lehi and is adjusted downward 10%. Comparable 1 is in a superior area in Orem near UVU and is adjusted downward 25%.

Size

In markets where a reasonable supply of vacant development land is available, large parcels typically have a lower value per square foot or per acre than smaller parcels of the same quality. A large parcel generally has a smaller pool of potential buyers. It can have a longer potential absorption period, and may therefore have greater perceived investment risk. Size does have less of an impact on price in mature locations where land is relatively scarce. Based on an analysis of the sales, we conclude land prices in this market decline about 10% each time the size is doubled. The adjustments are made on that basis.

Access

The comparable sales are all reasonably similar in terms of quality of access. No adjustments for access are made.

Shape

The comparables and the subject are reasonable in shape and can accommodate a wide range of potential improvements. We have made no adjustment for shape.

Site Utility Rating

The comparables and the subject can be fully utilized and have no obvious deficiencies or unusable ground. No adjustment has been made for utility.

Density

In general, residential land with higher allowable density (dwelling units per acre) has a higher value per acre than land with lower allowable density. Comparables 3 and 4 are the lowest density of the comparables and are adjusted upward 20% and 25%. Comparables 1, 2 and 6 allow 4.3 units per acre and are adjusted upward 10%. Comparable 5 has very low density, but like the subject is expected to be rezoned to a higher density at some point in the future. For comparison purposes, we assume the expected future density will be similar to the subject's and we have made no adjustment.

Development Timeline

In order to be rezoned and developed at a density of approximately six units per acre, the subject will need to be incorporated into the Lakeside Village master plan. This fact increases the uncertainty and the development timeline a potential buyer would expect. The majority of comparable sales are one-off pieces of development land that can be developed independently, and therefore, more quickly and with more certainty. These are adjusted downward 20%. Comparable 5 is located outside of Spanish Fork city limits, doesn't have all utilities

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nearby and the agent indicated that the buyers expected to wait a few years before being able to develop. It is adjusted upward 10%. Comparable 2 had a plat approved with Spanish Fork City and is adjusted downward 25%.

CALCULATION OF VALUE

The comparable land sales indicate an adjusted value range from $8.30 to $10.12/SF, with a median of $9.75/SF and an average of $9.44/SF. Based on the results of the preceding analysis, Comparable 2 ($9.78/SF adjusted) and Comparable 5 ($9.72/SF adjusted) are given primary consideration for the subject's opinion of land value. Comparable 2 is a recent sale and is a good location and density comparison. Comaprable 5 brackets the subject's development timeline.

The following table summarizes the analysis of the comparables, reports the reconciled price per square foot value conclusion, and presents the concluded value of the subject site.

CALCULATION OF LAND VALUE

	ANALYSIS	ADJUSTMENT				NET	GROSS	OVERALL
COMP	PRICE	TRANSACTIONAL[1]	ADJUSTED	PROPERTY[2]	FINAL	ADJ %	ADJ %	COMPARISON
1	$12.40	0%	$12.40	-30%	**$8.68**	-30%	60%	SECONDARY
2	$11.40	1%	$11.51	-15%	**$9.78**	-14%	36%	PRIMARY
3	$9.76	3%	$10.05	0%	**$10.05**	3%	53%	SECONDARY
4	$9.36	3%	$9.64	5%	**$10.12**	8%	68%	SECONDARY
5	$7.19	4%	$7.48	30%	**$9.72**	35%	34%	PRIMARY
6	$9.89	5%	$10.38	-20%	**$8.30**	-16%	45%	SECONDARY
LOW	**$8.30**					**AVERAGE**		**$9.44**
HIGH	**$10.12**					**MEDIAN**		**$9.75**

COMPONENT	SUBJECT SF		$/SF CONCLUSION		VALUE
TOTAL PROPERTY	**126,685**	**x**	$9.75	**=**	**$1,235,182**

[1]Cumulative [2]Additive Rounded to nearest $1

LAND VALUE CONCLUSION – BEFORE CONDITION

The Sales Comparison Approach was utilized for valuation of the subject site, as it best reflects the decision-making of buyers and sellers of raw development land in the local marketplace. The purpose of this appraisal is to develop an opinion of the Fair Market Value of the subject property's fee simple interest. The following table conveys the final opinion of market value of the subject property that is developed within this appraisal report:

Our opinion of value reflects current conditions and the likely actions of market participants as of the date of value. It is based on the available information gathered and provided to us, as presented in this report, and does not predict future performance. Changing market or property conditions can and likely will have an effect on the subject's value.

ANALYSIS OF VALUE CONCLUSIONS

VALUATION INDICES	FAIR MARKET VALUE
INTEREST APPRAISED	**FEE SIMPLE**
DATE OF VALUE	**FEBRUARY 12, 2025**
FINAL VALUE CONCLUSION	**$1,235,182**
$/SF	$9.75

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The purpose of the land value above is to be used in the following analysis; accordingly, it has not been rounded. This is typical for a right-of-way assignment which typically requires that rounding is done only for the final determination of just compensation.

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INTRODUCTION TO AFTER ANALYSIS

The first step in determining the just compensation associated with the parts taken is to estimate the contributory value of the parcel being acquired as part of the larger parcel. This is the land value of the fee taking, plus the depreciated value of any improvements.

The value of the easements must then be determined. Placement of an easement on a property generally reduces its market value, because property rights have been lost. The value of an easement is generally considered to be some portion of underlying market value.

The next step in the analysis is to determine the net damages, if any, that accrue to the remainder by reason of the taking and the construction of the project in the manner proposed. This analysis involves determining the value of the remaining property before and after the taking. The difference between the value of the remainder in the before condition, and the value of the remainder in the after condition, represents the loss in value that accrues to the remaining property by reason of the taking and the construction of the project in the manner proposed.

Severance damages that are calculated are then offset by project benefits, if any. Aspects of the project that provide an increase in value that is unique to a particular property may be considered special benefits. In the state of Utah, special benefits can offset damages to the remainder, but cannot offset the part taken. If mitigation costs are required to negate potential severance damages, they are included as part of the value of the property rights to be acquired and considered to be curable severance damages.

Finally, the owner must be compensated if there is a time period in which he loses the partial or entire use of the property. This includes the value of any temporary construction easements.

VALUE OF PARTS TAKEN

The following analysis is based on the data and conclusions from the preceding valuation analyses. The parts taken are initially valued as a portion of the whole. That is, for the area reflecting a fee acquisition, the value is allocated on a proportionate basis according to the value of the underlying land area affected.

The area taken for the project (the fee taking) represents a full fee taking of the designated area. The owner is deprived of all use of the land. Accordingly, the area required for the fee taking contributes to the overall property value at 100% of fee simple interest. Below is the breakdown of the land and building area (if any) that is being taken and remaining.

PARTS TAKEN BREAKDOWN

	TOTAL SF	TAKEN SF	REMAINING SF
Land Area - Fee Simple	126,685	15,097	111,588
Perpetual Easement		*2,284* *	
Temporary Construction Easement (TCE)		*2,359* *	
TOTAL	**126,685**	**15,097**	**111,588**

*Easements are portions of the bundle of rights and are therefore not deducted; they will be addressed later in the report

Site Value

The site for the parts taken totals 15,097 SF. The overall site value on a price per square basis is $9.75/SF. In this analysis, we applied the overall price per square foot to the taken area as the site in its after condition continues to have a similar utility. Accordingly, a “zones of value” approach to the site valuation is not warranted.

This appraisal is based on the extraordinary assumption that the provided size of the fee acquisition area is accurate despite the absence of a legal description. If this assumption proves to be inaccurate, the opinions of value stated herein may require revision.

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VALUE OF THE PERPETUAL EASEMENT

The reported size of the five-foot-wide perpetual easement is 2,284 square feet (0.08 acre) and will lie along the boundary between the remainder property and the future road corridor. Its purpose is assumed to be for the maintenance of utilities, though no specific easement language was provided.

The value of an easement is generally considered to be some portion of the underlying market value. Theoretically, the proportion can range from near 0% up to 100%. The high end would only be appropriate if an easement effectively eliminated the use and enjoyment of the area by the underlying fee owner. Appraisers sometimes consider less than 50% to be appropriate for underground utility easements when the easement will overlap an existing underground utility easement. The reasoning is that the fee owner retains most of the use and enjoyment of the easement area and suffers little loss in value from the additional utility in the same easement area.

Rod Sorenson of Sandy City Public Utilities reported that they generally negotiate in a range from 30% to 50% of fee value for underground utility easements, and will generally go to 50% if they, "…know there will be a fight." Above that range, or for more complex issues, they typically hire an appraiser to determine the proper amount. He figures the correct amount to be less if there are overlapping easements. In one case, he offered only 10% of fee value because the easement was in an area that had already been set aside for future Highland Drive and had no impact to the owner.

Dave Ingleby of Questar Gas reported that they typically pay 50% of fee value for an underground utility easement, but certain circumstances can change that figure up or down. If the easement is in an area already encumbered by other underground utility easements, they may try to negotiate as low as 10% to 25% of fee value. In cases where they have to fence an area off, they typically pay 100% of fee value but they prefer to buy the fee in those cases.

In the subject case, a perpetual easement appears to be within the future road right-of-way that will be dedicated if and when the owner decides to develop the site. However, we have not been provided with maps that show that specific location of the easement. We assume a perpetual easement would include typical occupancy rights, including the right to construct, maintain, and continue the existence of underground utilities. On that basis, we conclude 30% of value to be an appropriate compensation for the loss of property rights in this case. The value of the perpetual easement is as follows:

VALUE OF PERPETUAL EASEMENT

	TOTAL SF	$/SF	% OF FEE SIMPLE VALUE	INDICATED VALUE
21-096-0018	2,284	$9.75	30%	$6,681

This appraisal is based on the extraordinary assumption that the 5-foot-wide perpetual easement exists as described, with the location and extent aligning with the intended project scope, though no exact legal descriptions or surveyed dimensions were provided. If any of these assumptions prove to be inaccurate, the opinions of value stated herein may require revision.

TOTAL CONTRIBUTORY VALUE OF THE PARTS TAKEN

The following table summarizes the contributory value of the parts taken:

TOTAL VALUE OF PART TAKEN

	SF		$/SF		INDICATED VALUE
Land Value of the Fee Take	15,097	x	$9.75	=	$147,196
Value of the Perpetual Easement					$6,681
TOTAL PARTS TAKEN					$153,876

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VALUE OF THE REMAINDER AS PART OF THE WHOLE

The value of the taking deducted from the value of the property in the before condition results in the value of the remainder parcel as a part of the whole:

TOTAL VALUE OF REMAINDER AS PART OF THE WHOLE

	INDICATED VALUE
Total Value of the Subject in Before Condition	$1,235,182
Total Value Parts Taken	$153,876
TOTAL VALUE OF THE REMAINDER AS PART OF THE WHOLE	**$1,081,306**

The above figure is used for comparison purposes (with the value of the remainder in the after condition) as the method for estimating severance damages to the remainder.

VALUE OF THE REMAINDER IN THE AFTER CONDITION

As concluded above, the remainder property in the after condition will suffer no net damages as a result of the parts taken. Therefore, the value of the remainder in the after condition is the same as the value of the remainder as a part of the whole.

VALUE OF REMAINDER IN THE AFTER CONDITION

	SF		$/SF		% ALLOCATION		INDICATED VALUE
Land Value - Fee Simple	109,304	x	$9.75	x	100%	=	$1,065,714
Easement Area - Remainder	2,284	x	$9.75	x	70%	=	$15,592
VALUE OF THE REMAINER IN THE AFTER CONDITION							$1,081,306

SEVERANCE DAMAGES

In addition to the part taken, the owner is entitled to net damages to the remainder property. Damages are a decrease in the value of the remainder caused by severance (separation) from the part taken, or by the construction the condemnor proposes on the part taken.

If the value of the remainder in the after condition is less than the value of the remainder as a portion of the whole, the property suffers permanent severance damages. Alternatively, if the value of the remainder in the after condition is greater than the value of the remainder as a portion of the whole, the property enjoys benefits reflected in an increase in value. Special benefits can offset damages to the remainder, but cannot offset the part taken.

As previously discussed, the remainder parcel will have similar access, topography and overall functionality and the same highest and best use as in the before condition. While the shape changes slightly, the parcel has a similar utility as in the before condition. We conclude no severance damages.

SEVERANCE DAMAGES

	INDICATED VALUE
Remainder as a Portion of the Whole	$1,081,306
Value of the Remainder in the After Condition	$1,081,306
Severance Damages	$0
Cost to Cure	$0
TOTAL SEVERANCE DAMAGES	$0

PROJECT BENEFITS

Project benefits reflect the enhanced value brought to a property as a result of the Project. In the state of Utah, special benefits can offset damages to the remainder, but cannot offset the part taken.

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Special benefits are those which result directly and peculiarly to the particular tract of which a part is taken for a public improvement. Special benefits are ones that are direct, physical, proximate, actual, usable and certain. Physical change is defined as a construction of frontage roads, improved ingress and egress, improved drainage, or similar change in the property. An example of a special benefit would be where the remainder property has a new road providing access suitable for development of lots that it did not have before the taking.

The subject property has the same highest and best use in the before and after condition. However, completion of the project will improve access to the site and will facilitate development of the area. The subject will receive these special benefits from the project in the after condition. However, because there are no severance damages for the project benefits to offset, calculating the benefits is not necessary.

TEMPORARY CONSTRUCTION EASEMENT

Temporary construction easements (TCE) reflect a transaction equivalent to a rental of the land for the period of construction. It can be evaluated on the basis of negotiated land rental transactions, or (in the absence of directly relevant market transactions) a rate of return may be applied to the value of the underlying land.

Annual land rates of return typically vary from 5% to 10%. At the low end of the range are commercial pad sites for gas stations or fast-food retailers on high-traffic volume street corners. The middle of the range is primarily office and industrial sites. The upper end of the range are typically rate of return requirements for public agencies. As a public agency wishes to acquire a TCE that has no commercial value in and of itself, an annual rate of return towards the upper end of the range is reasonable. We conclude to 9.0%.

An application of the appropriate value per square foot (in the after condition) is applied to the concluded rate of return for the land area affected by the temporary construction easements. For the area of the TCEs, the indicated fee value of the land rental component is calculated in the table below.

TEMPORARY CONSTRUCTION EASEMENT

	LAND VALUE $/SF		SF		LAND VALUE		RATE OF RETURN		ANNUAL EASEMENT VALUE	MONTHLY EASEMENT VALUE		MONTHS		INDICATED VALUE
Land Rent	$9.75	x	2,359	=	$23,000	x	9%	=	$2,070	$173	x	36	=	$6,210
TEMPORARY CONSTRUCTION EASEMENT (UNDISCOUNTED)														$6,210

As shown towards the right side of the table, the monthly easement rent is multiplied by the estimated 36-month rental period to arrive at the indicated value.

In a typical lease, the rent would be paid monthly. In this case, however, the rent will be paid in a lump sum, up front. Therefore, a discount in the rent is appropriate to account for the time value of money. Typical discount rates range 100-150 basis points higher than the annual rate of return in order to account for increasing risk over time. However, in this case, the subject's rent remains flat year-over-year for the entire period, substantially decreasing risk. Accordingly, we conclude to a "safe rate" discount rate of 4.0%.

NET PRESENT VALUE OF TCE

YEAR	RENTAL INCOME CONTRACT	x	PV FACTOR @ 4.00%	=	PRESENT VALUE
1	$2,070		0.9615		$1,990
2	$2,070		0.9246		$1,914
3	$2,070		0.8890		$1,840
NET PRESENT VALUE OF TCE					$5,744

Rounded to nearest $1

VALUATION SUMMARY

On the preceding pages we have developed opinions pertaining to the subject property and the components of which are relevant to the parts taken and the impact of the project. A summary of the preceding discussion and analysis is presented below:

VALUATION SUMMARY

	VALUE OPINIONS	VALUE OF PROPERTY RIGHTS
Value of the Larger Parcel	$1,235,182	
Fee Taking (inc. Site Imp.)	($147,196)	$147,196
Perpetual Easement	($6,681)	$6,681
Value of the Remainder as a Portion of the Whole	$1,081,306	
Value of the Remainder in the After Condition	$1,081,306	
Severance Damages	$0	
Cost to Cure	$0	
Project Benefits	$0	
Net Severance Damages	$0	$0
Temporary Construction Easement (TCE)		$5,744
TOTAL FAIR MARKET VALUE OF PROPOSED PROPERTY AND RIGHTS TAKEN (ROUNDED)		**$159,600**

We have rounded the value to the nearest $100, which is appropriate given the magnitude of the valuation. Utah law does not specify how the value of property rights should be rounded.

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We certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions of the signers are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- The signers of this report has 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.
- Chelsey Jorgensen, MAI has performed no services, as an appraiser or in any other capacity regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. Kelly Tate, MAI has performed no services, as an appraiser or in any other capacity regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- The signers are not biased with respect to the property that is the subject of this report or to the parties involved with this assignment.
- The engagement in this assignment was not contingent upon developing or reporting predetermined results.
- The compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The reported analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice* and the *Code of Professional Ethics and Standards of Professional Appraisal* Practice of the Appraisal Institute.
- Chelsey Jorgensen, MAI inspected the property that is the subject of this report. Kelly Tate, MAI did not inspect the property that is the subject of this report. Jake Jorgensen inspected the property that is the subject of this report.
- Jake Jorgensen (Utah State Registered Appraiser Assistant No. 7338339-CR00) provided significant real property appraisal assistance to the appraisers signing the certification. Assistance included gathering, analyzing and reporting regional, local area, zoning, and tax information, confirming some of the comparable data, and assisting with portions of the valuation analysis.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report Chelsey Jorgensen, MAI and Kelly Tate, MAI completed the continuing education program for Designated Members of the Appraisal Institute.

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March 10, 2025
Date

Chelsey Jorgensen, MAI
Senior Valuation Specialist
Certified Residential Real Estate Appraiser
State of Utah License #9877947-CG00
+1 385 249 5448
chelsey.jorgensen@colliers.com



March 10, 2025
Date

Kelly Tate, MAI
Senior Valuation Services Director
Certified General Real Estate Appraiser
State of Utah License #8384882-CG00
+1 385 249 5444
kelly.tate@colliers.com

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This appraisal is subject to the following assumptions and limiting conditions:

- The appraisers may or may not have been provided with a survey of the subject property. If further verification is required, a survey by a registered surveyor is advised.
- We assume no responsibility for matters legal in character, nor do we render any opinion as to title, which is assumed to be marketable. All existing liens, encumbrances, and assessments have been disregarded, unless otherwise noted, and the property is appraised as though free and clear, under responsible ownership, and competent management.
- The exhibits in this report are included to assist the reader in visualizing the property. We have made no survey of the property and assume no responsibility in connection with such matters.
- Unless otherwise noted herein, it is assumed that there are no encroachments, zoning, or restrictive violations existing in the subject property.
- The appraisers assume no responsibility for determining if the property requires environmental approval by the appropriate governing agencies, nor if it is in violation thereof, unless otherwise noted herein.
- Information presented in this report has been obtained from reliable sources, and it is assumed that the information is accurate.
- This report shall be used for its intended purpose only, and by the party to whom it is addressed. Possession of this report does not include the right of publication.
- The appraisers may not be required to give testimony or to appear in court by reason of this appraisal, with reference to the property in question, unless prior arrangements have been made therefore.
- The statements of value and all conclusions shall apply as of the dates shown herein.
- There is no present or contemplated future interest in the property by the appraisers which is not specifically disclosed in this report.
- Without the written consent or approval of the authors neither all, nor any part of, the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media. This applies particularly to value conclusions and to the identity of the appraisers and the firm with which the appraisers are connected.
- This report must be used in its entirety. Reliance on any portion of the report independent of others, may lead the reader to erroneous conclusions regarding the property values. Unless approval is provided by the authors no portion of the report stands alone.
- The valuation stated herein assumes professional management and operation of the buildings throughout the lifetime of the improvements, with an adequate maintenance and repair program.
- The liability of Colliers International Valuation & Advisory Services, its principals, agents, and employees is limited to the client. Further, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The appraisers are in no way responsible for any costs incurred to discover or correct any deficiency in the property.
- The appraisers are not qualified to detect the presence of toxic or hazardous substances or materials which may influence or be associated with the property or any adjacent properties, has made no investigation or analysis as to the presence of such materials, and expressly disclaims any duty to note the degree of fault. Colliers International Valuation & Advisory Services and its principals, agents, employees, shall not be liable for any costs, expenses, assessments, or penalties, or diminution in value, property damage, or personal

injury (including death) resulting from or otherwise attributable to toxic or hazardous substances or materials, including without limitation hazardous waste, asbestos material, formaldehyde, or any smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, solids or gasses, waste materials or other irritants, contaminants or pollutants.

- The appraisers assume no responsibility for determining if the subject property complies with the *Americans with Disabilities Act* (*ADA*). Colliers International Valuation & Advisory Services, its principals, agents, and employees, shall not be liable for any costs, expenses, assessments, penalties or diminution in value resulting from non-compliance. This appraisal assumes that the subject meets an acceptable level of compliance with *ADA* standards; if the subject is not in compliance, the eventual renovation costs and/or penalties would negatively impact the present value of the subject. If the magnitude and time of the cost were known today, they would be reduced from the reported value conclusion.
- An on-site inspection of the subject property was conducted. No evidence of asbestos materials on-site was noted. A Phase 1 Environmental Assessment was not provided for this analysis. This analysis assumes that no asbestos or other hazardous materials are stored or found in or on the subject property. If evidence of hazardous materials of any kind occurs, the reader should seek qualified professional assistance. If hazardous materials are discovered and if future market conditions indicate an impact on value and increased perceived risk, a revision of the concluded values may be necessary.
- A detailed soils study was not provided for this analysis. The subject's soils and sub-soil conditions are assumed to be suitable based upon a visual inspection, which did not indicate evidence of excessive settling or unstable soils. No certification is made regarding the stability or suitability of the soil or sub-soil conditions.
- This analysis assumes that the financial information provided for this appraisal, including rent rolls and historical income and expense statements; accurately reflect the current and historical operations of the subject property.

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Engagement Letter
Professional Service Agreement
Valuation Glossary
Qualifications of Appraisers
Qualifications of Colliers International Valuation & Advisory Services

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Colliers Valuation & Advisory Services

Professional Service Agreement

6440 South Millrock Drive, Suite 570
Salt Lake City, UT 84121
Direct: +1 385 249 5444
www.colliers.com/valuationadvisory

January 29, 2025

Kelly Tate, MAI
Senior Valuation Services Director
Direct: +1 385 249 5444
kelly.tate@colliers.com

Calvin Clark, PhD, PE
Transportation Project Manager
Mountainlands Association of Governments (MAG)
586 E 800 North
Orem, UT 84097
cclark@magutah.com
801-473-1089

c/o

Glen Lent
Lakeside Landing Partners
7585 Union Park Ave, Suite 200
Cottonwood Heights, UT 84047
glen@alpinedevelopment.com
801-948-8800

RE: 2600 West ROW Appraisals

Dear Glen:

Thank you for considering Colliers International Valuation & Advisory Services, LLC for the assignment identified in the below-stated Professional Service Agreement. Please sign one copy of the agreement and return it to me, thereby indicating your authorization for us to proceed with this assignment and your acceptance of the attached Terms and Conditions.

PROFESSIONAL SERVICE AGREEMENT ("Agreement")	
Project	2600 West Corridor ROW ("Property")
Location	2600 West Springville, UT 84663
Project Description	6 Land Takings Along 2600 West Including: • Crandall Properties, LTD – 0.98 Acres • Aileen H. Clyde Trust 09-27-1988 (depending on what Chris finds out) – 0.76 Acres • Crandall Farms, Inc. – 0.52 Acres • Lynn & Sharon Properties, LLC – 0.75 Acres • Lakeside Land Partners, LLC – 1.94 Acres • The Clements Family Trust, U/A dated August 30, 2018 – 0.34 Acres
Parties	Colliers International Valuation & Advisory Services, LLC ("CIVAS") and Mountainlands Association of Governments (MAG) (herein at times referred to as "Client")

Intended User	The intended users are Lakeside Mountainlands Association of Governments (MAG), and Springville City to provide funds to the landowners to preserve future corridors. It should be noted that if this engagement is directly with the owner of the Property, the Appraisal will not be accepted by federally insured lenders due to FIRREA Compliance, limiting the use of this report. Should this potentially impact your source of lenders, we recommend engagement be directed by a Federally Insured Lender.
Intended Use	The report to be performed under this Agreement ("Appraisal") is intended to assist to provide funds to the landowners to preserve future corridors. The report is not intended for any other use.
Purpose	Market Value
Type of Appraisal	CIVAS will produce an Appraisal Report in which the appraiser's analysis and conclusions will be summarized within this document.
Rights Appraised	Fee Simple
Date of Value	Date of inspection
Scope of Work	CIVAS and/or its designated affiliate will provide the Appraisal in accordance with USPAP, and the Code of Ethics and Certifications Standards of the Appraisal Institute and State Licensing Laws. CIVAS will research relevant market data and perform analysis to the extent necessary to produce credible appraisal results. Based on our discussions with the Client, the Client has requested the following valuation scenarios: › As-Is Market Value CIVAS anticipates developing the following valuation approaches: › Land Value – Sales Comparison Approach and ROW Analysis An observation of the subject property will be performed. **Please note if it's a requirement per the client's underwriting guidelines to analyze and report all approaches to value, this will be performed although some approaches may be limited in application.** The scope of work will be included in the Appraisal. A copy of the Assumptions and Limiting Conditions, which appear in the Appraisal, is available upon request.
Delivery	Four (4) weeks
Professional Fee	$2,900 Each or $17,400 Total
Expenses	Fees include all associated expenses
No. of Reports	One (1) Electronic Draft Appraisal and One (1) Electronic Final Appraisal. No printed copies will be delivered to the client.
Retainer	**A 50% retainer is required.** <u>To Pay By Check:</u> Please remit all payments to Colliers International Valuation & Advisory Services 26791 Network Place Chicago, IL 60673-1267 **Please include the property name or address on the memo line** <u>Wire Instructions:</u> JP Morgan Chase Bank, NA Chicago, IL 70-2322/719 Account Name: Colliers International Valuation & Advisory Services, LLC Account No. 899559074 ABA No. 021000021 ACH Payment Transit Routing Number: 071000013 Swift code for International Wires ONLY: CHASUS33 **Please include the property name or address in addenda/memo payment information** Please send notification to CIVASAccounting@colliers.com when payment has been sent.

Payment Terms	CIVAS will invoice Client for the Appraisal in its entirety (Less Retainer) at the delivery of the draft report. When a full retainer has been paid, invoice and amount due are $0. Final payment is due and payable within five (5) business days upon delivery of the electronic copy of the final report or within thirty (30) days of your receipt of the draft report, whichever is sooner. If a draft report is requested, the fee is considered earned upon delivery of the draft report. If for any reason the client cancels the work before work was completed or for reasons beyond Colliers' control, then the client would pay for an agreed amount for work completed.
Acceptance Date	These specifications are subject to modification if this Agreement is not accepted within three (3) business days from the date of this letter.

Terms and Conditions

The attached Terms and Conditions and Specific Property Data Request are deemed a part of this Agreement as though set forth in full herein. The following is a list of information needed to begin and complete our analysis. The Client signing this Agreement or the party sending the specific property data certifies that all the information provided is accurate and complete as of the date of this request, and that any updates, revisions or additional relevant information that comes into control or possession of the Client prior to the date on which the Appraisal is delivered shall be provided to CIVAS immediately. Please forward with the Agreement or as soon as possible.

- Ownership history (purchase date and price)
- Copy of the purchase agreement (if under contract for sale)
- Copy of previous appraisal (if available)
- Legal description (if available)
- Any other information deemed pertinent to the appraisal
- Property Contact _____

In addition to the items requested above, please forward any additional materials you would consider relevant in the analysis of the subject property.

Reliance Language – Non-Lender Client

The Appraisal is for the sole use of the Client; however, Client may provide only complete, final copies of the Appraisal report in its entirety (but not component parts) to third parties who shall review such reports in connection with the stated Intended Use. CIVAS is not required to explain or testify as to appraisal results other than to respond to the Client for routine and customary questions. Please note that our consent to allow the Appraisal prepared by CIVAS or portions of such Appraisal, to become part of or be referenced in any public offering, the granting of such consent will be at our sole and absolute discretion and, if given, will be on condition that CIVAS will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to CIVAS, by a party satisfactory to CIVAS. CIVAS hereby expressly grants to client the right to copy the Appraisal and distribute it to employees of client and to your accountants/auditors in its entirety (but not component parts) without the need to provide CIVAS with an Indemnification Agreement and/or Non-Reliance letter.

If you have questions regarding the enclosed, please feel free to contact me. CIVAS appreciates this opportunity to be of service to you on this assignment and looks forward to serving you. If you have additional questions, please contact us.

I, **Glen Lent**, agree to the above stated terms and authorize Colliers International Valuation & Advisory Services, LLC to prepare the above referenced appraisal.

_____ Date: 01/29/2025

Glen Lent
Lakeside Landing Partners

Respectfully,

Colliers International Valuation & Advisory Services, LLC

Kelly Tate, MAI
Senior Valuation Services Director
Direct: +1 385 249 5444
kelly.tate@colliers.com

Terms and Conditions

"T&C"

1) The Appraisal will be subject to Colliers International Valuation & Advisory Services, LLC's ("CIVAS") Assumptions and Limiting Conditions that are incorporated into each appraisal, and any Extraordinary Assumptions and Hypothetical Conditions that may be incorporated into each appraisal.

2) Any capitalized, non-defined words shall have the same meaning as defined in the Agreement to which these T&Cs are attached.

3) Client is defined as the party signing the Agreement and shall be responsible for payment of the fees stipulated in the Agreement. Payment of the fee for the Appraisal is not contingent on the appraised value(s) or the outcome of the report(s). Additional fees will be charged on an hourly basis for any work that may exceed the scope of this proposal, including performing additional valuation scenarios, additional research, and conference calls, meetings, deposition preparation, deposition, trial testimony or travel that may exceed the time allotted by CIVAS for an assignment of this nature. If CIVAS is requested to cease working on the Appraisal for any reason prior to the completion of the appraisal(s), CIVAS will be entitled to bill the Client for the time spent to date at CIVAS' hourly rates for the personnel involved. The Client will be billed a minimum $500 or at a rate of $250 per hour for associate time, $350 per hour for valuation services director, $400 per hour for managing director, and $450 per hour for executive managing director. If the Client delays completion of the assignment beyond ninety (90) days, the fee may be renegotiated. This may result in the total fee exceeding the original agreed fee agreed upon cost.

4) Client agrees to pay all fees and expenses, including attorney's fees, incurred by CIVAS in connection with the collection or attempted collection of the fees and expenses. In the event Client fails to make payments when due and payable, the amount due shall bear interest at 1.5% per month or the maximum rate permitted in the state in which the CIVAS office executing the Agreement is located, whichever is lesser.

5) The fee is due upon delivery of the final report or within thirty (30) days of your receipt of the draft report, whichever is sooner. If a draft is requested, the fee is considered earned upon delivery of our draft report.

6) In the event that either party commences any legal action relating to the provisions of the Agreement, including collection, the prevailing party shall be entitled to its actual attorneys' fees and costs. The Agreement shall be governed by and construed in accordance with the laws of the state where the CIVAS office executing the Agreement is located. The venue of any action arising out of the Agreement shall be the county where the CIVAS office executing the Agreement is located. Client will have up to thirty (30) days from receipt of the Draft Appraisal to review and communicate its review to CIVAS. CIVAS reserves the right to bill Client for additional appraisal efforts that may arise from the Client not responding within with this time period.

7) CIVAS does not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to CIVAS by Client. In the event that any such information is inaccurate, misleading or incomplete, CIVAS shall have no responsibility or liability for any matters relating thereto (whether to the Client or to any third party).

8) CIVAS shall have no responsibility for legal matters, questions of survey or title, soil or subsoil conditions, engineering, or other similar technical matters. The Appraisal will not constitute a survey of the Property analyzed.

9) Client shall provide CIVAS with such materials with respect to the Appraisal as requested by CIVAS and which are in the possession or under the control of Client. Client shall provide CIVAS with sufficient access to the Property to be analyzed and hereby grants permission for entry, unless discussed in advance to the contrary.

10) The data gathered in the course of the Appraisal (except data furnished by Client) and the Appraisal prepared pursuant to the Agreement are, and will remain, the property of CIVAS. With respect to data provided by Client, such data shall be confidential, and CIVAS shall not disclose any information identified as confidential furnished to CIVAS. Notwithstanding the foregoing, CIVAS is authorized by Client to disclose all or any portion of the Appraisal and the related data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable CIVAS to comply with the Bylaws and Regulations of such Institute as now or hereafter in effect.

11) Unless specifically noted, CIVAS does not assume any duty to analyze or examine the Property or adjacent property for the possible presence of toxic and/or hazardous substances or materials (including but not exclusive to asbestos, PCB transformers, or other toxic, hazardous, or contaminated substances and/or underground storage tanks (hazardous material), or the cost of encapsulation or removal thereof) and accepts no liability regarding the issue. If such materials exist, CIVAS defers to the expertise of professionals specifically trained in analyzing the cost to remediate, which will not be a part of the appraisal fee proposal. The Appraisal will contain a comprehensive disclaimer to this effect.

12) CIVAS understands that there is no major or significant deferred maintenance in the Property which would require the expertise of a professional cost estimator or contractor. If such repairs are needed, the estimates are to be prepared by others, and are not a part of the fee contemplated in the Agreement.

13) Client acknowledges that CIVAS is being retained hereunder as an independent contractor to perform the services described herein and nothing in the Agreement shall be deemed to create any other relationship between Client and CIVAS. The Agreement shall be deemed concluded and the services hereunder completed upon delivery to Client of the Appraisal discussed herein.

14) Client agrees that its only remedy for losses or damages relating to the Agreement shall be limited to the amount of the appraisal fee paid by the Client and in no circumstances shall CIVAS be liable for any losses or damages in excess of this amount. Should the Client, or any other entitled party, make a claim against CIVAS, its directors, officers, employees and other affiliates and shareholders, relating to this engagement or the appraisal(s), the maximum damages recoverable from CIVAS, its directors, officers, employees and other affiliates and shareholders, shall be the amount of funds actually collected by CIVAS under the Agreement, and no claim shall be made for any consequential or punitive damages.

15) If CIVAS or any of its employees receives a subpoena or other judicial notification to produce documents or provide testimony involving the Appraisal in connection with a lawsuit or related proceeding, CIVAS will notify the Client of receipt of the subpoena or notification. However, if CIVAS is not part of the lawsuit or proceedings, Client agrees to compensate CIVAS for the professional time required and to reimburse CIVAS for the expenses incurred in responding to any such subpoena or judicial notification, including any attorneys' fees, as they are incurred. CIVAS is to be compensated at the prevailing hourly rates of the personnel responding to the subpoena or command for testimony.

16) If expert witness testimony is required in connection with the Appraisal, the following hourly rates will apply. The Client will be billed at the rate of $250 per hour for associate time, $350 per hour for valuation services director, $400 per hour for managing director, and $450 per hour for executive managing director. The hourly billings pertain to court preparation, waiting and travel time, document review and preparation (excludes appraisal report) and all meetings related to court testimony.

17) Client shall indemnify and hold CIVAS, its parent, subsidiaries, affiliates, its officers, directors, employees and agents ("CIVAS Indemnities"), fully harmless against all losses, damages, claims, and expenses of any kind whatsoever (including costs and reasonable attorneys' fees), sustained or incurred by a third party as a result of the negligence or intentional acts or omissions of Client (including any failure to perform any duty imposed by law), any misrepresentation, distortion or if Client fails to provide complete and accurate information to CIVAS, for which recovery is sought against the CIVAS Indemnities; however, such obligation to defend and indemnify shall not apply to the extent caused by the negligent act or willful misconduct of CIVAS. Client shall indemnify and hold CIVAS Indemnities harmless from any claims, expenses, judgments or other items or costs arising as a result of the Client's failure or the failure of any of the Client's agents to provide a complete copy of the Appraisal to any third party. LIMITATION OF LIABILITY. EXCEPT FOR THE INDEMNIFICATION PROVISION ABOVE, ANYTHING IN THE AGREEMENT TO THE CONTRARY NOTWITHSTANDING, UNDER NO CIRCUMSTANCES WHATSOEVER SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY SPECIAL, CONSEQUENTIAL, PUNITIVE, OR INCIDENTAL DAMAGES OF ANY KIND WHATSOEVER.

18) CIVAS agrees to maintain Professional Liability Insurance in the amount of $1,000,000 and General Liability insurance in the amount of $2,000,000, as well as Workers Compensation per local regulatory requirements. CIVAS will endeavor to provide Client with written notice regarding any cancellation of any such insurance. CIVAS will provide Client with certificates of insurance naming Client as an additional insured on the General Liability policy upon request.

19) The Appraisal and the name Colliers International Valuation & Advisory Services may not be used in any marketing or investment material or offering memoranda without CIVAS' prior written consent. CIVAS, its employees and appraisers have no liability to any recipients of any prepared material and disclaim all liability to any party other than the Client.

20) Unless CIVAS consents in writing, the Appraisal cannot be used by any party or for any purpose other than the Client for the purposes specified in the Agreement. Should the Client provide a copy of this Appraisal to any person or entity not authorized by CIVAS in writing, Client hereby agrees to hold CIVAS, its directors, officers, employees and other affiliates and shareholders, harmless from all damages, expenses, claims and costs, including any attorney's fees. The Client acknowledges that any opinions and conclusions expressed by the professionals of CIVAS pursuant to the Agreement are made as employees and not as individuals. CIVAS' responsibility is limited to the Client, and the use of the Appraisal or related product by third parties shall be solely at the risk of the Client and/or third parties.

21) The use of this appraisal shall be used only for the purpose as set forth in the Intended Use section of the Agreement. In the event that the client wishes to use this report or portions of this report for any other purpose such as, to become part of or be referenced in, any offering or other material intended for the review of others, or to be submitted to others, will be at the Client's sole and absolute discretion and, if given, will be on condition that CIVAS will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to CIVAS and the Client, by a party satisfactory to CIVAS and the Client. CIVAS does consent to Client submission of the complete Appraisal to rating agencies, loan participants or your accountants/auditors without the need to provide us with an Indemnification Agreement and/or Non-Reliance letter.

22) Client and its affiliates, rating agencies and a limited number of investors involved in the securitization, may use and rely upon CIVAS report in connection with a planned loan securitization involving the Property including, without limitation, utilizing selected information in the Appraisal in the offering documents relating to the securitization and CIVAS agrees to cooperate in answering reasonable questions by any of the above parties in connection with the securitization.

Client agrees that it will not file, use, or permit or cause to be used in any offering documents or any other document any portion or extract of the Appraisal, or any reference to the Appraisal, without first (i) having provided the portion or portions of an offering document or other document to CIVAS for review and (ii) having obtained the prior written consent of CIVAS to any such filing, use, amendment or modification, which consent shall not be unreasonably withheld. CIVAS shall have the right to require Client to include in any offering document or other document disclosure concerning the conditions, qualifications and assumptions of the appraisal and such other disclosure concerning the Appraisal as CIVAS shall reasonably require.

Client can use the appraised value without attribution to the Appraisal, and selected information in the Appraisal, provided Client agrees that it has complied and at all times will comply, and will use Client's best efforts to cause any underwriters to comply, with all applicable Federal and state securities laws in connection with any offering, and offering document and any use of the Appraisal. Client further agrees that neither any offering document nor any other document used in connection with any offering will contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein not misleading regarding the Appraisal, or any portion or extract thereof, or any reference to the Appraisal.

Valuation Glossary 2024

Unless specified otherwise, these definitions were extracted or paraphrased from the following sources or publications:

- The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022 (Dictionary).
- Uniform Standards of Professional Appraisal Practice, 2024 Edition (USPAP).
- The Appraisal of Real Estate, Fifteenth Edition, Appraisal Institute, Chicago, Illinois, 2020 (15th Edition).

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

Ad Valorem Tax
A real estate tax based on the assessed value of the property, which is not necessarily equivalent to its market value. *(15th Edition)*

Arm's-length Transaction
A transaction between unrelated parties who are each acting in his or her own best interest. *(Dictionary)*

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

Assessed Value
The value of a property according to the tax rolls in ad valorem taxation; may be higher or lower than market value, or based on an assessment ratio that is a percentage of market value. *(Dictionary)*

Average Daily Room Rate (ADR)
In the lodging industry, the net rooms revenue derived from the sale of guest rooms divided by the number of paid occupied rooms. *(Dictionary)*

Band of Investment
A technique in which the capitalization rates attributable to components of an investment are weighted and combined to derive a weighted-average rate attributable to the total investment. *(Dictionary)*

Cash-Equivalent Price
The sale price of a property that is equivalent to what a cash buyer would pay. *(Dictionary)*

Common Area
The total area within a property that is not designed for sale or rental but is available for common use by all owners, tenants, or their invitees, e.g., parking and its appurtenances, malls, sidewalks, landscaped areas, recreation areas, public toilets, truck and service facilities. *(Dictionary)*

Contract Rent
The actual rental income specified in a lease. *(15th Edition)*

Cost Approach
A set of procedures through which a value indication is derived for the fee simple estate by estimating the cost new as of the effective date of the appraisal to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive; deducting depreciation from the total cost; and adding the estimated land value. The contributory value of any site improvements that have not already been considered in the total cost can be added on a depreciated-cost basis. Adjustments may then be made to the indicated value of the fee simple estate in the subject property to reflect the value of the property rights being appraised. *(Dictionary)*

Curable Functional Obsolescence
An element of depreciation; a curable defect caused by a flaw involving the structure, materials, or design, which can be practically and economically corrected. *(Dictionary)*

Debt Coverage Ratio (DCR)
The ratio of net operating income to annual debt service, which measures the relative ability of a property to meet its debt service out of net operating income; also called *debt service coverage ratio (DSCR).* (*Dictionary)*

Deferred Maintenance
Items of wear and tear on a property that should be fixed now to protect the value or income-producing ability of a property. *(Dictionary)*

Depreciation
In appraisal, a loss in the value of improvements from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the value of the improvement on the same date. *(Dictionary)*

Direct Costs
Expenditures for the labor and materials used in the construction of improvements; also called *hard costs. (Dictionary)*

Discounted Cash Flow (DCF) Analysis
The procedure in which a discount rate is applied to a set of projected income streams and a reversion. The analyst specifies the quantity, variability, timing, and duration of the income streams and the quantity and timing of the reversion, and discounts each to its present value at a specified yield rate. *(Dictionary)*

Discount Rate
A rate of return on capital used to convert future payments or receipts into present value. *(Dictionary)*

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

1. Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider their best interests.
7. An adequate marketing effort will be made during the exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms. *(Dictionary)*

Easement
The right to use another's land for a stated purpose. Access or right-of-way easements may be acquired by private parties or public utilities. Governments may be the beneficiaries of easements placed on privately owned land that is dedicated to conservation, open space, or preservation. *(15th Edition)*

Economic Life
The period over which improvements to real estate contribute to property value. *(Dictionary)*

Effective Age
The age of property that is based on the amount of observed deterioration and obsolescence it has sustained, which may be different from its chronological age. *(Dictionary)*

Effective Date
The date on which the appraisal or review opinion applies (SVP) *(Dictionary)*

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

Effective Gross Income Multiplier (EGIM)
The ratio between the sale price (or value) of a property and its effective gross income. *(Dictionary)*

Effective Rent
The total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions - e.g. free rent, excessive tenant improvements, moving allowances, lease buyouts, cash allowances, and other lease incentives. *(15th Edition)*

Eminent Domain
The right of government to take private property for public use upon the payment of just compensation. The Fifth Amendment of the U.S. Constitution, also known as the *takings clause*, guarantees payment of just compensation upon appropriation of private property. *(Dictionary)*

Entrepreneurial Incentive
The amount an entrepreneur expects or wants to receive as compensation for providing coordination and expertise and assuming the risks associated with the development of a project. Entrepreneurial incentive is the expectation of future reward as opposed to the profit actually earned on the project. *(Dictionary)*

Entrepreneurial Profit
A market-derived figure that represents the amount an entrepreneur received for his or her contribution to a past project to compensate for his or her time, effort, knowledge, and risk; the difference between the total cost of a property (cost of development) and its market value (property value after completion), which represents the entrepreneur's compensation for the risk and expertise associated with development. An entrepreneur is motivated by the prospect of future value enhancement (i.e., the entrepreneurial incentive). An entrepreneur who successfully creates value through new development, expansion, renovation, or an innovative change of use is rewarded by entrepreneurial profit. Entrepreneurs may also fail and suffer losses. *(Dictionary)*

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

Excess Rent
The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the lessor and may reflect superior management, a lease execution in an earlier, stronger rental market, or an agreement of the parties. Due to the higher risk inherent in the receipt of excess rent, it may be calculated separately and capitalized or discounted at a higher rate in the income capitalization approach. *(15th Edition)*

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

Exposure Time
An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. *(USPAP)*

Extraordinary Assumption
An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis. An extraordinary assumption may be used in an assignment only if:

- It is required to properly develop credible opinions and conclusions;
- The appraiser has a reasonable basis for the extraordinary assumption;
- Use of the extraordinary assumption results in a credible analysis; and
- The appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions. *(USPAP)*

External Obsolescence
A type of depreciation; a diminution in value caused by negative external influences and generally incurable on the part of the owner, landlord, or tenant. The external influence may be either temporary or permanent. There are two forms of external obsolescence: economic and locational. *(Dictionary)*

Fair Market Value
In nontechnical usage, a term that is equivalent to the contemporary usage of *market value*.
As used in condemnation, litigation, income tax, and property tax situations, a term that is similar in concept to market value but may be defined explicitly by the relevant agency or interpreted differently by court precedent. *(Dictionary)*

Feasibility Analysis
A study of the cost-benefit relationship of an economic endeavor. *(USPAP)*

Fee Simple Estate
Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat. *(Dictionary)*

Floor Area Ratio (FAR)
The relationship between the above-ground floor area of a building, as described by the zoning or building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area. *(Dictionary)*

Functional Obsolescence
The impairment of functional capacity of improvements according to market tastes and standards. *(Dictionary)*

Functional Utility
The ability of a property or building to be useful and to perform the function for which it is intended according to current market tastes and standards; the efficiency of a building's use in terms of architectural style, design and layout, traffic patterns, and the size and type of rooms. *(Dictionary)*

Furniture, Fixtures, and Equipment (FF&E)
Business trade fixtures and personal property, exclusive of inventory. (Dictionary)

Going-concern
An established and operating business having an indefinite future life. *(Dictionary)*

Going-concern Value
An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the *market value of the going concern or market value of the total assets of the business*. *(Dictionary)*

Gross Building Area (GBA)
Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved. *(Dictionary)*

Gross Leasable Area (GLA)
Total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines; measured from the center of joint partitioning to the outside wall surfaces. *(Dictionary)*

Gross Living Area (GLA)
Total area of finished, above-grade residential space area; calculated by measuring the outside perimeter of the structure and includes only finished, habitable, above-grade living space. (Finished basements and attic areas are not generally included in total gross living area. Local practices, however, may differ.) *(Dictionary)*

Highest & Best Use
The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. The use of

an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid (IVS). *(Dictionary)*

Hypothetical Condition

A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. *(USPAP)*

Income Capitalization Approach

In the income capitalization approach, an appraiser analyzes a property's capacity to generate future benefits and capitalizes the income into an indication of present value. The principle of anticipation is fundamental to this approach. Techniques and procedures from this approach are used to analyze comparable sales data and to measure obsolescence in the cost approach. *(15th Edition)*

Incurable Functional Obsolescence

An element of depreciation; a defect caused by a deficiency or superadequacy involving the structure, materials, or design that cannot be practically or economically corrected as of the effective date of the appraisal. *(Dictionary)*

Indirect Costs

Expenditures or allowances for items other than labor and materials that are necessary for construction, but are not typically part of the construction contract. Indirect costs may include administrative costs, professional fees, financing costs and the interest paid on construction loans, taxes and the builder's or developer's all-risk insurance during construction, and marketing, sales, and lease-up costs incurred to achieve occupancy or sale. Also called *soft costs*. *(Dictionary)*

Interim Use

The use contemplated by the market participants that the subject real estate can be put to while waiting for certain subsequent factors to occur. *(Dictionary)*

Investment Value

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

Leased Fee Interest

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

Leasehold Estate

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

Legal Nonconforming Use

A use that was lawfully established and maintained, but no longer conforms to the use regulations of its current zoning; sometimes known as a legally nonconforming use. *(Dictionary)*

Liquidation Value

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

1. Consummation of a sale within a short time period.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. A normal marketing effort is not possible due to the brief exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms. *(Dictionary)*

Market Area

The geographic region from which a majority of demand comes and in which the majority of competition is located. Depending on the market, a market area may be further subdivided into components such as primary, secondary, and tertiary market areas, or the competitive market area may be distinguished from the general market area. *(Dictionary)*

Market Rent

The most probable rent that a property should bring in a competitive and open market under all conditions requisite to a fair lease transaction, the lessee and lessor each acting prudently and knowledgeably, and assuming the rent is not affected by undue stimulus. *(Dictionary)*

Market Study
An analysis of the market conditions of supply, demand, and pricing for a specific property type in a specific area. *(Dictionary)*

Market Value (Most Common Non-FRT)
The most probable price, as of a specific date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue distress. *(Dictionary)*

Market Value (Interagency Guidelines)
The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their own best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (*12 CFR, Part 34, Subpart C - Appraisals, 34.42(h)*).

Marketability Analysis
The study of how a specific property is expected to perform in a specific market. A marketability analysis expands on a market analysis by addressing a specific property. *(Dictionary)*

Neighborhood Analysis
The objective analysis of observable or quantifiable data indicating discernible patterns of urban growth, structure, and change that may detract from or enhance property values; focuses on four sets of considerations that influence value: social, economic, governmental, and environmental factors. *(Dictionary)*

Net Net Net Lease
An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management. Also called *NNN lease, triple net lease*, or *fully net lease. (Dictionary)*

Net Operating Income (NOI)
The actual or anticipated net income that remains after all operating expenses are deducted from effective gross income but before mortgage debt service and book depreciation are deducted. Note: This definition mirrors the convention used in corporate finance and business valuation for EBITDA (earnings before interest, taxes, depreciation, and amortization). *(15th Edition)*

Obsolescence
One cause of depreciation; an impairment of desirability and usefulness caused by new inventions, changes in design, improved processes for production, or external factors that make a property less desirable and valuable for a continued use; may be either functional or external. *(Dictionary)*

Off-site Costs
Costs incurred in the development of a project excluding on-site costs such as grading and construction of the building and other improvements; also called *common costs* or *off-site improvement costs. (Dictionary)*

On-site Costs
Costs incurred for the actual construction of buildings and improvements on a particular site. *(Dictionary)*

Overage Rent
The percentage rent paid over and above the guaranteed minimum rent or base rent; calculated as a percentage of sales in excess of a specified breakeven sales volume. *(15th Edition)*

Overall Capitalization Rate (OAR)
The relationship between a single year's net operating income expectancy and the total property price or value. *(Dictionary)*

Parking Ratio
The ratio of parking area or parking spaces to an economic or physical unit of comparison. Minimum required parking ratios for various land uses are often stated in zoning ordinances. *(Dictionary)*

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

Potential Gross Income Multiplier (PGIM)
The ratio between the sale price (or value) of a property and its annual potential gross income. *(Dictionary)*

Present Value (PV)
The value of a future payment or series of future payments discounted to the current date or to time period zero. *(Dictionary)*

Prospective Opinion of Value
A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not achieved sellout or a stabilized level of long-term occupancy. *(Dictionary)*

Qualitative Adjustment
An indication that one property is superior, inferior, or similar to another property. Note that the common usage of the term is a misnomer in that an adjustment to the sale price of a comparable property is not made. Rather, the indication of a property's superiority or inferiority to another is used in relative comparison analysis, bracketing, and other forms of qualitative analysis. *(Dictionary)*

Quantitative Adjustment
In the application of the sales comparison and income capitalization approaches, a numerical (dollar or percentage) adjustment to the sale price, rent, or expense amount of a comparable property to account for the effect on value of a difference between each comparable property and the subject property. *(Dictionary)*

Rentable Area
The amount of space on which the rent is based; calculated according to local practice. *(Dictionary)*

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

Replacement Cost for Insurance Purposes
The estimated cost, at current prices as of the effective date of valuation, of a substitute for the building being valued, using modern materials and current standards, design and layout for insurance coverage purposes guaranteeing that damaged property is replaced with a new property (i.e., depreciation is not deducted). *(Dictionary)*

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

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

Sales Comparison Approach
The process of deriving a value indication for the subject property by comparing sales of similar properties to the property being appraised, identifying appropriate units of comparison, and making adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered vacant when an adequate supply of comparable sales is available. *(Dictionary)*

Scope of Work
The type and extent of research and analysis in an appraisal or appraisal review assignment. Scope of work includes, but is not limited to:
The extent to which the property is identified;
The extent to which tangible property is inspected;
The type and extent of data researched; and
The type and extent of analysis applied to arrive at opinions or conclusions. *(USPAP)*

Shopping Center Types
Neighborhood Shopping Center: The smallest type of shopping center, generally with a gross leasable area of between 30,000 and 100,000 square feet. Typical anchors include supermarkets. Neighborhood shopping centers offer convenience goods and personal services and usually depend on a market population support of 3,000 to 40,000 people.
Community Shopping Center: A shopping center of 100,000 to 400,000 square feet that usually contains one junior department store, a variety store, discount or department store. A community shopping center generally has between 20 and 70 retail tenants and a market population support of 40,000 to 150,000 people.
Regional Shopping Center: A shopping center of 300,000 to 900,000 square feet that is built around one or two full-line department stores of approximately 200,000 square feet each plus small tenant spaces. This type of center is typically supported by a minimum population of 150,000 people.
Super-Regional Center: A large center of 600,000 to 2.0 million square feet anchored by three or more full-line department stores. This type of center is typically supported by a population area of 300,000 people. *(15th Edition)*

Sum of the Retail Values

The sum of the separate and distinct market value opinions for each of the units in a condominium; subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent the value of all the units as sold together in a single transaction; it is simply the total of the individual market value conclusions. An appraisal has an effective date, but summing the sales prices of multiple units over an extended period of time will not be the value on that one day unless the prices are discounted to make the value equivalent to what another developer or investor would pay for the bulk purchase of the units. Also called the *aggregate of the retail values* or *aggregate retail selling price*. *(Dictionary)*

Superadequacy

An excess in the capacity or quality of a structure or structural component; determined by market standards. *(Dictionary)*

Surplus Land

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

Tenant Improvements (TIs)

1. Fixed improvements to the land or structures installed for use by a lessee.
2. The original installation of finished tenant space in a construction project; subject to periodic change for succeeding tenants. *(Dictionary)*

Usable Area

The area that is actually used by the tenants measured from the inside of the exterior walls to the inside of walls separating the space from hallways and common areas. *(Dictionary)*

Useful Life

The period of time over which a structure or a component of a property may reasonably be expected to perform the function for which it was designed. *(Dictionary)*

Vacancy and Collection Loss

A deduction from potential gross income *(PGI)* made to reflect income deductions due to vacancies, tenant turnover, and nonpayment of rent; also called *vacancy and credit loss* or *vacancy and contingency loss. (Dictionary)*

Yield Capitalization

A method used to convert future benefits into present value by (1) discounting each future benefit at an appropriate yield rate, or (2) developing an overall rate that explicitly reflects the investment's income pattern, holding period, value change, and yield rate. *(Dictionary)*

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE
Certified General Appraiser
9877947-CG00
CHELSEY B JORGENSEN

Signature of Holder

DATE ISSUED: 10/15/2020 EXPIRATION DATE: 10/31/2026

- Your license is valid until the expiration date listed on your license.
- Below is your public address of record for the Division. All correspondence will be mailed to this address. It is your responsibility to notify us directly if your address changes
- Please visit our website at www.realestate.utah.gov should you have any questions in the future.

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE
Active

DATE ISSUED: 10/15/2020

EXPIRATION DATE: 10/31/2026

LICENSE NUMBER: 9877947-CG00

LICENSE TYPE: Certified General Appraiser

ISSUED TO: CHELSEY B JORGENSEN
6440 SOUTH MILLROCK DRIVE
Ste. 570
Salt Lake City UT 84121

SIGNATURE OF HOLDER

REAL ESTATE DIVISION DIRECTOR



Senior Valuation Specialist
Valuation & Advisory Services

chelsey.jorgensen@colliers.com
Direct: +1 385 249 5448
Mobile: +1 801 755 2633
Fax: +1 385 249 5451
colliers.com

6440 South Millrock Drive
Suite 570
Salt Lake City, Utah 84121
United States

Chelsey Jorgensen, MAI

Area of Expertise

Chelsey Jorgensen joined Colliers Valuation & Advisory Services in 2022. Ms. Jorgensen holds a Bachelor's degree in economics from Brigham Young University. She is a designated member of the Appraisal Institute. She began her appraisal career at Jorgensen Appraisal in 2016, after having previously worked as a business analyst for American Express. She has completed appraisals in many fields, including senior housing, health care, residential treatment, property tax appeals and valuations, conservation easements, and eminent domain. She has completed fair market rent studies, feasibility studies, and supply and demand analyses for some of the largest developers and operators in the Rocky Mountain region. Ms. Jorgensen has testified as an expert witness and provides consultation services.

Education or Qualifications

B.S. Economics, Brigham Young University, 2004

State Certifications

Utah

Wyoming

Affiliations or Memberships

MAI – Member of the Appraisal Institute

Programs and Education Committee Chair, CREW Utah

Professional Background

Colliers International (UT), 2022-Present

Jorgensen Appraisal (UT), 2016-2022

Appraisal Courses

- General Appraiser Sales Comparison Approach
- General Appraiser Market Analysis and Highest & Best Use
- General Appraiser Site Valuation and Cost Approach
- General Appraiser Report Writing & Case Studies
- Real Estate Finance, Statistics, and Valuation Modeling
- General Appraiser Income Approach
- Advanced Market Analysis and Highest & Best Use
- Advanced Income Capitalization
- Advanced Concepts & Case Studies
- Appraisal of Medical Office Buildings
- Appraisal of Industrial & Flex Buildings
- Appraisal of Self-Storage
- USPAP 2024-2025

Representative Clients and Projects

Military Installation Development Authority:
Fee acquisitions and easement acquisitions and releases from UDOT at the Mayflower Resort, Wasatch County

Ray Quinney and Nebeker:
Expert witness services related to a newly constructed flex industrial building in Utah County

Star Valley Health:
Appraisals of medical clinics in Alpine and Afton, Lincoln County, Wyoming

Intermountain Healthcare:
Fair market rent studies across the state of Utah

United States Forest Service:
Coldwater Ranch, Cache County, Utah - conservation easement on a 33,000-acre ranch

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE

ACTIVE LICENSE
Certified General Appraiser
8384882-CG00

CHRISTOPHER KELLY TATE
NAME OF HOLDER

DATE ISSUED
07/02/2024

EXPIRATION
07/31/2026

- Your license is valid until the expiration date listed on your license.
- Below is your public address of record for the Division. All correspondence will be mailed to this address. It is your responsibility to notify us directly if your address changes.
- Please visit our web site at **realestate.utah.gov** should you have any questions.

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE

ACTIVE LICENSE

DATE ISSUED: 07/02/2024

EXPIRATION DATE: 07/31/2026

LICENSE NUMBER: 8384882-CG00

LICENSE TYPE: Certified General Appraiser

ISSUED TO: CHRISTOPHER KELLY TATE
7427 S MAGIC HILLS CR
COTTONWOOD HEIGHTS UT 84121

SIGNATURE OF HOLDER

REAL ESTATE DIVISION INTERIM DIRECTOR

Form #2



Senior Valuation Services Director
Valuation & Advisory Services

kelly.tate@colliers.com
Direct: +1 385 249 5444
Mobile: +1 801 558 2827
Fax: +1 385 249 5451
colliers.com

6440 S. Millrock Dr.
Suite 570
Salt Lake City, UT 84121
United States

Kelly Tate, MAI

Area of Expertise

Kelly Tate joined Colliers International Valuation & Advisory Services in 2014. After working as a loan officer, Kelly began his career as a commercial real estate appraiser in 2008 working in the Las Vegas market. In 2012, Kelly returned to Salt Lake City to further his career in the industry. He has experience appraising many different property types including retail, office, industrial, apartments, senior housing, residential subdivisions, and condominiums.

Kelly received his MAI designation in 2013.

Affiliations or Memberships

MAI, Appraisal Institute, # 507024

Utah Chapter of the Appraisal Institute

Professional Background

Colliers International (UT), 2014 – Present

Appraisal Group Inc. (UT), 2012 – 2014

Lubawy & Associates (NV), 2008 - 2012

Education or Qualifications

Bachelor of Science – University of Utah, 2004

State Certifications

Idaho

Montana

Utah

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE
ACTIVE LICENSE
Certified Residential Appraiser
7338339-CR00
JACOB R JORGENSEN
NAME OF HOLDER
DATE ISSUED 01/18/2024
EXPIRATION 01/31/2026

- Your license is valid until the expiration date listed on your license.
- Below is your public address of record for the division. All correspondence will be mailed to this address. If your address is incorrect, please go to **https://secure.utah.gov/relms/index.html** to update it.
- All Continuing Education must be completed by the 15th of the month of expiration in order to ensure a timely renewal.
- Inactive licenses must be renewed.
- Please visit our web site at **realestate.utah.gov** should you have any questions.

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE

ACTIVE LICENSE

DATE ISSUED: 01/18/2024

EXPIRATION DATE: 01/31/2026

LICENSE NUMBER: 7338339-CR00

LICENSE TYPE: Certified Residential Appraiser

ISSUED TO: JACOB R JORGENSEN
10883 SADDLEBROOKE CIR
SOUTH JORDAN UT 84095

THE GREAT SEAL OF THE STATE OF UTAH
INDUSTRY
1847
1896

SIGNATURE OF HOLDER

REAL ESTATE DIVISION DIRECTOR

Form #2



Valuation Associate
Valuation & Advisory Services

jake.jorgensen@colliers.com
Direct: +1 801 441 1202
Mobile: +1 801 694 8640
Fax: +1 385 249 5451
colliers.com

6440 S. Millrock Dr.
Suite 570
Salt Lake City, UT 84121
United States

Jake Jorgensen

Area of Expertise

Jake Jorgensen joined Colliers Valuation & Advisory Services in 2024 and is current a Valuation Associate. He began his career in 2009 as an appraiser trainee at Jorgensen Appraisal, and received his appraisal license in 2013. During this time he completed appraisals, feasibility studies and market studies on a wide range of property types including vacant land, subdivisions, senior care, office buildings, golf courses and retail centers. In 2017, he moved to Los Angeles and began working independently as a residential appraiser, during which time he received his certified residential license. In 2024, he returned to Utah and the commercial appraisal field. He has since completed assignments for a variety of intended uses, including conservation easements, eminent domain, title disputes and litigation. He specializes in residential properties and vacant land.

Professional Background

Jorgensen Appraisal (UT), 2009-2017

Self Employed (CA), 2017-2024

Colliers Valuation & Advisory Services (UT), 2025-Present

Appraisal Courses

- General Appraiser Sales Comparison Approach
- General Appraiser Market Analysis & Highest & Best Use
- General Appraiser Site Valuation & Cost Approach
- General Appraiser Report Writing & Case Studies
- General Appraiser Income Approach
- Advanced Residential Applications and Case Studies
- Complex Properties: The Odd Side Of Appraisal
- Statistics, Modeling & Finance
- Advanced Concepts & Case Studies
- USPAP 2024-2025

Education or Qualifications

Bachelor of Science – Utah Valley University, 2013

State Certifications

Utah

California

Valuation & Advisory Services



Accelerating success.

Valuation & Advisory Services

Real estate valuations play a pivotal role in today's business climate. An accurate and well supported opinion of property value can mean the difference between reaching a critical goal—securing a loan, closing a sale, reporting to investors, choosing the best asset—or failing to achieve it altogether.

Colliers Valuation & Advisory Services' reports are designed to deliver insight into a property's fundamentals, its competition and the overall market dynamics affecting value. A solid valuation report can be a strategic asset for investors, lenders and owners, provided that it addresses both a property's unique characteristics and the most current market conditions.

Commitment to high-end client service, coupled with Colliers' unparalleled market intelligence and resources, differentiates us as the firm of choice in the real estate industry.

PROFESSIONAL

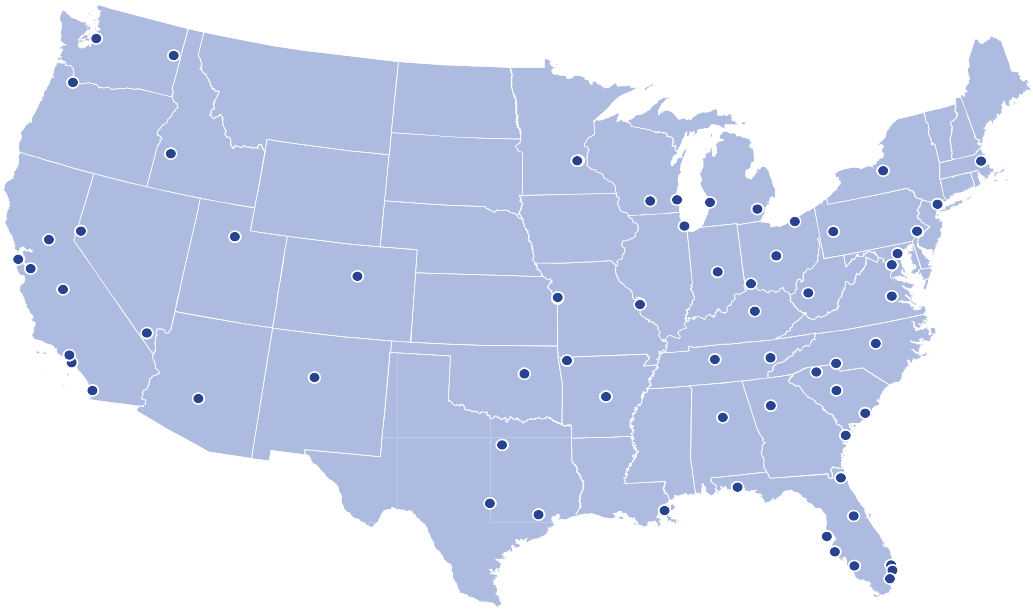
Our professionals share a commitment to deliver the highest level of service and consistent results. We go the extra mile for our clients, whether this means meeting a tight deadline or working with a complex and challenging property.

TECHNOLOGY

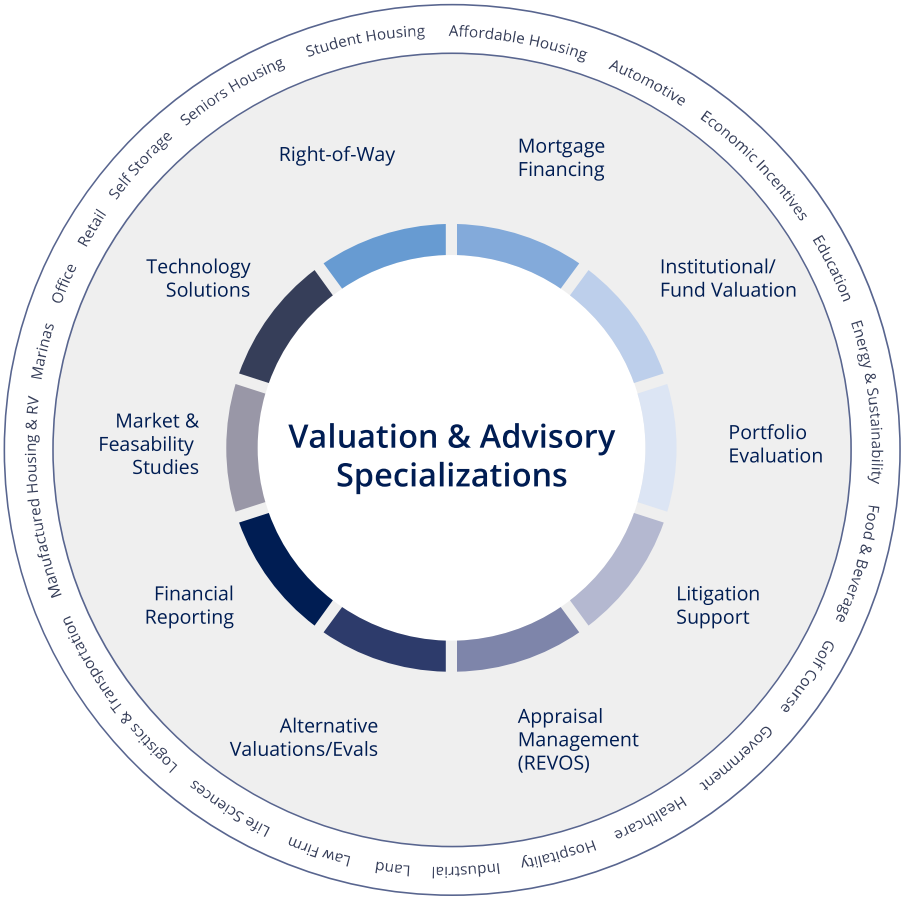
Our unmatched report creation technology speeds appraisals through the pipeline. This secure, centralized production system generates a wide range of reports and high volume portfolio orders without delays.

INFORMATION

Today's business climate places valuation in a more pivotal position than ever before. All our appraisals are evaluated and approved by an experienced review team to ensure our clients receive concise and timely appraisals. With clear, prompt reporting and a comprehensive, big picture approach, Colliers' valuation and advisory reports give our clients the information they need to make better business decisions.



What We Do



400+
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Valuation & Advisory Services National Leadership

Jeremy Walling, MAI, MRICS
President | US
Valuation & Advisory Services
Jeremy.Walling@colliers.com
+1 312 371 4920

Jeff Shouse, MAI, CRE
Executive Vice President
Western US
Jeff.Shouse@colliers.com
+1 916 724 5531

Bruce Nell, MAI, AI-GRS, MRICS
Senior Vice President
Advisory Services & MHC Practice Leader
Bruce.Nell@colliers.com
+1 614 437 4687

PJ Cusmano, MAI, MRICS
Executive Vice President
Eastern US
PJ.Cusmano@colliers.com
+1 813 229 1599

Jerry Gisclair, MAI, MRICS
Executive Vice President
US Client Relations & Service
Jerry.Gisclair@colliers.com
+1 813 871 8531

Anjanette "AJ" Hutson, MAI, AI-GRS
Executive Managing Director
Quality Assurance
AJ.Hutson@colliers.com
+1 704 973 7202

Our Experts

To learn more about our Regional and Market Valuation Experts, please click on or scan the QR code.

Why work with Colliers?

We act as an extension of your team.

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Colliers

Local Corridor Preservation Fund
Application for Funds

Due to the limited amount of funds available, jurisdictions are strongly encouraged to exhaust other avenues for acquisition prior to applying.

Before consideration of awarding funds can occur, the following must be completed and submitted with this application:

1) Documentation by applicant of prior use of all appropriate resources available to the highway authority to acquire property rights, including but not limited to: use of other local funds, exactions, increased setback requirements, or other planning and zoning tools.
2) Initial approach to property owner and obtaining a certified property appraisal.
3) Securing of a Willing Seller Certification document.

Part 1: Use of Other Resources

Discuss with MAG staff the efforts to obtain the property by planning and zoning powers, development incentive, donation, or other means prior to applying for these funds. Document these efforts. MAG will convene a staff review of the application and documentation, flag any concerns or questions, and may request meetings with the applicant in order to resolve such, or to better understand the nature of the situation. Staff review should include CP/ROW, RTP, and Finance staff members.

Part 2: Initial Approach to Property Owner

Contact MAG staff prior to any discussions with the property owner of purchase price or commitments to purchase, and for any questions.

DO NOT tender any offer to purchase the property interest at this time.

If the property owner agrees to consider selling, the applicant orders a property appraisal from a certified appraiser that is acceptable to both parties. For properties intended for future use by UDOT, the appraiser should be listed on the current UDOT Consultant Services Right of Way Services and Local Government Pool. Copy and paste the following link into your browser:

https://docs.google.com/spreadsheets/d/1UURcMt7UvhIkYqADHdApr5KGxXTdeD93WLwRKu8FVl4/edit#gid=922750991

The costs of the appraisal can be reimbursed to the applicant if the funding request is approved.

Part 3: Application

1. Applicant (city, Utah County, UDOT): Springville City
2. Contact Information: Chris Wilson
3. Provide information about the properties to be acquired:
   a. Name of the current owner(s): David H & Cindy A Clements
   b. Address or location of the properties: Approximately 400 North and 2500 West
   c. Utah County parcel serial #: 21:096:0018, 21:096:0020, 2
   d. Type of real property interest to be acquired: (fee title, easement, etc.,) fee title
   e. Total acreage or square footage: 0.34 Acres (15,097.17 SF)
   f. Describe the efforts to obtain the property by planning and zoning powers, development incentive, donation, or other means prior to applying for these funds.
      No current intentions to develop property.
   g. Appraised value (Attach copy of appraisal report): $159,600
   h. Total estimated costs of acquisition, including appraisal and appraisal review, acquisition agent fee, closing costs, and any other associated fees: $3,900
   i. Total funds applying for - these should be no more than the appraised value plus traditional costs of acquisition in (h) above: $163,500
4. Which Eligible Corridor is the project located within or adjacent to? (see Corridor Preservation – Eligible Corridors map): 2600 W, H
5. Anticipated year or RTP phase to begin project roadway construction: Phase 3, Needs
6. Is the project listed on the applicant's official master plan? Yes
7. Has the applicant begun or completed a relevant state or federal environmental study? No
   a. Study results: NA
   b. If not, is the applicant willing to conduct such a study? Yes
8. Will the roadway be a UDOT or a local government facility? Local

If the project will be a state facility and the applicant is a city or county, attach copies of:

Either

a. Applicant's transportation right of way acquisition policy or ordinance.
b. Applicant's access management policy relevant to the type of roadway to be constructed.

OR

c. The executed Cooperative Agreement between the applicant and the Utah Department of Transportation governing right of way acquisition performed by the applicant for UDOT.

NOTES – 1) It is highly recommended that any purchases for a state facility be negotiated and finalized by UDOT Right of Way Division. 2) After funds are awarded but prior to any offer of purchase, UDOT and Utah County must execute a repurchase agreement specific to the property.

9. **Attachments:**

c. One 8" x 11" map in PDF form clearly indicating the future roadway project extents and the location of the properties to be acquired, with detail showing parcel boundaries and anticipated right of way footprint (will be used in presentations to the TAC and the Board).
d. Copy of appraisal report.
e. Copy of executed Willing Seller Certification.

Submit the completed application and maps to by email to Calvin Clark - cclark@mountainland.org

VOLUNTARY ACQUISITION
Certification

Owner Name: Lakeside Land Partners, LLC

Utah County Parcel ID#: 21:096:0005, 21:096:0011, 21:096:0016

(MAG)
Mountainland Association of Goverments is interested in acquiring property at Approximately 2600 West and 300 North, Springville Utah (address) for the future 2600 West Arterial project.

Although MAG possesses eminent domain authority to acquire property, we are not pursuing this acquisition by eminent domain or other coercion, and you hereby certify that you are only selling this property to us voluntarily for the agreed upon amount.

In accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), owner-occupants who move as a result of a voluntary acquisition, are **not** eligible for relocation assistance. Property Owner understands and acknowledges that if they waited for the funded project, they would be eligible for relocation benefits pursuant to 49 CFR 24. By signing below, the Property Owner understands and acknowledges that they are not entitled to any relocation benefits for the voluntary purchase of the property in advance of a funded project and freely chooses to sell the property to MAG before the project is funded.

Signature of Property Owner — Date: 12/3/24

Purchasing Entity Representative — Date: 3/10/2025

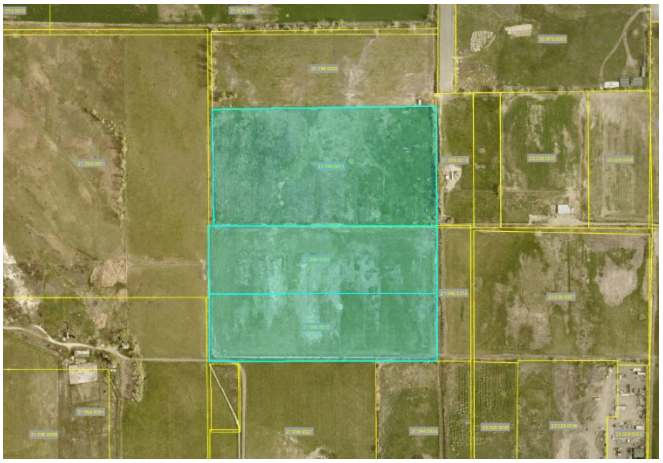
LAKESIDE LAND PARTNERS, LLC

300 North 2600 West
Springville, Utah 84663

APPRAISAL REPORT

Date of Report: March 10, 2025

Colliers File #: SLC250042



PREPARED FOR
Calvin Clark
Transportation Project Manager
Mountainlands Association of Governments (MAG)
586 East 800 North
Orem, UT 84097

PREPARED BY
COLLIERS INTERNATIONAL
VALUATION & ADVISORY SERVICES

LETTER OF TRANSMITTAL

COLLIERS INTERNATIONAL
VALUATION & ADVISORY SERVICES

6440 S. Millrock Dr. | Suite 500
Salt Lake City, UT 84121 USA
MAIN +1 385 249 5450
FAX +1 385 249 5451
WEB www.colliers.com/valuationadvisory

March 10, 2025

Calvin Clark
Transportation Project Manager
Mountainlands Association of Governments (MAG)
586 East 800 North
Orem, UT 84097

RE: Lakeside Land Partners, LLC
300 North 2600 West
Springville, Utah 84663

Colliers File #: SLC250042

Mr. Clark:

Pursuant with our engagement, the above captioned property was appraised utilizing best practice appraisal principles for this property type. This appraisal report satisfies the scope of work and requirements agreed upon by Mountainlands Association of Governments (MAG) and Colliers International Valuation & Advisory Services.

The date of this report is March 10, 2025. At the request of the client, this appraisal is presented in an Appraisal Report format as defined by *USPAP* Standards Rule 2-2(a). Our appraisal format provides a detailed description of the appraisal process, subject and market data and valuation analyses.

The purpose of this appraisal is to develop an opinion of the As-Is Fair Market Value of the subject property's fee simple estate, as well as the value of a potential fee acquisition, perpetual easement, and temporary construction easement. The intended use of this appraisal is to assist the client in providing funds to the landowner to preserve future road corridors. The effective date is February 12, 2025, which is the date of our inspection of the property.

Property Information
The larger parcel is a 33.59-acre site at 300 North 2600 West in Springville, Utah. The site does not front an improved street, but has access by way of the adjoining parcels which are owned by the same owner. This report also makes the extraordinary assumption that the site has access by way of the private dirt roads that connect to the subject from Center Street and 2250 West. All municipal utilities are approximately 80' to the northeast in 2500 West. On-site improvements consist of a wood post and wire fence that spans the perimeter of the larger parcel.

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The property is in an area that has historically been used for agriculture. We do not have contact information for the property owners but based on the condition of the property and surrounding land uses, we assume the property has historically been used for agriculture. According to the map provided by the Utah Division of Water Rights, there is no water right located on the larger parcel.

The larger parcel is currently vacant and zoned A-1 (Agricultural). However, it is within the Westfield and Lakeside Overlay and is part of the proposed Lakeside Village master plan. Lakeside Village is in the early planning process with Springville City. The current plan under review totals approximately six units per acre.

Project Information

The larger parcel will be impacted by a project by Mountainlands Association of Governments and Springville City to extend 2600 West Street northward from 400 South where it will intersect with Center Street. The street will then continue northward, where it will eventually turn northeastward and connect with 2500 West at approximately 400 North near the subject Larger Parcel. The project is currently in its preliminary planning phases, with limited surveying and engineering information. An exhibit provided in connection with this assignment indicates that 84,494 SF (1.94 acre) of the subject property will be taken in fee for a 59-foot-wide road right-of-way. A legal description of the fee taking was not provided, nor were we provided with site-specific maps with taking dimensions. It is an extraordinary assumption of this report that the provided size of the fee acquisition area is accurate.

Mountainlands Association of Governments is also considering a perpetual easement and a temporary construction easement in connection with the project. The exhibit provided in connection with this assignment indicates that these will each be five feet wide and to run along the border of the fee taking. The exhibit indicates the perpetual easement will be 6,599 SF and the temporary construction easement will be 6,455 SF. No legal descriptions were provided for the perpetual easement or temporary construction easement, nor were we provided with site-specific maps with easement dimensions. It is an extraordinary assumption of this report that the provided size of the perpetual easement and temporary construction easement are accurate and that the areas are sufficient in size, shape and utility for their intended use.

The subject property has the same highest and best use in the before and after condition. However, completion of the project will improve access to the site and will facilitate development of the area. The subject will receive these special benefits from the project in the after condition. According to Utah state law, special benefits can offset damages to the remainder, but cannot offset the part taken. As we conclude that the subject will suffer no severance damages as a result of the taking, an analysis of the special benefits is moot.

The following table conveys the final opinion of market value of the subject property that is developed within this appraisal report:

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VALUATION SUMMARY

	VALUE OPINIONS	VALUE OF PROPERTY RIGHTS
Value of the Larger Parcel	$10,096,994	
Fee Taking (inc. Site Imp.)	($583,009)	$583,009
Perpetual Easement	($13,660)	$13,660
Value of the Remainder as a Part of the Whole	$9,500,325	
Value of the Remainder in the After Condition	$9,500,325	
Severance Damages	$0	
Cost to Cure	$0	
Project Benefits	$0	
Net Severance Damages	$0	$0
Temporary Construction Easement (TCE)	$11,124	$11,124
TOTAL FAIR MARKET VALUE OF PROPOSED PROPERTY AND RIGHTS TAKEN (ROUNDED)		**$607,800**

The analyses, opinions and conclusions communicated within this appraisal report were developed based upon the requirements and guidelines of the current Uniform Standards of Professional Appraisal Practice (USPAP), the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.

The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter. *USPAP* defines an Extraordinary Assumption as, “an assignment specific-assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions”. *USPAP* defines a Hypothetical Condition as, “that which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis”.

The Extraordinary Assumptions and/or Hypothetical Conditions that were made during the appraisal process to arrive at our opinion of value are fully discussed below. We advise the client to consider these issues carefully given the intended use of this appraisal, as their use might have affected the assignment results.

EXTRAORDINARY ASSUMPTIONS

- This analysis makes the assumption that the subject can be rezoned to a residential zone and be developed to a similar density as the surrounding Lakeside Village master plan.
- This appraisal is based on the extraordinary assumption that the provided size of the fee acquisition area is accurate despite the absence of a legal description.
- It is also based on the extraordinary assumption that provided size of the perpetual easement and temporary construction easement is accurate. No legal descriptions were provided for the fee taking, perpetual easement or temporary construction easement, nor were we provided with site-specific maps with easement dimensions. If these assumptions prove to be inaccurate, the opinions of value stated herein may require revision.
- We also assume that the locations of the perpetual and construction easements are as described later in this report. If this assumption proves to be inaccurate, the opinions of value stated herein may require revision..
- According to the map provided by the Utah Division of Water Rights, there is no water right located on the larger parcel. Any water right attached to the larger parcel is not evaluated in our report.

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HYPOTHETICAL CONDITIONS

- This Appraisal Report is not contingent on any hypothetical conditions.

RELIANCE LANGUAGE

The Appraisal is for the sole use of the Client; however, Client may provide only complete, final copies of the Appraisal report in its entirety (but not component parts) to third parties who shall review such reports in connection with loan underwriting or securitization efforts. Colliers International Valuation & Advisory Services is not required to explain or testify as to appraisal results other than to respond to the Client for routine and customary questions. Please note that our consent to allow the Appraisal prepared by Colliers International Valuation & Advisory Services or portions of such Appraisal, to become part of or be referenced in any public offering, the granting of such consent will be at our sole and absolute discretion and, if given, will be on condition that Colliers International Valuation & Advisory Services will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to Colliers International Valuation & Advisory Services, by a party satisfactory to Colliers International Valuation & Advisory Services. Colliers International Valuation & Advisory Services does consent to your submission of the reports to rating agencies, loan participants or your auditors in its entirety (but not component parts) without the need to provide Colliers International Valuation & Advisory Services with an Indemnification Agreement and/or Non-Reliance letter.

Colliers International Valuation & Advisory Services hereby expressly grants to Client the right to copy the Appraisal and distribute it to other parties in the transaction for which the Appraisal has been prepared, including employees of Client, other lenders in the transaction, and the borrower, if any.

Our opinion of value reflects current conditions and the likely actions of market participants as of the date of value. It is based on the available information gathered and provided to us, as presented in this report, and does not predict future performance. Changing market or property conditions can and likely will have an effect on the subject's value.

The signatures below indicate our assurance to the client that the development process and extent of analysis for this assignment adhere to the scope requirements and intended use of the appraisal. If you have any specific questions or concerns regarding the attached appraisal report, or if Colliers International Valuation & Advisory Services can be of additional assistance, please contact the individuals listed below.

Sincerely,

COLLIERS INTERNATIONAL
VALUATION & ADVISORY SERVICES



Chelsey Jorgensen, MAI
Senior Valuation Specialist
Certified General Real Estate Appraiser
State of Utah License #9877947-CG00
+1 385 249 5448
chelsey.jorgensen@colliers.com



Kelly Tate, MAI
Senior Valuation Services Director
Certified General Real Estate Appraiser
State of Utah License #8384882-CG00
+1 385 249 5444
kelly.tate@colliers.com

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LETTER OF TRANSMITTAL

INTRODUCTION 1
- Executive Summary 1
- Aerial Photograph 2
- Subject Property Photographs 3
- Identification of Appraisal Assignment 4
- Scope of Work 8

DESCRIPTIONS & EXHIBITS 10
- Regional Map 10
- Regional Analysis 11
- Local Area Map 18
- Local Area Analysis 19
- Site Description 29
  - Zoning Map 32
  - Flood Map 33
  - Concept Site Plan 34
- Assessment & Taxation 35
- Zoning Analysis 37
- Market Analysis 38
- Highest & Best Use 48

VALUATION 54
- Valuation Methods 54
- Land Valuation 55
  - Land Sales Summation Table 56
  - Land Sales Location Map 57
  - Land Sales Data Sheets 58
  - Calculation of Land Value 66

AFTER CONDITION ANALYSIS 68
- Introduction 68
- Value of Parts Taken 68
- Value of Remainder Part of the Whole 70
- Value of the Remainder in the After Condition 70
- Severance Damages 70
- Project Benefits 71
- Temporary Construction Easements 71
- Valuation Summary 72

CERTIFICATION

ASSUMPTIONS & LIMITING CONDITIONS

ADDENDA

Engagement Letter
Professional Service Agreement
Valuation Glossary
Qualifications of Appraisers
Qualifications of Colliers International Valuation & Advisory Services

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GENERAL INFORMATION

Property Name	Lakeside Land Partners, LLC
Property Type	Land - Residential (Single-family) Land
Address	300 North 2600 West
City	Springville
State	Utah
Zip Code	84663
County	Utah
Core Based Statistical Area (CBSA)	Provo-Orem, UT
Market	Utah County
Submarket	Springville City
Latitude	40.170730
Longitude	-111.657850
Number Of Parcels	3
Assessor Parcels	21-096-0011, 21-096-0005, 21-096-0016
Total Taxable Value	$699,666
Census Tract Number	105.03

LARGER PARCEL INFORMATION

Land Area - Larger Parcel	**Acres**	**Square Feet**
Usable	33.59	1,463,332
Unusable	0.00	0
Excess	0.00	0
Surplus	0.00	0
Total	**33.59**	**1,463,332**

Land Area - The Parts Taken	**Acres**	**Square Feet**
Fee Taking	1.94	84,494
Perpetual Easement	0.15	6,599
Temporary Construction Easement	0.15	6,455

Shape	Rectangular
Access	Fair/Average
View	Average
Current Zoning	Agricultural (A-1)
Flood Zone	Zone AE
Seismic Zone	Very High Risk

VALUATION SUMMARY

	VALUE OPINIONS	VALUE OF PROPERTY RIGHTS
Value of the Larger Parcel	$10,096,994	
Fee Taking (inc. Site Imp.)	($583,009)	$583,009
Perpetual Easement	($13,660)	$13,660
Value of the Remainder as a Part of the Whole	$9,500,325	
Value of the Remainder in the After Condition	$9,500,325	
Severance Damages	$0	
Cost to Cure	$0	
Project Benefits	$0	
Net Severance Damages	$0	$0
Temporary Construction Easement (TCE)	$11,124	$11,124
TOTAL FAIR MARKET VALUE OF PROPOSED PROPERTY AND RIGHTS TAKEN (ROUNDED)		**$607,800**

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SUBJECT SITE VIEWING WEST



SUBJECT SITE VIEWING NORTHWEST



SUBJECT SITE VIEWING NORTHEAST



SUBJECT SITE VIEWING SOUTHEAST



SUBJECT SITE FROM 2500 WEST

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PROPERTY IDENTIFICATION

The larger parcel is a 33.59-acre site at 300 North 2600 West in Springville, Utah. The site does not front an improved street, but has access by way of a private dirt road. All municipal utilities are approximately 80' to the northeast in 2500 West. On-site improvements consists of a wood post and wire fence that spans the perimeter of the larger parcel.

The property is in an area that has historically been used for agriculture. We do not have contact information for the property owners but based on the condition of the property and surrounding land uses, we assume the property has historically been used for agriculture. According to the map provided by the Utah Division of Water Rights, there is no water right located on the larger parcel.

The larger parcel is currently vacant and zoned A-1 (Agricultural). However, it is within the Westfield and Lakeside Overlay and is part of the proposed Lakeside Village master plan. Lakeside Village is in the early planning process with Springville City. The current plan under review totals approximately six units per acre.

The legal descriptions of the subject's larger parcel are as follows: COM N 1669.78 FT & W 1316.28 FT FR E 1/4 COR. SEC. 36 T7S R2E SLB&M.; N 0 DEG 32' 13" W 586.63 FT; N 89 DEG 16' 36" E 1133.25 FT; S 0 DEG 10' 13" E 608.73 FT; N 89 DEG 36' 12" W 1129.5 FT TO BEG. AREA 15.522 AC.

&
COM S 15 CH & W 2.54 CH FR NE COR. SEC. 36 T7S R2E SLB&M.; W 1152.36 FT; S 341.55 FT; E 1152.36 FT; N 341.55 FT TO BEG. AREA 9.036 AC.

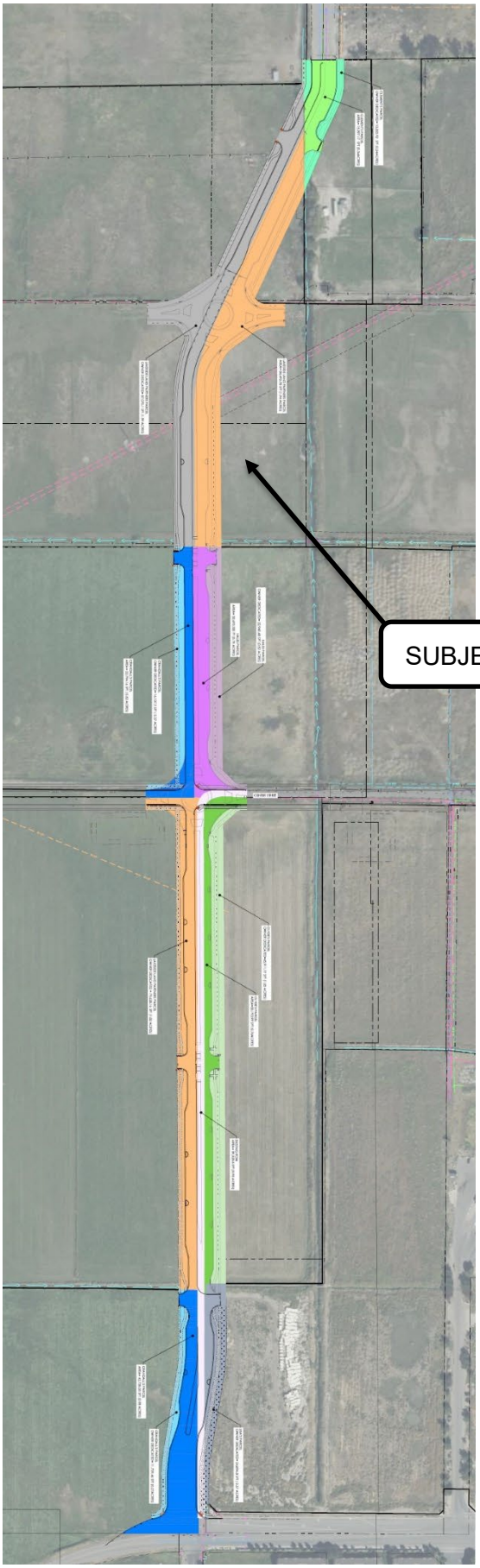
&
COM S 20.175 CH & W 2.54 CH FR NE COR. SEC. 36, T7S, R2E, SLB&M.; S 5.175 CH; W 17.46 CH; N 5.175 CH; E 17.46 CH TO BEG. AREA 9.036 AC.

PROJECT DESCRIPTION

The Mountainlands Association of Governments' 2600 West ROW project will extend 2600 West northward where it will intersect with Center Street and then continue north where it will eventually turn northeastward and connect with 2500 West at approximately 400 North. The four-lane road will provide access to an area that is in the planning process for residential and commercial development. Mountainlands Association of Governments is providing partial funding for the project. Construction is anticipated to begin by June 2025.

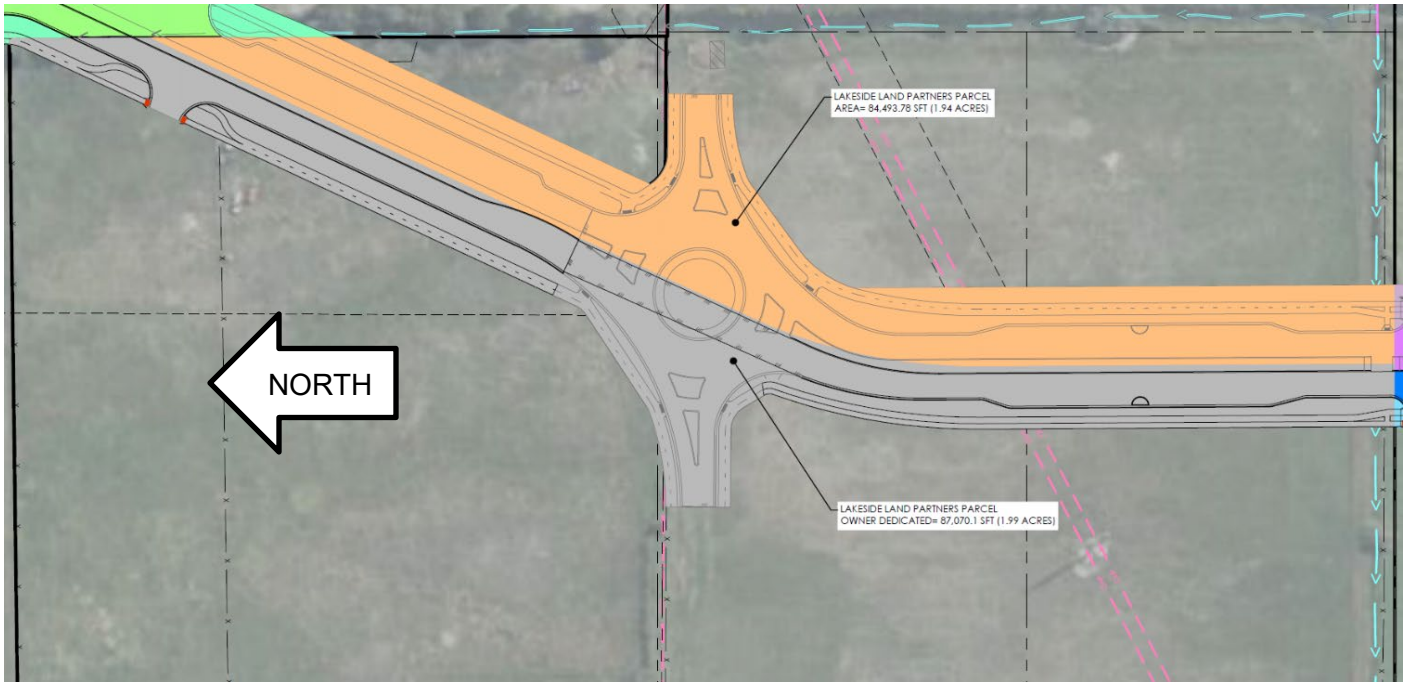
The exhibit below was provided by the client in connection with this assignment. The orange-shaded area is the area of the fee taking. The gray-shaded area is to be dedicated by the owner in the future if and when development of the site should occur; the gray-shaded area is not part of this assignment.

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CLIENT IDENTIFICATION

The client of this specific assignment is Mountainlands Association of Governments (MAG).

PURPOSE

The purpose of this appraisal is to develop an opinion of the Fair Market Value of the larger parcel's fee simple interest, as well as the value of a fee taking, perpetual easement and temporary construction easement.

INTENDED USE

The intended use of this appraisal is to assist the client in providing funds to the landowner to preserve future road corridors.

INTENDED USERS

Intended users of this report include Mountainlands Association of Governments (MAG) and Springville City. Use of this report by third parties and other unintended users is not permitted. This report must be used in its entirety. Reliance on any portion of the report independent of others, may lead the reader to erroneous conclusions regarding the property values. Unless approval is provided by the authors no portion of the report stands alone.

ASSIGNMENT DATES

Date of Report	March 10, 2025
Date of Inspection	February 12, 2025
Valuation Date - As-Is	February 12, 2025

PERSONAL INTANGIBLE PROPERTY

No personal property or intangible items are included in this valuation.

PROPERTY AND SALES HISTORY

Current Owner

The subject title is currently recorded in the name of Lakeside Land Partners LLC who acquired title to the property on 7/22/2022.

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Three-Year Sales History
According to public records, the subject parcels were purchased on 7/22/2022 by Lakeside Land Partners, LLC from Matt Steward and Craig Cloward Successor Trustees of Burke and Dorthy Cloward Family Trust. We were not provided with any additional information the the prior sale.

Subject Sale Status
Research of the applicable public records, private data services and an interview of the current owner and/or broker revealed that the subject property is not under a current agreement of sale or option and is not currently offered for sale on the open market.

DEFINITIONS

This section summarizes the definitions of value, property rights appraised, and value scenarios that are applicable for this appraisal assignment. All other applicable definitions for this assignment are located in the Valuation Glossary section of the Addenda.

DEFINITIONS OF VALUE

Given the scope and intended use of this assignment, the following definition of value is applicable:

Fair Market Value
The definition of fair market value, as used in this report, is "…the amount at which a property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the relevant facts."[1]

PROPERTY RIGHTS APPRAISED

The property rights appraised constitute the fee simple interest.

Fee Simple Estate
Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.[2]

VALUE SCENARIOS

As-Is Value
The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.[3]

[1] Utah Code, Title 59-2-102(12)
[2] The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022
[3] The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022

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INTRODUCTION

The appraisal development and reporting processes requires gathering and analyzing information about those assignment elements necessary to properly identify the appraisal problem to be solved. The scope of work decision must include the research and analyses that are necessary to develop credible assignment results given the intended use of the appraisal. Sufficient information includes disclosure of research and analyses performed and might also include disclosure of research and analyses not performed. The scope of work for this appraisal assignment is outlined below:

- The appraisers analyzed the regional and local area economic profiles including employment, population, household income, and real estate trends. The local area was further studied to assess the general quality and condition, and emerging development trends for the real estate market. The immediate market area was inspected and examined to consider external influences on the subject.
- The appraisers confirmed and analyzed legal and physical features of the subject property including sizes of the site, flood plain data, seismic zone, zoning, easements and encumbrances, access and exposure of the site.
- The appraisers completed a land market analysis that included market and sub-market overviews. The Utah County market and Springville City sub-market overviews analyzed supply/demand conditions using vacancy, absorption, supply change and rent change statistics. Conclusions were drawn regarding the subject property's competitive position given its physical and locational characteristics, the prevailing economic conditions and external influences.
- The appraisers conducted Highest and Best Use analysis and conclusions were drawn for the highest and best use of the subject property As-Vacant. The analysis considered legal, locational, physical and financial feasibility characteristics of the subject site.
- The appraisers confirmed and analyzed financial features of the subject property including potential entitlement issues, and tax and assessment records. This information as well as trends established by confirmed market indicators was used to forecast performance of the subject property.
- Selection of the valuation methods was based on the identifications required in USPAP relating to the intended use, intended users, definition and date of value, relevant property characteristics and assignment conditions. This appraisal developed the Sales Comparison Approach to value, which was adjusted and reconciled as appropriate. The appraisal develops an opinion of the As-Is Market Value of the subject property's fee simple interest.
- Reporting of this appraisal is in an Appraisal Report format as required in USPAP Standard 2. The appraiser's analysis and conclusions are fully described within this document.
- We understand the Competency Rule of USPAP and the authors of this report meet the standards.
- Jake Jorgensen (Utah State Certified Residential Real Estate Appraiser No. 7338339-CR00) provided significant real property appraisal assistance to the appraisers signing the certification.

SOURCES OF INFORMATION

The following sources were contacted to obtain relevant information:

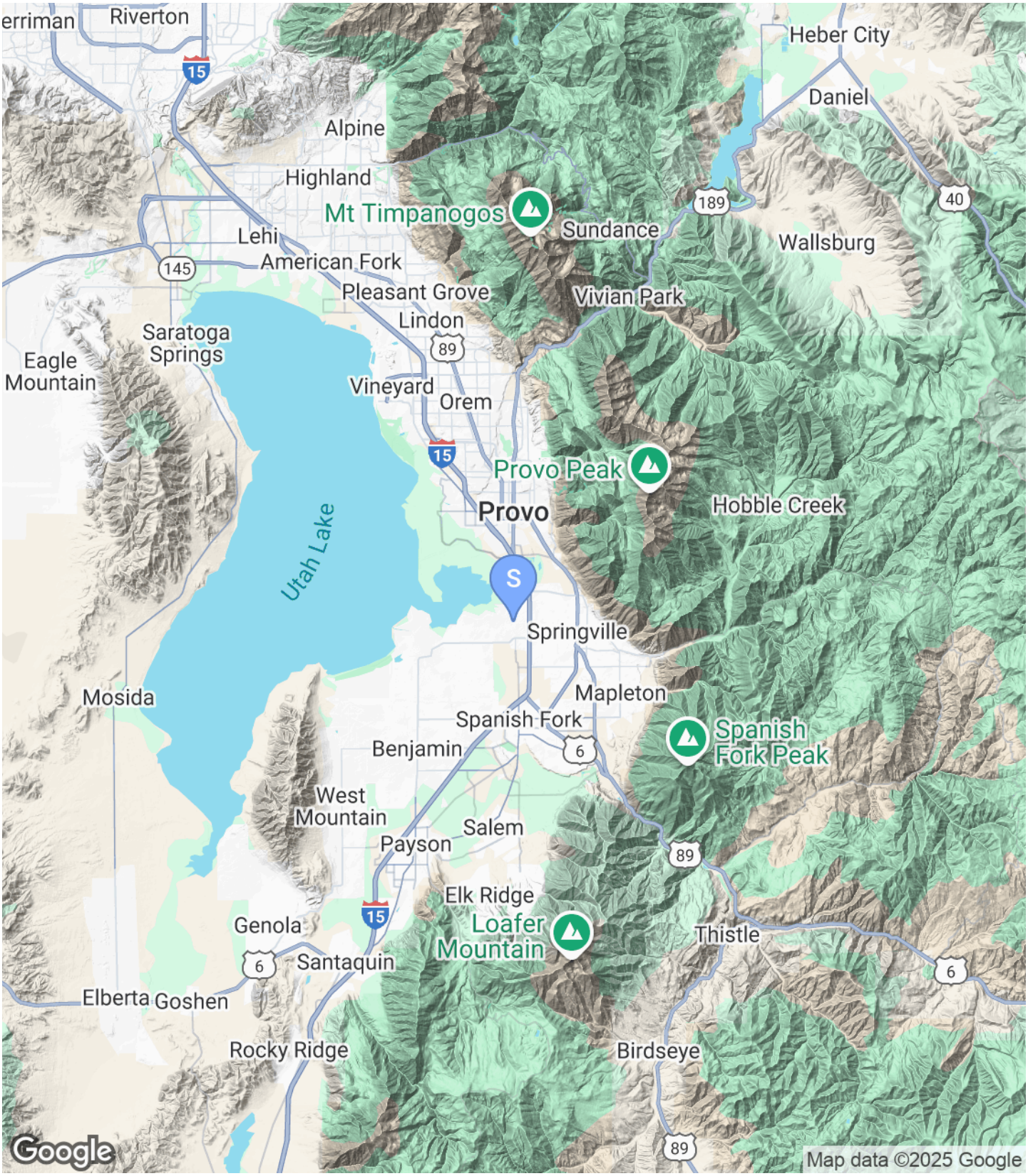
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SOURCES OF INFORMATION	
ITEM	**SOURCE**
Tax Information	Utah County Tax Assessor
Zoning Information	City of Springville Zoning Code
Site Size Information	Utah County Tax Assessor
Flood Map	InterFlood
Demographics	Pitney Bowes/Gadberry Group - GroundView®
Comparable Information	See Comparable Datasheets for details
Legal Description	Grant Deed from RealQuest

SUBJECT PROPERTY INSPECTION

SUBJECT PROPERTY INSPECTION			
APPRAISER	**INSPECTED**	**EXTENT**	**DATE OF INSPECTION**
Chelsey Jorgensen, MAI	Yes	Site Only	February 27, 2025
Kelly Tate, MAI	No	-	-
Jake Jorgensen	Yes	Site Only	February 12, 2025

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erriman
Riverton
Heber City
Daniel
Alpine
Highland
Mt Timpanogos
Sundance
Wallsburg
Lehi
American Fork
Pleasant Grove
Vivian Park
Lindon
Saratoga Springs
Eagle Mountain
Vineyard
Orem
Provo Peak
Provo
Hobble Creek
Utah Lake
Springville
Mapleton
Mosida
Spanish Fork
Spanish Fork Peak
Benjamin
West Mountain
Salem
Payson
Elk Ridge
Loafer Mountain
Thistle
Genola
Santaquin
Elberta
Goshen
Rocky Ridge
Birdseye
15
145
89
189
40
6
Google
Map data ©2025 Google

INTRODUCTION



The Provo-Orem Metropolitan Statistical Area is comprised of Utah and Juab Counties. Seven counties as well as the State of Nevada border the Provo-Orem MSA. The MSA is located in north central Utah and is anchored by the cities of Provo and Orem.

The geography of the Provo-Orem MSA includes arid desert, lakes, and high-mountain peaks. Elevations within the area range from around 4,300 feet at the valley floor to nearly 12,000 feet above sea level in the Wasatch Mountains. Orem and Provo are located in the northern portion of Utah County at the base of the Wasatch Mountains on the east.

The Utah Lake, which is located to the west of the cities of Provo and Orem in Utah County, is the largest fresh-water lake in the state. The lake drains via the Jordan River at its north end into the Great Salt Lake. The Jordan River is a 60-mile-long river that receives the water of many streams flowing down from the Wasatch Range.

The majority of the population of Utah County lies in cities found along Interstate 15 which runs north-to-south just west of Orem and Provo and other smaller communities. This freeway provides access to Arizona to the south and Idaho to the north. The Salt Lake City International Airport is the nearest large airport; however, the Provo Municipal Airport, located in Provo, is used extensively for private flight training and is home to the Utah Valley University flight school. The city of Nephi, in Juab County, also has a municipal airport.



Provo and Orem's mass transit service is operated by the Utah Transit Authority (UTA) and includes a bus system, which connects commuters to local services as well as the greater Salt Lake City region. UTA's commuter rail service, FrontRunner, was extended to Provo from Salt Lake City in 2012. Amtrak, a national passenger rail system, provides service to Provo station, operating its California Zephyr daily in both directions between Chicago, Illinois and Emeryville, California. Provo is also serviced by Greyhound Bus Lines.

Provo is the economic and demographic center of the Provo-Orem MSA and the third-largest city in Utah according to the 2008 U.S. Census Bureau. Provo is the county seat of Utah County. It was first settled in 1849 by 33 Mormon families from Salt Lake City. The residents of Provo are predominantly (88.0%) members of The Church of Jesus Christ of Latter-day Saints. The large population of students that attend Brigham Young University and Utah Valley University make Provo and Orem "college towns". Provo is also home to The Church of Jesus Christ of Latter-days Saints' largest Missionary Training Center. Each week some 475 missionaries enter for 2 to 12 weeks of training before they depart for the mission field. Orem, the sixth-largest city in the state, is adjacent to the north of Provo City and is located approximately 45 miles south of Salt Lake City. Orem was incorporated in 1919 and is home to Utah Valley University.

Today the area's major industries are government, trade, transportation, utilities, and professional and business services. Provo is home to international companies including Nature's Sunshine Products, Novell, and Nu Skin Enterprises.

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DEMOGRAPHIC ANALYSIS

The following is a demographic study of the region sourced by *Esri ArcGIS®*, an online resource center that provides information used to analyze and compare the past, present, and future trends of geographical areas. Demographic changes are often highly correlated to changes in the underlying economic climate. Periods of economic uncertainty necessarily make demographic projections somewhat less reliable than projections in more stable periods. These projections are used as a starting point, but we also consider current and localized market knowledge in interpreting them within this analysis. Please note that our demographics provider sets forth income projections in constant dollars which, by definition, reflect projections after adjustment for inflation. We are aware of other prominent demographic data providers that project income in current dollars, which do not account for inflation. A simple comparison of projections for a similar market area made under the constant and current dollar methodologies can and likely will produce data points that vary, in some cases, widely. Further, all forecasts, regardless of demographer methodology(ies), are subjective in the sense that the reliability of the forecast is subject to modeling and definitional assumptions and procedures.

Population

According to Esri ArcGIS®, a Geographic Information System (GIS) Company, the Provo-Orem-Lehi metropolitan area had a 2024 population of 749,524 and experienced an annual growth rate of 2.7%, which was higher than the Utah annual growth rate of 1.6%. The metropolitan area accounted for 21.4% of the total Utah population (3,506,694). Within the metropolitan area the population density was 138.9 people per square mile compared to the lower Utah population density of 42.5 people per square mile and the lower United States population density of 95.8 people per square mile.

POPULATION

YEAR	US	UT	CBSA
2020 Population	331,839,624	3,284,843	674,930
2024 Population	338,440,954	3,506,694	749,524
2029 Population	344,873,411	3,719,346	823,415
2020-2024 CAGR	0.5%	1.6%	2.7%
2024-2029 CAGR	0.4%	1.2%	1.9%

Source: Esri ArcGIS®

POPULATION DENSITY

YEAR	US	UT	CBSA
2024 Per Square Mile	95.8	42.5	138.9
2029 Per Square Mile	97.6	45.0	152.6

Source: Esri ArcGIS®

The 2024 median age for the metropolitan area was 27.4, which was 43.9% younger than the United States median age of 39.3 for 2024. The median age in the metropolitan area is anticipated to grow by 0.86% annually, increasing the median age to 28.6 by 2029.

MEDIAN AGE

YEAR	US	UT	CBSA
2024	39.3	32.2	27.4
2029	40.4	33.4	28.6
2024-2029 CAGR	0.55%	0.73%	0.86%

Source: Esri ArcGIS®

Education

The Provo-Orem MSA has two universities, Brigham Young University and Utah Valley University. Brigham Young University (BYU) is a private research institution located in Provo, owned and operated by the Church of Jesus

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Christ of Latter-day Saints. BYU has an endowment of $1.47 million and an annual enrollment of 33,363 students. The university's primary focus is on undergraduate education, but also offers masters and doctoral degree programs. Utah Valley University (UVU) is a publicly funded university located in Orem. With an annual enrollment of over 34,000 students, UVU is the largest public university in the state. The university currently offers bachelor and associate degrees and more than 20 certificate programs and high-demand degrees in education and nursing.

Household Trends

The 2024 Households number of households in the metropolitan area was 213,725. The number of households in the metropolitan area is projected to grow by 2.4% annually, increasing the number of households to 240,483 by 2029 Households. The 2024 average household size for the metropolitan area was 3.43, which was 35.57% larger than the United States average household size of 2.53 for 2024. The average household size in the metropolitan area is anticipated to retract by 0.41% annually, reducing the average household size to 3.36 by 2029.

NUMBER OF HOUSEHOLDS

YEAR	US	UT	CBSA
2024 Households	130,716,571	1,147,946	213,725
2029 Households	134,930,577	1,240,486	240,483
2024-2029 CAGR	0.6%	1.6%	2.4%

Source: Esri ArcGIS®

AVERAGE HOUSEHOLD SIZE

YEAR	US	UT	CBSA
2024	2.53	3.01	3.43
2029	2.50	2.96	3.36
2024-2029 CAGR	(0.24%)	(0.33%)	(0.41%)

Source: Esri ArcGIS®

The Provo-Orem-Lehi metropolitan area had 28.58% renter occupied units, compared to the higher 29.18% in Utah and the higher 35.64% in the United States.

HOUSING UNITS

	US	UT	CBSA
Ow ner Occupied	64.36%	70.82%	71.42%
Renter Occupied	35.64%	29.18%	28.58%

Source: Esri ArcGIS®

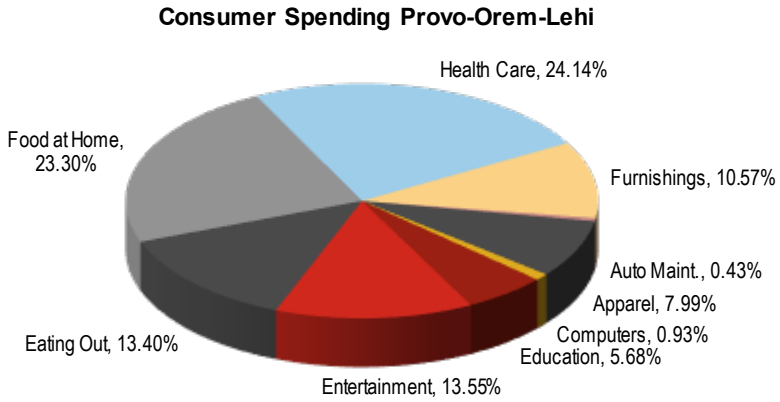
The 2024 median household income for the metropolitan area was $102,425, which was 29.54% higher than the United States median household income of $79,068. The median household income for the metropolitan area is projected to grow by 2.66% annually, increasing the median household income to $116,814 by 2029.

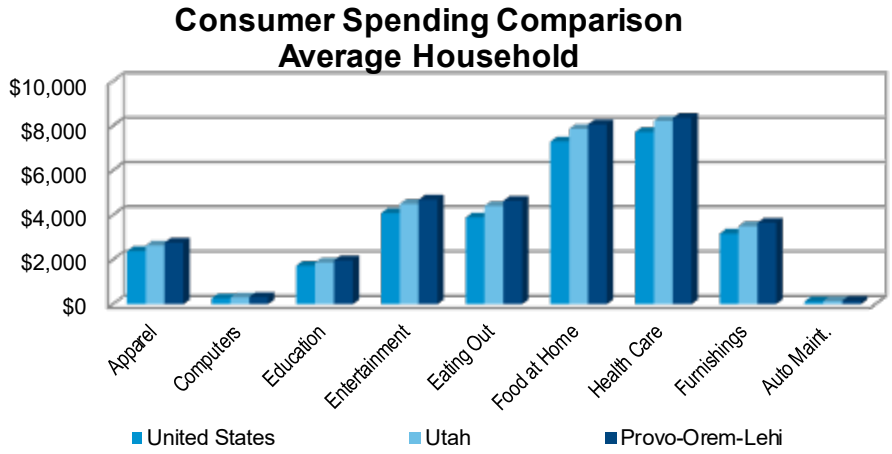
As is often the case when the median household income levels are higher than the national average, the cost of living index is also higher. According to the American Chamber of Commerce Researchers Association (ACCRA) Cost of Living Index, the MSA's cost of living is 103.4 compared to the national average score of 100. The ACCRA Cost of Living Index compares groceries, housing, utilities, transportation, health care and miscellaneous goods and services for over 300 urban areas.

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MEDIAN HOUSEHOLD INCOME			
YEAR	US	UT	CBSA
2024	$79,068	$95,801	$102,425
2029	$91,442	$110,702	$116,814
2024-2029 CAGR	2.95%	2.93%	2.66%

Source: Esri ArcGIS®





EMPLOYMENT

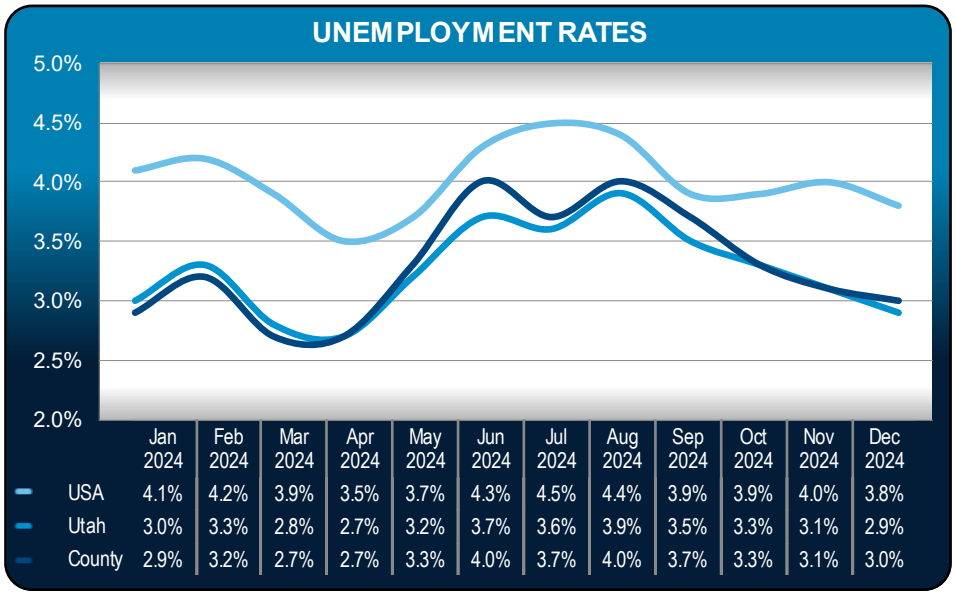
Total employment has increased annually over the past decade in the state of Utah by 2.8% and increased annually by 3.9% in the county. From 2022 to 2023 unemployment increased in Utah by 0.2% and increased by 0.4% in the county. In the state of Utah unemployment has decreased over the previous month by 0.2% and decreased by 0.1% in the county.

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EMPLOYMENT & UNEMPLOYMENT STATISTICS 2014 - 2023

	TOTAL EMPLOYMENT				UNEMPLOYMENT RATE		
	Utah		Utah County, UT		United States*	Utah	Utah County, UT
Year	Total	% Δ Yr Ago	Total	% Δ Yr Ago			
2014	1,364,353	2.8%	244,673	3.8%	6.2%	3.6%	3.3%
2015	1,401,945	2.8%	256,260	4.7%	5.3%	3.5%	3.2%
2016	1,449,981	3.4%	269,619	5.2%	4.9%	3.3%	3.0%
2017	1,505,413	3.8%	283,780	5.3%	4.4%	3.1%	2.8%
2018	1,538,295	2.2%	293,798	3.5%	3.9%	2.9%	2.7%
2019	1,577,970	2.6%	302,821	3.1%	3.7%	2.5%	2.3%
2020	1,564,747	(0.8%)	304,982	0.7%	8.1%	4.8%	3.9%
2021	1,636,957	4.6%	323,973	6.2%	5.3%	2.8%	2.4%
2022	1,696,513	3.6%	337,405	4.1%	3.6%	2.4%	2.2%
2023	1,743,223	2.8%	344,042	2.0%	3.6%	2.6%	2.6%
CAGR	**2.8%**	-	**3.9%**	-	-	-	-

Source: U.S. Bureau of Labor Statistics *Unadjusted Non-Seasonal Rate



TOP EMPLOYERS		
EMPLOYER NAME	EMPLOYEES	INDUSTRY
Brigham Young University	15,000-19,999	University
Alpine School District	7,000-9,999	Education
Utah Valley University	5,000-6,999	University
Utah Valley Regional Medical Center	5,000-6,999	Healthcare
Vivint	3,000-3,999	Technology
Nebo School District	3,000-3,999	Education
Wal-Mart	2,000-2,999	Retail
State of Utah	2,000-2,999	State Government
RBD Acquisition	2,000-2,999	Services to Buildings
Young Living Essential Oils	2,000-2,999	Direct Selling
Vivint Solar	1,000-1,999	Solar Energy
Provo School District	1,000-1,999	Education
Nexeo Staffing	1,000-1,999	Employment Services
Doterra International	1,000-1,999	Direct Selling
IM Flash Technologies	1,000-1,999	Technology
Entrata	1,000-1,999	Data Processing & Hosting
Adobe Systems	1,000-1,999	Technology
Nu Skin	1,000-1,999	Health Products
Smith's Food & Drug	1,000-1,999	Grocery Store
Sundance Resort	1,000-1,999	Hospitality

Source: Utah Department of Workforce Services

The preceding chart depicts the top employers in Utah County. Principal employers in the region are spread throughout different sectors including education healthcare/social assistance, and professional/scientific/ technical services. Brigham Young University is the top employer. A private research university located in Provo, owned and operated by The Church of Jesus Christ of Latter-day Saints, BYU is the country's largest religious university and the third-largest private university. The third largest employer is Utah Valley University. With a total of 5,000-6,999 employees, Utah Valley University is the largest institution of higher education in the state. The fourth largest employer is Utah Valley Regional Medical Center. The 395-bed not-for-profit hospital is part of the Intermountain Healthcare system and serves Utah County, central and southern Utah.

AIRPORT PORT STATISTICS

It is noted that the decrease in the number of enplaned passengers during 2020 and the resulting increase in 2021 is a result of COVID-19. The number of enplaned passengers reached a record high in 2023, nearly doubling from the prior year.

PROVO MUNICIPAL AIRPORT (PVU)		
YEAR	ENPLANED PASSENGERS	% CHG
2013	30,090	-
2014	62,011	106.1%
2015	65,303	5.3%
2016	78,451	20.1%
2017	91,581	16.7%
2018	80,106	(12.5%)
2019	110,279	37.7%
2020	77,217	(30.0%)
2021	118,740	53.8%
2022	211,741	78.3%
2023	415,197	96.1%

Source: U.S. Department of Transportation

Taxes

Property taxes are levied at the state and local level, based on assessed valuations established by elected county assessors and, in the case of certain properties, by the State Tax Commission's Property Tax Division. The amount of taxes paid is based on the tax rate applied against the taxable value of the property.

Tax rates are set by local entities (counties and towns, school districts, and special taxing districts) and approved by the Property Tax Division. Effective tax rates range from 0.86% to 2.2% in 2014.

State Income Tax is based on 5% of every dollar of income earned. Utah has sales and use tax for retail sales of tangible personal property and select services such as admissions to places of amusement, intrastate transportation service, hotel and motel accommodations, and certain other goods and services. Rates for sales and use tax within each municipality vary between 5.95% and 8.35% of purchase price. Additional local sales taxes for specific goods also exist.

The restaurant tax is an additional 1%. The motor vehicle rental tax of 2.5% is applied statewide with an additional tax of 3% in Duchesne, Grand, and Uintah counties and 7% in Davis, Morgan, Salt Lake, Sevier, Washington, and Weber counties.

Local taxes, in addition to sales taxes from room rates, vary from 3 to 4.5%. Municipal energy sales and use tax rates, when charged, varies from 1% to 6%. A general sales tax of up to 1.5% is applied in 12 resort communities.

The state of Utah taxes all corporations' net income, which has been determined by law to be allocable to the state. Utah has the three factors-sales, payroll and property-to equally apportion federal taxable income. The corporate franchise tax rate is 5% of net taxable income. Minimum tax for state banks and corporations is $100.

Employers must pay on the first $21,400 of wages paid to each employee during the calendar year. Unemployment tax rates vary from 0.1% to 8.1% of taxable payroll, depending on unemployment experience and type of industry.

Utah's free port law is among the most liberal inventory tax laws in the country. Goods used by retailers, wholesalers, or manufacturers for processing and sale in Utah are exempt from ad valorem taxes.

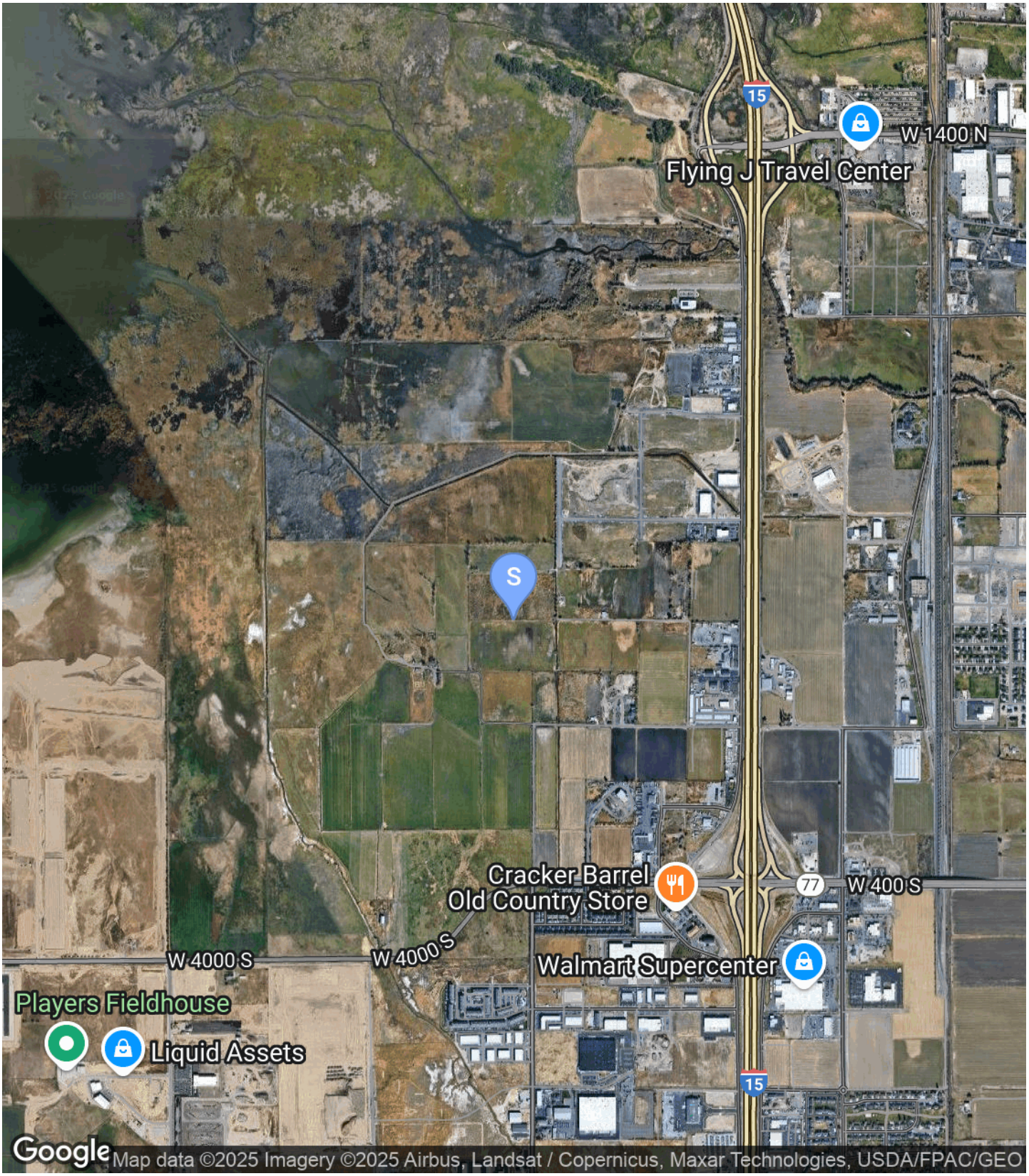
Salt Lake, a customs port city, offers a foreign trade zone. The service allows duties to be deferred or reduced.

Motor vehicles have a uniform fee in lieu of property tax based on the model year of the vehicle. The fee ranges from $10 to $150, depending on the age of the vehicle.

SUMMARY

The Provo-Orem Metropolitan Statistical Area benefits from a strong economy supported by education, healthcare, tourism, and recreational sectors. The county’s natural attractions are a competitive advantage for the region’s economy and will play a vital role in the future economic health and prosperity of the region. It is anticipated that the Provo-Orem MSA will continue to be a part of a growing regional economy, thus supporting positive trends for multi-family developments in the area. Economic growth across the Wasatch Front is projected to outpace the national average over the forecast horizon due to these factors.

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15
W 1400 N
Flying J Travel Center
S
Cracker Barrel
Old Country Store
77
W 400 S
W 4000 S
W 4000 S
Walmart Supercenter
Players Fieldhouse
Liquid Assets
15
Google
Map data ©2025 Imagery ©2025 Airbus, Landsat / Copernicus, Maxar Technologies, USDA/FPAC/GEO

INTRODUCTION

In this section of the report, we provide details about the local area and describe the influences that bear on the real estate market as well as the subject property. A map of the local area is presented on the prior page. Below are insights into the local area based on fieldwork, interviews, demographic data and experience working in this market.

LOCAL AREA PROFILE

The subject's larger parcel is located in Springville, Utah, within Utah County. Springville is located on the west side of the Wasatch Mountain Range, about 3 miles east of Utah Lake's shoreline and mostly east of Interstate 15. Its strategic location near a key interstate hub facilitates vehicular traffic transporting goods in all directions. Known as "Art City," Springville has a strong focus on the arts and is home to the Springville Museum of Art, Utah's oldest visual fine arts museum, established in 1937. As of the 2020 United States Census, the city's population was 35,268.

DEMOGRAPHIC PROFILE

Below is a demographic study of the area, sourced by *Esri ArcGIS*®, an on-line resource center that provides information used to analyze and compare the past, present, and future trends of properties and geographical areas. Please note that our demographics provider sets forth income projections in constant dollars which, by definition, reflect projections after adjustment for inflation. We are aware of other prominent demographic data providers that project income in current dollars, which do not account for inflation. A simple comparison of projections for a similar market area made under the constant and current dollar methodologies can and likely will produce data points that vary, in some cases, widely. Further, all forecasts, regardless of demographer methodology(ies), are subjective in the sense that the reliability of the forecast is subject to modeling and definitional assumptions and procedures.

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LOCAL AREA DEMOGRAPHICS							
DESCRIPTION	**1 MILE**	**3 MILES**	**5 MILES**	**DESCRIPTION**	**1 MILE**	**3 MILES**	**5 MILES**
POPULATION				**AVERAGE HOUSEHOLD INCOME**			
2010 Population	941	17,052	105,008	2024	$108,018	$104,134	$101,050
2020 Population	1,234	21,684	120,973	2029	$124,527	$124,579	$119,619
2024 Population	1,185	23,476	127,421	Change 2024-2029	15.28%	19.63%	18.38%
2029 Population	1,165	24,532	136,447	**MEDIAN HOUSEHOLD INCOME**			
Change 2010-2020	31.14%	27.16%	15.20%	2024	$77,328	$84,053	$78,289
Change 2020-2024	(3.97%)	8.26%	5.33%	2029	$91,519	$101,694	$93,303
Change 2024-2029	(1.69%)	4.50%	7.08%	Change 2024-2029	18.35%	20.99%	19.18%
NUMBER OF HOUSEHOLDS				**PER CAPITA INCOME**			
2010 Households	276	4,967	31,289	2024	$35,822	$31,307	$31,220
2020 Households	522	6,461	36,898	2029	$42,382	$38,363	$38,144
2024 Households	513	7,086	39,439	Change 2024-2029	18.31%	22.54%	22.18%
2029 Households	518	7,602	43,592	**HOUSEHOLDS BY INCOME (2022)**			
Change 2010-2020	89.13%	30.08%	17.93%	Less than $15,000	1.47%	4.76%	7.52%
Change 2020-2024	(1.72%)	9.67%	6.89%	$15,000 - $24,999	3.91%	6.42%	6.97%
Change 2024-2029	0.97%	7.28%	10.53%	$25,000 - $34,999	5.62%	6.27%	6.94%
HOUSING UNITS				$35,000 - $49,999	8.80%	12.80%	12.54%
Owner Occupied	290	4,973	22,947	$50,000 - $74,999	35.21%	17.67%	18.02%
Renter Occupied	223	2,113	16,492	$75,000 - $99,999	9.05%	17.43%	15.60%
HOUSING UNITS BY YEAR BUILT				$100,000 - $149,999	27.14%	20.61%	18.27%
Built 2020 or Later	26	72	387	$150,000 - $199,999	2.93%	8.13%	7.97%
Built 2010 to 2019	203	1,141	4,884	$200,000 or More	5.62%	5.90%	6.17%
Built 2000 to 2009	86	1,855	6,456	**HOUSING BY UNITS IN STRUCTURE**			
Built 1990 to 1999	40	994	7,053	1, Detached	141	3,724	20,865
Built 1980 to 1989	25	297	3,946	1, Attached	55	952	4,113
Built 1970 to 1979	38	798	5,576	2	5	166	2,195
Built 1960 to 1969	0	286	2,224	3 or 4	38	436	2,653
Built 1950 to 1959	5	297	2,426	5 to 9	104	301	2,241
Built 1940 to 1949	7	198	2,095	10 to 19	35	321	2,535
Built 1939 or Earlier	24	453	3,537	20 to 49	65	250	2,100
HOME VALUES				50 or More	10	12	1,000
Average	$482,646	$543,942	$564,501	Mobile Home	2	230	875
Median	$358,333	$478,060	$517,640	Boat, RV, Van, etc.	0	0	7
Built 1939 or Earlier	24	453	3,537	Boat, RV, Van, etc.	0	0	7

Source: Esri ArcGIS®

Transportation Routes

Major traffic arteries are shown in the chart below:

MAJOR ROADWAYS & THOROUGHFARES			
HIGHWAY	**DIRECTION**	**FUNCTION**	**DISTANCE FROM SUBJECT**
I-15	north-south	Interstate Highway	This is within a mile of the subject property.
SURFACE STREETS	**DIRECTION**	**FUNCTION**	**DISTANCE FROM SUBJECT**
Center Street	east-west	Secondary Arterial	The subject property fronts this street.
400 South	east-west	Primary Arterial	This is within a mile of the subject property.

Economic Factors

Springville's largest employers include Stouffer Foods Corporation, with over 500 employees, and Valtek, which has more than 400 employees. Over the last few years Springville has seen a massive amount of development, which primarily includes residential and industrial development.

Community Services

Community services and facilities are readily available in the surrounding area. These include public services such as fire stations, hospitals, police stations, and schools (all ages).

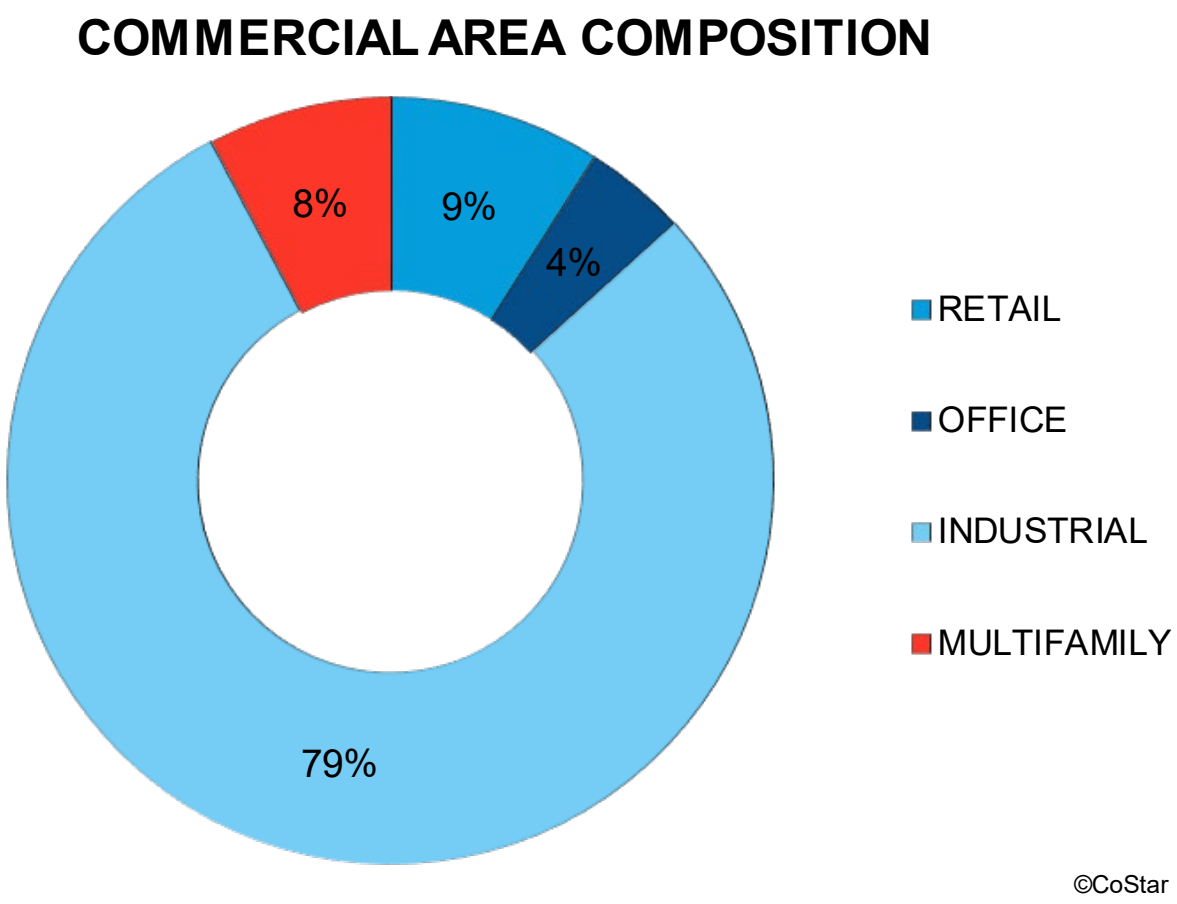
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IMMEDIATE AREA PROFILE

This section discusses uses and development trends in the immediate area that directly impact the performance and appeal of the subject property.

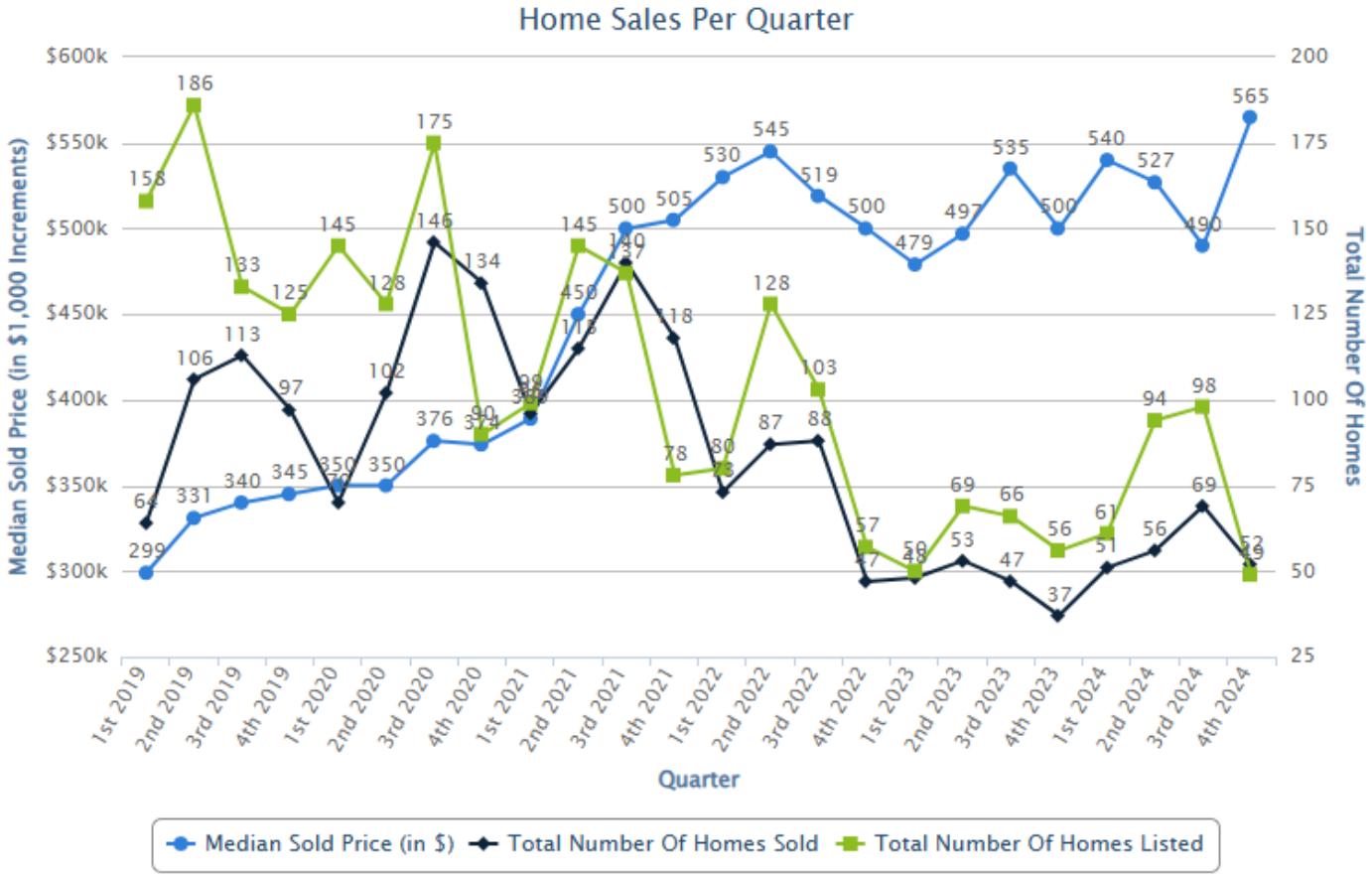
Predominant Land Uses

Significant development in the immediate area consists primarily of industrial and single family residential. The local area has a mix of commercial uses nearby and the composition is shown in the following graph.



Residential Development

Residential users in the immediate area are primarily single-family residential. According to the Utah MLS, median home sales prices consistently increased quarter after quarter from Q1 2019 to Q2 2022 before decreasing slightly through Q1 2023. Sales prices have been somewhat volatile since then but the area experienced a new high in median home sale prices during Q1 2024 with a median sold price of $565,000. The rise in home prices has coincided with a decline in available housing inventory. The table below depicts median home sale figures within the subject's zip code.



Multi-Family Development

The following chart shows a summary of multi-family data by type in the immediate area from CoStar.

MULTIFAMILY SUMMARY

CLASS	PROPERTIES	NRA (SF)	AVG YR BLT
A	1	50,000	2019
B	8	758,002	2016
C	16	298,921	1963
TOTAL	**25**	**1,106,923**	**1982**

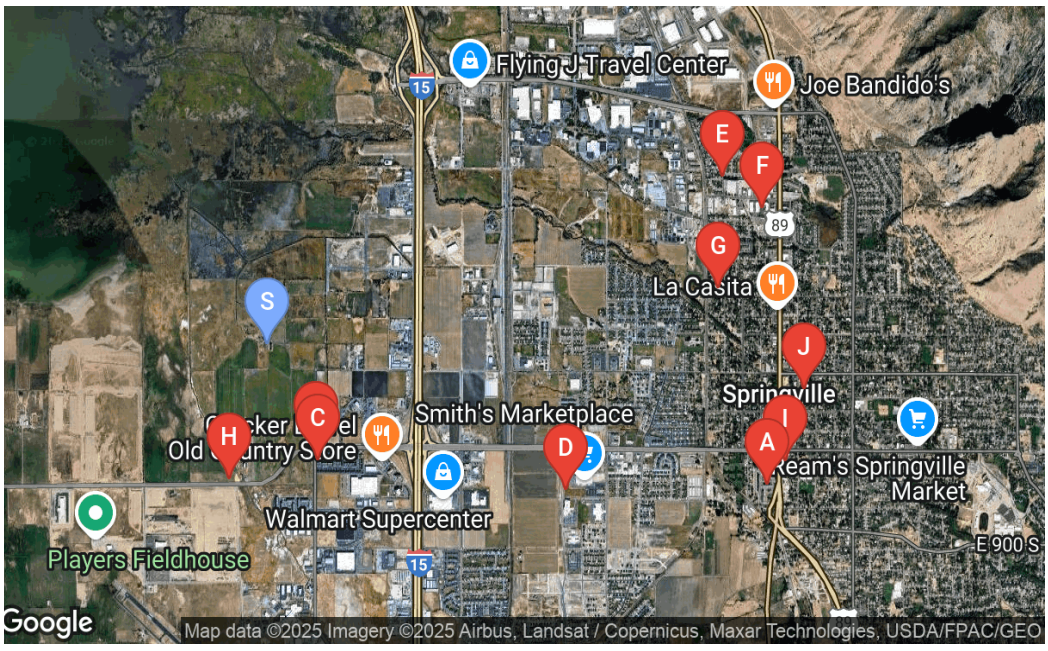
Source: CoStar

The three largest multi-family properties are at 67 West 600 South, 664 South 2600 West and 474 South 2550 West with an NRA of 190,212 SF, 175,887 SF and 148,545 SF that were built in 2021, 2014 and 1998, respectively. The closest large multi-family property in proximity to the subject is at 664 South 2600 West. The majority of properties were constructed after 2000. The following chart and map show the subject property and its location relative to the 10 largest multi-family properties in the immediate area from CoStar.

LARGEST MULTIFAMILY PROPERTIES

NAME	DISTANCE	MAP PIN	CLASS	NRA (SF)	STORIES	YEAR BUILT
Fox Ridge Condominiums	2.7 Miles	A	B	190,212	3	2021
Outlook Apartments	0.6 Miles	B	B	175,887	3	2014
Brookline	0.6 Miles	C	B	148,545	2	1998
The Gallery	1.7 Miles	D	B	114,398	3	2024
Oakbrook Park	2.5 Miles	E	C	100,000	0	1970
Art City Center	2.7 Miles	F	B	76,372	4	2018
Multifamily Building	2.4 Miles	G	C	75,000	0	-
Village on 4th	0.7 Miles	H	A	50,000	3	2019
Multifamily Building	2.8 Miles	I	B	26,000	4	2015
Riverwalk Flats	2.8 Miles	J	C	25,700	3	1975

Source: CoStar



Retail Development

The following chart shows a summary of retail data by type in the immediate area from CoStar.

RETAIL SUMMARY

TYPE	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
General Retail	163	1,287,358	1972	98.9	$39.00
TOTAL	**163**	**1,287,358**	**1972**	**98.9**	**$39.00**

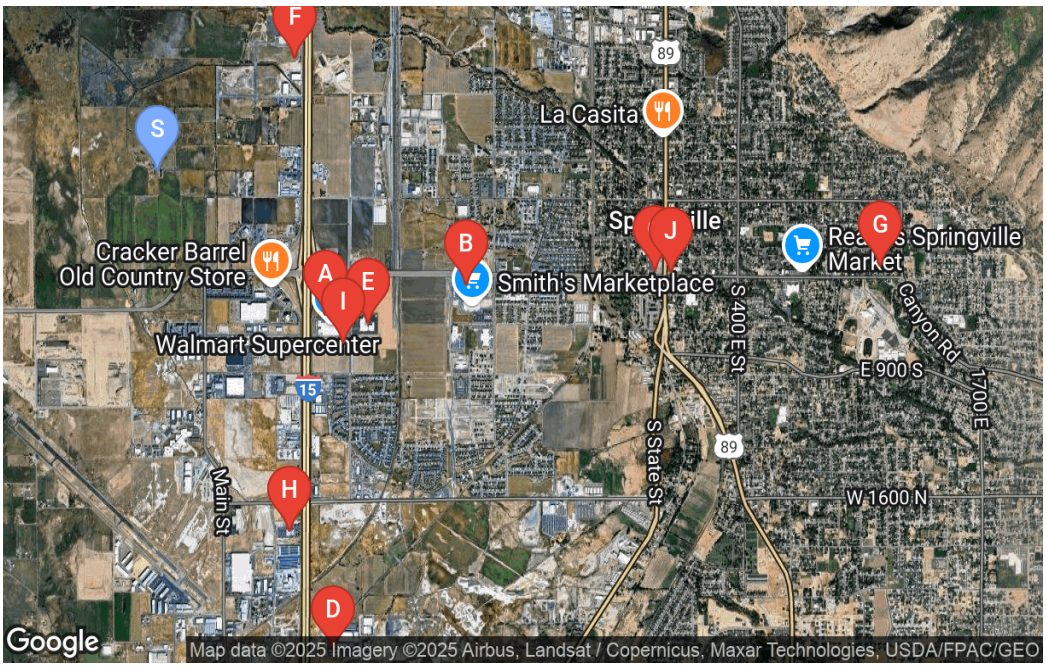
Source: CoStar

The three largest retail properties are at 660 South 1750 West, 1117 West 400 South and 340-380 South Main Street with an NRA of 204,596 SF, 120,000 SF and 75,180 SF that were built in 2001, 2017 and 1982, respectively. The closest large retail property in proximity to the subject is at 751 North 2000 West with an NRA of 45,250 SF that was built in 2021. The majority of properties were constructed after 2000. The following chart and map show the subject property and its location relative to the 10 largest retail properties in the immediate area from CoStar.

LARGEST SHOPPING CENTERS

NAME	DISTANCE	MAP PIN	TYPE	NRA (SF)	% LEASED	YEAR BUILT
Wal-Mart Supercenter	1.2 Miles	A	General Retail	204,596	100.0	2001
Springville Marketplace	1.7 Miles	B	Community Center	120,000	100.0	2017
Retail Building	2.7 Miles	C	General Retail	75,180	90.9	1982
Retail Building	2.6 Miles	D	General Retail	66,000	100.0	2006
Deseret Industries Thirft Store	1.4 Miles	E	General Retail	50,000	100.0	2016
Retail Building	0.9 Miles	F	General Retail	45,250	100.0	2021
Springville Marketplace	3.9 Miles	G	Community Center	37,400	100.0	2023
Retail Building	2.0 Miles	H	General Retail	26,625	100.0	2003
Retail Building	1.3 Miles	I	General Retail	23,666	100.0	2015
Retail Building	2.8 Miles	J	General Retail	21,558	100.0	1980

Source: CoStar



Office Development

The following chart shows a summary of office data by class in the immediate area from CoStar.

OFFICE SUMMARY

CLASS	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
A	1	84,511	2002	100.0	-
B	33	414,577	1999	98.0	$15.86
C	15	115,744	1982	100.0	$10.00
TOTAL	**49**	**614,832**	**1994**	**98.7**	**$14.03**

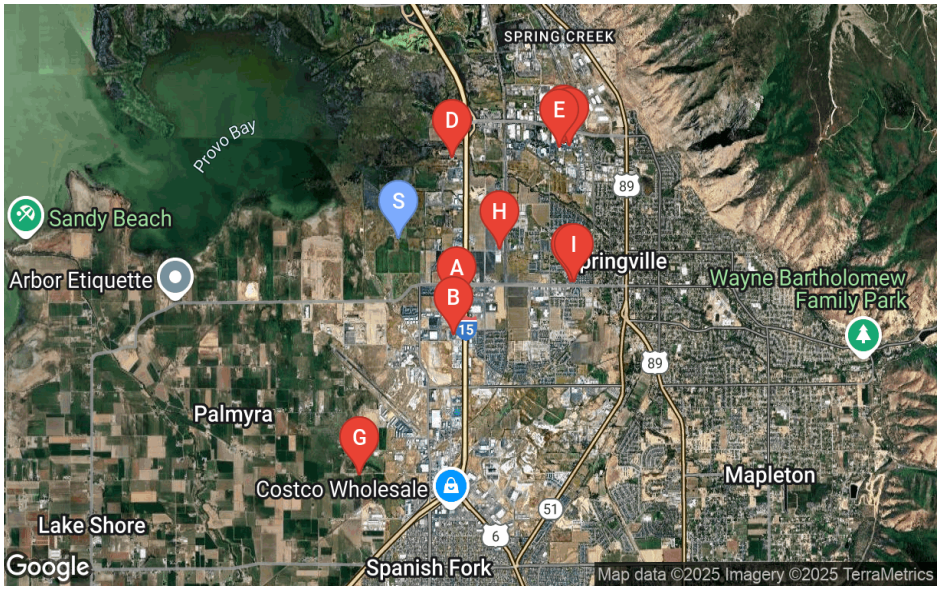
Source: CoStar

The three largest office properties are at 588 South 2000 West, 926-940 South 2000 West and 786 West 1200 North with an NRA of 84,511 SF, 79,188 SF and 38,000 SF that were built in 2002, 2001 and 2002, respectively. The closest large office property in proximity to the subject is at 588 South 2000 West. The majority of properties were constructed after 2000. The following chart and map show the subject property and its location relative to the 10 largest office properties in the immediate area from CoStar.

LARGEST OFFICE BUILDINGS

NAME	DISTANCE	MAP PIN	CLASS	NRA (SF)	% LEASED	YEAR BUILT
Springville Office	1.0 Miles	A	A	84,511	100.0	2002
MAPLE VIEW PLAZA	1.3 Miles	B	B	79,188	100.0	2001
Office Building	2.2 Miles	C	C	38,000	100.0	2002
Office Building	1.1 Miles	D	B	33,000	68.2	2012
River Bend Park	2.2 Miles	E	B	23,200	100.0	1987
Spring Creek Place	2.3 Miles	F	B	20,455	100.0	2006
Office Building	2.7 Miles	G	B	19,916	68.4	2024
Office Building	1.2 Miles	H	B	17,856	100.0	2009
Office Building	2.1 Miles	I	B	15,000	100.0	2014
Office Building	2.1 Miles	J	B	15,000	100.0	2013

Source: CoStar



Industrial Development

The following chart shows a summary of industrial data by type in the immediate area from CoStar.

INDUSTRIAL SUMMARY

TYPE	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
Industrial	193	9,591,382	2003	96.0	$13.50
Flex	47	1,705,273	2006	97.5	$14.71
TOTAL	**240**	**11,296,655**	**2004**	**96.3**	**$13.73**

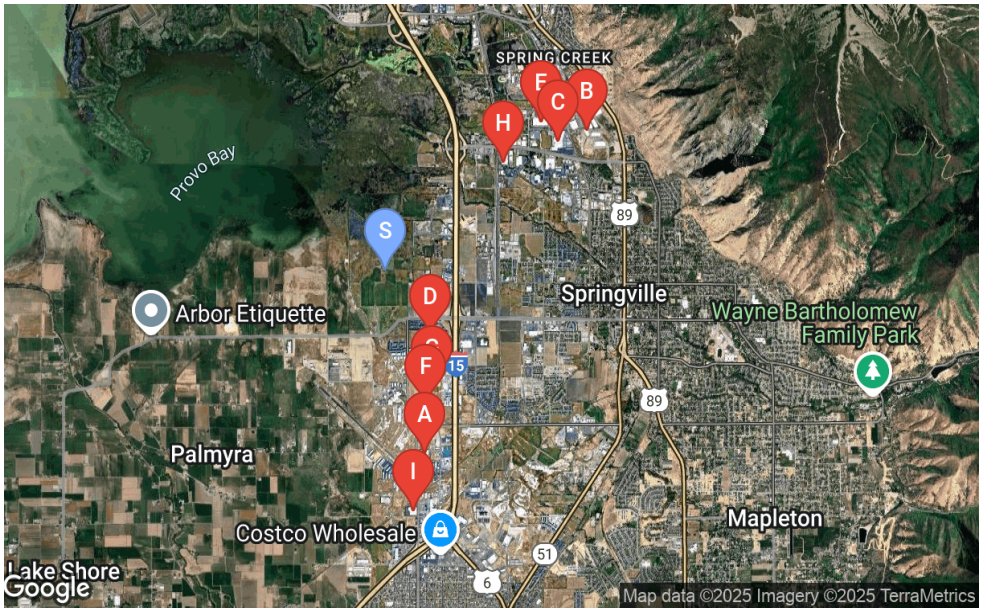
Source: CoStar

The three largest industrial properties are at 2200-2406 North Main Street, 3582 South Mountain Vista Parkway and 815 Raymond Klauck Way with an NRA of 616,928 SF, 600,090 SF and 401,512 SF that were built in 1989, 2016 and 1990, respectively. The closest large industrial property in proximity to the subject is at 530 South 2000 West with an NRA of 305,520 SF that was built in 1992. The majority of properties were constructed after 2000. The following chart and map show the subject property and its location relative to the 10 largest industrial properties in the immediate area from CoStar.

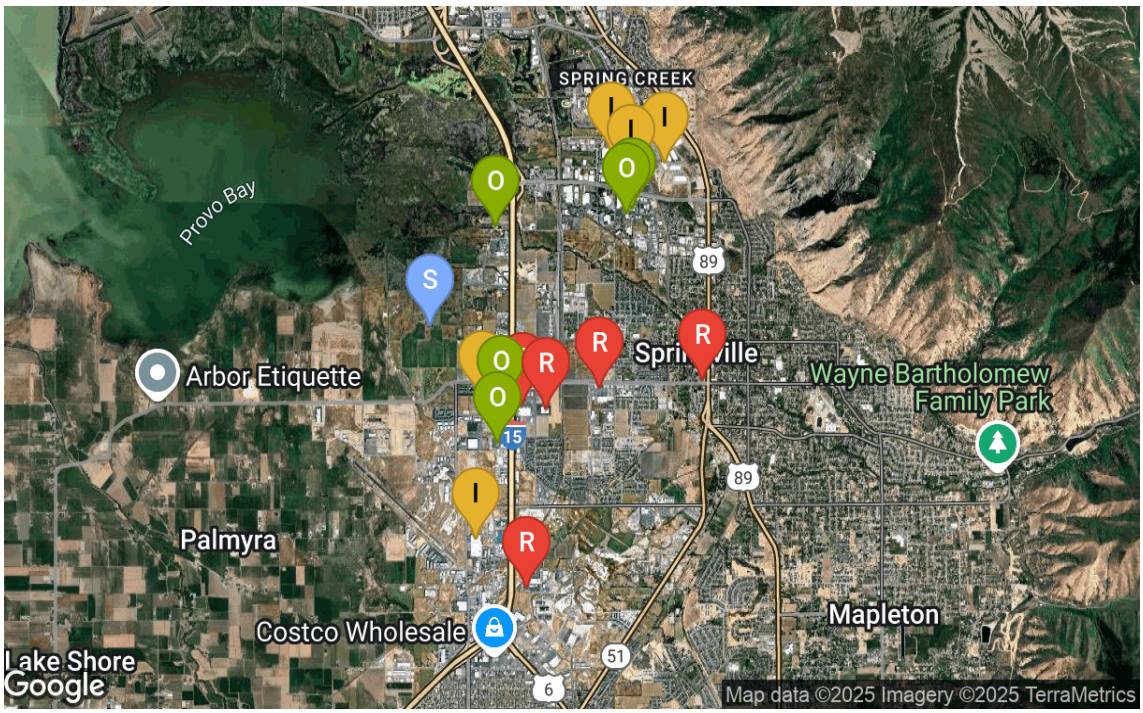
LARGEST INDUSTRIAL PROPERTIES

NAME	DISTANCE	MAP PIN	TYPE	NRA (SF)	% LEASED	YEAR BUILT
Industrial Building	2.0 Miles	A	Industrial	616,928	100.0	1989
Mountain Vista Business Park	2.7 Miles	B	Flex	600,090	100.0	2016
Industrial Building	2.4 Miles	C	Industrial	401,512	100.0	1990
Industrial Building	0.9 Miles	D	Industrial	305,520	100.0	1992
PowerHouse Industrial	2.4 Miles	E	Industrial	292,791	100.0	2023
Spanish Springs Industrial Park	1.5 Miles	F	Industrial	280,980	0.0	2023
Spanish Springs Industrial Park	1.4 Miles	G	Industrial	280,800	100.0	2021
Industrial Building	1.8 Miles	H	Industrial	278,000	100.0	2005
Industrial Building	2.6 Miles	I	Industrial	270,000	100.0	1977
PowerHouse Industrial	2.4 Miles	J	Industrial	265,435	100.0	2022

Source: CoStar



The following map shows the subject property and the five largest retail, office, and industrial properties in the immediate area from CoStar.



SUBJECT PROPERTY ANALYSIS

The following discussion draws context and analysis on how the subject property is influenced by the local and immediate areas.

Subject Property Analysis

The uses adjacent to the property are noted below:

- **North -** Vacant Land
- **South -** Vacant Land
- **East -** Vacant Land
- **West -** Vacant Land

Access

The larger parcel does not have frontage on a public street. It has access from the adjoining parcels to the east, which are owned by the same owners as the subject, and which links with 2250 West. We also make the extraordinary assumption that has access from the private gravel road at the southwest corner of the property that is accessed from Center Street. Based on our field work, the subject's access is rated fair/average compared to other properties with which it competes.

Visibility

The larger parcel does not directly front a public street. In comparison to competitive properties, the subject property has fair visibility.

Subject Conclusion

Trends in the local and immediate areas, adjacent uses and the property's specific location features indicate an overall typical external influence for the subject, which is concluded to have an average position in context of competing properties.

SUMMARY

As of the effective date, the long-term outlook for Utah County remained highly optimistic. The county's young population, high birth rates, and strong in-migration trends contributed to sustained growth. The region's dynamic economy, supported by a skilled workforce and a strong entrepreneurial ecosystem, positioned it well for continued prosperity. Utah County's strategic investments in infrastructure and its appeal as a tech hub further reinforced its potential for future growth. As of Q2 2024, the local industrial market had begun to slow, although it remained strong relative to other sectors. Vacancy rates had risen compared to the lows of early 2022, and new development had decreased due to the increased cost of capital.

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SITE DESCRIPTION – LARGER PARCEL

The larger parcel is the property for which the condemnor is required to pay just compensation for damages. In determining the extent of the larger parcel, three tests are applied;

1. Unity of title;
2. Unity of use; and
3. Contiguity

Unity of title requires that the property be under the same ownership, or, at least under the beneficial control of a single individual or entity. Unity of use requires that the property have the same, or an integrated, highest and best use. Contiguity generally requires that the property be adjoining, although separation by a road or a right-of-way does not necessarily make a property non-contiguous.

We have determined the larger parcel for this assignment to be all of parcels 21-096-0011, 21-096-0005 and 21-096-0016, which are owned by Lakeside Land Partners LLC. This parcel is all owned by the same entity, all has the same highest and best use and is contiguous.

General Description The larger parcel consists of 3 parcels. As noted below, the site has 1,463,332 SF (33.59 AC) of land area. The area is estimated based on the assessor's parcel map, and may change if a professional survey determines more precise measurements. Going forward, our valuation analyses will utilize the usable site area. The following discussion summarizes the site size and characteristics.

Assessor Parcels See Multiple Parcel Chart For Breakdown

Number Of Parcels 3

Land Area	**Acres**	**Square Feet**
Primary Parcel	33.59	1,463,332
Unusable Land	0.00	0
Excess Land	0.00	0
Surplus Land	0.00	0
Total Land Area	**33.59**	**1,463,332**

Shape See Multiple Parcel Chart For Breakdown

Topography Level at street grade

Drainage Assumed Adequate

Utilities All 80' to the northeast in 2500 West

Frontage The subject does not front an improved street. It has access through the adjoining parcels to the east which link to 2250 West and are owned by the same owners as the subject.

Accessibility The accessibility of the subject is rated as fair/average. We assume the subject has access through the private road on the adjoining properties. I-15 is a major transportation arterial within proximity to the subject, providing linkage to the surrounding area.

Views The subject has average views compared to other residential development sites in the area.

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Water Rights According to the map provided by the Utah Division of Water Rights, there is no water right on the subject parcels.

Seismic The subject is in Very High Risk. The seismic zone factor (or Z factor) corresponds numerically to the effective horizontal peak bedrock acceleration (or equivalent velocity) that is estimated as a component of the design base shear calculation. In each seismic zone an earthquake-related event would create an effective peak bedrock acceleration of 0.1 times the force of gravity for Zone 1, 0.15 times the force of gravity for Zone 2A, 0.2 times the force of gravity for Zone 2B, 0.3 times the force of gravity for Zone 3 and 0.4 times the force of gravity for Zone 4. These values correspond to ground motion values with a 10% probability of being exceeded in 50 years.

Flood Zone Zone AE. This is referenced by Community Number 490163, Panel Number 49049C0545F, dated June 19, 2020. Zone AE is a Special Flood Hazard Area (SFHA) where base flood elevations are provided. AE Zones are now used on new format Flood Insurance Rate Maps (FIRM) instead of A1-A30 Zones. In communities that participate in the National Flood Insurance Program (NFIP), mandatory flood insurance purchase requirements apply to this zone.

Site Rating Overall, the subject site is considered an average residential development site in terms of its location, exposure, and access to employment, education and shopping centers.

Easements A preliminary title report was not available for review. During the on-site inspection, no adverse easements or encumbrances were noted. This appraisal assumes that there is no negative value impact on the subject improvements. If questions arise regarding easements, encroachments, or other encumbrances, further research is advised.

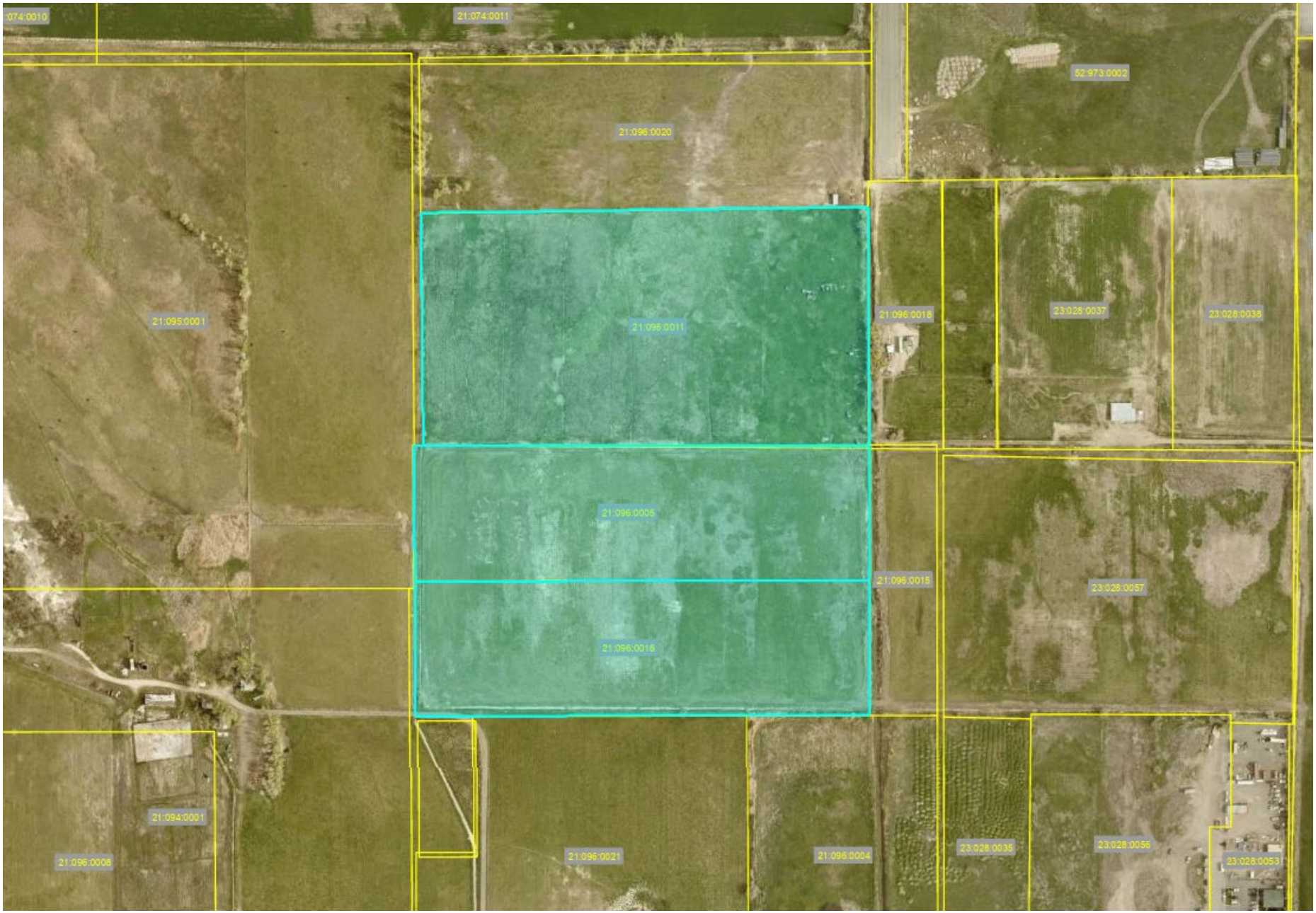
Soils A soils analysis was not available for review. Based on the development of the subject, it appears the soils are stable and suitable for the existing improvements.

Hazardous Waste We have not conducted an independent investigation to determine the presence or absence of toxins on the subject property. If questions arise, the reader is strongly cautioned to seek qualified professional assistance in this matter. Please see the Assumptions and Limiting Conditions for a full disclaimer.

MULTIPLE PARCEL SITE DESCRIPTION GRID

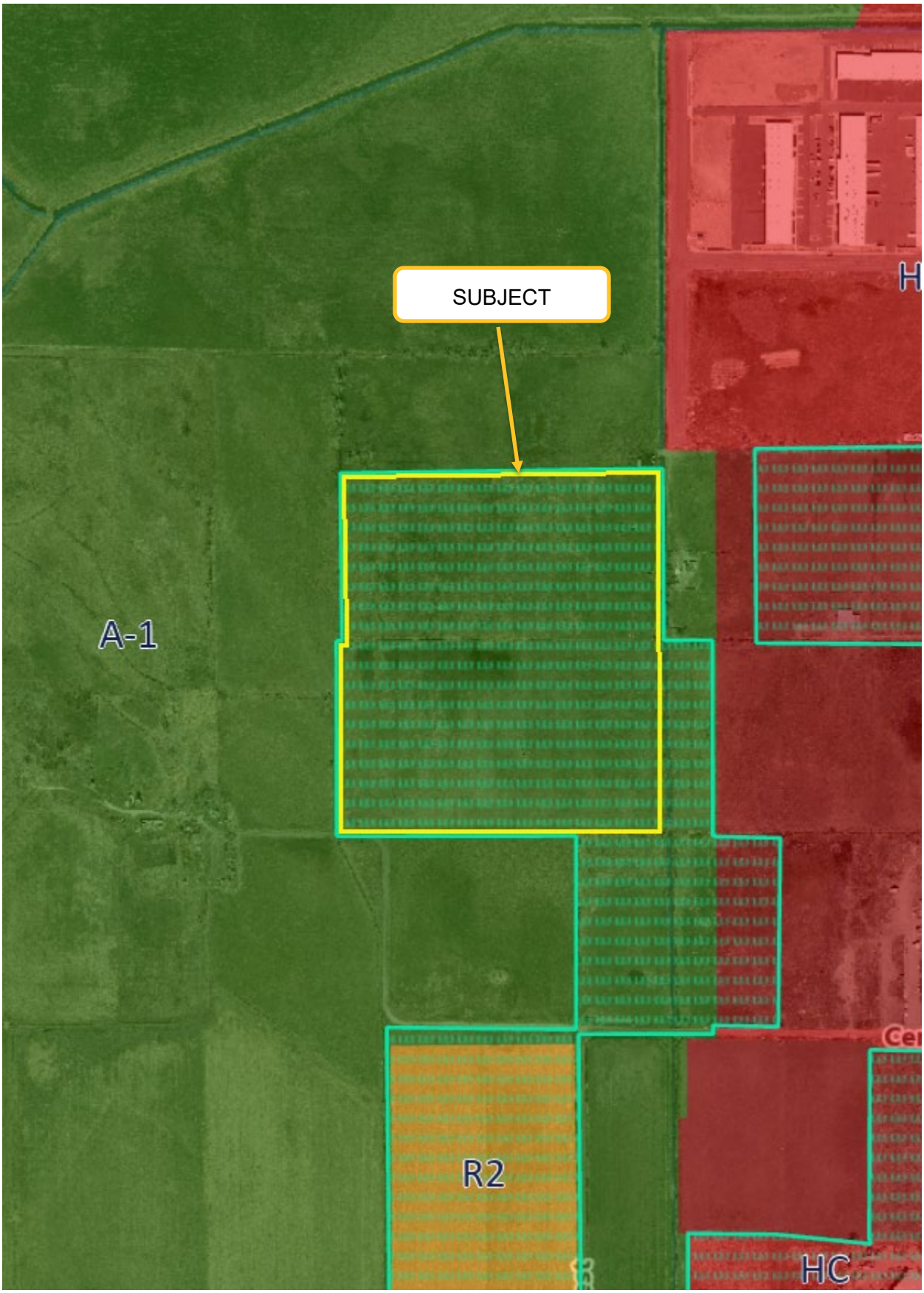
	USABLE		UNUSABLE		EXCESS		SURPLUS		TOTAL					
PARCEL	SF	AC	SF	AC	SF	AC	SF	AC	SF	AC	SHAPE	ACCESS	EXPOSURE	FLOOD PLAIN
21-096-0011	676,160	15.52	0	0.00	0	0.00	0	0.00	676,160	15.52	Rectangular	Fair/Average	Fair/Average	Zone AE
21-096-0005	393,586	9.04	0	0.00	0	0.00	0	0.00	393,586	9.04	Rectangular	Fair/Average	Fair/Average	Zone AE
21-096-0016	393,586	9.04	0	0.00	0	0.00	0	0.00	393,586	9.04	Rectangular	Fair/Average	Fair/Average	Zone AE
TOTAL	**1,463,332**	**33.59**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**1,463,332**	**33.59**				

PLAT MAP



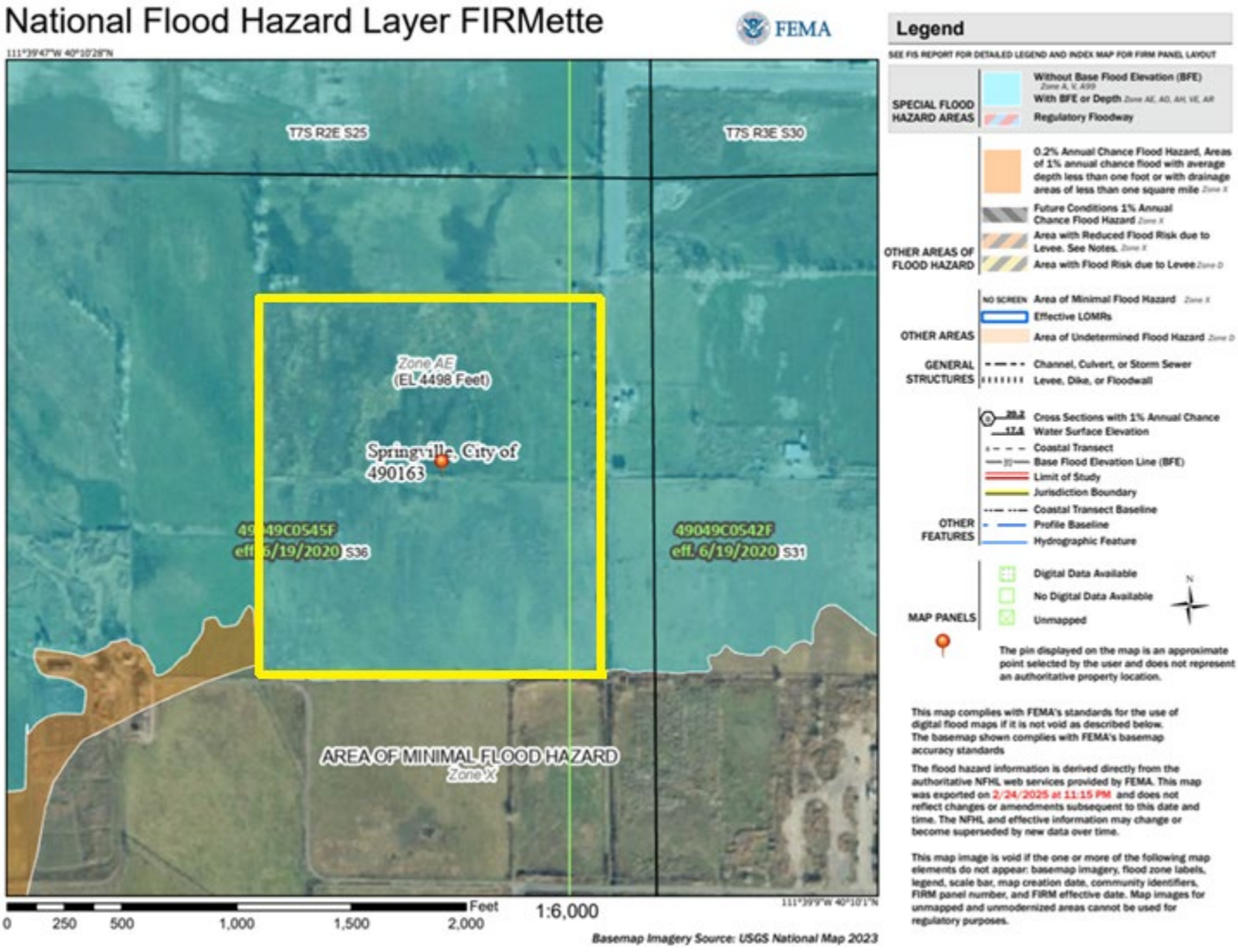
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ZONING MAP



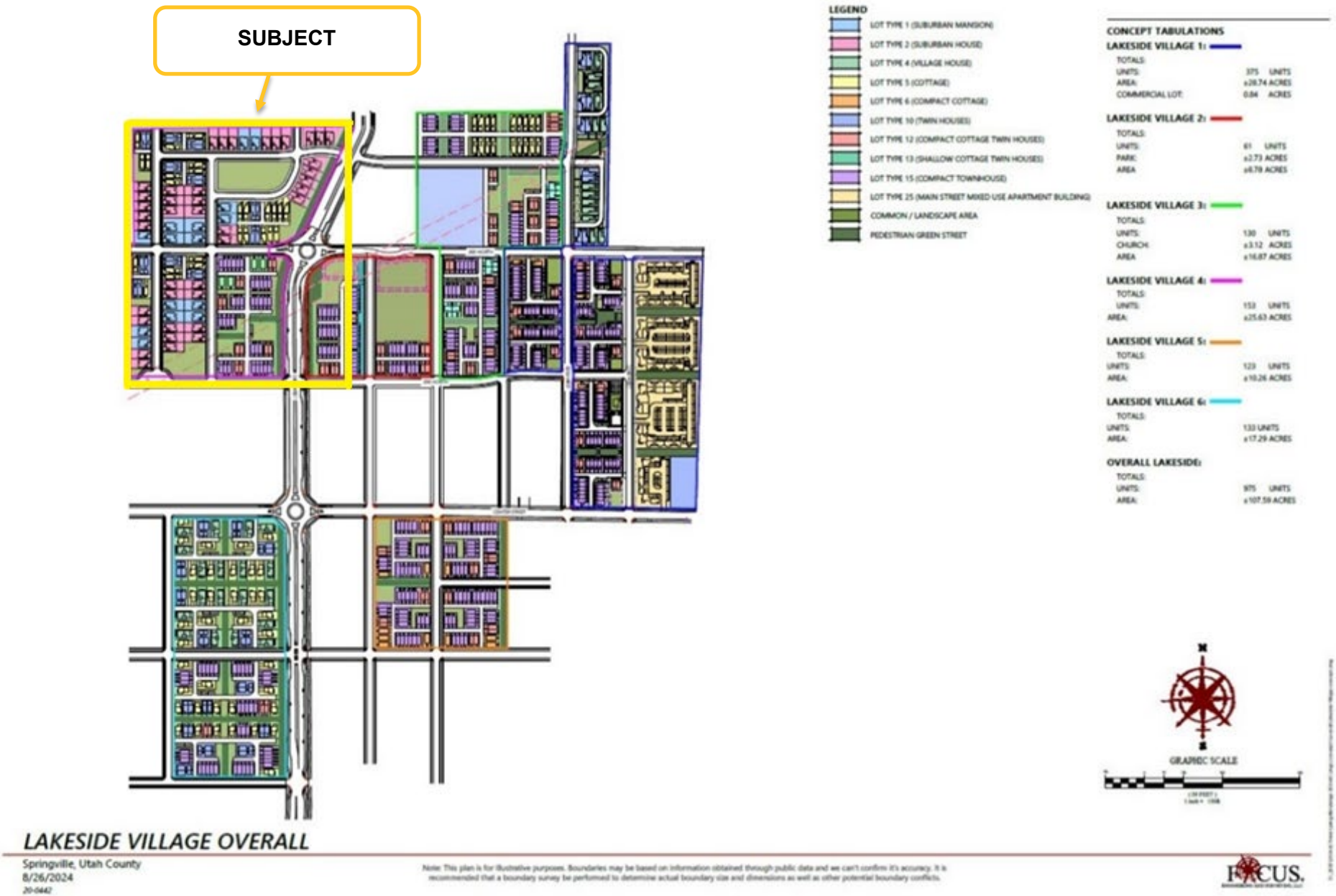
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FLOOD MAP


National Flood Hazard Layer FIRMette
FEMA
111°39'47"W 40°10'28"N
T7S R2E S25
T7S R3E S30
Zone AE
(EL 4498 Feet)
Springville, City of
490163
49049C0545F
eff. 6/19/2020 S36
49049C0542F
eff. 6/19/2020 S31
AREA OF MINIMAL FLOOD HAZARD
Zone X
0 250 500 1,000 1,500 2,000 Feet
1:6,000
111°39'9"W 40°10'1"N
Basemap Imagery Source: USGS National Map 2023
Legend
SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT
SPECIAL FLOOD HAZARD AREAS
Without Base Flood Elevation (BFE)
With BFE or Depth
Regulatory Floodway
OTHER AREAS OF FLOOD HAZARD
0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile
Future Conditions 1% Annual Chance Flood Hazard
Area with Reduced Flood Risk due to Levee. See Notes.
Area with Flood Risk due to Levee
OTHER AREAS
NO SCREEN Area of Minimal Flood Hazard
Effective LOMRs
Area of Undetermined Flood Hazard
GENERAL STRUCTURES
Channel, Culvert, or Storm Sewer
Levee, Dike, or Floodwall
OTHER FEATURES
Cross Sections with 1% Annual Chance
Water Surface Elevation
Coastal Transect
Base Flood Elevation Line (BFE)
Limit of Study
Jurisdiction Boundary
Coastal Transect Baseline
Profile Baseline
Hydrographic Feature
MAP PANELS
Digital Data Available
No Digital Data Available
Unmapped
N
The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.
This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards
The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 2/24/2025 at 11:15 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.
This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

SLC250042

LAKESIDE LANDING CONCEPT SITE PLAN



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INTRODUCTION

Assessment of real property is established by an assessor that is an appointed or elected official charged with determining the value of each property. The assessment is used to determine the necessary rate of taxation required to support the municipal budget. A property tax is a levy on the value of property that the owner is required to pay to the municipality in which it is situated. Multiple jurisdictions may tax the same property.

The subject property is located within Utah County. The assessed value and property tax for the current year are summarized in the following table.

ASSESSMENT & TAXES

Tax Year	2024				Tax Rate	1.00075%
Tax Rate Area	131				Taxes Current	Yes
APN	**LAND**	**IMPV**	**TOTAL**	**EXEMPTIONS**	**TAXABLE**	**BASE TAX**
21-096-0011	$693,100	$0	$693,100	$341	$692,759	$6,983
21-096-0005	$403,400	$0	$403,400	$399,892	$3,508	$35
21-096-0016	$403,400	$0	$403,400	$400,001	$3,399	$34
Totals	**$1,499,900**	**$0**	**$1,499,900**	**$800,234**	**$699,666**	**$7,052**
Total Base Tax						**$7,052**

Source: Utah County Assessment & Taxation

SUBJECT PROPERTY ANALYSIS

The total assessment for the subject's larger parcel is $1,499,900 or $1.02/SF. The subject property benefits from an exemption in the amount of $800,234, reducing the taxable assessment to $699,666 or $0.48/SF. Total taxes for the property are $7,052. If the property is developed. It should be assumed that the greenbelt exemption will be removed. When a piece of real property is determined by the County Assessor's office as no longer qualifying for assessment under the FFA "Greenbelt" law, the Assessor is required to apply a rollback tax to the property. Land that is withdrawn from assessment under the FAA is subject to a rollback tax equal to the difference between:

- the amount of taxes that would have been charged under a market-based assessment, and
- the amount of taxes that were charged under the FAA assessment.

Once a property has been withdrawn from "Greenbelt" status, the Assessor calculates the rollback tax for each year the land was assessed under the FAA, going back no more than five years.

As of 2023, parcel 21-096-0011 is not given a greenbelt exemption and the rollback tax was paid. The Assessor provided a rollback tax estimate for parcels 21-096-0005 and 21-096-0016 that totals $36,131. The estimate is valid through March 24, 2025.

In Utah, taxes are calculated by multiplying the tax rate by the taxable value. The taxable value is calculated at 100% of the final value or market value for commercial properties and 55% for residential properties. All multifamily properties receive this exemption noted above for the subject. All property is reappraised annually, and Utah law requires a review of property characteristics once every five years. A sale of the subject does not necessarily trigger a reassessment. Utah is a non-disclosure state, so purchase prices are not known by the Assessor's office. The final value is the reported market value of the property, as reported by the assessor's offices. Tax rates are set by procedures established in the Utah Constitution. There are many different rates in Utah County, and they vary across the county depending on which school district, city, special service district, and etc. the property is located.

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According to the Assessor's website, the subject parcels have an outstanding balance of $7,052 for the 2024 tax year.

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INTRODUCTION

Zoning requirements typically establish permitted and prohibited uses, building height, lot coverage, setbacks, parking and other factors that control the size and location of improvements on a site. The zoning characteristics for the subject property are summarized below:

ZONING SUMMARY	
Municipality Governing Zoning	City of Springville Planning & Zoning Department
Current Zoning	Agricultural (A-1)
Overlay District	**WESTFIELD AND LAKESIDE OVERLAY**
Purpose of Overlay District	The purpose of the Westfields and Lakeside Overlay Zones is to carry out the adopted policies of Springville City concerning the Westfields and Lakeside communities. This will help create attractive, diverse neighborhoods including a wide variety of attached and detached quality housing, along with opportunities for shopping and services all within reasonable walking distance for the majority of area residents.
Permitted Uses	Permitted uses within the agriculture zone generally include most agriculture uses and low density residential, as well as golf courses, religious facilities, and small residential facilities for elderly persons.
Prohibited Uses	Medium and high density residential and most commercial and industrial uses.
Current Use	Vacant
Is Current Use Legally Permitted?	Yes
Zoning Change	Anticipated

ZONING REQUIREMENTS	
Minimum Site Area (SF)	200,000 SF
Minimum Yard Setbacks	
Front (Feet)	30
Rear (Feet)	30
Side (Feet)	20
Maximum Building Height	35 Feet
Maximum Building Area	1,000 SF

Source: City of Springville Planning & Zoning Department

ZONING CONCLUSIONS

The subject is zoned Agriculture (A-1). The subject is located within the Westfields and Lakeside Overlay District, which allows for residential development. The purpose of the Westfields and Lakeside Overlay District is to carry out the adopted policies of Springville City to create attractive, diverse neighborhoods with a wide variety of attached and detached housing, as well as some shopping and services. The subject is part of a proposed 152.47-acre development named Lakeside Village, which is in the early planning process with Springville City. The current site plan for Lakeside Village calls for 887 single family and townhome lots, and 48 multifamily units with ground-floor retail. The overall density of Lakeside Village is approximately six units per acre.

Detailed zoning studies are typically performed by a zoning or land use expert, including attorneys, land use planners, or architects. The depth of our analysis correlates directly with the scope of this assignment, and it considers all pertinent issues that have been discovered through our due diligence. Please note that this appraisal is not intended to be a detailed determination of compliance, as that determination is beyond the scope of this real estate appraisal assignment.

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INTRODUCTION

As concluded ahead, the highest and best use of the larger parcel as-vacant is a mixed-use medium-density residential. Therefore, this section provides a brief study of residential supply/demand conditions for the Utah County Market and the Springville City submarket, market participant interviews, and transaction trends. We have also included a Multi-Family market analysis discussing the Utah County Submarket. These findings are used to support our conclusions for the competitive position, and exposure period of the subject site.

RESIDENTIAL MARKET ANALYSIS

Home Prices & Sales

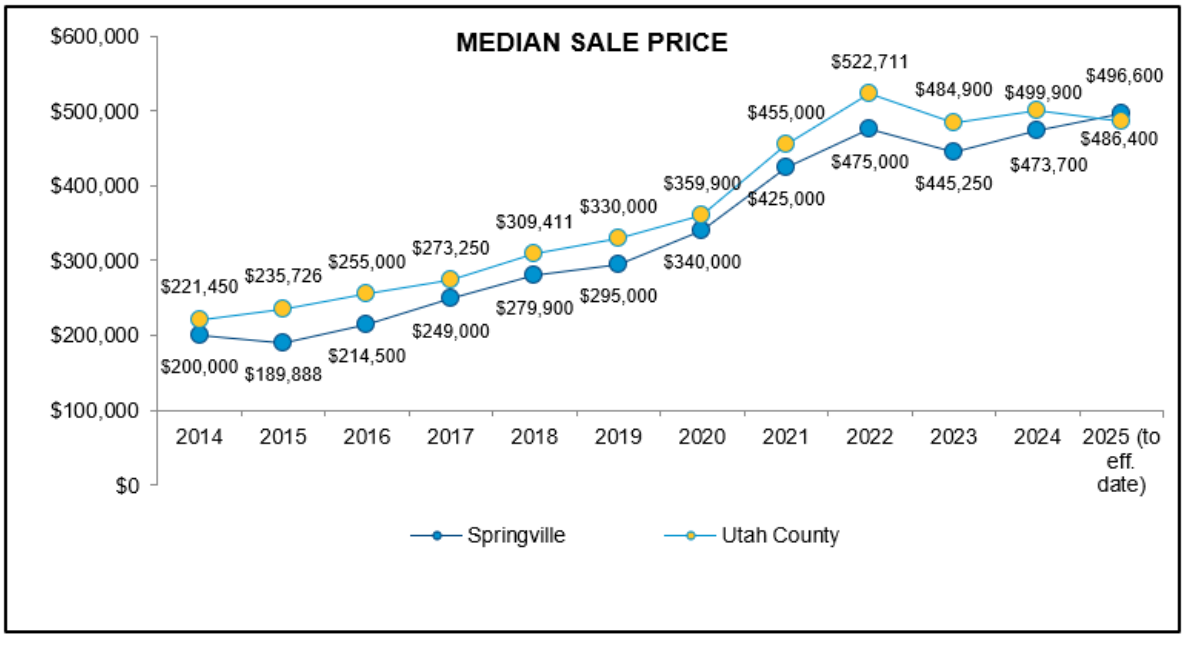
Median home prices have generally increased over the last ten years in both the city and county. As noted in the chart below, median prices in Springville have historically been slightly lower than the trend in pricing in Utah County. The table below summarizes historical median home prices and historical sales in the city and county from 2014 to 2025 Year-To-Date (YTD). The median combined days on the market (CDOM) is also included in the table. The chart below the table illustrates the trends in the median sale price of homes.

SINGLE-FAMILY HOME PRICES & SALES (2014 - YTD FEB 2025)

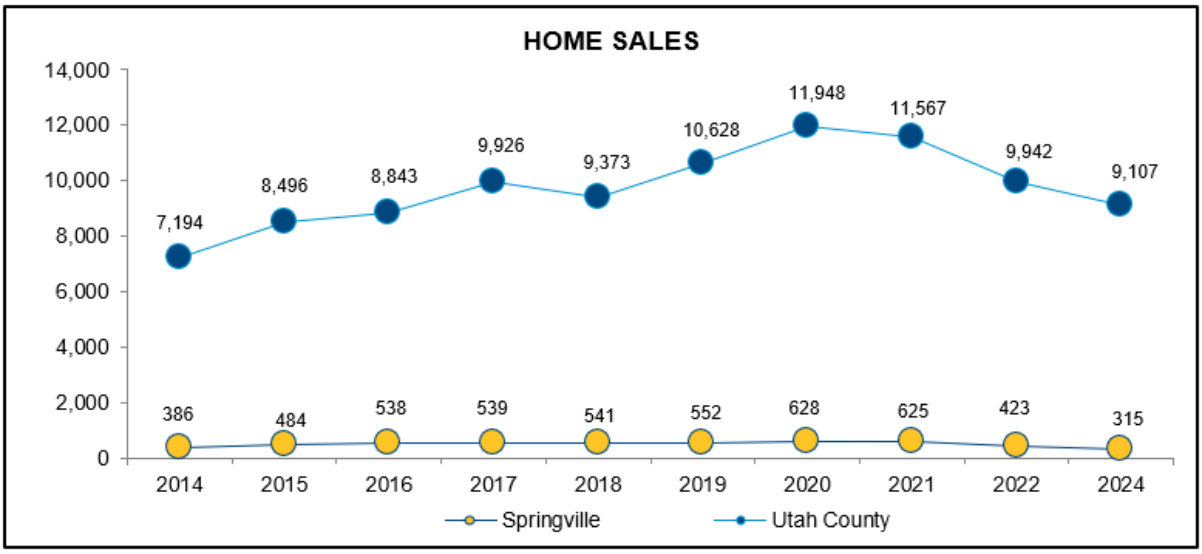
	Springville			Utah County		
Year	Median Price	No. Sold	Median CDOM	Median Price	No. Sold	Median CDOM
2014	$200,000	386	56	$221,450	7,194	46
2015	$189,888	484	21	$235,726	8,496	26
2016	$214,500	538	14	$255,000	8,843	17
2017	$249,000	539	15	$273,250	9,926	18
2018	$279,900	541	15	$309,411	9,373	19
2019	$295,000	552	21	$330,000	10,628	29
2020	$340,000	628	10	$359,900	11,948	14
2021	$425,000	625	7	$455,000	11,567	6
2022	$475,000	423	11	$522,711	9,942	11
2023	$445,250	304	31	$484,900	8,349	30
2024	$473,700	315	27	$499,900	9,107	31
2025 (to eff. date)	$496,600	22	102	$486,400	747	49

CDOM = Combined Days On Market

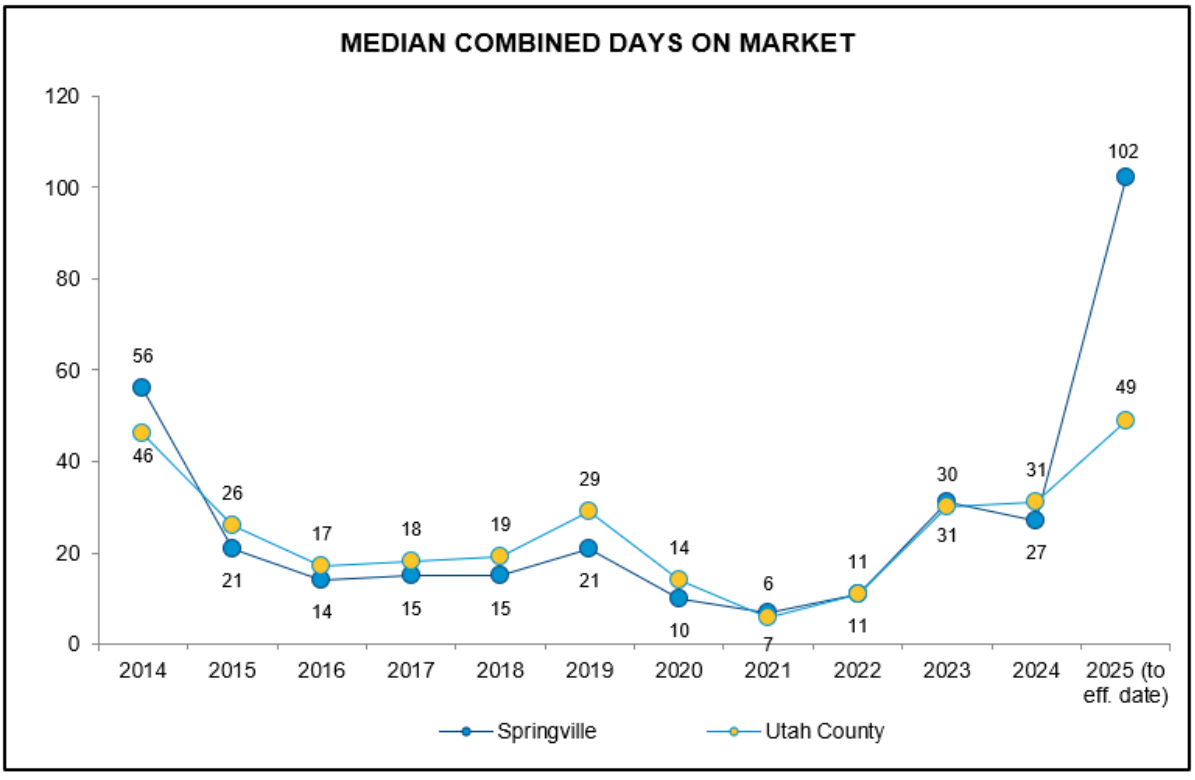
Source: Wasatch Front Regional MLS



The chart below depicts the number of home sales in Springville and Utah County from 2014 to YTD 2025. The number of home sales in the city has historically been significantly lower than in the county based on the smaller market area. The city experienced a ten-year high in the number of homes sold during 2020 with 628 homes sold. Utah County also experienced a ten-year high in number of homes sold in 2020 with 11,948 homes sold.



The chart below indicates the median CDOM for lot sales of the city and county.



Lot Prices & Sales

The table below summarizes the historical median lot prices and historical sales in Springville and Utah County from 2014 to YTD 2025. In addition, the median CDOM (Combined Days On Market) is indicated. The county and subject area indicate similar trends in increasing median lot prices over the past several years, however, lot prices in Springville have generally been lower than those in the county. The chart following the table below illustrates the historical lot prices.

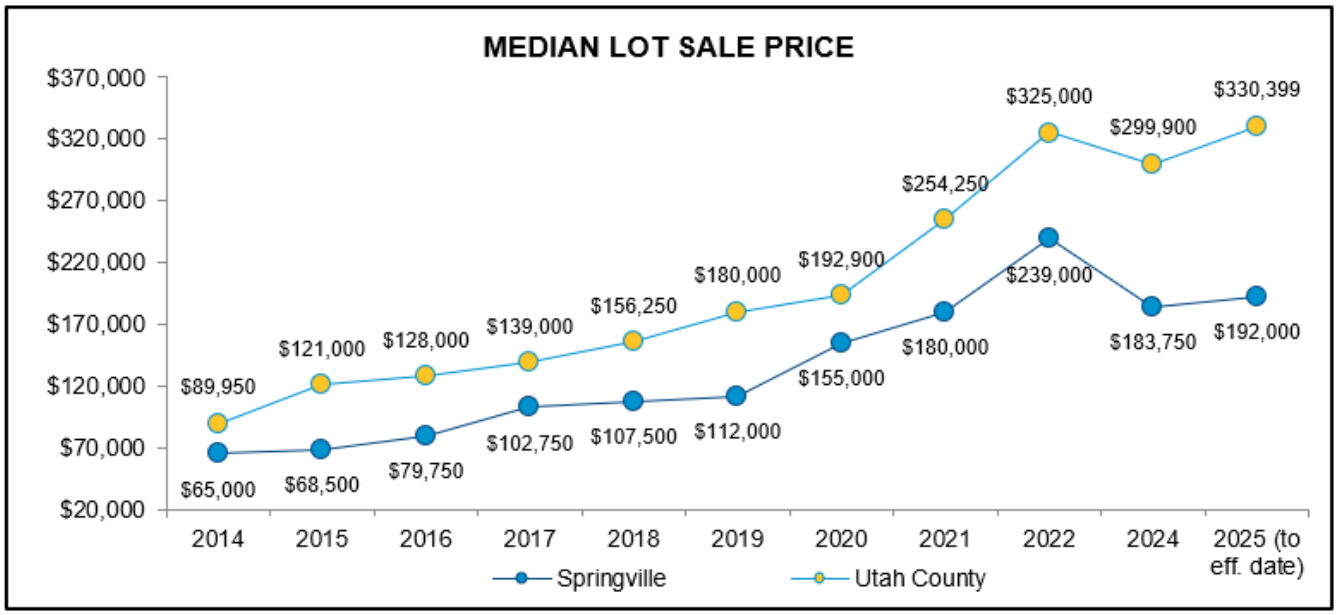
LOT PRICES & SALES (UP TO 1 ACRE, 2014 - YTD FEB 2025)

	Springville			Utah County		
Year	Median Price	No. Sold	Median CDOM	Median Price	No. Sold	Median CDOM
2014	$65,000	11	77	$89,950	334	98
2015	$68,500	13	68	$121,000	251	97
2016	$79,750	12	98	$128,000	303	148
2017	$102,750	14	89	$139,000	317	93
2018	$107,500	10	38	$156,250	378	101
2019	$112,000	10	175	$180,000	346	93
2020	$155,000	14	91	$192,900	506	126
2021	$180,000	27	26	$254,250	432	28
2022	$239,000	9	27	$325,000	301	36
2023	$180,500	12	61	$300,000	267	74
2024	$183,750	10	60	$299,900	316	90
2025 (to eff. date)	$192,000	2	75	$330,399	160	22

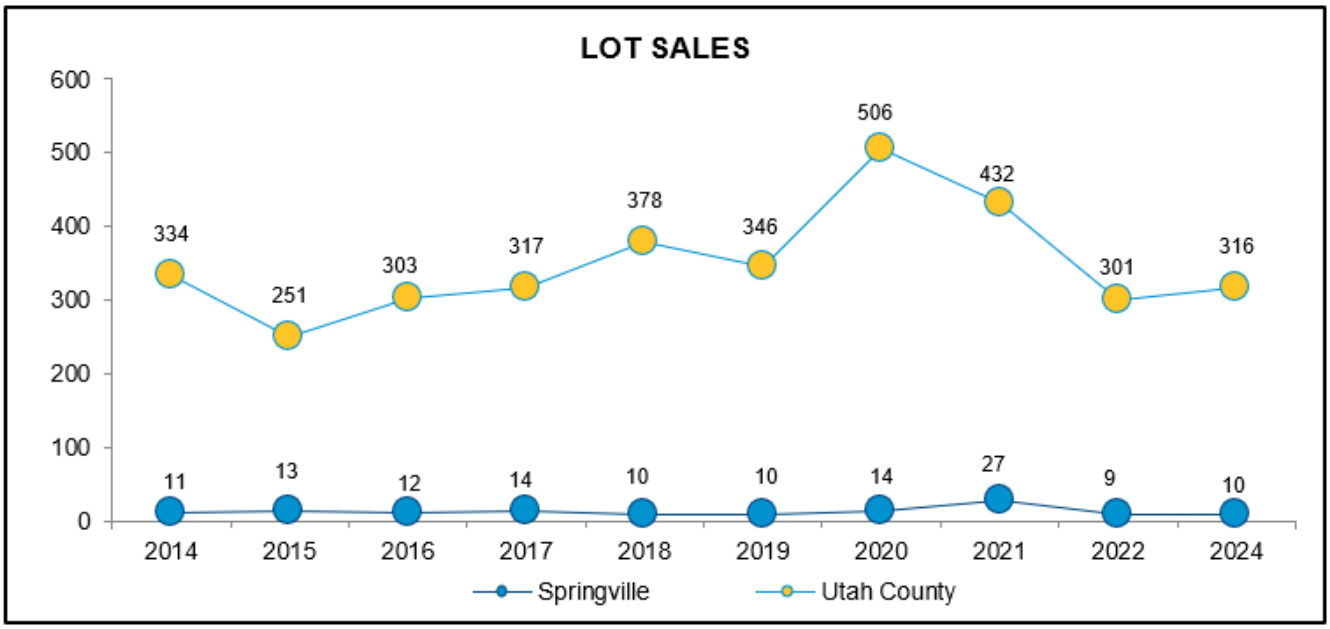
CDOM = Combined Days On Market

Source: Wasatch Front Regional MLS

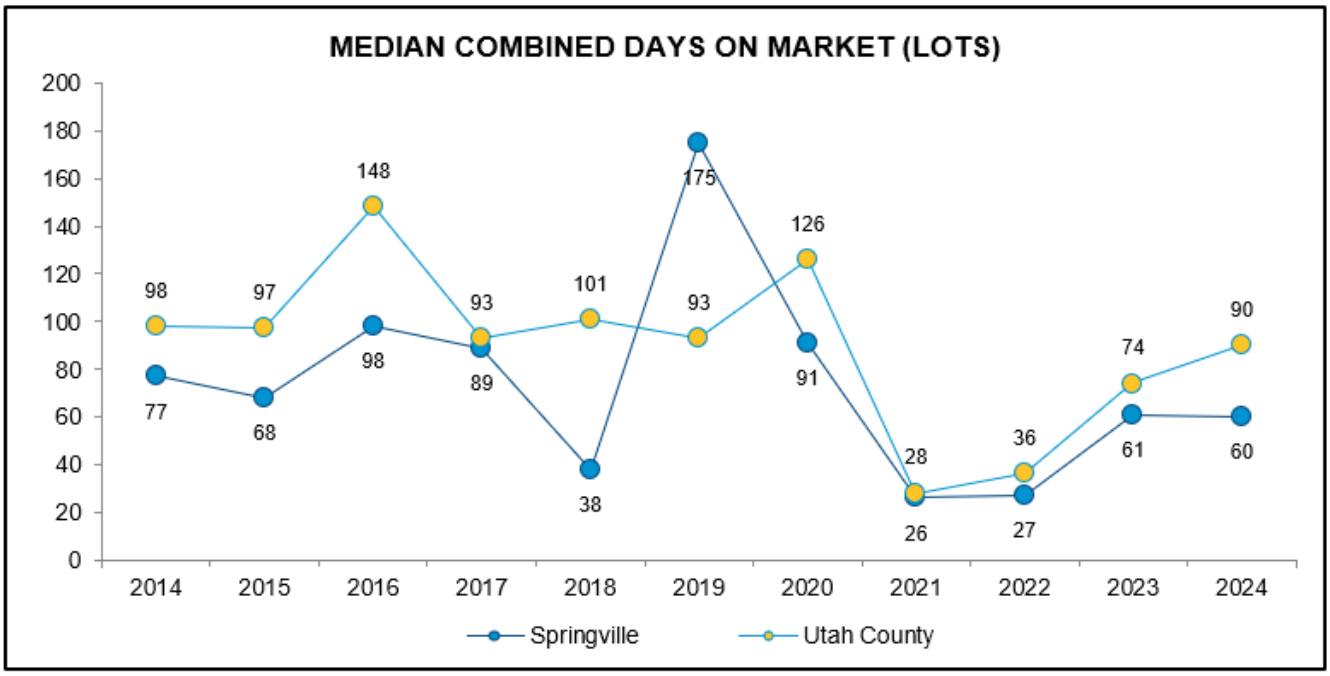
Median lot sale prices have increased quarter-over-quarter since 2014. The county reached a ten-year high in 2022 with a median lot price of $325,000. The city reached a ten-year high in 2022 with a median lot price of $239,000.



In Utah County, the number of lot sales peaked during 2020 with 506 lot sales. Springville experienced a ten-year high in 2021 with 27 lot sales.



The chart below indicates the median CDOM for lot sales of the city and county.



Inventory (Supply)

The amount of inventory or supply has played a major part in the residential home and lot market over the past few years throughout the region. The following table summarizes the current number of homes and lots on the market in Utah County and Springville. There are currently 1,486 homes listed on the market in Utah County with 49 of those homes in Springville, according to the local MLS. There are 278 lots listed on the market in Utah County with 12 of those located in Springville. There are currently 422 townhomes listed for sale in Utah County with 7 of those located in Springville.

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ACTIVE LISTINGS		
	Springville	**Utah County**
Single-Family Homes	49	1,486
Land/Lots	12	278
Townhomes	7	422
Total	**68**	**2,186**
Source: Wasatch Front Regional MLS		

Conclusion

Prices are likely to continue to increase in Utah County over the forecast horizon. As development proceeds and new homes are delivered to the market, there will be an increased demand for the subject property.

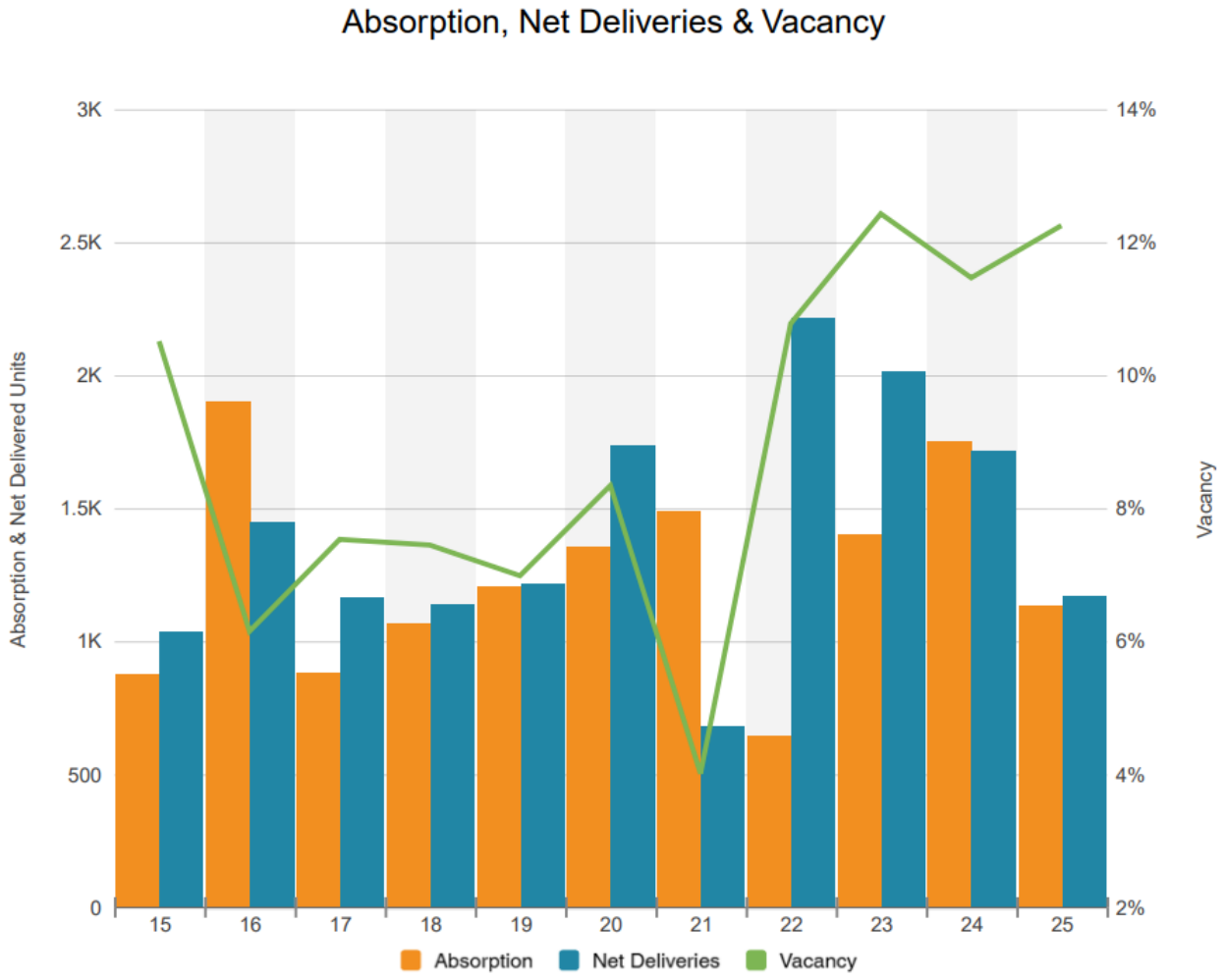
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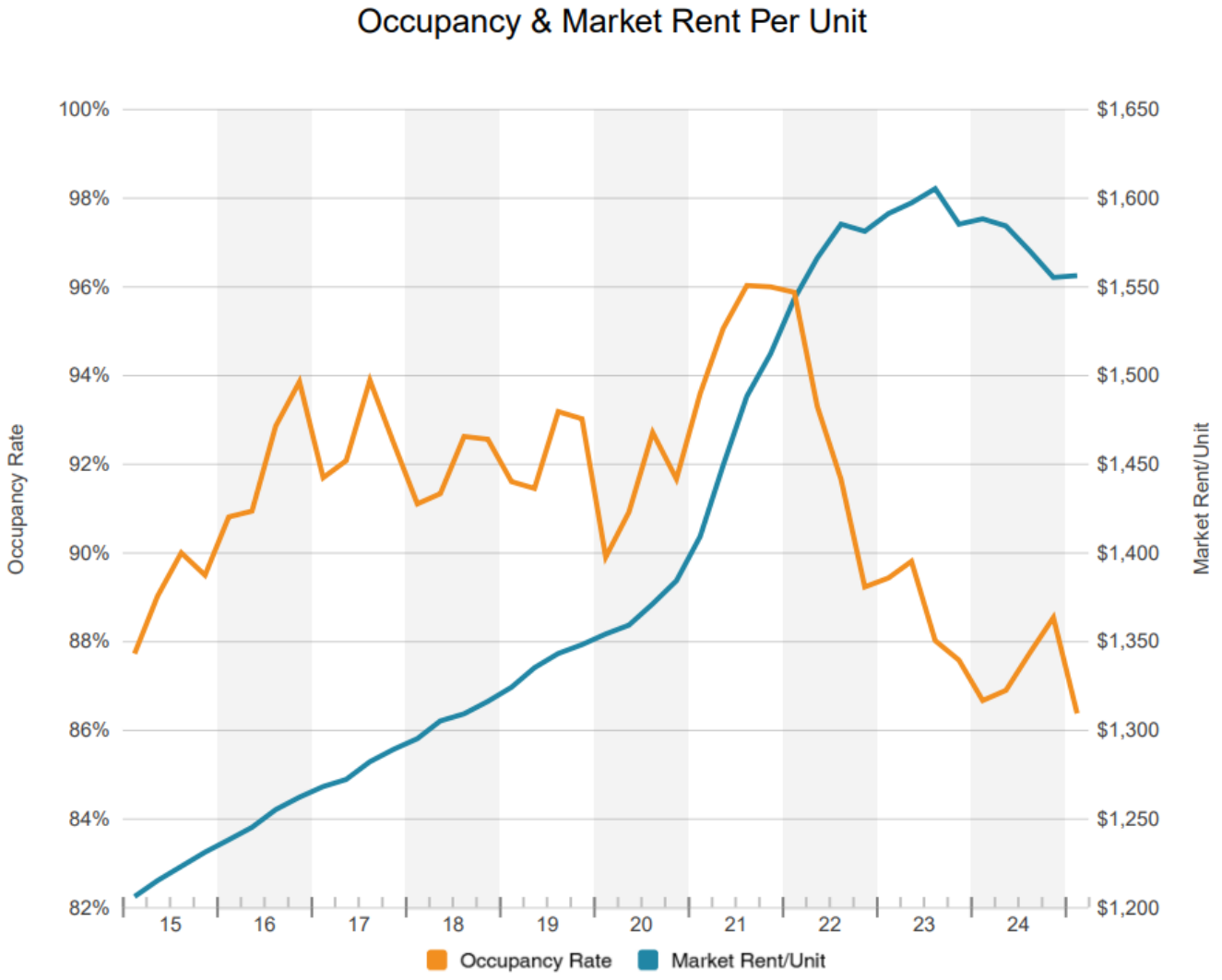
UTAH COUNTY APARTMENT MARKET

According to CoStar, multi-family rents decreased 1.6% from the prior period ($1,586 to $1,561 per unit per month). 2,412 apartment units are currently underway in the Utah County Market. Although employment has consistently remained positive, the area is currently experiencing the weakest job creation rate in the last 12 months. The vacancy rate declined to 11.5% in Q4 2024 from 12.3% in Q3 2024, but remains relatively high. Vacancy had increased each quarter during 2022 and most quarters during 2023. Effective rent growth increased from 2021 to 2022 before stagnating from 2023 through 2024. However, the area is anticipated to continue to out-perform other apartment markets as well as the nation overall over the long term.

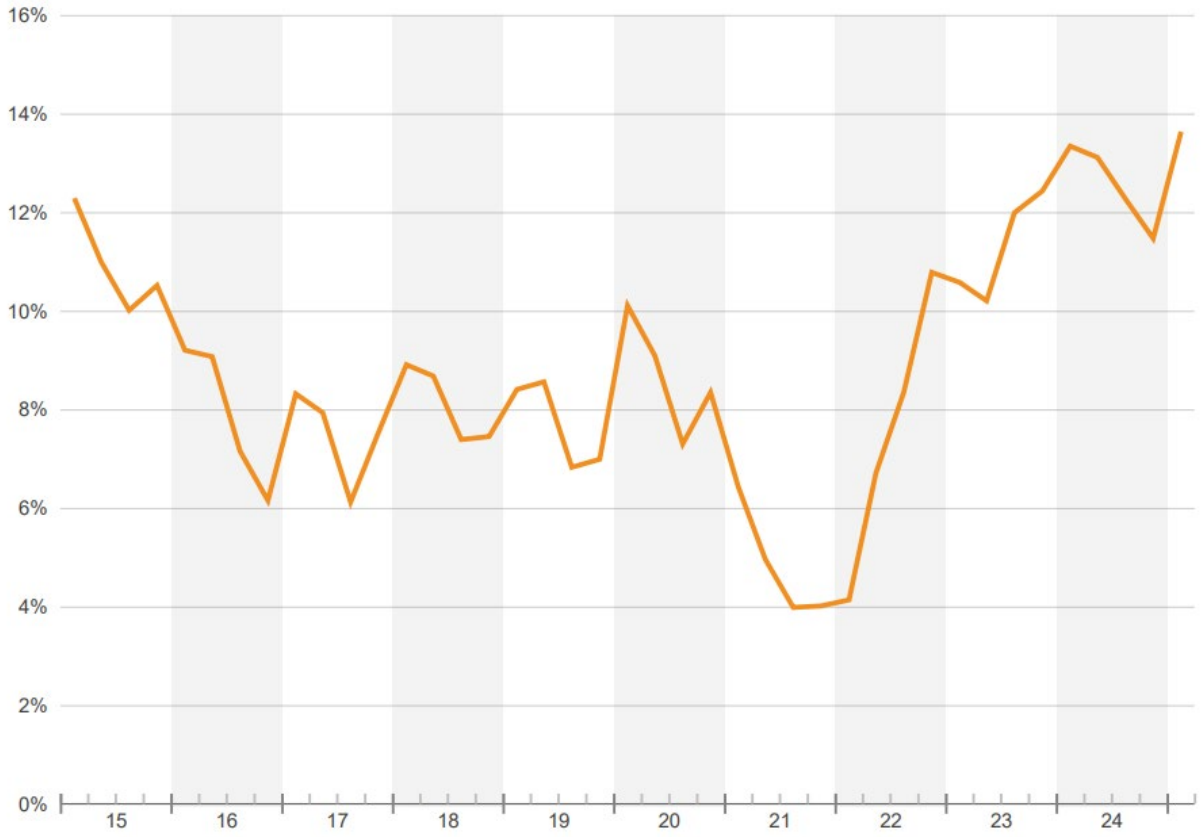
Vacancy

The vacancy rate in Utah County is currently 11.5% with strong leasing trends during the pandemic, and the forecast calls for more high-end, 4 & 5-star units to deliver. Vacancies for 4 & 5-star properties, where most of the new construction has been focused, are about 6.0%.




Occupancy & Market Rent Per Unit
100%
98%
96%
94%
92%
90%
88%
86%
84%
82%
Occupancy Rate
$1,650
$1,600
$1,550
$1,500
$1,450
$1,400
$1,350
$1,300
$1,250
$1,200
Market Rent/Unit
15
16
17
18
19
20
21
22
23
24
Occupancy Rate
Market Rent/Unit

Vacancy Rate



SUMMARY STATISTICS

Leasing Units	Survey	5-Year Avg
Vacant Units	3,181	1,839
Vacancy Rate	12.3%	8.7%
12 Mo. Absorption Units	1,635	1,302

Inventory in Units	Survey	5-Year Avg
Existing Units	27,724	21,056
12 Mo. Const. Starts	1,440	1,715
Under Construction	1,959	2,670
12 Mo. Deliveries	2,053	1,700

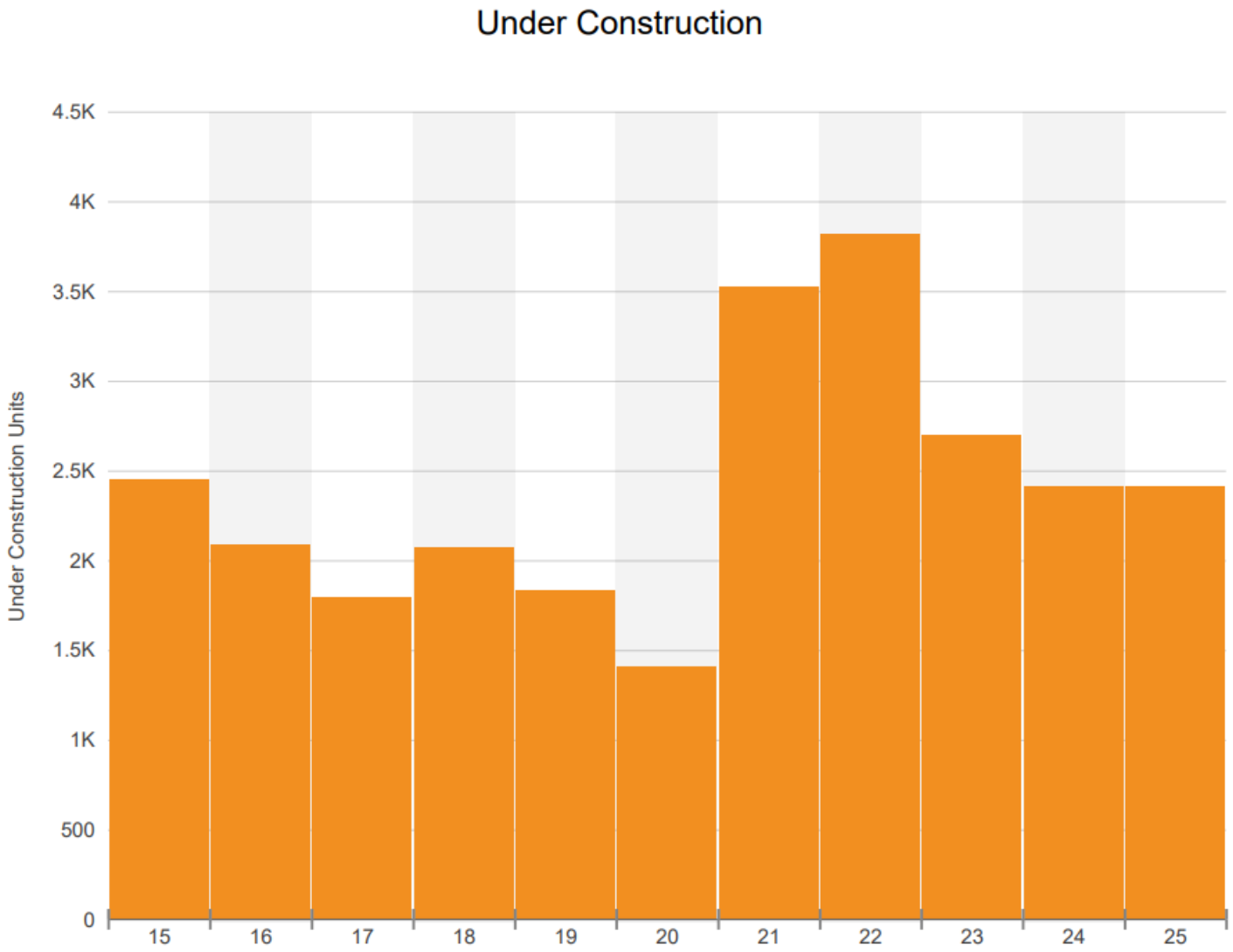
Rents	Survey	5-Year Avg
Studio Asking Rent	$1,460	$1,417
1 Bed Asking Rent	$1,359	$1,293
2 Bed Asking Rent	$1,545	$1,471
3+ Bed Asking Rent	$1,967	$1,841
Concessions	1.6%	1.1%

Sales	Past Year	5-Year Avg
Sale Price Per Unit	$240,737	$159,070
Asking Price Per Unit	$312,968	$214,976
Sales Volume (Mil.)	$1.9	$18
Cap Rate	5.0%	5.6%

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Construction Activity

Inventory in Utah County nearly doubled over the past six years, with nearly 14,000 market-rate apartment units delivered since the start of 2014. Approximately 1,717 units have delivered in the past 12 months, compared to the 10-year annual net deliveries average of 1,360 units. Currently, there are about 2,412 units in the pipeline, compared to roughly 2,412 in the prior period.



Utah County Apartment Submarket Conclusion

Overall, the subject's apartment submarket appears to be stable. Market rent has generally increased over the last several years. It is anticipated that the submarket will continue to improve given the area's high employment rates and young & educated workforce.

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TRANSACTION TRENDS

In the open market, the subject property type would command most interest from local and regional buyers that are actively pursuing similar quality investment properties. There is currently strong buyer demand for substitute properties of the subject based on the volume of sale transactions and reports by buyers, sellers and other market participants during confirmation of market transactions. The most probable buyer is a national and regional investor.

SUBJECT PROPERTY ANALYSIS

Based on our analysis of the subject's larger parcel and investigation of substitute properties in the marketplace, the subject is considered to have Average overall buyer appeal with an Average competitive position if the asset was exposed to the open market. The most probable buyer is a developer.

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INTRODUCTION

The highest and best use of an improved property is defined as that reasonable and most probable use that will support its highest present value. The highest and best use, or most probable use, must be legally permissible, physically possible, financially feasible, and maximally productive. This section develops the highest and best use of the subject property As-Vacant.

AS-VACANT ANALYSIS – BEFORE CONDITION

Legal Factors

The legal factors that possibly influence the highest and best use of the larger parcel are discussed in this section. Private restrictions, zoning, building codes, historic district controls, and environmental regulations are considered, if applicable to the subject site. Permitted uses of the subject's A-1 (Agricultural Zone) zoning were listed in the Zoning Analysis section.

The larger parcel is located within the Westfields and Lakeside Overlay District, which allows for residential development. The purpose of the Westfields and Lakeside Overlay District is to carry out the adopted policies of Springville City to create attractive, diverse neighborhoods with a wide variety of attached and detached housing, as well as some shopping and services. The subject is part of a proposed 152.47-acre development named Lakeside Village that is currently in the early planning process with Springville City. The current site plan for Lakeside Village calls for 887 single family and townhome lots, and 48 multifamily units with ground-floor retail. The overall density is approximately six units per acre.

Physical & Locational Factors

Regarding physical characteristics, the subject site is rectangular in shape and has level topography with fair/average access and average exposure. The subject is surrounded by vacant land, much of which is also part of the Lakeside Village master plan. Of the outright permitted uses, physical and locational features best support mixed residential development at a density of six units per acre for the site's highest and best use as-vacant.

Feasibility Factors

The financial feasibility of those uses that meet the legal and physical tests discussed is analyzed further in this section. Supply and demand conditions affect the financial feasibility of possible uses. Indicators of feasibility, which typically indicate favorable or non-favorable supply and demand conditions, include construction financing and proposed projects. In recent quarters there has been new residential development throughout the subject's submarket. This is evidence that new residential construction is feasible at this time. Financial feasibility factors generally support immediate development of subject site.

As-Vacant Conclusion

Based on the previous discussion, the subject's highest and best use as-vacant is concluded to be mixed residential development at a density of six units per acre.

AS-VACANT ANALYSIS—AFTER CONDITION

In the after condition, the subject's usable site is reduced from 1,463,332 to 1,378,838, or 5.8% smaller than in the before condition. The site is commensurate with other similar properties with average access and average exposure. In the after condition, the site will have frontage along 2600 West and will have superior access. We conclude that the highest and best use of the site as-if vacant remains unchanged in the after condition.

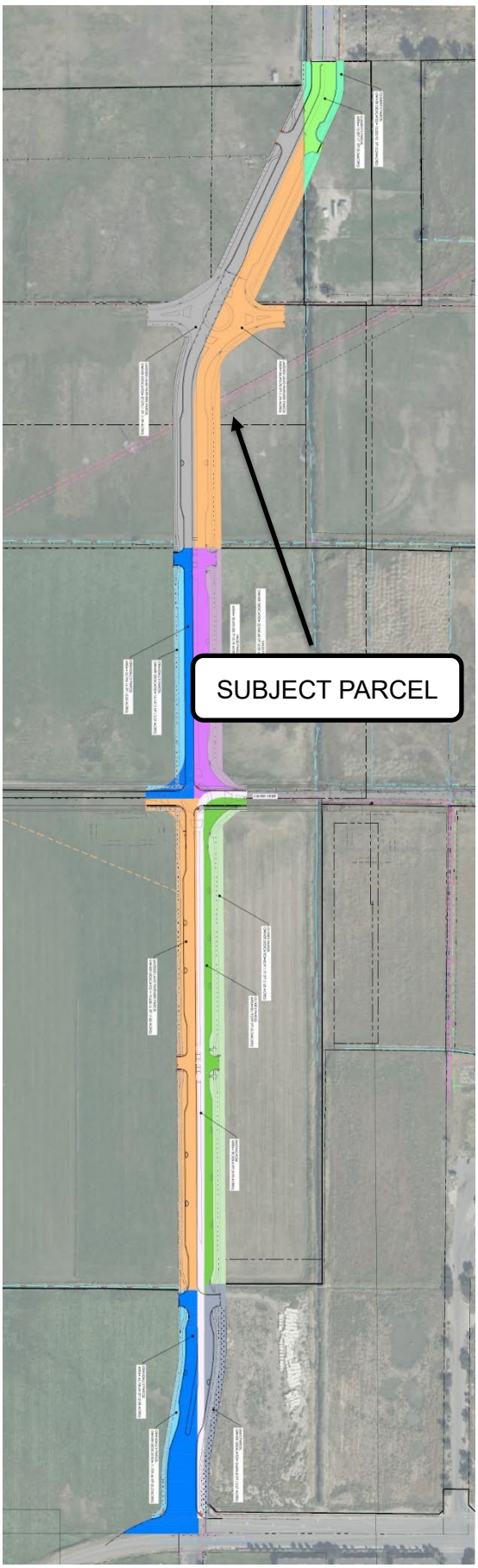
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IMPROVEMENTS IN THE MANNER PROPOSED

The Mountainlands Association of Governments' 2600 West ROW project will extend 2600 West northward from 400 South where it will intersect with Center Street and then continue north where it will eventually turn northeastward and connect with 2500 West at approximately 400 North. The four-lane road will provide access to an area that is in the planning process for residential and commercial development. Mountainlands Association of Governments is providing partial funding for the project. Construction is anticipated to begin by Summer 2025.

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Project Overview

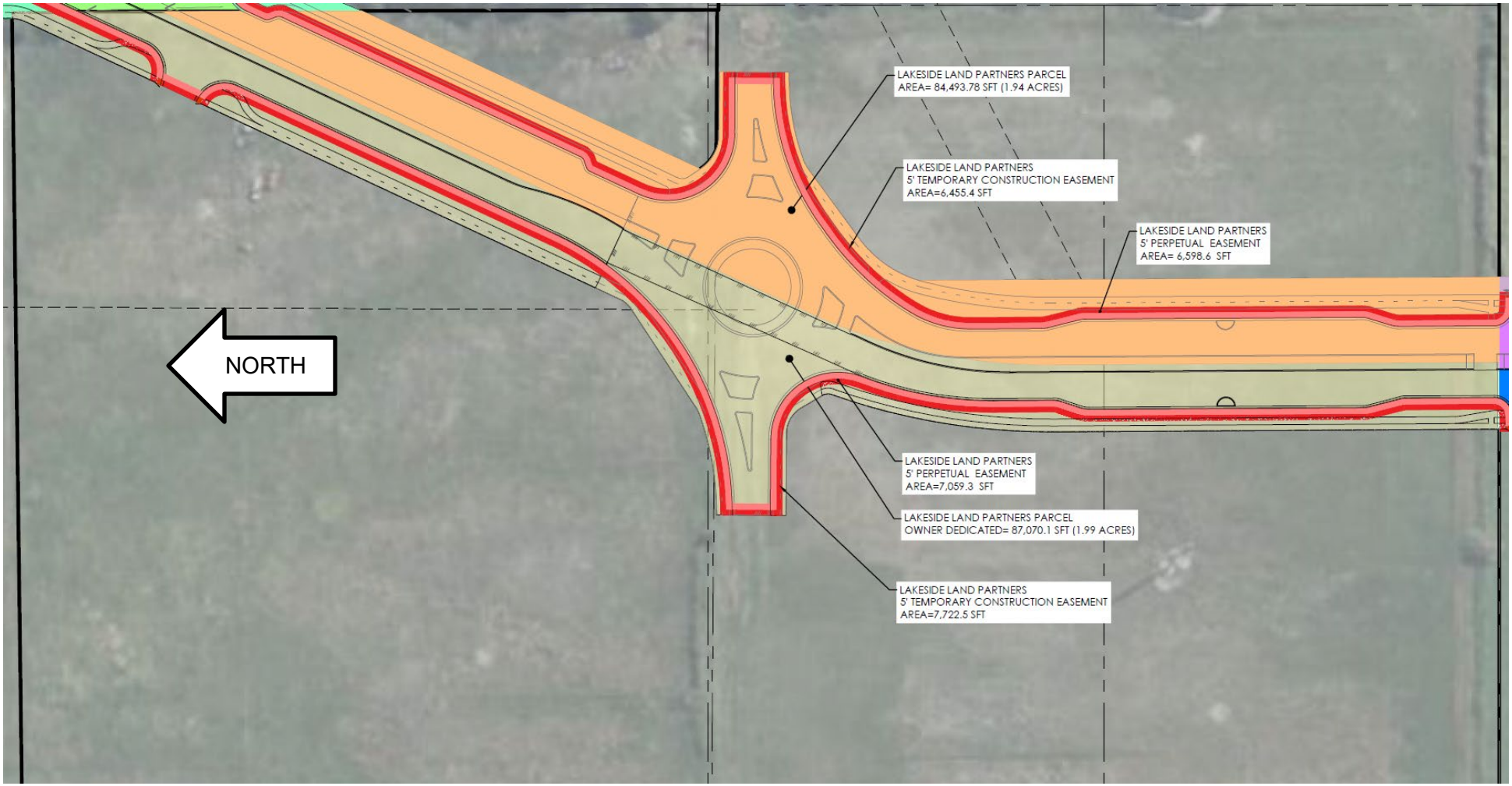


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Project Overview – Subject Larger Parcel

The exhibit below was provided by the client in connection with this assignment. The dark-orange shaded area is the area of the fee taking. The gray-shaded area is to be dedicated by the owner in the future if and when development of the site should occur; the light-blue shaded area is not relevant to this assignment. The light-red area is the location of the perpetual easement; the dark red area is the location of the temporary construction easement. We have not been provided with maps or legal descriptions for the easements. These details are typically provided by the client for right-of-way valuations. It is an extraordinary assumption of this report that the provided sizes of the easements are accurate and that the areas are sufficient in size, shape and utility for their intended use.

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THE PARTS TAKEN

Fee Taking

To complete the project as proposed, a portion of the larger parcel must be acquired. The permanent area being acquired by Mountainlands Association of Governments is on land assumed to be previously unencumbered by any adverse easements or encumbrances. However, we were not provided with an ALTA survey, so we are unaware of the location of any existing easements. Based on the exhibit provided by the client, it covers 84,494 square feet, or square feet, or 1.94 acre.

The fee taking will cut through the eastern portion of the subject site. It is shaded orange in the the above exhibit, which was provided by the client. It is irregular in shape. A legal description of the fee taking is not available, nor were we provided with site-specific maps with taking dimensions. This report assumes the square footage figures of the fee taking provided by the client are accurate.

Perpetual Easement

Mountainlands Association of Governments is considering a 5-foot-wide perpetual easement along the eastern edge of the new subject boundary to allow for utility maintenance. It would be located between the temporary construction easement and fee taking. The exhibit provided in connection with this assignment indicates the size of the perpetual easement to be 6,599 square feet.

Temporary Construction Easement

A temporary construction easement is also being considered by Mountainlands Association of Governments. It would also be five feet wide and would allow for access during construction. The temporary construction easement would be located west of the fee taking and the perpetual easement. The easement would commence at the beginning of construction, which is anticipated to begin in June 2025, and we estimate construction will last three years. The exhibit provided in connection with this assignment indicates the size of the temporary construction easement to be 6,455 square feet. We were not provided with legal descriptions of the proposed easements, and we were not provided with site-specific maps with easement dimensions.

This appraisal is based on the extraordinary assumption that the project will include a perpetual easement and a temporary construction easement.

This appraisal is based on the extraordinary assumption that the provided size of the fee acquisition area is accurate despite the absence of a legal description or site-specific maps with dimensions. Additionally, we assume that the 5-foot-wide perpetual easement and the 5-foot-wide temporary construction easement exist as described, with their locations and extents aligning with the intended project scope, though no exact legal descriptions or surveyed dimensions were provided. If any of these assumptions prove to be inaccurate, the opinions of value stated herein may require revision.

We also assume that the locations of the perpetual and construction easements are as described above. If this assumption proves to be inaccurate, the opinions of value stated herein may require revision.

THE REMAINDER PARCEL

In the after condition, the subject site is reduced from 1,463,332 to 1,378,838, or 5.8% smaller than in the before condition. The site is split in two, but the utility will be similar and the access will be improved.

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INTRODUCTION

The following presentation of the appraisal process deals directly with the valuation of the subject property. The As-Is Fair Market Value of the subject's fee simple interest is estimated using the Sales Comparison Approach, which is recognized as the standard appraisal technique for commercial land. The Cost and Income Capitalization Approaches are not applicable when valuing unimproved commercial land and are therefore excluded. Their exclusion is not detrimental to the reliability or credibility of the final value conclusion.

VALUE IN THE BEFORE CONDITION

The following paragraphs describe the standard approaches to value that were considered for this portion of the analysis.

SALES COMPARISON APPROACH

The Sales Comparison Approach is based on the principle of substitution, which asserts that no one would pay more for a property than the value of similar properties in the market. This approach analyzes comparable sales by applying transactional and property adjustments in order to bracket the subject property on an appropriate unit value comparison. The sales comparison approach is applicable when sufficient data on recent market transactions is available. Alternatively, this approach may offer limited reliability because many properties have unique characteristics that cannot be accounted for in the adjustment process.

METHODOLOGY

The appraisal of the subject is a complex assignment as it involves a partial take analysis. The following is a basic outline of our valuation process:

- Value the land in Larger Parcel, using the Sales Comparison Approach (Land Valuation).
- Value the permanent parts taken as part of the whole. Value any easements taken as part of the whole. Calculate the value of the remainder as part of the whole.
- Value the remainder property in the after condition.
- Compare the value of the remainder as part of the whole with the value of the remainder in the after condition to calculate severance damages, if any.
- Consider project benefits (if any) and calculate net severance damages (if any).
- Calculate the temporary loss of use of the property during construction (if any).
- Compile a final estimate of the fair market value of the parts taken, including all of the above.

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LAND VALUATION

As previously discussed within the Valuation Methods section, the subject is valued as one marketable economic site in this appraisal. Land value is influenced by a number of factors; most prominent of which is development and use potential. These factors, as well as others, are considered in the following analysis.

UNIT OF COMPARISON

The most relevant unit of comparison is the price per square foot. This indicator best reflects the analysis used by buyers and sellers in this market for land with similar utility and zoning in this marketplace.

COMPARABLE SELECTION

A thorough search was made for similar land sales in terms of proximity to the subject, size, location, development potential, and date of sale. In selecting comparables, emphasis was placed on confirming recent sales of commercial sites that are similar to the subject property in terms of location and physical characteristics. Overall, the sales selected represent the best comparables available for this analysis.

ADJUSTMENT PROCESS

Quantitative adjustments are made to the comparable sales. The following adjustments or general market trends were considered for the basis of valuation.

Transactional Adjustments

Dollar adjustments to the comparable sales were considered and made when warranted for transactional adjustments in the sequence shown below:

Property Rights Transferred	The valuation of the subject site was completed on a fee simple basis. If warranted, leased fee, leasehold and/or partial interest land sales were adjusted accordingly.
Financing Terms	The subject site was valued on a cash equivalent basis. Adjustments were made to the comparables involving financing terms atypical of the marketplace.
Conditions of Sale	This adjustment accounts for extraordinary motivation on the part of the buyer or seller often associated with distressed sales and/or assemblages.
Expenditures After Purchase	Adjustments were applied if site conditions warranted expenditures on the part of the buyer to create a buildable site. Examples include costs for razing pre-existing structures, general site clearing and/or mitigation of environmental issues.
Market Conditions	Market conditions adjustments were based on a review of historical sale data, market participant interviews and review of current versus historical pricing. Based on our research, the following table summarizes the market conditions adjustment applied in this analysis.

MARKET CONDITIONS ADJUSTMENT			
Per Year As Of	February 2025	(As-Is)	3%

The analysis applies an upward market conditions adjustment of 3% annually reflecting the conditions between the oldest comparable sale date up through the effective valuation date. This is supported by price trends discussed and analyzed in the market analysis section.

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Property Adjustments

Quantitative percentage adjustments are also made for location and physical characteristics such as size, shape, access, exposure, topography, zoning and overall utility. Where possible the adjustments applied are based on paired data or other statistical analysis. For example, location adjustments are based primarily on review of land values in the market areas for the comparables relative to the subject. It should be stressed that the adjustments are subjective in nature and are meant to illustrate our logic in deriving a value opinion for the subject site.

LAND VALUATION PRESENTATION

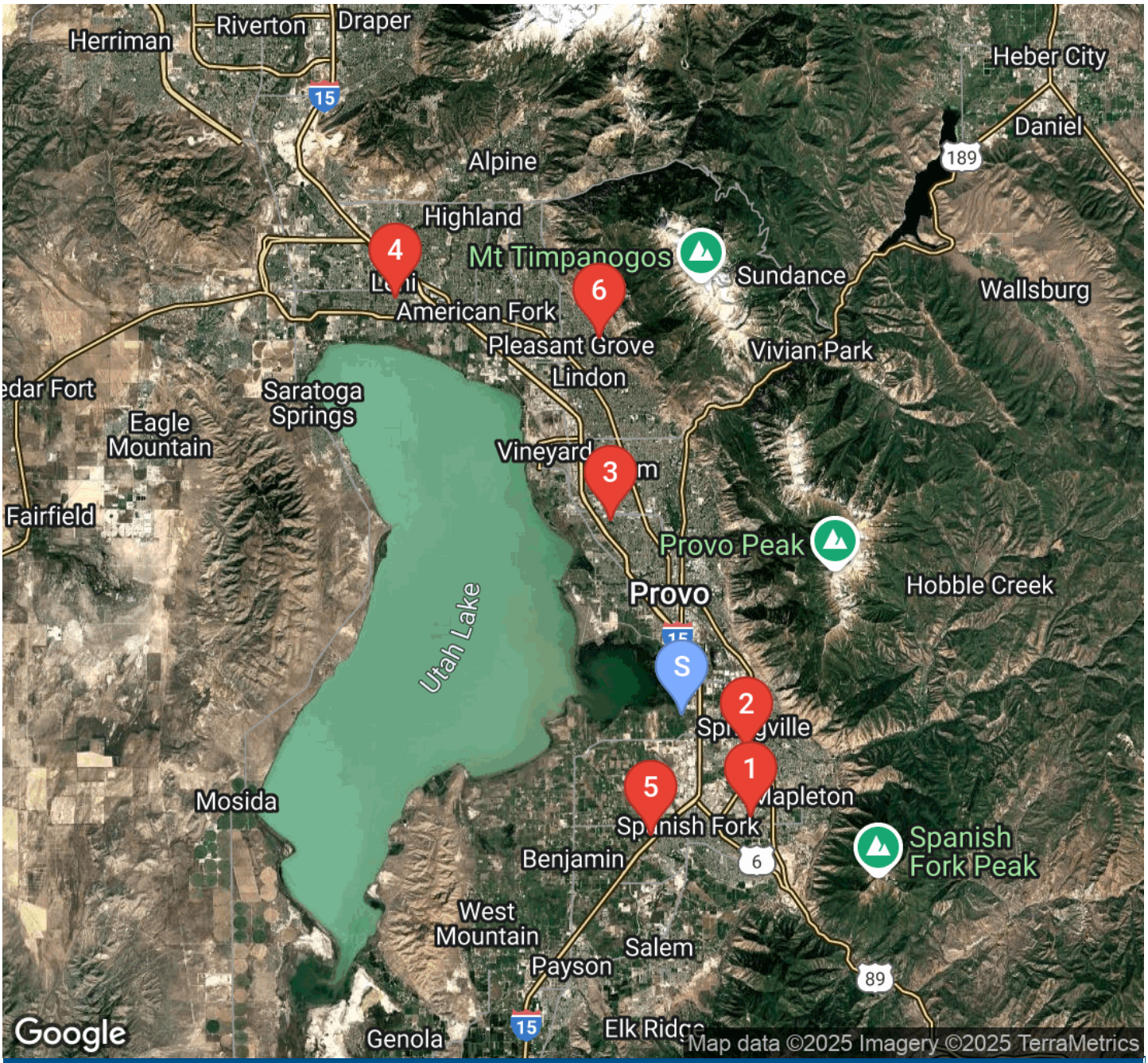
The following Land Sales Summation Table, Location Map and datasheets summarize the sales data used in this analysis. Following these items, the comparable land sales are adjusted for applicable elements of comparison and the opinion of site value is concluded.

LAND SALES SUMMATION TABLE

COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5	COMPARABLE 6
Name	Lakeside Land Partners, LLC	Residential Development Land	Springville Residential Development Land	Residential Land	Single-Family Residential Land	Utah County Residential Land	Residential Land
Address	300 North 2600 West	636 Slant Road	1040 S State Street	1555 South 400 West	500 South Center Street	6800 S 1050 W	1050 East 200 South
City	Springville	Spanish Fork	Springville	Orem	Lehi	Spanish Fork	Pleasant Grove
State	UT	UT	UT	UT	UT	UT	UT
Zip	84663	84660	84663	84058	84043	84660	84062
County	Utah	Utah	Utah	Utah	Utah	Utah	Utah
APN	21-096-0011, 21-096-0005, 21-096-0016	46-416-0013	26-024-0011, 26-043-0035, 26-025-0008 & 0009, 26-025-0005, 26-028-0055, 26-025-0001	19-026-0178	13-006-0057	25-015-0003	14-043-0229
PHYSICAL INFORMATION							
SF	1,463,332	118,388	3,097,551	412,077	319,730	382,456	760,122
Zoning	A-1	R-1-9	R1-8	R-12	RA-1	RA-5	R-1-9
Topography	Level	Generally Level	Level	Level	Level	Level	Level
Street Frontage	Average	Average	Average	Average	Average	Average	Average
Utilities	No	No	Yes	Yes	Yes	No	Yes
Development Timelin	Near Term	Immediate	Immediate	Immediate	Immediate	Uncertain	Immediate
SALE INFORMATION							
Date		8/26/2024	3/28/2024	2/27/2024	9/26/2023	6/2/2023	2/8/2022
Status		Recorded	Recorded	Recorded	Recorded	Recorded	Recorded
Rights Transferred		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Transaction Price		$1,350,000	$14,000,000	$4,500,000	$2,850,000	$2,750,000	$7,000,000
Analysis Price		$1,350,000	$14,000,000	$4,500,000	$2,850,000	$2,750,000	$7,000,000
$/SF Land		$11.40	$4.52	$10.92	$8.91	$7.19	$9.21

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LAND SALES LOCATION MAP



COMPARABLE KEY

COMP	DISTANCE	ADDRESS	SALE DATE	ACRES	SF	$/SF
SUBJECT	-	300 North 2600 West, Springville, UT	-	33.6	1,463,332	-
No. 1	4.3 Miles	636 Slant Road, Spanish Fork, UT	8/26/2024	2.7	118,388	$11.40
No. 2	2.6 Miles	1040 S State Street, Springville, UT	3/28/2024	71.1	3,097,551	$4.52
No. 3	7.3 Miles	1555 South 400 West, Orem, UT	2/27/2024	9.5	412,077	$10.92
No. 4	17.8 Miles	500 South Center Street, Lehi, UT	9/26/2023	7.3	319,730	$8.91
No. 5	4.4 Miles	6800 S 1050 W, Spanish Fork, UT	6/2/2023	8.8	382,456	$7.19
No. 6	13.6 Miles	1050 East 200 South, Pleasant Grove, UT	2/8/2022	17.5	760,122	$9.21

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COMPARABLE 1

LOCATION INFORMATION

Name	Residential Development Land
Address	636 Slant Road
City, State, Zip Code	Spanish Fork, UT, 84660
County	Utah
MSA	Provo-Orem, UT
APN	46-416-0013

SALE INFORMATION

Buyer	Alpine Homes, LLC
Seller	DF Adams Ranch, LLC
Transaction Date	08/26/2024
Transaction Status	Recorded
Transaction Price	$1,350,000
Analysis Price	$1,350,000
Recording Number	57418:2024
Rights Transferred	Fee Simple
Financing	Conventional
Conditions of Sale	Arms-Length
Marketing Time	4 Months

PHYSICAL INFORMATION

Intended Use	Single-Family Residential
Location	Average
Site Size (Net)	2.72 Acres (118,388 SF)
Site Size (Gross)	2.89 Acres (125,888 SF)
Zoning	R-1-9
Development Potential	12
Density	4.42
Shape	Irregular
Topography	Generally Level
Access	Average
Exposure	Average
Corner	No
Utilities	No



RESIDENTIAL DEVELOPMENT LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$467,128	$10.72	$112,500
Net	$496,689	$11.40	$112,500

CONFIRMATION

Name	Bryant Parker	
Company	Colliers	
Source	Seller's Broker	
Date / Phone Number	01/14/2025	+1 385 866 3007

REMARKS

This is in a residential area of Spanish Fork 1/3 mile away from Maple Mountain High School. There is a proposed grocery store nearby. Frontage would be on Spanish Fork Parkway. The entire site is planned for 13 lots; however, lot 12 (estimated 7,500 SF) was not included with the sale. The net land reflects the actual sold property. According to the listing broker, approvals had been received from Spanish Fork City.

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COMPARABLE 2

LOCATION INFORMATION

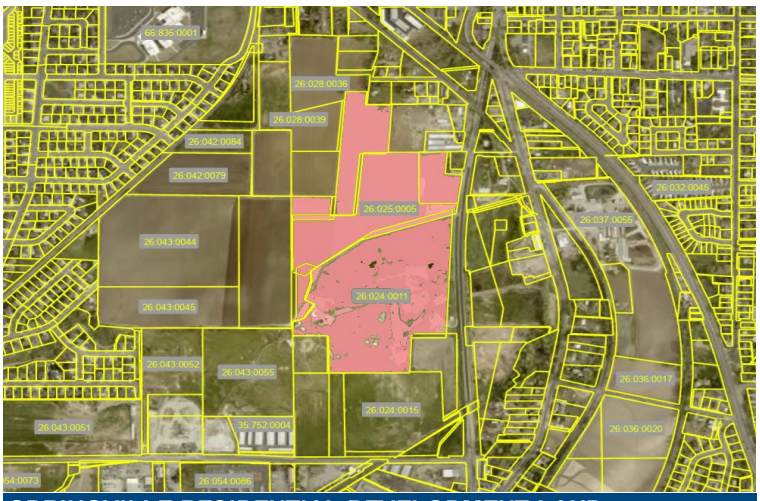
Name	Springville Residential Development Land
Address	1040 S State Street
City, State, Zip Code	Springville, UT, 84663
County	Utah
MSA	Provo-Orem, UT
APN	26-024-0011, 26-043-0035, 26-025-0008 &

SALE INFORMATION

Buyer	LHM Dev SPG, LLC
Seller	Haystack Properties, LLC
Transaction Date	03/28/2024
Transaction Status	Recorded
Transaction Price	$14,000,000
Analysis Price	$14,000,000
Rights Transferred	Fee Simple
Conditions of Sale	Arms-Length
Marketing Time	9 Months

PHYSICAL INFORMATION

Intended Use	Residential
Location	Average
Site Size (Net)	71.11 Acres (3,097,551 SF)
Site Size (Gross)	86.64 Acres (3,774,038 SF)
Zoning	R1-8
Development Potential	228
Density	3.2
Shape	Irregular
Topography	Level
Access	Average
Exposure	Average
Corner	No
Utilities	Yes



SPRINGVILLE RESIDENTIAL DEVELOPMENT LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$161,588	$3.71	$61,404
Net	$196,878	$4.52	$61,404

CONFIRMATION

Name	Jonah Hornsby	
Company	Align Complete Real Estate Services LLC	
Source	Seller's Broker	
Date / Phone Number	04/16/2024	+1 801 580 4945

REMARKS

This property has a zoning overlay that allows for 8.000 sf lots. The agent reports some wetlands on site. The southeast corner of the site has a creek running through it; based on the National Wetlands Inventory Map, the site has approximately 13.5 acres of potential wetlands. A portion of the site also had to be donated as open space, but the agent is unsure of how much; the county assessor now reports the site size as 84.6104 acres, so it appears possible that approximately two acres were donated. This property sold in March 2024 for $14,000,000.

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COMPARABLE 3

LOCATION INFORMATION

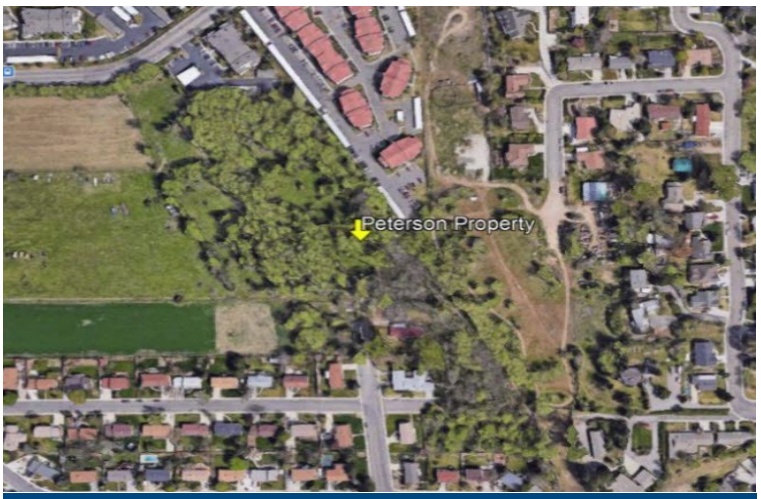
Name	Residential Land
Address	1555 South 400 West
City, State, Zip Code	Orem, UT, 84058
County	Utah
MSA	Provo-Orem, UT
APN	19-026-0178

SALE INFORMATION

Buyer	Sandhill OP1, LLC
Seller	Romell Peterson
Transaction Date	02/27/2024
Transaction Status	Recorded
Transaction Price	$4,500,000
Analysis Price	$4,500,000
Rights Transferred	Fee Simple
Conditions of Sale	Arms-Length

PHYSICAL INFORMATION

Intended Use	Residential
Location	Excellent
Site Size (Net)	9.46 Acres (412,077 SF)
Site Size (Gross)	9.46 Acres (412,077 SF)
Zoning	R-12
Development Potential	34
Density	3.63
Shape	Irregular
Topography	Level
Access	Average
Exposure	Average
Corner	No
Utilities	No



RESIDENTIAL LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$475,687	$10.92	$132,353
Net	$475,687	$10.92	$132,353

CONFIRMATION

Name	Jeffery Kunz	
Company	Fathom Realty	
Source	CRMLS	
Date / Phone Number	04/16/2024	+1 801 380 9858

REMARKS

9.46-acre parcel of R-12 Zoned land. The site is situated near Utah Valley University, I-15, retailers, and schools. This property was reportedly on the market for one week before going under contract for $4,500,000. The R-12 Zone allows for 12,000 SF residential lots.

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COMPARABLE 4

LOCATION INFORMATION

Name	Single-Family Residential Land
Address	500 South Center Street
City, State, Zip Code	Lehi, UT, 84043
County	Utah
MSA	Provo-Orem, UT
APN	13-006-0057

SALE INFORMATION

Buyer	Paul Olsen
Seller	Valerie Maurin et al.
Transaction Date	09/26/2023
Transaction Status	Recorded
Transaction Price	$2,850,000
Analysis Price	$2,850,000
Recording Number	63628-2023
Rights Transferred	Fee Simple
Financing	Seller
Marketing Time	13 Months

PHYSICAL INFORMATION

Intended Use	Single-Family Residential
Location	Good
Site Size (Net)	7.34 Acres (319,730 SF)
Site Size (Gross)	7.34 Acres (319,730 SF)
Zoning	RA-1
Development Potential	22
Density	3.25
Shape	L-shaped
Topography	Level
Access	Average
Exposure	Average
Corner	No
Utilities	Yes



SINGLE-FAMILY RESIDENTIAL LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$388,283	$8.91	$129,545
Net	$388,283	$8.91	$129,545

CONFIRMATION

Name	WFMLS
Company	WFMLS
Source	CRMLS
Date / Phone Number	01/11/2024

REMARKS

Approximately 7 acres of residential land right off Center Street in Lehi. This includes 17 acre feet of water that has already been banked with the city of Lehi for development. Quick access to Pioneer Crossing. Property general plan is LDR, and can accommodate 3.25 units per acre. This backs onto the Union Pacific/FrontRunner train line. According to the MLS listing, there was seller financing. We have attempted to contact the broker (Dan Ford) to verify the details of the financing, but we have not received a response.

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COMPARABLE 5

LOCATION INFORMATION

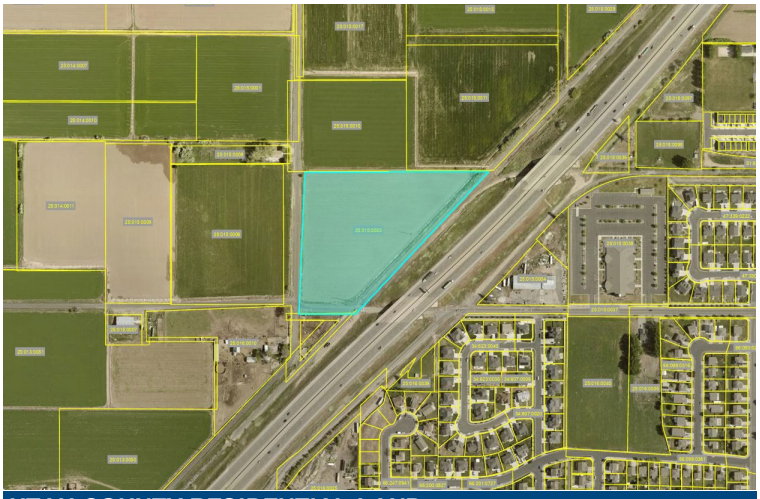
Name	Utah County Residential Land
Address	6800 S 1050 W
City, State, Zip Code	Spanish Fork, UT, 84660
County	Utah
MSA	Provo-Orem, UT
APN	25-015-0003

SALE INFORMATION

Buyer	15 Center Farm LLC
Seller	Markham Family LLC
Transaction Date	06/2/2023
Transaction Status	Recorded
Transaction Price	$2,750,000
Analysis Price	$2,750,000
Recording Number	35877:2023
Rights Transferred	Fee Simple
Financing	All Cash
Conditions of Sale	Arms-Length
Marketing Time	1 Months

PHYSICAL INFORMATION

Intended Use	Single-Family Residential
Location	Average
Site Size (Net)	8.78 Acres (382,456 SF)
Site Size (Gross)	8.78 Acres (382,456 SF)
Zoning	RA-5
Density	0.2
Shape	Triangular
Topography	Level
Access	Average
Exposure	Average
Corner	No
Utilities	No



UTAH COUNTY RESIDENTIAL LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$313,212	$7.19	$2,750,000
Net	$313,212	$7.19	$2,750,000

CONFIRMATION

Name	Steve Vincent	
Company	Berkshire Hathaway HomeServices Elite Real Estate	
Source	Seller's Broker	
Date / Phone Number	02/17/2025	+1 801 362 9235

REMARKS

This property is located in Utah County, just outside the city limits of Spanish Fork. The MLS listing reports that Spanish Fork has the site master planned for Mixed Use. The sale included 18 shares of Spanish Fork West irrigation water. Sewer and power are in the street. Culinary water is approximately 1,200 feet to the east at 100 South and 1230 West in Spanish Fork. Development at a density higher than one unit per five acres would require annexation into Spanish Fork. The agent reports that the buyers were speculative and anticipated holding the property for a few years and then annexing into the city and developing the property with a mix of commercial and medium to high density residential.

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COMPARABLE 6

LOCATION INFORMATION

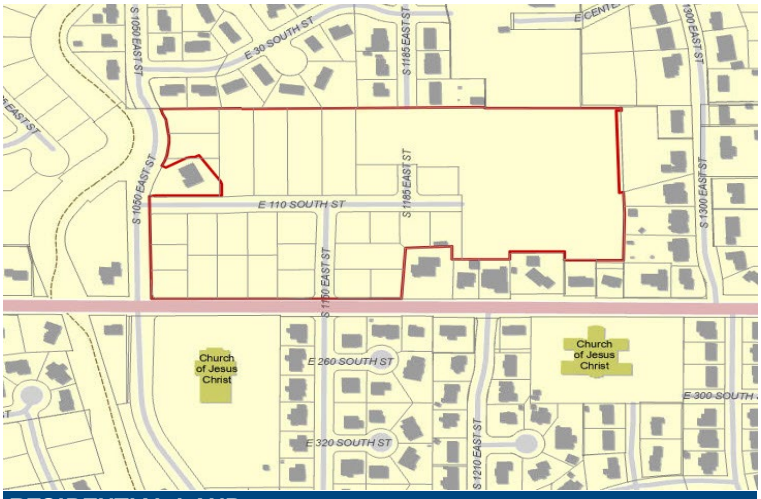
Name	Residential Land
Address	1050 East 200 South
City, State, Zip Code	Pleasant Grove, UT, 84062
County	Utah
MSA	Provo-Orem, UT
APN	14-043-0229

SALE INFORMATION

Buyer	Blossom Hill LLC
Seller	A&B Adams LLC
Transaction Date	02/8/2022
Transaction Status	Recorded
Transaction Price	$7,000,000
Analysis Price	$7,000,000
Recording Number	17572-2022
Rights Transferred	Fee Simple
Financing	Cash at Settlement
Conditions of Sale	Arms-Length
Marketing Time	1 Months

PHYSICAL INFORMATION

Intended Use	Residential
Location	Good/Excellent
Site Size (Net)	17.45 Acres (760,122 SF)
Site Size (Gross)	17.45 Acres (760,122 SF)
Zoning	R-1-9
Development Potential	67
Density	3.83
Shape	Irregular
Topography	Level
Access	Average
Exposure	Average
Corner	No
Utilities	Yes



RESIDENTIAL LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$401,146	$9.21	$104,478
Net	$401,146	$9.21	$104,478

CONFIRMATION

Name	Blaine Washburn	
Company	Confidential	
Source	Seller's Broker	
Date / Phone Number	06/1/2024	+1 801 787 5866

REMARKS

This 17.45 acre parcel with flat areas and gentle slopes offers views of the mountains and valley. This buildable parcel is currently zoned R-1-9, meaning 9,000 SqFt lots are allowed. Currently the land is used as an orchard. 26 water shares will be included in the sale of this property which is anticipated to be enough to fully develop the land. This property was raw development ground zoned for minimum 9,000 sf lots. The sale included 26 water shares.

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LAND SALES ADJUSTMENT TABLE

COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5	COMPARABLE 6
Name	Lakeside Land Partners, LLC	Residential Development Land	Springville Residential Development Land	Residential Land	Single-Family Residential Land	Utah County Residential Land	Residential Land
Address	300 North 2600 West	636 Slant Road	1040 S State Street	1555 South 400 West	500 South Center Street	6800 S 1050 W	1050 East 200 South
City	Springville	Spanish Fork	Springville	Orem	Lehi	Spanish Fork	Pleasant Grove
APN	21-096-0011, 21-(	46-416-0013	26-024-0011, 26-(	19-026-0178	13-006-0057	25-015-0003	14-043-0229
SF	1,463,332	118,388	3,097,551	412,077	319,730	382,456	760,122
SALE INFORMATION							
Date		8/26/2024	3/28/2024	2/27/2024	9/26/2023	6/2/2023	2/8/2022
Status		Recorded	Recorded	Recorded	Recorded	Recorded	Recorded
Rights Transferred		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Analysis Price		$1,350,000	$14,000,000	$4,500,000	$2,850,000	$2,750,000	$7,000,000
Price/SF		$11.40	$4.52	$10.92	$8.91	$7.19	$9.21
TRANSACTIONAL ADJUSTMENTS							
Property Rights		0%	0%	0%	0%	0%	0%
Financing		0%	0%	0%	0%	0%	0%
Conditions of Sale		0%	0%	0%	0%	0%	0%
Expenditures After the Sale		0%	0%	0%	0%	0%	0%
Market Conditions[1]		1%	2%	2%	3%	4%	8%
Subtotal Transactional Adj Price		$11.51	$4.61	$11.14	$9.18	$7.48	$9.95
PROPERTY ADJUSTMENTS							
Location	Average	Average	Average	Excellent	Good	Average	Good/Excellent
Adjustment		0%	0%	-25%	-10%	0%	-20%
Size	1,463,332.48	118,388.00	3,097,551.00	412,077.00	319,730.00	382,456.00	760,122.00
Adjustment		-30%	10%	-20%	-20%	-20%	-10%
Exposure	Average	Average	Average	Average	Average	Average	Average
Adjustment		0%	0%	0%	0%	0%	0%
Access	Fair/Average	Average	Average	Average	Average	Average	Average
Adjustment		0%	0%	0%	0%	0%	0%
Shape	Rectangular	Irregular	Irregular	Irregular	L-shaped	Triangular	Irregular
Adjustment		0%	0%	0%	0%	0%	0%
Site Utility Rating	Average	Average	Average	Average	Average	Average	Average
Adjustment		0%	0%	0%	0%	0%	0%
Density (Units/AC)	6.0 : 1	4.4	3.2	3.6	3.3	0.2	3.8
Adjustment		10%	20%	15%	20%	0%	15%
Development Timeline	Near Term	Immediate	Near Term	Immediate	Immediate	Uncertain	Immediate
Adjustment		-20%	-5%	-15%	-15%	15%	-15%
Subtotal Property Adjustment		-40%	25%	-45%	-25%	-5%	-30%
TOTAL ADJUSTED PRICE		**$6.91**	**$5.76**	**$6.13**	**$6.89**	**$7.11**	**$6.97**

STATISTICS	UNADJUSTED	ADJUSTED
LOW	$4.52	$5.76
HIGH	$11.40	$7.11
MEDIAN	$9.06	$6.90
AVERAGE	$8.69	$6.63

[1] Market Conditions Adjustment: 3%

Date of Value (for adjustment calculations): 2/12/25

LAND SALES ANALYSIS

Introduction

The comparable land sales indicate an adjusted value range from $5.76 to $7.11/SF, with a median of $6.90/SF and an average of $6.63/SF. The range of total gross adjustment applied to the comparables was from 37% to 77%, with an average gross adjustment across all comparables of 58%. The level of total adjustment applied to the comparables is considered to be moderate. Overall, the availability of market data and extent of analysis was adequate to develop a reasonably credible opinion of land value. The adjustment process for each comparable land sale is discussed in the following paragraphs.

PROPERTY ADJUSTMENTS

Location

Comparable 1 2, and 5 are in southern Utah County, in areas comparable to the subject. Comparable 4 is in a superior area in west Lehi and is adjusted downward 10%. Comparable 6 is in a superior area in east Pleasant Grove and is adjusted downward 20%. Comparable 3 is in a superior area in Orem within walking distance of UVU and is adjusted downward 25%.

Size

In markets where a reasonable supply of vacant development land is available, large parcels typically have a lower value per square foot or per acre than smaller parcels of the same quality. A large parcel generally has a smaller pool of potential buyers. It can have a longer potential absorption period, and may therefore have greater perceived investment risk. Size does have less of an impact on price in mature locations where land is relatively scarce. Based on an analysis of the sales, we conclude land prices in this market decline about 10% each time the size is doubled. The adjustments are made on that basis.

Access

The subject doesn't have frontage on a public street and has inferior access than the comparables. However, the subject is part of the Lakeside Village master plan and Mountainlands Association of Governments and Springville City are planning an extension of 2600 West, which is part of the subject of this report. A potential buyer looking to develop the site would consider that superior access would be part of development of the Lakeside Village master plan. Therefore, any difference in access between the subject and comparables is considered below in the development timeline adjustment.

Shape

The comparables and the subject are reasonable in shape and can accommodate a wide range of potential improvements. We have made no adjustment for shape.

Site Utility Rating

The subject and comparables can be fully utilized and have no obvious deficiencies or unusable ground. These have no adjustment made for utility.

Density

In general, residential land with higher allowable density (dwelling units per acre) has a higher value per acre than land with lower allowable density. Comparable 5 has very low density, but like the subject is expected to be rezoned to a higher density at some point in the future. For comparison purposes, we assume the expected future density of Comparable 5 is similar to the subject's and we have made no adjustment. Comparable 1 has a density of 4.4 units per acre and is adjusted upward 10%. The remaining comparable sales range from 3.2 to 3.8 units per acre and are adjusted upward between 15% and 20%.

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Development Timeline

The subject is part of the Lakeside Village master plan which will allow approximately six units per acre. Development of the Lakeside Village master plan will require upgrading the road and utility infrastructure in the area. These facts increase the uncertainty and the development timeline a potential buyer would expect. The majority of comparable sales are one-off pieces of development land that can be developed independently, and therefore, more quickly and with more certainty. These are adjusted downward 15%. Comparable 1 had a plat approved with the city and is adjusted downward 20%. Comparable 2 had some wetlands that needed to be worked around and also a portion of the site had to be dedicated to the city. It is adjusted downward only 5%. Comparable 5 is located outside of Spanish Fork city limits, doesn't have all utilities nearby and the agent indicated that the buyers expected to wait a few years before being able to develop according to Spanish Fork City's master plan. It is adjusted upward 15%.

CALCULATION OF VALUE

The comparable land sales indicate an adjusted value range from $5.76 to $7.11/SF, with a median of $6.90/SF and an average of $6.63/SF. Based on the results of the preceding analysis, Comparable 2 ($5.76/SF adjusted) and Comparable 5 ($7.11/SF adjusted) are given primary consideration for the subject's opinion of land value. Comparable 2 is the best location comparison and brackets the subject's size. Like the subject, it also had some delays to its development timeline. Comparable 5 brackets the subject's development timeline.

The following table summarizes the analysis of the comparables, reports the reconciled price per square foot value conclusion, and presents the concluded value of the subject site.

CALCULATION OF LAND VALUE

	ANALYSIS	ADJUSTMENT				NET	GROSS	OVERALL
COMP	PRICE	TRANSACTIONAL[1]	ADJUSTED	PROPERTY[2]	FINAL	ADJ %	ADJ %	COMPARISON
1	$11.40	1%	$11.51	-40%	**$6.91**	-39%	61%	MINIMAL
2	$4.52	2%	$4.61	25%	**$5.76**	27%	37%	PRIMARY
3	$10.92	2%	$11.14	-45%	**$6.13**	-44%	77%	SECONDARY
4	$8.91	3%	$9.18	-25%	**$6.89**	-23%	68%	SECONDARY
5	$7.19	4%	$7.48	-5%	**$7.11**	-1%	39%	PRIMARY
6	$9.21	8%	$9.95	-30%	**$6.97**	-24%	68%	SECONDARY
LOW	**$5.76**					**AVERAGE**		**$6.63**
HIGH	**$7.11**					**MEDIAN**		**$6.90**

COMPONENT	SUBJECT SF		$/SF CONCLUSION		VALUE
TOTAL PROPERTY	**1,463,332**	**x**	$6.90	**=**	**$10,096,994**

[1]Cumulative [2]Additive — Rounded to nearest $1

LAND VALUE CONCLUSION

The Sales Comparison Approach was utilized for valuation of the subject site, as it best reflects the decision-making of buyers and sellers of development land in the local marketplace. The purpose of this appraisal is to develop an opinion of the as-is Fair Market Value of the subject property's fee simple interest. The following table conveys the final opinion of market value of the subject property that is developed within this appraisal report:

Our opinion of value reflects current conditions and the likely actions of market participants as of the date of value. It is based on the available information gathered and provided to us, as presented in this report, and does not predict future performance. Changing market or property conditions can and likely will have an effect on the subject's value.

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ANALYSIS OF VALUE CONCLUSIONS	
VALUATION INDICES	**AS-IS FAIR MARKET VALUE**
INTEREST APPRAISED	**FEE SIMPLE**
DATE OF VALUE	**FEBRUARY 12, 2025**
FINAL VALUE CONCLUSION	**$10,096,994**
$/SF	$6.90

The purpose of the land value above is to be used in the following analysis; accordingly, it has not been rounded. This is typical for a right-of-way assignment in which typically requires that rounding is done only for the final determination of just compensation.

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INTRODUCTION TO AFTER ANALYSIS

The first step in determining the just compensation associated with the parts taken is to estimate the contributory value of the parcel being acquired as part of the larger parcel. This is the land value of the fee taking, plus the depreciated value of any improvements.

The value of the easements must then be determined. Placement of an easement on a property generally reduces its market value, because property rights have been lost. The value of an easement is generally considered to be some portion of underlying market value.

The next step in the analysis is to determine the net damages, if any, that accrue to the remainder by reason of the taking and the construction of the project in the manner proposed. This analysis involves determining the value of the remaining property before and after the taking. The difference between the value of the remainder in the before condition, and the value of the remainder in the after condition, represents the loss in value that accrues to the remaining property by reason of the taking and the construction of the project in the manner proposed.

Severance damages that are calculated are then offset by project benefits, if any. Aspects of the project that provide an increase in value that is unique to a particular property may be considered special benefits. In the state of Utah, special benefits can offset damages to the remainder, but cannot offset the part taken. If mitigation costs are required to negate potential severance damages, they are included as part of the value of the property rights to be acquired and considered to be curable severance damages.

Finally, the owner must be compensated if there is a time period in which he loses the partial or entire use of the property. This includes the value of any temporary construction easements.

VALUE OF PARTS TAKEN

The following analysis is based on the data and conclusions from the preceding valuation analyses. The parts taken are initially valued as a portion of the whole. That is, for the area reflecting a fee acquisition, the value is allocated on a proportionate basis according to the value of the underlying land area affected.

The area taken for the project (the fee taking) represents a full fee taking of the designated area. The owner is deprived of all use of the land. Accordingly, the area required for the fee taking contributes to the overall property value at 100% of fee simple interest. Below is the breakdown of the land and building area (if any) that is being taken and remaining.

PARTS TAKEN BREAKDOWN

	TOTAL SF	TAKEN SF	REMAINING SF
Land Area - Fee Simple	1,463,332	84,494	1,378,838
Perpetual Easement		*6,599* *	
Temporary Construction Easement (TCE)		*6,455* *	
TOTAL	**1,463,332**	**84,494**	**1,378,838**

*Easements are portions of the bundle of rights and are therefore not deducted; they will be addressed later in the report

Site Value

The site for the parts taken totals 84,494 SF. The overall site value on a price per square basis is $6.90/SF. In this analysis, we applied the overall price per square foot to the taken area as the site in its after condition continues to have a similar utility. Accordingly, a “zones of value” approach to the site valuation is not warranted.

This appraisal is based on the extraordinary assumption that the provided size of the fee acquisition area is accurate despite the absence of a legal description. If this assumption proves to be inaccurate, the opinions of value stated herein may require revision.

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Site Improvements

Site improvements within the taking area include wood and wire fencing. Due to the partial acquisition and the perpetual easement, the fencing must be removed or relocated. This appraisal makes the extraordinary assumption that any site improvements removed or relocated as a result of the project will be relocated at the expense of Mountainlands Association of Governments.

VALUE OF THE PERPETUAL EASEMENT

The reported size of the five-foot-wide perpetual easement is 6,599 square feet (0.15 acre) and will lie along the boundary between the remainder property and the future road corridor. Its purpose is assumed to be for the maintenance of utilities, though no specific easement language was provided. We were asked to assume a 5-foot width by the client.

The value of an easement is generally considered to be some portion of the underlying market value. Theoretically, the proportion can range from near 0% up to 100%. The high end would only be appropriate if an easement effectively eliminated the use and enjoyment of the area by the underlying fee owner. Appraisers sometimes consider less than 50% to be appropriate for underground utility easements when the easement will overlap an existing underground utility easement. The reasoning is that the fee owner retains most of the use and enjoyment of the easement area and suffers little loss in value from the additional utility in the same easement area.

Rod Sorenson of Sandy City Public Utilities reported that they generally negotiate in a range from 30% to 50% of fee value for underground utility easements, and will generally go to 50% if they, "…know there will be a fight." Above that range, or for more complex issues, they typically hire an appraiser to determine the proper amount. He figures the correct amount to be less if there are overlapping easements. In one case, he offered only 10% of fee value because the easement was in an area that had already been set aside for future Highland Drive and had no impact to the owner.

Dave Ingleby of Questar Gas reported that they typically pay 50% of fee value for an underground utility easement, but certain circumstances can change that figure up or down. If the easement is in an area already encumbered by other underground utility easements, they may try to negotiate as low as 10% to 25% of fee value. In cases where they have to fence an area off, they typically pay 100% of fee value but they prefer to buy the fee in those cases.

In the subject case, a perpetual easement appears to be within the future road right-of-way that will be dedicated if and when the owner decides to develop the site. However, we have not been provided with maps that show that specific location of the easement. We assume a perpetual easement would include typical occupancy rights, including the right to construct, maintain, and continue the existence of underground utilities. On that basis, we conclude 30% of value to be an appropriate compensation for the loss of property rights in this case. The value of the perpetual easement is as follows:

VALUE OF PERPETUAL EASEMENT

ɔTAL SF	$/SF	% OF FEE SIMPLE VALUE	INDICATED VALUE
6,599	$6.90	30%	$13,660

This appraisal is based on the extraordinary assumption that the 5-foot-wide perpetual easement exists as described, with the location and extent aligning with the intended project scope, though no exact legal descriptions or surveyed dimensions were provided. If any of these assumptions prove to be inaccurate, the opinions of value stated herein may require revision.

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TOTAL CONTRIBUTORY VALUE OF THE PARTS TAKEN

The following table summarizes the contributory value of the parts taken:

TOTAL VALUE OF PART TAKEN					
	SF		$/SF		INDICATED VALUE
Land Value of the Fee Take	84,494	x	$6.90	=	$583,009
Value of the Perpetual Easement					$13,660
TOTAL PARTS TAKEN					$596,669

VALUE OF THE REMAINDER AS PART OF THE WHOLE

The value of the taking deducted from the value of the property in the before condition results in the value of the remainder parcel as a part of the whole:

TOTAL VALUE OF REMAINDER AS PART OF THE WHOLE	
	INDICATED VALUE
Total Value of the Subject in Before Condition	$10,096,994
Total Value Parts Taken	$596,669
TOTAL VALUE OF THE REMAINDER AS PART OF THE WHOLE	**$9,500,325**

The above figure is used for comparison purposes (with the value of the remainder in the after condition) as the method for estimating severance damages to the remainder.

VALUE OF THE REMAINDER IN THE AFTER CONDITION

As concluded above, the remainder property in the after condition will suffer no net damages as a result of the parts taken. Therefore, the value of the remainder in the after condition is the same as the value of the remainder as a part of the whole.

VALUE OF REMAINDER IN THE AFTER CONDITION							
	SF		$/SF		% ALLOCATION		INDICATED VALUE
Land Value - Fee Simple	1,372,239	x	$6.90	x	100%	=	$9,468,449
Easement Area - Remainder	6,599	x	$6.90	x	70%	=	$31,876
VALUE OF THE REMAINER IN THE AFTER CONDITION							$9,500,325

SEVERANCE DAMAGES

In addition to the part taken, the owner is entitled to net damages to the remainder property. Damages are a decrease in the value of the remainder caused by severance (separation) from the part taken, or by the construction the condemnor proposes on the part taken.

If the value of the remainder in the after condition is less than the value of the remainder as a portion of the whole, the property suffers permanent severance damages. Alternatively, if the value of the remainder in the after condition is greater than the value of the remainder as a portion of the whole, the property enjoys benefits reflected in an increase in value. Special benefits can offset damages to the remainder, but cannot offset the part taken.

As previously discussed, the remainder parcel will have superior access, and similar topography and overall functionality and the same highest and best use as in the before condition. While the shape changes slightly, the parcel has a similar utility as in the before condition. We conclude no severance damages.

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SEVERANCE DAMAGES	
	INDICATED VALUE
Remainder as a Portion of the Whole	$9,500,325
Value of the Remainder in the After Condition	$9,500,325
Severance Damages	$0
Cost to Cure	$0
TOTAL SEVERANCE DAMAGES	$0

PROJECT BENEFITS

Project benefits reflect the enhanced value brought to a property as a result of the Project. In the state of Utah, special benefits can offset damages to the remainder, but cannot offset the part taken.

Special benefits are those which result directly and peculiarly to the particular tract of which a part is taken for a public improvement. Special benefits are ones that are direct, physical, proximate, actual, usable and certain. Physical change is defined as a construction of frontage roads, improved ingress and egress, improved drainage, or similar change in the property. An example of a special benefit would be where the remainder property has a new road providing access suitable for development of lots that it did not have before the taking.

The subject property has the same highest and best use in the before and after condition. However, completion of the project will improve access to the site and will facilitate development of the area. The subject will receive these special benefits from the project in the after condition. However, because there are no severance damages for the project benefits to offset, calculating the benefits is not necessary.

TEMPORARY CONSTRUCTION EASEMENT

Temporary construction easements (TCE) reflect a transaction equivalent to a rental of the land for the period of construction. It can be evaluated on the basis of negotiated land rental transactions, or (in the absence of directly relevant market transactions) a rate of return may be applied to the value of the underlying land.

Annual land rates of return typically vary from 5% to 10%. At the low end of the range are commercial pad sites for gas stations or fast-food retailers on high-traffic volume street corners. The middle of the range is primarily office and industrial sites. The upper end of the range are typically rate of return requirements for public agencies. As a public agency wishes to acquire a TCE that has no commercial value in and of itself, an annual rate of return towards the upper end of the range is reasonable. We conclude to 9.0%.

An application of the appropriate value per square foot (in the after condition) is applied to the concluded rate of return for the land area affected by the temporary construction easements. For the area of the TCEs, the indicated fee value of the land rental component is calculated in the table below.

TEMPORARY CONSTRUCTION EASEMENT														
	LAND VALUE $/SF		SF		LAND VALUE		RATE OF RETURN		ANNUAL EASEMENT VALUE	MONTHLY EASEMENT VALUE		MONTHS		INDICATED VALUE
Land Rent	$6.90	x	6,455	=	$44,540	x	9%	=	$4,009	$334	x	36	=	$12,026
TEMPORARY CONSTRUCTION EASEMENT (UNDISCOUNTED)														$12,026

As shown towards the right side of the table, the monthly easement rent is multiplied by the estimated 36-month rental period to arrive at the indicated value.

In a typical lease, the rent would be paid monthly. In this case, however, the rent will be paid in a lump sum, up front. Therefore, a discount in the rent is appropriate to account for the time value of money. Typical discount rates range 100-150 basis points higher than the annual rate of return in order to account for increasing risk over time. However, in this case, the subject's rent remains flat year-over-year for the entire period, substantially decreasing risk. Accordingly, we conclude to a "safe rate" discount rate of 4.0%.

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NET PRESENT VALUE OF TCE					
	RENTAL INCOME		PV FACTOR		PRESENT
YEAR	CONTRACT	x	@ 4.00%	=	VALUE
1	$4,009		0.9615		$3,854
2	$4,009		0.9246		$3,706
3	$4,009		0.8890		$3,564
NET PRESENT VALUE OF TCE					$11,124

Rounded to nearest $1

VALUATION SUMMARY

On the preceding pages we have developed opinions pertaining to the subject property and the components of which are relevant to the parts taken and the impact of the project. A summary of the preceding discussion and analysis is presented below:

VALUATION SUMMARY		
	VALUE OPINIONS	VALUE OF PROPERTY RIGHTS
Value of the Larger Parcel	$10,096,994	
Fee Taking (inc. Site Imp.)	($583,009)	$583,009
Perpetual Easement	($13,660)	$13,660
Value of the Remainder as a Part of the Whole	$9,500,325	
Value of the Remainder in the After Condition	$9,500,325	
Severance Damages	$0	
Cost to Cure	$0	
Project Benefits	$0	
Net Severance Damages	$0	$0
Temporary Construction Easement (TCE)	$11,124	$11,124
TOTAL FAIR MARKET VALUE OF PROPOSED PROPERTY AND RIGHTS TAKEN (ROUNDED)		**$607,800**

We have rounded the value upward to the nearest $100, which is appropriate given the magnitude of the valuation. Utah law does not specify how the value of property rights should be rounded

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We certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions of the signers are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- The signers of this report has 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.
- Chelsey Jorgensen, MAI has performed no services, as an appraiser or in any other capacity regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. Kelly Tate, MAI has provided real property valuation services as an appraiser for the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- The signers are not biased with respect to the property that is the subject of this report or to the parties involved with this assignment.
- The engagement in this assignment was not contingent upon developing or reporting predetermined results.
- The compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The reported analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice* and the *Code of Professional Ethics and Standards of Professional Appraisal* Practice of the Appraisal Institute.
- Chelsey Jorgensen, MAI inspected the property that is the subject of this report. Kelly Tate, MAI did not inspect the property that is the subject of this report. Jake Jorgensen inspected the property that is the subject of this report.
- Jake Jorgensen (Utah State Certified Residential Real Estate Appraiser No. 7338339-CR00) provided significant real property appraisal assistance to the appraisers signing the certification.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report Chelsey Jorgensen, MAI and Kelly Tate, MAI completed the continuing education program for Designated Members of the Appraisal Institute.



March 10, 2025

Date

Chelsey Jorgensen, MAI
Senior Valuation Specialist
Certified General Real Estate Appraiser
State of Utah License #9877947-CG00
+1 385 249 5448
chelsey.jorgensen@colliers.com

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March 10, 2025
Date

Kelly Tate, MAI
Senior Valuation Services Director
Certified General Real Estate Appraiser
State of Utah License #8384882-CG00
+1 385 249 5444
kelly.tate@colliers.com

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This appraisal is subject to the following assumptions and limiting conditions:

- The appraisers may or may not have been provided with a survey of the subject property. If further verification is required, a survey by a registered surveyor is advised.
- We assume no responsibility for matters legal in character, nor do we render any opinion as to title, which is assumed to be marketable. All existing liens, encumbrances, and assessments have been disregarded, unless otherwise noted, and the property is appraised as though free and clear, under responsible ownership, and competent management.
- The exhibits in this report are included to assist the reader in visualizing the property. We have made no survey of the property and assume no responsibility in connection with such matters.
- Unless otherwise noted herein, it is assumed that there are no encroachments, zoning, or restrictive violations existing in the subject property.
- The appraisers assume no responsibility for determining if the property requires environmental approval by the appropriate governing agencies, nor if it is in violation thereof, unless otherwise noted herein.
- Information presented in this report has been obtained from reliable sources, and it is assumed that the information is accurate.
- This report shall be used for its intended purpose only, and by the party to whom it is addressed. Possession of this report does not include the right of publication.
- The appraisers may not be required to give testimony or to appear in court by reason of this appraisal, with reference to the property in question, unless prior arrangements have been made therefore.
- The statements of value and all conclusions shall apply as of the dates shown herein.
- There is no present or contemplated future interest in the property by the appraisers which is not specifically disclosed in this report.
- Without the written consent or approval of the authors neither all, nor any part of, the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media. This applies particularly to value conclusions and to the identity of the appraisers and the firm with which the appraisers are connected.
- This report must be used in its entirety. Reliance on any portion of the report independent of others, may lead the reader to erroneous conclusions regarding the property values. Unless approval is provided by the authors no portion of the report stands alone.
- The valuation stated herein assumes professional management and operation of the buildings throughout the lifetime of the improvements, with an adequate maintenance and repair program.
- The liability of Colliers International Valuation & Advisory Services, its principals, agents, and employees is limited to the client. Further, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The appraisers are in no way responsible for any costs incurred to discover or correct any deficiency in the property.
- The appraisers are not qualified to detect the presence of toxic or hazardous substances or materials which may influence or be associated with the property or any adjacent properties, has made no investigation or analysis as to the presence of such materials, and expressly disclaims any duty to note the degree of fault. Colliers International Valuation & Advisory Services and its principals, agents, employees, shall not be liable for any costs, expenses, assessments, or penalties, or diminution in value, property damage, or personal

injury (including death) resulting from or otherwise attributable to toxic or hazardous substances or materials, including without limitation hazardous waste, asbestos material, formaldehyde, or any smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, solids or gasses, waste materials or other irritants, contaminants or pollutants.

- The appraisers assume no responsibility for determining if the subject property complies with the *Americans with Disabilities Act* (*ADA*). Colliers International Valuation & Advisory Services, its principals, agents, and employees, shall not be liable for any costs, expenses, assessments, penalties or diminution in value resulting from non-compliance. This appraisal assumes that the subject meets an acceptable level of compliance with *ADA* standards; if the subject is not in compliance, the eventual renovation costs and/or penalties would negatively impact the present value of the subject. If the magnitude and time of the cost were known today, they would be reduced from the reported value conclusion.
- An on-site inspection of the subject property was conducted. No evidence of asbestos materials on-site was noted. A Phase 1 Environmental Assessment was not provided for this analysis. This analysis assumes that no asbestos or other hazardous materials are stored or found in or on the subject property. If evidence of hazardous materials of any kind occurs, the reader should seek qualified professional assistance. If hazardous materials are discovered and if future market conditions indicate an impact on value and increased perceived risk, a revision of the concluded values may be necessary.
- A detailed soils study was not provided for this analysis. The subject's soils and sub-soil conditions are assumed to be suitable based upon a visual inspection, which did not indicate evidence of excessive settling or unstable soils. No certification is made regarding the stability or suitability of the soil or sub-soil conditions.
- This analysis assumes that the financial information provided for this appraisal, including rent rolls and historical income and expense statements; accurately reflect the current and historical operations of the subject property.

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Engagement Letter
Professional Service Agreement
Valuation Glossary
Qualifications of Appraisers
Qualifications of Colliers International Valuation & Advisory Services

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Colliers Valuation & Advisory Services

Professional Service Agreement

6440 South Millrock Drive, Suite 570
Salt Lake City, UT 84121
Direct: +1 385 249 5444
www.colliers.com/valuationadvisory

January 29, 2025

Kelly Tate, MAI
Senior Valuation Services Director
Direct: +1 385 249 5444
kelly.tate@colliers.com

Calvin Clark, PhD, PE
Transportation Project Manager
Mountainlands Association of Governments (MAG)
586 E 800 North
Orem, UT 84097
cclark@magutah.com
801-473-1089

c/o

Glen Lent
Lakeside Landing Partners
7585 Union Park Ave, Suite 200
Cottonwood Heights, UT 84047
glen@alpinedevelopment.com
801-948-8800

RE: 2600 West ROW Appraisals

Dear Glen:

Thank you for considering Colliers International Valuation & Advisory Services, LLC for the assignment identified in the below-stated Professional Service Agreement. Please sign one copy of the agreement and return it to me, thereby indicating your authorization for us to proceed with this assignment and your acceptance of the attached Terms and Conditions.

PROFESSIONAL SERVICE AGREEMENT ("Agreement")	
Project	2600 West Corridor ROW ("Property")
Location	2600 West Springville, UT 84663
Project Description	6 Land Takings Along 2600 West Including: • Crandall Properties, LTD – 0.98 Acres • Aileen H. Clyde Trust 09-27-1988 (depending on what Chris finds out) – 0.76 Acres • Crandall Farms, Inc. – 0.52 Acres • Lynn & Sharon Properties, LLC – 0.75 Acres • Lakeside Land Partners, LLC – 1.94 Acres • The Clements Family Trust, U/A dated August 30, 2018 – 0.34 Acres
Parties	Colliers International Valuation & Advisory Services, LLC ("CIVAS") and Mountainlands Association of Governments (MAG) (herein at times referred to as "Client")

Intended User	The intended users are Lakeside Mountainlands Association of Governments (MAG), and Springville City to provide funds to the landowners to preserve future corridors. It should be noted that if this engagement is directly with the owner of the Property, the Appraisal will not be accepted by federally insured lenders due to FIRREA Compliance, limiting the use of this report. Should this potentially impact your source of lenders, we recommend engagement be directed by a Federally Insured Lender.
Intended Use	The report to be performed under this Agreement ("Appraisal") is intended to assist to provide funds to the landowners to preserve future corridors. The report is not intended for any other use.
Purpose	Market Value
Type of Appraisal	CIVAS will produce an Appraisal Report in which the appraiser's analysis and conclusions will be summarized within this document.
Rights Appraised	Fee Simple
Date of Value	Date of inspection
Scope of Work	CIVAS and/or its designated affiliate will provide the Appraisal in accordance with USPAP, and the Code of Ethics and Certifications Standards of the Appraisal Institute and State Licensing Laws. CIVAS will research relevant market data and perform analysis to the extent necessary to produce credible appraisal results. Based on our discussions with the Client, the Client has requested the following valuation scenarios: › As-Is Market Value CIVAS anticipates developing the following valuation approaches: › Land Value – Sales Comparison Approach and ROW Analysis An observation of the subject property will be performed. **Please note if it's a requirement per the client's underwriting guidelines to analyze and report all approaches to value, this will be performed although some approaches may be limited in application.** The scope of work will be included in the Appraisal. A copy of the Assumptions and Limiting Conditions, which appear in the Appraisal, is available upon request.
Delivery	Four (4) weeks
Professional Fee	$2,900 Each or $17,400 Total
Expenses	Fees include all associated expenses
No. of Reports	One (1) Electronic Draft Appraisal and One (1) Electronic Final Appraisal. No printed copies will be delivered to the client.
Retainer	**A 50% retainer is required.** <u>To Pay By Check:</u> Please remit all payments to Colliers International Valuation & Advisory Services 26791 Network Place Chicago, IL 60673-1267 **Please include the property name or address on the memo line** <u>Wire Instructions:</u> JP Morgan Chase Bank, NA Chicago, IL 70-2322/719 Account Name: Colliers International Valuation & Advisory Services, LLC Account No. 899559074 ABA No. 021000021 ACH Payment Transit Routing Number: 071000013 Swift code for International Wires ONLY: CHASUS33 **Please include the property name or address in addenda/memo payment information** Please send notification to CIVASAccounting@colliers.com when payment has been sent.

Payment Terms	CIVAS will invoice Client for the Appraisal in its entirety (Less Retainer) at the delivery of the draft report. When a full retainer has been paid, invoice and amount due are $0. Final payment is due and payable within five (5) business days upon delivery of the electronic copy of the final report or within thirty (30) days of your receipt of the draft report, whichever is sooner. If a draft report is requested, the fee is considered earned upon delivery of the draft report. If for any reason the client cancels the work before work was completed or for reasons beyond Colliers' control, then the client would pay for an agreed amount for work completed.
Acceptance Date	These specifications are subject to modification if this Agreement is not accepted within three (3) business days from the date of this letter.

Terms and Conditions

The attached Terms and Conditions and Specific Property Data Request are deemed a part of this Agreement as though set forth in full herein. The following is a list of information needed to begin and complete our analysis. The Client signing this Agreement or the party sending the specific property data certifies that all the information provided is accurate and complete as of the date of this request, and that any updates, revisions or additional relevant information that comes into control or possession of the Client prior to the date on which the Appraisal is delivered shall be provided to CIVAS immediately. Please forward with the Agreement or as soon as possible.

- Ownership history (purchase date and price)
- Copy of the purchase agreement (if under contract for sale)
- Copy of previous appraisal (if available)
- Legal description (if available)
- Any other information deemed pertinent to the appraisal
- Property Contact _____

In addition to the items requested above, please forward any additional materials you would consider relevant in the analysis of the subject property.

Reliance Language – Non-Lender Client

The Appraisal is for the sole use of the Client; however, Client may provide only complete, final copies of the Appraisal report in its entirety (but not component parts) to third parties who shall review such reports in connection with the stated Intended Use. CIVAS is not required to explain or testify as to appraisal results other than to respond to the Client for routine and customary questions. Please note that our consent to allow the Appraisal prepared by CIVAS or portions of such Appraisal, to become part of or be referenced in any public offering, the granting of such consent will be at our sole and absolute discretion and, if given, will be on condition that CIVAS will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to CIVAS, by a party satisfactory to CIVAS. CIVAS hereby expressly grants to client the right to copy the Appraisal and distribute it to employees of client and to your accountants/auditors in its entirety (but not component parts) without the need to provide CIVAS with an Indemnification Agreement and/or Non-Reliance letter.

If you have questions regarding the enclosed, please feel free to contact me. CIVAS appreciates this opportunity to be of service to you on this assignment and looks forward to serving you. If you have additional questions, please contact us.

I, **Glen Lent**, agree to the above stated terms and authorize Colliers International Valuation & Advisory Services, LLC to prepare the above referenced appraisal.

_____ Date: 01/29/2025

Glen Lent
Lakeside Landing Partners

Respectfully,

Colliers International Valuation & Advisory Services, LLC

Kelly Tate, MAI
Senior Valuation Services Director
Direct: +1 385 249 5444
kelly.tate@colliers.com

Terms and Conditions

"T&C"

1) The Appraisal will be subject to Colliers International Valuation & Advisory Services, LLC's ("CIVAS") Assumptions and Limiting Conditions that are incorporated into each appraisal, and any Extraordinary Assumptions and Hypothetical Conditions that may be incorporated into each appraisal.

2) Any capitalized, non-defined words shall have the same meaning as defined in the Agreement to which these T&Cs are attached.

3) Client is defined as the party signing the Agreement and shall be responsible for payment of the fees stipulated in the Agreement. Payment of the fee for the Appraisal is not contingent on the appraised value(s) or the outcome of the report(s). Additional fees will be charged on an hourly basis for any work that may exceed the scope of this proposal, including performing additional valuation scenarios, additional research, and conference calls, meetings, deposition preparation, deposition, trial testimony or travel that may exceed the time allotted by CIVAS for an assignment of this nature. If CIVAS is requested to cease working on the Appraisal for any reason prior to the completion of the appraisal(s), CIVAS will be entitled to bill the Client for the time spent to date at CIVAS' hourly rates for the personnel involved. The Client will be billed a minimum $500 or at a rate of $250 per hour for associate time, $350 per hour for valuation services director, $400 per hour for managing director, and $450 per hour for executive managing director. If the Client delays completion of the assignment beyond ninety (90) days, the fee may be renegotiated. This may result in the total fee exceeding the original agreed fee agreed upon cost.

4) Client agrees to pay all fees and expenses, including attorney's fees, incurred by CIVAS in connection with the collection or attempted collection of the fees and expenses. In the event Client fails to make payments when due and payable, the amount due shall bear interest at 1.5% per month or the maximum rate permitted in the state in which the CIVAS office executing the Agreement is located, whichever is lesser.

5) The fee is due upon delivery of the final report or within thirty (30) days of your receipt of the draft report, whichever is sooner. If a draft is requested, the fee is considered earned upon delivery of our draft report.

6) In the event that either party commences any legal action relating to the provisions of the Agreement, including collection, the prevailing party shall be entitled to its actual attorneys' fees and costs. The Agreement shall be governed by and construed in accordance with the laws of the state where the CIVAS office executing the Agreement is located. The venue of any action arising out of the Agreement shall be the county where the CIVAS office executing the Agreement is located. Client will have up to thirty (30) days from receipt of the Draft Appraisal to review and communicate its review to CIVAS. CIVAS reserves the right to bill Client for additional appraisal efforts that may arise from the Client not responding within with this time period.

7) CIVAS does not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to CIVAS by Client. In the event that any such information is inaccurate, misleading or incomplete, CIVAS shall have no responsibility or liability for any matters relating thereto (whether to the Client or to any third party).

8) CIVAS shall have no responsibility for legal matters, questions of survey or title, soil or subsoil conditions, engineering, or other similar technical matters. The Appraisal will not constitute a survey of the Property analyzed.

9) Client shall provide CIVAS with such materials with respect to the Appraisal as requested by CIVAS and which are in the possession or under the control of Client. Client shall provide CIVAS with sufficient access to the Property to be analyzed and hereby grants permission for entry, unless discussed in advance to the contrary.

10) The data gathered in the course of the Appraisal (except data furnished by Client) and the Appraisal prepared pursuant to the Agreement are, and will remain, the property of CIVAS. With respect to data provided by Client, such data shall be confidential, and CIVAS shall not disclose any information identified as confidential furnished to CIVAS. Notwithstanding the foregoing, CIVAS is authorized by Client to disclose all or any portion of the Appraisal and the related data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable CIVAS to comply with the Bylaws and Regulations of such Institute as now or hereafter in effect.

11) Unless specifically noted, CIVAS does not assume any duty to analyze or examine the Property or adjacent property for the possible presence of toxic and/or hazardous substances or materials (including but not exclusive to asbestos, PCB transformers, or other toxic, hazardous, or contaminated substances and/or underground storage tanks (hazardous material), or the cost of encapsulation or removal thereof) and accepts no liability regarding the issue. If such materials exist, CIVAS defers to the expertise of professionals specifically trained in analyzing the cost to remediate, which will not be a part of the appraisal fee proposal. The Appraisal will contain a comprehensive disclaimer to this effect.

12) CIVAS understands that there is no major or significant deferred maintenance in the Property which would require the expertise of a professional cost estimator or contractor. If such repairs are needed, the estimates are to be prepared by others, and are not a part of the fee contemplated in the Agreement.

13) Client acknowledges that CIVAS is being retained hereunder as an independent contractor to perform the services described herein and nothing in the Agreement shall be deemed to create any other relationship between Client and CIVAS. The Agreement shall be deemed concluded and the services hereunder completed upon delivery to Client of the Appraisal discussed herein.

14) Client agrees that its only remedy for losses or damages relating to the Agreement shall be limited to the amount of the appraisal fee paid by the Client and in no circumstances shall CIVAS be liable for any losses or damages in excess of this amount. Should the Client, or any other entitled party, make a claim against CIVAS, its directors, officers, employees and other affiliates and shareholders, relating to this engagement or the appraisal(s), the maximum damages recoverable from CIVAS, its directors, officers, employees and other affiliates and shareholders, shall be the amount of funds actually collected by CIVAS under the Agreement, and no claim shall be made for any consequential or punitive damages.

15) If CIVAS or any of its employees receives a subpoena or other judicial notification to produce documents or provide testimony involving the Appraisal in connection with a lawsuit or related proceeding, CIVAS will notify the Client of receipt of the subpoena or notification. However, if CIVAS is not part of the lawsuit or proceedings, Client agrees to compensate CIVAS for the professional time required and to reimburse CIVAS for the expenses incurred in responding to any such subpoena or judicial notification, including any attorneys' fees, as they are incurred. CIVAS is to be compensated at the prevailing hourly rates of the personnel responding to the subpoena or command for testimony.

16) If expert witness testimony is required in connection with the Appraisal, the following hourly rates will apply. The Client will be billed at the rate of $250 per hour for associate time, $350 per hour for valuation services director, $400 per hour for managing director, and $450 per hour for executive managing director. The hourly billings pertain to court preparation, waiting and travel time, document review and preparation (excludes appraisal report) and all meetings related to court testimony.

17) Client shall indemnify and hold CIVAS, its parent, subsidiaries, affiliates, its officers, directors, employees and agents ("CIVAS Indemnities"), fully harmless against all losses, damages, claims, and expenses of any kind whatsoever (including costs and reasonable attorneys' fees), sustained or incurred by a third party as a result of the negligence or intentional acts or omissions of Client (including any failure to perform any duty imposed by law), any misrepresentation, distortion or if Client fails to provide complete and accurate information to CIVAS, for which recovery is sought against the CIVAS Indemnities; however, such obligation to defend and indemnify shall not apply to the extent caused by the negligent act or willful misconduct of CIVAS. Client shall indemnify and hold CIVAS Indemnities harmless from any claims, expenses, judgments or other items or costs arising as a result of the Client's failure or the failure of any of the Client's agents to provide a complete copy of the Appraisal to any third party. LIMITATION OF LIABILITY. EXCEPT FOR THE INDEMNIFICATION PROVISION ABOVE, ANYTHING IN THE AGREEMENT TO THE CONTRARY NOTWITHSTANDING, UNDER NO CIRCUMSTANCES WHATSOEVER SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY SPECIAL, CONSEQUENTIAL, PUNITIVE, OR INCIDENTAL DAMAGES OF ANY KIND WHATSOEVER.

18) CIVAS agrees to maintain Professional Liability Insurance in the amount of $1,000,000 and General Liability insurance in the amount of $2,000,000, as well as Workers Compensation per local regulatory requirements. CIVAS will endeavor to provide Client with written notice regarding any cancellation of any such insurance. CIVAS will provide Client with certificates of insurance naming Client as an additional insured on the General Liability policy upon request.

19) The Appraisal and the name Colliers International Valuation & Advisory Services may not be used in any marketing or investment material or offering memoranda without CIVAS' prior written consent. CIVAS, its employees and appraisers have no liability to any recipients of any prepared material and disclaim all liability to any party other than the Client.

20) Unless CIVAS consents in writing, the Appraisal cannot be used by any party or for any purpose other than the Client for the purposes specified in the Agreement. Should the Client provide a copy of this Appraisal to any person or entity not authorized by CIVAS in writing, Client hereby agrees to hold CIVAS, its directors, officers, employees and other affiliates and shareholders, harmless from all damages, expenses, claims and costs, including any attorney's fees. The Client acknowledges that any opinions and conclusions expressed by the professionals of CIVAS pursuant to the Agreement are made as employees and not as individuals. CIVAS' responsibility is limited to the Client, and the use of the Appraisal or related product by third parties shall be solely at the risk of the Client and/or third parties.

21) The use of this appraisal shall be used only for the purpose as set forth in the Intended Use section of the Agreement. In the event that the client wishes to use this report or portions of this report for any other purpose such as, to become part of or be referenced in, any offering or other material intended for the review of others, or to be submitted to others, will be at the Client's sole and absolute discretion and, if given, will be on condition that CIVAS will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to CIVAS and the Client, by a party satisfactory to CIVAS and the Client. CIVAS does consent to Client submission of the complete Appraisal to rating agencies, loan participants or your accountants/auditors without the need to provide us with an Indemnification Agreement and/or Non-Reliance letter.

22) Client and its affiliates, rating agencies and a limited number of investors involved in the securitization, may use and rely upon CIVAS report in connection with a planned loan securitization involving the Property including, without limitation, utilizing selected information in the Appraisal in the offering documents relating to the securitization and CIVAS agrees to cooperate in answering reasonable questions by any of the above parties in connection with the securitization.

Client agrees that it will not file, use, or permit or cause to be used in any offering documents or any other document any portion or extract of the Appraisal, or any reference to the Appraisal, without first (i) having provided the portion or portions of an offering document or other document to CIVAS for review and (ii) having obtained the prior written consent of CIVAS to any such filing, use, amendment or modification, which consent shall not be unreasonably withheld. CIVAS shall have the right to require Client to include in any offering document or other document disclosure concerning the conditions, qualifications and assumptions of the appraisal and such other disclosure concerning the Appraisal as CIVAS shall reasonably require.

Client can use the appraised value without attribution to the Appraisal, and selected information in the Appraisal, provided Client agrees that it has complied and at all times will comply, and will use Client's best efforts to cause any underwriters to comply, with all applicable Federal and state securities laws in connection with any offering, and offering document and any use of the Appraisal. Client further agrees that neither any offering document nor any other document used in connection with any offering will contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein not misleading regarding the Appraisal, or any portion or extract thereof, or any reference to the Appraisal.

Valuation Glossary 2024

Unless specified otherwise, these definitions were extracted or paraphrased from the following sources or publications:

- The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022 (Dictionary).
- Uniform Standards of Professional Appraisal Practice, 2024 Edition (USPAP).
- The Appraisal of Real Estate, Fifteenth Edition, Appraisal Institute, Chicago, Illinois, 2020 (15th Edition).

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

Ad Valorem Tax
A real estate tax based on the assessed value of the property, which is not necessarily equivalent to its market value. *(15th Edition)*

Arm's-length Transaction
A transaction between unrelated parties who are each acting in his or her own best interest. *(Dictionary)*

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

Assessed Value
The value of a property according to the tax rolls in ad valorem taxation; may be higher or lower than market value, or based on an assessment ratio that is a percentage of market value. *(Dictionary)*

Average Daily Room Rate (ADR)
In the lodging industry, the net rooms revenue derived from the sale of guest rooms divided by the number of paid occupied rooms. *(Dictionary)*

Band of Investment
A technique in which the capitalization rates attributable to components of an investment are weighted and combined to derive a weighted-average rate attributable to the total investment. *(Dictionary)*

Cash-Equivalent Price
The sale price of a property that is equivalent to what a cash buyer would pay. *(Dictionary)*

Common Area
The total area within a property that is not designed for sale or rental but is available for common use by all owners, tenants, or their invitees, e.g., parking and its appurtenances, malls, sidewalks, landscaped areas, recreation areas, public toilets, truck and service facilities. *(Dictionary)*

Contract Rent
The actual rental income specified in a lease. *(15th Edition)*

Cost Approach
A set of procedures through which a value indication is derived for the fee simple estate by estimating the cost new as of the effective date of the appraisal to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive; deducting depreciation from the total cost; and adding the estimated land value. The contributory value of any site improvements that have not already been considered in the total cost can be added on a depreciated-cost basis. Adjustments may then be made to the indicated value of the fee simple estate in the subject property to reflect the value of the property rights being appraised. *(Dictionary)*

Curable Functional Obsolescence
An element of depreciation; a curable defect caused by a flaw involving the structure, materials, or design, which can be practically and economically corrected. *(Dictionary)*

Debt Coverage Ratio (DCR)
The ratio of net operating income to annual debt service, which measures the relative ability of a property to meet its debt service out of net operating income; also called *debt service coverage ratio (DSCR).* (*Dictionary)*

Deferred Maintenance
Items of wear and tear on a property that should be fixed now to protect the value or income-producing ability of a property. *(Dictionary)*

Depreciation
In appraisal, a loss in the value of improvements from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the value of the improvement on the same date. *(Dictionary)*

Direct Costs
Expenditures for the labor and materials used in the construction of improvements; also called *hard costs. (Dictionary)*

Discounted Cash Flow (DCF) Analysis
The procedure in which a discount rate is applied to a set of projected income streams and a reversion. The analyst specifies the quantity, variability, timing, and duration of the income streams and the quantity and timing of the reversion, and discounts each to its present value at a specified yield rate. *(Dictionary)*

Discount Rate
A rate of return on capital used to convert future payments or receipts into present value. *(Dictionary)*

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

1. Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider their best interests.
7. An adequate marketing effort will be made during the exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms. *(Dictionary)*

Easement
The right to use another's land for a stated purpose. Access or right-of-way easements may be acquired by private parties or public utilities. Governments may be the beneficiaries of easements placed on privately owned land that is dedicated to conservation, open space, or preservation. *(15th Edition)*

Economic Life
The period over which improvements to real estate contribute to property value. *(Dictionary)*

Effective Age
The age of property that is based on the amount of observed deterioration and obsolescence it has sustained, which may be different from its chronological age. *(Dictionary)*

Effective Date
The date on which the appraisal or review opinion applies (SVP) *(Dictionary)*

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

Effective Gross Income Multiplier (EGIM)
The ratio between the sale price (or value) of a property and its effective gross income. *(Dictionary)*

Effective Rent
The total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions - e.g. free rent, excessive tenant improvements, moving allowances, lease buyouts, cash allowances, and other lease incentives. *(15th Edition)*

Eminent Domain
The right of government to take private property for public use upon the payment of just compensation. The Fifth Amendment of the U.S. Constitution, also known as the *takings clause*, guarantees payment of just compensation upon appropriation of private property. *(Dictionary)*

Entrepreneurial Incentive
The amount an entrepreneur expects or wants to receive as compensation for providing coordination and expertise and assuming the risks associated with the development of a project. Entrepreneurial incentive is the expectation of future reward as opposed to the profit actually earned on the project. *(Dictionary)*

Entrepreneurial Profit
A market-derived figure that represents the amount an entrepreneur received for his or her contribution to a past project to compensate for his or her time, effort, knowledge, and risk; the difference between the total cost of a property (cost of development) and its market value (property value after completion), which represents the entrepreneur's compensation for the risk and expertise associated with development. An entrepreneur is motivated by the prospect of future value enhancement (i.e., the entrepreneurial incentive). An entrepreneur who successfully creates value through new development, expansion, renovation, or an innovative change of use is rewarded by entrepreneurial profit. Entrepreneurs may also fail and suffer losses. *(Dictionary)*

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

Excess Rent
The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the lessor and may reflect superior management, a lease execution in an earlier, stronger rental market, or an agreement of the parties. Due to the higher risk inherent in the receipt of excess rent, it may be calculated separately and capitalized or discounted at a higher rate in the income capitalization approach. *(15th Edition)*

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

Exposure Time
An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. *(USPAP)*

Extraordinary Assumption
An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis. An extraordinary assumption may be used in an assignment only if:

- It is required to properly develop credible opinions and conclusions;
- The appraiser has a reasonable basis for the extraordinary assumption;
- Use of the extraordinary assumption results in a credible analysis; and
- The appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions. *(USPAP)*

External Obsolescence
A type of depreciation; a diminution in value caused by negative external influences and generally incurable on the part of the owner, landlord, or tenant. The external influence may be either temporary or permanent. There are two forms of external obsolescence: economic and locational. *(Dictionary)*

Fair Market Value
In nontechnical usage, a term that is equivalent to the contemporary usage of *market value*.
As used in condemnation, litigation, income tax, and property tax situations, a term that is similar in concept to market value but may be defined explicitly by the relevant agency or interpreted differently by court precedent. *(Dictionary)*

Feasibility Analysis
A study of the cost-benefit relationship of an economic endeavor. *(USPAP)*

Fee Simple Estate
Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat. *(Dictionary)*

Floor Area Ratio (FAR)
The relationship between the above-ground floor area of a building, as described by the zoning or building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area. *(Dictionary)*

Functional Obsolescence
The impairment of functional capacity of improvements according to market tastes and standards. *(Dictionary)*

Functional Utility
The ability of a property or building to be useful and to perform the function for which it is intended according to current market tastes and standards; the efficiency of a building's use in terms of architectural style, design and layout, traffic patterns, and the size and type of rooms. *(Dictionary)*

Furniture, Fixtures, and Equipment (FF&E)
Business trade fixtures and personal property, exclusive of inventory. (Dictionary)

Going-concern
An established and operating business having an indefinite future life. *(Dictionary)*

Going-concern Value
An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the *market value of the going concern or market value of the total assets of the business*. *(Dictionary)*

Gross Building Area (GBA)
Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved. *(Dictionary)*

Gross Leasable Area (GLA)
Total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines; measured from the center of joint partitioning to the outside wall surfaces. *(Dictionary)*

Gross Living Area (GLA)
Total area of finished, above-grade residential space area; calculated by measuring the outside perimeter of the structure and includes only finished, habitable, above-grade living space. (Finished basements and attic areas are not generally included in total gross living area. Local practices, however, may differ.) *(Dictionary)*

Highest & Best Use
The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. The use of

an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid (IVS). *(Dictionary)*

Hypothetical Condition

A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. *(USPAP)*

Income Capitalization Approach

In the income capitalization approach, an appraiser analyzes a property's capacity to generate future benefits and capitalizes the income into an indication of present value. The principle of anticipation is fundamental to this approach. Techniques and procedures from this approach are used to analyze comparable sales data and to measure obsolescence in the cost approach. *(15th Edition)*

Incurable Functional Obsolescence

An element of depreciation; a defect caused by a deficiency or superadequacy involving the structure, materials, or design that cannot be practically or economically corrected as of the effective date of the appraisal. *(Dictionary)*

Indirect Costs

Expenditures or allowances for items other than labor and materials that are necessary for construction, but are not typically part of the construction contract. Indirect costs may include administrative costs, professional fees, financing costs and the interest paid on construction loans, taxes and the builder's or developer's all-risk insurance during construction, and marketing, sales, and lease-up costs incurred to achieve occupancy or sale. Also called *soft costs*. *(Dictionary)*

Interim Use

The use contemplated by the market participants that the subject real estate can be put to while waiting for certain subsequent factors to occur. *(Dictionary)*

Investment Value

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

Leased Fee Interest

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

Leasehold Estate

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

Legal Nonconforming Use

A use that was lawfully established and maintained, but no longer conforms to the use regulations of its current zoning; sometimes known as a legally nonconforming use. *(Dictionary)*

Liquidation Value

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

1. Consummation of a sale within a short time period.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. A normal marketing effort is not possible due to the brief exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms. *(Dictionary)*

Market Area

The geographic region from which a majority of demand comes and in which the majority of competition is located. Depending on the market, a market area may be further subdivided into components such as primary, secondary, and tertiary market areas, or the competitive market area may be distinguished from the general market area. *(Dictionary)*

Market Rent

The most probable rent that a property should bring in a competitive and open market under all conditions requisite to a fair lease transaction, the lessee and lessor each acting prudently and knowledgeably, and assuming the rent is not affected by undue stimulus. *(Dictionary)*

Market Study
An analysis of the market conditions of supply, demand, and pricing for a specific property type in a specific area. *(Dictionary)*

Market Value (Most Common Non-FRT)
The most probable price, as of a specific date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue distress. *(Dictionary)*

Market Value (Interagency Guidelines)
The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their own best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (*12 CFR, Part 34, Subpart C - Appraisals, 34.42(h)*).

Marketability Analysis
The study of how a specific property is expected to perform in a specific market. A marketability analysis expands on a market analysis by addressing a specific property. *(Dictionary)*

Neighborhood Analysis
The objective analysis of observable or quantifiable data indicating discernible patterns of urban growth, structure, and change that may detract from or enhance property values; focuses on four sets of considerations that influence value: social, economic, governmental, and environmental factors. *(Dictionary)*

Net Net Net Lease
An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management. Also called *NNN lease, triple net lease*, or *fully net lease. (Dictionary)*

Net Operating Income (NOI)
The actual or anticipated net income that remains after all operating expenses are deducted from effective gross income but before mortgage debt service and book depreciation are deducted. Note: This definition mirrors the convention used in corporate finance and business valuation for EBITDA (earnings before interest, taxes, depreciation, and amortization). *(15th Edition)*

Obsolescence
One cause of depreciation; an impairment of desirability and usefulness caused by new inventions, changes in design, improved processes for production, or external factors that make a property less desirable and valuable for a continued use; may be either functional or external. *(Dictionary)*

Off-site Costs
Costs incurred in the development of a project excluding on-site costs such as grading and construction of the building and other improvements; also called *common costs* or *off-site improvement costs. (Dictionary)*

On-site Costs
Costs incurred for the actual construction of buildings and improvements on a particular site. *(Dictionary)*

Overage Rent
The percentage rent paid over and above the guaranteed minimum rent or base rent; calculated as a percentage of sales in excess of a specified breakeven sales volume. *(15th Edition)*

Overall Capitalization Rate (OAR)
The relationship between a single year's net operating income expectancy and the total property price or value. *(Dictionary)*

Parking Ratio
The ratio of parking area or parking spaces to an economic or physical unit of comparison. Minimum required parking ratios for various land uses are often stated in zoning ordinances. *(Dictionary)*

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

Potential Gross Income Multiplier (PGIM)
The ratio between the sale price (or value) of a property and its annual potential gross income. *(Dictionary)*

Present Value (PV)
The value of a future payment or series of future payments discounted to the current date or to time period zero. *(Dictionary)*

Prospective Opinion of Value
A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not achieved sellout or a stabilized level of long-term occupancy. *(Dictionary)*

Qualitative Adjustment
An indication that one property is superior, inferior, or similar to another property. Note that the common usage of the term is a misnomer in that an adjustment to the sale price of a comparable property is not made. Rather, the indication of a property's superiority or inferiority to another is used in relative comparison analysis, bracketing, and other forms of qualitative analysis. *(Dictionary)*

Quantitative Adjustment
In the application of the sales comparison and income capitalization approaches, a numerical (dollar or percentage) adjustment to the sale price, rent, or expense amount of a comparable property to account for the effect on value of a difference between each comparable property and the subject property. *(Dictionary)*

Rentable Area
The amount of space on which the rent is based; calculated according to local practice. *(Dictionary)*

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

Replacement Cost for Insurance Purposes
The estimated cost, at current prices as of the effective date of valuation, of a substitute for the building being valued, using modern materials and current standards, design and layout for insurance coverage purposes guaranteeing that damaged property is replaced with a new property (i.e., depreciation is not deducted). *(Dictionary)*

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

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

Sales Comparison Approach
The process of deriving a value indication for the subject property by comparing sales of similar properties to the property being appraised, identifying appropriate units of comparison, and making adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered vacant when an adequate supply of comparable sales is available. *(Dictionary)*

Scope of Work
The type and extent of research and analysis in an appraisal or appraisal review assignment. Scope of work includes, but is not limited to:
The extent to which the property is identified;
The extent to which tangible property is inspected;
The type and extent of data researched; and
The type and extent of analysis applied to arrive at opinions or conclusions. *(USPAP)*

Shopping Center Types
Neighborhood Shopping Center: The smallest type of shopping center, generally with a gross leasable area of between 30,000 and 100,000 square feet. Typical anchors include supermarkets. Neighborhood shopping centers offer convenience goods and personal services and usually depend on a market population support of 3,000 to 40,000 people.
Community Shopping Center: A shopping center of 100,000 to 400,000 square feet that usually contains one junior department store, a variety store, discount or department store. A community shopping center generally has between 20 and 70 retail tenants and a market population support of 40,000 to 150,000 people.
Regional Shopping Center: A shopping center of 300,000 to 900,000 square feet that is built around one or two full-line department stores of approximately 200,000 square feet each plus small tenant spaces. This type of center is typically supported by a minimum population of 150,000 people.
Super-Regional Center: A large center of 600,000 to 2.0 million square feet anchored by three or more full-line department stores. This type of center is typically supported by a population area of 300,000 people. *(15th Edition)*

Sum of the Retail Values

The sum of the separate and distinct market value opinions for each of the units in a condominium; subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent the value of all the units as sold together in a single transaction; it is simply the total of the individual market value conclusions. An appraisal has an effective date, but summing the sales prices of multiple units over an extended period of time will not be the value on that one day unless the prices are discounted to make the value equivalent to what another developer or investor would pay for the bulk purchase of the units. Also called the *aggregate of the retail values* or *aggregate retail selling price*. *(Dictionary)*

Superadequacy

An excess in the capacity or quality of a structure or structural component; determined by market standards. *(Dictionary)*

Surplus Land

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

Tenant Improvements (TIs)

1. Fixed improvements to the land or structures installed for use by a lessee.
2. The original installation of finished tenant space in a construction project; subject to periodic change for succeeding tenants. *(Dictionary)*

Usable Area

The area that is actually used by the tenants measured from the inside of the exterior walls to the inside of walls separating the space from hallways and common areas. *(Dictionary)*

Useful Life

The period of time over which a structure or a component of a property may reasonably be expected to perform the function for which it was designed. *(Dictionary)*

Vacancy and Collection Loss

A deduction from potential gross income *(PGI)* made to reflect income deductions due to vacancies, tenant turnover, and nonpayment of rent; also called *vacancy and credit loss* or *vacancy and contingency loss. (Dictionary)*

Yield Capitalization

A method used to convert future benefits into present value by (1) discounting each future benefit at an appropriate yield rate, or (2) developing an overall rate that explicitly reflects the investment's income pattern, holding period, value change, and yield rate. *(Dictionary)*

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE
Certified General Appraiser
9877947-CG00
CHELSEY B JORGENSEN

Signature of Holder

DATE ISSUED: 10/15/2020 EXPIRATION DATE: 10/31/2026

- Your license is valid until the expiration date listed on your license.
- Below is your public address of record for the Division. All correspondence will be mailed to this address. It is your responsibility to notify us directly if your address changes
- Please visit our website at www.realestate.utah.gov should you have any questions in the future.

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE
Active

DATE ISSUED: 10/15/2020

EXPIRATION DATE: 10/31/2026

LICENSE NUMBER: 9877947-CG00

LICENSE TYPE: Certified General Appraiser

ISSUED TO: CHELSEY B JORGENSEN
6440 SOUTH MILLROCK DRIVE
Ste. 570
Salt Lake City UT 84121

SIGNATURE OF HOLDER

REAL ESTATE DIVISION DIRECTOR



Senior Valuation Specialist
Valuation & Advisory Services

chelsey.jorgensen@colliers.com
Direct: +1 385 249 5448
Mobile: +1 801 755 2633
Fax: +1 385 249 5451
colliers.com

6440 South Millrock Drive
Suite 570
Salt Lake City, Utah 84121
United States

Chelsey Jorgensen, MAI

Area of Expertise

Chelsey Jorgensen joined Colliers Valuation & Advisory Services in 2022. Ms. Jorgensen holds a Bachelor's degree in economics from Brigham Young University. She is a designated member of the Appraisal Institute. She began her appraisal career at Jorgensen Appraisal in 2016, after having previously worked as a business analyst for American Express. She has completed appraisals in many fields, including senior housing, health care, residential treatment, property tax appeals and valuations, conservation easements, and eminent domain. She has completed fair market rent studies, feasibility studies, and supply and demand analyses for some of the largest developers and operators in the Rocky Mountain region. Ms. Jorgensen has testified as an expert witness and provides consultation services.

Education or Qualifications

B.S. Economics, Brigham Young University, 2004

State Certifications

Utah

Wyoming

Affiliations or Memberships

MAI – Member of the Appraisal Institute

Programs and Education Committee Chair, CREW Utah

Professional Background

Colliers International (UT), 2022-Present

Jorgensen Appraisal (UT), 2016-2022

Appraisal Courses

- General Appraiser Sales Comparison Approach
- General Appraiser Market Analysis and Highest & Best Use
- General Appraiser Site Valuation and Cost Approach
- General Appraiser Report Writing & Case Studies
- Real Estate Finance, Statistics, and Valuation Modeling
- General Appraiser Income Approach
- Advanced Market Analysis and Highest & Best Use
- Advanced Income Capitalization
- Advanced Concepts & Case Studies
- Appraisal of Medical Office Buildings
- Appraisal of Industrial & Flex Buildings
- Appraisal of Self-Storage
- USPAP 2024-2025

Representative Clients and Projects

Military Installation Development Authority:
Fee acquisitions and easement acquisitions and releases from UDOT at the Mayflower Resort, Wasatch County

Ray Quinney and Nebeker:
Expert witness services related to a newly constructed flex industrial building in Utah County

Star Valley Health:
Appraisals of medical clinics in Alpine and Afton, Lincoln County, Wyoming

Intermountain Healthcare:
Fair market rent studies across the state of Utah

United States Forest Service:
Coldwater Ranch, Cache County, Utah - conservation easement on a 33,000-acre ranch

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE

ACTIVE LICENSE
Certified General Appraiser
8384882-CG00

CHRISTOPHER KELLY TATE
NAME OF HOLDER

DATE ISSUED
07/02/2024

EXPIRATION
07/31/2026

- Your license is valid until the expiration date listed on your license.
- Below is your public address of record for the Division. All correspondence will be mailed to this address. It is your responsibility to notify us directly if your address changes.
- Please visit our web site at **realestate.utah.gov** should you have any questions.

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE

ACTIVE LICENSE

DATE ISSUED: 07/02/2024

EXPIRATION DATE: 07/31/2026

LICENSE NUMBER: 8384882-CG00

LICENSE TYPE: Certified General Appraiser

ISSUED TO: CHRISTOPHER KELLY TATE
7427 S MAGIC HILLS CR
COTTONWOOD HEIGHTS UT 84121

SIGNATURE OF HOLDER

REAL ESTATE DIVISION INTERIM DIRECTOR

Form #2



Senior Valuation Services Director
Valuation & Advisory Services

kelly.tate@colliers.com
Direct: +1 385 249 5444
Mobile: +1 801 558 2827
Fax: +1 385 249 5451
colliers.com

6440 S. Millrock Dr.
Suite 570
Salt Lake City, UT 84121
United States

Kelly Tate, MAI

Area of Expertise

Kelly Tate joined Colliers International Valuation & Advisory Services in 2014. After working as a loan officer, Kelly began his career as a commercial real estate appraiser in 2008 working in the Las Vegas market. In 2012, Kelly returned to Salt Lake City to further his career in the industry. He has experience appraising many different property types including retail, office, industrial, apartments, senior housing, residential subdivisions, and condominiums.

Kelly received his MAI designation in 2013.

Affiliations or Memberships

MAI, Appraisal Institute, # 507024

Utah Chapter of the Appraisal Institute

Professional Background

Colliers International (UT), 2014 – Present

Appraisal Group Inc. (UT), 2012 – 2014

Lubawy & Associates (NV), 2008 - 2012

Education or Qualifications

Bachelor of Science – University of Utah, 2004

State Certifications

Idaho

Montana

Utah

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE
ACTIVE LICENSE
Certified Residential Appraiser
7338339-CR00
JACOB R JORGENSEN
NAME OF HOLDER
DATE ISSUED 01/18/2024
EXPIRATION 01/31/2026

- Your license is valid until the expiration date listed on your license.
- Below is your public address of record for the division. All correspondence will be mailed to this address. If your address is incorrect, please go to **https://secure.utah.gov/relms/index.html** to update it.
- All Continuing Education must be completed by the 15th of the month of expiration in order to ensure a timely renewal.
- Inactive licenses must be renewed.
- Please visit our web site at **realestate.utah.gov** should you have any questions.

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE

ACTIVE LICENSE

DATE ISSUED: 01/18/2024

EXPIRATION DATE: 01/31/2026

LICENSE NUMBER: 7338339-CR00

LICENSE TYPE: Certified Residential Appraiser

ISSUED TO: JACOB R JORGENSEN
10883 SADDLEBROOKE CIR
SOUTH JORDAN UT 84095

THE GREAT SEAL OF THE STATE OF UTAH
INDUSTRY
1847
1896

SIGNATURE OF HOLDER

REAL ESTATE DIVISION DIRECTOR

Form #2



Valuation Associate
Valuation & Advisory Services

jake.jorgensen@colliers.com
Direct: +1 801 441 1202
Mobile: +1 801 694 8640
Fax: +1 385 249 5451
colliers.com

6440 S. Millrock Dr.
Suite 570
Salt Lake City, UT 84121
United States

Jake Jorgensen

Area of Expertise

Jake Jorgensen joined Colliers Valuation & Advisory Services in 2024 and is current a Valuation Associate. He began his career in 2009 as an appraiser trainee at Jorgensen Appraisal, and received his appraisal license in 2013. During this time he completed appraisals, feasibility studies and market studies on a wide range of property types including vacant land, subdivisions, senior care, office buildings, golf courses and retail centers. In 2017, he moved to Los Angeles and began working independently as a residential appraiser, during which time he received his certified residential license. In 2024, he returned to Utah and the commercial appraisal field. He has since completed assignments for a variety of intended uses, including conservation easements, eminent domain, title disputes and litigation. He specializes in residential properties and vacant land.

Professional Background

Jorgensen Appraisal (UT), 2009-2017

Self Employed (CA), 2017-2024

Colliers Valuation & Advisory Services (UT), 2025-Present

Appraisal Courses

- General Appraiser Sales Comparison Approach
- General Appraiser Market Analysis & Highest & Best Use
- General Appraiser Site Valuation & Cost Approach
- General Appraiser Report Writing & Case Studies
- General Appraiser Income Approach
- Advanced Residential Applications and Case Studies
- Complex Properties: The Odd Side Of Appraisal
- Statistics, Modeling & Finance
- Advanced Concepts & Case Studies
- USPAP 2024-2025

Education or Qualifications

Bachelor of Science – Utah Valley University, 2013

State Certifications

Utah

California

Valuation & Advisory Services



Accelerating success.

Valuation & Advisory Services

Real estate valuations play a pivotal role in today's business climate. An accurate and well supported opinion of property value can mean the difference between reaching a critical goal—securing a loan, closing a sale, reporting to investors, choosing the best asset—or failing to achieve it altogether.

Colliers Valuation & Advisory Services' reports are designed to deliver insight into a property's fundamentals, its competition and the overall market dynamics affecting value. A solid valuation report can be a strategic asset for investors, lenders and owners, provided that it addresses both a property's unique characteristics and the most current market conditions.

Commitment to high-end client service, coupled with Colliers' unparalleled market intelligence and resources, differentiates us as the firm of choice in the real estate industry.

PROFESSIONAL

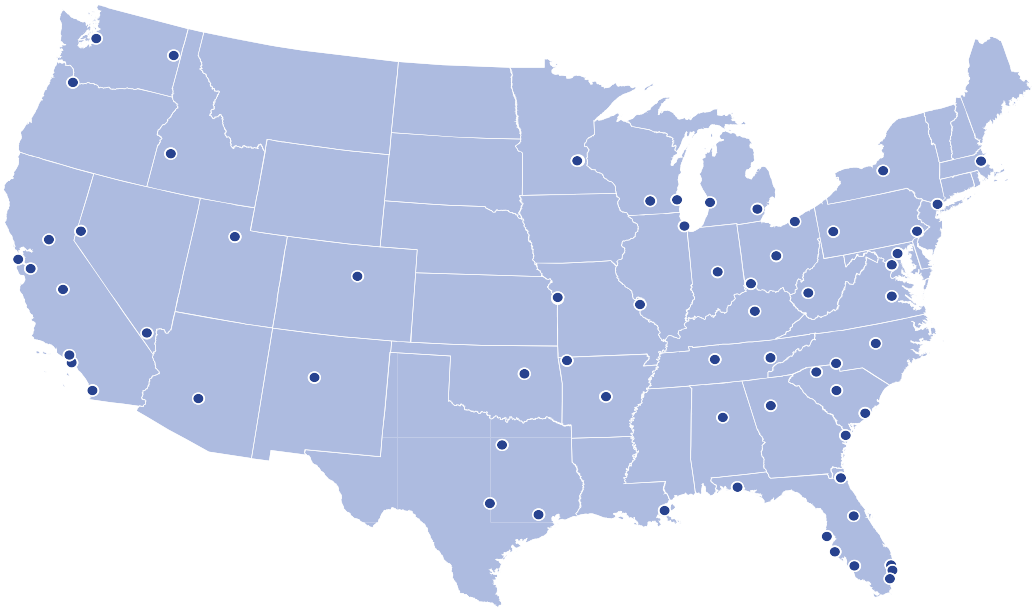
Our professionals share a commitment to deliver the highest level of service and consistent results. We go the extra mile for our clients, whether this means meeting a tight deadline or working with a complex and challenging property.

TECHNOLOGY

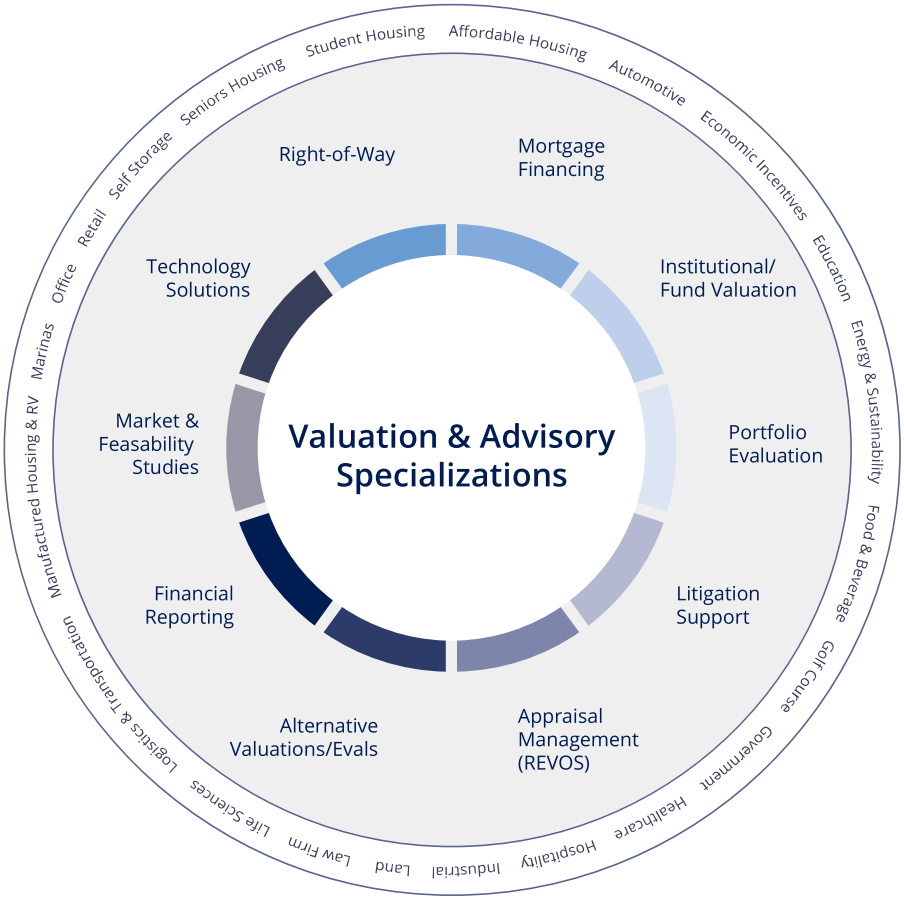
Our unmatched report creation technology speeds appraisals through the pipeline. This secure, centralized production system generates a wide range of reports and high volume portfolio orders without delays.

INFORMATION

Today's business climate places valuation in a more pivotal position than ever before. All our appraisals are evaluated and approved by an experienced review team to ensure our clients receive concise and timely appraisals. With clear, prompt reporting and a comprehensive, big picture approach, Colliers' valuation and advisory reports give our clients the information they need to make better business decisions.



What We Do



400+
licensed appraisers and staff

26,000+
assignments completed annually

60+
Valuation & Advisory Services market locations across the country

Real estate advisors in 66 countries.

Founding member of the World Green Building Council

Recognized and ranked 18 consecutive years, more than any other real estate firm

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Ranked in the world's top female-friendly companies.



Valuation & Advisory Services National Leadership

Jeremy Walling, MAI, MRICS
President | US
Valuation & Advisory Services
Jeremy.Walling@colliers.com
+1 312 371 4920

Jeff Shouse, MAI, CRE
Executive Vice President
Western US
Jeff.Shouse@colliers.com
+1 916 724 5531

Bruce Nell, MAI, AI-GRS, MRICS
Senior Vice President
Advisory Services & MHC Practice Leader
Bruce.Nell@colliers.com
+1 614 437 4687

PJ Cusmano, MAI, MRICS
Executive Vice President
Eastern US
PJ.Cusmano@colliers.com
+1 813 229 1599

Jerry Gisclair, MAI, MRICS
Executive Vice President
US Client Relations & Service
Jerry.Gisclair@colliers.com
+1 813 871 8531

Anjanette "AJ" Hutson, MAI, AI-GRS
Executive Managing Director
Quality Assurance
AJ.Hutson@colliers.com
+1 704 973 7202

Our Experts

To learn more about our Regional and Market Valuation Experts, please click on or scan the QR code.

Why work with Colliers?

We act as an extension of your team.

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Colliers

Local Corridor Preservation Fund
Application for Funds

Due to the limited amount of funds available, jurisdictions are strongly encouraged to exhaust other avenues for acquisition prior to applying.

Before consideration of awarding funds can occur, the following must be completed and submitted with this application:

1) Documentation by applicant of prior use of all appropriate resources available to the highway authority to acquire property rights, including but not limited to: use of other local funds, exactions, increased setback requirements, or other planning and zoning tools.
2) Initial approach to property owner and obtaining a certified property appraisal.
3) Securing of a Willing Seller Certification document.

Part 1: Use of Other Resources

Discuss with MAG staff the efforts to obtain the property by planning and zoning powers, development incentive, donation, or other means prior to applying for these funds. Document these efforts. MAG will convene a staff review of the application and documentation, flag any concerns or questions, and may request meetings with the applicant in order to resolve such, or to better understand the nature of the situation. Staff review should include CP/ROW, RTP, and Finance staff members.

Part 2: Initial Approach to Property Owner

Contact MAG staff prior to any discussions with the property owner of purchase price or commitments to purchase, and for any questions.

DO NOT tender any offer to purchase the property interest at this time.

If the property owner agrees to consider selling, the applicant orders a property appraisal from a certified appraiser that is acceptable to both parties. For properties intended for future use by UDOT, the appraiser should be listed on the current UDOT Consultant Services Right of Way Services and Local Government Pool. Copy and paste the following link into your browser:

https://docs.google.com/spreadsheets/d/1UURcMt7UvhIkYqADHdApr5KGxXTdeD93WLwRKu8FVl4/edit#gid=922750991

The costs of the appraisal can be reimbursed to the applicant if the funding request is approved.

Part 3: Application

1. Applicant (city, Utah County, UDOT): Springville City
2. Contact Information: Chris Wilson
3. Provide information about the properties to be acquired:
   a. Name of the current owner(s): David H & Cindy A Clements
   b. Address or location of the properties: Approximately 400 North and 2500 West
   c. Utah County parcel serial #: 21:096:0018, 21:096:0020, 2
   d. Type of real property interest to be acquired: (fee title, easement, etc.,) fee title
   e. Total acreage or square footage: 0.34 Acres (15,097.17 SF)
   f. Describe the efforts to obtain the property by planning and zoning powers, development incentive, donation, or other means prior to applying for these funds.
      No current intentions to develop property.
   g. Appraised value (Attach copy of appraisal report): $159,600
   h. Total estimated costs of acquisition, including appraisal and appraisal review, acquisition agent fee, closing costs, and any other associated fees: $3,900
   i. Total funds applying for - these should be no more than the appraised value plus traditional costs of acquisition in (h) above: $163,500
4. Which Eligible Corridor is the project located within or adjacent to? (see Corridor Preservation – Eligible Corridors map): 2600 W, H
5. Anticipated year or RTP phase to begin project roadway construction: Phase 3, Needs
6. Is the project listed on the applicant's official master plan? Yes
7. Has the applicant begun or completed a relevant state or federal environmental study? No
   a. Study results: NA
   b. If not, is the applicant willing to conduct such a study? Yes
8. Will the roadway be a UDOT or a local government facility? Local

If the project will be a state facility and the applicant is a city or county, attach copies of:

Either

a. Applicant's transportation right of way acquisition policy or ordinance.
b. Applicant's access management policy relevant to the type of roadway to be constructed.

OR

c. The executed Cooperative Agreement between the applicant and the Utah Department of Transportation governing right of way acquisition performed by the applicant for UDOT.

NOTES – 1) It is highly recommended that any purchases for a state facility be negotiated and finalized by UDOT Right of Way Division. 2) After funds are awarded but prior to any offer of purchase, UDOT and Utah County must execute a repurchase agreement specific to the property.

9. **Attachments:**

c. One 8" x 11" map in PDF form clearly indicating the future roadway project extents and the location of the properties to be acquired, with detail showing parcel boundaries and anticipated right of way footprint (will be used in presentations to the TAC and the Board).
d. Copy of appraisal report.
e. Copy of executed Willing Seller Certification.

Submit the completed application and maps to by email to Calvin Clark - cclark@mountainland.org

VOLUNTARY ACQUISITION
Certification

Owner Name: Lynn & Sharon Properties, LLC

Utah County Parcel ID#: 21:096:0004

Mountainland Association of Governments is interested in acquiring property at 100 North & 2600 West,, Springville UT (address) for the future 2600 West Spanish Fork Main Street project.

Although Mountainland Association of Governments possesses eminent domain authority to acquire property, we are not pursuing this acquisition by eminent domain or other coercion, and you hereby certify that you are only selling this property to us voluntarily for the agreed upon amount.

In accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), owner-occupants who move as a result of a voluntary acquisition, are **not** eligible for relocation assistance. Property Owner understands and acknowledges that if they waited for the funded project, they would be eligible for relocation benefits pursuant to 49 CFR 24. By signing below, the Property Owner understands and acknowledges that they are not entitled to any relocation benefits for the voluntary purchase of the property in advance of a funded project and freely chooses to sell the property to Mountainland Association of Governments before the project is funded.

Signature of Property Owner — Date: 11/20/24

Purchasing Entity Representative — Date: 3/10/2025

LYNN & SHARON PROPERTIES LLC LAND

2600 West Center Street
Springville, Utah 84663

APPRAISAL REPORT

Date of Report: March 10, 2025

Colliers File #: SLC250041



PREPARED FOR
Calvin Clark
Transportation Project Manager
Mountainlands Association of Governments (MAG)
586 East 800 North
Orem, UT 84097

PREPARED BY
COLLIERS INTERNATIONAL
VALUATION & ADVISORY SERVICES

LETTER OF TRANSMITTAL

COLLIERS INTERNATIONAL
VALUATION & ADVISORY SERVICES

6440 S. Millrock Dr. | Suite 500
Salt Lake City, UT 84121 USA
MAIN +1 385 249 5450
FAX +1 385 249 5451
WEB www.colliers.com/valuationadvisory

March 10, 2025

Calvin Clark
Transportation Project Manager
Mountainlands Association of Governments (MAG)
586 East 800 North
Orem, UT 84097

RE: Lynn & Sharon Properties LLC Land
2600 West Center Street
Springville, Utah 84663

Colliers File #: SLC250041

Mr. Clark:

Pursuant with our engagement, the above captioned property was appraised utilizing best practice appraisal principles for this property type. This appraisal report satisfies the scope of work and requirements agreed upon by Mountainlands Association of Governments (MAG) and Colliers International Valuation & Advisory Services.

The date of this report is March 10, 2025. At the request of the client, this appraisal is presented in an Appraisal Report format as defined by *USPAP* Standards Rule 2-2(a). Our appraisal format provides a detailed description of the appraisal process, subject and market data and valuation analyses.

The purpose of this appraisal is to develop an opinion of the Fair Market Value of the subject larger parcel's fee simple interest, as well as the value of a fee taking, perpetual easement and temporary construction easement. The intended use of this appraisal is to assist the client in providing funds to the landowner to preserve future road corridors. The effective date is February 12, 2025, which is the date of our inspection of the property.

Property Information
The larger parcel is a 7.63-acre site at 2600 West Center Street in Springville, Utah. It is accessed from Center Street and 2600 West. The offsite improvements include an asphalt street. Municipal utilities are available approximately 365’ to the east in Center Street. On-site improvements consist of a wood post and wire fence that spans the perimeter of the larger parcel.

Colliers International Valuation & Advisory Services, and certain of its subsidiaries, is an independently owned and operated business and a member firm of Colliers International Property Consultants, an affiliation of independent companies with over 500+ offices throughout more than 68 countries worldwide.

The property is in an area that has historically been used for agriculture. We do not have contact information for the property owners, but based on the condition of the property and surrounding land uses, we assume the property has historically been used for agriculture.

The larger parcel is currently vacant and zoned A-1 (Agricultural). However, it is within the Westfield and Lakeside Overlay. Based on a conversation with the Springville City Planning Department, if the owners are willing develop the site in a way that is harmonious with the proposed Lakeside Village development, it can be rezoned to residential and developed to a similar density as the surrounding Lakeside Village master plan.

Project Information

The larger parcel will be impacted by a project by Mountainlands Association of Governments and Springville City to extend 2600 West Street northward from 400 South where it will intersect with Center Street. The street will then continue northward, where it will eventually turn northeastward and connect with 2500 West at approximately 400 North near the subject. The project is currently in its preliminary planning phases, with limited surveying and engineering information. An exhibit provided in connection with this assignment indicates that 32,693 SF (0.75 acre) of the subject property will be taken in fee for a 59-foot-wide road right-of-way. A legal description of the fee taking was not provided, nor were we provided with site-specific maps with taking dimensions. It is an extraordinary assumption of this report that the provided size of the fee acquisition area is accurate.

Mountainlands Association of Governments is also considering a perpetual easement and a temporary construction easement in connection with the project. The exhibit provided in connection with this assignment indicates that these will each be five feet wide and to run along the border of the fee taking. The exhibit indicates the perpetual easement will be 3,990 SF and the temporary construction easement will be 3,828 SF. No legal descriptions were provided for the perpetual easement or temporary construction easement, nor were we provided with site-specific maps with easement dimensions. It is an extraordinary assumption of this report that the provided size of the perpetual easement and temporary construction easement are accurate and that the areas are sufficient in size, shape and utility for their intended use.

The subject property has the same highest and best use in the before and after condition. However, completion of the project will improve access to the site and will facilitate development of the area. The subject will receive these special benefits from the project in the after condition. According to Utah state law, special benefits can offset damages to the remainder, but cannot offset the part taken. As we conclude that the subject will suffer no severance damages as a result of the taking, an analysis of the special benefits is moot.

The following table conveys the final opinion of market value of the subject property that is developed within this appraisal report:

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VALUATION SUMMARY

	VALUE OPINIONS	VALUE OF PROPERTY RIGHTS
Value of the Larger Parcel	$2,777,103	
Fee Taking (inc. Site Imp.)	($281,160)	$281,160
Perpetual Easement	($10,294)	$10,294
Value of the Remainder as a Part of the Whole	$2,485,649	
Value of the Remainder in the After Condition	$2,485,649	
Severance Damages	$0	
Cost to Cure	$0	
Project Benefits	$0	
Net Severance Damages	$0	$0
Temporary Construction Easement (TCE)	$8,222	$8,222
TOTAL FAIR MARKET VALUE OF PROPOSED PROPERTY AND RIGHTS TAKEN (ROUNDED)		**$299,700**

The analyses, opinions and conclusions communicated within this appraisal report were developed based upon the requirements and guidelines of the current Uniform Standards of Professional Appraisal Practice (USPAP), the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.

The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter. *USPAP* defines an Extraordinary Assumption as, “an assignment specific-assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions”. *USPAP* defines a Hypothetical Condition as, “that which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis”.

The Extraordinary Assumptions and/or Hypothetical Conditions that were made during the appraisal process to arrive at our opinion of value are fully discussed below. We advise the client to consider these issues carefully given the intended use of this appraisal, as their use might have affected the assignment results.

EXTRAORDINARY ASSUMPTIONS

- This analysis makes the assumption that the subject can be rezoned to a residential zone and be developed to a similar density as the surrounding Lakeside Village master plan.
- This appraisal is based on the extraordinary assumption that the provided size of the fee acquisition area is accurate despite the absence of a legal description.
- It is also based on the extraordinary assumption that provided size of the perpetual easement and temporary construction easement is accurate. No legal descriptions were provided for the fee taking, perpetual easement or temporary construction easement, nor were we provided with site-specific maps with easement dimensions. If these assumptions prove to be inaccurate, the opinions of value stated herein may require revision.
- We also assume that the locations of the perpetual and construction easements are as described later in this report. If this assumption proves to be inaccurate, the opinions of value stated herein may require revision.
- According to the map provided by the Utah Division of Water Rights, there is no water right located on the larger parcel. We assume that if the property does have a water right, that the project will not impact the water right. No water right is evaluated in our report.

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HYPOTHETICAL CONDITIONS

- This Appraisal Report is not contingent on any hypothetical conditions.

RELIANCE LANGUAGE

The Appraisal is for the sole use of the Client; however, Client may provide only complete, final copies of the Appraisal report in its entirety (but not component parts) to third parties who shall review such reports in connection with loan underwriting or securitization efforts. Colliers International Valuation & Advisory Services is not required to explain or testify as to appraisal results other than to respond to the Client for routine and customary questions. Please note that our consent to allow the Appraisal prepared by Colliers International Valuation & Advisory Services or portions of such Appraisal, to become part of or be referenced in any public offering, the granting of such consent will be at our sole and absolute discretion and, if given, will be on condition that Colliers International Valuation & Advisory Services will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to Colliers International Valuation & Advisory Services, by a party satisfactory to Colliers International Valuation & Advisory Services. Colliers International Valuation & Advisory Services does consent to your submission of the reports to rating agencies, loan participants or your auditors in its entirety (but not component parts) without the need to provide Colliers International Valuation & Advisory Services with an Indemnification Agreement and/or Non-Reliance letter.

Colliers International Valuation & Advisory Services hereby expressly grants to Client the right to copy the Appraisal and distribute it to other parties in the transaction for which the Appraisal has been prepared, including employees of Client, other lenders in the transaction, and the borrower, if any.

Our opinion of value reflects current conditions and the likely actions of market participants as of the date of value. It is based on the available information gathered and provided to us, as presented in this report, and does not predict future performance. Changing market or property conditions can and likely will have an effect on the subject's value.

The signatures below indicate our assurance to the client that the development process and extent of analysis for this assignment adhere to the scope requirements and intended use of the appraisal. If you have any specific questions or concerns regarding the attached appraisal report, or if Colliers International Valuation & Advisory Services can be of additional assistance, please contact the individuals listed below.

Sincerely,

COLLIERS INTERNATIONAL
VALUATION & ADVISORY SERVICES



Chelsey Jorgensen, MAI
Senior Valuation Specialist
Certified Residential Real Estate Appraiser
State of Utah License #9877947-CG00
+1 385 249 5448
chelsey.jorgensen@colliers.com



Kelly Tate, MAI
Senior Valuation Services Director
Certified General Real Estate Appraiser
State of Utah License #8384882-CG00
+1 385 249 5444
kelly.tate@colliers.com

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LETTER OF TRANSMITTAL

INTRODUCTION 1
- Executive Summary 1
- Aerial Photograph 2
- Subject Property Photographs 3
- Identification of Appraisal Assignment 4
- Scope of Work 8

DESCRIPTIONS & EXHIBITS 10
- Regional Map 10
- Regional Analysis 11
- Local Area Map 18
- Local Area Analysis 19
- Site Description 29
  - Plat Map 32
  - Zoning Map 33
  - Flood Map 34
- Assessment & Taxation 35
- Zoning Analysis 36
- Market Analysis 37
- Highest & Best Use 47

VALUATION 52
- Valuation Methods 52
- Land Valuation 53
  - Land Sales Summation Table 54
  - Land Sales Location Map 55
  - Land Sales Data Sheets 56
  - Calculation of Land Value 64

AFTER CONDITION ANALYSIS 66
- Introduction 66
- Value of Parts Taken 66
- Value of Remainder Part of the Whole 68
- Value of the Remainder in the After Condition 68
- Severance Damages 68
- Project Benefits 69
- Temporary Construction Easements 69
- Valuation Summary 70

CERTIFICATION

ASSUMPTIONS & LIMITING CONDITIONS

ADDENDA

- Engagement Letter
- Professional Service Agreement
- Valuation Glossary
- Qualifications of Appraisers
- Qualifications of Colliers International Valuation & Advisory Services

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GENERAL INFORMATION

Property Name	Lynn & Sharon Properties LLC Land
Property Type	Land - Residential (Single-family) Land
Address	2600 West Center Street
City	Springville
State	Utah
Zip Code	84663
County	Utah
Core Based Statistical Area (CBSA)	Provo-Orem, UT
Market	Utah County
Submarket	Springville City
Latitude	40.167980
Longitude	-111.656380
Number Of Parcels	1
Assessor Parcel	21-096-0004
Total Taxable Value	$3,485
Census Tract Number	105.03

LARGER PARCEL INFORMATION

Land Area - Larger Parcel	**Acres**	**Square Feet**
Usable	7.41	322,919
Unusable (Existing Road ROW)	0.22	9,596
Excess	0.00	0
Surplus	0.00	0
Total	**7.63**	**332,515**

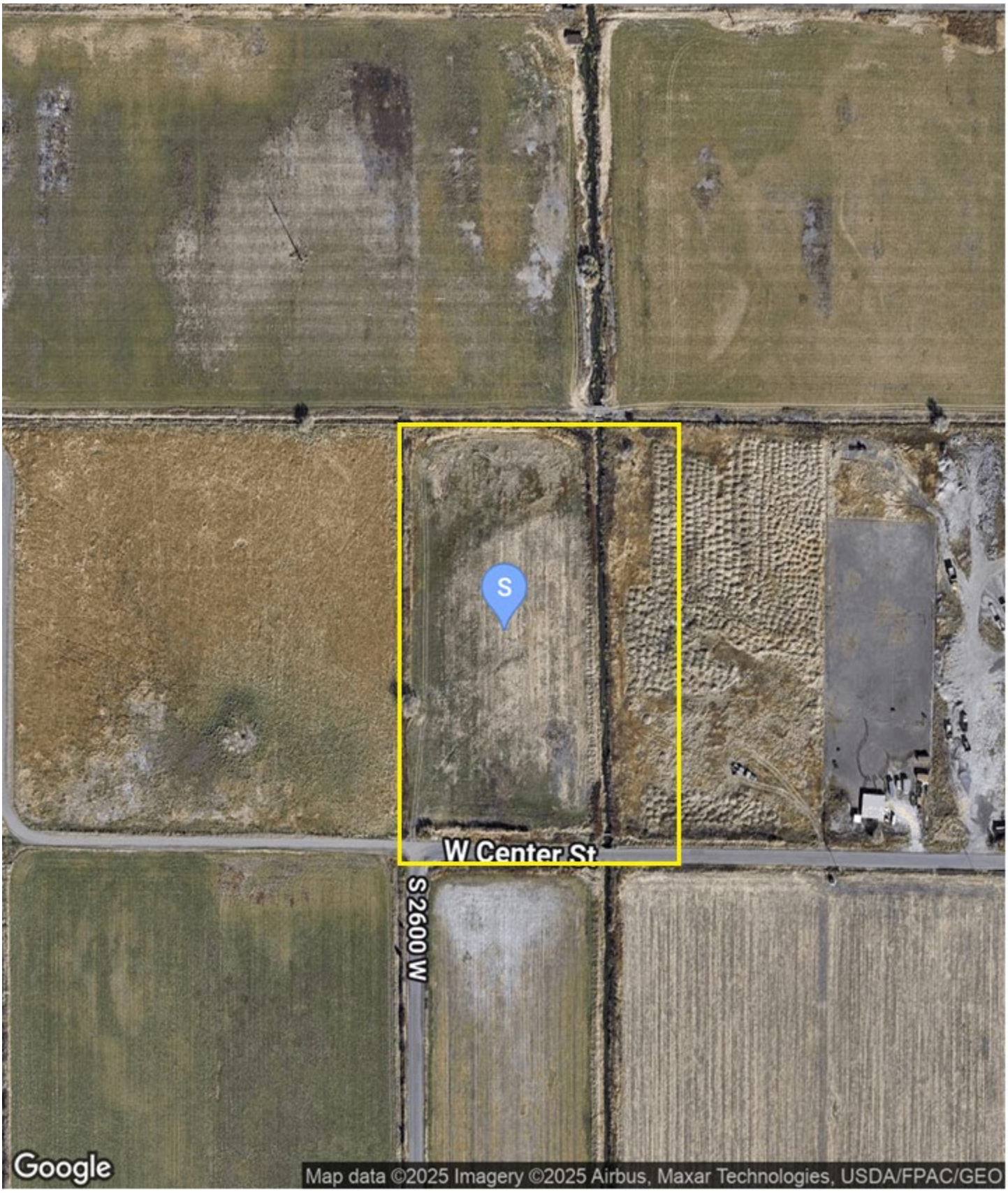
Land Area - The Parts Taken	**Acres**	**Square Feet**
Fee Taking	7.41	322,919
Perpetual Easement	0.09	3,990
Temporary Construction Easement	0.09	3,828

Shape	Rectangular
Access	Average
View	Average
Current Zoning	Agricultural Zone (A-1)
Flood Zone	Zone X (Unshaded)
Seismic Zone	Very High Risk

VALUATION SUMMARY

	VALUE OPINIONS	VALUE OF PROPERTY RIGHTS
Value of the Larger Parcel	$2,777,103	
Fee Taking (inc. Site Imp.)	($281,160)	$281,160
Perpetual Easement	($10,294)	$10,294
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Cost to Cure	$0	
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TOTAL FAIR MARKET VALUE OF PROPOSED PROPERTY AND RIGHTS TAKEN (ROUNDED)		**$299,700**

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S
W Center St
S 2600 W
Google
Map data ©2025 Imagery ©2025 Airbus, Maxar Technologies, USDA/FPAC/GEO



SUBJECT SITE VIEWING NORTHEAST



SUBJECT SITE VIEWING NORTH



SUBJECT SITE VIEWING SOUTHEAST



SUBJECT SITE VIEWING SOUTHWEST



CENTER STREET VIEWING EAST



2600 WEST VIEWING SOUTH

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PROPERTY IDENTIFICATION

The larger parcel is a 7.63-acre site at 2600 West Center Street in Springville, Utah. It is accessed from Center Street and 2600 West. The offsite improvements include an asphalt street. On-site improvements consist of a wood post and wire fence that spans the perimeter of the larger parcel.

The property is in an area that has historically been used for agriculture. We do not have contact information for the property owners, but based on the condition of the property and surrounding land uses, we assume the property has historically been used for agriculture.

The larger parcel is currently vacant and zoned A-1 (Agricultural). However, it is within the Westfield and Lakeside Overlay. Based on a conversation with the Springville City Planning Department, if the owners are willing develop the site in a way that is harmonious with the proposed Lakeside Village development, it can be rezoned to residential and developed to a similar density as the surrounding Lakeside Village master plan.

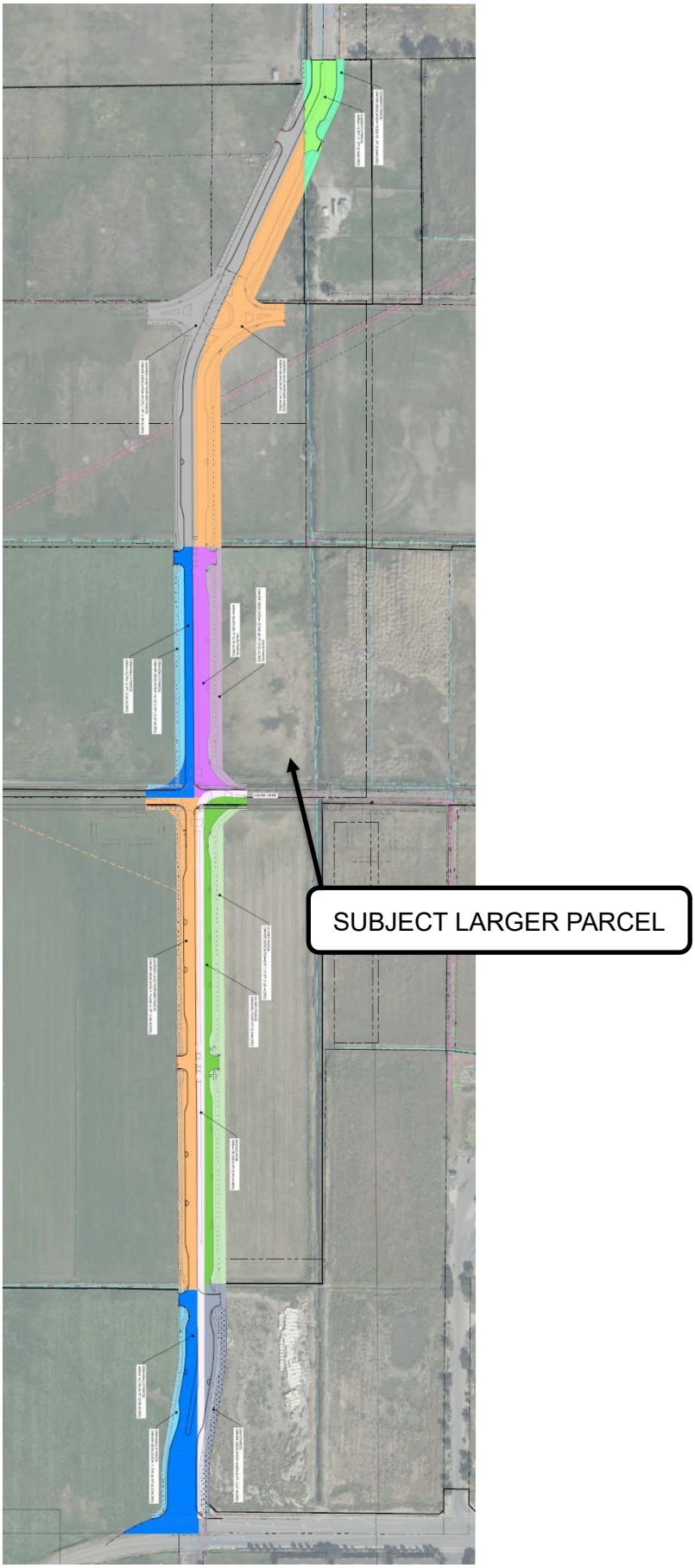
The legal description of the subject property is as follows: COM S 25.35 CH FR NE COR. SEC. 36 T7S R2E SLB&M.; S 10.5 CH; W 7.27 CH; N 10.5 CH; E 7.27 CH TO BEG. AREA 7.634 AC.

PROJECT DESCRIPTION

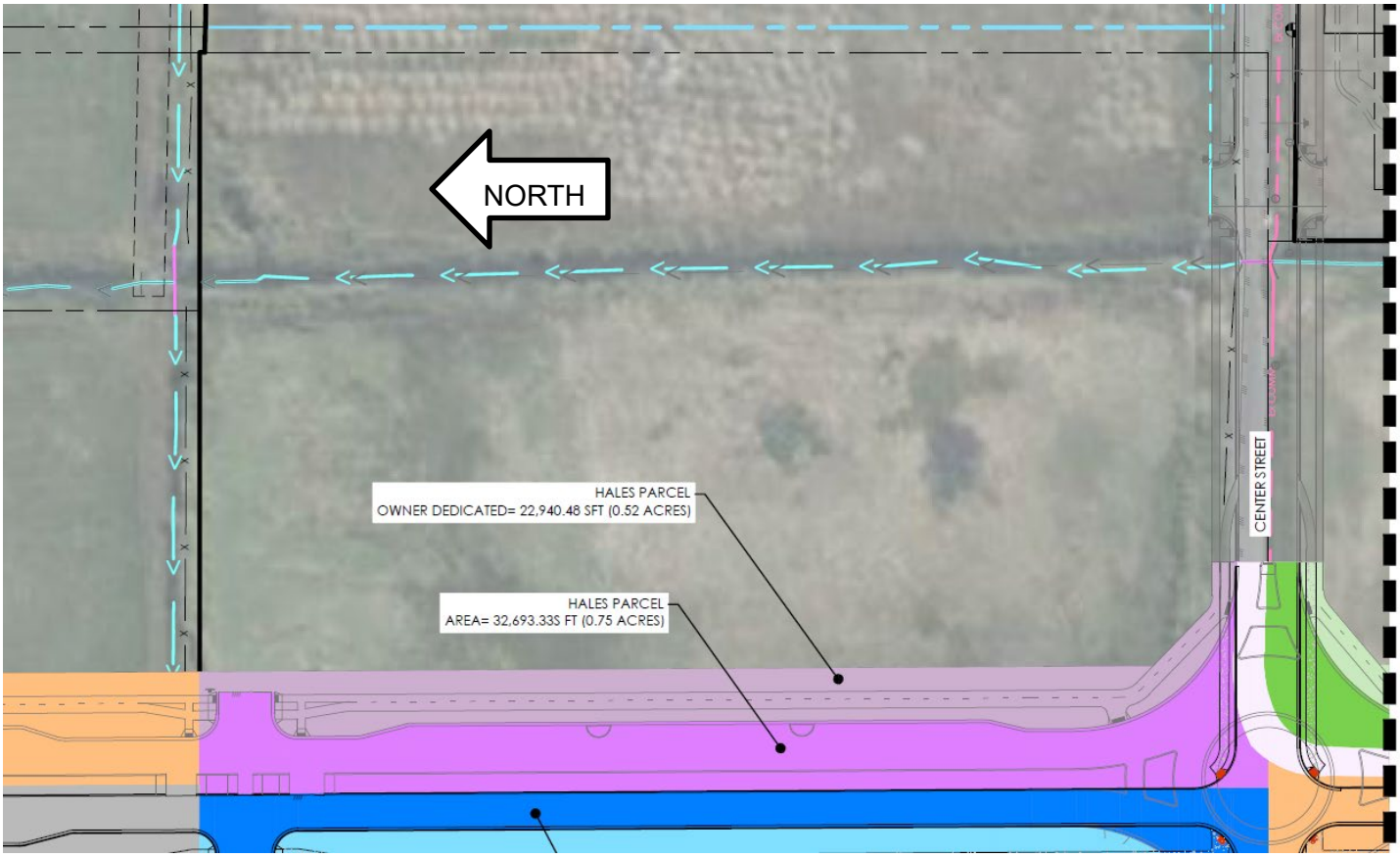
The Mountainlands Association of Governments' 2600 West ROW project will extend 2600 West northward where it will intersect with Center Street and then continue north where it will eventually turn northeastward and connect with 2500 West at approximately 400 North. The four-lane road will provide access to an area that is in the planning process for residential and commercial development. Mountainlands Association of Governments is providing partial funding for the project. Construction is anticipated to begin by June 2025.

The exhibit below was provided by the client in connection with this assignment. The dark-pink shaded area is the area of the fee taking. The light-pink shaded area is to be dedicated by the owner in the future if and when development of the site should occur; the light-pink shaded area is not relevant to this assignment.

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CLIENT IDENTIFICATION

The client of this specific assignment is Mountainlands Association of Governments (MAG).

PURPOSE

The purpose of this appraisal is to develop an opinion of the Fair Market Value of the subject larger parcel's fee simple interest, as well as the value of a fee taking, perpetual easement and temporary construction easement.

INTENDED USE

The intended use of this appraisal is to assist the client in providing funds to the landowner to preserve future corridors.

INTENDED USERS

Intended users of this report include Mountainlands Association of Governments (MAG) and Springville City. Use of this report by third parties and other unintended users is not permitted. This report must be used in its entirety. Reliance on any portion of the report independent of others, may lead the reader to erroneous conclusions regarding the property values. Unless approval is provided by the authors no portion of the report stands alone.

ASSIGNMENT DATES

Date of Report	March 10, 2025
Date of Inspection	February 12, 2025
Valuation Date - As-Is	February 12, 2025

PERSONAL INTANGIBLE PROPERTY

No personal property or intangible items are included in this valuation.

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PROPERTY AND SALES HISTORY

Current Owner

The subject title is currently in the name of Lynn & Sharon Properties LLC

Three-Year Sales History

Research of the applicable public records and private data services revealed that the subject property has not transferred during the past three years of the effective date of value stated in this report.

Subject Sale Status

Research of the applicable public records, private data services and an interview of the current owner and/or broker revealed that the subject property is not under a current agreement of sale or option and is not currently offered for sale on the open market.

DEFINITIONS

This section summarizes the definitions of value, property rights appraised, and value scenarios that are applicable for this appraisal assignment. All other applicable definitions for this assignment are located in the Valuation Glossary section of the Addenda.

DEFINITIONS OF VALUE

Given the scope and intended use of this assignment, the following definition of value is applicable:

Fair Market Value

The definition of fair market value, as used in this report, is "…the amount at which a property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the relevant facts."[1]

PROPERTY RIGHTS APPRAISED

The property rights appraised constitute the fee simple interest.

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.[2]

VALUE SCENARIOS

As-Is Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.[3]

[1] Utah Code, Title 59-2-102(12)
[2] The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022
[3] The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022

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INTRODUCTION

The appraisal development and reporting processes requires gathering and analyzing information about those assignment elements necessary to properly identify the appraisal problem to be solved. The scope of work decision must include the research and analyses that are necessary to develop credible assignment results given the intended use of the appraisal. Sufficient information includes disclosure of research and analyses performed and might also include disclosure of research and analyses not performed. The scope of work for this appraisal assignment is outlined below:

- The appraisers analyzed the regional and local area economic profiles including employment, population, household income, and real estate trends. The local area was further studied to assess the general quality and condition, and emerging development trends for the real estate market. The immediate market area was inspected and examined to consider external influences on the subject.
- The appraisers confirmed and analyzed legal and physical features of the subject property including sizes of the site, flood plain data, seismic zone, zoning, easements and encumbrances, access and exposure of the site.
- The appraisers completed a land market analysis that included market and sub-market overviews. The Utah County market and Springville City sub-market overviews analyzed supply/demand conditions using vacancy, absorption, supply change and rent change statistics. Conclusions were drawn regarding the subject property's competitive position given its physical and locational characteristics, the prevailing economic conditions and external influences.
- The appraisers conducted Highest and Best Use analysis and conclusions were drawn for the highest and best use of the subject property As-Vacant. The analysis considered legal, locational, physical and financial feasibility characteristics of the subject site.
- The appraisers confirmed and analyzed financial features of the subject property including potential entitlement issues, and tax and assessment records. This information as well as trends established by confirmed market indicators was used to forecast performance of the subject property.
- Selection of the valuation methods was based on the identifications required in USPAP relating to the intended use, intended users, definition and date of value, relevant property characteristics and assignment conditions. This appraisal developed the Sales Comparison Approach to value, which was adjusted and reconciled as appropriate. The appraisal develops an opinion of the Fair Market Value of the subject larger parcel's fee simple interest, as well as the value of a fee taking, perpetual easement and temporary construction easement.
- Reporting of this appraisal is in an Appraisal Report format as required in USPAP Standard 2. The appraiser's analysis and conclusions are fully described within this document.
- We understand the Competency Rule of USPAP and the authors of this report meet the standards.
- Jake Jorgensen (Utah State Certified Residential Real Estate Appraiser No. 7338339-CR00) provided significant real property appraisal assistance to the appraisers signing the certification.

SOURCES OF INFORMATION

The following sources were contacted to obtain relevant information:

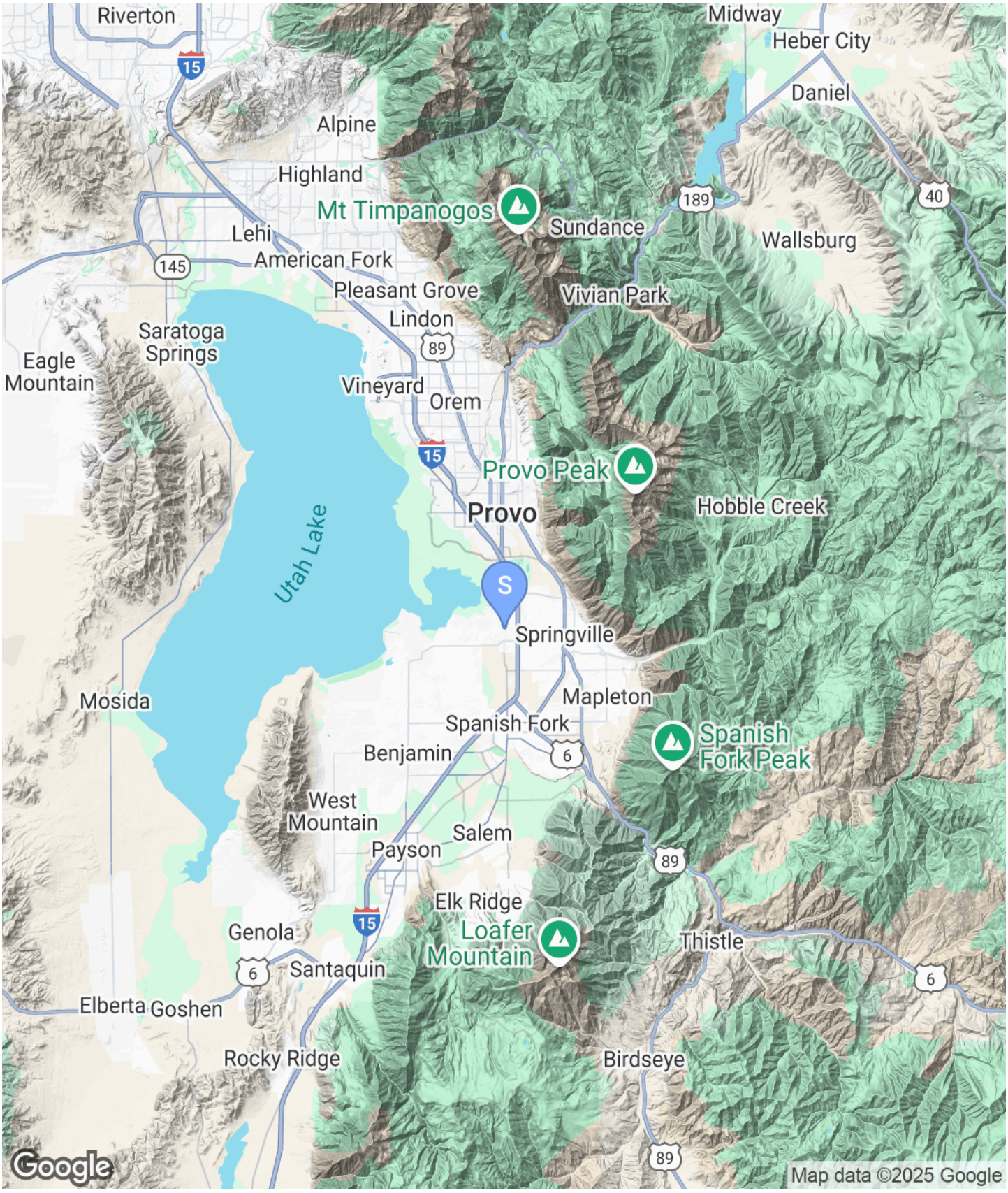
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SOURCES OF INFORMATION	
ITEM	**SOURCE**
Tax Information	Utah County Tax Assessor
Zoning Information	City of Springville Zoning Code
Site Size Information	Utah County Tax Assessor
Flood Map	InterFlood
Demographics	Pitney Bowes/Gadberry Group - GroundView®
Comparable Information	See Comparable Datasheets for details
Legal Description	Grant Deed from RealQuest

SUBJECT PROPERTY INSPECTION

SUBJECT PROPERTY INSPECTION			
APPRAISER	**INSPECTED**	**EXTENT**	**DATE OF INSPECTION**
Chelsey Jorgensen, MAI	Yes	Site Only	February 27, 2025
Kelly Tate, MAI	No	-	-
Jake Jorgensen	Yes	Site Only	February 12, 2025

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Riverton
Midway
Heber City
Daniel
Alpine
Highland
Mt Timpanogos
Sundance
Wallsburg
Lehi
American Fork
Pleasant Grove
Vivian Park
Lindon
Saratoga Springs
Eagle Mountain
Vineyard
Orem
Provo Peak
Hobble Creek
Provo
Utah Lake
Springville
Mapleton
Mosida
Spanish Fork
Spanish Fork Peak
Benjamin
West Mountain
Salem
Payson
Elk Ridge
Loafer Mountain
Thistle
Genola
Santaquin
Elberta
Goshen
Rocky Ridge
Birdseye
15
145
89
189
40
6
Google
Map data ©2025 Google

INTRODUCTION



The Provo-Orem Metropolitan Statistical Area is comprised of Utah and Juab Counties. Seven counties as well as the State of Nevada border the Provo-Orem MSA. The MSA is located in north central Utah and is anchored by the cities of Provo and Orem.

The geography of the Provo-Orem MSA includes arid desert, lakes, and high-mountain peaks. Elevations within the area range from around 4,300 feet at the valley floor to nearly 12,000 feet above sea level in the Wasatch Mountains. Orem and Provo are located in the northern portion of Utah County at the base of the Wasatch Mountains on the east.

The Utah Lake, which is located to the west of the cities of Provo and Orem in Utah County, is the largest fresh-water lake in the state. The lake drains via the Jordan River at its north end into the Great Salt Lake. The Jordan River is a 60-mile-long river that receives the water of many streams flowing down from the Wasatch Range.

The majority of the population of Utah County lies in cities found along Interstate 15 which runs north-to-south just west of Orem and Provo and other smaller communities. This freeway provides access to Arizona to the south and Idaho to the north. The Salt Lake City International Airport is the nearest large airport; however, the Provo Municipal Airport, located in Provo, is used extensively for private flight training and is home to the Utah Valley University flight school. The city of Nephi, in Juab County, also has a municipal airport.



Provo and Orem's mass transit service is operated by the Utah Transit Authority (UTA) and includes a bus system, which connects commuters to local services as well as the greater Salt Lake City region. UTA's commuter rail service, FrontRunner, was extended to Provo from Salt Lake City in 2012. Amtrak, a national passenger rail system, provides service to Provo station, operating its California Zephyr daily in both directions between Chicago, Illinois and Emeryville, California. Provo is also serviced by Greyhound Bus Lines.

Provo is the economic and demographic center of the Provo-Orem MSA and the third-largest city in Utah according to the 2008 U.S. Census Bureau. Provo is the county seat of Utah County. It was first settled in 1849 by 33 Mormon families from Salt Lake City. The residents of Provo are predominantly (88.0%) members of The Church of Jesus Christ of Latter-day Saints. The large population of students that attend Brigham Young University and Utah Valley University make Provo and Orem "college towns". Provo is also home to The Church of Jesus Christ of Latter-days Saints' largest Missionary Training Center. Each week some 475 missionaries enter for 2 to 12 weeks of training before they depart for the mission field. Orem, the sixth-largest city in the state, is adjacent to the north of Provo City and is located approximately 45 miles south of Salt Lake City. Orem was incorporated in 1919 and is home to Utah Valley University.

Today the area's major industries are government, trade, transportation, utilities, and professional and business services. Provo is home to international companies including Nature's Sunshine Products, Novell, and Nu Skin Enterprises.

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DEMOGRAPHIC ANALYSIS

The following is a demographic study of the region sourced by *Esri ArcGIS®*, an online resource center that provides information used to analyze and compare the past, present, and future trends of geographical areas. Demographic changes are often highly correlated to changes in the underlying economic climate. Periods of economic uncertainty necessarily make demographic projections somewhat less reliable than projections in more stable periods. These projections are used as a starting point, but we also consider current and localized market knowledge in interpreting them within this analysis. Please note that our demographics provider sets forth income projections in constant dollars which, by definition, reflect projections after adjustment for inflation. We are aware of other prominent demographic data providers that project income in current dollars, which do not account for inflation. A simple comparison of projections for a similar market area made under the constant and current dollar methodologies can and likely will produce data points that vary, in some cases, widely. Further, all forecasts, regardless of demographer methodology(ies), are subjective in the sense that the reliability of the forecast is subject to modeling and definitional assumptions and procedures.

Population

According to Esri ArcGIS®, a Geographic Information System (GIS) Company, the Provo-Orem-Lehi metropolitan area had a 2024 population of 749,524 and experienced an annual growth rate of 2.7%, which was higher than the Utah annual growth rate of 1.6%. The metropolitan area accounted for 21.4% of the total Utah population (3,506,694). Within the metropolitan area the population density was 138.9 people per square mile compared to the lower Utah population density of 42.5 people per square mile and the lower United States population density of 95.8 people per square mile.

POPULATION

YEAR	US	UT	CBSA
2020 Population	331,839,624	3,284,843	674,930
2024 Population	338,440,954	3,506,694	749,524
2029 Population	344,873,411	3,719,346	823,415
2020-2024 CAGR	0.5%	1.6%	2.7%
2024-2029 CAGR	0.4%	1.2%	1.9%

Source: Esri ArcGIS®

POPULATION DENSITY

YEAR	US	UT	CBSA
2024 Per Square Mile	95.8	42.5	138.9
2029 Per Square Mile	97.6	45.0	152.6

Source: Esri ArcGIS®

The 2024 median age for the metropolitan area was 27.4, which was 43.9% younger than the United States median age of 39.3 for 2024. The median age in the metropolitan area is anticipated to grow by 0.86% annually, increasing the median age to 28.6 by 2029.

MEDIAN AGE

YEAR	US	UT	CBSA
2024	39.3	32.2	27.4
2029	40.4	33.4	28.6
2024-2029 CAGR	0.55%	0.73%	0.86%

Source: Esri ArcGIS®

Education

The Provo-Orem MSA has two universities, Brigham Young University and Utah Valley University. Brigham Young University (BYU) is a private research institution located in Provo, owned and operated by the Church of Jesus

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Christ of Latter-day Saints. BYU has an endowment of $1.47 million and an annual enrollment of 33,363 students. The university's primary focus is on undergraduate education, but also offers masters and doctoral degree programs. Utah Valley University (UVU) is a publicly funded university located in Orem. With an annual enrollment of over 34,000 students, UVU is the largest public university in the state. The university currently offers bachelor and associate degrees and more than 20 certificate programs and high-demand degrees in education and nursing.

Household Trends

The 2024 Households number of households in the metropolitan area was 213,725. The number of households in the metropolitan area is projected to grow by 2.4% annually, increasing the number of households to 240,483 by 2029 Households. The 2024 average household size for the metropolitan area was 3.43, which was 35.57% larger than the United States average household size of 2.53 for 2024. The average household size in the metropolitan area is anticipated to retract by 0.41% annually, reducing the average household size to 3.36 by 2029.

NUMBER OF HOUSEHOLDS

YEAR	US	UT	CBSA
2024 Households	130,716,571	1,147,946	213,725
2029 Households	134,930,577	1,240,486	240,483
2024-2029 CAGR	0.6%	1.6%	2.4%

Source: Esri ArcGIS®

AVERAGE HOUSEHOLD SIZE

YEAR	US	UT	CBSA
2024	2.53	3.01	3.43
2029	2.50	2.96	3.36
2024-2029 CAGR	(0.24%)	(0.33%)	(0.41%)

Source: Esri ArcGIS®

The Provo-Orem-Lehi metropolitan area had 28.58% renter occupied units, compared to the higher 29.18% in Utah and the higher 35.64% in the United States.

HOUSING UNITS

	US	UT	CBSA
Owner Occupied	64.36%	70.82%	71.42%
Renter Occupied	35.64%	29.18%	28.58%

Source: Esri ArcGIS®

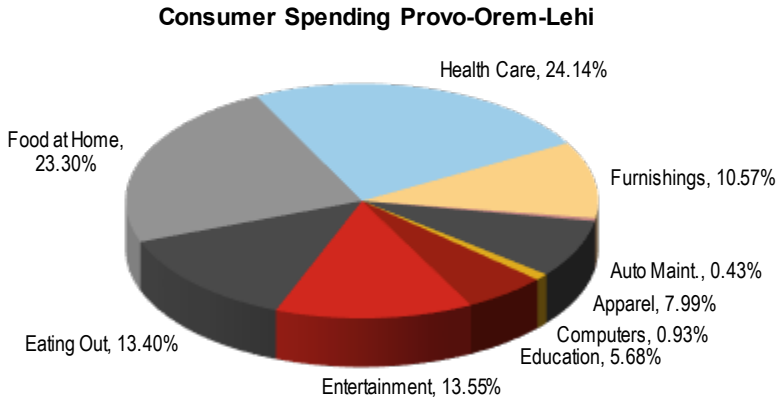
The 2024 median household income for the metropolitan area was $102,425, which was 29.54% higher than the United States median household income of $79,068. The median household income for the metropolitan area is projected to grow by 2.66% annually, increasing the median household income to $116,814 by 2029.

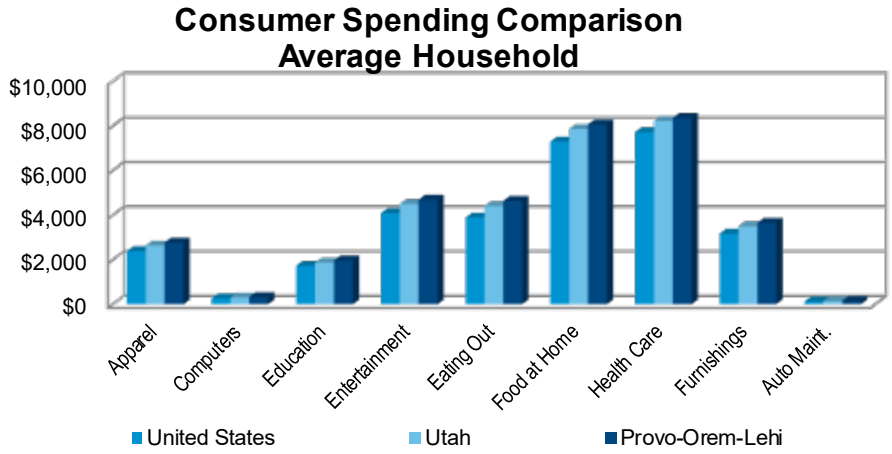
As is often the case when the median household income levels are higher than the national average, the cost of living index is also higher. According to the American Chamber of Commerce Researchers Association (ACCRA) Cost of Living Index, the MSA's cost of living is 103.4 compared to the national average score of 100. The ACCRA Cost of Living Index compares groceries, housing, utilities, transportation, health care and miscellaneous goods and services for over 300 urban areas.

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MEDIAN HOUSEHOLD INCOME			
YEAR	US	UT	CBSA
2024	$79,068	$95,801	$102,425
2029	$91,442	$110,702	$116,814
2024-2029 CAGR	2.95%	2.93%	2.66%

Source: Esri ArcGIS®





EMPLOYMENT

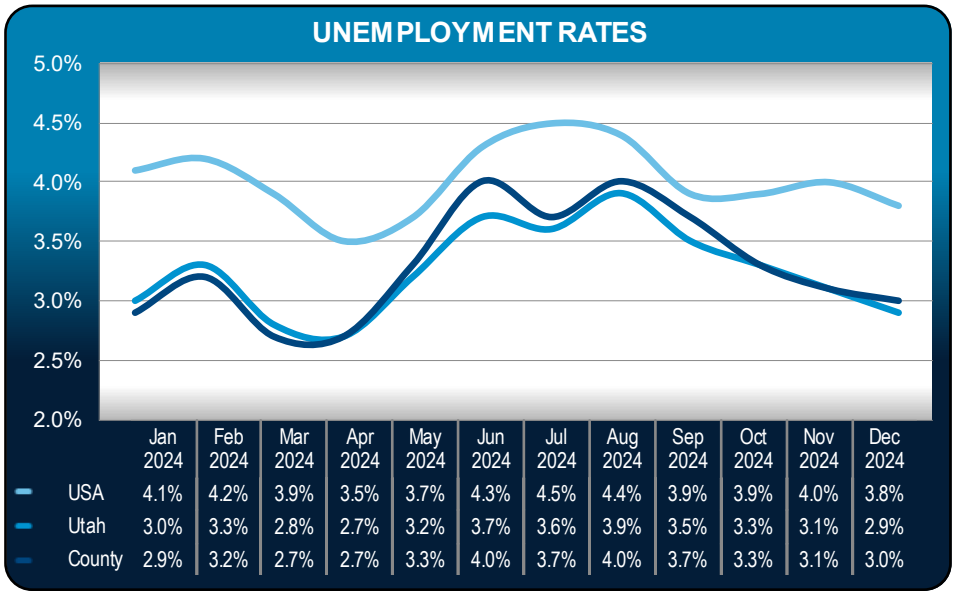
Total employment has increased annually over the past decade in the state of Utah by 2.8% and increased annually by 3.9% in the county. From 2022 to 2023 unemployment increased in Utah by 0.2% and increased by 0.4% in the county. In the state of Utah unemployment has decreased over the previous month by 0.2% and decreased by 0.1% in the county.

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EMPLOYMENT & UNEMPLOYMENT STATISTICS 2014 - 2023

	TOTAL EMPLOYMENT				UNEMPLOYMENT RATE		
	Utah		Utah County, UT		United States*	Utah	Utah County, UT
Year	Total	% Δ Yr Ago	Total	% Δ Yr Ago			
2014	1,364,353	2.8%	244,673	3.8%	6.2%	3.6%	3.3%
2015	1,401,945	2.8%	256,260	4.7%	5.3%	3.5%	3.2%
2016	1,449,981	3.4%	269,619	5.2%	4.9%	3.3%	3.0%
2017	1,505,413	3.8%	283,780	5.3%	4.4%	3.1%	2.8%
2018	1,538,295	2.2%	293,798	3.5%	3.9%	2.9%	2.7%
2019	1,577,970	2.6%	302,821	3.1%	3.7%	2.5%	2.3%
2020	1,564,747	(0.8%)	304,982	0.7%	8.1%	4.8%	3.9%
2021	1,636,957	4.6%	323,973	6.2%	5.3%	2.8%	2.4%
2022	1,696,513	3.6%	337,405	4.1%	3.6%	2.4%	2.2%
2023	1,743,223	2.8%	344,042	2.0%	3.6%	2.6%	2.6%
CAGR	**2.8%**	**-**	**3.9%**	**-**	**-**	**-**	**-**

Source: U.S. Bureau of Labor Statistics *Unadjusted Non-Seasonal Rate



TOP EMPLOYERS		
EMPLOYER NAME	EMPLOYEES	INDUSTRY
Brigham Young University	15,000-19,999	University
Alpine School District	7,000-9,999	Education
Utah Valley University	5,000-6,999	University
Utah Valley Regional Medical Center	5,000-6,999	Healthcare
Vivint	3,000-3,999	Technology
Nebo School District	3,000-3,999	Education
Wal-Mart	2,000-2,999	Retail
State of Utah	2,000-2,999	State Government
RBD Acquisition	2,000-2,999	Services to Buildings
Young Living Essential Oils	2,000-2,999	Direct Selling
Vivint Solar	1,000-1,999	Solar Energy
Provo School District	1,000-1,999	Education
Nexeo Staffing	1,000-1,999	Employment Services
Doterra International	1,000-1,999	Direct Selling
IM Flash Technologies	1,000-1,999	Technology
Entrata	1,000-1,999	Data Processing & Hosting
Adobe Systems	1,000-1,999	Technology
Nu Skin	1,000-1,999	Health Products
Smith's Food & Drug	1,000-1,999	Grocery Store
Sundance Resort	1,000-1,999	Hospitality

Source: Utah Department of Workforce Services

The preceding chart depicts the top employers in Utah County. Principal employers in the region are spread throughout different sectors including education healthcare/social assistance, and professional/scientific/ technical services. Brigham Young University is the top employer. A private research university located in Provo, owned and operated by The Church of Jesus Christ of Latter-day Saints, BYU is the country's largest religious university and the third-largest private university. The third largest employer is Utah Valley University. With a total of 5,000-6,999 employees, Utah Valley University is the largest institution of higher education in the state. The fourth largest employer is Utah Valley Regional Medical Center. The 395-bed not-for-profit hospital is part of the Intermountain Healthcare system and serves Utah County, central and southern Utah.

AIRPORT PORT STATISTICS

It is noted that the decrease in the number of enplaned passengers during 2020 and the resulting increase in 2021 is a result of COVID-19. The number of enplaned passengers reached a record high in 2023, nearly doubling from the prior year.

PROVO MUNICIPAL AIRPORT (PVU)		
YEAR	ENPLANED PASSENGERS	% CHG
2013	30,090	-
2014	62,011	106.1%
2015	65,303	5.3%
2016	78,451	20.1%
2017	91,581	16.7%
2018	80,106	(12.5%)
2019	110,279	37.7%
2020	77,217	(30.0%)
2021	118,740	53.8%
2022	211,741	78.3%
2023	415,197	96.1%

Source: U.S. Department of Transportation

Taxes

Property taxes are levied at the state and local level, based on assessed valuations established by elected county assessors and, in the case of certain properties, by the State Tax Commission's Property Tax Division. The amount of taxes paid is based on the tax rate applied against the taxable value of the property.

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Tax rates are set by local entities (counties and towns, school districts, and special taxing districts) and approved by the Property Tax Division. Effective tax rates range from 0.86% to 2.2% in 2014.

State Income Tax is based on 5% of every dollar of income earned. Utah has sales and use tax for retail sales of tangible personal property and select services such as admissions to places of amusement, intrastate transportation service, hotel and motel accommodations, and certain other goods and services. Rates for sales and use tax within each municipality vary between 5.95% and 8.35% of purchase price. Additional local sales taxes for specific goods also exist.

The restaurant tax is an additional 1%. The motor vehicle rental tax of 2.5% is applied statewide with an additional tax of 3% in Duchesne, Grand, and Uintah counties and 7% in Davis, Morgan, Salt Lake, Sevier, Washington, and Weber counties.

Local taxes, in addition to sales taxes from room rates, vary from 3 to 4.5%. Municipal energy sales and use tax rates, when charged, varies from 1% to 6%. A general sales tax of up to 1.5% is applied in 12 resort communities.

The state of Utah taxes all corporations' net income, which has been determined by law to be allocable to the state. Utah has the three factors-sales, payroll and property-to equally apportion federal taxable income. The corporate franchise tax rate is 5% of net taxable income. Minimum tax for state banks and corporations is $100.

Employers must pay on the first $21,400 of wages paid to each employee during the calendar year. Unemployment tax rates vary from 0.1% to 8.1% of taxable payroll, depending on unemployment experience and type of industry.

Utah's free port law is among the most liberal inventory tax laws in the country. Goods used by retailers, wholesalers, or manufacturers for processing and sale in Utah are exempt from ad valorem taxes.

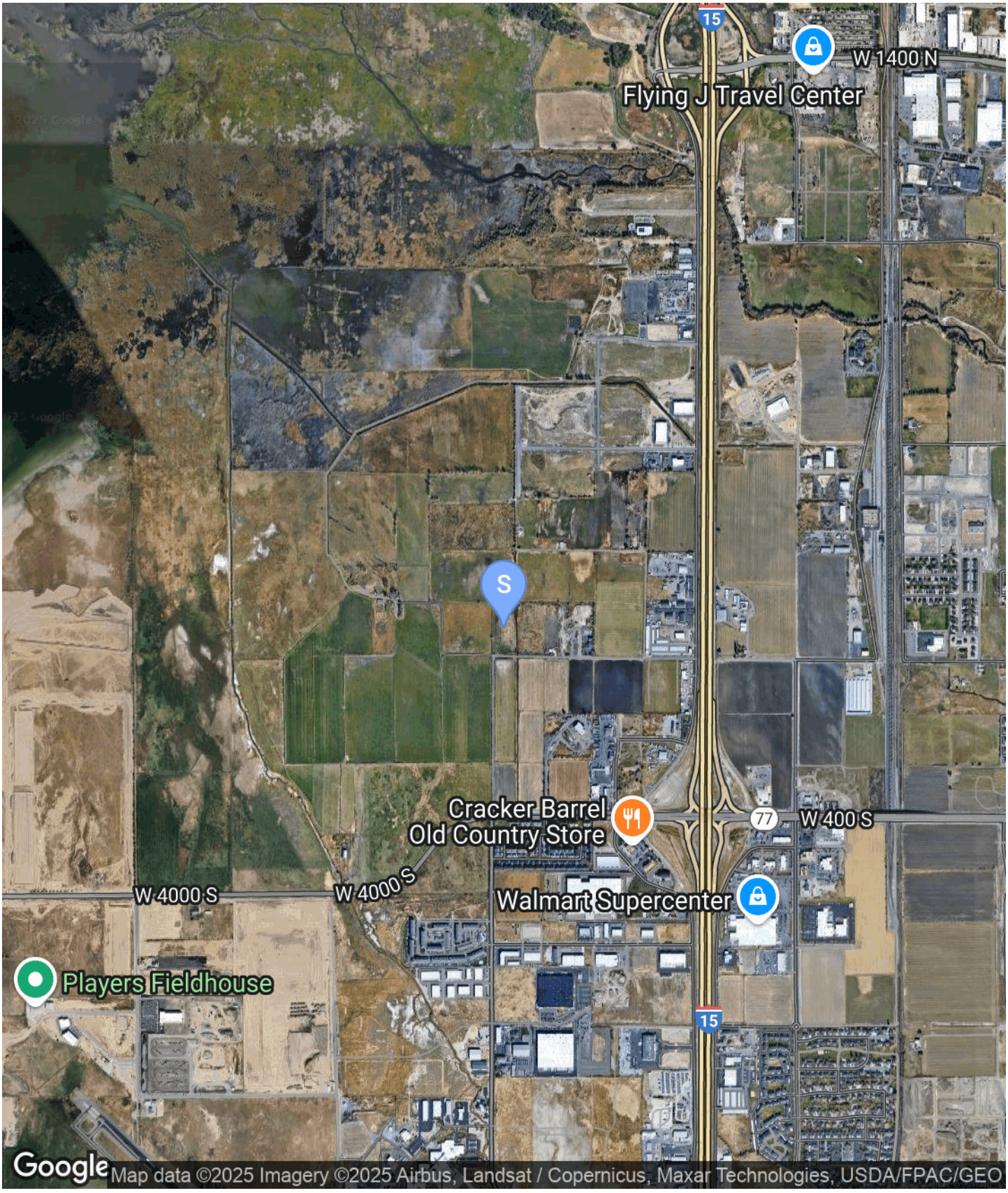
Salt Lake, a customs port city, offers a foreign trade zone. The service allows duties to be deferred or reduced.

Motor vehicles have a uniform fee in lieu of property tax based on the model year of the vehicle. The fee ranges from $10 to $150, depending on the age of the vehicle.

SUMMARY

The Provo-Orem Metropolitan Statistical Area benefits from a strong economy supported by education, healthcare, tourism, and recreational sectors. The county’s natural attractions are a competitive advantage for the region’s economy and will play a vital role in the future economic health and prosperity of the region. It is anticipated that the Provo-Orem MSA will continue to be a part of a growing regional economy, thus supporting positive trends for multi-family developments in the area. Economic growth across the Wasatch Front is projected to outpace the national average over the forecast horizon due to these factors.

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W 1400 N
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Cracker Barrel
Old Country Store
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W 400 S
W 4000 S
W 4000 S
Walmart Supercenter
Players Fieldhouse
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Google
Map data ©2025 Imagery ©2025 Airbus, Landsat / Copernicus, Maxar Technologies, USDA/FPAC/GEO

INTRODUCTION

In this section of the report, we provide details about the local area and describe the influences that bear on the real estate market as well as the subject property. A map of the local area is presented on the prior page. Below are insights into the local area based on fieldwork, interviews, demographic data and experience working in this market.

LOCAL AREA PROFILE

The subject property is located in Springville, Utah, within Utah County. Springville is located on the west side of the Wasatch Mountain Range, about 3 miles east of Utah Lake's shoreline and mostly east of Interstate 15. Its strategic location near a key interstate hub facilitates vehicular traffic transporting goods in all directions. Known as "Art City," Springville has a strong focus on the arts and is home to the Springville Museum of Art, Utah's oldest visual fine arts museum, established in 1937. As of the 2020 United States Census, the city's population was 35,268.

DEMOGRAPHIC PROFILE

Below is a demographic study of the area, sourced by *Esri ArcGIS*®, an on-line resource center that provides information used to analyze and compare the past, present, and future trends of properties and geographical areas. Please note that our demographics provider sets forth income projections in constant dollars which, by definition, reflect projections after adjustment for inflation. We are aware of other prominent demographic data providers that project income in current dollars, which do not account for inflation. A simple comparison of projections for a similar market area made under the constant and current dollar methodologies can and likely will produce data points that vary, in some cases, widely. Further, all forecasts, regardless of demographer methodology(ies), are subjective in the sense that the reliability of the forecast is subject to modeling and definitional assumptions and procedures.

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LOCAL AREA DEMOGRAPHICS

DESCRIPTION	1 MILE	3 MILES	5 MILES	DESCRIPTION	1 MILE	3 MILES	5 MILES
POPULATION				**AVERAGE HOUSEHOLD INCOME**			
2010 Population	941	17,888	97,305	2024	$108,018	$103,163	$106,811
2020 Population	1,234	22,513	113,460	2029	$124,527	$122,789	$126,092
2024 Population	1,185	24,182	120,831	Change 2024-2029	15.28%	19.02%	18.05%
2029 Population	1,165	25,161	131,142	**MEDIAN HOUSEHOLD INCOME**			
Change 2010-2020	31.14%	25.86%	16.60%	2024	$77,328	$84,104	$83,400
Change 2020-2024	(3.97%)	7.41%	6.50%	2029	$91,519	$101,298	$100,819
Change 2024-2029	(1.69%)	4.05%	8.53%	Change 2024-2029	18.35%	20.44%	20.89%
NUMBER OF HOUSEHOLDS				**PER CAPITA INCOME**			
2010 Households	276	5,281	28,674	2024	$35,822	$31,393	$32,615
2020 Households	522	6,781	34,142	2029	$42,382	$38,279	$39,730
2024 Households	513	7,386	36,930	Change 2024-2029	18.31%	21.93%	21.82%
2029 Households	518	7,882	41,364	**HOUSEHOLDS BY INCOME (2022)**			
Change 2010-2020	89.13%	28.40%	19.07%	Less than $15,000	1.47%	4.74%	6.61%
Change 2020-2024	(1.72%)	8.92%	8.17%	$15,000 - $24,999	3.91%	6.58%	6.28%
Change 2024-2029	0.97%	6.72%	12.01%	$25,000 - $34,999	5.62%	5.62%	6.30%
HOUSING UNITS				$35,000 - $49,999	8.80%	12.85%	11.85%
Owner Occupied	290	5,171	23,231	$50,000 - $74,999	35.21%	18.13%	17.63%
Renter Occupied	223	2,215	13,699	$75,000 - $99,999	9.05%	18.01%	15.88%
HOUSING UNITS BY YEAR BUILT				$100,000 - $149,999	27.14%	20.78%	19.76%
Built 2020 or Later	26	67	383	$150,000 - $199,999	2.93%	7.71%	8.60%
Built 2010 to 2019	203	1,142	4,920	$200,000 or More	5.62%	5.59%	7.10%
Built 2000 to 2009	86	1,818	6,267	**HOUSING BY UNITS IN STRUCTURE**			
Built 1990 to 1999	40	1,074	6,669	1, Detached	141	3,880	20,896
Built 1980 to 1989	25	336	3,294	1, Attached	55	1,004	3,862
Built 1970 to 1979	38	819	4,961	2	5	202	1,791
Built 1960 to 1969	0	304	1,873	3 or 4	38	429	2,346
Built 1950 to 1959	5	333	2,146	5 to 9	104	298	1,665
Built 1940 to 1949	7	217	1,844	10 to 19	35	323	1,886
Built 1939 or Earlier	24	555	3,382	20 to 49	65	278	1,660
HOME VALUES				50 or More	10	12	888
Average	$482,646	$545,464	$576,896	Mobile Home	2	238	743
Median	$358,333	$480,273	$526,859	Boat, RV, Van, etc.	0	0	1
Built 1939 or Earlier	24	555	3,382	Boat, RV, Van, etc.	0	0	1

Source: Esri ArcGIS®

Transportation Routes

Major traffic arteries are shown in the chart below:

MAJOR ROADWAYS & THOROUGHFARES

HIGHWAY	DIRECTION	FUNCTION	DISTANCE FROM SUBJECT
I-15	north-south	Interstate Highway	This is within a mile of the subject property.
SURFACE STREETS	**DIRECTION**	**FUNCTION**	**DISTANCE FROM SUBJECT**
Center Street	east-west	Secondary Arterial	The subject property fronts this street.
400 South	east-west	Primary Arterial	This is within a mile of the subject property.

Economic Factors

Springville's largest employers include Stouffer Foods Corporation, with over 500 employees, and Valtek, which has more than 400 employees. Over the last few years Springville has seen a massive amount of development, which primarily includes residential and industrial development.

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Community Services

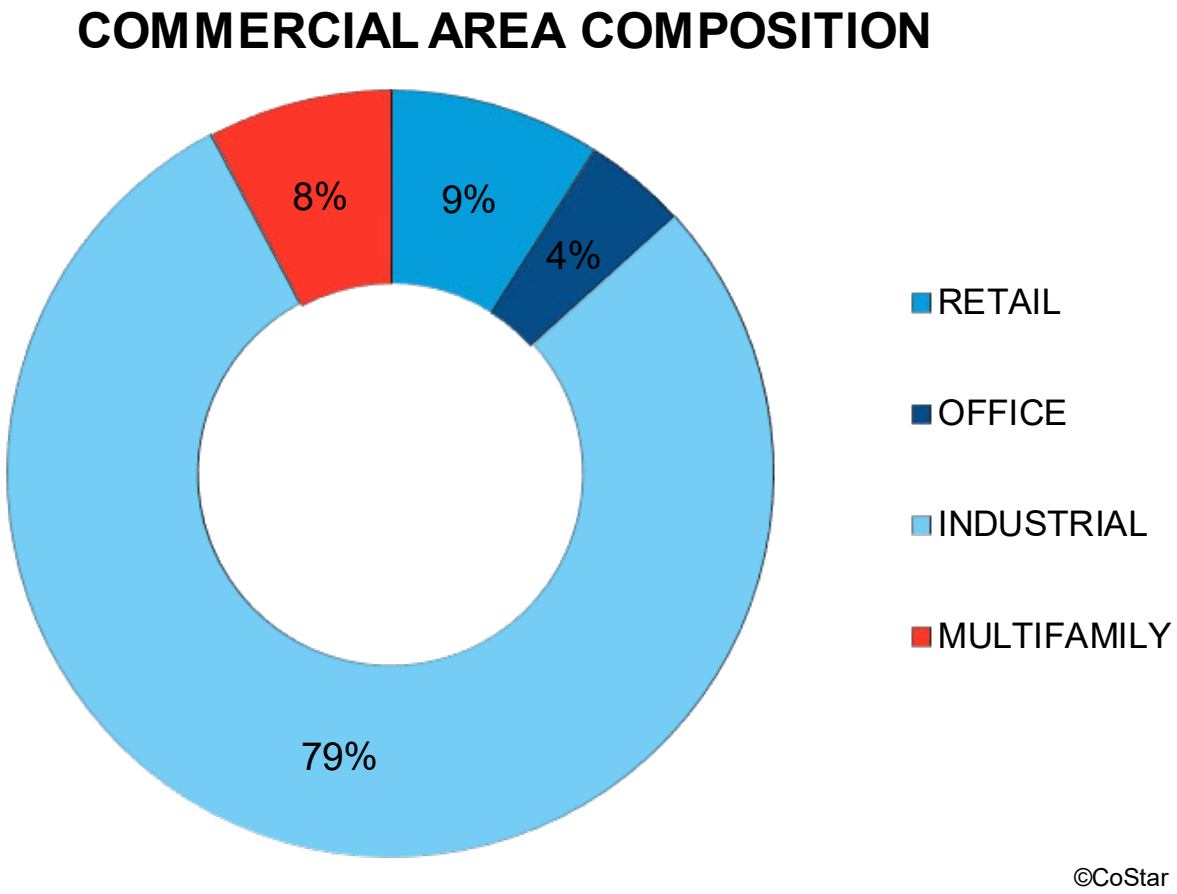
Community services and facilities are readily available in the surrounding area. These include public services such as fire stations, hospitals, police stations, and schools (all ages).

IMMEDIATE AREA PROFILE

This section discusses uses and development trends in the immediate area that directly impact the performance and appeal of the subject property.

Predominant Land Uses

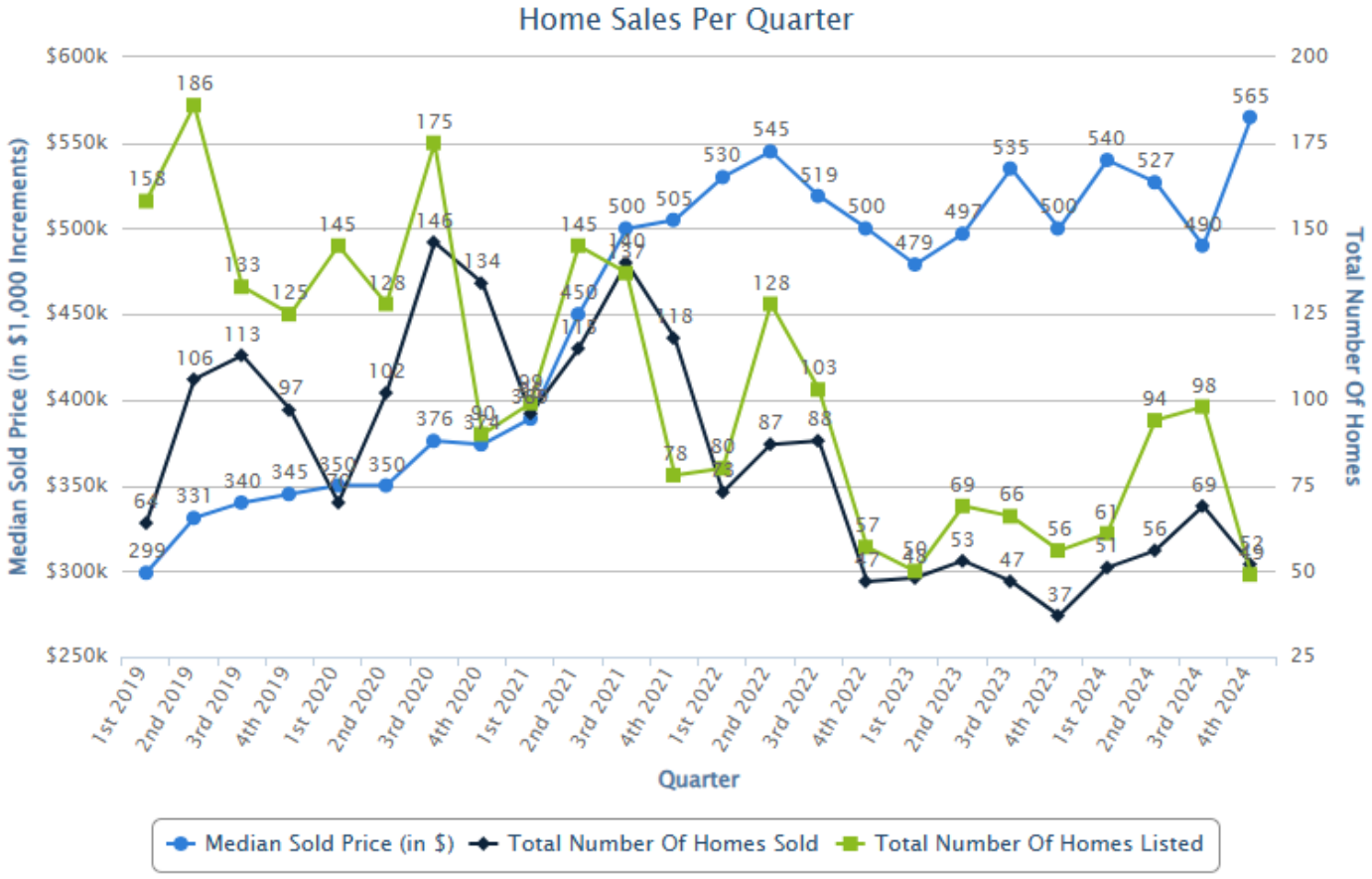
Significant development in the immediate area consists primarily of industrial and single family residential. The local area has a mix of commercial uses nearby and the composition is shown in the following graph.



©CoStar

Residential Development

Residential users in the immediate area are primarily single-family residential. According to the Utah MLS, median home sales prices consistently increased quarter after quarter from Q1 2019 to Q2 2022 before decreasing slightly through Q1 2023. Sales prices have been somewhat volatile since then but the area experienced a new high in median home sale prices during Q1 2024 with a median sold price of $565,000. The rise in home prices has coincided with a decline in available housing inventory. The table below depicts median home sale figures within the subject's zip code.



Multi-Family Development

The following chart shows a summary of multi-family data by type in the immediate area from CoStar.

MULTIFAMILY SUMMARY

CLASS	PROPERTIES	NRA (SF)	AVG YR BLT
A	1	50,000	2019
B	8	758,002	2016
C	16	298,921	1963
TOTAL	**25**	**1,106,923**	**1982**

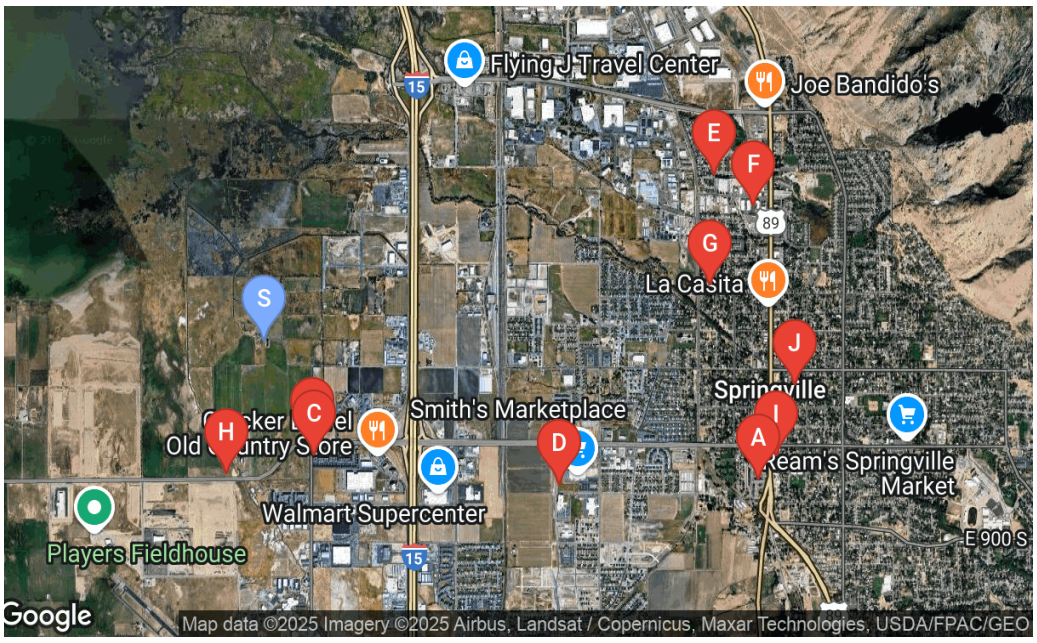
Source: CoStar

The three largest multi-family properties are at 67 West 600 South, 664 South 2600 West and 474 South 2550 West with an NRA of 190,212 SF, 175,887 SF and 148,545 SF that were built in 2021, 2014 and 1998, respectively. The closest large multi-family property in proximity to the subject is at 664 South 2600 West. The majority of properties were constructed after 2000. The following chart and map show the subject property and its location relative to the 10 largest multi-family properties in the immediate area from CoStar.

LARGEST MULTIFAMILY PROPERTIES

NAME	DISTANCE	MAP PIN	CLASS	NRA (SF)	STORIES	YEAR BUILT
Fox Ridge Condominiums	2.7 Miles	A	B	190,212	3	2021
Outlook Apartments	0.6 Miles	B	B	175,887	3	2014
Brookline	0.6 Miles	C	B	148,545	2	1998
The Gallery	1.7 Miles	D	B	114,398	3	2024
Oakbrook Park	2.5 Miles	E	C	100,000	0	1970
Art City Center	2.7 Miles	F	B	76,372	4	2018
Multifamily Building	2.4 Miles	G	C	75,000	0	-
Village on 4th	0.7 Miles	H	A	50,000	3	2019
Multifamily Building	2.8 Miles	I	B	26,000	4	2015
Riverwalk Flats	2.8 Miles	J	C	25,700	3	1975

Source: CoStar



Retail Development

The following chart shows a summary of retail data by type in the immediate area from CoStar.

RETAIL SUMMARY

TYPE	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
General Retail	163	1,287,358	1972	98.9	$39.00
TOTAL	**163**	**1,287,358**	**1972**	**98.9**	**$39.00**

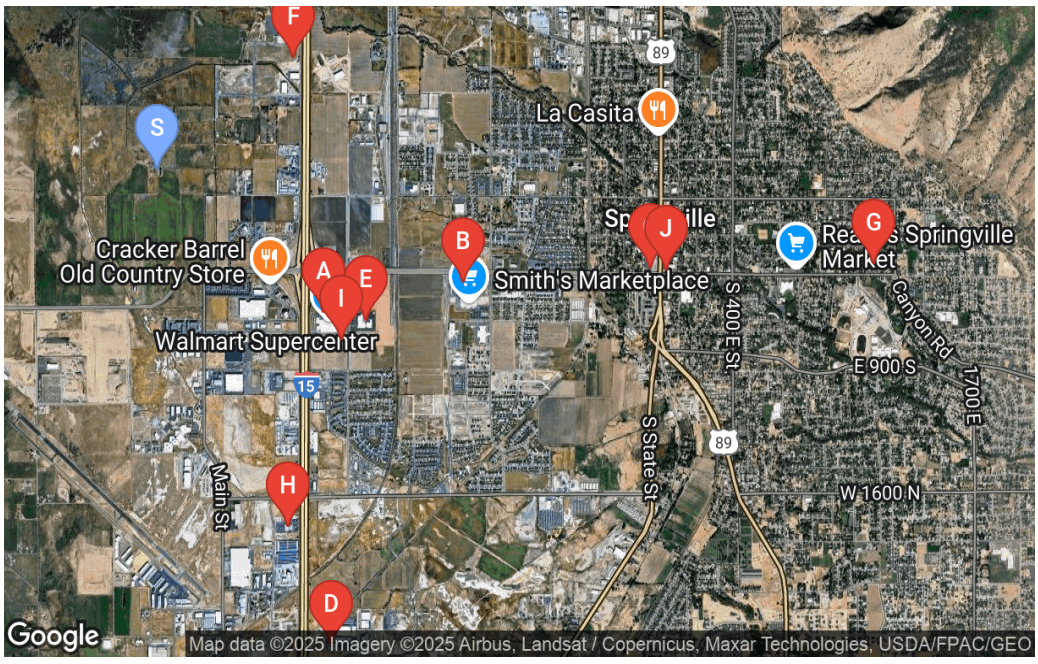
Source: CoStar

The three largest retail properties are at 660 South 1750 West, 1117 West 400 South and 340-380 South Main Street with an NRA of 204,596 SF, 120,000 SF and 75,180 SF that were built in 2001, 2017 and 1982, respectively. The closest large retail property in proximity to the subject is at 751 North 2000 West with an NRA of 45,250 SF that was built in 2021. The majority of properties were constructed after 2000. The following chart and map show the subject property and its location relative to the 10 largest retail properties in the immediate area from CoStar.

LARGEST SHOPPING CENTERS

NAME	DISTANCE	MAP PIN	TYPE	NRA (SF)	% LEASED	YEAR BUILT
Wal-Mart Supercenter	1.2 Miles	A	General Retail	204,596	100.0	2001
Springville Marketplace	1.7 Miles	B	Community Center	120,000	100.0	2017
Retail Building	2.7 Miles	C	General Retail	75,180	90.9	1982
Retail Building	2.6 Miles	D	General Retail	66,000	100.0	2006
Deseret Industries Thirft Store	1.4 Miles	E	General Retail	50,000	100.0	2016
Retail Building	0.9 Miles	F	General Retail	45,250	100.0	2021
Springville Marketplace	3.9 Miles	G	Community Center	37,400	100.0	2023
Retail Building	2.0 Miles	H	General Retail	26,625	100.0	2003
Retail Building	1.3 Miles	I	General Retail	23,666	100.0	2015
Retail Building	2.8 Miles	J	General Retail	21,558	100.0	1980

Source: CoStar



Office Development

The following chart shows a summary of office data by class in the immediate area from CoStar.

OFFICE SUMMARY

CLASS	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
A	1	84,511	2002	100.0	-
B	33	414,577	1999	98.0	$15.86
C	15	115,744	1982	100.0	$10.00
TOTAL	**49**	**614,832**	**1994**	**98.7**	**$14.03**

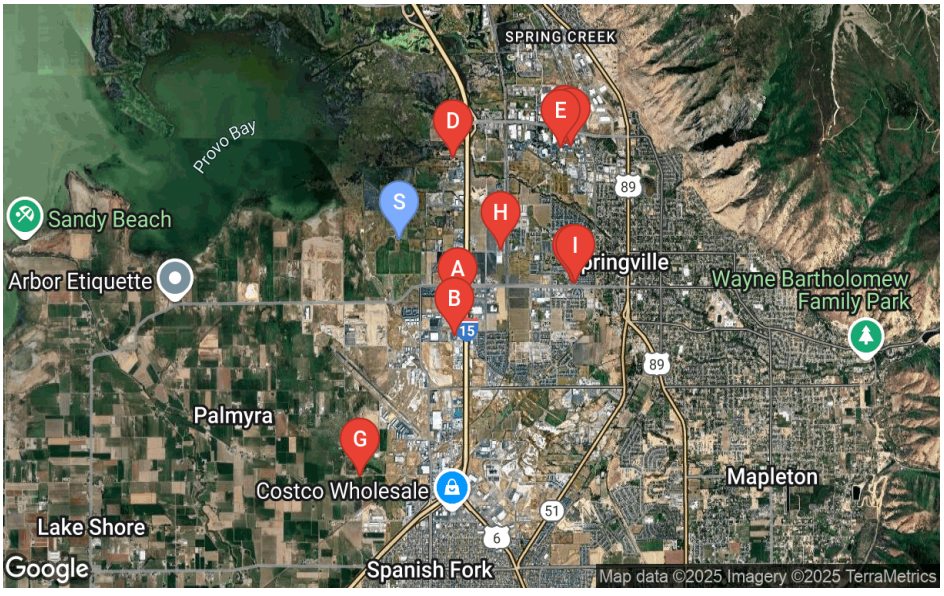
Source: CoStar

The three largest office properties are at 588 South 2000 West, 926-940 South 2000 West and 786 West 1200 North with an NRA of 84,511 SF, 79,188 SF and 38,000 SF that were built in 2002, 2001 and 2002, respectively. The closest large office property in proximity to the subject is at 588 South 2000 West. The majority of properties were constructed after 2000. The following chart and map show the subject property and its location relative to the 10 largest office properties in the immediate area from CoStar.

LARGEST OFFICE BUILDINGS

NAME	DISTANCE	MAP PIN	CLASS	NRA (SF)	% LEASED	YEAR BUILT
Springville Office	1.0 Miles	A	A	84,511	100.0	2002
MAPLE VIEW PLAZA	1.3 Miles	B	B	79,188	100.0	2001
Office Building	2.2 Miles	C	C	38,000	100.0	2002
Office Building	1.1 Miles	D	B	33,000	68.2	2012
River Bend Park	2.2 Miles	E	B	23,200	100.0	1987
Spring Creek Place	2.3 Miles	F	B	20,455	100.0	2006
Office Building	2.7 Miles	G	B	19,916	68.4	2024
Office Building	1.2 Miles	H	B	17,856	100.0	2009
Office Building	2.1 Miles	I	B	15,000	100.0	2014
Office Building	2.1 Miles	J	B	15,000	100.0	2013

Source: CoStar



Industrial Development

The following chart shows a summary of industrial data by type in the immediate area from CoStar.

INDUSTRIAL SUMMARY

TYPE	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
Industrial	193	9,591,382	2003	96.0	$13.50
Flex	47	1,705,273	2006	97.5	$14.71
TOTAL	**240**	**11,296,655**	**2004**	**96.3**	**$13.73**

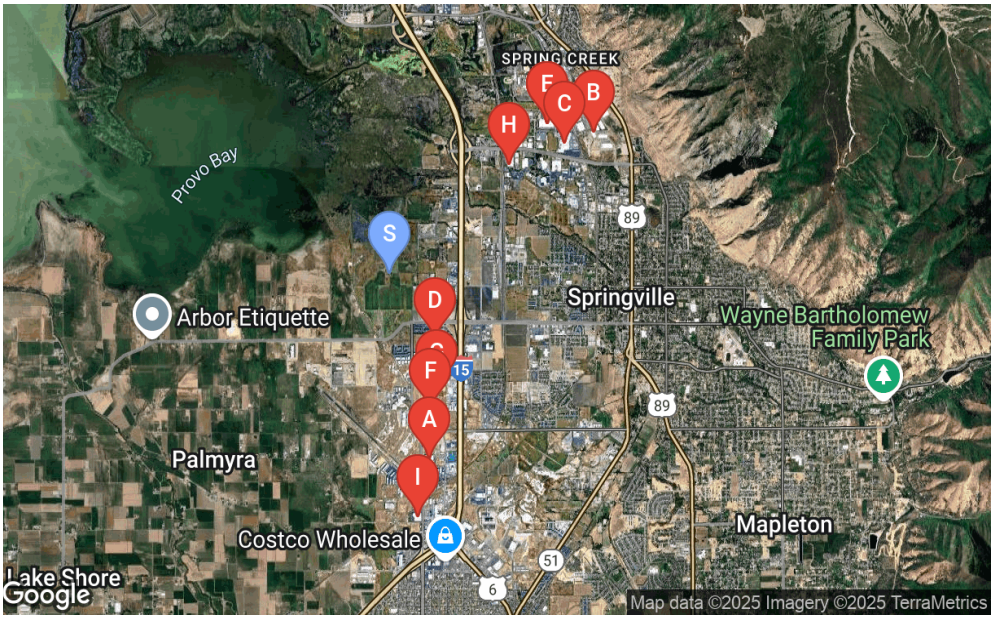
Source: CoStar

The three largest industrial properties are at 2200-2406 North Main Street, 3582 South Mountain Vista Parkway and 815 Raymond Klauck Way with an NRA of 616,928 SF, 600,090 SF and 401,512 SF that were built in 1989, 2016 and 1990, respectively. The closest large industrial property in proximity to the subject is at 530 South 2000 West with an NRA of 305,520 SF that was built in 1992. The majority of properties were constructed after 2000. The following chart and map show the subject property and its location relative to the 10 largest industrial properties in the immediate area from CoStar.

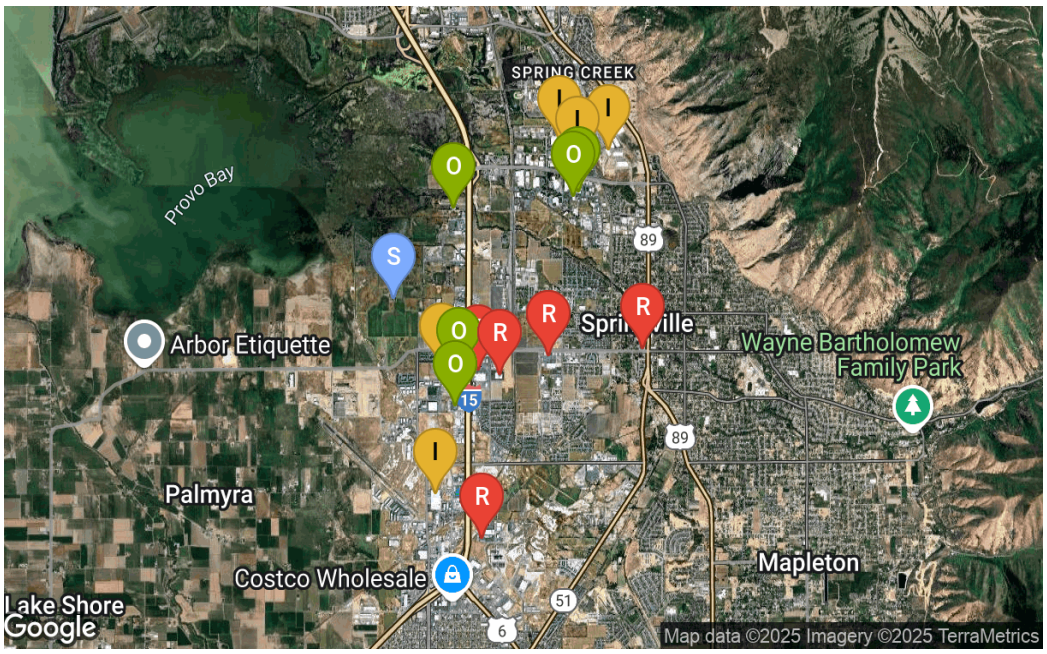
LARGEST INDUSTRIAL PROPERTIES

NAME	DISTANCE	MAP PIN	TYPE	NRA (SF)	% LEASED	YEAR BUILT
Industrial Building	2.0 Miles	A	Industrial	616,928	100.0	1989
Mountain Vista Business Park	2.7 Miles	B	Flex	600,090	100.0	2016
Industrial Building	2.4 Miles	C	Industrial	401,512	100.0	1990
Industrial Building	0.9 Miles	D	Industrial	305,520	100.0	1992
PowerHouse Industrial	2.4 Miles	E	Industrial	292,791	100.0	2023
Spanish Springs Industrial Park	1.5 Miles	F	Industrial	280,980	0.0	2023
Spanish Springs Industrial Park	1.4 Miles	G	Industrial	280,800	100.0	2021
Industrial Building	1.8 Miles	H	Industrial	278,000	100.0	2005
Industrial Building	2.6 Miles	I	Industrial	270,000	100.0	1977
PowerHouse Industrial	2.4 Miles	J	Industrial	265,435	100.0	2022

Source: CoStar



The following map shows the subject property and the five largest retail, office, and industrial properties in the immediate area from CoStar.



SUBJECT PROPERTY ANALYSIS

The following discussion draws context and analysis on how the subject property is influenced by the local and immediate areas.

Subject Property Analysis

The uses adjacent to the property are noted below:

- **North -** Vacant Land
- **South -** Center Street, Vacant Land
- **East -** Vacant Land
- **West -** 2600 West, Vacant Land

Access

The larger parcel has frontage on Center Street which is a low traffic connector street in this location. Based on our field work, the subject's access is rated average compared to other properties with which it competes.

Visibility

The subject is clearly visible in both directions along the street. The visibility of the property is not hampered by adjacent properties, trees or other obstructions. In comparison to competitive properties, the subject property has average visibility.

Subject Conclusion

Trends in the local and immediate areas, adjacent uses and the property's specific location features indicate an overall typical external influence for the subject, which is concluded to have a average position in context of competing properties.

SUMMARY

As of the effective date, the long-term outlook for Utah County remained highly optimistic. The county's young population, high birth rates, and strong in-migration trends contributed to sustained growth. The region's dynamic economy, supported by a skilled workforce and a strong entrepreneurial ecosystem, positioned it well for continued prosperity. Utah County's strategic investments in infrastructure and its appeal as a tech hub further reinforced its potential for future growth. Looking ahead, the market is expected to maintain stability over the next three years.

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SITE DESCRIPTION – LARGER PARCEL

The larger parcel is the property for which the condemnor is required to pay just compensation for damages. In determining the extent of the larger parcel, three tests are applied;

1. Unity of title;
2. Unity of use; and
3. Contiguity

Unity of title requires that the property be under the same ownership, or, at least under the beneficial control of a single individual or entity. Unity of use requires that the property have the same, or an integrated, highest and best use. Contiguity generally requires that the property be adjoining, although separation by a road or a right-of-way does not necessarily make a property non-contiguous.

We have determined the larger parcel for this assignment to be all of parcel 21-096-0004, which is owned by Lynn & Sharon Properties LLC. This parcel is all owned by the same entity, all has the same highest and best use and is contiguous.

General Description

The larger parcel consists of 1 parcel. As noted below, the subject site has 332,515 SF (7.63 AC) of land area. An estimated 0.22 acre lies in the existing road right-of-way. The area is estimated based on the assessor's parcel map, and may change if a professional survey determines more precise measurements. Going forward, our valuation analyses will utilize the usable site area. The following discussion summarizes the subject site size and characteristics.

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Assessor Parcel	21-096-0004
Number Of Parcels	1

Land Area	**Acres**	**Square Feet**
Primary Parcel	7.41	322,919
Unusable Land (Road ROW)	0.22	9,596
Excess Land	0.00	0
Surplus Land	0.00	0
Total Land Area	**7.63**	**332,515**

Shape	Rectangular - See Plat Map For Exact Shape
Topography	Level at street grade
Drainage	Assumed Adequate
Utilities	Municipal
Water	365' to the east in Center Street
Sewer	365' to the east in Center Street
Electricity	365' to the east in Center Street
Gas	Assumed to be 365' to the east
Telecommunications	Available in the street

Street Improvements	**Street**	**Direction**	**No. Lanes**	**Street Type**	Curbs	Sidewalks	Streetlights	Center Lane	Gutters
Center Street	Secondary Street	two-way	two-lane	connector street					
2600 West	Secondary Street	two-way	two-lane	connector street					

Frontage The subject has approximately 480 feet of frontage on Center Street. Center Street ends at the subject's southwest corner at 2600 West.

Accessibility The accessibility of the subject is rated as average. The subject is accessed from one street, with the main entrance and primary point of ingress/egress being Center Street. I-15 is a major transportation arterial within proximity to the subject, providing linkage to the surrounding area.

Views The subject has average views compared to other residential development sites in the area.

Water Rights According to the map provided by the Utah Division of Water Rights, there is no water right on the larger parcel.

Seismic The subject is in Very High Risk. The seismic zone factor (or Z factor) corresponds numerically to the effective horizontal peak bedrock acceleration (or equivalent velocity) that is estimated as a component of the design base shear calculation. In each seismic zone an earthquake-related event would create an effective peak bedrock acceleration of 0.1 times the force of gravity for Zone 1, 0.15 times the force of gravity for Zone 2A, 0.2 times the force of gravity for Zone 2B, 0.3 times the force of gravity for Zone 3 and 0.4 times the force of gravity for Zone 4. These values correspond to ground motion values with a 10% probability of being exceeded in 50 years.

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Flood Zone

Zone X (Unshaded). This is referenced by Community Number 490163, Panel Number 49049C0545F, dated June 19, 2020. Zone X (unshaded) is a Non-Special Flood Hazard Area (NSFHA) of minimal flood hazard, usually depicted on Flood Insurance Rate Maps (FIRM) as above the 500-year flood level. This is an area in a low to moderate risk flood zone that is not in any immediate danger from flooding caused by overflowing rivers or hard rains. In communities that participate in the National Flood Insurance Program (NFIP), flood insurance is available to all property owners and renters in this zone.

Site Rating

Overall, the subject site is considered a good residential development site in terms of its location, exposure, and access to employment, education and shopping centers, recognizing its location along a connector street.

Easements

A preliminary title report was not available for review. The Center Street right-of-way runs through the southern portion of site. Otherwise, no adverse easements or encumbrances were noted during inspection. This appraisal assumes that there is no negative value impact on the subject improvements. If questions arise regarding easements, encroachments, or other encumbrances, further research is advised.

Soils

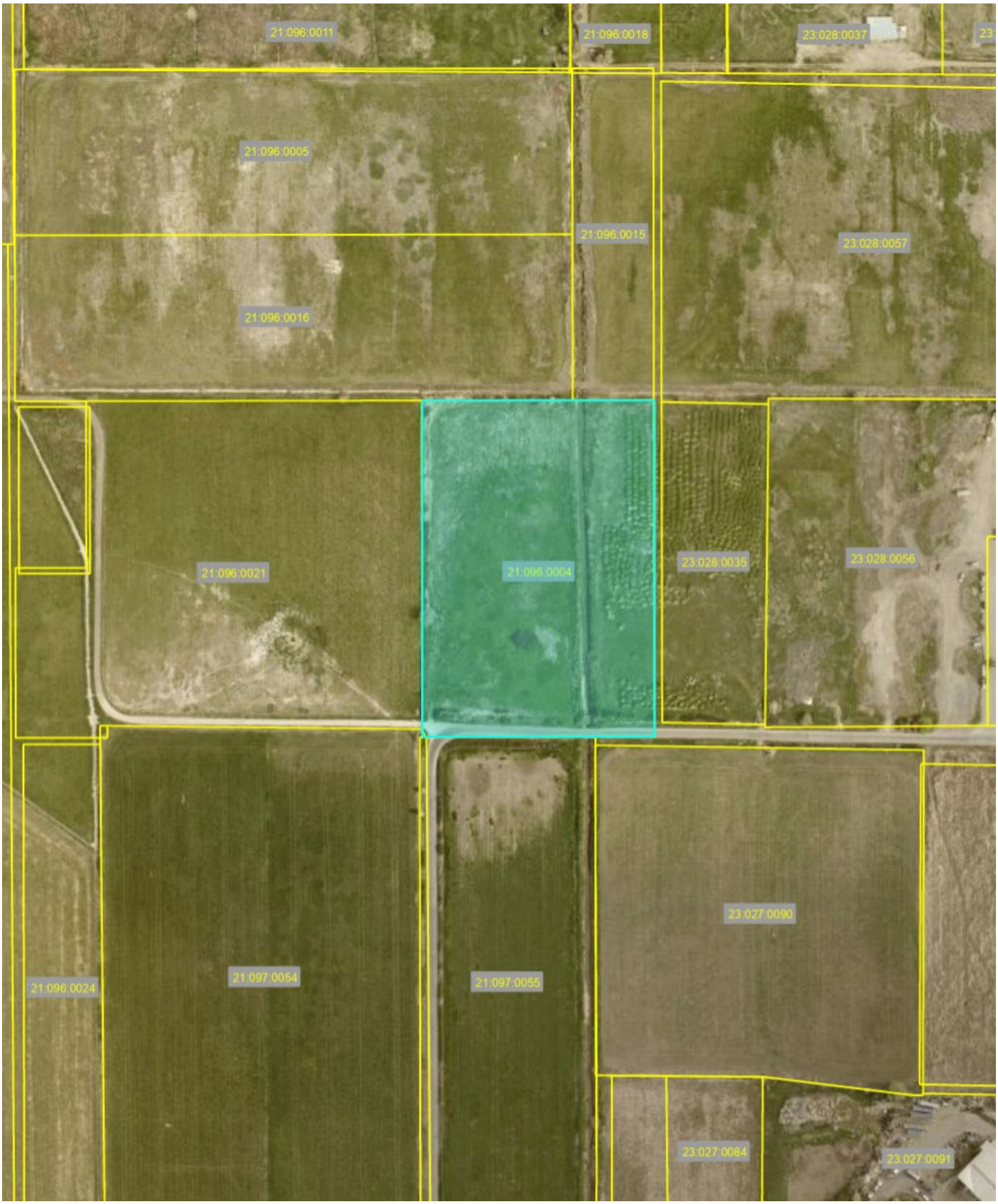
A soils analysis was not available for review. Based on the development of the subject, it appears the soils are stable and suitable for the existing improvements.

Hazardous Waste

We have not conducted an independent investigation to determine the presence or absence of toxins on the subject property. If questions arise, the reader is strongly cautioned to seek qualified professional assistance in this matter. Please see the Assumptions and Limiting Conditions for a full disclaimer.

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PLAT MAP

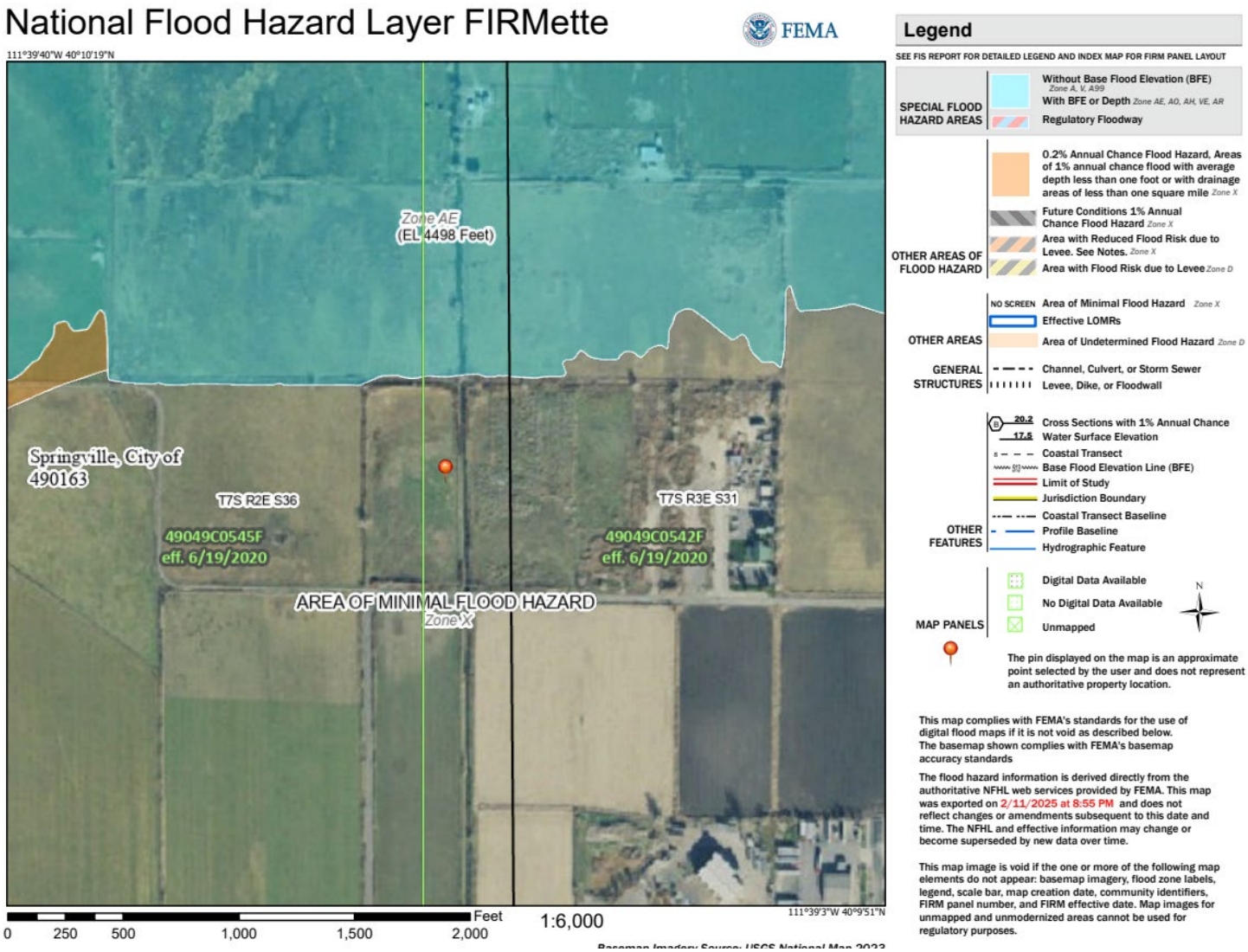


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ZONING MAP


SUBJECT LARGER PARCEL
A-1
RC
RC
R2
HC
SUVSWD Landfill/
Transfer Station

FLOOD MAP


National Flood Hazard Layer FIRMette
FEMA
111°39'40"W 40°10'19"N
Zone AE
(EL 4498 Feet)
Springville, City of
490163
T7S R2E S36
T7S R3E S31
49049C0545F
eff. 6/19/2020
49049C0542F
eff. 6/19/2020
AREA OF MINIMAL FLOOD HAZARD
Zone X
0 250 500 1,000 1,500 2,000 Feet
1:6,000
111°39'3"W 40°9'51"N
Basemap Imagery Source: USGS National Map 2023
Legend
SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT
SPECIAL FLOOD HAZARD AREAS
Without Base Flood Elevation (BFE) Zone A, V, A99
With BFE or Depth Zone AE, AO, AH, VE, AR
Regulatory Floodway
OTHER AREAS OF FLOOD HAZARD
0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X
Future Conditions 1% Annual Chance Flood Hazard Zone X
Area with Reduced Flood Risk due to Levee. See Notes. Zone X
Area with Flood Risk due to Levee Zone D
OTHER AREAS
NO SCREEN Area of Minimal Flood Hazard Zone X
Effective LOMRs
Area of Undetermined Flood Hazard Zone D
GENERAL STRUCTURES
Channel, Culvert, or Storm Sewer
Levee, Dike, or Floodwall
OTHER FEATURES
20.2 17.5 Cross Sections with 1% Annual Chance Water Surface Elevation
Coastal Transect
Base Flood Elevation Line (BFE)
Limit of Study
Jurisdiction Boundary
Coastal Transect Baseline
Profile Baseline
Hydrographic Feature
MAP PANELS
Digital Data Available
No Digital Data Available
Unmapped
N
The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.
This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards
The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 2/11/2025 at 8:55 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.
This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

INTRODUCTION

Assessment of real property is established by an assessor who is an appointed or elected official charged with determining the value of each property. The assessment is used to determine the necessary rate of taxation required to support the municipal budget. A property tax is a levy on the value of property that the owner is required to pay to the municipality in which it is situated. Multiple jurisdictions may tax the same property.

The subject property is located within Utah County. The assessed value and property tax for the current year are summarized in the following table.

ASSESSMENT & TAXES

Tax Year	2025				Tax Rate	1.00075%
Tax Rate Area	131				Taxes Current	Yes
APN	**LAND**	**IMPV**	**TOTAL**	**EXEMPTIONS**	**TAXABLE**	**BASE TAX**
21-096-0004	$340,700	$0	$340,700	$337,215	$3,485	$35
Totals	**$340,700**	**$0**	**$340,700**	**$337,215**	**$3,485**	**$35**
Total/Acre	**$44,632.21**	**$0.00**	**$44,632.21**	**$44,175.67**	**$456.54**	**$4.57**
Total Base Tax						**$35**

Source: Utah County Assessment & Taxation

SUBJECT PROPERTY ANALYSIS

The total assessment for the larger parcel is $340,700 or $44,632.21/Acre. The property benefits from an exemption in the amount of $337,215, reducing the taxable assessment to $3,485 or $456.54/Acre. Total taxes for the property are $35 or $4.57/Acre. If the property is developed it should be assumed that the greenbelt exemption will be removed. When a piece of real property is determined by the County Assessor's office as no longer qualifying for assessment under the FFA "Greenbelt" law, the Assessor is required to apply a rollback tax to the property. Land that is withdrawn from assessment under the FAA is subject to a rollback tax equal to the difference between:

- the amount of taxes that would have been charged under a market-based assessment, and
- the amount of taxes that were charged under the FAA assessment.

Once a property has been withdrawn from "Greenbelt" status, the Assessor calculates the rollback tax for each year the land was assessed under the FAA, going back no more than five years.

The Assessor provided a rollback tax estimate for the subject parcel of $15,230. The estimate is valid through March 24, 2025.

In Utah, taxes are calculated by multiplying the tax rate by the taxable value. The taxable value is calculated at 100% of the final value or market value for commercial properties and 55% for residential properties. All multifamily properties receive this exemption noted above for the subject. All property is reappraised annually, and Utah law requires a review of property characteristics once every five years. The last review of the subject property was in 2022. A sale of the subject does not necessarily trigger a reassessment. Utah is a non-disclosure state, so purchase prices are not known by the Assessor’s office. The final value is the reported market value of the property, as reported by the assessor’s offices. Tax rates are set by procedures established in the Utah Constitution. There are many different rates in Utah County, and they vary across the county depending on which school district, city, special service district, and etc. the property is located.

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INTRODUCTION

Zoning requirements typically establish permitted and prohibited uses, building height, lot coverage, setbacks, parking and other factors that control the size and location of improvements on a site. The zoning characteristics for the subject property are summarized below:

ZONING SUMMARY	
Municipality Governing Zoning	City of Springville Planning & Zoning Department
Current Zoning	Agricultural Zone (A-1)
Overlay District	**WESTFIELD AND LAKESIDE OVERLAY**
Purpose of Overlay District	The purpose of the Westfields and Lakeside Overlay Zones is to carry out the adopted policies of Springville City concerning the Westfields and Lakeside communities. This will help create attractive, diverse neighborhoods including a wide variety of attached and detached quality housing, along with opportunities for shopping and services all within reasonable walking distance for the majority of area residents.
Permitted Uses	Permitted uses within the agriculture zone generally include most agriculture uses and low density residential, as well as golf courses, religious facilities, and small residential facilities for elderly persons.
Prohibited Uses	Medium and high density residential and most commercial and
Current Use	Vacant
Is Current Use Legally Permitted?	Yes
Zoning Change	Anticipated

ZONING REQUIREMENTS	
Minimum Site Area (SF)	200,000 SF
Minimum Yard Setbacks	
Front (Feet)	30
Rear (Feet)	30
Side (Feet)	20
Maximum Site Coverage	50%
Maximum Building Height	35 Feet
Minimum Dwelling Unit Size	1,000 SF

Source: City of Springville Planning & Zoning Department

ZONING CONCLUSIONS

The subject is zoned Agriculture (A-1). The subject is located within the Westfields and Lakeside Overlay District, which allows for residential development. The purpose of the Westfields and Lakeside Overlay District is to carry out the adopted policies of Springville City to create attractive, diverse neighborhoods with a wide variety of attached and detached housing, as well as some shopping and services. The properties adjacent north of the subject, as well as directly northwest, southwest and southeast, are part of a proposed 152.47-acre development named Lakeside Village, which is in the early planning process. The current site plan for Lakeside Village calls for 887 single family and townhome lots, and 48 multifamily units with ground-floor retail. The overall density of Lakeside Village is approximately six units per acre. Based on a conversation with Carla Wiese with the Springville City Planning Department, the subject can be rezoned and developed to a higher density as called for in the overlay district. She could not say exactly what density would be approved, but indicated it would need to be harmonious with the surrounding Lakeside Village development.

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INTRODUCTION

As concluded ahead, the highest and best use of the subject site as-vacant is a mixed-use medium-density residential. Therefore, this section provides a brief study of residential supply/demand conditions for the Utah County Market and the Springville City submarket, market participant interviews, and transaction trends. We have also included a Multi-Family market analysis discussing the Utah County Submarket. These findings are used to support our conclusions for the competitive position, and exposure period of the subject site.

RESIDENTIAL MARKET ANALYSIS

Home Prices & Sales

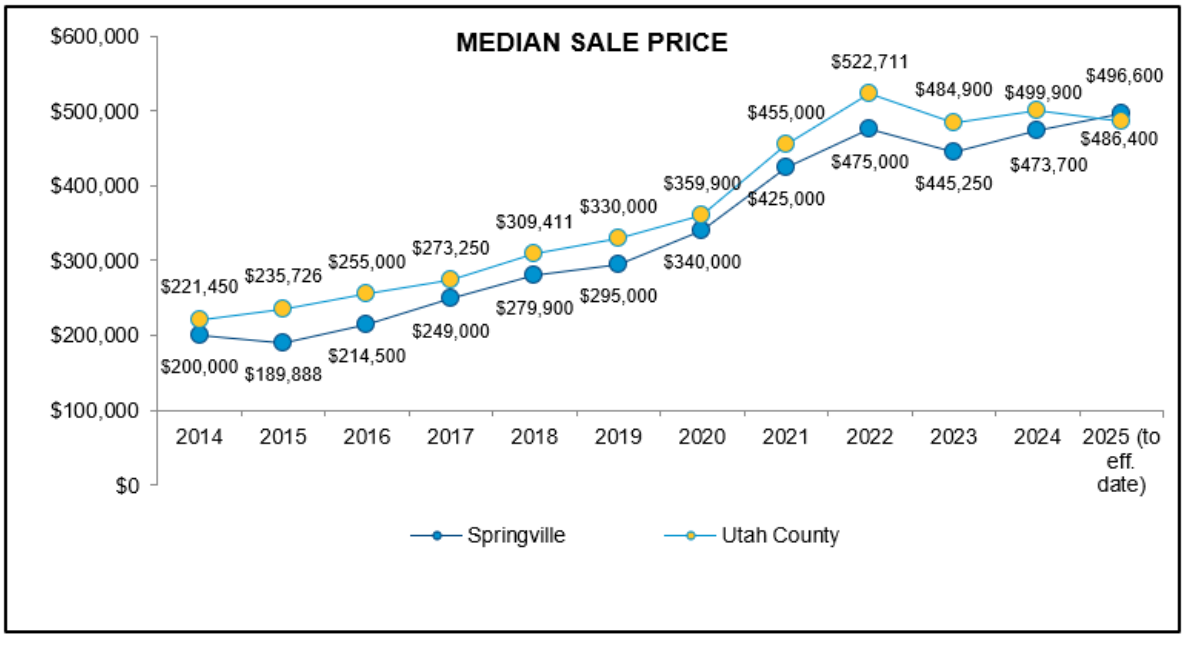
Median home prices have generally increased over the last ten years in both the city and county. As noted in the chart below, median prices in Springville have historically been slightly lower than the trend in pricing in Utah County. The table below summarizes historical median home prices and historical sales in the city and county from 2014 to 2025 Year-To-Date (YTD). The median combined days on the market (CDOM) is also included in the table. The chart below the table illustrates the trends in the median sale price of homes.

SINGLE-FAMILY HOME PRICES & SALES (2014 - YTD FEB 2025)

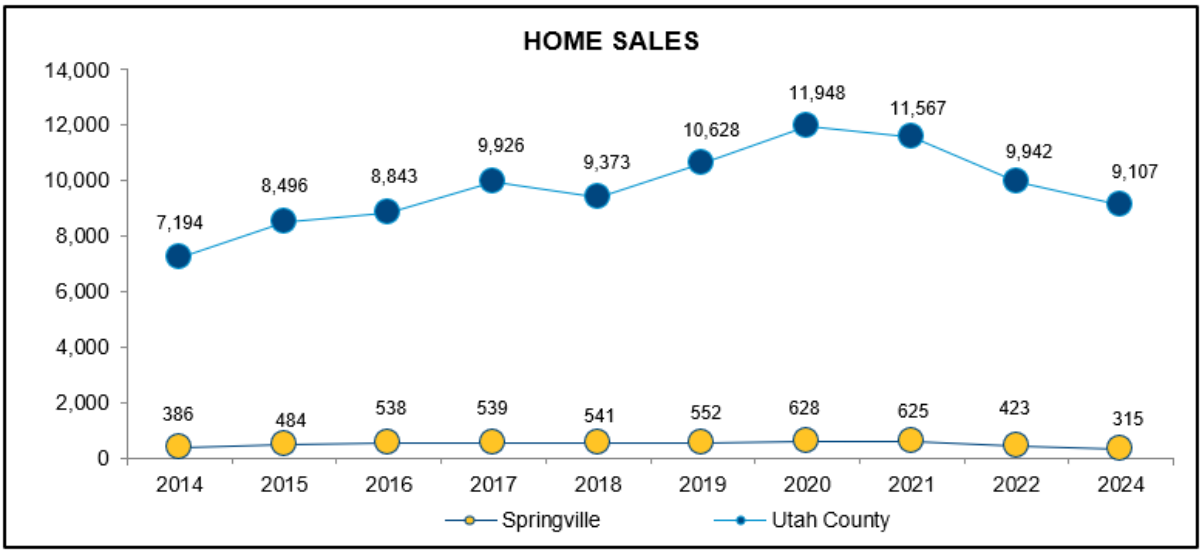
	Springville			Utah County		
Year	Median Price	No. Sold	Median CDOM	Median Price	No. Sold	Median CDOM
2014	$200,000	386	56	$221,450	7,194	46
2015	$189,888	484	21	$235,726	8,496	26
2016	$214,500	538	14	$255,000	8,843	17
2017	$249,000	539	15	$273,250	9,926	18
2018	$279,900	541	15	$309,411	9,373	19
2019	$295,000	552	21	$330,000	10,628	29
2020	$340,000	628	10	$359,900	11,948	14
2021	$425,000	625	7	$455,000	11,567	6
2022	$475,000	423	11	$522,711	9,942	11
2023	$445,250	304	31	$484,900	8,349	30
2024	$473,700	315	27	$499,900	9,107	31
2025 (to eff. date)	$496,600	22	102	$486,400	747	49

CDOM = Combined Days On Market

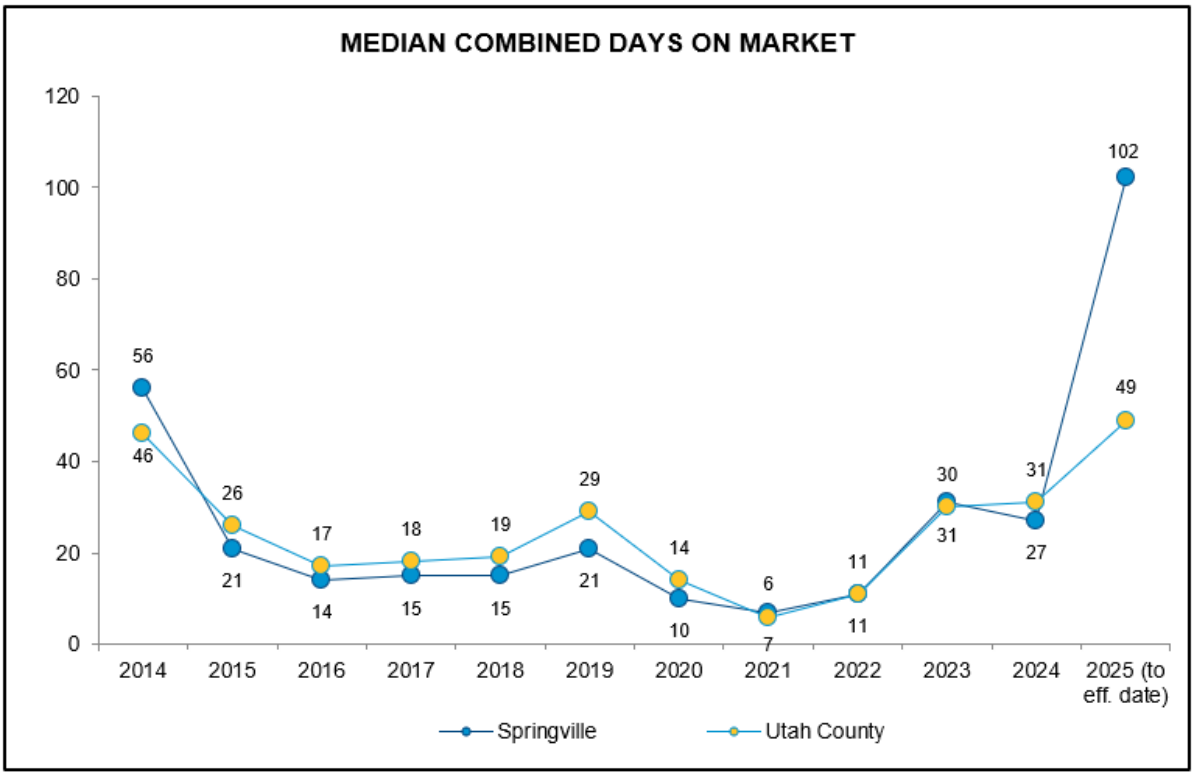
Source: Wasatch Front Regional MLS



The chart below depicts the number of home sales in Springville and Utah County from 2014 to YTD 2025. The number of home sales in the city has historically been significantly lower than in the county based on the smaller market area. The city experienced a ten-year high in the number of homes sold during 2020 with 628 homes sold. Utah County also experienced a ten-year high in number of homes sold in 2020 with 11,948 homes sold.



The chart below indicates the median CDOM for lot sales of the city and county.



Lot Prices & Sales

The table below summarizes the historical median lot prices and historical sales in Springville and Utah County from 2014 to YTD 2025. In addition, the median CDOM (Combined Days On Market) is indicated. The county and subject area indicate similar trends in increasing median lot prices over the past several years, however, lot prices in Springville have generally been lower than those in the county. The chart following the table below illustrates the historical lot prices.

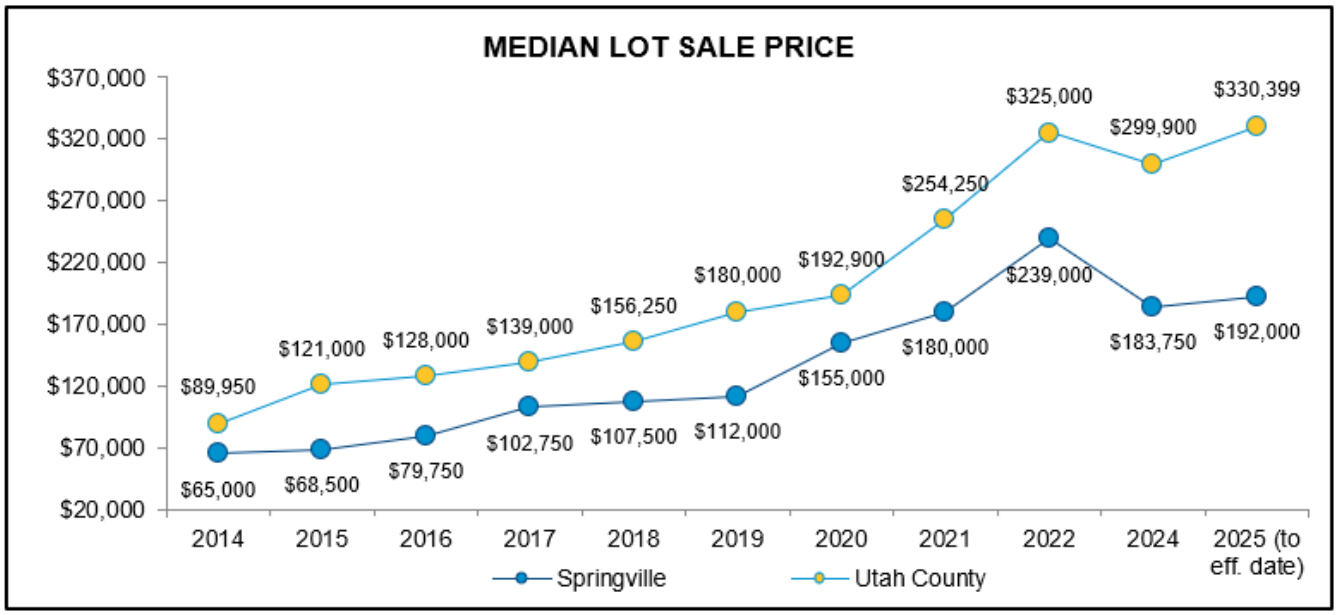
LOT PRICES & SALES (UP TO 1 ACRE, 2014 - YTD FEB 2025)

	Springville			Utah County		
Year	Median Price	No. Sold	Median CDOM	Median Price	No. Sold	Median CDOM
2014	$65,000	11	77	$89,950	334	98
2015	$68,500	13	68	$121,000	251	97
2016	$79,750	12	98	$128,000	303	148
2017	$102,750	14	89	$139,000	317	93
2018	$107,500	10	38	$156,250	378	101
2019	$112,000	10	175	$180,000	346	93
2020	$155,000	14	91	$192,900	506	126
2021	$180,000	27	26	$254,250	432	28
2022	$239,000	9	27	$325,000	301	36
2023	$180,500	12	61	$300,000	267	74
2024	$183,750	10	60	$299,900	316	90
2025 (to eff. date)	$192,000	2	75	$330,399	160	22

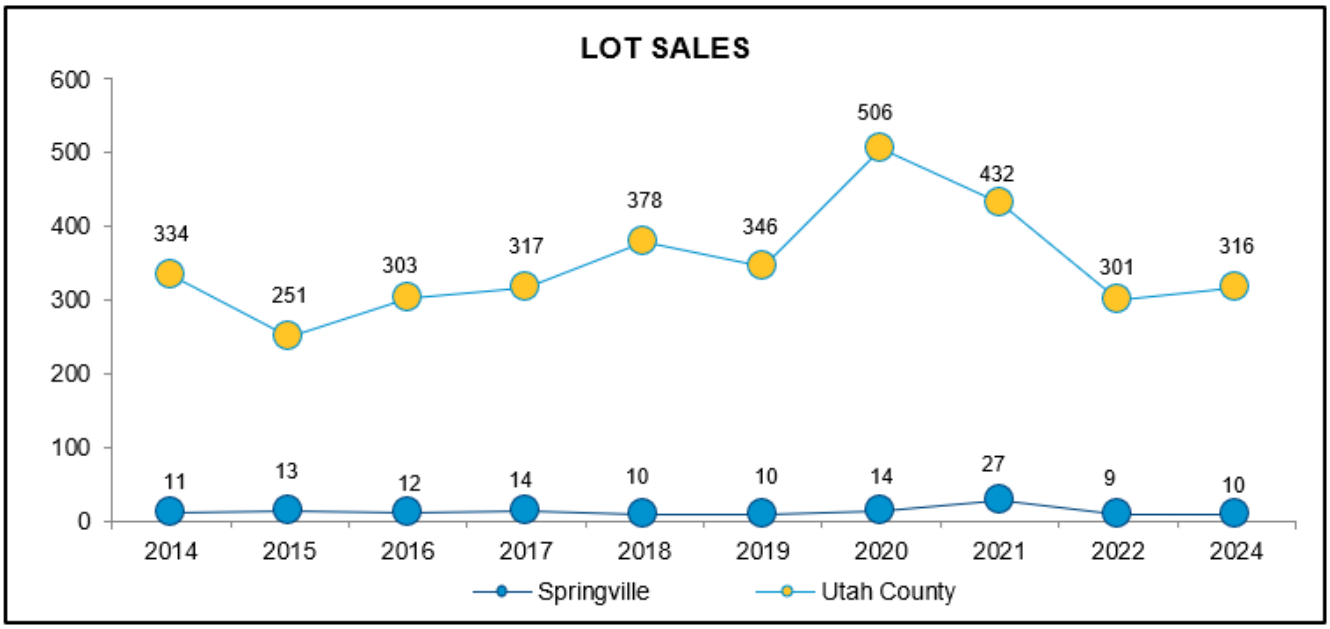
CDOM = Combined Days On Market

Source: Wasatch Front Regional MLS

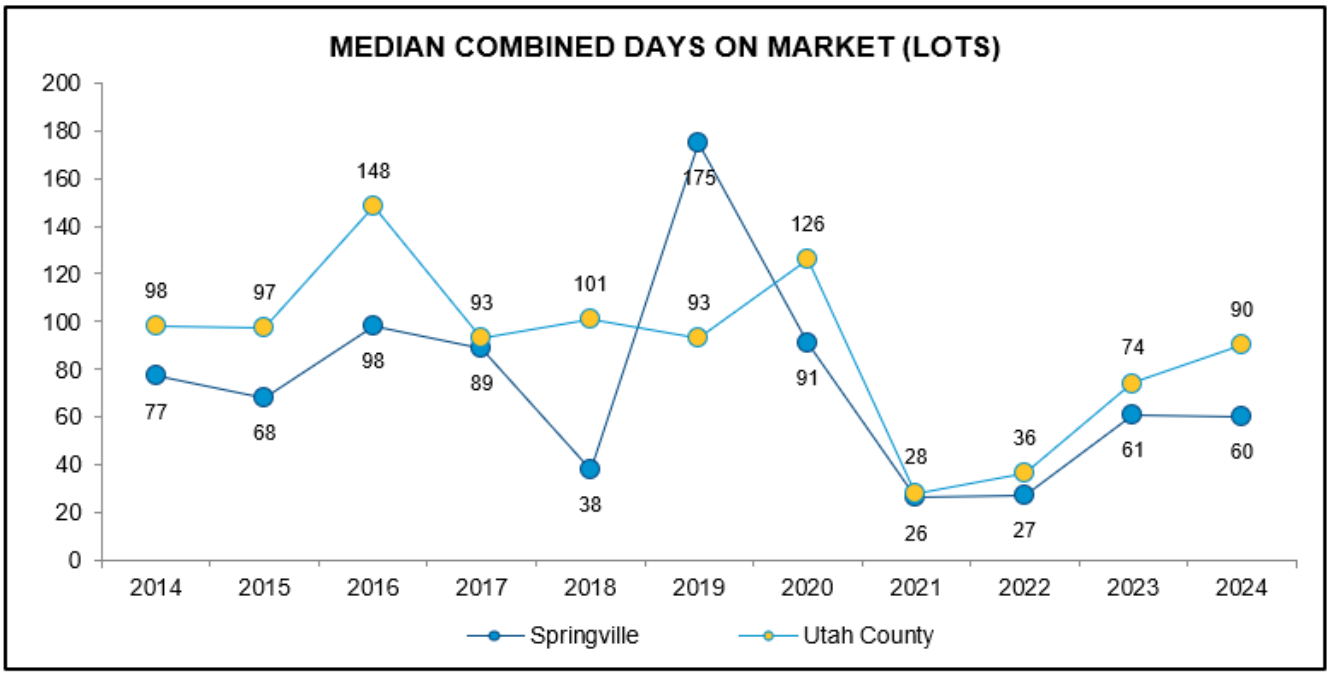
Median lot sale prices have increased quarter-over-quarter since 2014. The county reached a ten-year high in 2022 with a median lot price of $325,000. The city reached a ten-year high in 2022 with a median lot price of $239,000.



In Utah County, the number of lot sales peaked during 2020 with 506 lot sales. Springville experienced a ten-year high in 2021 with 27 lot sales.



The chart below indicates the median CDOM for lot sales of the city and county.



Inventory (Supply)

The amount of inventory or supply has played a major part in the residential home and lot market over the past few years throughout the region. The following table summarizes the current number of homes and lots on the market in Utah County and Springville. There are currently 1,486 homes listed on the market in Utah County with 49 of those homes in Springville, according to the local MLS. There are 278 lots listed on the market in Utah County with 12 of those located in Springville. There are currently 422 townhomes listed for sale in Utah County with 7 of those located in Springville.

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ACTIVE LISTINGS		
	Springville	**Utah County**
Single-Family Homes	49	1,486
Land/Lots	12	278
Townhomes	7	422
Total	**68**	**2,186**
Source: Wasatch Front Regional MLS		

Conclusion

Prices are likely to continue to increase in Utah County over the forecast horizon. As development proceeds and new homes are delivered to the market, there will be an increased demand for the subject property.

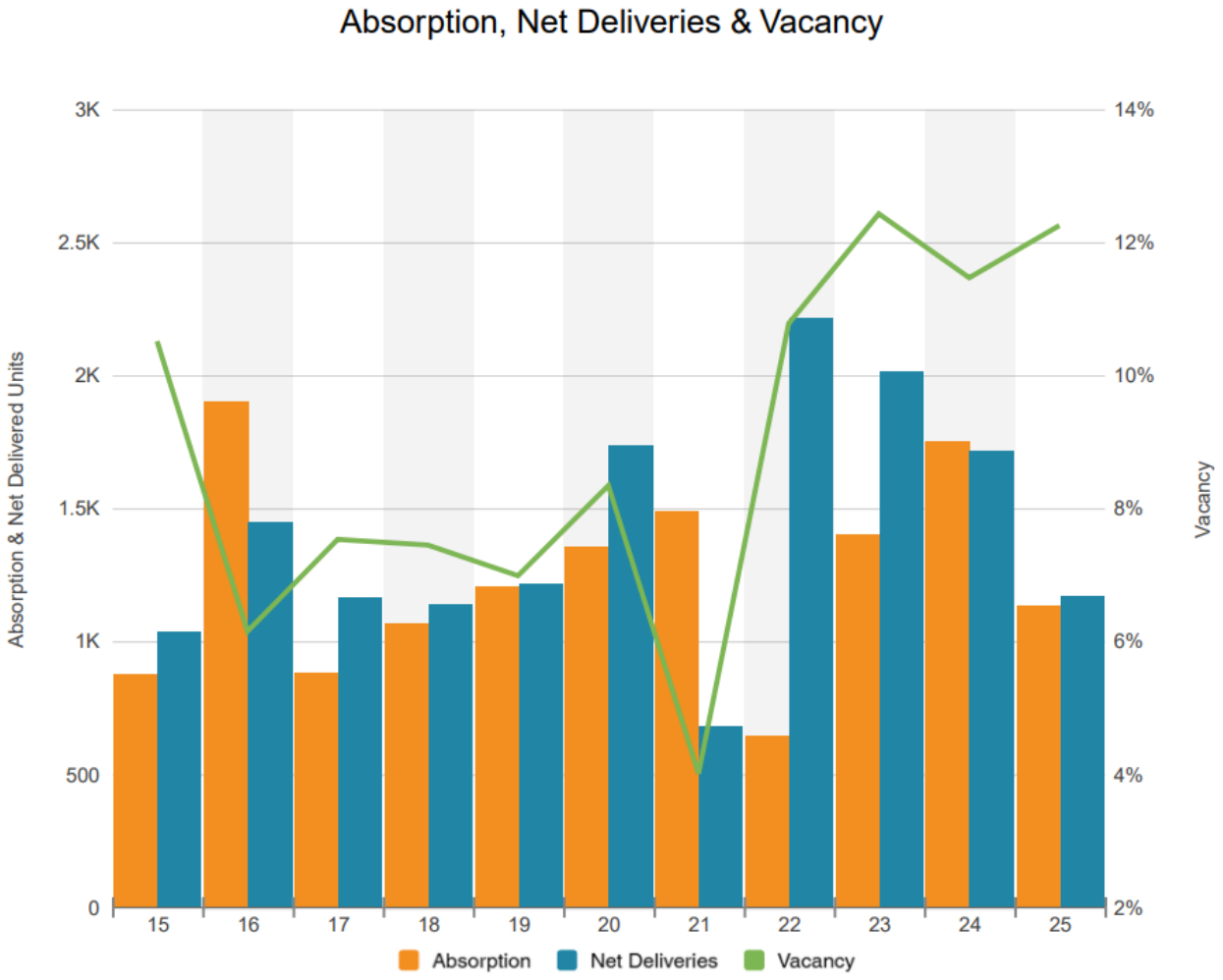
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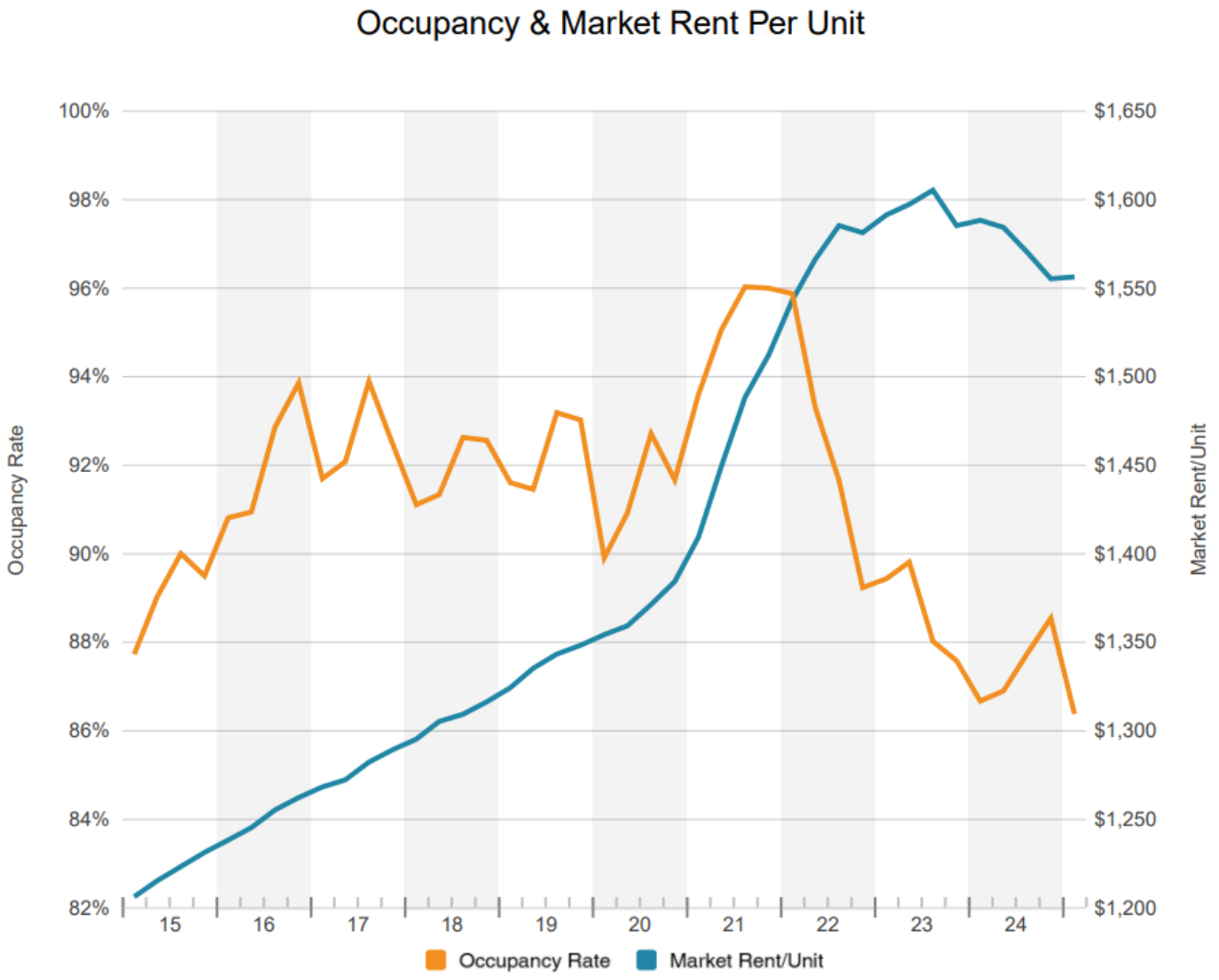
UTAH COUNTY APARTMENT MARKET

According to CoStar, multi-family rents decreased 1.6% from the prior period ($1,586 to $1,561 per unit per month). 2,412 apartment units are currently underway in the Utah County Market. Although employment has consistently remained positive, the area is currently experiencing the weakest job creation rate in the last 12 months. The vacancy rate declined to 11.5% in Q4 2024 from 12.3% in Q3 2024, but remains relatively high. Vacancy had increased each quarter during 2022 and most quarters during 2023. Effective rent growth increased from 2021 to 2022 before stagnating from 2023 through 2024. However, the area is anticipated to continue to out-perform other apartment markets as well as the nation overall over the long term.

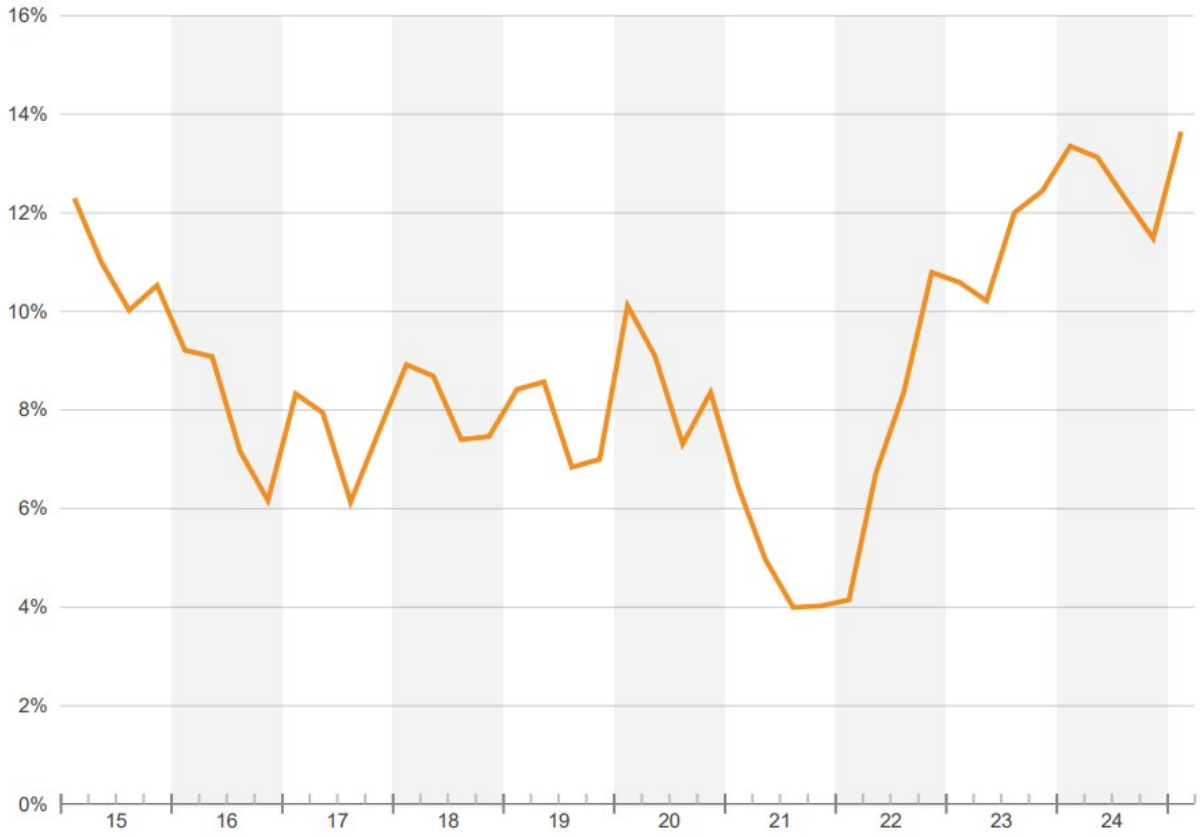
Vacancy

The vacancy rate in Utah County is currently 11.5% with strong leasing trends during the pandemic, and the forecast calls for more high-end, 4 & 5-star units to deliver. Vacancies for 4 & 5-star properties, where most of the new construction has been focused, are about 6.0%.




Occupancy & Market Rent Per Unit
100%
98%
96%
94%
92%
90%
88%
86%
84%
82%
Occupancy Rate
$1,650
$1,600
$1,550
$1,500
$1,450
$1,400
$1,350
$1,300
$1,250
$1,200
Market Rent/Unit
15
16
17
18
19
20
21
22
23
24
Occupancy Rate
Market Rent/Unit

Vacancy Rate



SUMMARY STATISTICS

Leasing Units	Survey	5-Year Avg
Vacant Units	3,181	1,839
Vacancy Rate	12.3%	8.7%
12 Mo. Absorption Units	1,635	1,302

Inventory in Units	Survey	5-Year Avg
Existing Units	27,724	21,056
12 Mo. Const. Starts	1,440	1,715
Under Construction	1,959	2,670
12 Mo. Deliveries	2,053	1,700

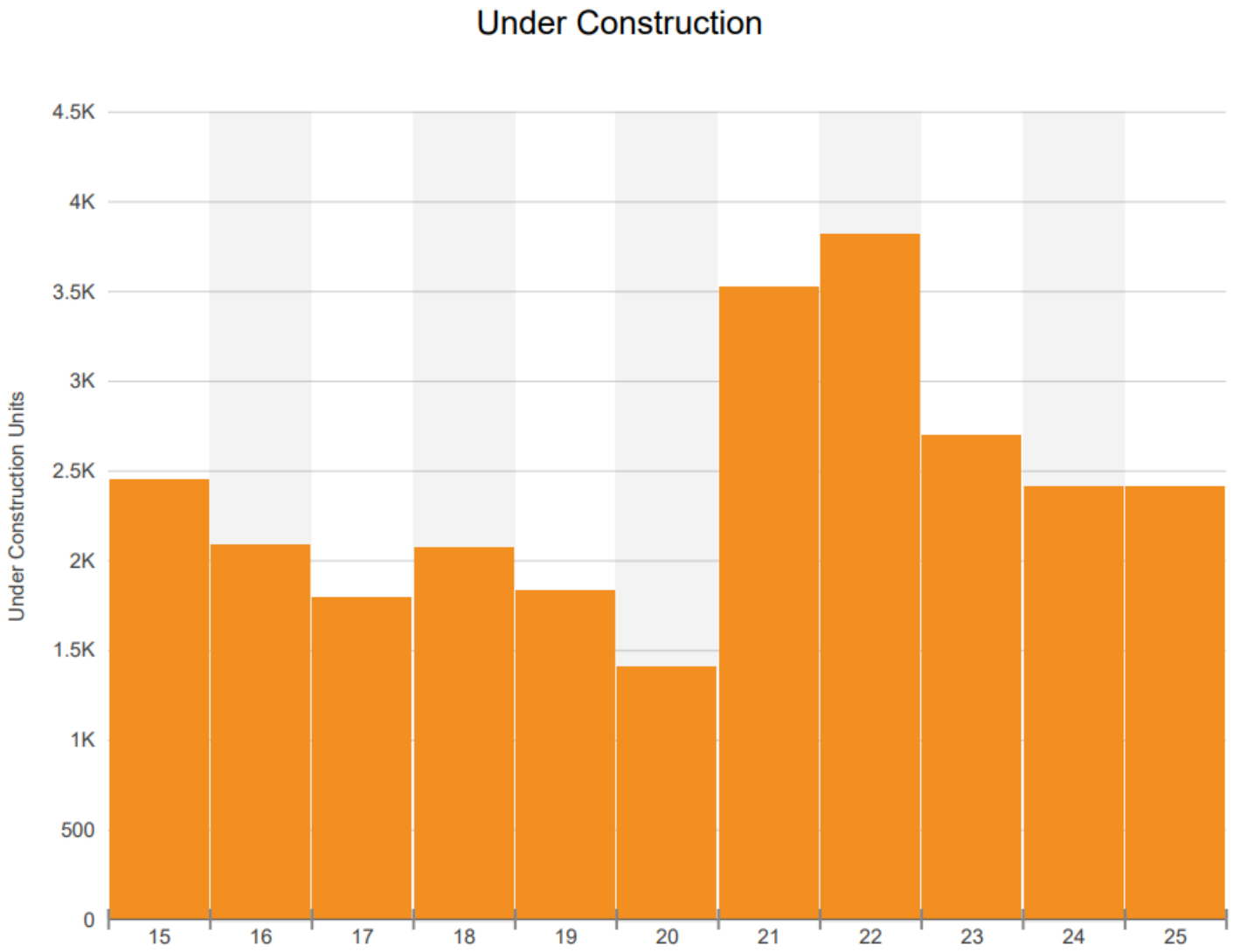
Rents	Survey	5-Year Avg
Studio Asking Rent	$1,460	$1,417
1 Bed Asking Rent	$1,359	$1,293
2 Bed Asking Rent	$1,545	$1,471
3+ Bed Asking Rent	$1,967	$1,841
Concessions	1.6%	1.1%

Sales	Past Year	5-Year Avg
Sale Price Per Unit	$240,737	$159,070
Asking Price Per Unit	$312,968	$214,976
Sales Volume (Mil.)	$1.9	$18
Cap Rate	5.0%	5.6%

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Construction Activity

Inventory in Utah County nearly doubled over the past six years, with nearly 14,000 market-rate apartment units delivered since the start of 2014. Approximately 1,717 units have delivered in the past 12 months, compared to the 10-year annual net deliveries average of 1,360 units. Currently, there are about 2,412 units in the pipeline, compared to roughly 2,412 in the prior period.



Utah County Apartment Submarket Conclusion

Overall, the subject's apartment submarket appears to be stable. Market rent has generally increased over the last several years. It is anticipated that the submarket will continue to improve given the area's high employment rates and young & educated workforce.

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TRANSACTION TRENDS

In the open market, the subject property type would command most interest from local and regional buyers that are actively pursuing similar quality investment properties. There is currently strong buyer demand for substitute properties of the subject based on the volume of sale transactions and reports by buyers, sellers and other market participants during confirmation of market transactions. The most probable buyer is a national and regional investor.

SUBJECT PROPERTY ANALYSIS

Based on our analysis of the subject property and investigation of substitute properties in the marketplace, the subject is considered to have Average overall buyer appeal with an Average competitive position if the asset was exposed to the open market. The most probable buyer is a developer.

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INTRODUCTION

The highest and best use of an improved property is defined as that reasonable and most probable use that will support its highest present value. The highest and best use, or most probable use, must be legally permissible, physically possible, financially feasible, and maximally productive. This section develops the highest and best use of the subject property As-Vacant.

AS-VACANT ANALYSIS – BEFORE CONDITION

Legal Factors

The legal factors that possibly influence the highest and best use of the subject site are discussed in this section. Private restrictions, zoning, building codes, historic district controls, and environmental regulations are considered, if applicable to the subject site. Permitted uses of the subject's A-1 (Agricultural Zone) zoning were listed in the Zoning Analysis section.

The subject is located within the Westfields and Lakeside Overlay District, which allows for residential development. The purpose of the Westfields and Lakeside Overlay District is to carry out the adopted policies of Springville City to create attractive, diverse neighborhoods with a wide variety of attached and detached housing, as well as some shopping and services. The property adjacent north, as well as properties directly to the northwest, southwest and southeast are part of a proposed 152.47-acre development named Lakeside Village. The current site plan for Lakeside Village calls for 887 single family and townhome lots, and 48 multifamily units with ground-floor retail. Based on a conversation with Carla Wiese with the Springville City Planning Department, the subject can be rezoned and developed to a higher density as called for in the overlay district. She could not say exactly what density would be approved, but indicated it would need to be harmonious with the surrounding Lakeside Village development, which has preliminary approvals for approximately six units per acre.

Physical & Locational Factors

Regarding physical characteristics, the subject site is irregular in shape and has level topography with fair/average access and average exposure. The subject is surrounded by undeveloped land, much of which is in the process of being master planned for mixed use residential. Of the outright permitted uses, physical and locational features best support mixed residential development at a density of six units per acre for the site's highest and best use as-vacant.

Feasibility Factors

The financial feasibility of those uses that meet the legal and physical tests discussed is analyzed further in this section. Supply and demand conditions affect the financial feasibility of possible uses. Indicators of feasibility, which typically indicate favorable or non-favorable supply and demand conditions, include construction financing and proposed projects. In recent quarters there has been new commercial development throughout the subject's submarket. This is evidence that new commercial construction is feasible at this time. Financial feasibility factors generally support immediate development of subject site.

As-Vacant Conclusion – Before Condition

Based on the previous discussion, the subject's highest and best use as-vacant is concluded to be mixed residential development at a density of six units per acre.

AS-VACANT ANALYSIS—AFTER CONDITION

In the after condition, the subject's usable site is reduced from 322,919 to 290,226, or 10.1% smaller than in the before condition. The site is commensurate with other similar properties with average access and average exposure. The site will have similar frontage along 2600 West and the shape will remain generally the same as its before condition. The access will be improved. We conclude that the highest and best use of the site as-if vacant remains unchanged in the after condition.

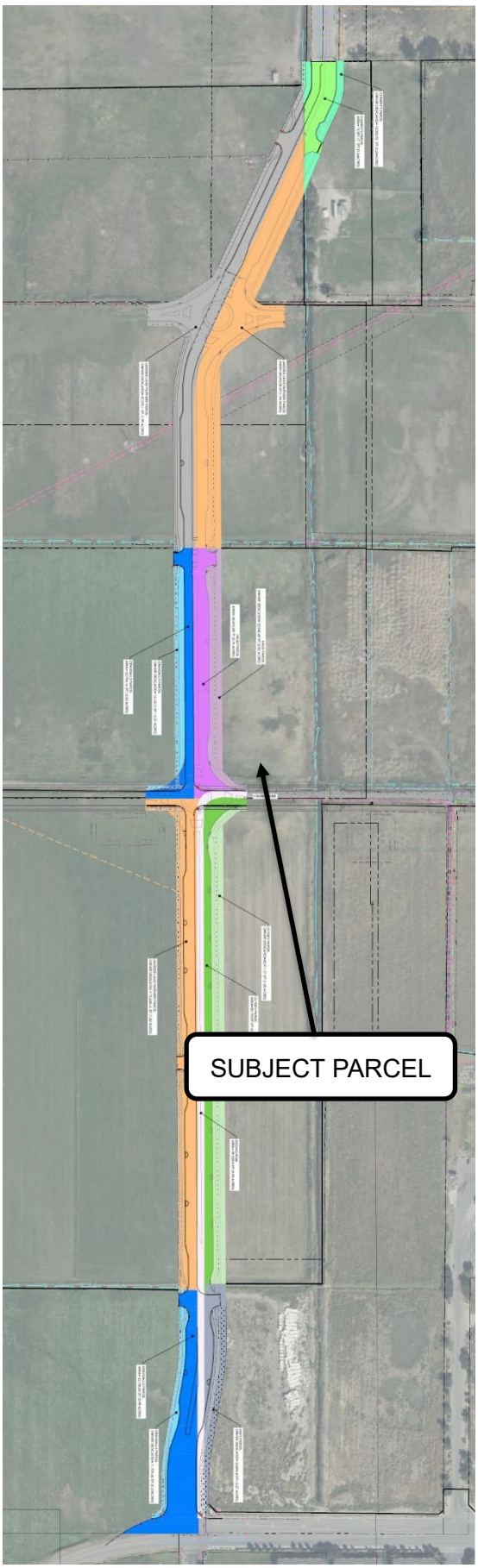
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IMPROVEMENTS IN THE MANNER PROPOSED

The Mountainlands Association of Governments' 2600 West ROW project will extend 2600 West northward from 400 South where it will intersect with Center Street and then continue north where it will eventually turn northeastward and connect with 2500 West at approximately 400 North. The four-lane road will provide access to an area that is in the planning process for residential and commercial development. Mountainlands Association of Governments is providing partial funding for the project. The project is currently in preliminary planning phases, with limited surveying and engineering information. Construction is anticipated to begin by Summer 2025.

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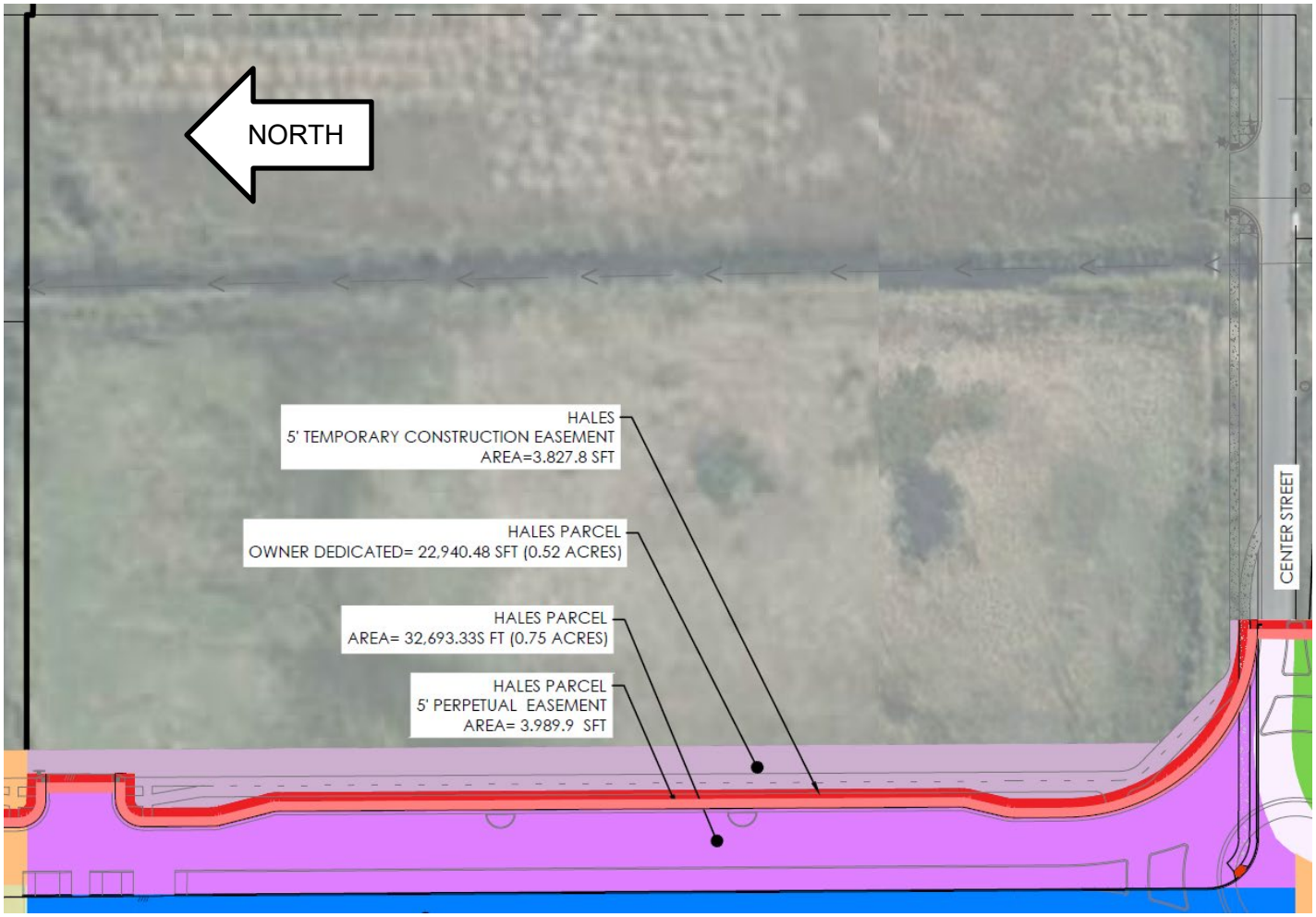
Project Overview



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Project Overview – Subject Parcel

The exhibit below was provided by the client in connection with this assignment. The dark-pink shaded area is the area of the fee taking. The light-pink shaded area is to be dedicated by the owner in the future if and when development of the site should occur; the light-pink shaded area is not relevant to this assignment. The light-red area is the location of the perpetual easement; the dark red area is the location of the temporary construction easement. We have not been provided with maps or legal descriptions for the easements. These details are typically provided by the client for right-of-way valuations. It is an extraordinary assumption of this report that the provided sizes of the easements are accurate and that the areas are sufficient in size, shape and utility for their intended use.



THE PARTS TAKEN

Fee Taking

To complete the project as proposed, a portion of the subject property must be acquired. The permanent area being acquired by Mountainlands Association of Governments is on land assumed to be previously unencumbered by any adverse easements or encumbrances. However, we were not provided with an ALTA survey, so we are unaware of the location of any existing easements. Based on the exhibit provided by the client, it covers 32,693 square feet, or square feet, or 0.75 acre.

The fee taking is located along the western boundary of the larger parcel. It is shaded in dark pink in the above exhibit. It is irregular in shape. A legal description of the fee taking is not available, nor were we provided with site-specific maps with taking dimensions. This report assumes the square footage figures of the fee taking provided by the client are accurate.

Perpetual Easement

Mountainlands Association of Governments is considering a 5-foot-wide perpetual easement along the eastern edge of the new subject boundary to allow for utility maintenance. It would be located between the temporary construction easement and fee taking. The exhibit provided in connection with this assignment indicates the size of the perpetual easement to be 3,990 square feet.

Temporary Construction Easement

A temporary construction easement is also being considered by Mountainlands Association of Governments. It would also be five feet wide and would allow for access during construction. The temporary construction easement would be located west of the fee taking and the perpetual easement. The easement would commence at the beginning of construction, which is anticipated to begin in June 2025, and we estimate construction will last three years. The exhibit provided in connection with this assignment indicates the size of the temporary construction easement to be 3,828 square feet. We were not provided with legal descriptions of the proposed easements, and we were not provided with site-specific maps with easement dimensions.

This appraisal is based on the extraordinary assumption that the project will include a perpetual easement and a temporary construction easement.

This appraisal is based on the extraordinary assumption that the provided size of the fee acquisition area is accurate despite the absence of a legal description or site-specific maps with dimensions. Additionally, we assume that the 5-foot-wide perpetual easement and the 5-foot-wide temporary construction easement exist as described, with their locations and extents aligning with the intended project scope, though no exact legal descriptions or surveyed dimensions were provided. If any of these assumptions prove to be inaccurate, the opinions of value stated herein may require revision.

We also assume that the locations of the perpetual and construction easements are as described above. If this assumption proves to be inaccurate, the opinions of value stated herein may require revision.

THE REMAINDER PARCEL

In the after condition, the subject site is reduced from 322,919 to 290,226, or 10.1% smaller than in the before condition. The shape of the site is altered somewhat, but the utility will be similar and the access will be improved.

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INTRODUCTION

The following presentation of the appraisal process deals directly with the valuation of the subject property. The As-Is Fair Market Value of the subject's fee simple interest is estimated using the Sales Comparison Approach, which is recognized as the standard appraisal technique for commercial land. The Cost and Income Capitalization Approaches are not applicable when valuing unimproved commercial land and are therefore excluded. Their exclusion is not detrimental to the reliability or credibility of the final value conclusion.

VALUE IN THE BEFORE CONDITION

The following paragraphs describe the standard approaches to value that were considered for this portion of the analysis.

SALES COMPARISON APPROACH

The Sales Comparison Approach is based on the principle of substitution, which asserts that no one would pay more for a property than the value of similar properties in the market. This approach analyzes comparable sales by applying transactional and property adjustments in order to bracket the subject property on an appropriate unit value comparison. The sales comparison approach is applicable when sufficient data on recent market transactions is available. Alternatively, this approach may offer limited reliability because many properties have unique characteristics that cannot be accounted for in the adjustment process.

METHODOLOGY

The appraisal of the subject is a complex assignment as it involves a partial take analysis. The following is a basic outline of our valuation process:

- Value the land in Larger Parcel, using the Sales Comparison Approach (Land Valuation).
- Value the permanent parts taken as part of the whole. Value any easements taken as part of the whole. Calculate the value of the remainder as part of the whole.
- Value the remainder property in the after condition.
- Compare the value of the remainder as part of the whole with the value of the remainder in the after condition to calculate severance damages, if any.
- Consider project benefits (if any) and calculate net severance damages (if any).
- Calculate the temporary loss of use of the property during construction (if any).
- Compile a final estimate of the fair market value of the parts taken, including all of the above.

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LAND VALUATION

As previously discussed within the Valuation Methods section, the subject is valued as one marketable economic site in this appraisal. Land value is influenced by a number of factors; most prominent of which is development and use potential. These factors, as well as others, are considered in the following analysis.

UNIT OF COMPARISON

The most relevant unit of comparison is the price per square foot. This indicator best reflects the analysis used by buyers and sellers in this market for land with similar utility and zoning in this marketplace.

COMPARABLE SELECTION

A thorough search was made for similar land sales in terms of proximity to the subject, size, location, development potential, and date of sale. In selecting comparables, emphasis was placed on confirming recent sales of commercial sites that are similar to the subject property in terms of location and physical characteristics. Overall, the sales selected represent the best comparables available for this analysis.

ADJUSTMENT PROCESS

Quantitative adjustments are made to the comparable sales. The following adjustments or general market trends were considered for the basis of valuation.

Transactional Adjustments

Dollar adjustments to the comparable sales were considered and made when warranted for transactional adjustments in the sequence shown below:

Property Rights Transferred	The valuation of the subject site was completed on a fee simple basis. If warranted, leased fee, leasehold and/or partial interest land sales were adjusted accordingly.
Financing Terms	The subject site was valued on a cash equivalent basis. Adjustments were made to the comparables involving financing terms atypical of the marketplace.
Conditions of Sale	This adjustment accounts for extraordinary motivation on the part of the buyer or seller often associated with distressed sales and/or assemblages.
Expenditures After Purchase	Adjustments were applied if site conditions warranted expenditures on the part of the buyer to create a buildable site. Examples include costs for razing pre-existing structures, general site clearing and/or mitigation of environmental issues.
Market Conditions	Market conditions adjustments were based on a review of historical sale data, market participant interviews and review of current versus historical pricing. Based on our research, the following table summarizes the market conditions adjustment applied in this analysis.

MARKET CONDITIONS ADJUSTMENT			
Per Year As Of	February 2025	(As-Is)	3%

The analysis applies an upward market conditions adjustment of 3% annually reflecting the conditions between the oldest comparable sale date up through the effective valuation date. This is supported by price trends discussed and analyzed in the market analysis section.

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Property Adjustments

Quantitative percentage adjustments are also made for location and physical characteristics such as size, shape, access, exposure, topography, zoning and overall utility. Where possible the adjustments applied are based on paired data or other statistical analysis. For example, location adjustments are based primarily on review of land values in the market areas for the comparables relative to the subject. It should be stressed that the adjustments are subjective in nature and are meant to illustrate our logic in deriving a value opinion for the subject site.

LAND VALUATION PRESENTATION

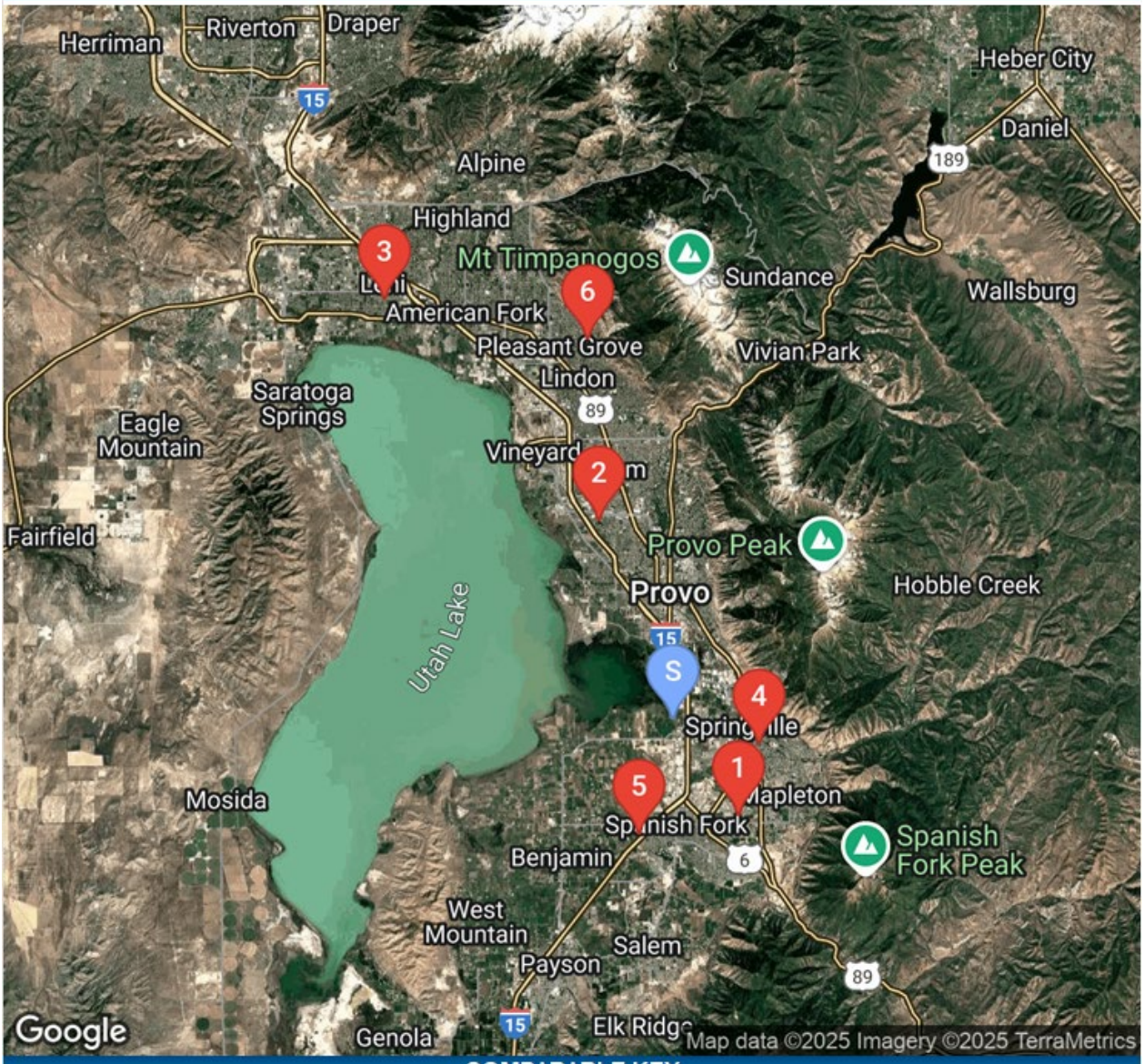
The following Land Sales Summation Table, Location Map and datasheets summarize the sales data used in this analysis. Following these items, the comparable land sales are adjusted for applicable elements of comparison and the opinion of site value is concluded.

LAND SALES SUMMATION TABLE

COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5	COMPARABLE 6
Name	Lynn & Sharon Properties LLC Land	Residential Development Land	Residential Land	Single-Family Residential Land	Springville Residential Land	Utah County Residential Land	Residential Land
Address	2600 West Center Street	636 Slant Road	1555 South 400 West	500 South Center Street	900 South 700 East	6800 S 1050 W	1050 East 200 South
City	Springville	Spanish Fork	Orem	Lehi	Springville	Spanish Fork	Pleasant Grove
State	UT	UT	UT	UT	UT	UT	UT
Zip	84663	84660	84058	84043	84663	84660	84062
County	Utah	Utah	Utah	Utah	Utah	Utah	Utah
APN	21-096-0004	46-416-0013	19-026-0178	13-006-0057	26-035-0154	25-015-0003	14-043-0229
PHYSICAL INFORMATION							
SF	322,919	118,388	412,077	319,730	206,474	382,456	760,122
Zoning	A-1	R-1-9	R-12	RA-1	R2	RA-5	R-1-9
Topography	Level	Generally Level	Level	Level	Level	Level	Level
Street Frontage	Average	Average	Average	Average	Average	Average	Average
Utilities	No	No	No	Yes	Yes	No	Yes
Development Timeline	Near Term	Immediate	Immediate	Immediate	Immediate	Uncertain	Immediate
SALE INFORMATION							
Date		8/26/2024	2/27/2024	9/26/2023	9/1/2023	6/2/2023	2/8/2022
Status		Recorded	Recorded	Recorded	Recorded	Recorded	Recorded
Rights Transferred		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Transaction Price		$1,350,000	$4,500,000	$2,850,000	$1,980,000	$2,750,000	$7,000,000
Analysis Price		$1,350,000	$4,500,000	$2,850,000	$1,980,000	$2,750,000	$7,000,000
d		$11.40	$10.92	$8.91	$9.59	$7.19	$9.21

LAND SALES LOCATION MAP

LAND SALE MAP NO. 1



COMPARABLE KEY

COMP	DISTANCE	ADDRESS	SALE DATE	ACRES	SF	$/SF
SUBJECT	-	2600 West Center Street, Springville, UT	-	7.6	332,515	-
No. 1	4.1 Miles	636 Slant Road, Spanish Fork, UT	8/26/2024	2.7	118,388	$11.40
No. 2	7.5 Miles	1555 South 400 West, Orem, UT	2/27/2024	9.5	412,077	$10.92
No. 3	18.0 Miles	500 South Center Street, Lehi, UT	9/26/2023	7.3	319,730	$8.91
No. 4	3.2 Miles	900 South 700 East, Springville, UT	9/1/2023	4.7	206,474	$9.59
No. 5	4.2 Miles	6800 S 1050 W, Spanish Fork, UT	6/2/2023	8.8	382,456	$7.19
No. 6	13.8 Miles	1050 East 200 South, Pleasant Grove, UT	2/8/2022	17.5	760,122	$9.21

COMPARABLE 1

LOCATION INFORMATION

Name	Residential Development Land
Address	636 Slant Road
City, State, Zip Code	Spanish Fork, UT, 84660
County	Utah
MSA	Provo-Orem, UT
APN	46-416-0013

SALE INFORMATION

Buyer	Alpine Homes, LLC
Seller	DF Adams Ranch, LLC
Transaction Date	08/26/2024
Transaction Status	Recorded
Transaction Price	$1,350,000
Analysis Price	$1,350,000
Recording Number	57418:2024
Rights Transferred	Fee Simple
Financing	Conventional
Conditions of Sale	Arms-Length
Marketing Time	4 Months

PHYSICAL INFORMATION

Intended Use	Single-Family Residential
Location	Average
Site Size (Net)	2.72 Acres (118,388 SF)
Site Size (Gross)	2.89 Acres (125,888 SF)
Zoning	R-1-9
Development Potential	12
Density	4.42
Shape	Irregular
Topography	Generally Level
Access	Average
Exposure	Average
Corner	No
Utilities	No



RESIDENTIAL DEVELOPMENT LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$467,128	$10.72	$112,500
Net	$496,689	$11.40	$112,500

CONFIRMATION

Name	Bryant Parker	
Company	Colliers	
Source	Seller's Broker	
Date / Phone Number	01/14/2025	+1 385 866 3007

REMARKS

This is in a residential area of Spanish Fork 1/3 mile away from Maple Mountain High School. There is a proposed grocery store nearby. Frontage would be on Spanish Fork Parkway. The entire site is planned for 13 lots; however, lot 12 (estimated 7,500 SF) was not included with the sale. The net land reflects the actual sold property. According to the listing broker, approvals had been received from Spanish Fork City.

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COMPARABLE 2

LOCATION INFORMATION

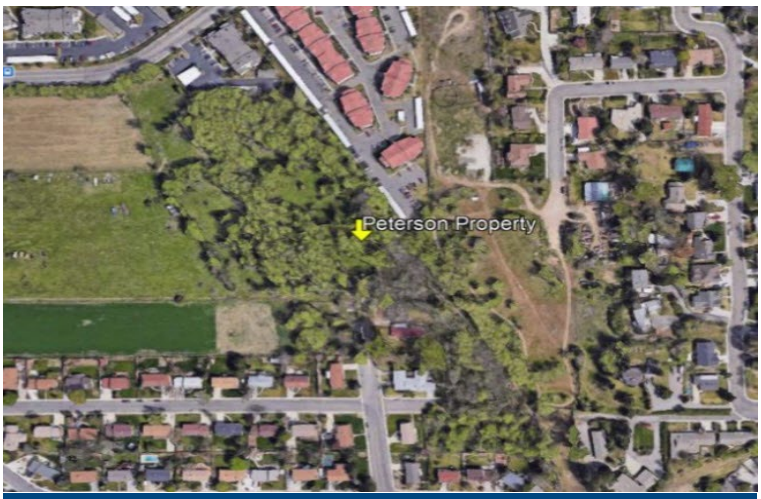
Name	Residential Land
Address	1555 South 400 West
City, State, Zip Code	Orem, UT, 84058
County	Utah
MSA	Provo-Orem, UT
APN	19-026-0178

SALE INFORMATION

Buyer	Sandhill OP1, LLC
Seller	Romell Peterson
Transaction Date	02/27/2024
Transaction Status	Recorded
Transaction Price	$4,500,000
Analysis Price	$4,500,000
Rights Transferred	Fee Simple
Conditions of Sale	Arms-Length

PHYSICAL INFORMATION

Intended Use	Residential
Location	Excellent
Site Size (Net)	9.46 Acres (412,077 SF)
Site Size (Gross)	9.46 Acres (412,077 SF)
Zoning	R-12
Development Potential	34
Density	3.63
Shape	Irregular
Topography	Level
Access	Average
Exposure	Average
Corner	No
Utilities	No



RESIDENTIAL LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$475,687	$10.92	$132,353
Net	$475,687	$10.92	$132,353

CONFIRMATION

Name	Jeffery Kunz	
Company	Fathom Realty	
Source	CRMLS	
Date / Phone Number	04/16/2024	+1 801 380 9858

REMARKS

9.46-acre parcel of R-12 Zoned land. The site is situated near Utah Valley University, I-15, retailers, and schools. This property was reportedly on the market for one week before going under contract for $4,500,000. The R-12 Zone allows for 12,000 SF residential lots.

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COMPARABLE 3

LOCATION INFORMATION

Name	Single-Family Residential Land
Address	500 South Center Street
City, State, Zip Code	Lehi, UT, 84043
County	Utah
MSA	Provo-Orem, UT
APN	13-006-0057

SALE INFORMATION

Buyer	Paul Olsen
Seller	Valerie Maurin et al.
Transaction Date	09/26/2023
Transaction Status	Recorded
Transaction Price	$2,850,000
Analysis Price	$2,850,000
Recording Number	63628-2023
Rights Transferred	Fee Simple
Financing	Seller
Marketing Time	13 Months

PHYSICAL INFORMATION

Intended Use	Single-Family Residential
Location	Good
Site Size (Net)	7.34 Acres (319,730 SF)
Site Size (Gross)	7.34 Acres (319,730 SF)
Zoning	RA-1
Development Potential	22
Density	3.25
Shape	L-shaped
Topography	Level
Access	Average
Exposure	Average
Corner	No
Utilities	Yes



SINGLE-FAMILY RESIDENTIAL LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$388,283	$8.91	$129,545
Net	$388,283	$8.91	$129,545

CONFIRMATION

Name	WFMLS	
Company	WFMLS	
Source	CRMLS	
Date / Phone Number	01/11/2024	Confidential

REMARKS

Approximately 7 acres of residential land right off Center Street in Lehi. This includes 17 acre feet of water that has already been banked with the city of Lehi for development. Quick access to Pioneer Crossing. Property general plan is LDR, and can accommodate 3.25 units per acre. This backs onto the Union Pacific/FrontRunner train line. According to the MLS listing, there was seller financing. We have attempted to contact the broker (Dan Ford) to verify the details of the financing, but we have not received a response.

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COMPARABLE 4

LOCATION INFORMATION

Name	Springville Residential Land
Address	900 South 700 East
City, State, Zip Code	Springville, UT, 84663
County	Utah
MSA	Provo-Orem, UT
APN	26-035-0154

SALE INFORMATION

Buyer	Canyon Creek Land Invesments LLC
Seller	Not Available
Transaction Date	09/1/2023
Transaction Status	Recorded
Transaction Price	$1,980,000
Analysis Price	$1,980,000
Rights Transferred	Fee Simple
Financing	Cash at Settlement
Conditions of Sale	Arms-Length
Marketing Time	3 Months

PHYSICAL INFORMATION

Intended Use	Residential
Location	Average
Site Size (Net)	4.74 Acres (206,474 SF)
Site Size (Gross)	4.74 Acres (206,474 SF)
Zoning	R2
Development Potential	15
Density	3.16
Shape	Irregular
Topography	Level
Access	Average
Exposure	Average
Corner	No
Utilities	Yes



SPRINGVILLE RESIDENTIAL LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$417,722	$9.59	$132,000
Net	$417,722	$9.59	$132,000

CONFIRMATION

Name	Raquel Jex	
Company	Presidio Real Estate	
Source	CRMLS	
Date / Phone Number	02/10/2025	+1 801 358 8869

REMARKS

This property is in central Springville on either side of a feeder street. It had potential for 14 lots and has since been developed. The sale included six water shares. Because of the layout of the property, the curb, gutter and sidewalk for the lots was already installed.

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COMPARABLE 5

LOCATION INFORMATION

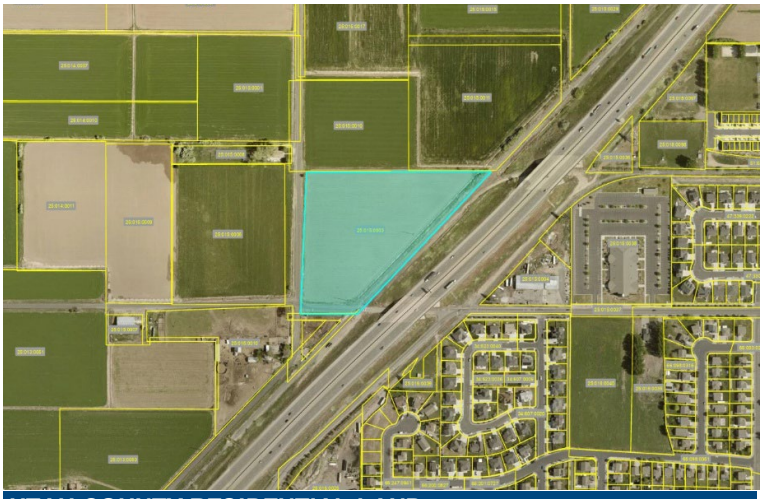
Name	Utah County Residential Land
Address	6800 S 1050 W
City, State, Zip Code	Spanish Fork, UT, 84660
County	Utah
MSA	Provo-Orem, UT
APN	25-015-0003

SALE INFORMATION

Buyer	15 Center Farm LLC
Seller	Markham Family LLC
Transaction Date	06/2/2023
Transaction Status	Recorded
Transaction Price	$2,750,000
Analysis Price	$2,750,000
Recording Number	35877:2023
Rights Transferred	Fee Simple
Financing	All Cash
Conditions of Sale	Arms-Length
Marketing Time	1 Months

PHYSICAL INFORMATION

Intended Use	Single-Family Residential
Location	Average
Site Size (Net)	8.78 Acres (382,456 SF)
Site Size (Gross)	8.78 Acres (382,456 SF)
Zoning	RA-5
Density	0.2
Shape	Triangular
Topography	Level
Access	Average
Exposure	Average
Corner	No
Utilities	No



UTAH COUNTY RESIDENTIAL LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$313,212	$7.19	$2,750,000
Net	$313,212	$7.19	$2,750,000

CONFIRMATION

Name	Steve Vincent	
Company	Berkshire Hathaway HomeServices Elite Real Estate	
Source	Seller's Broker	
Date / Phone Number	02/17/2025	+1 801 362 9235

REMARKS

This property is located in Utah County, just outside the city limits of Spanish Fork. The MLS listing reports that Spanish Fork has the site master planned for Mixed Use. The sale included 18 shares of Spanish Fork West irrigation water. Sewer and power are in the street. Culinary water is approximately 1,200 feet to the east at 100 South and 1230 West in Spanish Fork. Development at a density higher than one unit per five acres would require annexation into Spanish Fork. The agent reports that the buyers were speculative and anticipated holding the property for a few years and then annexing into the city and developing the property with a mix of commercial and medium to high density residential.

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COMPARABLE 6

LOCATION INFORMATION

Name	Residential Land
Address	1050 East 200 South
City, State, Zip Code	Pleasant Grove, UT, 84062
County	Utah
MSA	Provo-Orem, UT
APN	14-043-0229

SALE INFORMATION

Buyer	Blossom Hill LLC
Seller	A&B Adams LLC
Transaction Date	02/8/2022
Transaction Status	Recorded
Transaction Price	$7,000,000
Analysis Price	$7,000,000
Recording Number	17572-2022
Rights Transferred	Fee Simple
Financing	Cash at Settlement
Conditions of Sale	Arms-Length
Marketing Time	1 Months

PHYSICAL INFORMATION

Intended Use	Residential
Location	Good/Excellent
Site Size (Net)	17.45 Acres (760,122 SF)
Site Size (Gross)	17.45 Acres (760,122 SF)
Zoning	R-1-9
Development Potential	67
Density	3.83
Shape	Irregular
Topography	Level
Access	Average
Exposure	Average
Corner	No
Utilities	Yes



RESIDENTIAL LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$401,146	$9.21	$104,478
Net	$401,146	$9.21	$104,478

CONFIRMATION

Name	Blaine Washburn	
Company	Confidential	
Source	Seller's Broker	
Date / Phone Number	06/1/2024	+1 801 787 5866

REMARKS

This 17.45 acre parcel with flat areas and gentle slopes offers views of the mountains and valley. This buildable parcel is currently zoned R-1-9, meaning 9,000 SqFt lots are allowed. Currently the land is used as an orchard. 26 water shares will be included in the sale of this property which is anticipated to be enough to fully develop the land. This property was raw development ground zoned for minimum 9,000 sf lots. The sale included 26 water shares.

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LAND SALES ADJUSTMENT TABLE

COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5	COMPARABLE 6
Name	Lynn & Sharon Properties LLC Land	Residential Development Land	Residential Land	Single-Family Residential Land	Springville Residential Land	Utah County Residential Land	Residential Land
Address	2600 West Center Street	636 Slant Road	1555 South 400 West	500 South Center Street	900 South 700 East	6800 S 1050 W	1050 East 200 South
City	Springville	Spanish Fork	Orem	Lehi	Springville	Spanish Fork	Pleasant Grove
APN	21-096-0004	46-416-0013	19-026-0178	13-006-0057	26-035-0154	25-015-0003	14-043-0229
SF	322,919	118,388	412,077	319,730	206,474	382,456	760,122
SALE INFORMATION							
Date		8/26/2024	2/27/2024	9/26/2023	9/1/2023	6/2/2023	2/8/2022
Status		Recorded	Recorded	Recorded	Recorded	Recorded	Recorded
Rights Transferred		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Analysis Price		$1,350,000	$4,500,000	$2,850,000	$1,980,000	$2,750,000	$7,000,000
Price/SF		$11.40	$10.92	$8.91	$9.59	$7.19	$9.21
TRANSACTIONAL ADJUSTMENTS							
Property Rights		0%	0%	0%	0%	0%	0%
Financing		0%	0%	0%	0%	0%	0%
Conditions of Sale		0%	0%	0%	0%	0%	0%
Expenditures After the Sale		0%	0%	0%	0%	0%	0%
Market Conditions[1]		1%	2%	3%	4%	4%	8%
Subtotal Transactional Adj Price		$11.51	$11.14	$9.18	$9.97	$7.48	$9.95
PROPERTY ADJUSTMENTS							
Location	Average	Average	Excellent	Good	Average	Average	Good/Excellent
Adjustment		0%	-25%	-10%	0%	0%	-20%
Size	322,919	118,388	412,077	319,730	206,474	382,456	760,122
Adjustment		-10%	5%	0%	-5%	5%	15%
Access	Average	Average	Average	Average	Average	Average	Average
Adjustment		0%	0%	0%	0%	0%	0%
Shape	Rectangular	Irregular	Irregular	L-shaped	Irregular	Triangular	Irregular
Adjustment		0%	0%	0%	0%	0%	0%
Site Utility Rating	Average	Average	Average	Average	Average/Good	Average	Average
Adjustment		0%	0%	0%	-5%	0%	0%
Density (Units/AC)	6.0 : 1	4.4 : 1	3.6 : 1	3.3 : 1	3.2 : 1	0.2 : 1	3.8 : 1
Adjustment		10%	15%	20%	20%	0%	15%
Development Timeline	Near Term	Immediate	Immediate	Immediate	Immediate	Uncertain	Immediate
Adjustment		-25%	-20%	-20%	-20%	10%	-20%
Subtotal Property Adjustment		-25%	-25%	-10%	-10%	15%	-10%
TOTAL ADJUSTED PRICE		**$8.63**	**$8.36**	**$8.26**	**$8.97**	**$8.60**	**$8.96**

STATISTICS	UNADJUSTED	ADJUSTED
LOW	$7.19	$8.26
HIGH	$11.40	$8.97
MEDIAN	$9.40	$8.62
AVERAGE	$9.54	$8.63

[1] Market Conditions Adjustment: 3%

Date of Value (for adjustment calculations): 2/12/25

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LAND SALES ANALYSIS

Introduction

The comparable land sales indicate an adjusted value range from $8.26 to $8.97/SF, with a median of $8.62/SF and an average of $8.63/SF. The range of total gross adjustment applied to the comparables was from 19% to 78%, with an average gross adjustment across all comparables of 53%. The level of total adjustment applied to the comparables is considered to be moderate. Overall, the availability of market data and extent of analysis was adequate to develop a reasonably credible opinion of land value. The adjustment process for each comparable land sale is discussed in the following paragraphs.

PROPERTY ADJUSTMENTS

Location

Comparable 4 is in Springville in an area that is comparable to the subject's. Comparable 5 is in unincorporated Utah County, just outside the boundary lines of Spanish Fork City. Comparable 1 is in incorporated Spanish Fork. Comparable 3 is in a superior area in west Lehi and is adjusted downward 10%. Comparable 6 is in a superior area in east Pleasant Grove and is adjusted downward 20%. Comparable 2 is in a superior area in Orem within walking distance of UVU and is adjusted downward 25%.

Size

In markets where a reasonable supply of vacant development land is available, large parcels typically have a lower value per square foot or per acre than smaller parcels of the same quality. A large parcel generally has a smaller pool of potential buyers. It can have a longer potential absorption period, and may therefore have greater perceived investment risk. Size does have less of an impact on price in mature locations where land is relatively scarce. Based on an analysis of the sales, we conclude land prices in this market decline about 10% each time the size is doubled. The adjustments are made on that basis.

Access

The comparable sales are all reasonably similar in terms of quality of access. No adjustments for access are made.

Shape

The comparables and the subject are reasonable in shape and can accommodate a wide range of potential improvements. We have made no adjustment for shape.

Site Utility Rating

Comparable 4 had some on-site improvements already in place and is adjusted downward 5% for site utility. The other comparables and the subject can be fully utilized and have no obvious deficiencies or unusable ground. These have no adjustment made for utility.

Density

In general, residential land with higher allowable density (dwelling units per acre) has a higher value per acre than land with lower allowable density. Comparable 5 has very low density, but like the subject is expected to be rezoned to a higher density at some point in the future. For comparison purposes, we assume the expected future density of Comparable 5 is similar to the subject's and we have made no adjustment. Comparable 1 has an allowable density more than twice that of the subject and is adjusted downward 25%. The remaining comparable sales range from 3.2 to 4.4 units per acre and are adjusted upward between 10% and 20%.

Development Timeline

In order to be rezoned and developed at a density of approximately six units per acre, the subject will need to be incorporated into the Lakeside Village master plan. Development of the Lakeside Village master plan will also require upgrading the road and utility infrastructure in the area. These facts increase the uncertainty and the

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development timeline a potential buyer would expect. The majority of comparable sales are one-off pieces of development land that can be developed independently, and therefore, more quickly and with more certainty. These are adjusted downward 20%. Comparable 1 had a plat approved with the city and is adjusted downward 25%. Comparable 5 is located outside of Spanish Fork city limits, doesn't have all utilities nearby and the agent indicated that the buyers expected to wait a few years before being able to develop according to Spanish Fork City's master plan. It is adjusted upward 10%.

CALCULATION OF VALUE

The comparable land sales indicate an adjusted value range from $8.26 to $8.97/SF, with a median of $8.62/SF and an average of $8.63/SF. Based on the results of the preceding analysis, Comparable 4 ($8.97/SF adjusted) and Comparable 5 ($8.60/SF adjusted) are given primary consideration for the subject's opinion of land value. Comparable 4 is the best location comparison. Comparable 5 brackets the subject's development timeline.

The following table summarizes the analysis of the comparables, reports the reconciled price per square foot value conclusion, and presents the concluded value of the subject site.

CALCULATION OF LAND VALUE

	ANALYSIS	ADJUSTMENT				NET	GROSS	OVERALL
COMP	PRICE	TRANSACTIONAL[1]	ADJUSTED	PROPERTY[2]	FINAL	ADJ %	ADJ %	COMPARISON
1	$11.40	1%	$11.51	-25%	**$8.63**	-24%	46%	MINIMAL
2	$10.92	2%	$11.14	-25%	**$8.36**	-23%	67%	SECONDARY
3	$8.91	3%	$9.18	-10%	**$8.26**	-7%	53%	SECONDARY
4	$9.59	4%	$9.97	-10%	**$8.97**	-6%	54%	PRIMARY
5	$7.19	4%	$7.48	15%	**$8.60**	20%	19%	PRIMARY
6	$9.21	8%	$9.95	-10%	**$8.96**	-3%	78%	SECONDARY
LOW	**$8.26**					**AVERAGE**		**$8.63**
HIGH	**$8.97**					**MEDIAN**		**$8.62**

COMPONENT	SUBJECT SF	$/SF CONCLUSION			VALUE
TOTAL PROPERTY	**322,919**	**x**	$8.60	**=**	**$2,777,103**

[1]Cumulative [2]Additive Rounded to nearest $1

LAND VALUE CONCLUSION

The Sales Comparison Approach was utilized for valuation of the subject site, as it best reflects the decision-making of buyers and sellers of development land in the local marketplace. The purpose of this appraisal is to develop an opinion of the Fair Market Value of the subject larger parcel's fee simple interest, as well as the value of a fee taking, perpetual easement and temporary construction easement. The following table conveys the final opinion of market value of the subject property that is developed within this appraisal report:

Our opinion of value reflects current conditions and the likely actions of market participants as of the date of value. It is based on the available information gathered and provided to us, as presented in this report, and does not predict future performance. Changing market or property conditions can and likely will have an effect on the subject's value.

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ANALYSIS OF VALUE CONCLUSIONS

VALUATION INDICES	FAIR MARKET VALUE
INTEREST APPRAISED	FEE SIMPLE
DATE OF VALUE	FEBRUARY 12, 2025
FINAL VALUE CONCLUSION	$2,777,103
$/SF	$8.60

The purpose of the land value above is to be used in the following analysis; accordingly, it has not been rounded. This is typical for a right-of-way assignment in which typically requires that rounding is done only for the final determination of just compensation.

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INTRODUCTION TO AFTER ANALYSIS

The first step in determining the just compensation associated with the parts taken is to estimate the contributory value of the parcel being acquired as part of the larger parcel. This is the land value of the fee taking, plus the depreciated value of any improvements.

The value of the easements must then be determined. Placement of an easement on a property generally reduces its market value, because property rights have been lost. The value of an easement is generally considered to be some portion of underlying market value.

The next step in the analysis is to determine the net damages, if any, that accrue to the remainder by reason of the taking and the construction of the project in the manner proposed. This analysis involves determining the value of the remaining property before and after the taking. The difference between the value of the remainder in the before condition, and the value of the remainder in the after condition, represents the loss in value that accrues to the remaining property by reason of the taking and the construction of the project in the manner proposed.

Severance damages that are calculated are then offset by project benefits, if any. Aspects of the project that provide an increase in value that is unique to a particular property may be considered special benefits. In the state of Utah, special benefits can offset damages to the remainder, but cannot offset the part taken. If mitigation costs are required to negate potential severance damages, they are included as part of the value of the property rights to be acquired and considered to be curable severance damages.

Finally, the owner must be compensated if there is a time period in which he loses the partial or entire use of the property. This includes the value of any temporary construction easements.

VALUE OF PARTS TAKEN

The following analysis is based on the data and conclusions from the preceding valuation analyses. The parts taken are initially valued as a portion of the whole. That is, for the area reflecting a fee acquisition, the value is allocated on a proportionate basis according to the value of the underlying land area affected.

The area taken for the project (the fee taking) represents a full fee taking of the designated area. The owner is deprived of all use of the land. Accordingly, the area required for the fee taking contributes to the overall property value at 100% of fee simple interest. Below is the breakdown of the land and building area (if any) that is being taken and remaining.

PARTS TAKEN BREAKDOWN

	TOTAL SF	TAKEN SF	REMAINING SF
Land Area - Fee Simple	322,919	32,693	290,226
Perpetual Easement		*3,990* *	
Temporary Construction Easement (TCE)		*3,828* *	
TOTAL	**322,919**	**32,693**	**290,226**

*Easements are portions of the bundle of rights and are therefore not deducted; they will be addressed later in the report

Site Value

The site for the parts taken totals 32,693 SF. The overall site value on a price per square basis is $8.60/SF. In this analysis, we applied the overall price per square foot to the taken area as the site in its after condition continues to have a similar utility. Accordingly, a “zones of value” approach to the site valuation is not warranted.

This appraisal is based on the extraordinary assumption that the provided size of the fee acquisition area is accurate despite the absence of a legal description. If this assumption proves to be inaccurate, the opinions of value stated herein may require revision.

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Site Improvements

Site improvements within the taking area include wood and wire fencing. Due to the partial acquisition and the perpetual easement, the fencing must be removed or relocated. This appraisal makes the extraordinary assumption that any site improvements removed or relocated as a result of the project will be relocated at the expense of Mountainlands Association of Governments.

VALUE OF THE PERPETUAL EASEMENT

The reported size of the five-foot-wide perpetual easement is 3,990 square feet (0.09 acre) and will lie along the boundary between the remainder property and the future road corridor. Its purpose is assumed to be for the maintenance of utilities, though no specific easement language was provided..

The value of an easement is generally considered to be some portion of the underlying market value. Theoretically, the proportion can range from near 0% up to 100%. The high end would only be appropriate if an easement effectively eliminated the use and enjoyment of the area by the underlying fee owner. Appraisers sometimes consider less than 50% to be appropriate for underground utility easements when the easement will overlap an existing underground utility easement. The reasoning is that the fee owner retains most of the use and enjoyment of the easement area and suffers little loss in value from the additional utility in the same easement area.

Rod Sorenson of Sandy City Public Utilities reported that they generally negotiate in a range from 30% to 50% of fee value for underground utility easements, and will generally go to 50% if they, "…know there will be a fight." Above that range, or for more complex issues, they typically hire an appraiser to determine the proper amount. He figures the correct amount to be less if there are overlapping easements. In one case, he offered only 10% of fee value because the easement was in an area that had already been set aside for future Highland Drive and had no impact to the owner.

Dave Ingleby of Questar Gas reported that they typically pay 50% of fee value for an underground utility easement, but certain circumstances can change that figure up or down. If the easement is in an area already encumbered by other underground utility easements, they may try to negotiate as low as 10% to 25% of fee value. In cases where they have to fence an area off, they typically pay 100% of fee value but they prefer to buy the fee in those cases.

In the subject case, a perpetual easement appears to be within the future road right-of-way that will be dedicated if and when the owner decides to develop the site. However, we have not been provided with maps that show that specific location of the easement. We assume a perpetual easement would include typical occupancy rights, including the right to construct, maintain, and continue the existence of underground utilities. On that basis, we conclude 30% of value to be an appropriate compensation for the loss of property rights in this case. The value of the perpetual easement is as follows:

VALUE OF PERPETUAL EASEMENT

	TOTAL SF	$/SF	% OF FEE SIMPLE VALUE	INDICATED VALUE
21-096-0004	3,990	$8.60	30%	$10,294

This appraisal is based on the extraordinary assumption that the 5-foot-wide perpetual easement exists as described, with the location and extent aligning with the intended project scope, though no exact legal descriptions or surveyed dimensions were provided. If any of these assumptions prove to be inaccurate, the opinions of value stated herein may require revision.

TOTAL CONTRIBUTORY VALUE OF THE PARTS TAKEN

The following table summarizes the contributory value of the parts taken:

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TOTAL VALUE OF PART TAKEN					
	SF		$/SF		INDICATED VALUE
Land Value of the Fee Take	32,693	x	$8.60	=	$281,160
Value of the Perpetual Easement					$10,294
TOTAL PARTS TAKEN					$291,454

VALUE OF THE REMAINDER AS PART OF THE WHOLE

The value of the taking deducted from the value of the property in the before condition results in the value of the remainder parcel as a part of the whole:

TOTAL VALUE OF REMAINDER AS PART OF THE WHOLE	
	INDICATED VALUE
Total Value of the Subject in Before Condition	$2,777,103
Total Value Parts Taken	$291,454
TOTAL VALUE OF THE REMAINDER AS PART OF THE WHOLE	**$2,485,649**

The above figure is used for comparison purposes (with the value of the remainder in the after condition) as the method for estimating severance damages to the remainder.

VALUE OF THE REMAINDER IN THE AFTER CONDITION

As concluded above, the remainder property in the after condition will suffer no net damages as a result of the parts taken. Therefore, the value of the remainder in the after condition is the same as the value of the remainder as a part of the whole.

VALUE OF REMAINDER IN THE AFTER CONDITION							
	SF		$/SF		% ALLOCATION		INDICATED VALUE
Land Value - Fee Simple	286,236	x	$8.60	x	100%	=	$2,461,630
Easement Area - Remainder	3,990	x	$8.60	x	70%	=	$24,020
VALUE OF THE REMAINDER IN THE AFTER CONDITION							$2,485,649

SEVERANCE DAMAGES

In addition to the part taken, the owner is entitled to net damages to the remainder property. Damages are a decrease in the value of the remainder caused by severance (separation) from the part taken, or by the construction the condemnor proposes on the part taken.

If the value of the remainder in the after condition is less than the value of the remainder as a portion of the whole, the property suffers permanent severance damages. Alternatively, if the value of the remainder in the after condition is greater than the value of the remainder as a portion of the whole, the property enjoys benefits reflected in an increase in value. Special benefits can offset damages to the remainder, but cannot offset the part taken.

As previously discussed, the remainder parcel will have similar access, topography and overall functionality and the same highest and best use as in the before condition. While the shape changes slightly, the parcel has a similar utility as in the before condition. We conclude no severance damages.

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SEVERANCE DAMAGES	
	INDICATED VALUE
Remainder as a Portion of the Whole	$2,485,649
Value of the Remainder in the After Condition	$2,485,649
Severance Damages	$0
Cost to Cure	$0
TOTAL SEVERANCE DAMAGES	$0

PROJECT BENEFITS

Project benefits reflect the enhanced value brought to a property as a result of the Project. In the state of Utah, special benefits can offset damages to the remainder, but cannot offset the part taken.

Special benefits are those which result directly and peculiarly to the particular tract of which a part is taken for a public improvement. Special benefits are ones that are direct, physical, proximate, actual, usable and certain. Physical change is defined as a construction of frontage roads, improved ingress and egress, improved drainage, or similar change in the property. An example of a special benefit would be where the remainder property has a new road providing access suitable for development of lots that it did not have before the taking.

The subject property has the same highest and best use in the before and after condition. However, completion of the project will improve access to the site and will facilitate development of the area. The subject will receive these special benefits from the project in the after condition. However, because there are no severance damages for the project benefits to offset, calculating the benefits is not necessary.

TEMPORARY CONSTRUCTION EASEMENT

Temporary construction easements (TCE) reflect a transaction equivalent to a rental of the land for the period of construction. It can be evaluated on the basis of negotiated land rental transactions, or (in the absence of directly relevant market transactions) a rate of return may be applied to the value of the underlying land.

Annual land rates of return typically vary from 5% to 10%. At the low end of the range are commercial pad sites for gas stations or fast-food retailers on high-traffic volume street corners. The middle of the range is primarily office and industrial sites. The upper end of the range are typically rate of return requirements for public agencies. As a public agency wishes to acquire a TCE that has no commercial value in and of itself, an annual rate of return towards the upper end of the range is reasonable. We conclude to 9.0%.

An application of the appropriate value per square foot (in the after condition) is applied to the concluded rate of return for the land area affected by the temporary construction easements. For the area of the TCEs, the indicated fee value of the land rental component is calculated in the table below.

TEMPORARY CONSTRUCTION EASEMENT														
	LAND VALUE $/SF		SF		LAND VALUE		RATE OF RETURN		ANNUAL EASEMENT VALUE	MONTHLY EASEMENT VALUE		MONTHS		INDICATED VALUE
Land Rent	$8.60	x	3,828	=	$32,921	x	9%	=	$2,963	$247	x	36	=	$8,889
TEMPORARY CONSTRUCTION EASEMENT (UNDISCOUNTED)														$8,889

As shown towards the right side of the table, the monthly easement rent is multiplied by the estimated 36-month rental period to arrive at the indicated value.

In a typical lease, the rent would be paid monthly. In this case, however, the rent will be paid in a lump sum, up front. Therefore, a discount in the rent is appropriate to account for the time value of money. Typical discount rates range 100-150 basis points higher than the annual rate of return in order to account for increasing risk over time. However, in this case, the subject's rent remains flat year-over-year for the entire period, substantially decreasing risk. Accordingly, we conclude to a "safe rate" discount rate of 4.0%.

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NET PRESENT VALUE OF TCE					
	RENTAL INCOME		PV FACTOR		PRESENT
YEAR	CONTRACT	x	@ 4.00%	=	VALUE
1	$2,963		0.9615		$2,849
2	$2,963		0.9246		$2,739
3	$2,963		0.8890		$2,634
NET PRESENT VALUE OF TCE					$8,222

Rounded to nearest $1

VALUATION SUMMARY

On the preceding pages we have developed opinions pertaining to the subject property and the components of which are relevant to the parts taken and the impact of the project. A summary of the preceding discussion and analysis is presented below:

VALUATION SUMMARY		
	VALUE OPINIONS	VALUE OF PROPERTY RIGHTS
Value of the Larger Parcel	$2,777,103	
Fee Taking (inc. Site Imp.)	($281,160)	$281,160
Perpetual Easement	($10,294)	$10,294
Value of the Remainder as a Part of the Whole	$2,485,649	
Value of the Remainder in the After Condition	$2,485,649	
Severance Damages	$0	
Cost to Cure	$0	
Project Benefits	$0	
Net Severance Damages	$0	$0
Temporary Construction Easement (TCE)	$8,222	$8,222
TOTAL FAIR MARKET VALUE OF PROPOSED PROPERTY AND RIGHTS TAKEN (ROUNDED)		**$299,700**

We have rounded the value upward to the nearest $100, which is appropriate given the magnitude of the valuation. Utah law does not specify how the value of property rights should be rounded.

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We certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions of the signers are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- The signers of this report has 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.
- Chelsey Jorgensen, MAI has performed no services, as an appraiser or in any other capacity regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. Kelly Tate, MAI has performed no services, as an appraiser or in any other capacity regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- The signers are not biased with respect to the property that is the subject of this report or to the parties involved with this assignment.
- The engagement in this assignment was not contingent upon developing or reporting predetermined results.
- The compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The reported analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice* and the *Code of Professional Ethics and Standards of Professional Appraisal* Practice of the Appraisal Institute.
- Chelsey Jorgensen, MAI inspected the property that is the subject of this report. Kelly Tate, MAI did not inspect the property that is the subject of this report. Jake Jorgensen inspected the property that is the subject of this report.
- Jake Jorgensen (Utah State Certified Residential Real Estate Appraiser No. 7338339-CR00) provided significant real property appraisal assistance to the appraisers signing the certification. Assistance included gathering, analyzing and reporting regional, local area, zoning, and tax information, confirming some of the comparable data, and assisting with portions of the valuation analysis.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report Chelsey Jorgensen, MAI and Kelly Tate, MAI completed the continuing education program for Designated Members of the Appraisal Institute.

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March 10, 2025
Date

Chelsey Jorgensen, MAI
Senior Valuation Specialist
Certified Residential Real Estate Appraiser
State of Utah License #9877947-CG00
+1 385 249 5448
chelsey.jorgensen@colliers.com



March 10, 2025
Date

Kelly Tate, MAI
Senior Valuation Services Director
Certified General Real Estate Appraiser
State of Utah License #8384882-CG00
+1 385 249 5444
kelly.tate@colliers.com

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This appraisal is subject to the following assumptions and limiting conditions:

- The appraisers may or may not have been provided with a survey of the subject property. If further verification is required, a survey by a registered surveyor is advised.
- We assume no responsibility for matters legal in character, nor do we render any opinion as to title, which is assumed to be marketable. All existing liens, encumbrances, and assessments have been disregarded, unless otherwise noted, and the property is appraised as though free and clear, under responsible ownership, and competent management.
- The exhibits in this report are included to assist the reader in visualizing the property. We have made no survey of the property and assume no responsibility in connection with such matters.
- Unless otherwise noted herein, it is assumed that there are no encroachments, zoning, or restrictive violations existing in the subject property.
- The appraisers assume no responsibility for determining if the property requires environmental approval by the appropriate governing agencies, nor if it is in violation thereof, unless otherwise noted herein.
- Information presented in this report has been obtained from reliable sources, and it is assumed that the information is accurate.
- This report shall be used for its intended purpose only, and by the party to whom it is addressed. Possession of this report does not include the right of publication.
- The appraisers may not be required to give testimony or to appear in court by reason of this appraisal, with reference to the property in question, unless prior arrangements have been made therefore.
- The statements of value and all conclusions shall apply as of the dates shown herein.
- There is no present or contemplated future interest in the property by the appraisers which is not specifically disclosed in this report.
- Without the written consent or approval of the authors neither all, nor any part of, the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media. This applies particularly to value conclusions and to the identity of the appraisers and the firm with which the appraisers are connected.
- This report must be used in its entirety. Reliance on any portion of the report independent of others, may lead the reader to erroneous conclusions regarding the property values. Unless approval is provided by the authors no portion of the report stands alone.
- The valuation stated herein assumes professional management and operation of the buildings throughout the lifetime of the improvements, with an adequate maintenance and repair program.
- The liability of Colliers International Valuation & Advisory Services, its principals, agents, and employees is limited to the client. Further, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The appraisers are in no way responsible for any costs incurred to discover or correct any deficiency in the property.
- The appraisers are not qualified to detect the presence of toxic or hazardous substances or materials which may influence or be associated with the property or any adjacent properties, has made no investigation or analysis as to the presence of such materials, and expressly disclaims any duty to note the degree of fault. Colliers International Valuation & Advisory Services and its principals, agents, employees, shall not be liable for any costs, expenses, assessments, or penalties, or diminution in value, property damage, or personal

injury (including death) resulting from or otherwise attributable to toxic or hazardous substances or materials, including without limitation hazardous waste, asbestos material, formaldehyde, or any smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, solids or gasses, waste materials or other irritants, contaminants or pollutants.

- The appraisers assume no responsibility for determining if the subject property complies with the *Americans with Disabilities Act* (*ADA*). Colliers International Valuation & Advisory Services, its principals, agents, and employees, shall not be liable for any costs, expenses, assessments, penalties or diminution in value resulting from non-compliance. This appraisal assumes that the subject meets an acceptable level of compliance with *ADA* standards; if the subject is not in compliance, the eventual renovation costs and/or penalties would negatively impact the present value of the subject. If the magnitude and time of the cost were known today, they would be reduced from the reported value conclusion.
- An on-site inspection of the subject property was conducted. No evidence of asbestos materials on-site was noted. A Phase 1 Environmental Assessment was not provided for this analysis. This analysis assumes that no asbestos or other hazardous materials are stored or found in or on the subject property. If evidence of hazardous materials of any kind occurs, the reader should seek qualified professional assistance. If hazardous materials are discovered and if future market conditions indicate an impact on value and increased perceived risk, a revision of the concluded values may be necessary.
- A detailed soils study was not provided for this analysis. The subject's soils and sub-soil conditions are assumed to be suitable based upon a visual inspection, which did not indicate evidence of excessive settling or unstable soils. No certification is made regarding the stability or suitability of the soil or sub-soil conditions.
- This analysis assumes that the financial information provided for this appraisal, including rent rolls and historical income and expense statements; accurately reflect the current and historical operations of the subject property.

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Engagement Letter
Professional Service Agreement
Valuation Glossary
Qualifications of Appraisers
Qualifications of Colliers International Valuation & Advisory Services

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Colliers Valuation & Advisory Services

Professional Service Agreement

6440 South Millrock Drive, Suite 570
Salt Lake City, UT 84121
Direct: +1 385 249 5444
www.colliers.com/valuationadvisory

January 29, 2025

Kelly Tate, MAI
Senior Valuation Services Director
Direct: +1 385 249 5444
kelly.tate@colliers.com

Calvin Clark, PhD, PE
Transportation Project Manager
Mountainlands Association of Governments (MAG)
586 E 800 North
Orem, UT 84097
cclark@magutah.com
801-473-1089

c/o

Glen Lent
Lakeside Landing Partners
7585 Union Park Ave, Suite 200
Cottonwood Heights, UT 84047
glen@alpinedevelopment.com
801-948-8800

RE: 2600 West ROW Appraisals

Dear Glen:

Thank you for considering Colliers International Valuation & Advisory Services, LLC for the assignment identified in the below-stated Professional Service Agreement. Please sign one copy of the agreement and return it to me, thereby indicating your authorization for us to proceed with this assignment and your acceptance of the attached Terms and Conditions.

PROFESSIONAL SERVICE AGREEMENT ("Agreement")	
Project	2600 West Corridor ROW ("Property")
Location	2600 West Springville, UT 84663
Project Description	6 Land Takings Along 2600 West Including: • Crandall Properties, LTD – 0.98 Acres • Aileen H. Clyde Trust 09-27-1988 (depending on what Chris finds out) – 0.76 Acres • Crandall Farms, Inc. – 0.52 Acres • Lynn & Sharon Properties, LLC – 0.75 Acres • Lakeside Land Partners, LLC – 1.94 Acres • The Clements Family Trust, U/A dated August 30, 2018 – 0.34 Acres
Parties	Colliers International Valuation & Advisory Services, LLC ("CIVAS") and Mountainlands Association of Governments (MAG) (herein at times referred to as "Client")

Intended User	The intended users are Lakeside Mountainlands Association of Governments (MAG), and Springville City to provide funds to the landowners to preserve future corridors. It should be noted that if this engagement is directly with the owner of the Property, the Appraisal will not be accepted by federally insured lenders due to FIRREA Compliance, limiting the use of this report. Should this potentially impact your source of lenders, we recommend engagement be directed by a Federally Insured Lender.
Intended Use	The report to be performed under this Agreement ("Appraisal") is intended to assist to provide funds to the landowners to preserve future corridors. The report is not intended for any other use.
Purpose	Market Value
Type of Appraisal	CIVAS will produce an Appraisal Report in which the appraiser's analysis and conclusions will be summarized within this document.
Rights Appraised	Fee Simple
Date of Value	Date of inspection
Scope of Work	CIVAS and/or its designated affiliate will provide the Appraisal in accordance with USPAP, and the Code of Ethics and Certifications Standards of the Appraisal Institute and State Licensing Laws. CIVAS will research relevant market data and perform analysis to the extent necessary to produce credible appraisal results. Based on our discussions with the Client, the Client has requested the following valuation scenarios: › As-Is Market Value CIVAS anticipates developing the following valuation approaches: › Land Value – Sales Comparison Approach and ROW Analysis An observation of the subject property will be performed. **Please note if it's a requirement per the client's underwriting guidelines to analyze and report all approaches to value, this will be performed although some approaches may be limited in application.** The scope of work will be included in the Appraisal. A copy of the Assumptions and Limiting Conditions, which appear in the Appraisal, is available upon request.
Delivery	Four (4) weeks
Professional Fee	$2,900 Each or $17,400 Total
Expenses	Fees include all associated expenses
No. of Reports	One (1) Electronic Draft Appraisal and One (1) Electronic Final Appraisal. No printed copies will be delivered to the client.
Retainer	**A 50% retainer is required.** <u>To Pay By Check:</u> Please remit all payments to Colliers International Valuation & Advisory Services 26791 Network Place Chicago, IL 60673-1267 **Please include the property name or address on the memo line** <u>Wire Instructions:</u> JP Morgan Chase Bank, NA Chicago, IL 70-2322/719 Account Name: Colliers International Valuation & Advisory Services, LLC Account No. 899559074 ABA No. 021000021 ACH Payment Transit Routing Number: 071000013 Swift code for International Wires ONLY: CHASUS33 **Please include the property name or address in addenda/memo payment information** Please send notification to CIVASAccounting@colliers.com when payment has been sent.

Payment Terms	CIVAS will invoice Client for the Appraisal in its entirety (Less Retainer) at the delivery of the draft report. When a full retainer has been paid, invoice and amount due are $0. Final payment is due and payable within five (5) business days upon delivery of the electronic copy of the final report or within thirty (30) days of your receipt of the draft report, whichever is sooner. If a draft report is requested, the fee is considered earned upon delivery of the draft report. If for any reason the client cancels the work before work was completed or for reasons beyond Colliers' control, then the client would pay for an agreed amount for work completed.
Acceptance Date	These specifications are subject to modification if this Agreement is not accepted within three (3) business days from the date of this letter.

Terms and Conditions

The attached Terms and Conditions and Specific Property Data Request are deemed a part of this Agreement as though set forth in full herein. The following is a list of information needed to begin and complete our analysis. The Client signing this Agreement or the party sending the specific property data certifies that all the information provided is accurate and complete as of the date of this request, and that any updates, revisions or additional relevant information that comes into control or possession of the Client prior to the date on which the Appraisal is delivered shall be provided to CIVAS immediately. Please forward with the Agreement or as soon as possible.

- Ownership history (purchase date and price)
- Copy of the purchase agreement (if under contract for sale)
- Copy of previous appraisal (if available)
- Legal description (if available)
- Any other information deemed pertinent to the appraisal
- Property Contact _____

In addition to the items requested above, please forward any additional materials you would consider relevant in the analysis of the subject property.

Reliance Language – Non-Lender Client

The Appraisal is for the sole use of the Client; however, Client may provide only complete, final copies of the Appraisal report in its entirety (but not component parts) to third parties who shall review such reports in connection with the stated Intended Use. CIVAS is not required to explain or testify as to appraisal results other than to respond to the Client for routine and customary questions. Please note that our consent to allow the Appraisal prepared by CIVAS or portions of such Appraisal, to become part of or be referenced in any public offering, the granting of such consent will be at our sole and absolute discretion and, if given, will be on condition that CIVAS will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to CIVAS, by a party satisfactory to CIVAS. CIVAS hereby expressly grants to client the right to copy the Appraisal and distribute it to employees of client and to your accountants/auditors in its entirety (but not component parts) without the need to provide CIVAS with an Indemnification Agreement and/or Non-Reliance letter.

If you have questions regarding the enclosed, please feel free to contact me. CIVAS appreciates this opportunity to be of service to you on this assignment and looks forward to serving you. If you have additional questions, please contact us.

I, **Glen Lent**, agree to the above stated terms and authorize Colliers International Valuation & Advisory Services, LLC to prepare the above referenced appraisal.

_____ Date: 01/29/2025

Glen Lent
Lakeside Landing Partners

Respectfully,

Colliers International Valuation & Advisory Services, LLC

Kelly Tate, MAI
Senior Valuation Services Director
Direct: +1 385 249 5444
kelly.tate@colliers.com

Terms and Conditions

"T&C"

1) The Appraisal will be subject to Colliers International Valuation & Advisory Services, LLC's ("CIVAS") Assumptions and Limiting Conditions that are incorporated into each appraisal, and any Extraordinary Assumptions and Hypothetical Conditions that may be incorporated into each appraisal.

2) Any capitalized, non-defined words shall have the same meaning as defined in the Agreement to which these T&Cs are attached.

3) Client is defined as the party signing the Agreement and shall be responsible for payment of the fees stipulated in the Agreement. Payment of the fee for the Appraisal is not contingent on the appraised value(s) or the outcome of the report(s). Additional fees will be charged on an hourly basis for any work that may exceed the scope of this proposal, including performing additional valuation scenarios, additional research, and conference calls, meetings, deposition preparation, deposition, trial testimony or travel that may exceed the time allotted by CIVAS for an assignment of this nature. If CIVAS is requested to cease working on the Appraisal for any reason prior to the completion of the appraisal(s), CIVAS will be entitled to bill the Client for the time spent to date at CIVAS' hourly rates for the personnel involved. The Client will be billed a minimum $500 or at a rate of $250 per hour for associate time, $350 per hour for valuation services director, $400 per hour for managing director, and $450 per hour for executive managing director. If the Client delays completion of the assignment beyond ninety (90) days, the fee may be renegotiated. This may result in the total fee exceeding the original agreed fee agreed upon cost.

4) Client agrees to pay all fees and expenses, including attorney's fees, incurred by CIVAS in connection with the collection or attempted collection of the fees and expenses. In the event Client fails to make payments when due and payable, the amount due shall bear interest at 1.5% per month or the maximum rate permitted in the state in which the CIVAS office executing the Agreement is located, whichever is lesser.

5) The fee is due upon delivery of the final report or within thirty (30) days of your receipt of the draft report, whichever is sooner. If a draft is requested, the fee is considered earned upon delivery of our draft report.

6) In the event that either party commences any legal action relating to the provisions of the Agreement, including collection, the prevailing party shall be entitled to its actual attorneys' fees and costs. The Agreement shall be governed by and construed in accordance with the laws of the state where the CIVAS office executing the Agreement is located. The venue of any action arising out of the Agreement shall be the county where the CIVAS office executing the Agreement is located. Client will have up to thirty (30) days from receipt of the Draft Appraisal to review and communicate its review to CIVAS. CIVAS reserves the right to bill Client for additional appraisal efforts that may arise from the Client not responding within with this time period.

7) CIVAS does not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to CIVAS by Client. In the event that any such information is inaccurate, misleading or incomplete, CIVAS shall have no responsibility or liability for any matters relating thereto (whether to the Client or to any third party).

8) CIVAS shall have no responsibility for legal matters, questions of survey or title, soil or subsoil conditions, engineering, or other similar technical matters. The Appraisal will not constitute a survey of the Property analyzed.

9) Client shall provide CIVAS with such materials with respect to the Appraisal as requested by CIVAS and which are in the possession or under the control of Client. Client shall provide CIVAS with sufficient access to the Property to be analyzed and hereby grants permission for entry, unless discussed in advance to the contrary.

10) The data gathered in the course of the Appraisal (except data furnished by Client) and the Appraisal prepared pursuant to the Agreement are, and will remain, the property of CIVAS. With respect to data provided by Client, such data shall be confidential, and CIVAS shall not disclose any information identified as confidential furnished to CIVAS. Notwithstanding the foregoing, CIVAS is authorized by Client to disclose all or any portion of the Appraisal and the related data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable CIVAS to comply with the Bylaws and Regulations of such Institute as now or hereafter in effect.

11) Unless specifically noted, CIVAS does not assume any duty to analyze or examine the Property or adjacent property for the possible presence of toxic and/or hazardous substances or materials (including but not exclusive to asbestos, PCB transformers, or other toxic, hazardous, or contaminated substances and/or underground storage tanks (hazardous material), or the cost of encapsulation or removal thereof) and accepts no liability regarding the issue. If such materials exist, CIVAS defers to the expertise of professionals specifically trained in analyzing the cost to remediate, which will not be a part of the appraisal fee proposal. The Appraisal will contain a comprehensive disclaimer to this effect.

12) CIVAS understands that there is no major or significant deferred maintenance in the Property which would require the expertise of a professional cost estimator or contractor. If such repairs are needed, the estimates are to be prepared by others, and are not a part of the fee contemplated in the Agreement.

13) Client acknowledges that CIVAS is being retained hereunder as an independent contractor to perform the services described herein and nothing in the Agreement shall be deemed to create any other relationship between Client and CIVAS. The Agreement shall be deemed concluded and the services hereunder completed upon delivery to Client of the Appraisal discussed herein.

14) Client agrees that its only remedy for losses or damages relating to the Agreement shall be limited to the amount of the appraisal fee paid by the Client and in no circumstances shall CIVAS be liable for any losses or damages in excess of this amount. Should the Client, or any other entitled party, make a claim against CIVAS, its directors, officers, employees and other affiliates and shareholders, relating to this engagement or the appraisal(s), the maximum damages recoverable from CIVAS, its directors, officers, employees and other affiliates and shareholders, shall be the amount of funds actually collected by CIVAS under the Agreement, and no claim shall be made for any consequential or punitive damages.

15) If CIVAS or any of its employees receives a subpoena or other judicial notification to produce documents or provide testimony involving the Appraisal in connection with a lawsuit or related proceeding, CIVAS will notify the Client of receipt of the subpoena or notification. However, if CIVAS is not part of the lawsuit or proceedings, Client agrees to compensate CIVAS for the professional time required and to reimburse CIVAS for the expenses incurred in responding to any such subpoena or judicial notification, including any attorneys' fees, as they are incurred. CIVAS is to be compensated at the prevailing hourly rates of the personnel responding to the subpoena or command for testimony.

16) If expert witness testimony is required in connection with the Appraisal, the following hourly rates will apply. The Client will be billed at the rate of $250 per hour for associate time, $350 per hour for valuation services director, $400 per hour for managing director, and $450 per hour for executive managing director. The hourly billings pertain to court preparation, waiting and travel time, document review and preparation (excludes appraisal report) and all meetings related to court testimony.

17) Client shall indemnify and hold CIVAS, its parent, subsidiaries, affiliates, its officers, directors, employees and agents ("CIVAS Indemnities"), fully harmless against all losses, damages, claims, and expenses of any kind whatsoever (including costs and reasonable attorneys' fees), sustained or incurred by a third party as a result of the negligence or intentional acts or omissions of Client (including any failure to perform any duty imposed by law), any misrepresentation, distortion or if Client fails to provide complete and accurate information to CIVAS, for which recovery is sought against the CIVAS Indemnities; however, such obligation to defend and indemnify shall not apply to the extent caused by the negligent act or willful misconduct of CIVAS. Client shall indemnify and hold CIVAS Indemnities harmless from any claims, expenses, judgments or other items or costs arising as a result of the Client's failure or the failure of any of the Client's agents to provide a complete copy of the Appraisal to any third party. LIMITATION OF LIABILITY. EXCEPT FOR THE INDEMNIFICATION PROVISION ABOVE, ANYTHING IN THE AGREEMENT TO THE CONTRARY NOTWITHSTANDING, UNDER NO CIRCUMSTANCES WHATSOEVER SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY SPECIAL, CONSEQUENTIAL, PUNITIVE, OR INCIDENTAL DAMAGES OF ANY KIND WHATSOEVER.

18) CIVAS agrees to maintain Professional Liability Insurance in the amount of $1,000,000 and General Liability insurance in the amount of $2,000,000, as well as Workers Compensation per local regulatory requirements. CIVAS will endeavor to provide Client with written notice regarding any cancellation of any such insurance. CIVAS will provide Client with certificates of insurance naming Client as an additional insured on the General Liability policy upon request.

19) The Appraisal and the name Colliers International Valuation & Advisory Services may not be used in any marketing or investment material or offering memoranda without CIVAS' prior written consent. CIVAS, its employees and appraisers have no liability to any recipients of any prepared material and disclaim all liability to any party other than the Client.

20) Unless CIVAS consents in writing, the Appraisal cannot be used by any party or for any purpose other than the Client for the purposes specified in the Agreement. Should the Client provide a copy of this Appraisal to any person or entity not authorized by CIVAS in writing, Client hereby agrees to hold CIVAS, its directors, officers, employees and other affiliates and shareholders, harmless from all damages, expenses, claims and costs, including any attorney's fees. The Client acknowledges that any opinions and conclusions expressed by the professionals of CIVAS pursuant to the Agreement are made as employees and not as individuals. CIVAS' responsibility is limited to the Client, and the use of the Appraisal or related product by third parties shall be solely at the risk of the Client and/or third parties.

21) The use of this appraisal shall be used only for the purpose as set forth in the Intended Use section of the Agreement. In the event that the client wishes to use this report or portions of this report for any other purpose such as, to become part of or be referenced in, any offering or other material intended for the review of others, or to be submitted to others, will be at the Client's sole and absolute discretion and, if given, will be on condition that CIVAS will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to CIVAS and the Client, by a party satisfactory to CIVAS and the Client. CIVAS does consent to Client submission of the complete Appraisal to rating agencies, loan participants or your accountants/auditors without the need to provide us with an Indemnification Agreement and/or Non-Reliance letter.

22) Client and its affiliates, rating agencies and a limited number of investors involved in the securitization, may use and rely upon CIVAS report in connection with a planned loan securitization involving the Property including, without limitation, utilizing selected information in the Appraisal in the offering documents relating to the securitization and CIVAS agrees to cooperate in answering reasonable questions by any of the above parties in connection with the securitization.

Client agrees that it will not file, use, or permit or cause to be used in any offering documents or any other document any portion or extract of the Appraisal, or any reference to the Appraisal, without first (i) having provided the portion or portions of an offering document or other document to CIVAS for review and (ii) having obtained the prior written consent of CIVAS to any such filing, use, amendment or modification, which consent shall not be unreasonably withheld. CIVAS shall have the right to require Client to include in any offering document or other document disclosure concerning the conditions, qualifications and assumptions of the appraisal and such other disclosure concerning the Appraisal as CIVAS shall reasonably require.

Client can use the appraised value without attribution to the Appraisal, and selected information in the Appraisal, provided Client agrees that it has complied and at all times will comply, and will use Client's best efforts to cause any underwriters to comply, with all applicable Federal and state securities laws in connection with any offering, and offering document and any use of the Appraisal. Client further agrees that neither any offering document nor any other document used in connection with any offering will contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein not misleading regarding the Appraisal, or any portion or extract thereof, or any reference to the Appraisal.

Valuation Glossary 2024

Unless specified otherwise, these definitions were extracted or paraphrased from the following sources or publications:

- The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022 (Dictionary).
- Uniform Standards of Professional Appraisal Practice, 2024 Edition (USPAP).
- The Appraisal of Real Estate, Fifteenth Edition, Appraisal Institute, Chicago, Illinois, 2020 (15th Edition).

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

Ad Valorem Tax
A real estate tax based on the assessed value of the property, which is not necessarily equivalent to its market value. *(15th Edition)*

Arm's-length Transaction
A transaction between unrelated parties who are each acting in his or her own best interest. *(Dictionary)*

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

Assessed Value
The value of a property according to the tax rolls in ad valorem taxation; may be higher or lower than market value, or based on an assessment ratio that is a percentage of market value. *(Dictionary)*

Average Daily Room Rate (ADR)
In the lodging industry, the net rooms revenue derived from the sale of guest rooms divided by the number of paid occupied rooms. *(Dictionary)*

Band of Investment
A technique in which the capitalization rates attributable to components of an investment are weighted and combined to derive a weighted-average rate attributable to the total investment. *(Dictionary)*

Cash-Equivalent Price
The sale price of a property that is equivalent to what a cash buyer would pay. *(Dictionary)*

Common Area
The total area within a property that is not designed for sale or rental but is available for common use by all owners, tenants, or their invitees, e.g., parking and its appurtenances, malls, sidewalks, landscaped areas, recreation areas, public toilets, truck and service facilities. *(Dictionary)*

Contract Rent
The actual rental income specified in a lease. *(15th Edition)*

Cost Approach
A set of procedures through which a value indication is derived for the fee simple estate by estimating the cost new as of the effective date of the appraisal to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive; deducting depreciation from the total cost; and adding the estimated land value. The contributory value of any site improvements that have not already been considered in the total cost can be added on a depreciated-cost basis. Adjustments may then be made to the indicated value of the fee simple estate in the subject property to reflect the value of the property rights being appraised. *(Dictionary)*

Curable Functional Obsolescence
An element of depreciation; a curable defect caused by a flaw involving the structure, materials, or design, which can be practically and economically corrected. *(Dictionary)*

Debt Coverage Ratio (DCR)
The ratio of net operating income to annual debt service, which measures the relative ability of a property to meet its debt service out of net operating income; also called *debt service coverage ratio (DSCR).* (*Dictionary)*

Deferred Maintenance
Items of wear and tear on a property that should be fixed now to protect the value or income-producing ability of a property. *(Dictionary)*

Depreciation
In appraisal, a loss in the value of improvements from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the value of the improvement on the same date. *(Dictionary)*

Direct Costs
Expenditures for the labor and materials used in the construction of improvements; also called *hard costs. (Dictionary)*

Discounted Cash Flow (DCF) Analysis
The procedure in which a discount rate is applied to a set of projected income streams and a reversion. The analyst specifies the quantity, variability, timing, and duration of the income streams and the quantity and timing of the reversion, and discounts each to its present value at a specified yield rate. *(Dictionary)*

Discount Rate
A rate of return on capital used to convert future payments or receipts into present value. *(Dictionary)*

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

1. Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider their best interests.
7. An adequate marketing effort will be made during the exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms. *(Dictionary)*

Easement
The right to use another's land for a stated purpose. Access or right-of-way easements may be acquired by private parties or public utilities. Governments may be the beneficiaries of easements placed on privately owned land that is dedicated to conservation, open space, or preservation. *(15th Edition)*

Economic Life
The period over which improvements to real estate contribute to property value. *(Dictionary)*

Effective Age
The age of property that is based on the amount of observed deterioration and obsolescence it has sustained, which may be different from its chronological age. *(Dictionary)*

Effective Date
The date on which the appraisal or review opinion applies (SVP) *(Dictionary)*

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

Effective Gross Income Multiplier (EGIM)
The ratio between the sale price (or value) of a property and its effective gross income. *(Dictionary)*

Effective Rent
The total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions - e.g. free rent, excessive tenant improvements, moving allowances, lease buyouts, cash allowances, and other lease incentives. *(15th Edition)*

Eminent Domain
The right of government to take private property for public use upon the payment of just compensation. The Fifth Amendment of the U.S. Constitution, also known as the *takings clause*, guarantees payment of just compensation upon appropriation of private property. *(Dictionary)*

Entrepreneurial Incentive
The amount an entrepreneur expects or wants to receive as compensation for providing coordination and expertise and assuming the risks associated with the development of a project. Entrepreneurial incentive is the expectation of future reward as opposed to the profit actually earned on the project. *(Dictionary)*

Entrepreneurial Profit
A market-derived figure that represents the amount an entrepreneur received for his or her contribution to a past project to compensate for his or her time, effort, knowledge, and risk; the difference between the total cost of a property (cost of development) and its market value (property value after completion), which represents the entrepreneur's compensation for the risk and expertise associated with development. An entrepreneur is motivated by the prospect of future value enhancement (i.e., the entrepreneurial incentive). An entrepreneur who successfully creates value through new development, expansion, renovation, or an innovative change of use is rewarded by entrepreneurial profit. Entrepreneurs may also fail and suffer losses. *(Dictionary)*

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

Excess Rent
The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the lessor and may reflect superior management, a lease execution in an earlier, stronger rental market, or an agreement of the parties. Due to the higher risk inherent in the receipt of excess rent, it may be calculated separately and capitalized or discounted at a higher rate in the income capitalization approach. *(15th Edition)*

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

Exposure Time
An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. *(USPAP)*

Extraordinary Assumption
An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis. An extraordinary assumption may be used in an assignment only if:

- It is required to properly develop credible opinions and conclusions;
- The appraiser has a reasonable basis for the extraordinary assumption;
- Use of the extraordinary assumption results in a credible analysis; and
- The appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions. *(USPAP)*

External Obsolescence
A type of depreciation; a diminution in value caused by negative external influences and generally incurable on the part of the owner, landlord, or tenant. The external influence may be either temporary or permanent. There are two forms of external obsolescence: economic and locational. *(Dictionary)*

Fair Market Value
In nontechnical usage, a term that is equivalent to the contemporary usage of *market value*.
As used in condemnation, litigation, income tax, and property tax situations, a term that is similar in concept to market value but may be defined explicitly by the relevant agency or interpreted differently by court precedent. *(Dictionary)*

Feasibility Analysis
A study of the cost-benefit relationship of an economic endeavor. *(USPAP)*

Fee Simple Estate
Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat. *(Dictionary)*

Floor Area Ratio (FAR)
The relationship between the above-ground floor area of a building, as described by the zoning or building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area. *(Dictionary)*

Functional Obsolescence
The impairment of functional capacity of improvements according to market tastes and standards. *(Dictionary)*

Functional Utility
The ability of a property or building to be useful and to perform the function for which it is intended according to current market tastes and standards; the efficiency of a building's use in terms of architectural style, design and layout, traffic patterns, and the size and type of rooms. *(Dictionary)*

Furniture, Fixtures, and Equipment (FF&E)
Business trade fixtures and personal property, exclusive of inventory. (Dictionary)

Going-concern
An established and operating business having an indefinite future life. *(Dictionary)*

Going-concern Value
An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the *market value of the going concern or market value of the total assets of the business*. *(Dictionary)*

Gross Building Area (GBA)
Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved. *(Dictionary)*

Gross Leasable Area (GLA)
Total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines; measured from the center of joint partitioning to the outside wall surfaces. *(Dictionary)*

Gross Living Area (GLA)
Total area of finished, above-grade residential space area; calculated by measuring the outside perimeter of the structure and includes only finished, habitable, above-grade living space. (Finished basements and attic areas are not generally included in total gross living area. Local practices, however, may differ.) *(Dictionary)*

Highest & Best Use
The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. The use of

an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid (IVS). *(Dictionary)*

Hypothetical Condition

A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. *(USPAP)*

Income Capitalization Approach

In the income capitalization approach, an appraiser analyzes a property's capacity to generate future benefits and capitalizes the income into an indication of present value. The principle of anticipation is fundamental to this approach. Techniques and procedures from this approach are used to analyze comparable sales data and to measure obsolescence in the cost approach. *(15th Edition)*

Incurable Functional Obsolescence

An element of depreciation; a defect caused by a deficiency or superadequacy involving the structure, materials, or design that cannot be practically or economically corrected as of the effective date of the appraisal. *(Dictionary)*

Indirect Costs

Expenditures or allowances for items other than labor and materials that are necessary for construction, but are not typically part of the construction contract. Indirect costs may include administrative costs, professional fees, financing costs and the interest paid on construction loans, taxes and the builder's or developer's all-risk insurance during construction, and marketing, sales, and lease-up costs incurred to achieve occupancy or sale. Also called *soft costs*. *(Dictionary)*

Interim Use

The use contemplated by the market participants that the subject real estate can be put to while waiting for certain subsequent factors to occur. *(Dictionary)*

Investment Value

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

Leased Fee Interest

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

Leasehold Estate

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

Legal Nonconforming Use

A use that was lawfully established and maintained, but no longer conforms to the use regulations of its current zoning; sometimes known as a legally nonconforming use. *(Dictionary)*

Liquidation Value

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

1. Consummation of a sale within a short time period.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. A normal marketing effort is not possible due to the brief exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms. *(Dictionary)*

Market Area

The geographic region from which a majority of demand comes and in which the majority of competition is located. Depending on the market, a market area may be further subdivided into components such as primary, secondary, and tertiary market areas, or the competitive market area may be distinguished from the general market area. *(Dictionary)*

Market Rent

The most probable rent that a property should bring in a competitive and open market under all conditions requisite to a fair lease transaction, the lessee and lessor each acting prudently and knowledgeably, and assuming the rent is not affected by undue stimulus. *(Dictionary)*

Market Study
An analysis of the market conditions of supply, demand, and pricing for a specific property type in a specific area. *(Dictionary)*

Market Value (Most Common Non-FRT)
The most probable price, as of a specific date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue distress. *(Dictionary)*

Market Value (Interagency Guidelines)
The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their own best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (*12 CFR, Part 34, Subpart C - Appraisals, 34.42(h)*).

Marketability Analysis
The study of how a specific property is expected to perform in a specific market. A marketability analysis expands on a market analysis by addressing a specific property. *(Dictionary)*

Neighborhood Analysis
The objective analysis of observable or quantifiable data indicating discernible patterns of urban growth, structure, and change that may detract from or enhance property values; focuses on four sets of considerations that influence value: social, economic, governmental, and environmental factors. *(Dictionary)*

Net Net Net Lease
An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management. Also called *NNN lease, triple net lease*, or *fully net lease. (Dictionary)*

Net Operating Income (NOI)
The actual or anticipated net income that remains after all operating expenses are deducted from effective gross income but before mortgage debt service and book depreciation are deducted. Note: This definition mirrors the convention used in corporate finance and business valuation for EBITDA (earnings before interest, taxes, depreciation, and amortization). *(15th Edition)*

Obsolescence
One cause of depreciation; an impairment of desirability and usefulness caused by new inventions, changes in design, improved processes for production, or external factors that make a property less desirable and valuable for a continued use; may be either functional or external. *(Dictionary)*

Off-site Costs
Costs incurred in the development of a project excluding on-site costs such as grading and construction of the building and other improvements; also called *common costs* or *off-site improvement costs. (Dictionary)*

On-site Costs
Costs incurred for the actual construction of buildings and improvements on a particular site. *(Dictionary)*

Overage Rent
The percentage rent paid over and above the guaranteed minimum rent or base rent; calculated as a percentage of sales in excess of a specified breakeven sales volume. *(15th Edition)*

Overall Capitalization Rate (OAR)
The relationship between a single year's net operating income expectancy and the total property price or value. *(Dictionary)*

Parking Ratio
The ratio of parking area or parking spaces to an economic or physical unit of comparison. Minimum required parking ratios for various land uses are often stated in zoning ordinances. *(Dictionary)*

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

Potential Gross Income Multiplier (PGIM)
The ratio between the sale price (or value) of a property and its annual potential gross income. *(Dictionary)*

Present Value (PV)
The value of a future payment or series of future payments discounted to the current date or to time period zero. *(Dictionary)*

Prospective Opinion of Value
A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not achieved sellout or a stabilized level of long-term occupancy. *(Dictionary)*

Qualitative Adjustment
An indication that one property is superior, inferior, or similar to another property. Note that the common usage of the term is a misnomer in that an adjustment to the sale price of a comparable property is not made. Rather, the indication of a property's superiority or inferiority to another is used in relative comparison analysis, bracketing, and other forms of qualitative analysis. *(Dictionary)*

Quantitative Adjustment
In the application of the sales comparison and income capitalization approaches, a numerical (dollar or percentage) adjustment to the sale price, rent, or expense amount of a comparable property to account for the effect on value of a difference between each comparable property and the subject property. *(Dictionary)*

Rentable Area
The amount of space on which the rent is based; calculated according to local practice. *(Dictionary)*

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

Replacement Cost for Insurance Purposes
The estimated cost, at current prices as of the effective date of valuation, of a substitute for the building being valued, using modern materials and current standards, design and layout for insurance coverage purposes guaranteeing that damaged property is replaced with a new property (i.e., depreciation is not deducted). *(Dictionary)*

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

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

Sales Comparison Approach
The process of deriving a value indication for the subject property by comparing sales of similar properties to the property being appraised, identifying appropriate units of comparison, and making adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered vacant when an adequate supply of comparable sales is available. *(Dictionary)*

Scope of Work
The type and extent of research and analysis in an appraisal or appraisal review assignment. Scope of work includes, but is not limited to:
The extent to which the property is identified;
The extent to which tangible property is inspected;
The type and extent of data researched; and
The type and extent of analysis applied to arrive at opinions or conclusions. *(USPAP)*

Shopping Center Types
Neighborhood Shopping Center: The smallest type of shopping center, generally with a gross leasable area of between 30,000 and 100,000 square feet. Typical anchors include supermarkets. Neighborhood shopping centers offer convenience goods and personal services and usually depend on a market population support of 3,000 to 40,000 people.
Community Shopping Center: A shopping center of 100,000 to 400,000 square feet that usually contains one junior department store, a variety store, discount or department store. A community shopping center generally has between 20 and 70 retail tenants and a market population support of 40,000 to 150,000 people.
Regional Shopping Center: A shopping center of 300,000 to 900,000 square feet that is built around one or two full-line department stores of approximately 200,000 square feet each plus small tenant spaces. This type of center is typically supported by a minimum population of 150,000 people.
Super-Regional Center: A large center of 600,000 to 2.0 million square feet anchored by three or more full-line department stores. This type of center is typically supported by a population area of 300,000 people. *(15th Edition)*

Sum of the Retail Values

The sum of the separate and distinct market value opinions for each of the units in a condominium; subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent the value of all the units as sold together in a single transaction; it is simply the total of the individual market value conclusions. An appraisal has an effective date, but summing the sales prices of multiple units over an extended period of time will not be the value on that one day unless the prices are discounted to make the value equivalent to what another developer or investor would pay for the bulk purchase of the units. Also called the *aggregate of the retail values* or *aggregate retail selling price*. *(Dictionary)*

Superadequacy

An excess in the capacity or quality of a structure or structural component; determined by market standards. *(Dictionary)*

Surplus Land

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

Tenant Improvements (TIs)

1. Fixed improvements to the land or structures installed for use by a lessee.
2. The original installation of finished tenant space in a construction project; subject to periodic change for succeeding tenants. *(Dictionary)*

Usable Area

The area that is actually used by the tenants measured from the inside of the exterior walls to the inside of walls separating the space from hallways and common areas. *(Dictionary)*

Useful Life

The period of time over which a structure or a component of a property may reasonably be expected to perform the function for which it was designed. *(Dictionary)*

Vacancy and Collection Loss

A deduction from potential gross income *(PGI)* made to reflect income deductions due to vacancies, tenant turnover, and nonpayment of rent; also called *vacancy and credit loss* or *vacancy and contingency loss. (Dictionary)*

Yield Capitalization

A method used to convert future benefits into present value by (1) discounting each future benefit at an appropriate yield rate, or (2) developing an overall rate that explicitly reflects the investment's income pattern, holding period, value change, and yield rate. *(Dictionary)*

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE
Certified General Appraiser
9877947-CG00
CHELSEY B JORGENSEN

Signature of Holder

DATE ISSUED: 10/15/2020 EXPIRATION DATE: 10/31/2026

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- Below is your public address of record for the Division. All correspondence will be mailed to this address. It is your responsibility to notify us directly if your address changes
- Please visit our website at www.realestate.utah.gov should you have any questions in the future.

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE
Active

DATE ISSUED: 10/15/2020

EXPIRATION DATE: 10/31/2026

LICENSE NUMBER: 9877947-CG00

LICENSE TYPE: Certified General Appraiser

ISSUED TO: CHELSEY B JORGENSEN
6440 SOUTH MILLROCK DRIVE
Ste. 570
Salt Lake City UT 84121

SIGNATURE OF HOLDER

REAL ESTATE DIVISION DIRECTOR



Senior Valuation Specialist
Valuation & Advisory Services

chelsey.jorgensen@colliers.com
Direct: +1 385 249 5448
Mobile: +1 801 755 2633
Fax: +1 385 249 5451
colliers.com

6440 South Millrock Drive
Suite 570
Salt Lake City, Utah 84121
United States

Chelsey Jorgensen, MAI

Area of Expertise

Chelsey Jorgensen joined Colliers Valuation & Advisory Services in 2022. Ms. Jorgensen holds a Bachelor's degree in economics from Brigham Young University. She is a designated member of the Appraisal Institute. She began her appraisal career at Jorgensen Appraisal in 2016, after having previously worked as a business analyst for American Express. She has completed appraisals in many fields, including senior housing, health care, residential treatment, property tax appeals and valuations, conservation easements, and eminent domain. She has completed fair market rent studies, feasibility studies, and supply and demand analyses for some of the largest developers and operators in the Rocky Mountain region. Ms. Jorgensen has testified as an expert witness and provides consultation services.

Education or Qualifications

B.S. Economics, Brigham Young University, 2004

State Certifications

Utah

Wyoming

Affiliations or Memberships

MAI – Member of the Appraisal Institute

Programs and Education Committee Chair, CREW Utah

Professional Background

Colliers International (UT), 2022-Present

Jorgensen Appraisal (UT), 2016-2022

Appraisal Courses

- General Appraiser Sales Comparison Approach
- General Appraiser Market Analysis and Highest & Best Use
- General Appraiser Site Valuation and Cost Approach
- General Appraiser Report Writing & Case Studies
- Real Estate Finance, Statistics, and Valuation Modeling
- General Appraiser Income Approach
- Advanced Market Analysis and Highest & Best Use
- Advanced Income Capitalization
- Advanced Concepts & Case Studies
- Appraisal of Medical Office Buildings
- Appraisal of Industrial & Flex Buildings
- Appraisal of Self-Storage
- USPAP 2024-2025

Representative Clients and Projects

Military Installation Development Authority:
Fee acquisitions and easement acquisitions and releases from UDOT at the Mayflower Resort, Wasatch County

Ray Quinney and Nebeker:
Expert witness services related to a newly constructed flex industrial building in Utah County

Star Valley Health:
Appraisals of medical clinics in Alpine and Afton, Lincoln County, Wyoming

Intermountain Healthcare:
Fair market rent studies across the state of Utah

United States Forest Service:
Coldwater Ranch, Cache County, Utah - conservation easement on a 33,000-acre ranch

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE

ACTIVE LICENSE
Certified General Appraiser
8384882-CG00

CHRISTOPHER KELLY TATE
NAME OF HOLDER

DATE ISSUED
07/02/2024

EXPIRATION
07/31/2026

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- Please visit our web site at **realestate.utah.gov** should you have any questions.

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE

ACTIVE LICENSE

DATE ISSUED: 07/02/2024

EXPIRATION DATE: 07/31/2026

LICENSE NUMBER: 8384882-CG00

LICENSE TYPE: Certified General Appraiser

ISSUED TO: CHRISTOPHER KELLY TATE
7427 S MAGIC HILLS CR
COTTONWOOD HEIGHTS UT 84121

SIGNATURE OF HOLDER

REAL ESTATE DIVISION INTERIM DIRECTOR

Form #2



Senior Valuation Services Director
Valuation & Advisory Services

kelly.tate@colliers.com
Direct: +1 385 249 5444
Mobile: +1 801 558 2827
Fax: +1 385 249 5451
colliers.com

6440 S. Millrock Dr.
Suite 570
Salt Lake City, UT 84121
United States

Kelly Tate, MAI

Area of Expertise

Kelly Tate joined Colliers International Valuation & Advisory Services in 2014. After working as a loan officer, Kelly began his career as a commercial real estate appraiser in 2008 working in the Las Vegas market. In 2012, Kelly returned to Salt Lake City to further his career in the industry. He has experience appraising many different property types including retail, office, industrial, apartments, senior housing, residential subdivisions, and condominiums.

Kelly received his MAI designation in 2013.

Affiliations or Memberships

MAI, Appraisal Institute, # 507024

Utah Chapter of the Appraisal Institute

Professional Background

Colliers International (UT), 2014 – Present

Appraisal Group Inc. (UT), 2012 – 2014

Lubawy & Associates (NV), 2008 - 2012

Education or Qualifications

Bachelor of Science – University of Utah, 2004

State Certifications

Idaho

Montana

Utah

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE
ACTIVE LICENSE
Certified Residential Appraiser
7338339-CR00
JACOB R JORGENSEN
NAME OF HOLDER
DATE ISSUED 01/18/2024
EXPIRATION 01/31/2026

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- Inactive licenses must be renewed.
- Please visit our web site at **realestate.utah.gov** should you have any questions.

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE

ACTIVE LICENSE

DATE ISSUED: 01/18/2024

EXPIRATION DATE: 01/31/2026

LICENSE NUMBER: 7338339-CR00

LICENSE TYPE: Certified Residential Appraiser

ISSUED TO: JACOB R JORGENSEN
10883 SADDLEBROOKE CIR
SOUTH JORDAN UT 84095

THE GREAT SEAL OF THE STATE OF UTAH
INDUSTRY
1847
1896

SIGNATURE OF HOLDER

REAL ESTATE DIVISION DIRECTOR

Form #2



Valuation Associate
Valuation & Advisory Services

jake.jorgensen@colliers.com
Direct: +1 801 441 1202
Mobile: +1 801 694 8640
Fax: +1 385 249 5451
colliers.com

6440 S. Millrock Dr.
Suite 570
Salt Lake City, UT 84121
United States

Jake Jorgensen

Area of Expertise

Jake Jorgensen joined Colliers Valuation & Advisory Services in 2024 and is current a Valuation Associate. He began his career in 2009 as an appraiser trainee at Jorgensen Appraisal, and received his appraisal license in 2013. During this time he completed appraisals, feasibility studies and market studies on a wide range of property types including vacant land, subdivisions, senior care, office buildings, golf courses and retail centers. In 2017, he moved to Los Angeles and began working independently as a residential appraiser, during which time he received his certified residential license. In 2024, he returned to Utah and the commercial appraisal field. He has since completed assignments for a variety of intended uses, including conservation easements, eminent domain, title disputes and litigation. He specializes in residential properties and vacant land.

Professional Background

Jorgensen Appraisal (UT), 2009-2017

Self Employed (CA), 2017-2024

Colliers Valuation & Advisory Services (UT), 2025-Present

Appraisal Courses

- General Appraiser Sales Comparison Approach
- General Appraiser Market Analysis & Highest & Best Use
- General Appraiser Site Valuation & Cost Approach
- General Appraiser Report Writing & Case Studies
- General Appraiser Income Approach
- Advanced Residential Applications and Case Studies
- Complex Properties: The Odd Side Of Appraisal
- Statistics, Modeling & Finance
- Advanced Concepts & Case Studies
- USPAP 2024-2025

Education or Qualifications

Bachelor of Science – Utah Valley University, 2013

State Certifications

Utah

California

Valuation & Advisory Services



Accelerating success.

Valuation & Advisory Services

Real estate valuations play a pivotal role in today's business climate. An accurate and well supported opinion of property value can mean the difference between reaching a critical goal—securing a loan, closing a sale, reporting to investors, choosing the best asset—or failing to achieve it altogether.

Colliers Valuation & Advisory Services' reports are designed to deliver insight into a property's fundamentals, its competition and the overall market dynamics affecting value. A solid valuation report can be a strategic asset for investors, lenders and owners, provided that it addresses both a property's unique characteristics and the most current market conditions.

Commitment to high-end client service, coupled with Colliers' unparalleled market intelligence and resources, differentiates us as the firm of choice in the real estate industry.

PROFESSIONAL

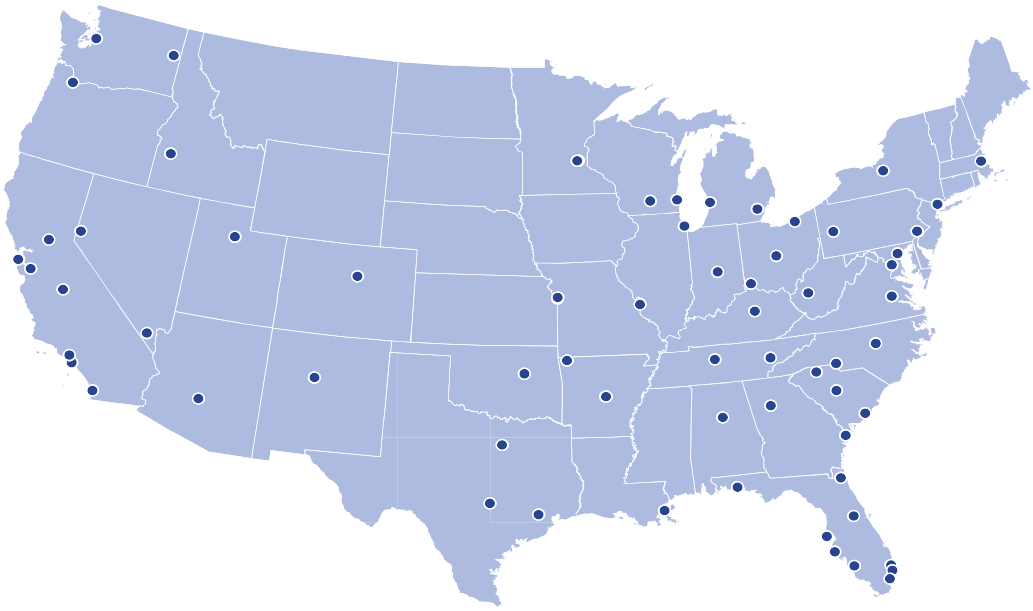
Our professionals share a commitment to deliver the highest level of service and consistent results. We go the extra mile for our clients, whether this means meeting a tight deadline or working with a complex and challenging property.

TECHNOLOGY

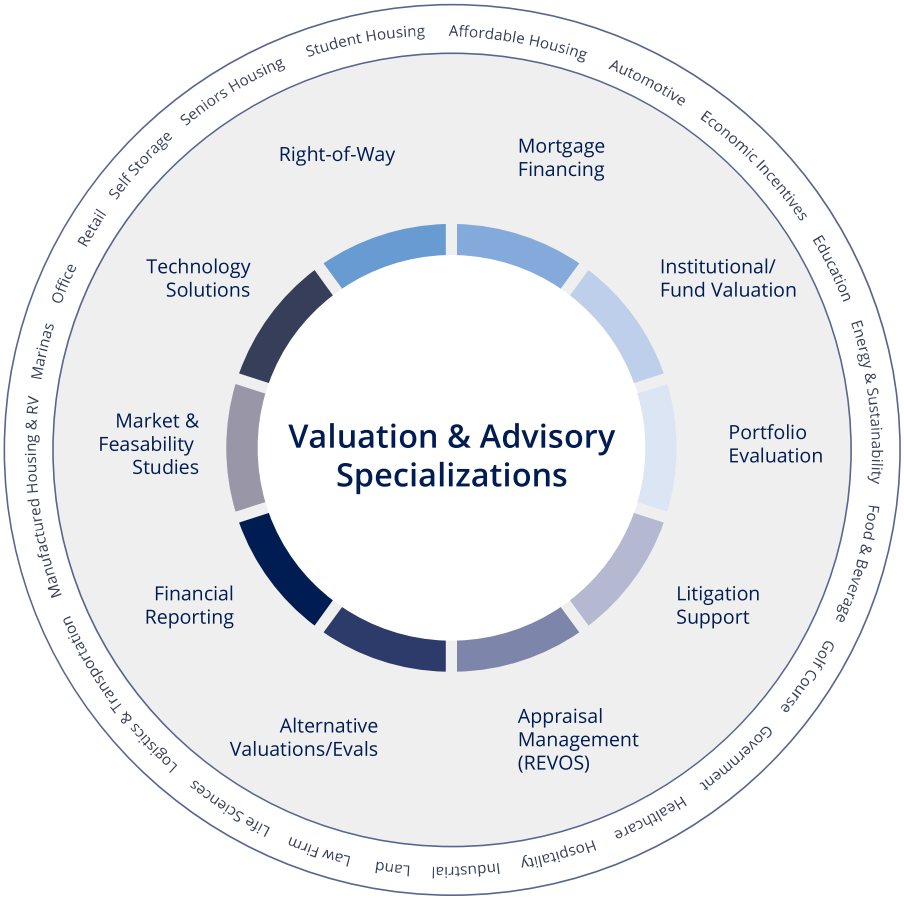
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INFORMATION

Today's business climate places valuation in a more pivotal position than ever before. All our appraisals are evaluated and approved by an experienced review team to ensure our clients receive concise and timely appraisals. With clear, prompt reporting and a comprehensive, big picture approach, Colliers' valuation and advisory reports give our clients the information they need to make better business decisions.



What We Do



400+
licensed appraisers and staff

26,000+
assignments completed annually

60+
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Real estate advisors in 66 countries.

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Recognized and ranked 18 consecutive years, more than any other real estate firm

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Valuation & Advisory Services National Leadership

Jeremy Walling, MAI, MRICS
President | US
Valuation & Advisory Services
Jeremy.Walling@colliers.com
+1 312 371 4920

Jeff Shouse, MAI, CRE
Executive Vice President
Western US
Jeff.Shouse@colliers.com
+1 916 724 5531

Bruce Nell, MAI, AI-GRS, MRICS
Senior Vice President
Advisory Services & MHC Practice Leader
Bruce.Nell@colliers.com
+1 614 437 4687

PJ Cusmano, MAI, MRICS
Executive Vice President
Eastern US
PJ.Cusmano@colliers.com
+1 813 229 1599

Jerry Gisclair, MAI, MRICS
Executive Vice President
US Client Relations & Service
Jerry.Gisclair@colliers.com
+1 813 871 8531

Anjanette "AJ" Hutson, MAI, AI-GRS
Executive Managing Director
Quality Assurance
AJ.Hutson@colliers.com
+1 704 973 7202

Our Experts

To learn more about our Regional and Market Valuation Experts, please click on or scan the QR code.

Why work with Colliers?

We act as an extension of your team.

Our approach is collaborative, nimble and informed by uncommon knowledge. By aligning with your core business needs, we develop and execute customized real estate solutions to support your growth strategy.

We are both results and process-driven.

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We are defined by our people.

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Colliers

Local Corridor Preservation Fund
Application for Funds

Due to the limited amount of funds available, jurisdictions are strongly encouraged to exhaust other avenues for acquisition prior to applying.

Before consideration of awarding funds can occur, the following must be completed and submitted with this application:

1) Documentation by applicant of prior use of all appropriate resources available to the highway authority to acquire property rights, including but not limited to: use of other local funds, exactions, increased setback requirements, or other planning and zoning tools.
2) Initial approach to property owner and obtaining a certified property appraisal.
3) Securing of a Willing Seller Certification document.

Part 1: Use of Other Resources

Discuss with MAG staff the efforts to obtain the property by planning and zoning powers, development incentive, donation, or other means prior to applying for these funds. Document these efforts. MAG will convene a staff review of the application and documentation, flag any concerns or questions, and may request meetings with the applicant in order to resolve such, or to better understand the nature of the situation. Staff review should include CP/ROW, RTP, and Finance staff members.

Part 2: Initial Approach to Property Owner

Contact MAG staff prior to any discussions with the property owner of purchase price or commitments to purchase, and for any questions.

DO NOT tender any offer to purchase the property interest at this time.

If the property owner agrees to consider selling, the applicant orders a property appraisal from a certified appraiser that is acceptable to both parties. For properties intended for future use by UDOT, the appraiser should be listed on the current UDOT Consultant Services Right of Way Services and Local Government Pool. Copy and paste the following link into your browser:

https://docs.google.com/spreadsheets/d/1UURcMt7UvhIkYqADHdApr5KGxXTdeD93WLwRKu8FVl4/edit#gid=922750991

The costs of the appraisal can be reimbursed to the applicant if the funding request is approved.

Part 3: Application

1. Applicant (city, Utah County, UDOT): Springville City
2. Contact Information: Chris Wilson
3. Provide information about the properties to be acquired:
   a. Name of the current owner(s): David H & Cindy A Clements
   b. Address or location of the properties: Approximately 400 North and 2500 West
   c. Utah County parcel serial #: 21:096:0018, 21:096:0020, 2
   d. Type of real property interest to be acquired: (fee title, easement, etc.,) fee title
   e. Total acreage or square footage: 0.34 Acres (15,097.17 SF)
   f. Describe the efforts to obtain the property by planning and zoning powers, development incentive, donation, or other means prior to applying for these funds.
      No current intentions to develop property.
   g. Appraised value (Attach copy of appraisal report): $159,600
   h. Total estimated costs of acquisition, including appraisal and appraisal review, acquisition agent fee, closing costs, and any other associated fees: $3,900
   i. Total funds applying for - these should be no more than the appraised value plus traditional costs of acquisition in (h) above: $163,500
4. Which Eligible Corridor is the project located within or adjacent to? (see Corridor Preservation – Eligible Corridors map): 2600 W, H
5. Anticipated year or RTP phase to begin project roadway construction: Phase 3, Needs
6. Is the project listed on the applicant's official master plan? Yes
7. Has the applicant begun or completed a relevant state or federal environmental study? No
   a. Study results: NA
   b. If not, is the applicant willing to conduct such a study? Yes
8. Will the roadway be a UDOT or a local government facility? Local

If the project will be a state facility and the applicant is a city or county, attach copies of:

Either

a. Applicant's transportation right of way acquisition policy or ordinance.
b. Applicant's access management policy relevant to the type of roadway to be constructed.

OR

c. The executed Cooperative Agreement between the applicant and the Utah Department of Transportation governing right of way acquisition performed by the applicant for UDOT.

NOTES – 1) It is highly recommended that any purchases for a state facility be negotiated and finalized by UDOT Right of Way Division. 2) After funds are awarded but prior to any offer of purchase, UDOT and Utah County must execute a repurchase agreement specific to the property.

9. **Attachments:**

c. One 8" x 11" map in PDF form clearly indicating the future roadway project extents and the location of the properties to be acquired, with detail showing parcel boundaries and anticipated right of way footprint (will be used in presentations to the TAC and the Board).
d. Copy of appraisal report.
e. Copy of executed Willing Seller Certification.

Submit the completed application and maps to by email to Calvin Clark - cclark@mountainland.org

VOLUNTARY ACQUISITION
Certification

Owner Name: Crandall Properties, LLC & Crandall Farms, Inc.

Utah County Parcel ID#: 21:097:0050 and 21:096:0021

Mountainland Association of Governments is interested in acquiring property at 400 South & 2600 West, 100 North & 2600 West, Springville UT (address) for the future _____ project.

Although Mountainland Association of Governments possesses eminent domain authority to acquire property, we are not pursuing this acquisition by eminent domain or other coercion, and you hereby certify that you are only selling this property to us voluntarily for the agreed upon amount.

In accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), owner-occupants who move as a result of a voluntary acquisition, are **not** eligible for relocation assistance. Property Owner understands and acknowledges that if they waited for the funded project, they would be eligible for relocation benefits pursuant to 49 CFR 24. By signing below, the Property Owner understands and acknowledges that they are not entitled to any relocation benefits for the voluntary purchase of the property in advance of a funded project and freely chooses to sell the property to Mountainland Association of Governments before the project is funded.

_____ 18 Nov 2024
Signature of Property Owner Date

_____ 3/10/2025
Purchasing Entity Representative Date

CRANDALL FARMS INC. LAND

2600 West Center Street
Springville, Utah 84663

APPRAISAL REPORT

Date of Report: March 10, 2025

Colliers File #: SLC250040



PREPARED FOR
Calvin Clark
Transportation Project Manager
Mountainlands Association of Governments (MAG)
586 East 800 North
Orem, UT 84097

PREPARED BY
COLLIERS INTERNATIONAL
VALUATION & ADVISORY SERVICES

LETTER OF TRANSMITTAL

COLLIERS INTERNATIONAL
VALUATION & ADVISORY SERVICES

6440 S. Millrock Dr. | Suite 500
Salt Lake City, UT 84121 USA
MAIN +1 385 249 5450
FAX +1 385 249 5451
WEB www.colliers.com/valuationadvisory

March 10, 2025

Calvin Clark
Transportation Project Manager
Mountainlands Association of Governments (MAG)
586 East 800 North
Orem, UT 84097

RE: Crandall Farms Inc. Land
2600 West Center Street
Springville, Utah 84663

Colliers File #: SLC250040

Mr. Clark:

Pursuant with our engagement, the above captioned property was appraised utilizing best practice appraisal principles for this property type. This appraisal report satisfies the scope of work and requirements agreed upon by Mountainlands Association of Governments (MAG) and Colliers International Valuation & Advisory Services.

The date of this report is March 10, 2025. At the request of the client, this appraisal is presented in an Appraisal Report format as defined by *USPAP* Standards Rule 2-2(a). Our appraisal format provides a detailed description of the appraisal process, subject and market data and valuation analyses.

The purpose of this appraisal is to develop an opinion of the Fair Market Value of the larger parcel's fee simple interest, as well as the value of a fee taking, perpetual easement and temporary construction easement. The intended use of this appraisal is to assist the client in providing funds to the landowner to preserve future road corridors. The effective date is February 12, 2025, which is the date of our inspection of the property.

Property Information
The larger parcel is an 11.90-acre site at 2600 West Center Street in Springville, Utah. It is accessed from Center Street and 2600 West. The offsite improvements include an asphalt street. Municipal utilities are available approximately 700' to the east in Center Street. The parcel does not have direct frontage on either Center Street or 2600 West but is accessed from a 35-foot portion of dirt road. On-site improvements consist of a wood post and wire fence that spans the perimeter of the larger parcel.

Colliers International Valuation & Advisory Services, and certain of its subsidiaries, is an independently owned and operated business and a member firm of Colliers International Property Consultants, an affiliation of independent companies with over 500+ offices throughout more than 68 countries worldwide.

The property is in an area that has historically been used for agriculture. We do not have contact information for the property owners, but based on the condition of the property and surrounding land uses, we assume the property has historically been used for agriculture. According to the map provided by the Utah Division of Water Rights, Water Right 51-4441 is located on the larger parcel.

The larger parcel is currently vacant and zoned A-1 (Agricultural). However, based on a conversation with the Springville City Planning Department, if the owners are willing to adopt the Westfield and Lakeside Overlay and develop the site in a way that is harmonious with the proposed Lakeside Village development, the larger parcel can be rezoned to residential and developed to a similar density as the surrounding Lakeside Village master plan.

Project Information

The larger parcel will be impacted by a project by Mountainlands Association of Governments and Springville City to extend 2600 West Street northward from 400 South where it will intersect with Center Street. The street will then continue northward, where it will eventually turn northeastward and connect with 2500 West at approximately 400 North near the subject. The project is currently in its preliminary planning phases, with limited surveying and engineering information. An exhibit provided in connection with this assignment indicates that 22,794 SF (0.52 acre) of the subject property will be taken in fee for a 59-foot-wide road right-of-way. A legal description of the fee taking was not provided, nor were we provided with site-specific maps with taking dimensions. It is an extraordinary assumption of this report that the provided size of the fee acquisition area is accurate.

Mountainlands Association of Governments is also considering a perpetual easement and a temporary construction easement in connection with the project. The exhibit provided in connection with this assignment indicates that these will each be five feet wide and to run along the border of the fee taking. The exhibit indicates the perpetual easement will be 4,039 SF and the temporary construction easement will be 4,070 SF. No legal descriptions were provided for the perpetual easement or temporary construction easement, nor were we provided with site-specific maps with easement dimensions. It is an extraordinary assumption of this report that the provided size of the perpetual easement and temporary construction easement are accurate and that the areas are sufficient in size, shape and utility for their intended use.

The subject property has the same highest and best use in the before and after condition. However, completion of the project will improve access to the site and will facilitate development of the area. The subject will receive these special benefits from the project in the after condition. According to Utah state law, special benefits can offset damages to the remainder, but cannot offset the part taken. As we conclude that the subject will suffer no severance damages as a result of the taking, an analysis of the special benefits is moot.

The following table conveys the final opinion of market value of the subject property that is developed within this appraisal report:

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VALUATION SUMMARY

	VALUE OPINIONS	VALUE OF PROPERTY RIGHTS
Value of the Larger Parcel	$4,275,173	
Fee Taking (inc. Site Imp.)	($188,051)	$188,051
Perpetual Easement	($9,997)	$9,997
Value of the Remainder as a Part of the Whole	$4,077,126	
Value of the Remainder in the After Condition	$4,077,126	
Severance Damages	$0	
Cost to Cure	$0	
Project Benefits	$0	
Net Severance Damages	$0	$0
Temporary Construction Easement (TCE)	$8,386	$8,386
TOTAL FAIR MARKET VALUE OF PROPOSED PROPERTY AND RIGHTS TAKEN (ROUNDED)		**$206,400**

The analyses, opinions and conclusions communicated within this appraisal report were developed based upon the requirements and guidelines of the current Uniform Standards of Professional Appraisal Practice (USPAP), the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.

The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter. *USPAP* defines an Extraordinary Assumption as, “an assignment specific-assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions”. *USPAP* defines a Hypothetical Condition as, “that which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis”.

The Extraordinary Assumptions and/or Hypothetical Conditions that were made during the appraisal process to arrive at our opinion of value are fully discussed below. We advise the client to consider these issues carefully given the intended use of this appraisal, as their use might have affected the assignment results.

EXTRAORDINARY ASSUMPTIONS

- This analysis makes the assumption that the subject can be rezoned to a residential zone and be developed to a similar density as the surrounding Lakeside Village master plan.
- This appraisal is based on the extraordinary assumption that the provided size of the fee acquisition area is accurate despite the absence of a legal description.
- It is also based on the extraordinary assumption that provided size of the perpetual easement and temporary construction easement is accurate. No legal descriptions were provided for the fee taking, perpetual easement or temporary construction easement, nor were we provided with site-specific maps with easement dimensions. If these assumptions prove to be inaccurate, the opinions of value stated herein may require revision.
- We also assume that the locations of the perpetual and construction easements are as described later in this report. If this assumption proves to be inaccurate, the opinions of value stated herein may require revision.
- According to the map provided by the Utah Division of Water Rights, Water Right 51-5221 is located on the larger parcel. We assume that the project will not impact this water right and have no evaluated this right in our report.

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HYPOTHETICAL CONDITIONS

- This Appraisal Report is not contingent on any hypothetical conditions.

RELIANCE LANGUAGE

The Appraisal is for the sole use of the Client; however, Client may provide only complete, final copies of the Appraisal report in its entirety (but not component parts) to third parties who shall review such reports in connection with loan underwriting or securitization efforts. Colliers International Valuation & Advisory Services is not required to explain or testify as to appraisal results other than to respond to the Client for routine and customary questions. Please note that our consent to allow the Appraisal prepared by Colliers International Valuation & Advisory Services or portions of such Appraisal, to become part of or be referenced in any public offering, the granting of such consent will be at our sole and absolute discretion and, if given, will be on condition that Colliers International Valuation & Advisory Services will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to Colliers International Valuation & Advisory Services, by a party satisfactory to Colliers International Valuation & Advisory Services. Colliers International Valuation & Advisory Services does consent to your submission of the reports to rating agencies, loan participants or your auditors in its entirety (but not component parts) without the need to provide Colliers International Valuation & Advisory Services with an Indemnification Agreement and/or Non-Reliance letter.

Colliers International Valuation & Advisory Services hereby expressly grants to Client the right to copy the Appraisal and distribute it to other parties in the transaction for which the Appraisal has been prepared, including employees of Client, other lenders in the transaction, and the borrower, if any.

Our opinion of value reflects current conditions and the likely actions of market participants as of the date of value. It is based on the available information gathered and provided to us, as presented in this report, and does not predict future performance. Changing market or property conditions can and likely will have an effect on the subject's value.

The signatures below indicate our assurance to the client that the development process and extent of analysis for this assignment adhere to the scope requirements and intended use of the appraisal. If you have any specific questions or concerns regarding the attached appraisal report, or if Colliers International Valuation & Advisory Services can be of additional assistance, please contact the individuals listed below.

Sincerely,

COLLIERS INTERNATIONAL
VALUATION & ADVISORY SERVICES



Chelsey Jorgensen, MAI
Senior Valuation Specialist
Certified Residential Real Estate Appraiser
State of Utah License #9877947-CG00
+1 385 249 5448
chelsey.jorgensen@colliers.com



Kelly Tate, MAI
Senior Valuation Services Director
Certified General Real Estate Appraiser
State of Utah License #8384882-CG00
+1 385 249 5444
kelly.tate@colliers.com

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LETTER OF TRANSMITTAL

INTRODUCTION 1
- Executive Summary 1
- Aerial Photograph 2
- Subject Property Photographs 3
- Identification of Appraisal Assignment 5
- Scope of Work 9

DESCRIPTIONS & EXHIBITS 11
- Regional Map 11
- Regional Analysis 12
- Local Area Map 19
- Local Area Analysis 20
- Site Description 31
  - Plat Map 34
  - Zoning Map 35
  - Flood Map 36
- Assessment & Taxation 37
- Zoning Analysis 38
- Market Analysis 39
- Highest & Best Use 49

VALUATION 54
- Valuation Methods 54
- Land Valuation 55
  - Land Sales Summation Table 56
  - Land Sales Location Map 57
  - Land Sales Data Sheets 58
  - Calculation of Land Value 65

AFTER CONDITION ANALYSIS 66
- Introduction 66
- Value of Parts Taken 66
- Value of Remainder Part of the Whole 68
- Severance Damages 68
- Project Benefits 69
- Value of the Remainder in the After Condition 68
- Temporary Construction Easements 69
- Valuation Summary 70

CERTIFICATION

ASSUMPTIONS & LIMITING CONDITIONS

ADDENDA

- Engagement Letter
- Professional Service Agreement
- Valuation Glossary
- Qualifications of Appraisers
- Qualifications of Colliers International Valuation & Advisory Services

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GENERAL INFORMATION

Property Name	Crandall Farms Inc. Land
Property Type	Land - Residential (Single-family) Land
Address	2600 West Center Street
City	Springville
State	Utah
Zip Code	84663
County	Utah
Core Based Statistical Area (CBSA)	Provo-Orem, UT
Market	Utah County
Submarket	Springville City
Latitude	40.168030
Longitude	-111.658200
Number Of Parcels	1
Assessor Parcel	21-096-0021
Total Taxable Value	$5,593
Census Tract Number	105.03

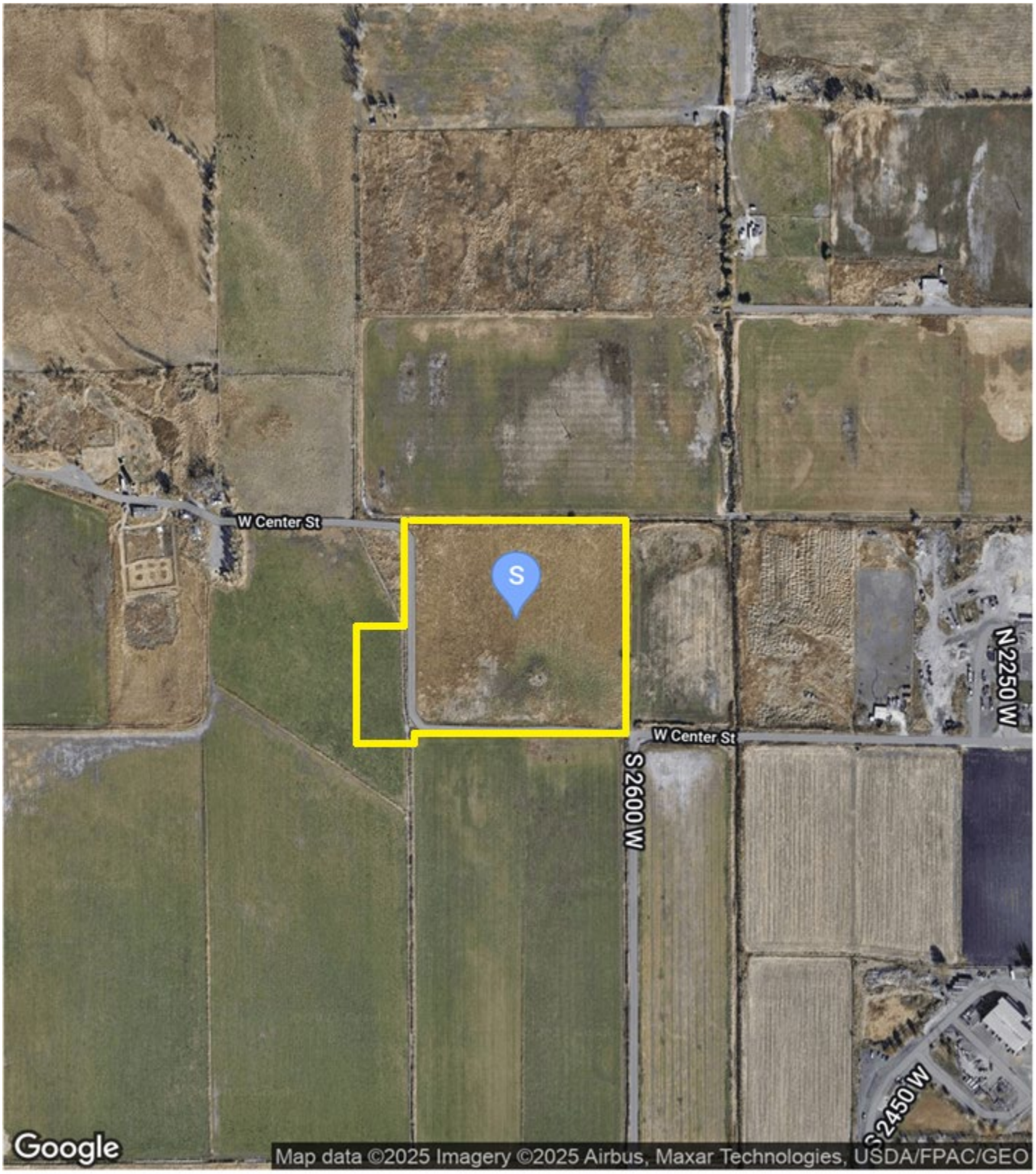
LARGER PARCEL INFORMATION

Land Area - Larger Parcel	**Acres**	**Square Feet**
Usable	11.90	518,203
Unusable	0.00	0
Excess	0.00	0
Surplus	0.00	0
Total	**11.90**	**518,203**
Land Area - The Parts Taken	**Acres**	**Square Feet**
Fee Taking	0.52	22,794
Perpetual Easement	0.09	4,039
Temporary Construction Easement	0.09	4,070
Topography	Level at street grade	
Shape	Irregular	
Access	Average	
View	Average	
Current Zoning	Agricultural Zone (A-1)	
Flood Zone	Zone X (Unshaded)	
Seismic Zone	Very High Risk	

VALUATION SUMMARY

	VALUE OPINIONS	VALUE OF PROPERTY RIGHTS
Value of the Larger Parcel	$4,275,173	
Fee Taking (inc. Site Imp.)	($188,051)	$188,051
Perpetual Easement	($9,997)	$9,997
Value of the Remainder as a Part of the Whole	$4,077,126	
Value of the Remainder in the After Condition	$4,077,126	
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Temporary Construction Easement (TCE)	$8,386	$8,386
TOTAL FAIR MARKET VALUE OF PROPOSED PROPERTY AND RIGHTS TAKEN (ROUNDED)		**$206,400**

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VIEW EAST ON CENTER STREET AT SUBJECT'S SOUTHEAST CORNER



VIEW SOUTH ON 2600 WEST AT SUBJECT'S SOUTHEAST CORNER



VIEW NORTH ACROSS SUBJECT



VIEW NORTHEAST ACROSS SUBJECT



VIEW NORTHWEST ACROSS SUBJECT



VIEW WEST ACROSS SUBJECT

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VIEW WEST ACROSS SUBJECT



VIEW SOUTHWEST ACROSS SUBJECT

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PROPERTY IDENTIFICATION

The larger parcel is an 11.90-acre site at 2600 West Center Street in Springville, Utah County, Utah. The assessor's parcel number is: 21-096-0021. It is accessed from Center Street and 2600 West. The offsite improvements include an asphalt street. The parcel does not have direct frontage on either Center Street or 2600 West but is accessed from a 35-foot portion of dirt road. On-site improvements consist of a wood post and wire fence that spans the perimeter of the larger parcel.

The property is in an area that has historically been used for agriculture. We do not have contact information for the property owners, but based on the condition of the property and surrounding land uses, we assume the property has historically been used for agriculture. According to the map provided by the Utah Division of Water Rights, Water Right 51-4441 is located on the larger parcel.

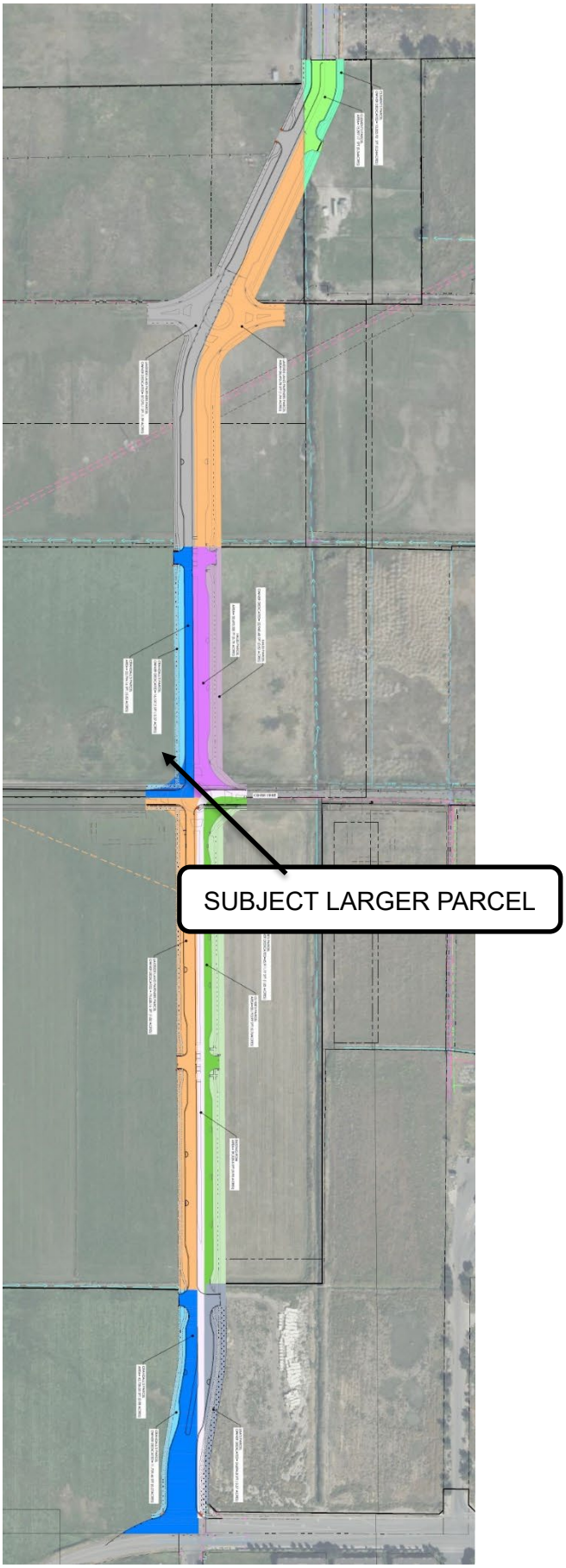
The larger parcel is currently vacant and zoned A-1 (Agricultural). However, based on a conversation with the Springville City Planning Department, if the owners are willing to adopt the Westfield and Lakeside Overlay and develop the site in a way that is harmonious with the proposed Lakeside Village development, the larger parcel can be rezoned to residential and developed to a similar density as the surrounding Lakeside Village master plan. The legal description of the larger parcel is as follows: COM S 1673.07 FT & W 1173.46 FT FR NE COR. SEC. 36, T7S, R2E, SLB&M.; E 693.65 FT; S 679.25 FT; N 28 DEG 17' 45" W 3.47 FT; N 89 DEG 18' 50" W 649.1 FT; S 24.56 FT; W 189.47 FT; N 349.79 FT; E 146.52 FT; N 343.19 FT TO BEG. AREA 11.896 AC.

PROJECT DESCRIPTION

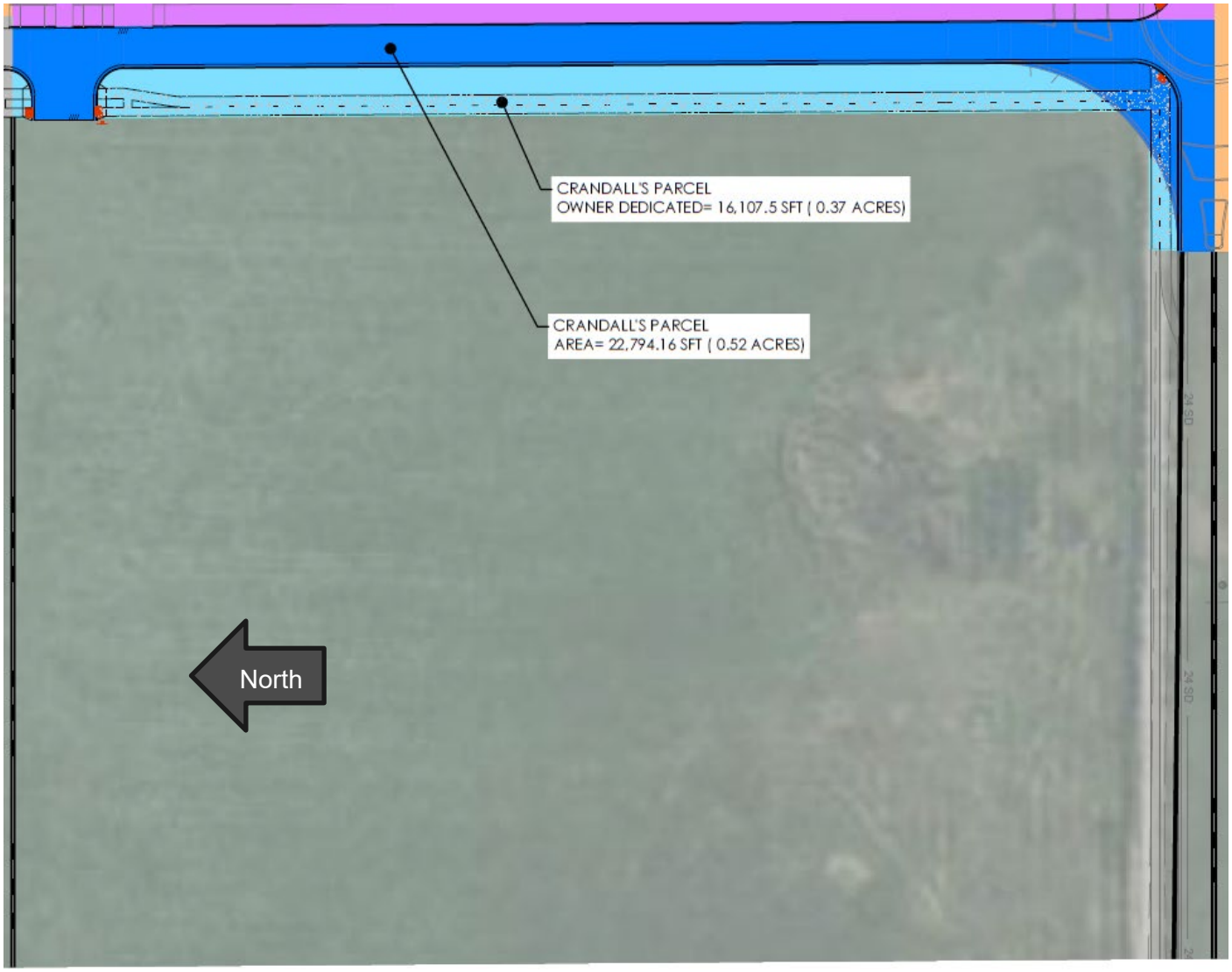
The Mountainlands Association of Governments' 2600 West ROW project will extend 2600 West northward where it will intersect with Center Street and then continue north where it will eventually turn northeastward and connect with 2500 West at approximately 400 North. The four-lane road will provide access to an area that is in the planning process for residential and commercial development. Mountainlands Association of Governments is providing partial funding for the project. Construction is anticipated to begin by June 2025.

The exhibit below was provided by the client in connection with this assignment. The dark-blue shaded area is the area of the fee taking. The light-blue shaded area is to be dedicated by the owner in the future if and when development of the site should occur; the light-blue shaded area is not relevant to this assignment.

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CLIENT IDENTIFICATION

The client of this specific assignment is Mountainlands Association of Governments (MAG).

PURPOSE

The purpose of this appraisal is to develop an opinion of the Fair Market Value of the larger parcel's fee simple interest, as well as the value of a fee taking, perpetual easement and temporary construction easement.

INTENDED USE

The intended use of this appraisal is to assist the client in providing funds to the landowner to preserve future road corridors.

INTENDED USERS

Intended users of this report include Mountainlands Association of Governments (MAG) and Springville City. Use of this report by third parties and other unintended users is not permitted. This report must be used in its entirety. Reliance on any portion of the report independent of others, may lead the reader to erroneous conclusions regarding the property values. Unless approval is provided by the authors no portion of the report stands alone.

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ASSIGNMENT DATES

Date of Report	March 10, 2025
Date of Inspection	February 12, 2025
Valuation Date - As-Is	February 12, 2025

PERSONAL INTANGIBLE PROPERTY

No personal property or intangible items are included in this valuation.

PROPERTY AND SALES HISTORY

Current Owner
The subject title is currently in the name of Crandall Farms Inc.

Three-Year Sales History
Research of the applicable public records and private data services revealed that the subject property has not transferred during the past three years of the effective date of value stated in this report.

Subject Sale Status
Research of the applicable public records, private data services and an interview of the current owner and/or broker revealed that the subject property is not under a current agreement of sale or option and is not currently offered for sale on the open market.

DEFINITIONS

This section summarizes the definitions of value, property rights appraised, and value scenarios that are applicable for this appraisal assignment. All other applicable definitions for this assignment are located in the Valuation Glossary section of the Addenda.

DEFINITIONS OF VALUE

Given the scope and intended use of this assignment, the following definition of value is applicable:

Fair Market Value
The definition of fair market value, as used in this report, is "…the amount at which a property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the relevant facts."[1]

PROPERTY RIGHTS APPRAISED

The property rights appraised constitute the fee simple interest.

Fee Simple Estate
Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.[2]

VALUE SCENARIOS

As-Is Value
The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.[3]

[1] Utah Code, Title 59-2-102(12)
[2] The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022
[3] The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022

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INTRODUCTION

The appraisal development and reporting processes requires gathering and analyzing information about those assignment elements necessary to properly identify the appraisal problem to be solved. The scope of work decision must include the research and analyses that are necessary to develop credible assignment results given the intended use of the appraisal. Sufficient information includes disclosure of research and analyses performed and might also include disclosure of research and analyses not performed. The scope of work for this appraisal assignment is outlined below:

- The appraisers analyzed the regional and local area economic profiles including employment, population, household income, and real estate trends. The local area was further studied to assess the general quality and condition, and emerging development trends for the real estate market. The immediate market area was inspected and examined to consider external influences on the subject.
- The appraisers confirmed and analyzed legal and physical features of the subject property including sizes of the site, flood plain data, seismic zone, zoning, easements and encumbrances, access and exposure of the site.
- The appraisers completed a land market analysis that included market and sub-market overviews. The Utah County market and Springville City sub-market overviews analyzed supply/demand conditions using vacancy, absorption, supply change and rent change statistics. Conclusions were drawn regarding the subject property's competitive position given its physical and locational characteristics, the prevailing economic conditions and external influences.
- The appraisers conducted Highest and Best Use analysis and conclusions were drawn for the highest and best use of the subject property As-Vacant. The analysis considered legal, locational, physical and financial feasibility characteristics of the subject site.
- The appraisers confirmed and analyzed financial features of the subject property including potential entitlement issues, and tax and assessment records. This information as well as trends established by confirmed market indicators was used to forecast performance of the subject property.
- Selection of the valuation methods was based on the identifications required in USPAP relating to the intended use, intended users, definition and date of value, relevant property characteristics and assignment conditions. This appraisal developed the Sales Comparison Approach to value, which was adjusted and reconciled as appropriate. The appraisal develops an opinion of the Fair Market Value of the subject property's fee simple interest.
- Reporting of this appraisal is in an Appraisal Report format as required in USPAP Standard 2. The appraiser's analysis and conclusions are fully described within this document.
- We understand the Competency Rule of USPAP and the authors of this report meet the standards.
- Jake Jorgensen (Utah State Certified Residential Real Estate Appraiser No. 7338339-CR00) provided significant real property appraisal assistance to the appraisers signing the certification.

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SOURCES OF INFORMATION

The following sources were contacted to obtain relevant information:

SOURCES OF INFORMATION

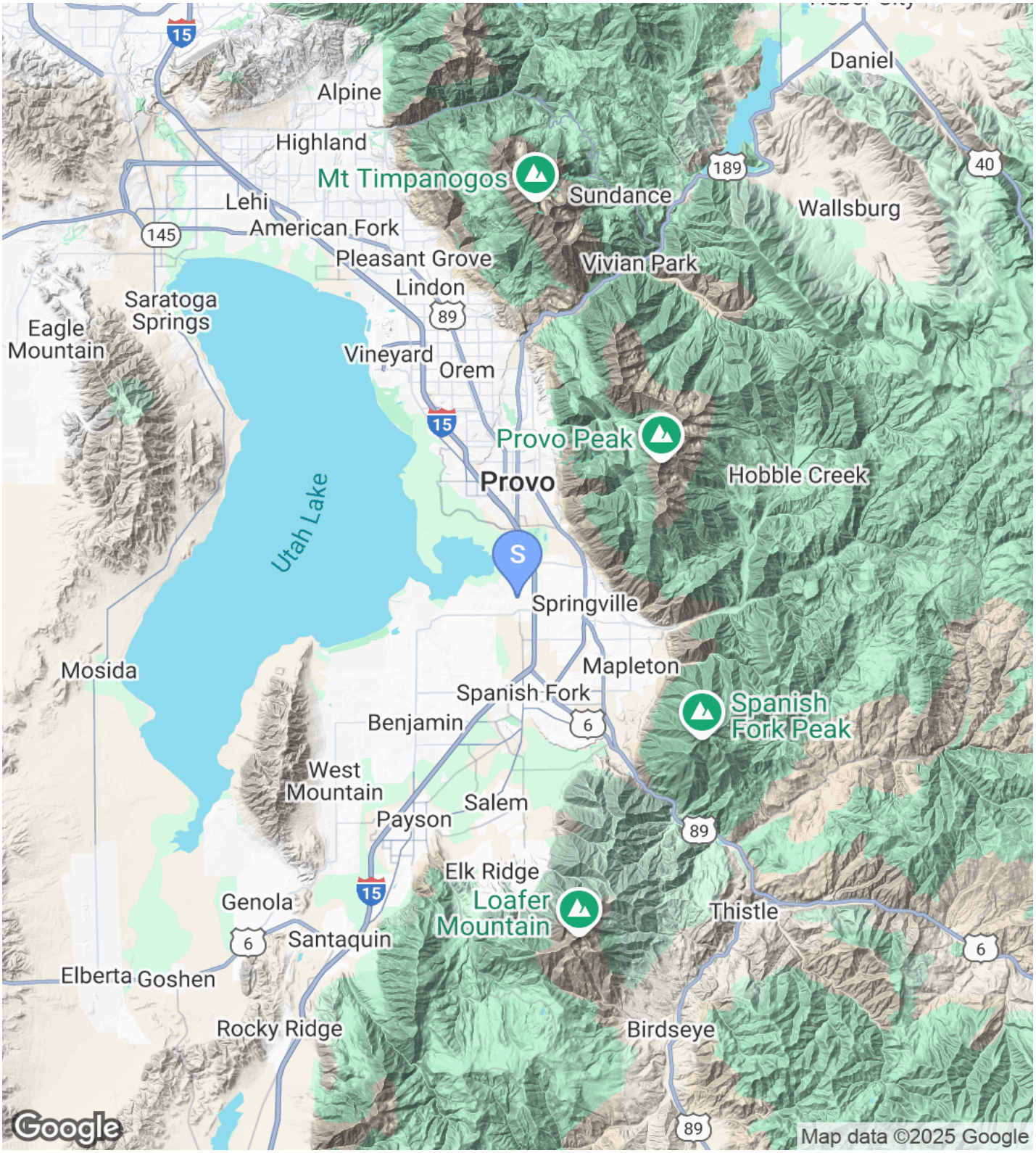
ITEM	SOURCE
Tax Information	Utah County Tax Assessor
Zoning Information	City of Springville Zoning Code
Site Size Information	Utah County Tax Assessor
Flood Map	InterFlood
Demographics	Pitney Bowes/Gadberry Group - GroundView®
Comparable Information	See Comparable Datasheets for details
Legal Description	Grant Deed from RealQuest

SUBJECT PROPERTY INSPECTION

SUBJECT PROPERTY INSPECTION

APPRAISER	INSPECTED	EXTENT	DATE OF INSPECTION
Chelsey Jorgensen, MAI	Yes	Site Only	February 27, 2025
Kelly Tate, MAI	No	-	-
Jake Jorgensen	Yes	Site Only	February 12, 2025

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Alpine
Highland
Mt Timpanogos
Lehi
American Fork
Pleasant Grove
Lindon
Saratoga Springs
Eagle Mountain
Vineyard
Orem
Provo Peak
Provo
Utah Lake
Springville
Mosida
Mapleton
Spanish Fork
Spanish Fork Peak
Benjamin
West Mountain
Salem
Payson
Elk Ridge
Loafer Mountain
Genola
Santaquin
Elberta
Goshen
Rocky Ridge
Birdseye
Thistle
Daniel
Sundance
Wallsburg
Vivian Park
Hobble Creek
15
145
89
189
40
6
Google
Map data ©2025 Google

INTRODUCTION



The Provo-Orem Metropolitan Statistical Area is comprised of Utah and Juab Counties. Seven counties as well as the State of Nevada border the Provo-Orem MSA. The MSA is located in north central Utah and is anchored by the cities of Provo and Orem.

The geography of the Provo-Orem MSA includes arid desert, lakes, and high-mountain peaks. Elevations within the area range from around 4,300 feet at the valley floor to nearly 12,000 feet above sea level in the Wasatch Mountains. Orem and Provo are located in the northern portion of Utah County at the base of the Wasatch Mountains on the east.

The Utah Lake, which is located to the west of the cities of Provo and Orem in Utah County, is the largest fresh-water lake in the state. The lake drains via the Jordan River at its north end into the Great Salt Lake. The Jordan River is a 60-mile-long river that receives the water of many streams flowing down from the Wasatch Range.

The majority of the population of Utah County lies in cities found along Interstate 15 which runs north-to-south just west of Orem and Provo and other smaller communities. This freeway provides access to Arizona to the south and Idaho to the north. The Salt Lake City International Airport is the nearest large airport; however, the Provo Municipal Airport, located in Provo, is used extensively for private flight training and is home to the Utah Valley University flight school. The city of Nephi, in Juab County, also has a municipal airport.



Provo and Orem's mass transit service is operated by the Utah Transit Authority (UTA) and includes a bus system, which connects commuters to local services as well as the greater Salt Lake City region. UTA's commuter rail service, FrontRunner, was extended to Provo from Salt Lake City in 2012. Amtrak, a national passenger rail system, provides service to Provo station, operating its California Zephyr daily in both directions between Chicago, Illinois and Emeryville, California. Provo is also serviced by Greyhound Bus Lines.

Provo is the economic and demographic center of the Provo-Orem MSA and the third-largest city in Utah according to the 2008 U.S. Census Bureau. Provo is the county seat of Utah County. It was first settled in 1849 by 33 Mormon families from Salt Lake City. The residents of Provo are predominantly (88.0%) members of The Church of Jesus Christ of Latter-day Saints. The large population of students that attend Brigham Young University and Utah Valley University make Provo and Orem "college towns". Provo is also home to The Church of Jesus Christ of Latter-days Saints' largest Missionary Training Center. Each week some 475 missionaries enter for 2 to 12 weeks of training before they depart for the mission field. Orem, the sixth-largest city in the state, is adjacent to the north of Provo City and is located approximately 45 miles south of Salt Lake City. Orem was incorporated in 1919 and is home to Utah Valley University.

Today the area's major industries are government, trade, transportation, utilities, and professional and business services. Provo is home to international companies including Nature's Sunshine Products, Novell, and Nu Skin Enterprises.

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DEMOGRAPHIC ANALYSIS

The following is a demographic study of the region sourced by *Esri ArcGIS®*, an online resource center that provides information used to analyze and compare the past, present, and future trends of geographical areas. Demographic changes are often highly correlated to changes in the underlying economic climate. Periods of economic uncertainty necessarily make demographic projections somewhat less reliable than projections in more stable periods. These projections are used as a starting point, but we also consider current and localized market knowledge in interpreting them within this analysis. Please note that our demographics provider sets forth income projections in constant dollars which, by definition, reflect projections after adjustment for inflation. We are aware of other prominent demographic data providers that project income in current dollars, which do not account for inflation. A simple comparison of projections for a similar market area made under the constant and current dollar methodologies can and likely will produce data points that vary, in some cases, widely. Further, all forecasts, regardless of demographer methodology(ies), are subjective in the sense that the reliability of the forecast is subject to modeling and definitional assumptions and procedures.

Population

According to Esri ArcGIS®, a Geographic Information System (GIS) Company, the Provo-Orem-Lehi metropolitan area had a 2024 population of 749,524 and experienced an annual growth rate of 2.7%, which was higher than the Utah annual growth rate of 1.6%. The metropolitan area accounted for 21.4% of the total Utah population (3,506,694). Within the metropolitan area the population density was 138.9 people per square mile compared to the lower Utah population density of 42.5 people per square mile and the lower United States population density of 95.8 people per square mile.

POPULATION

YEAR	US	UT	CBSA
2020 Population	331,839,624	3,284,843	674,930
2024 Population	338,440,954	3,506,694	749,524
2029 Population	344,873,411	3,719,346	823,415
2020-2024 CAGR	0.5%	1.6%	2.7%
2024-2029 CAGR	0.4%	1.2%	1.9%

Source: Esri ArcGIS®

POPULATION DENSITY

YEAR	US	UT	CBSA
2024 Per Square Mile	95.8	42.5	138.9
2029 Per Square Mile	97.6	45.0	152.6

Source: Esri ArcGIS®

The 2024 median age for the metropolitan area was 27.4, which was 43.9% younger than the United States median age of 39.3 for 2024. The median age in the metropolitan area is anticipated to grow by 0.86% annually, increasing the median age to 28.6 by 2029.

MEDIAN AGE

YEAR	US	UT	CBSA
2024	39.3	32.2	27.4
2029	40.4	33.4	28.6
2024-2029 CAGR	0.55%	0.73%	0.86%

Source: Esri ArcGIS®

Education

The Provo-Orem MSA has two universities, Brigham Young University and Utah Valley University. Brigham Young University (BYU) is a private research institution located in Provo, owned and operated by the Church of Jesus

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Christ of Latter-day Saints. BYU has an endowment of $1.47 million and an annual enrollment of 33,363 students. The university's primary focus is on undergraduate education, but also offers masters and doctoral degree programs. Utah Valley University (UVU) is a publicly funded university located in Orem. With an annual enrollment of over 34,000 students, UVU is the largest public university in the state. The university currently offers bachelor and associate degrees and more than 20 certificate programs and high-demand degrees in education and nursing.

Household Trends

The 2024 Households number of households in the metropolitan area was 213,725. The number of households in the metropolitan area is projected to grow by 2.4% annually, increasing the number of households to 240,483 by 2029 Households. The 2024 average household size for the metropolitan area was 3.43, which was 35.57% larger than the United States average household size of 2.53 for 2024. The average household size in the metropolitan area is anticipated to retract by 0.41% annually, reducing the average household size to 3.36 by 2029.

NUMBER OF HOUSEHOLDS

YEAR	US	UT	CBSA
2024 Households	130,716,571	1,147,946	213,725
2029 Households	134,930,577	1,240,486	240,483
2024-2029 CAGR	0.6%	1.6%	2.4%

Source: Esri ArcGIS®

AVERAGE HOUSEHOLD SIZE

YEAR	US	UT	CBSA
2024	2.53	3.01	3.43
2029	2.50	2.96	3.36
2024-2029 CAGR	(0.24%)	(0.33%)	(0.41%)

Source: Esri ArcGIS®

The Provo-Orem-Lehi metropolitan area had 28.58% renter occupied units, compared to the higher 29.18% in Utah and the higher 35.64% in the United States.

HOUSING UNITS

	US	UT	CBSA
Owner Occupied	64.36%	70.82%	71.42%
Renter Occupied	35.64%	29.18%	28.58%

Source: Esri ArcGIS®

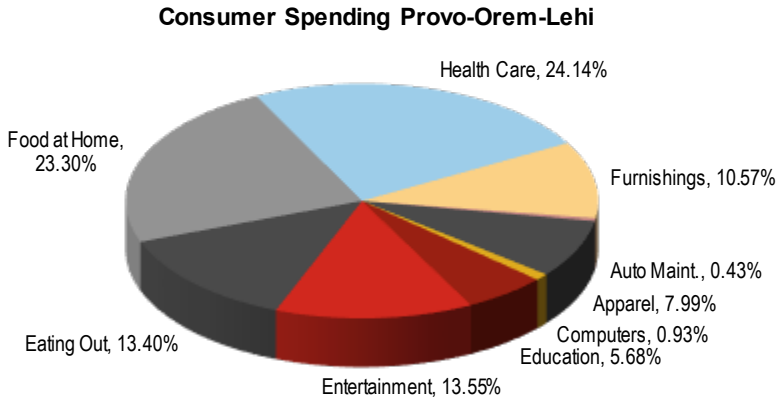
The 2024 median household income for the metropolitan area was $102,425, which was 29.54% higher than the United States median household income of $79,068. The median household income for the metropolitan area is projected to grow by 2.66% annually, increasing the median household income to $116,814 by 2029.

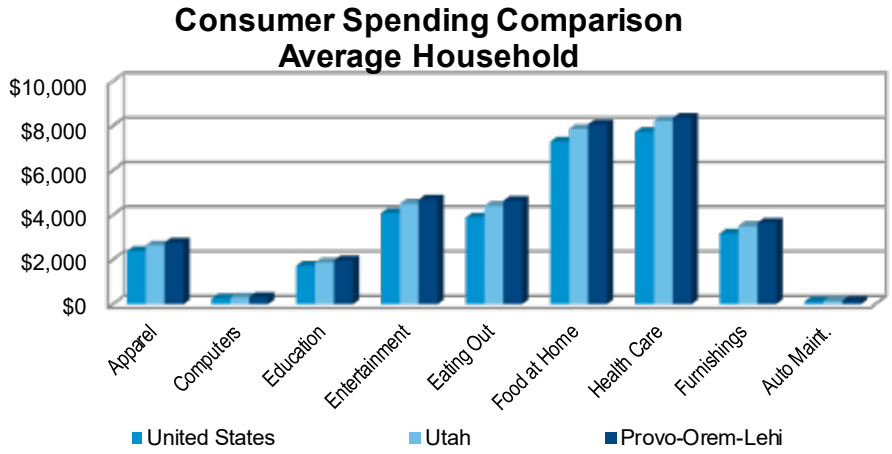
As is often the case when the median household income levels are higher than the national average, the cost of living index is also higher. According to the American Chamber of Commerce Researchers Association (ACCRA) Cost of Living Index, the MSA's cost of living is 103.4 compared to the national average score of 100. The ACCRA Cost of Living Index compares groceries, housing, utilities, transportation, health care and miscellaneous goods and services for over 300 urban areas.

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MEDIAN HOUSEHOLD INCOME			
YEAR	US	UT	CBSA
2024	$79,068	$95,801	$102,425
2029	$91,442	$110,702	$116,814
2024-2029 CAGR	2.95%	2.93%	2.66%

Source: Esri ArcGIS®





EMPLOYMENT

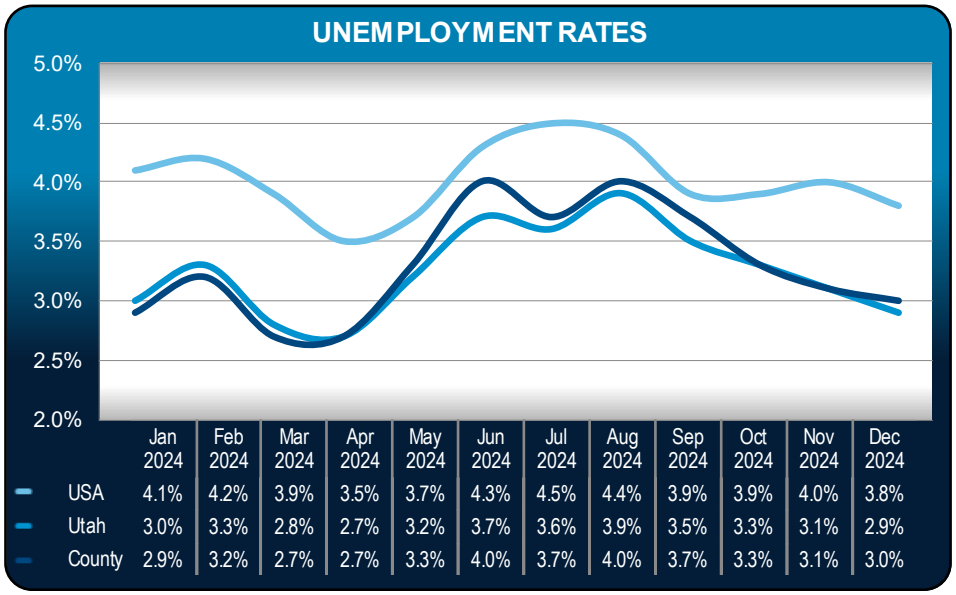
Total employment has increased annually over the past decade in the state of Utah by 2.8% and increased annually by 3.9% in the county. From 2022 to 2023 unemployment increased in Utah by 0.2% and increased by 0.4% in the county. In the state of Utah unemployment has decreased over the previous month by 0.2% and decreased by 0.1% in the county.

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EMPLOYMENT & UNEMPLOYMENT STATISTICS 2014 - 2023

	TOTAL EMPLOYMENT				UNEMPLOYMENT RATE		
	Utah		Utah County, UT		United States*	Utah	Utah County, UT
Year	Total	% Δ Yr Ago	Total	% Δ Yr Ago			
2014	1,364,353	2.8%	244,673	3.8%	6.2%	3.6%	3.3%
2015	1,401,945	2.8%	256,260	4.7%	5.3%	3.5%	3.2%
2016	1,449,981	3.4%	269,619	5.2%	4.9%	3.3%	3.0%
2017	1,505,413	3.8%	283,780	5.3%	4.4%	3.1%	2.8%
2018	1,538,295	2.2%	293,798	3.5%	3.9%	2.9%	2.7%
2019	1,577,970	2.6%	302,821	3.1%	3.7%	2.5%	2.3%
2020	1,564,747	(0.8%)	304,982	0.7%	8.1%	4.8%	3.9%
2021	1,636,957	4.6%	323,973	6.2%	5.3%	2.8%	2.4%
2022	1,696,513	3.6%	337,405	4.1%	3.6%	2.4%	2.2%
2023	1,743,223	2.8%	344,042	2.0%	3.6%	2.6%	2.6%
CAGR	**2.8%**	-	**3.9%**	-	-	-	-

Source: U.S. Bureau of Labor Statistics *Unadjusted Non-Seasonal Rate



TOP EMPLOYERS		
EMPLOYER NAME	EMPLOYEES	INDUSTRY
Brigham Young University	15,000-19,999	University
Alpine School District	7,000-9,999	Education
Utah Valley University	5,000-6,999	University
Utah Valley Regional Medical Center	5,000-6,999	Healthcare
Vivint	3,000-3,999	Technology
Nebo School District	3,000-3,999	Education
Wal-Mart	2,000-2,999	Retail
State of Utah	2,000-2,999	State Government
RBD Acquisition	2,000-2,999	Services to Buildings
Young Living Essential Oils	2,000-2,999	Direct Selling
Vivint Solar	1,000-1,999	Solar Energy
Provo School District	1,000-1,999	Education
Nexeo Staffing	1,000-1,999	Employment Services
Doterra International	1,000-1,999	Direct Selling
IM Flash Technologies	1,000-1,999	Technology
Entrata	1,000-1,999	Data Processing & Hosting
Adobe Systems	1,000-1,999	Technology
Nu Skin	1,000-1,999	Health Products
Smith's Food & Drug	1,000-1,999	Grocery Store
Sundance Resort	1,000-1,999	Hospitality

Source: Utah Department of Workforce Services

The preceding chart depicts the top employers in Utah County. Principal employers in the region are spread throughout different sectors including education healthcare/social assistance, and professional/scientific/ technical services. Brigham Young University is the top employer. A private research university located in Provo, owned and operated by The Church of Jesus Christ of Latter-day Saints, BYU is the country's largest religious university and the third-largest private university. The third largest employer is Utah Valley University. With a total of 5,000-6,999 employees, Utah Valley University is the largest institution of higher education in the state. The fourth largest employer is Utah Valley Regional Medical Center. The 395-bed not-for-profit hospital is part of the Intermountain Healthcare system and serves Utah County, central and southern Utah.

AIRPORT PORT STATISTICS

It is noted that the decrease in the number of enplaned passengers during 2020 and the resulting increase in 2021 is a result of COVID-19. The number of enplaned passengers reached a record high in 2023, nearly doubling from the prior year.

PROVO MUNICIPAL AIRPORT (PVU)		
YEAR	ENPLANED PASSENGERS	% CHG
2013	30,090	-
2014	62,011	106.1%
2015	65,303	5.3%
2016	78,451	20.1%
2017	91,581	16.7%
2018	80,106	(12.5%)
2019	110,279	37.7%
2020	77,217	(30.0%)
2021	118,740	53.8%
2022	211,741	78.3%
2023	415,197	96.1%

Source: U.S. Department of Transportation

Taxes

Property taxes are levied at the state and local level, based on assessed valuations established by elected county assessors and, in the case of certain properties, by the State Tax Commission's Property Tax Division. The amount of taxes paid is based on the tax rate applied against the taxable value of the property.

Tax rates are set by local entities (counties and towns, school districts, and special taxing districts) and approved by the Property Tax Division. Effective tax rates range from 0.86% to 2.2% in 2014.

State Income Tax is based on 5% of every dollar of income earned. Utah has sales and use tax for retail sales of tangible personal property and select services such as admissions to places of amusement, intrastate transportation service, hotel and motel accommodations, and certain other goods and services. Rates for sales and use tax within each municipality vary between 5.95% and 8.35% of purchase price. Additional local sales taxes for specific goods also exist.

The restaurant tax is an additional 1%. The motor vehicle rental tax of 2.5% is applied statewide with an additional tax of 3% in Duchesne, Grand, and Uintah counties and 7% in Davis, Morgan, Salt Lake, Sevier, Washington, and Weber counties.

Local taxes, in addition to sales taxes from room rates, vary from 3 to 4.5%. Municipal energy sales and use tax rates, when charged, varies from 1% to 6%. A general sales tax of up to 1.5% is applied in 12 resort communities.

The state of Utah taxes all corporations' net income, which has been determined by law to be allocable to the state. Utah has the three factors-sales, payroll and property-to equally apportion federal taxable income. The corporate franchise tax rate is 5% of net taxable income. Minimum tax for state banks and corporations is $100.

Employers must pay on the first $21,400 of wages paid to each employee during the calendar year. Unemployment tax rates vary from 0.1% to 8.1% of taxable payroll, depending on unemployment experience and type of industry.

Utah's free port law is among the most liberal inventory tax laws in the country. Goods used by retailers, wholesalers, or manufacturers for processing and sale in Utah are exempt from ad valorem taxes.

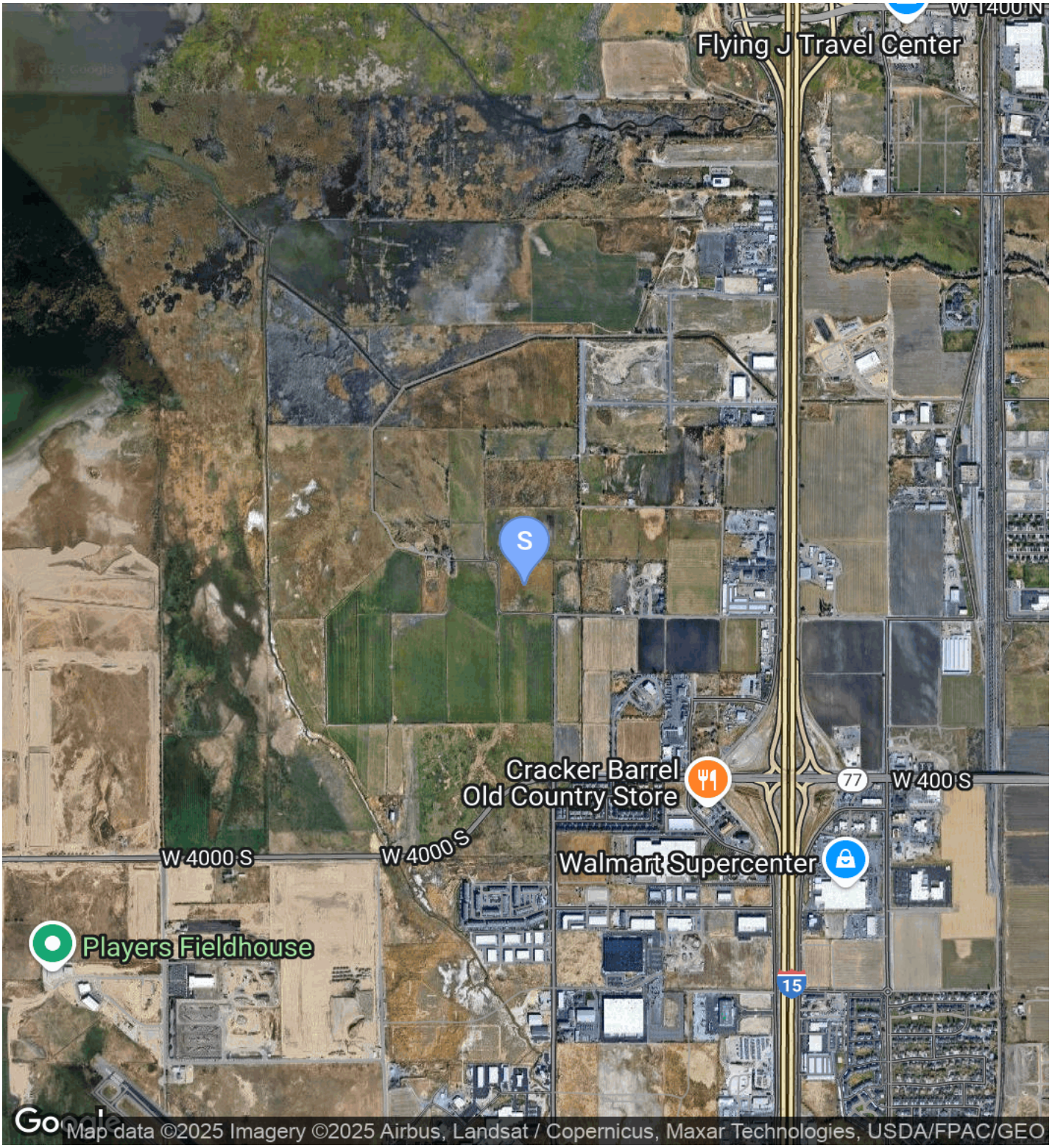
Salt Lake, a customs port city, offers a foreign trade zone. The service allows duties to be deferred or reduced.

Motor vehicles have a uniform fee in lieu of property tax based on the model year of the vehicle. The fee ranges from $10 to $150, depending on the age of the vehicle.

SUMMARY

The Provo-Orem Metropolitan Statistical Area benefits from a strong economy supported by education, healthcare, tourism, and recreational sectors. The county’s natural attractions are a competitive advantage for the region’s economy and will play a vital role in the future economic health and prosperity of the region. It is anticipated that the Provo-Orem MSA will continue to be a part of a growing regional economy, thus supporting positive trends for multi-family developments in the area. Economic growth across the Wasatch Front is projected to outpace the national average over the forecast horizon due to these factors.

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W 1400 N
Flying J Travel Center
S
Cracker Barrel
Old Country Store
77
W 400 S
W 4000 S
W 4000 S
Walmart Supercenter
Players Fieldhouse
15
Google
Map data ©2025 Imagery ©2025 Airbus, Landsat / Copernicus, Maxar Technologies, USDA/FPAC/GEO

INTRODUCTION

In this section of the report, we provide details about the local area and describe the influences that bear on the real estate market as well as the subject property. A map of the local area is presented on the prior page. Below are insights into the local area based on fieldwork, interviews, demographic data and experience working in this market.

LOCAL AREA PROFILE

The subject property is located in Springville, Utah, within Utah County. Springville is located on the west side of the Wasatch Mountain Range, about 3 miles east of Utah Lake's shoreline and mostly east of Interstate 15. Its strategic location near a key interstate hub facilitates vehicular traffic transporting goods in all directions. Known as "Art City," Springville has a strong focus on the arts and is home to the Springville Museum of Art, Utah's oldest visual fine arts museum, established in 1937. As of the 2020 United States Census, the city's population was 35,268.

DEMOGRAPHIC PROFILE

Below is a demographic study of the area, sourced by *Esri ArcGIS*®, an on-line resource center that provides information used to analyze and compare the past, present, and future trends of properties and geographical areas. Please note that our demographics provider sets forth income projections in constant dollars which, by definition, reflect projections after adjustment for inflation. We are aware of other prominent demographic data providers that project income in current dollars, which do not account for inflation. A simple comparison of projections for a similar market area made under the constant and current dollar methodologies can and likely will produce data points that vary, in some cases, widely. Further, all forecasts, regardless of demographer methodology(ies), are subjective in the sense that the reliability of the forecast is subject to modeling and definitional assumptions and procedures.

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LOCAL AREA DEMOGRAPHICS

DESCRIPTION	1 MILE	3 MILES	5 MILES	DESCRIPTION	1 MILE	3 MILES	5 MILES
POPULATION				**AVERAGE HOUSEHOLD INCOME**			
2010 Population	941	17,888	97,305	2024	$108,018	$103,163	$106,811
2020 Population	1,234	22,513	113,460	2029	$124,527	$122,789	$126,092
2024 Population	1,185	24,182	120,831	Change 2024-2029	15.28%	19.02%	18.05%
2029 Population	1,165	25,161	131,142	**MEDIAN HOUSEHOLD INCOME**			
Change 2010-2020	31.14%	25.86%	16.60%	2024	$77,328	$84,104	$83,400
Change 2020-2024	(3.97%)	7.41%	6.50%	2029	$91,519	$101,298	$100,819
Change 2024-2029	(1.69%)	4.05%	8.53%	Change 2024-2029	18.35%	20.44%	20.89%
NUMBER OF HOUSEHOLDS				**PER CAPITA INCOME**			
2010 Households	276	5,281	28,674	2024	$35,822	$31,393	$32,615
2020 Households	522	6,781	34,142	2029	$42,382	$38,279	$39,730
2024 Households	513	7,386	36,930	Change 2024-2029	18.31%	21.93%	21.82%
2029 Households	518	7,882	41,364	**HOUSEHOLDS BY INCOME (2022)**			
Change 2010-2020	89.13%	28.40%	19.07%	Less than $15,000	1.47%	4.74%	6.61%
Change 2020-2024	(1.72%)	8.92%	8.17%	$15,000 - $24,999	3.91%	6.58%	6.28%
Change 2024-2029	0.97%	6.72%	12.01%	$25,000 - $34,999	5.62%	5.62%	6.30%
HOUSING UNITS				$35,000 - $49,999	8.80%	12.85%	11.85%
Owner Occupied	290	5,171	23,231	$50,000 - $74,999	35.21%	18.13%	17.63%
Renter Occupied	223	2,215	13,699	$75,000 - $99,999	9.05%	18.01%	15.88%
HOUSING UNITS BY YEAR BUILT				$100,000 - $149,999	27.14%	20.78%	19.76%
Built 2020 or Later	26	67	383	$150,000 - $199,999	2.93%	7.71%	8.60%
Built 2010 to 2019	203	1,142	4,920	$200,000 or More	5.62%	5.59%	7.10%
Built 2000 to 2009	86	1,818	6,267	**HOUSING BY UNITS IN STRUCTURE**			
Built 1990 to 1999	40	1,074	6,669	1, Detached	141	3,880	20,896
Built 1980 to 1989	25	336	3,294	1, Attached	55	1,004	3,862
Built 1970 to 1979	38	819	4,961	2	5	202	1,791
Built 1960 to 1969	0	304	1,873	3 or 4	38	429	2,346
Built 1950 to 1959	5	333	2,146	5 to 9	104	298	1,665
Built 1940 to 1949	7	217	1,844	10 to 19	35	323	1,886
Built 1939 or Earlier	24	555	3,382	20 to 49	65	278	1,660
HOME VALUES				50 or More	10	12	888
Average	$482,646	$545,464	$576,896	Mobile Home	2	238	743
Median	$358,333	$480,273	$526,859	Boat, RV, Van, etc.	0	0	1
Built 1939 or Earlier	24	555	3,382	Boat, RV, Van, etc.	0	0	1

Source: Esri ArcGIS®

Transportation Routes

Major traffic arteries are shown in the chart below:

MAJOR ROADWAYS & THOROUGHFARES

HIGHWAY	DIRECTION	FUNCTION	DISTANCE FROM SUBJECT
I-15	north-south	Interstate Highway	This is within a mile of the subject property.
SURFACE STREETS	**DIRECTION**	**FUNCTION**	**DISTANCE FROM SUBJECT**
Center Street	east-west	Secondary Arterial	The subject property fronts this street.
400 South	east-west	Primary Arterial	This is within a mile of the subject property.

Economic Factors

Springville's largest employers include Stouffer Foods Corporation, with over 500 employees, and Valtek, which has more than 400 employees. Over the last few years Springville has seen a massive amount of development, which primarily includes residential and industrial development.

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Community Services

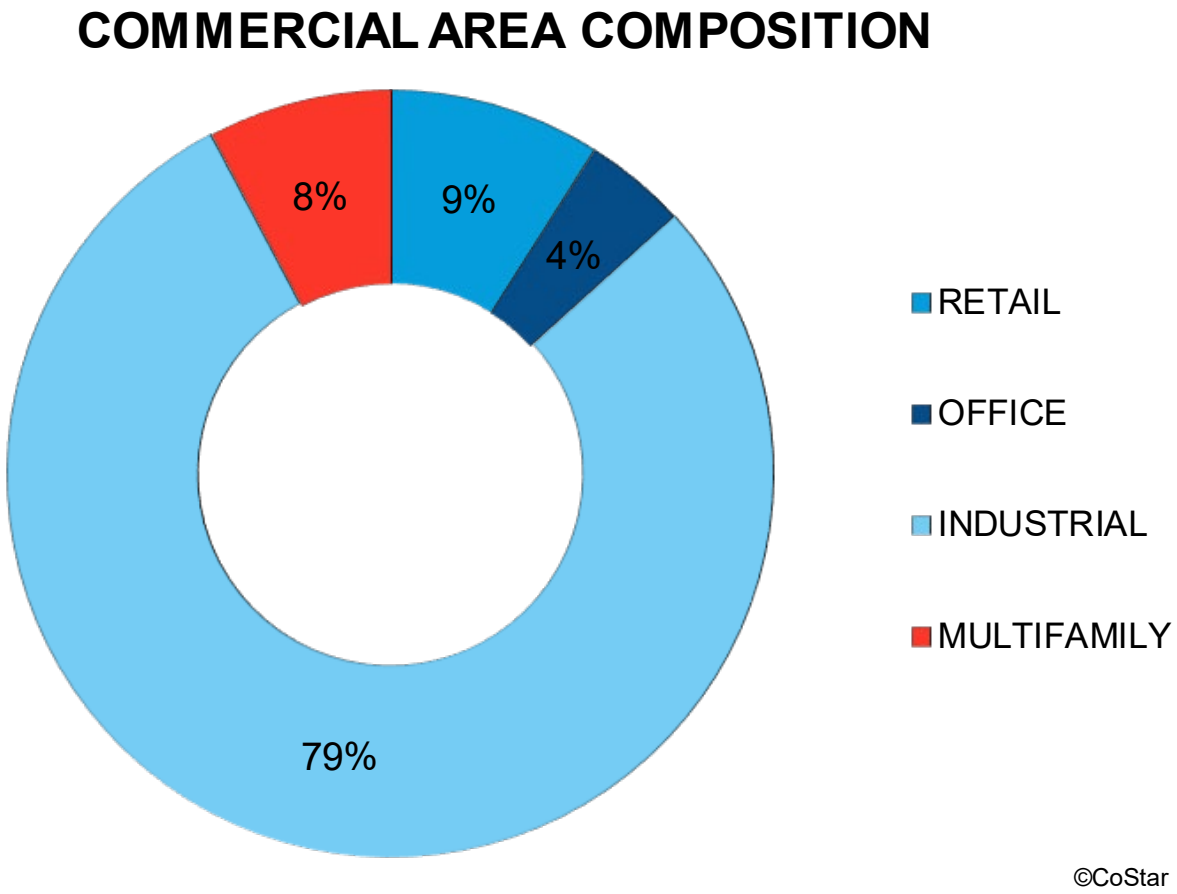
Community services and facilities are readily available in the surrounding area. These include public services such as fire stations, hospitals, police stations, and schools (all ages).

IMMEDIATE AREA PROFILE

This section discusses uses and development trends in the immediate area that directly impact the performance and appeal of the subject property.

Predominant Land Uses

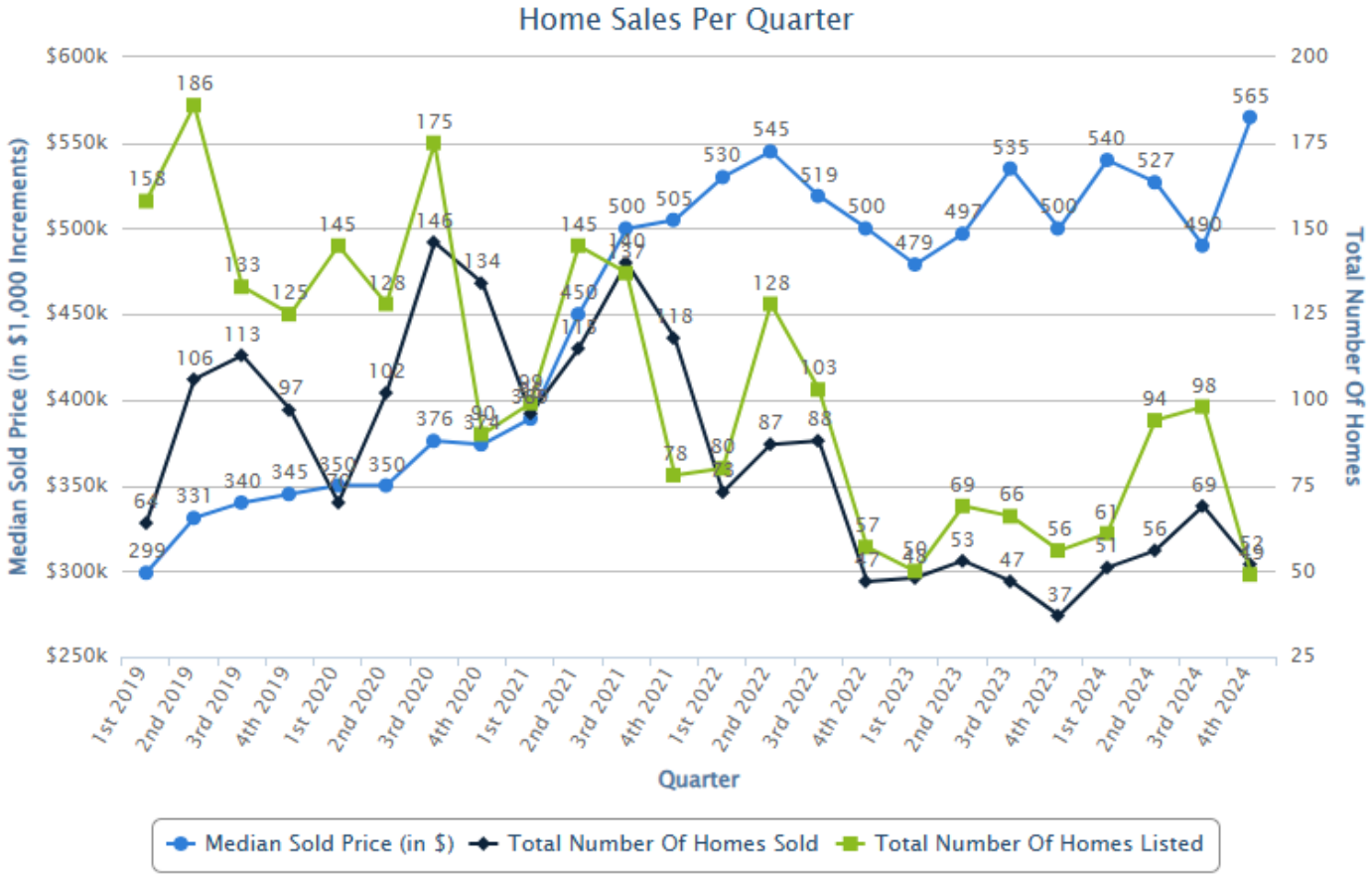
Significant development in the immediate area consists primarily of industrial and single family residential. The local area has a mix of commercial uses nearby and the composition is shown in the following graph.



©CoStar

Residential Development

Residential users in the immediate area are primarily single-family residential. According to the Utah MLS, median home sales prices consistently increased quarter after quarter from Q1 2019 to Q2 2022 before decreasing slightly through Q1 2023. Sales prices have been somewhat volatile since then but the area experienced a new high in median home sale prices during Q1 2024 with a median sold price of $565,000. The rise in home prices has coincided with a decline in available housing inventory. The table below depicts median home sale figures within the subject's zip code.



Multi-Family Development

The following chart shows a summary of multi-family data by type in the immediate area from CoStar.

MULTIFAMILY SUMMARY

CLASS	PROPERTIES	NRA (SF)	AVG YR BLT
A	1	50,000	2019
B	8	758,002	2016
C	16	298,921	1963
TOTAL	**25**	**1,106,923**	**1982**

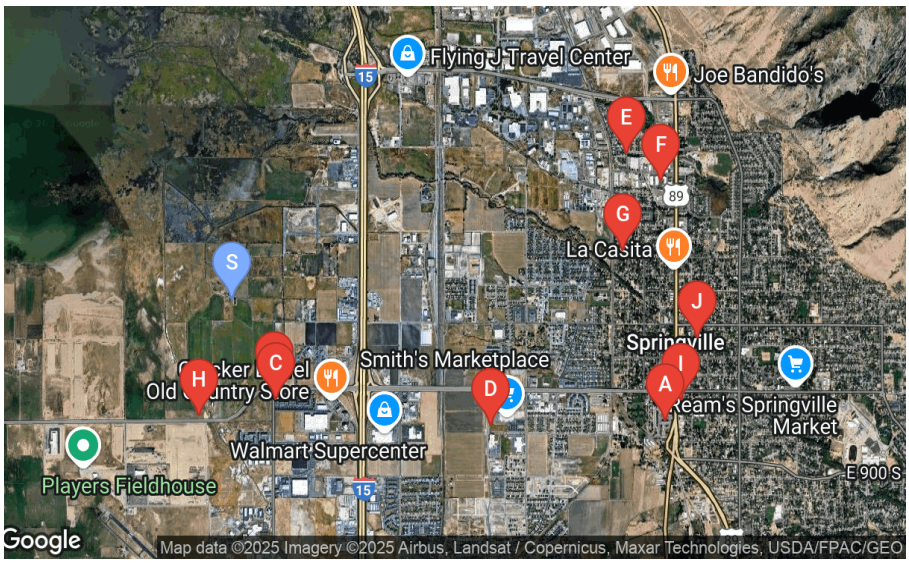
Source: CoStar

The three largest multi-family properties are at 67 West 600 South, 664 South 2600 West and 474 South 2550 West with an NRA of 190,212 SF, 175,887 SF and 148,545 SF that were built in 2021, 2014 and 1998, respectively. The closest large multi-family property in proximity to the subject is at 664 South 2600 West. The majority of properties were constructed after 2000. The following chart and map show the subject property and its location relative to the 10 largest multi-family properties in the immediate area from CoStar.

LARGEST MULTIFAMILY PROPERTIES

NAME	DISTANCE	MAP PIN	CLASS	NRA (SF)	STORIES	YEAR BUILT
Fox Ridge Condominiums	2.7 Miles	A	B	190,212	3	2021
Outlook Apartments	0.6 Miles	B	B	175,887	3	2014
Brookline	0.6 Miles	C	B	148,545	2	1998
The Gallery	1.7 Miles	D	B	114,398	3	2024
Oakbrook Park	2.5 Miles	E	C	100,000	0	1970
Art City Center	2.7 Miles	F	B	76,372	4	2018
Multifamily Building	2.4 Miles	G	C	75,000	0	-
Village on 4th	0.7 Miles	H	A	50,000	3	2019
Multifamily Building	2.8 Miles	I	B	26,000	4	2015
Riverwalk Flats	2.8 Miles	J	C	25,700	3	1975

Source: CoStar



Retail Development

The following chart shows a summary of retail data by type in the immediate area from CoStar.

RETAIL SUMMARY

TYPE	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
General Retail	163	1,287,358	1972	98.9	$39.00
TOTAL	**163**	**1,287,358**	**1972**	**98.9**	**$39.00**

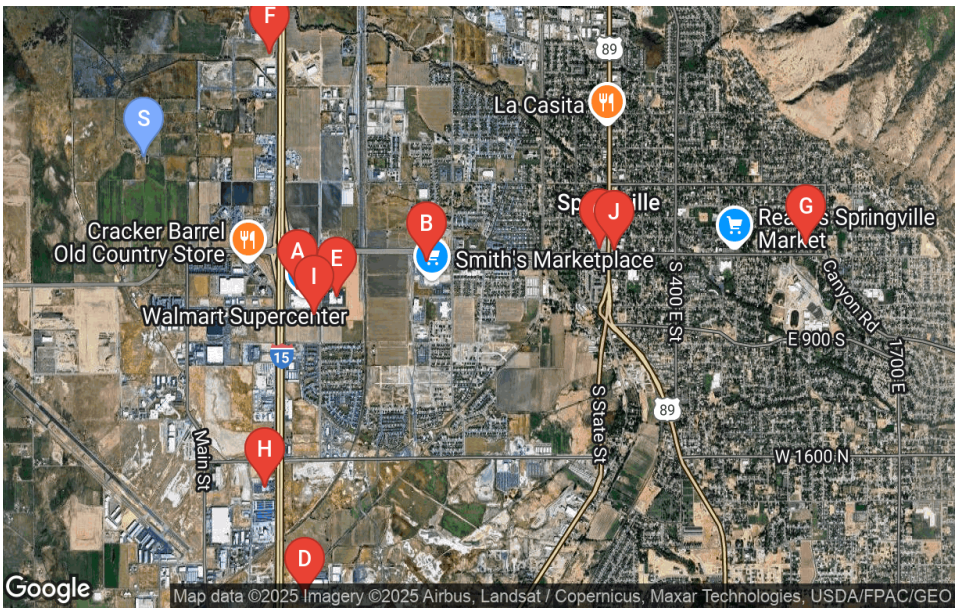
Source: CoStar

The three largest retail properties are at 660 South 1750 West, 1117 West 400 South and 340-380 South Main Street with an NRA of 204,596 SF, 120,000 SF and 75,180 SF that were built in 2001, 2017 and 1982, respectively. The closest large retail property in proximity to the subject is at 751 North 2000 West with an NRA of 45,250 SF that was built in 2021. The majority of properties were constructed after 2000. The following chart and map show the subject property and its location relative to the 10 largest retail properties in the immediate area from CoStar.

LARGEST SHOPPING CENTERS

NAME	DISTANCE	MAP PIN	TYPE	NRA (SF)	% LEASED	YEAR BUILT
Wal-Mart Supercenter	1.2 Miles	A	General Retail	204,596	100.0	2001
Springville Marketplace	1.7 Miles	B	Community Center	120,000	100.0	2017
Retail Building	2.7 Miles	C	General Retail	75,180	90.9	1982
Retail Building	2.6 Miles	D	General Retail	66,000	100.0	2006
Deseret Industries Thirft Store	1.4 Miles	E	General Retail	50,000	100.0	2016
Retail Building	0.9 Miles	F	General Retail	45,250	100.0	2021
Springville Marketplace	3.9 Miles	G	Community Center	37,400	100.0	2023
Retail Building	2.0 Miles	H	General Retail	26,625	100.0	2003
Retail Building	1.3 Miles	I	General Retail	23,666	100.0	2015
Retail Building	2.8 Miles	J	General Retail	21,558	100.0	1980

Source: CoStar



Office Development

The following chart shows a summary of office data by class in the immediate area from CoStar.

OFFICE SUMMARY

CLASS	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
A	1	84,511	2002	100.0	-
B	33	414,577	1999	98.0	$15.86
C	15	115,744	1982	100.0	$10.00
TOTAL	**49**	**614,832**	**1994**	**98.7**	**$14.03**

Source: CoStar

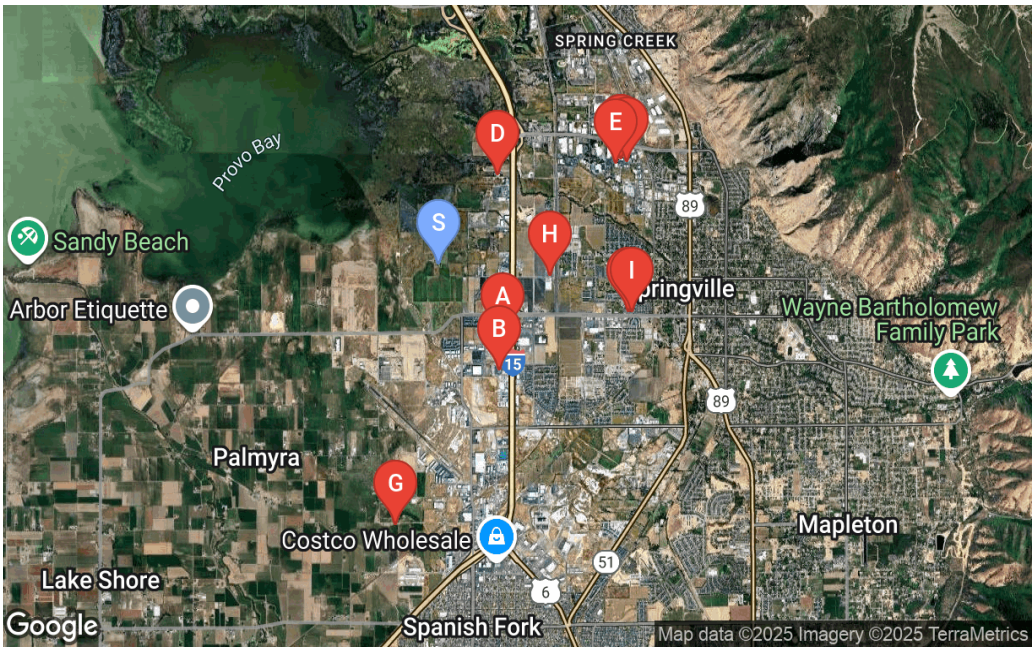
The three largest office properties are at 588 South 2000 West, 926-940 South 2000 West and 786 West 1200 North with an NRA of 84,511 SF, 79,188 SF and 38,000 SF that were built in 2002, 2001 and 2002, respectively. The closest large office property in proximity to the subject is at 588 South 2000 West. The majority of properties were constructed after 2000. The following chart and map show the subject property and its location relative to the 10 largest office properties in the immediate area from CoStar.

LARGEST OFFICE BUILDINGS

NAME	DISTANCE	MAP PIN	CLASS	NRA (SF)	% LEASED	YEAR BUILT
Springville Office	1.0 Miles	A	A	84,511	100.0	2002
MAPLE VIEW PLAZA	1.3 Miles	B	B	79,188	100.0	2001
Office Building	2.2 Miles	C	C	38,000	100.0	2002
Office Building	1.1 Miles	D	B	33,000	68.2	2012
River Bend Park	2.2 Miles	E	B	23,200	100.0	1987
Spring Creek Place	2.3 Miles	F	B	20,455	100.0	2006
Office Building	2.7 Miles	G	B	19,916	68.4	2024
Office Building	1.2 Miles	H	B	17,856	100.0	2009
Office Building	2.1 Miles	I	B	15,000	100.0	2014
Office Building	2.1 Miles	J	B	15,000	100.0	2013

Source: CoStar

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SPRING CREEK
Provo Bay
Sandy Beach
Arbor Etiquette
Springville
Wayne Bartholomew Family Park
Palmyra
Costco Wholesale
Mapleton
Lake Shore
Spanish Fork
Google
Map data ©2025 Imagery ©2025 TerraMetrics
89
15
51
6
A
B
D
E
G
H
I
S

Industrial Development

The following chart shows a summary of industrial data by type in the immediate area from CoStar.

INDUSTRIAL SUMMARY

TYPE	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
Industrial	193	9,591,382	2003	96.0	$13.50
Flex	47	1,705,273	2006	97.5	$14.71
TOTAL	**240**	**11,296,655**	**2004**	**96.3**	**$13.73**

Source: CoStar

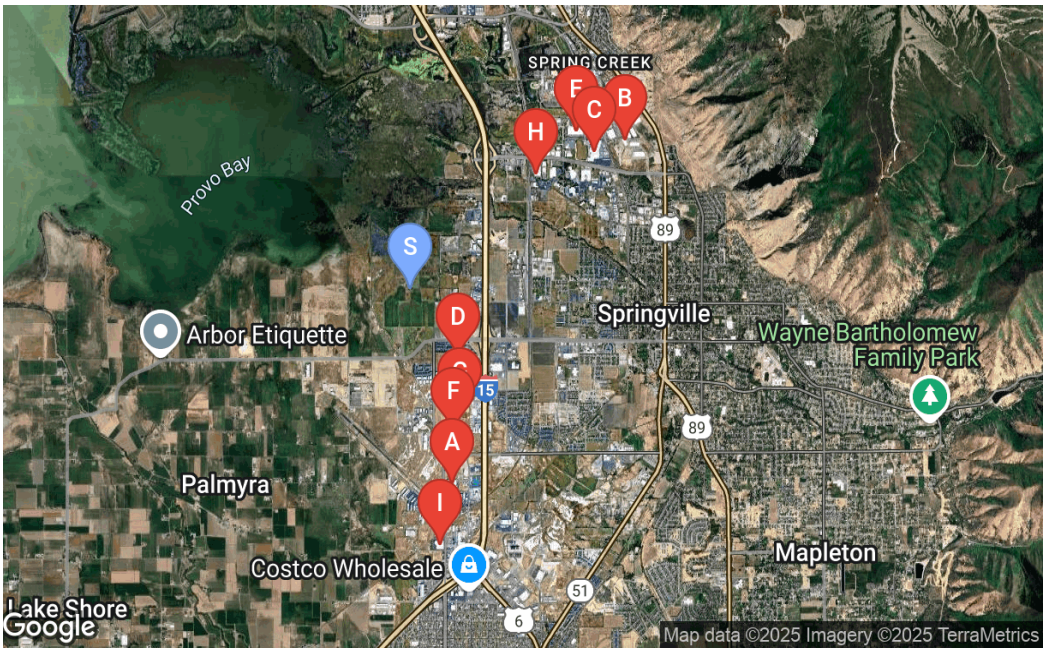
The three largest industrial properties are at 2200-2406 North Main Street, 3582 South Mountain Vista Parkway and 815 Raymond Klauck Way with an NRA of 616,928 SF, 600,090 SF and 401,512 SF that were built in 1989, 2016 and 1990, respectively. The closest large industrial property in proximity to the subject is at 530 South 2000 West with an NRA of 305,520 SF that was built in 1992. The majority of properties were constructed after 2000. The following chart and map show the subject property and its location relative to the 10 largest industrial properties in the immediate area from CoStar.

LARGEST INDUSTRIAL PROPERTIES

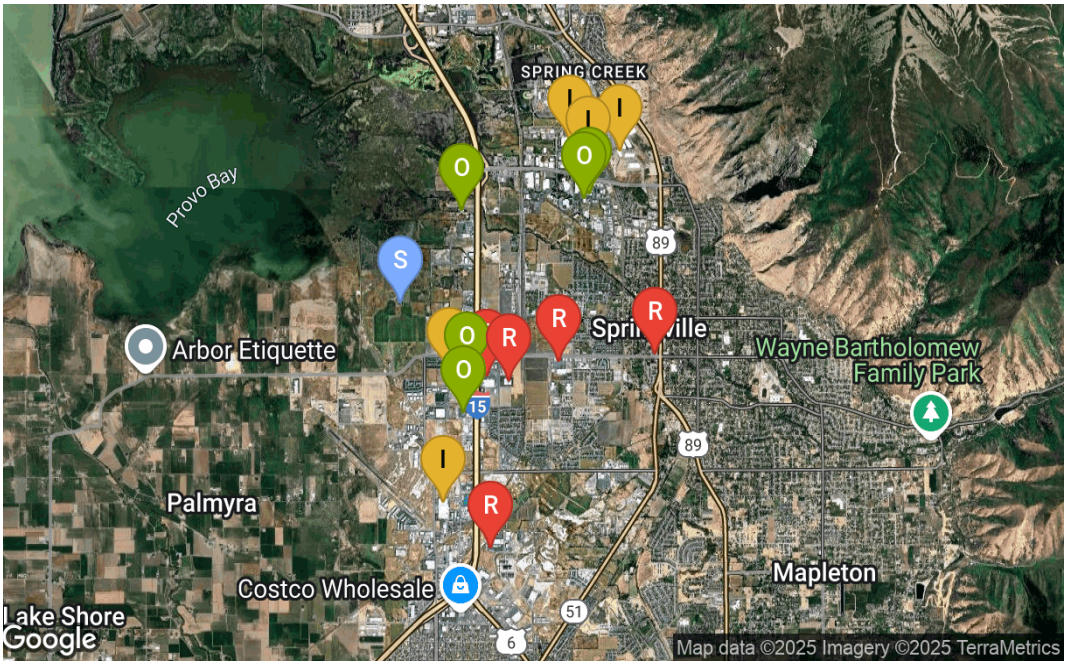
NAME	DISTANCE	MAP PIN	TYPE	NRA (SF)	% LEASED	YEAR BUILT
Industrial Building	2.0 Miles	A	Industrial	616,928	100.0	1989
Mountain Vista Business Park	2.7 Miles	B	Flex	600,090	100.0	2016
Industrial Building	2.4 Miles	C	Industrial	401,512	100.0	1990
Industrial Building	0.9 Miles	D	Industrial	305,520	100.0	1992
PowerHouse Industrial	2.4 Miles	E	Industrial	292,791	100.0	2023
Spanish Springs Industrial Park	1.5 Miles	F	Industrial	280,980	0.0	2023
Spanish Springs Industrial Park	1.4 Miles	G	Industrial	280,800	100.0	2021
Industrial Building	1.8 Miles	H	Industrial	278,000	100.0	2005
Industrial Building	2.6 Miles	I	Industrial	270,000	100.0	1977
PowerHouse Industrial	2.4 Miles	J	Industrial	265,435	100.0	2022

Source: CoStar

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The following map shows the subject property and the five largest retail, office, and industrial properties in the immediate area from CoStar.



SUBJECT PROPERTY ANALYSIS

The following discussion draws context and analysis on how the subject property is influenced by the local and immediate areas.

Subject Property Analysis

The uses adjacent to the property are noted below:

- **North -** Vacant Land
- **South -** Vacant Land
- **East -** Vacant Land
- **West -** Vacant Land

Access

The larger parcel is located on the northwest corner of Center Street and 2600 West. The site does not have direct frontage on an improved street, but has access from the two street. Based on our field work, the larger parcel's access is rated average compared to other properties with which it competes.

Visibility

The larger parcel is clearly visible in both directions along the street. The visibility of the property is not hampered by adjacent properties, trees or other obstructions. In comparison to competitive properties, the larger parcel has average visibility.

Subject Conclusion

Trends in the local and immediate areas, adjacent uses and the property's specific location features indicate an overall typical external influence for the subject, which is concluded to have an average position in context of competing properties.

SUMMARY

As of the effective date, the long-term outlook for Utah County remained highly optimistic. The county's young population, high birth rates, and strong in-migration trends contributed to sustained growth. The region's dynamic economy, supported by a skilled workforce and a strong entrepreneurial ecosystem, positioned it well for continued prosperity. Utah County's strategic investments in infrastructure and its appeal as a tech hub further reinforced its potential for future growth. Looking ahead, the market is expected to maintain stability over the next three years.

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SITE DESCRIPTION – LARGER PARCEL

The larger parcel is the property for which the condemnor is required to pay just compensation for damages. In determining the extent of the larger parcel, three tests are applied;

1. Unity of title;
2. Unity of use; and
3. Contiguity

Unity of title requires that the property be under the same ownership, or, at least under the beneficial control of a single individual or entity. Unity of use requires that the property have the same, or an integrated, highest and best use. Contiguity generally requires that the property be adjoining, although separation by a road or a right-of-way does not necessarily make a property non-contiguous.

We have determined the larger parcel for this assignment to be all of parcel 21-096-0021, which is owned by Crandall Farms Inc. This parcel is all owned by the same entity, all has the same highest and best use and is contiguous.

General Description

The larger parcel consists of 1 parcel. As noted below, the site has 518,203 SF (11.90 AC) of land area. The area is estimated based on the assessor's parcel map, and may change if a professional survey determines more precise measurements. Going forward, our valuation analyses will utilize the usable site area. The following discussion summarizes the site size and characteristics.

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Assessor Parcel 21-096-0021

Number Of Parcels 1

Land Area	**Acres**	**Square Feet**
Primary Parcel	11.90	518,203
Unusable Land	0.00	0
Excess Land	0.00	0
Surplus Land	0.00	0
Total Land Area	**11.90**	**518,203**

Shape Irregular - See Plat Map For Exact Shape

Topography Level at street grade

Drainage Assumed Adequate

Utilities Municipal

Water	Approximately 700' to the east
Sewer	Approximately 700' to the east
Electricity	Approximately 700' to the east
Gas	Assumed to be approximately 700' to the east
Telecommunications	Available in the street

Street Improvements

Street	**Direction**	**No. Lanes**	**Street Type**	Curbs	Sidewalks	Streetlights	Center Lane	Gutters
Center Street	Primary Street	two-way	two-lane	minor arterial					
2600 West	Secondary Street	two-way	two-lane	minor arterial					

Frontage The subject is on the NW corner of Center Street and 2600 West, but does not have direct frontage on either street.

Accessibility The accessibility of the larger parcel is rated as average. The larger parcel is accessed from two streets, with the main entrance and primary point of ingress/egress being Center Street. I-15 is a major transportation arterial within proximity to the larger parcel, providing linkage to the surrounding area.

Views The subject has average views compared to other residential development sites in the area.

Water Rights According to the map provided by the Utah Division of Water Rights, Water Right 51-4441 is located on the larger parcel.

Seismic The subject is in Very High Risk. The seismic zone factor (or Z factor) corresponds numerically to the effective horizontal peak bedrock acceleration (or equivalent velocity) that is estimated as a component of the design base shear calculation. In each seismic zone an earthquake-related event would create an effective peak bedrock acceleration of 0.1 times the force of gravity for Zone 1, 0.15 times the force of gravity for Zone 2A, 0.2 times the force of gravity for Zone 2B, 0.3 times the force of gravity for Zone 3 and 0.4 times the force of gravity for Zone 4. These values correspond to ground motion values with a 10% probability of being exceeded in 50 years.

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Flood Zone

Zone X (Unshaded). This is referenced by Community Number 490163, Panel Number 49049C0545F, dated June 19, 2020. Zone X (unshaded) is a Non-Special Flood Hazard Area (NSFHA) of minimal flood hazard, usually depicted on Flood Insurance Rate Maps (FIRM) as above the 500-year flood level. This is an area in a low to moderate risk flood zone that is not in any immediate danger from flooding caused by overflowing rivers or hard rains. In communities that participate in the National Flood Insurance Program (NFIP), flood insurance is available to all property owners and renters in this zone.

Site Rating

Overall, the larger parcel is considered a good residential development site in terms of its location, exposure, and access to employment, education and shopping centers, recognizing its location along a minor arterial.

Easements

A preliminary title report was not available for review. During the on-site inspection, we noted that a private, dirt road extends west from Center Street across the southern portion of the subject and turns north along the west portion. We assume there is an access easement on this road that provides access to the adjoining parcels in the area. This appraisal assumes that there is no negative value impact on the subject improvements. If questions arise regarding easements, encroachments, or other encumbrances, further research is advised.

Soils

A soils analysis was not available for review. Based on the development of the subject, it appears the soils are stable and suitable for the existing improvements.

Hazardous Waste

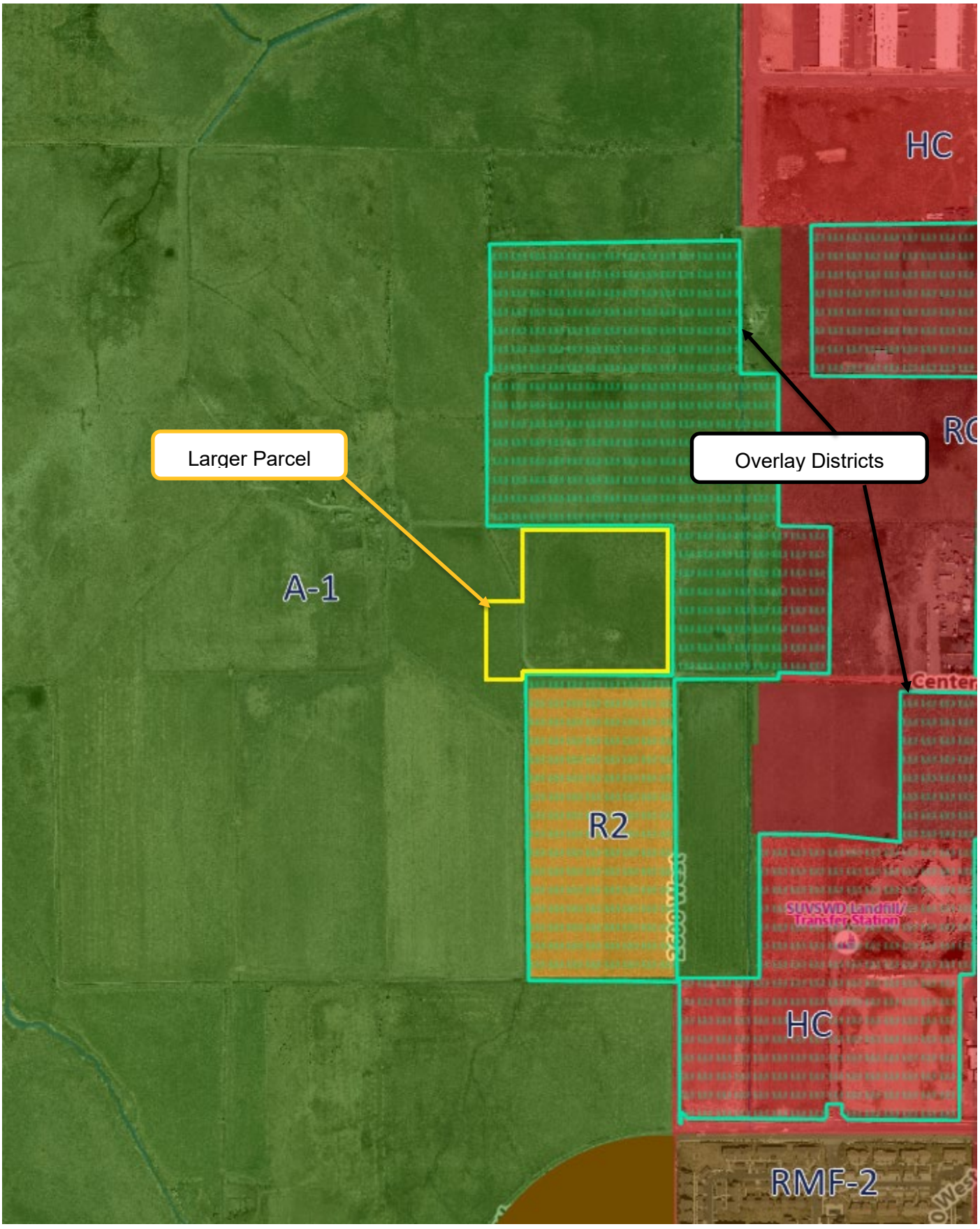
We have not conducted an independent investigation to determine the presence or absence of toxins on the subject property. If questions arise, the reader is strongly cautioned to seek qualified professional assistance in this matter. Please see the Assumptions and Limiting Conditions for a full disclaimer.

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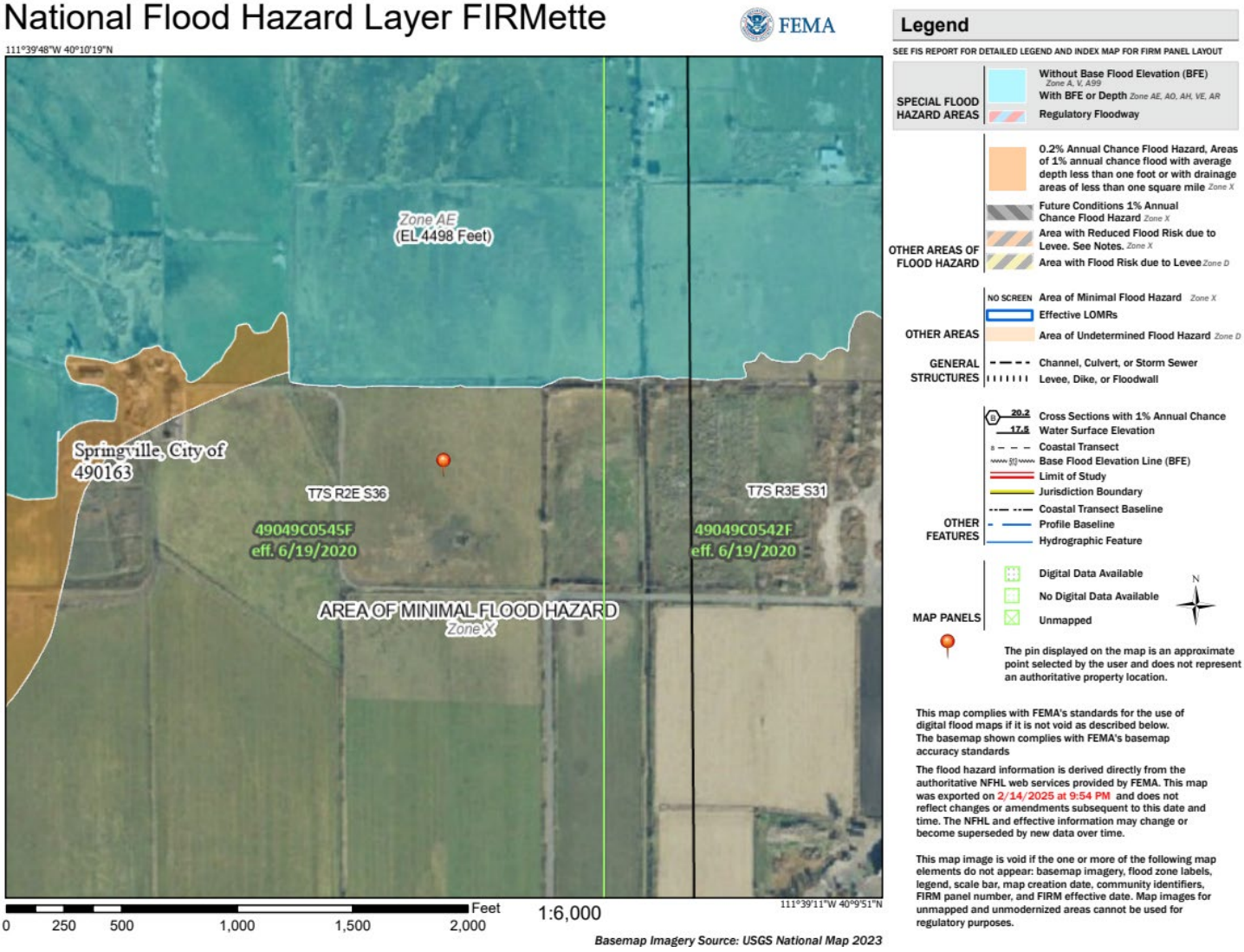
PLAT MAP


21:096:0016
649.10
146.32
21:096:0009
21:096:0021
343.19
664.20
158.60
21:096:0024
21:097:0054

ZONING MAP



FLOOD MAP


National Flood Hazard Layer FIRMette
FEMA
111°39'48"W 40°10'19"N
Zone AE
(EL 4498 Feet)
Springville, City of
490163
T7S R2E S36
T7S R3E S31
49049C0545F
eff. 6/19/2020
49049C0542F
eff. 6/19/2020
AREA OF MINIMAL FLOOD HAZARD
Zone X
Feet
0 250 500 1,000 1,500 2,000
1:6,000
111°39'11"W 40°9'51"N
Basemap Imagery Source: USGS National Map 2023
Legend
SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT
SPECIAL FLOOD HAZARD AREAS
Without Base Flood Elevation (BFE) Zone A, V, A99
With BFE or Depth Zone AE, AO, AH, VE, AR
Regulatory Floodway
OTHER AREAS OF FLOOD HAZARD
0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X
Future Conditions 1% Annual Chance Flood Hazard Zone X
Area with Reduced Flood Risk due to Levee. See Notes. Zone X
Area with Flood Risk due to Levee Zone D
OTHER AREAS
NO SCREEN Area of Minimal Flood Hazard Zone X
Effective LOMRs
Area of Undetermined Flood Hazard Zone D
GENERAL STRUCTURES
Channel, Culvert, or Storm Sewer
Levee, Dike, or Floodwall
OTHER FEATURES
20.2 Cross Sections with 1% Annual Chance
17.5 Water Surface Elevation
Coastal Transect
513 Base Flood Elevation Line (BFE)
Limit of Study
Jurisdiction Boundary
Coastal Transect Baseline
Profile Baseline
Hydrographic Feature
MAP PANELS
Digital Data Available
No Digital Data Available
Unmapped
N
The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.
This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards
The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 2/14/2025 at 9:54 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.
This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

INTRODUCTION

Assessment of real property is established by an assessor who is an appointed or elected official charged with determining the value of each property. The assessment is used to determine the necessary rate of taxation required to support the municipal budget. A property tax is a levy on the value of property that the owner is required to pay to the municipality in which it is situated. Multiple jurisdictions may tax the same property.

The subject property is located within Utah County. The larger parcel's assessed value and property tax for the current year are summarized in the following table.

ASSESSMENT & TAXES

Tax Year	2024				Tax Rate	1.00075%
Tax Rate Area	131				Taxes Current	Yes
APN	**LAND**	**IMPV**	**TOTAL**	**EXEMPTIONS**	**TAXABLE**	**BASE TAX**
21-096-0021	$531,100	$0	$531,100	$525,507	$5,593	$56
Totals	**$531,100**	**$0**	**$531,100**	**$525,507**	**$5,593**	**$56**
Total Base Tax						**$56**

Source: Utah County Assessment & Taxation

SUBJECT PROPERTY ANALYSIS

The total assessment for the subject's larger parcel is $531,100 or $1.02/SF. The property benefits from an exemption in the amount of $525,507, reducing the taxable assessment to $5,593. Total taxes for the property are $56. If the subject property is developed, it should be assumed that the greenbelt exemption will be removed. When a piece of real property is determined by the County Assessor's office as no longer qualifying for assessment under the FFA "Greenbelt" law, the Assessor is required to apply a rollback tax to the property. Land that is withdrawn from assessment under the FAA is subject to a rollback tax equal to the difference between:

- the amount of taxes that would have been charged under a market-based assessment, and
- the amount of taxes that were charged under the FAA assessment.

Once a property has been withdrawn from "Greenbelt" status, the Assessor calculates the rollback tax for each year the land was assessed under the FAA, going back no more than five years.

The Assessor provided a rollback tax estimate for the larger parcel of $23,732. The estimate is valid through March 24, 2025.

In Utah, taxes are calculated by multiplying the tax rate by the taxable value. The taxable value is calculated at 100% of the final value or market value for commercial properties and 55% for residential properties. All multifamily properties receive this exemption noted above for the subject. All property is reappraised annually, and Utah law requires a review of property characteristics once every five years. A sale of the subject does not necessarily trigger a reassessment. Utah is a non-disclosure state, so purchase prices are not known by the Assessor's office. The final value is the reported market value of the property, as reported by the assessor's offices. Tax rates are set by procedures established in the Utah Constitution. There are many different rates in Utah County, and they vary across the county depending on which school district, city, special service district, and etc. the property is located.

According to the Utah County Assessor's Office website, real estate taxes for the subject larger parcel are current as of the date of this report.

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INTRODUCTION

Zoning requirements typically establish permitted and prohibited uses, building height, lot coverage, setbacks, parking and other factors that control the size and location of improvements on a site. The zoning characteristics for the subject property are summarized below:

ZONING SUMMARY	
Municipality Governing Zoning	City of Springville Planning & Zoning Department
Current Zoning	Agricultural Zone (A-1)
Permitted Uses	Permitted uses within the agriculture zone generally include most agriculture uses and low density residential, as well as golf courses, religious facilities, and small residential facilities for elderly persons.
Prohibited Uses	Medium and high density residential and most commercial and industrial uses.
Current Use	Vacant
Is Current Use Legally Permitted?	Yes
Zoning Change	Anticipated

ZONING REQUIREMENTS	
Minimum Site Area (SF)	200,000 SF
Minimum Yard Setbacks	
Front (Feet)	30
Rear (Feet)	30
Side (Feet)	20
Maximum Site Coverage	50%
Maximum Building Height	35 Feet
Minimum Dwelling Unit Size	1,000 SF

Source: City of Springville Planning & Zoning Department

ZONING CONCLUSIONS

The subject is zoned Agriculture (A-1). The larger parcel is located between parcels within the Westfields and Lakeside Overlay District, which allows for residential development. The purpose of the Westfields and Lakeside Overlay District is to carry out the adopted policies of Springville City to create attractive, diverse neighborhoods with a wide variety of attached and detached housing, as well as some shopping and services. The properties adjacent east, south and west of the subject are part of a proposed 152.47-acre development named Lakeside Village. The current site plan for Lakeside Village calls for 887 single family and townhome lots, and 48 multifamily units with ground-floor retail. The overall density of the proposed Lakeside Village is approximately six units per acre. Based on a conversation with Carla Wiese with the Springville City Planning Department, the subject can be rezoned to residential, if the owners are willing to be adopted into the Westfields and Lakeside Overlay District and develop the site in a way that is harmonious with the proposed Lakeside Village development.

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INTRODUCTION

As concluded ahead, the highest and best use of the larger parcel as-vacant is a mixed-use medium-density residential. Therefore, this section provides a brief study of residential supply/demand conditions for the Utah County Market and the Springville City submarket, market participant interviews, and transaction trends. We have also included a Multi-Family market analysis discussing the Utah County Submarket. These findings are used to support our conclusions for the competitive position, and exposure period of the subject site.

RESIDENTIAL MARKET ANALYSIS

Home Prices & Sales

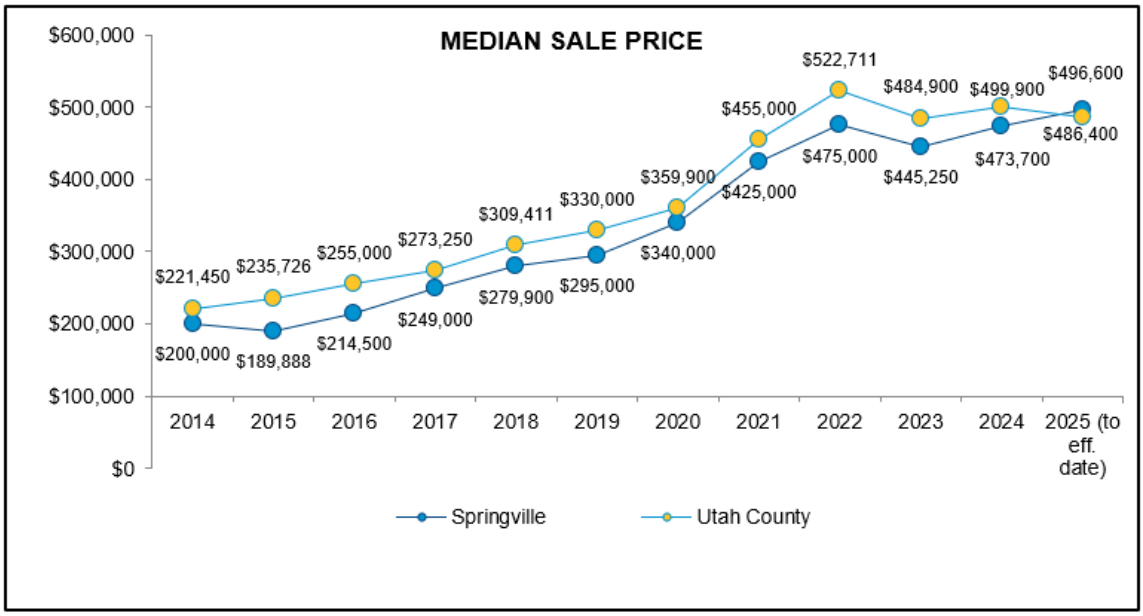
Median home prices have generally increased over the last ten years in both the city and county. As noted in the chart below, median prices in Springville have historically been slightly lower than the trend in pricing in Utah County. The table below summarizes historical median home prices and historical sales in the city and county from 2014 to 2025 Year-To-Date (YTD). The median combined days on the market (CDOM) is also included in the table. The chart below the table illustrates the trends in the median sale price of homes.

SINGLE-FAMILY HOME PRICES & SALES (2014 - YTD FEB 2025)

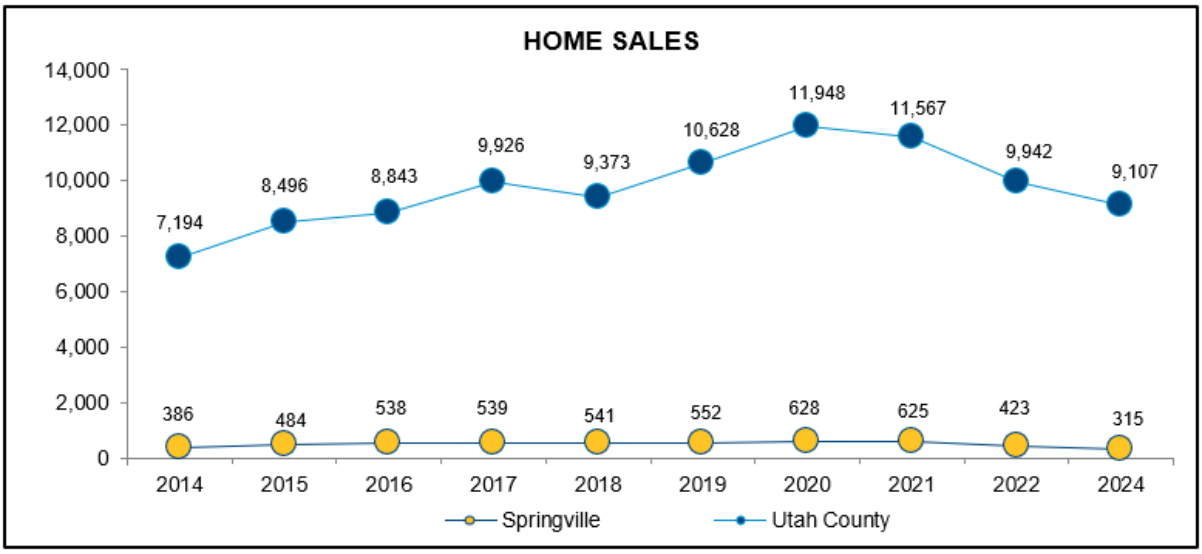
	Springville			Utah County		
Year	Median Price	No. Sold	Median CDOM	Median Price	No. Sold	Median CDOM
2014	$200,000	386	56	$221,450	7,194	46
2015	$189,888	484	21	$235,726	8,496	26
2016	$214,500	538	14	$255,000	8,843	17
2017	$249,000	539	15	$273,250	9,926	18
2018	$279,900	541	15	$309,411	9,373	19
2019	$295,000	552	21	$330,000	10,628	29
2020	$340,000	628	10	$359,900	11,948	14
2021	$425,000	625	7	$455,000	11,567	6
2022	$475,000	423	11	$522,711	9,942	11
2023	$445,250	304	31	$484,900	8,349	30
2024	$473,700	315	27	$499,900	9,107	31
2025 (to eff. date)	$496,600	22	102	$486,400	747	49

CDOM = Combined Days On Market

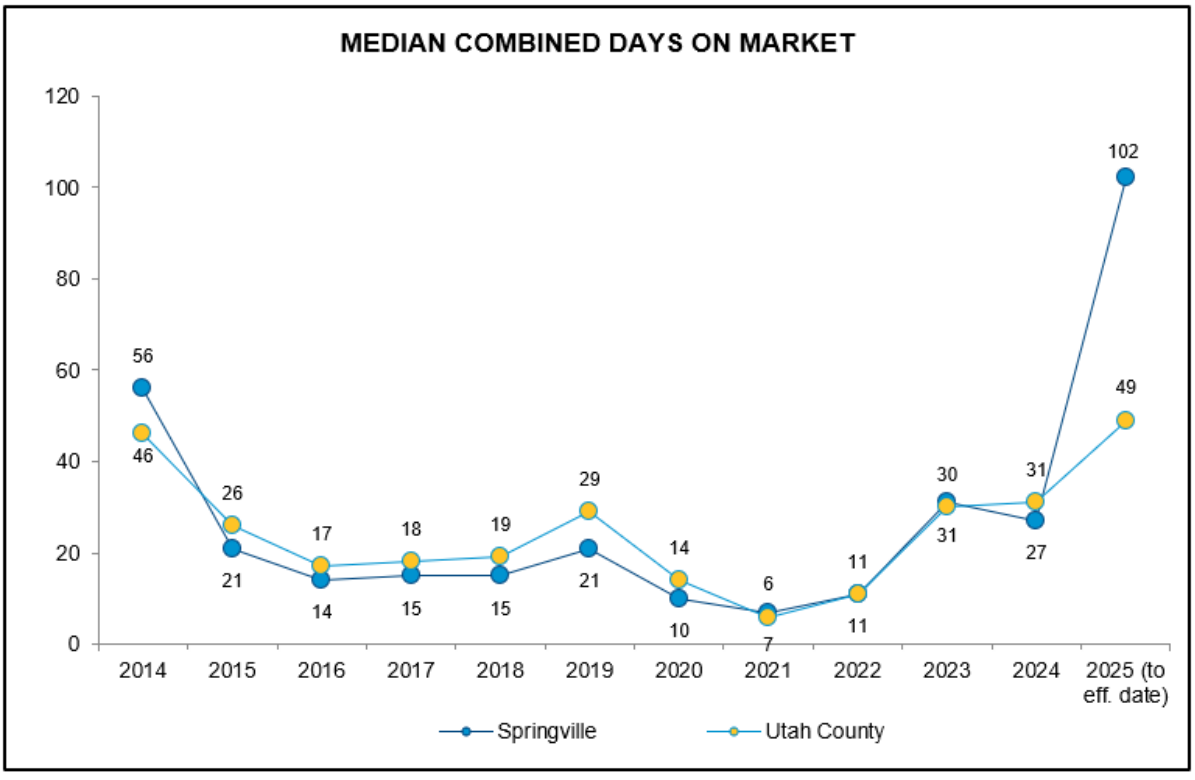
Source: Wasatch Front Regional MLS



The chart below depicts the number of home sales in Springville and Utah County from 2014 to YTD 2025. The number of home sales in the city has historically been significantly lower than in the county based on the smaller market area. The city experienced a ten-year high in the number of homes sold during 2020 with 628 homes sold. Utah County also experienced a ten-year high in number of homes sold in 2020 with 11,948 homes sold.



The chart below indicates the median CDOM for lot sales of the city and county.



Lot Prices & Sales

The table below summarizes the historical median lot prices and historical sales in Springville and Utah County from 2014 to YTD 2025. In addition, the median CDOM (Combined Days On Market) is indicated. The county and subject area indicate similar trends in increasing median lot prices over the past several years, however, lot prices in Springville have generally been lower than those in the county. The chart following the table below illustrates the historical lot prices.

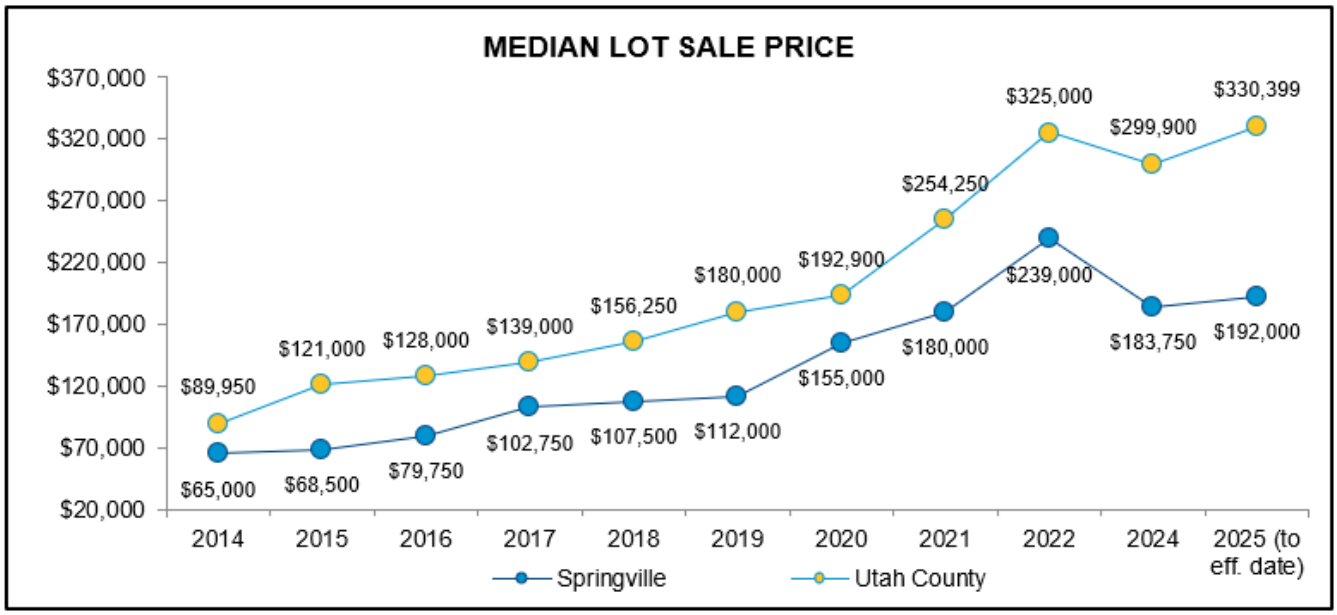
LOT PRICES & SALES (UP TO 1 ACRE, 2014 - YTD FEB 2025)

	Springville			Utah County		
Year	Median Price	No. Sold	Median CDOM	Median Price	No. Sold	Median CDOM
2014	$65,000	11	77	$89,950	334	98
2015	$68,500	13	68	$121,000	251	97
2016	$79,750	12	98	$128,000	303	148
2017	$102,750	14	89	$139,000	317	93
2018	$107,500	10	38	$156,250	378	101
2019	$112,000	10	175	$180,000	346	93
2020	$155,000	14	91	$192,900	506	126
2021	$180,000	27	26	$254,250	432	28
2022	$239,000	9	27	$325,000	301	36
2023	$180,500	12	61	$300,000	267	74
2024	$183,750	10	60	$299,900	316	90
2025 (to eff. date)	$192,000	2	75	$330,399	160	22

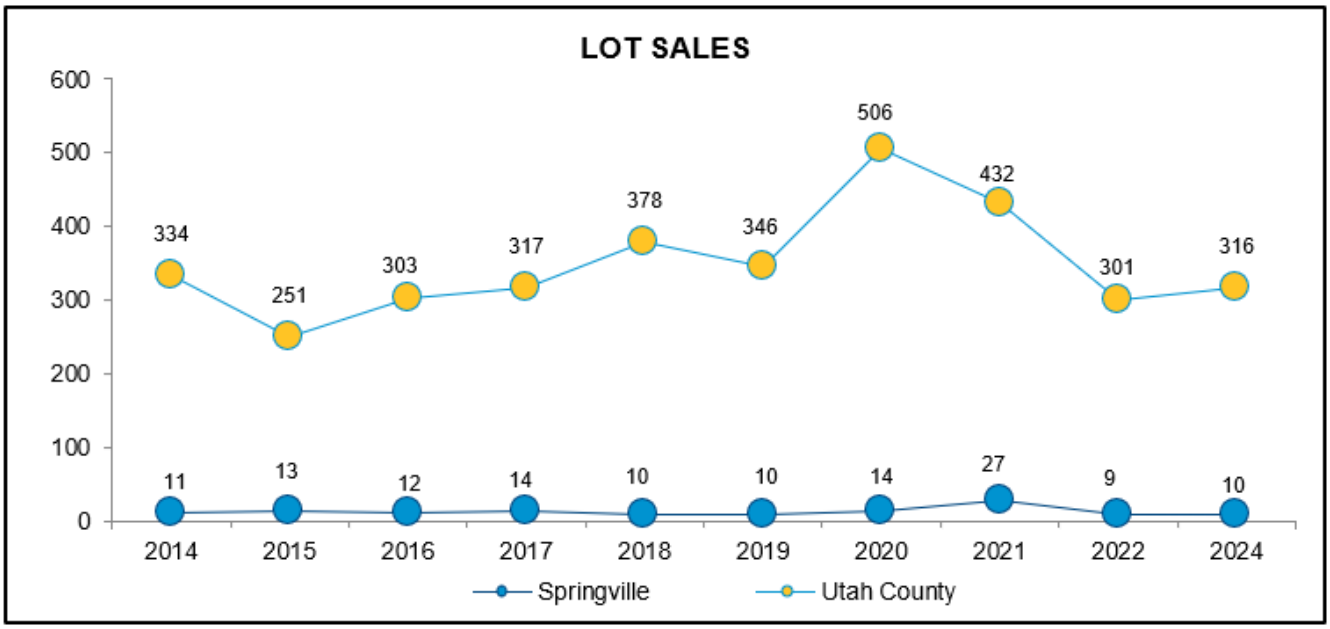
CDOM = Combined Days On Market

Source: Wasatch Front Regional MLS

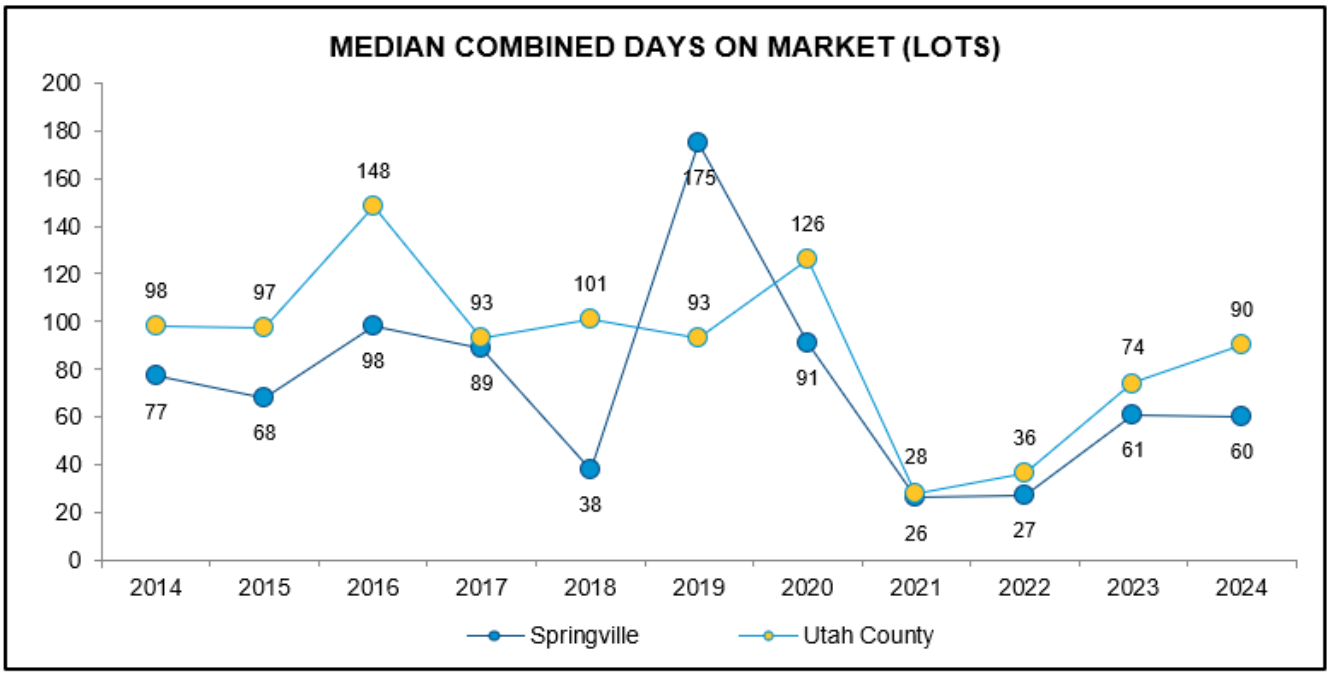
Median lot sale prices have increased quarter-over-quarter since 2014. The county reached a ten-year high in 2022 with a median lot price of $325,000. The city reached a ten-year high in 2022 with a median lot price of $239,000.



In Utah County, the number of lot sales peaked during 2020 with 506 lot sales. Springville experienced a ten-year high in 2021 with 27 lot sales.



The chart below indicates the median CDOM for lot sales of the city and county.



Inventory (Supply)

The amount of inventory or supply has played a major part in the residential home and lot market over the past few years throughout the region. The following table summarizes the current number of homes and lots on the market in Utah County and Springville. There are currently 1,486 homes listed on the market in Utah County with 49 of those homes in Springville, according to the local MLS. There are 278 lots listed on the market in Utah County with 12 of those located in Springville. There are currently 422 townhomes listed for sale in Utah County with 7 of those located in Springville.

ACTIVE LISTINGS		
	Springville	**Utah County**
Single-Family Homes	49	1,486
Land/Lots	12	278
Townhomes	7	422
Total	**68**	**2,186**
Source: Wasatch Front Regional MLS		

Conclusion

Prices are likely to continue to increase in Utah County over the forecast horizon. As development proceeds and new homes are delivered to the market, there will be an increased demand for the larger parcel.

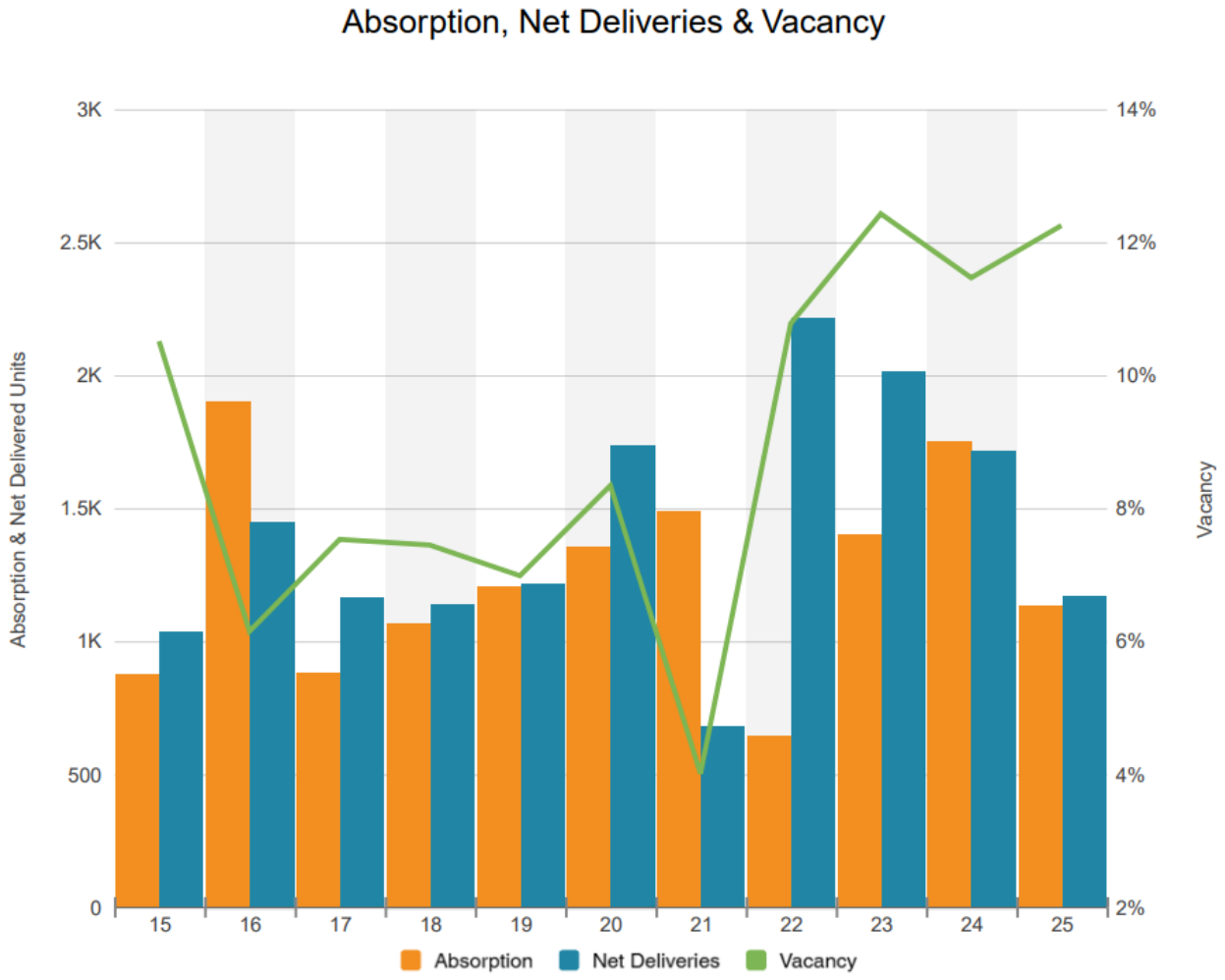
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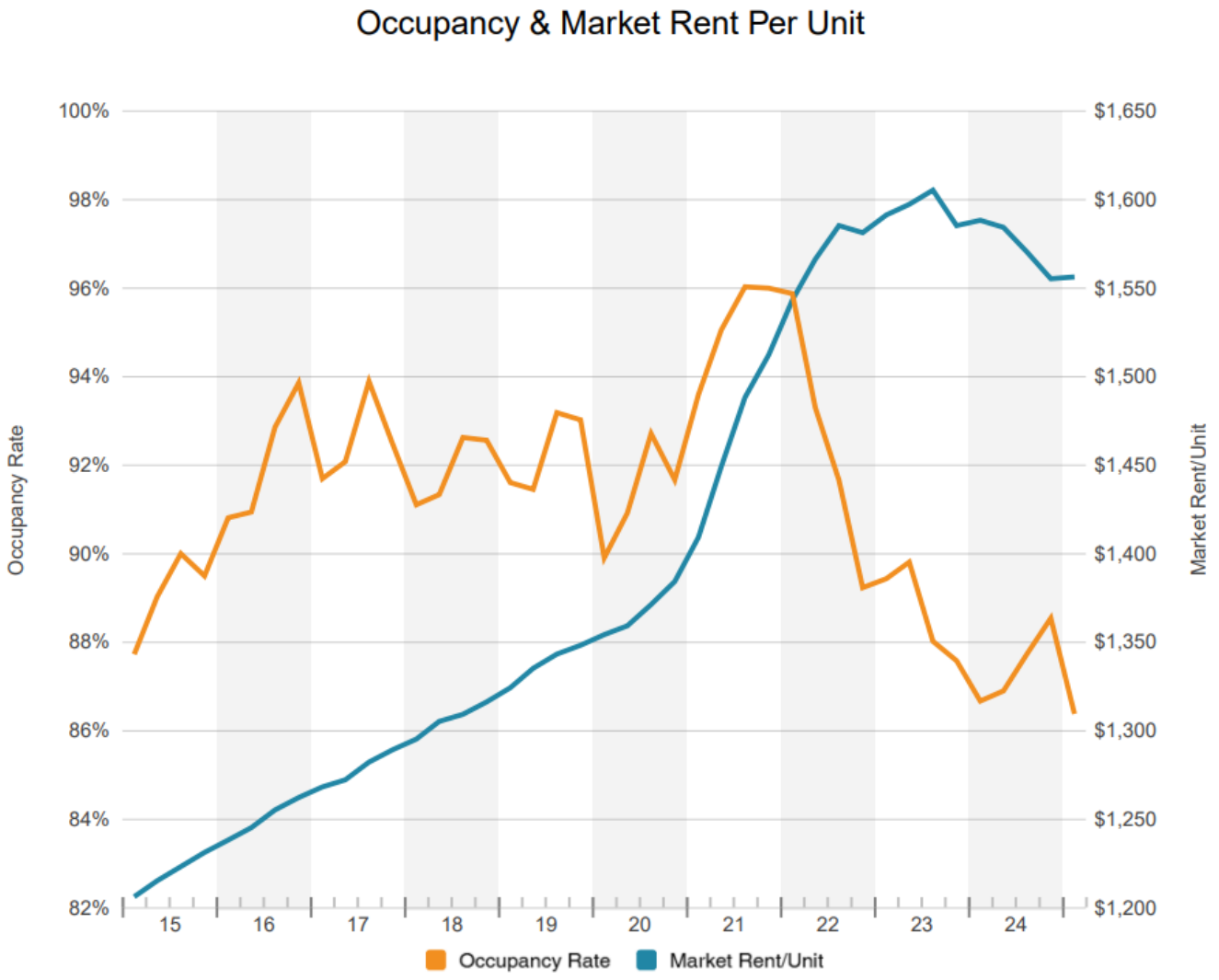
UTAH COUNTY APARTMENT MARKET

According to CoStar, multi-family rents decreased 1.6% from the prior period ($1,586 to $1,561 per unit per month). 2,412 apartment units are currently underway in the Utah County Market. Although employment has consistently remained positive, the area is currently experiencing the weakest job creation rate in the last 12 months. The vacancy rate declined to 11.5% in Q4 2024 from 12.3% in Q3 2024, but remains relatively high. Vacancy had increased each quarter during 2022 and most quarters during 2023. Effective rent growth increased from 2021 to 2022 before stagnating from 2023 through 2024. However, the area is anticipated to continue to out-perform other apartment markets as well as the nation overall over the long term.

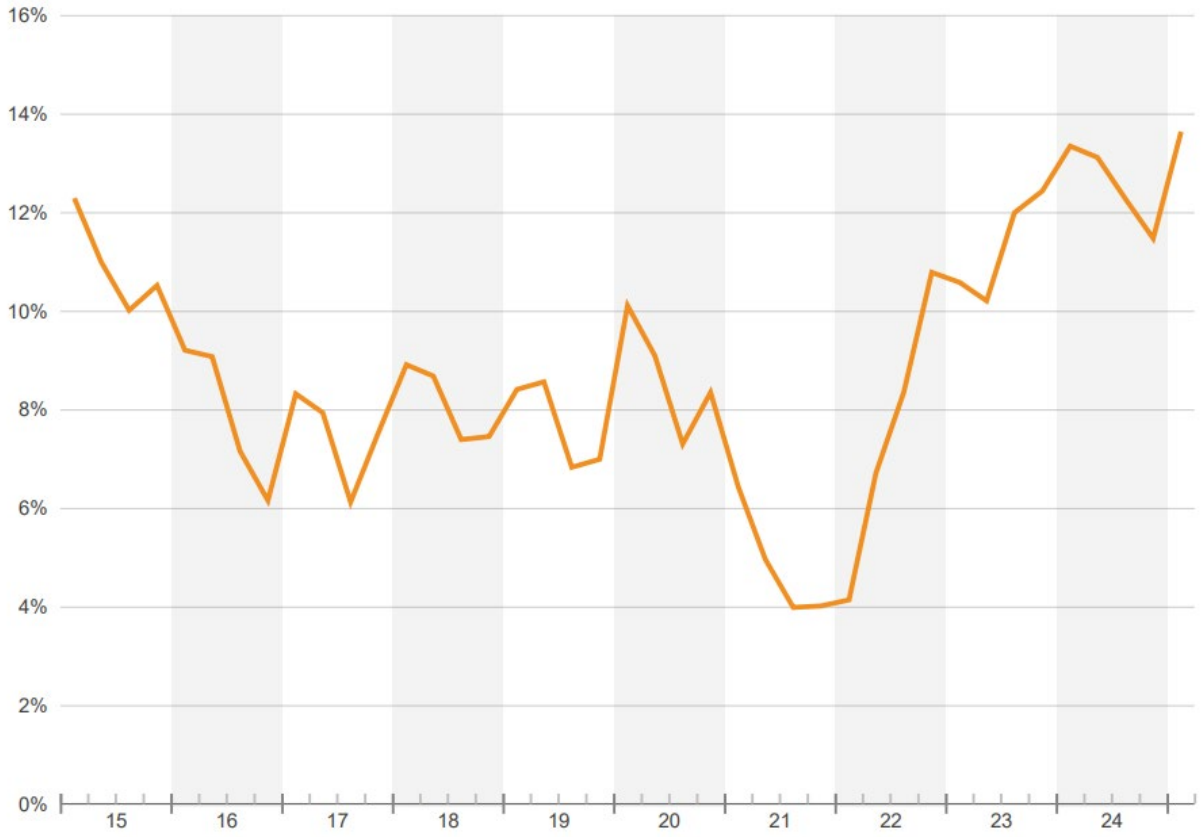
Vacancy

The vacancy rate in Utah County is currently 11.5% with strong leasing trends during the pandemic, and the forecast calls for more high-end, 4 & 5-star units to deliver. Vacancies for 4 & 5-star properties, where most of the new construction has been focused, are about 6.0%.




Occupancy & Market Rent Per Unit
100%
98%
96%
94%
92%
90%
88%
86%
84%
82%
Occupancy Rate
$1,650
$1,600
$1,550
$1,500
$1,450
$1,400
$1,350
$1,300
$1,250
$1,200
Market Rent/Unit
15
16
17
18
19
20
21
22
23
24
Occupancy Rate
Market Rent/Unit

Vacancy Rate



SUMMARY STATISTICS

Leasing Units	Survey	5-Year Avg
Vacant Units	3,181	1,839
Vacancy Rate	12.3%	8.7%
12 Mo. Absorption Units	1,635	1,302

Inventory in Units	Survey	5-Year Avg
Existing Units	27,724	21,056
12 Mo. Const. Starts	1,440	1,715
Under Construction	1,959	2,670
12 Mo. Deliveries	2,053	1,700

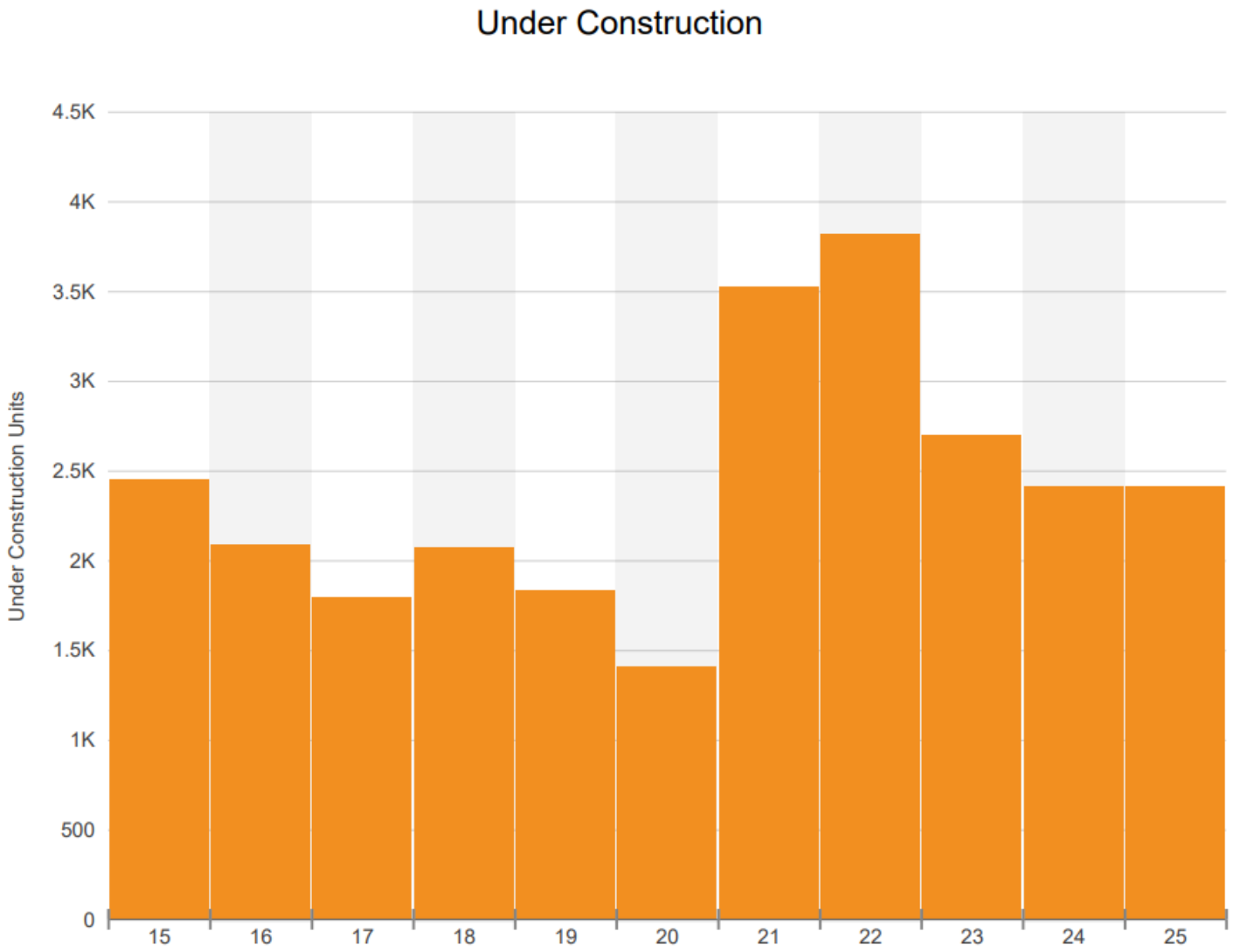
Rents	Survey	5-Year Avg
Studio Asking Rent	$1,460	$1,417
1 Bed Asking Rent	$1,359	$1,293
2 Bed Asking Rent	$1,545	$1,471
3+ Bed Asking Rent	$1,967	$1,841
Concessions	1.6%	1.1%

Sales	Past Year	5-Year Avg
Sale Price Per Unit	$240,737	$159,070
Asking Price Per Unit	$312,968	$214,976
Sales Volume (Mil.)	$1.9	$18
Cap Rate	5.0%	5.6%

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Construction Activity

Inventory in Utah County nearly doubled over the past six years, with nearly 14,000 market-rate apartment units delivered since the start of 2014. Approximately 1,717 units have delivered in the past 12 months, compared to the 10-year annual net deliveries average of 1,360 units. Currently, there are about 2,412 units in the pipeline, compared to roughly 2,412 in the prior period.



Utah County Apartment Submarket Conclusion

Overall, the subject's apartment submarket appears to be stable. Market rent has generally increased over the last several years. It is anticipated that the submarket will continue to improve given the area's high employment rates and young & educated workforce.

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TRANSACTION TRENDS

In the open market, the subject property type would command most interest from local and regional buyers that are actively pursuing similar quality investment properties. There is currently strong buyer demand for substitute properties of the subject based on the volume of sale transactions and reports by buyers, sellers and other market participants during confirmation of market transactions. The most probable buyer is a national and regional investor.

Based on the preceding analysis, there is an established sales market for the subject property. As previously discussed, the velocity of sale transactions has been steady over the past six months. Currently there is strong buyer demand, while there is somewhat limited availability for this property type on the supply side. Based on these factors, conditions are in equilibrium in regard to negotiating sale terms.

SUBJECT PROPERTY ANALYSIS

Based on our analysis of the subject property and investigation of substitute properties in the marketplace, the subject is considered to have average overall buyer appeal with an average competitive position if the asset was exposed to the open market. The most probable buyer is a developer.

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INTRODUCTION

The highest and best use of an improved property is defined as that reasonable and most probable use that will support its highest present value. The highest and best use, or most probable use, must be legally permissible, physically possible, financially feasible, and maximally productive. This section develops the highest and best use of the subject's larger parcel As-Vacant.

AS-VACANT ANALYSIS- BEFORE CONDITION

Legal Factors

The legal factors that possibly influence the highest and best use of the subject site are discussed in this section. Private restrictions, zoning, building codes, historic district controls, and environmental regulations are considered, if applicable to the subject site. Permitted uses of the subject's A-1 (Agricultural Zone) zoning were listed in the Zoning Analysis section.

The larger parcel is located between parcels within the Westfields and Lakeside Overlay District, which allows for residential development. The purpose of the Westfields and Lakeside Overlay District is to carry out the adopted policies of Springville City to create attractive, diverse neighborhoods with a wide variety of attached and detached housing, as well as some shopping and services. The properties adjacent east, south and west of the subject are part of a proposed 152.47-acre development named Lakeside Village. The current site plan for Lakeside Village calls for 887 single family and townhome lots, and 48 multifamily units with ground-floor retail. Based on a conversation with Carla Wiese with the Springville City Planning Department, the subject could very likely be rezoned to residential, if the owners are willing to be adopted into the Westfields and Lakeside Overlay District and develop the site in a way that is harmonious with the proposed Lakeside Village development. The overall proposed density of Lakeside Village is approximately six units per acre.

Physical & Locational Factors

Regarding physical characteristics, the subject site is irregular in shape and has level topography with fair/average access and average exposure. The subject is surrounded by undeveloped land, much of which is in the process of being master planned for mixed use residential. Of the outright permitted uses, physical and locational features best support mixed residential development at a density of six units per acre for the site's highest and best use as-vacant.

Feasibility Factors

The financial feasibility of those uses that meet the legal and physical tests discussed is analyzed further in this section. Supply and demand conditions affect the financial feasibility of possible uses. Indicators of feasibility, which typically indicate favorable or non-favorable supply and demand conditions, include construction financing and proposed projects. In recent quarters there has been new commercial development throughout the subject's market area. This is evidence that new commercial construction is feasible at this time. Financial feasibility factors generally support immediate development of subject site.

As-Vacant Conclusion – Before Condition

Based on the previous discussion, the larger parcel's highest and best use as-vacant is concluded to be mixed residential development at a density of six units per acre.

AS-VACANT ANALYSIS—AFTER CONDITION

In the after condition, the subject's usable site is reduced from 518,203 square feet to 495,409 square feet, or 4.40% smaller than in the before condition. The site is commensurate with other similar properties with average access and average exposure. The site will have similar frontage along 2600 West Street and the shape will remain generally the same as its before condition. The access will be improved. We conclude that the highest and best use of the site as-if vacant remains unchanged in the after condition.

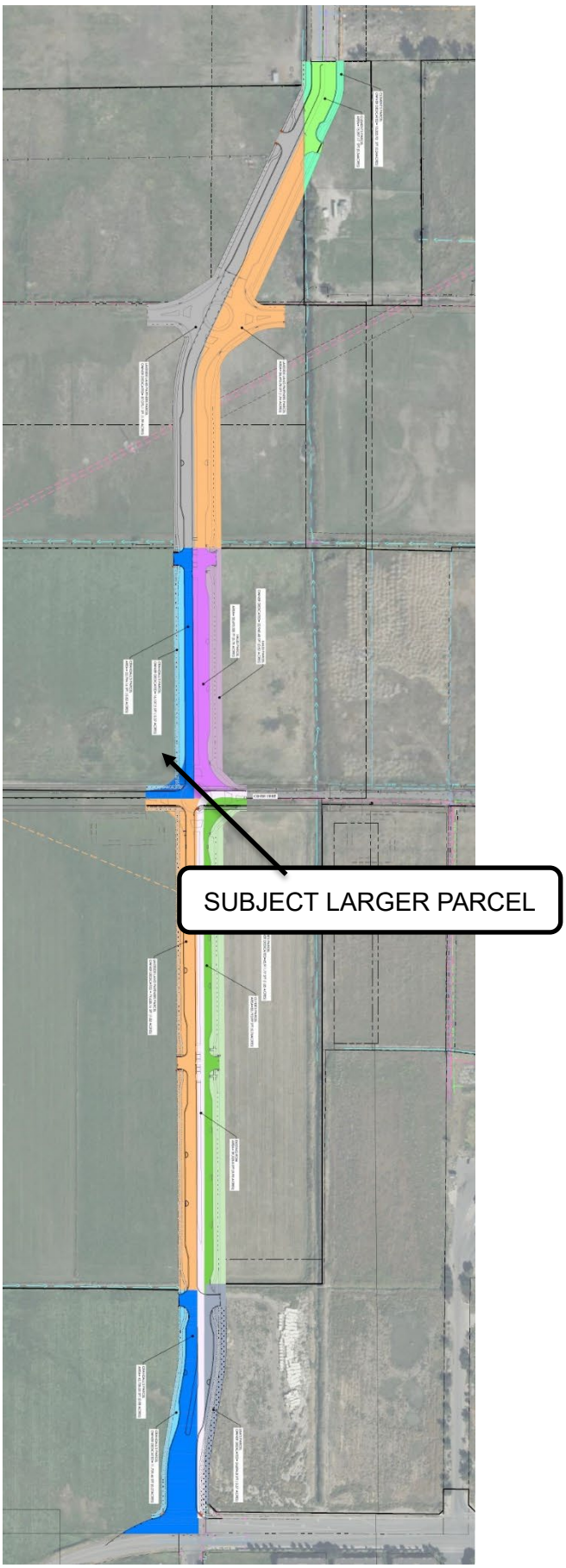
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IMPROVEMENTS IN THE MANNER PROPOSED

The Mountainlands Association of Governments' 2600 West ROW project will extend 2600 West northward from 400 South where it will intersect with Center Street and then continue north where it will eventually turn northeastward and connect with 2500 West at approximately 400 North. The four-lane road will provide access to an area that is in the planning process for residential and commercial development. Mountainlands Association of Governments is providing partial funding for the project. The project is currently in preliminary planning phases, with limited surveying and engineering information. Construction is anticipated to begin by Summer 2025.

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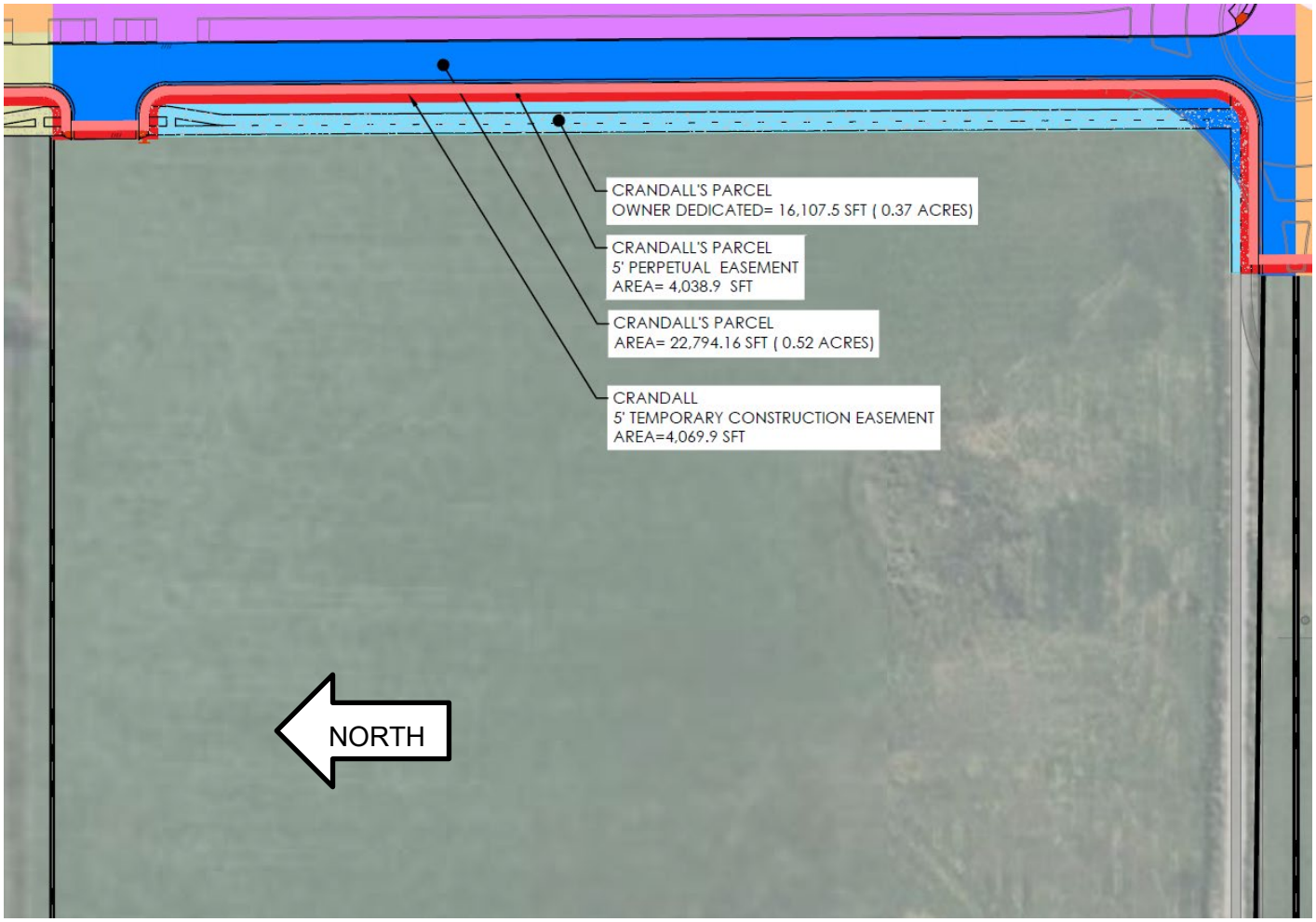
Project Overview



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Project Overview - Subject Larger Parcel

The exhibit below was provided by the client in connection with this assignment. The dark-blue shaded area is the area of the fee taking. The light-blue shaded area is to be dedicated by the owner in the future if and when development of the site should occur; the light-blue shaded area is not relevant to this assignment. The yellow and red shaded areas are our estimates of the location of the easements and are not to scale. We have not been provided with maps or legal descriptions for the easements. These details are typically provided by the client for right-of-way valuations. It is an extraordinary assumption of this report that the provided sizes of the easements are accurate and that the areas are sufficient in size, shape and utility for their intended use.



THE PARTS TAKEN

Fee Taking

To complete the project as proposed, a portion of the larger parcel must be acquired. The permanent area being acquired by Mountainlands Association of Governments is on land assumed to be previously unencumbered by any adverse easements or encumbrances. However, we were not provided with an ALTA survey, so we are unaware of the location of any existing easements. Based on the exhibit probided by the client, it covers 22,794 square feet, or 0.52 acre and is located along the eastern border of the larger parcel.

The fee taking is located along the eastern boundary of the larger parcel. It is shaded in dark blue in the above exhibit. It is irregular in shape. A legal description of the fee taking is not available, nor were we provided with site-specific maps with taking dimensions. This report assumes the square footage figures of the fee taking provided by the client are accurate.

Perpetual Easement

Mountainlands Association of Governments is considering a 5-foot-wide perpetual easement along the eastern edge of the new subject boundary to allow for utility maintenance. It would be located between the temporary construction easement and fee taking. The exhibit provided in connection with this assignment indicates the size of the perpetual easement to be 4,039 square feet.

Temporary Construction Easement

A temporary construction easement is also being considered by Mountainlands Association of Governments. It would also be five feet wide and would allow for access during construction. The temporary construction easement would be located west of the fee taking and the perpetual easement. The easement would commence at the beginning of construction, which is anticipated to begin in June 2025, and we estimate construction will last three years. The exhibit provided in connection with this assignment indicates the size of the temporary construction easement to be 4,070 square feet. We were not provided with legal descriptions of the proposed perpetual easements, and we were not provided with site-specific maps with easement dimensions.

This appraisal is based on the extraordinary assumption that the project will include a perpetual easement and a temporary construction easement.

This appraisal is based on the extraordinary assumption that the provided size of the fee acquisition area is accurate despite the absence of a legal description or site-specific maps with dimensions. Additionally, we assume that the 5-foot-wide perpetual easement and the 5-foot-wide temporary construction easement exist as described, with their locations and extents aligning with the intended project scope, though no exact legal descriptions or surveyed dimensions were provided. If any of these assumptions prove to be inaccurate, the opinions of value stated herein may require revision.

We also assume that the locations of the perpetual and construction easements are as described above. If this assumption proves to be inaccurate, the opinions of value stated herein may require revision.

THE REMAINDER PARCEL

In the after condition, the subject's usable site is reduced from 518,203 square feet to 495,409 square feet, or 4.40% smaller than in the before condition. The shape of the site will remain essentially the same, the utility will be similar and the access will be improved.

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INTRODUCTION

The following presentation of the appraisal process deals directly with the valuation of the subject property. The As-Is Market Value of the subject's fee simple interest is estimated using the Sales Comparison Approach, which is recognized as the standard appraisal technique for residential land. The Cost and Income Capitalization Approaches are not applicable when valuing unimproved commercial land and are therefore excluded. Their exclusion is not detrimental to the reliability or credibility of the final value conclusion.

SALES COMPARISON APPROACH

The Sales Comparison Approach is based on the principle of substitution, which asserts that no one would pay more for a property than the value of similar properties in the market. This approach analyzes comparable sales by applying transactional and property adjustments in order to bracket the subject property on an appropriate unit value comparison. The sales comparison approach is applicable when sufficient data on recent market transactions is available. Alternatively, this approach may offer limited reliability because many properties have unique characteristics that cannot be accounted for in the adjustment process.

METHODOLOGY

The appraisal of the subject is a complex assignment as it involves a partial take analysis. The following is a basic outline of our valuation process:

- Value the land in Larger Parcel, using the Sales Comparison Approach (Land Valuation).
- Value the permanent parts taken as part of the whole. Value any easements taken as part of the whole. Calculate the value of the remainder as part of the whole.
- Value the remainder property in the after condition.
- Compare the value of the remainder as part of the whole with the value of the remainder in the after condition to calculate severance damages, if any.
- Consider project benefits (if any) and calculate net severance damages (if any).
- Calculate the temporary loss of use of the property during construction (if any).
- Compile a final estimate of the fair market value of the parts taken, including all of the above.

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SALES COMPARISON APPROACH

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LAND VALUATION

As previously discussed within the Valuation Methods section, the subject is valued as one marketable economic site in this appraisal. Land value is influenced by a number of factors; most prominent of which is development and use potential. These factors, as well as others, are considered in the following analysis.

UNIT OF COMPARISON

The most relevant unit of comparison is the price per square foot. This indicator best reflects the analysis used by buyers and sellers in this market for land with similar utility and zoning in this marketplace.

COMPARABLE SELECTION

A thorough search was made for similar land sales in terms of proximity to the subject, size, location, development potential, and date of sale. In selecting comparables, emphasis was placed on confirming recent sales of commercial sites that are similar to the subject property in terms of location and physical characteristics. Overall, the sales selected represent the best comparables available for this analysis.

ADJUSTMENT PROCESS

Quantitative adjustments are made to the comparable sales. The following adjustments or general market trends were considered for the basis of valuation.

Transactional Adjustments
Dollar adjustments to the comparable sales were considered and made when warranted for transactional adjustments in the sequence shown below:

Property Rights Transferred	The valuation of the subject site was completed on a fee simple basis. If warranted, leased fee, leasehold and/or partial interest land sales were adjusted accordingly.
Financing Terms	The subject site was valued on a cash equivalent basis. Adjustments were made to the comparables involving financing terms atypical of the marketplace.
Conditions of Sale	This adjustment accounts for extraordinary motivation on the part of the buyer or seller often associated with distressed sales and/or assemblages.
Expenditures After Purchase	Adjustments were applied if site conditions warranted expenditures on the part of the buyer to create a buildable site. Examples include costs for razing pre-existing structures, general site clearing and/or mitigation of environmental issues.
Market Conditions	Market conditions adjustments were based on a review of historical sale data, market participant interviews and review of current versus historical pricing. Based on our research, the following table summarizes the market conditions adjustment applied in this analysis.

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MARKET CONDITIONS ADJUSTMENT			
Per Year As Of	February 2025	(As-Is)	3%

The analysis applies an upward market conditions adjustment of 3% annually reflecting the conditions between the oldest comparable sale date up through the effective valuation date. This is supported by price trends discussed and analyzed in the market analysis section.

Property Adjustments

Quantitative percentage adjustments are also made for location and physical characteristics such as size, shape, access, exposure, topography, zoning and overall utility. Where possible the adjustments applied are based on paired data or other statistical analysis. For example, location adjustments are based primarily on review of land values in the market areas for the comparables relative to the subject. It should be stressed that the adjustments are subjective in nature and are meant to illustrate our logic in deriving a value opinion for the subject site.

LAND VALUATION PRESENTATION

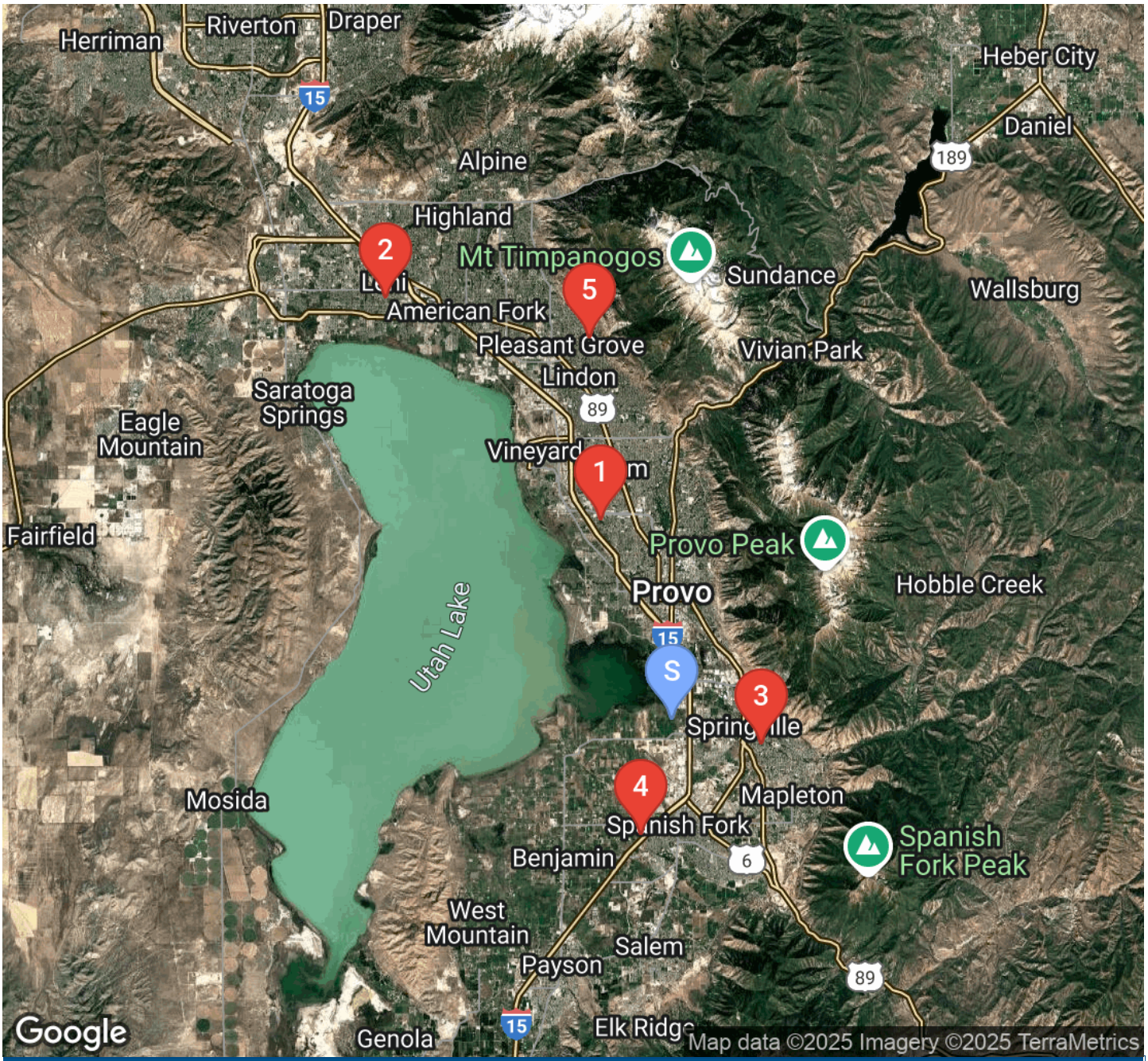
The following Land Sales Summation Table, Location Map and datasheets summarize the sales data used in this analysis. Following these items, the comparable land sales are adjusted for applicable elements of comparison and the opinion of site value is concluded.

LAND SALES SUMMATION TABLE

COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5
Name	Crandall Farms Inc. Land	Residential Land	Single-Family Residential Land	Springville Residential Land	Utah County Residential Land	Residential Land
Address	2600 West Center Street	1555 South 400 West	500 South Center Street	900 South 700 East	6800 S 1050 W	1050 East 200 South
City	Springville	Orem	Lehi	Springville	Spanish Fork	Pleasant Grove
State	UT	UT	UT	UT	UT	UT
Zip	84663	84058	84043	84663	84660	84062
County	Utah	Utah	Utah	Utah	Utah	Utah
APN	21-096-0021	19-026-0178	13-006-0057	26-035-0154	25-015-0003	14-043-0229
PHYSICAL INFORMATION						
SF	518,203	412,077	319,730	206,474	382,456	760,122
Zoning	A-1	R-12	RA-1	R2	RA-5	R-1-9
Topography	Level	Level	Level	Level	Level	Level
Utilities	No	Yes	Yes	Yes	No	Yes
Development Timeline	Near Term	Immediate	Immediate	Immediate	Uncertain	Immediate
SALE INFORMATION						
Date		2/27/2024	9/26/2023	9/1/2023	6/2/2023	2/8/2022
Status		Recorded	Recorded	Recorded	Recorded	Recorded
Rights Transferred		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Transaction Price		$4,500,000	$2,850,000	$1,980,000	$2,750,000	$7,000,000
Analysis Price		$4,500,000	$2,850,000	$1,980,000	$2,750,000	$7,000,000
F Land		$10.92	$8.91	$9.59	$7.19	$9.21

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LAND SALES LOCATION MAP



COMPARABLE KEY

COMP	DISTANCE	ADDRESS	SALE DATE	ACRES	SF	$/SF
SUBJECT	-	2600 West Center Street, Springville, UT	-	11.9	518,203	-
No. 1	7.5 Miles	1555 South 400 West, Orem, UT	2/27/2024	9.5	412,077	$10.92
No. 2	17.9 Miles	500 South Center Street, Lehi, UT	9/26/2023	7.3	319,730	$8.91
No. 3	3.3 Miles	900 South 700 East, Springville, UT	9/1/2023	4.7	206,474	$9.59
No. 4	4.2 Miles	6800 S 1050 W, Spanish Fork, UT	6/2/2023	8.8	382,456	$7.19
No. 5	13.7 Miles	1050 East 200 South, Pleasant Grove, UT	2/8/2022	17.5	760,122	$9.21

COMPARABLE 1

LOCATION INFORMATION

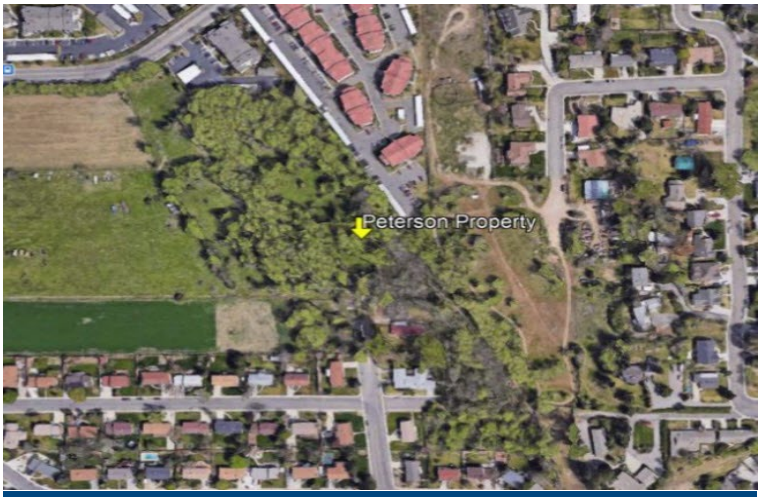
Name	Residential Land
Address	1555 South 400 West
City, State, Zip Code	Orem, UT, 84058
County	Utah
MSA	Provo-Orem, UT
APN	19-026-0178

SALE INFORMATION

Buyer	Sandhill OP1, LLC
Seller	Romell Peterson
Transaction Date	02/27/2024
Transaction Status	Recorded
Transaction Price	$4,500,000
Analysis Price	$4,500,000
Rights Transferred	Fee Simple
Conditions of Sale	Arms-Length

PHYSICAL INFORMATION

Intended Use	Residential
Location	Excellent
Site Size (Net)	9.46 Acres (412,077 SF)
Site Size (Gross)	9.46 Acres (412,077 SF)
Zoning	R-12
Development Potential	34
Density	3.63
Shape	Irregular
Topography	Level
Access	Average
Exposure	Average
Corner	No
Utilities	Yes



RESIDENTIAL LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$475,687	$10.92	$132,353
Net	$475,687	$10.92	$132,353

CONFIRMATION

Name	Jeffery Kunz	
Company	Fathom Realty	
Source	CRMLS	
Date / Phone Number	04/16/2024	+1 801 380 9858

REMARKS

9.46-acre parcel of R-12 Zoned land. The site is situated near Utah Valley University, I-15, retailers, and schools. This property was reportedly on the market for one week before going under contract for $4,500,000. The R-12 Zone allows for 12,000 SF residential lots.

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COMPARABLE 2

LOCATION INFORMATION

Name	Single-Family Residential Land
Address	500 South Center Street
City, State, Zip Code	Lehi, UT, 84043
County	Utah
MSA	Provo-Orem, UT
APN	13-006-0057

SALE INFORMATION

Buyer	Paul Olsen
Seller	Valerie Maurin et al.
Transaction Date	09/26/2023
Transaction Status	Recorded
Transaction Price	$2,850,000
Analysis Price	$2,850,000
Recording Number	63628-2023
Rights Transferred	Fee Simple
Financing	Seller
Marketing Time	13 Months

PHYSICAL INFORMATION

Intended Use	Single-Family Residential
Location	Good
Site Size (Net)	7.34 Acres (319,730 SF)
Site Size (Gross)	7.34 Acres (319,730 SF)
Zoning	RA-1
Development Potential	22
Density	3.25
Shape	L-shaped
Topography	Level
Access	Average
Exposure	Average
Corner	No
Utilities	Yes



SINGLE-FAMILY RESIDENTIAL LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$388,283	$8.91	$129,545
Net	$388,283	$8.91	$129,545

CONFIRMATION

Name	Dan Ford	
Company	Colliers International	
Source	CRMLS	
Date / Phone Number	01/11/2024	801-420-0137

REMARKS

Approximately 7 acres of residential land right off Center Street in Lehi. This includes 17 acre feet of water that has already been banked with the city of Lehi for development. Quick access to Pioneer Crossing. Property general plan is LDR, and can accommodate 3.25 units per acre. This backs onto the Union Pacific/FrontRunner train line. According to the MLS listing, there was seller financing. We have attempted to contact the broker (Dan Ford) to verify the details of the financing, but we have not received a response.

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COMPARABLE 3

LOCATION INFORMATION

Name	Springville Residential Land
Address	900 South 700 East
City, State, Zip Code	Springville, UT, 84663
County	Utah
MSA	Provo-Orem, UT
APN	26-035-0154

SALE INFORMATION

Buyer	Canyon Creek Land Invesments LLC
Seller	Not Available
Transaction Date	09/1/2023
Transaction Status	Recorded
Transaction Price	$1,980,000
Analysis Price	$1,980,000
Rights Transferred	Fee Simple
Financing	Cash at Settlement
Conditions of Sale	Arms-Length
Marketing Time	3 Months

PHYSICAL INFORMATION

Intended Use	Residential
Location	Average
Site Size (Net)	4.74 Acres (206,474 SF)
Site Size (Gross)	4.74 Acres (206,474 SF)
Zoning	R2
Development Potential	15
Density	3.16
Shape	Irregular
Topography	Level
Access	Average
Exposure	Average
Corner	No
Utilities	Yes



SPRINGVILLE RESIDENTIAL LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$417,722	$9.59	$132,000
Net	$417,722	$9.59	$132,000

CONFIRMATION

Name	Raquel Jex	
Company	Presidio Real Estate	
Source	CRMLS	
Date / Phone Number	02/10/2025	+1 801 358 8869

REMARKS

This property is in central Springville on either side of a feeder street. It had potential for 14 lots and has since been developed. The sale included six water shares. Because of the layout of the property, the curb, gutter and sidewalk for the lots was already installed.

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COMPARABLE 4

LOCATION INFORMATION

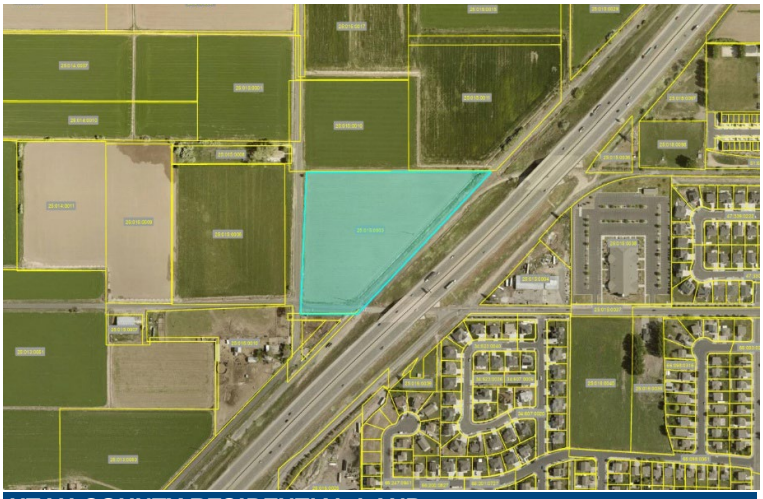
Name	Utah County Residential Land
Address	6800 S 1050 W
City, State, Zip Code	Spanish Fork, UT, 84660
County	Utah
MSA	Provo-Orem, UT
APN	25-015-0003

SALE INFORMATION

Buyer	15 Center Farm LLC
Seller	Markham Family LLC
Transaction Date	06/2/2023
Transaction Status	Recorded
Transaction Price	$2,750,000
Analysis Price	$2,750,000
Recording Number	35877:2023
Rights Transferred	Fee Simple
Financing	All Cash
Conditions of Sale	Arms-Length
Marketing Time	1 Months

PHYSICAL INFORMATION

Intended Use	Single-Family Residential
Location	Average
Site Size (Net)	8.78 Acres (382,456 SF)
Site Size (Gross)	8.78 Acres (382,456 SF)
Zoning	RA-5
Density	0.2
Shape	Triangular
Topography	Level
Access	Average
Exposure	Average
Corner	No
Utilities	No



UTAH COUNTY RESIDENTIAL LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$313,212	$7.19	$2,750,000
Net	$313,212	$7.19	$2,750,000

CONFIRMATION

Name	Steve Vincent	
Company	Berkshire Hathaway HomeServices Elite Real Estate	
Source	Seller's Broker	
Date / Phone Number	02/17/2025	+1 801 362 9235

REMARKS

This property is located in Utah County, just outside the city limits of Spanish Fork. The MLS listing reports that Spanish Fork has the site master planned for Mixed Use. The sale included 18 shares of Spanish Fork West irrigation water. Sewer and power are in the street. Culinary water is approximately 1,200 feet to the east at 100 South and 1230 West in Spanish Fork. Development at a density higher than one unit per five acres would require annexation into Spanish Fork. The agent reports that the buyers were speculative and anticipated holding the property for a few years and then annexing into the city and developing the property with a mix of commercial and medium to high density residential.

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COMPARABLE 5

LOCATION INFORMATION

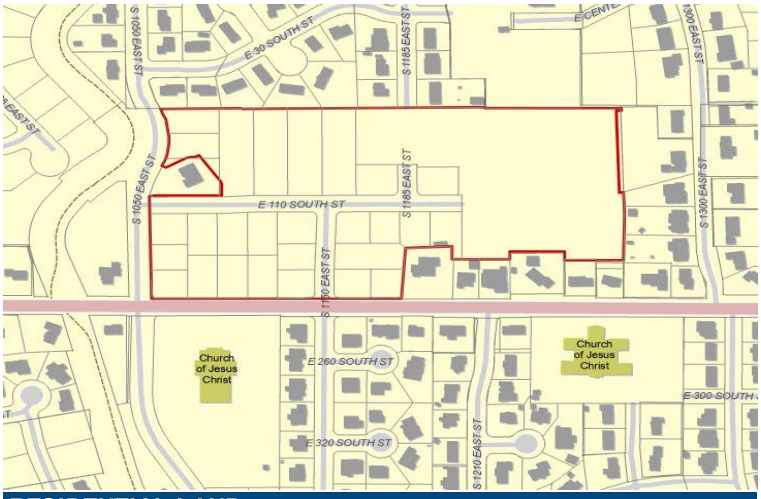
Name	Residential Land
Address	1050 East 200 South
City, State, Zip Code	Pleasant Grove, UT, 84062
County	Utah
MSA	Provo-Orem, UT
APN	14-043-0229

SALE INFORMATION

Buyer	Blossom Hill LLC
Seller	A&B Adams LLC
Transaction Date	02/8/2022
Transaction Status	Recorded
Transaction Price	$7,000,000
Analysis Price	$7,000,000
Recording Number	17572-2022
Rights Transferred	Fee Simple
Financing	Cash at Settlement
Conditions of Sale	Arms-Length
Marketing Time	1 Months

PHYSICAL INFORMATION

Intended Use	Residential
Location	Good/Excellent
Site Size (Net)	17.45 Acres (760,122 SF)
Site Size (Gross)	17.45 Acres (760,122 SF)
Zoning	R-1-9
Development Potential	67
Density	3.83
Shape	Irregular
Topography	Level
Access	Average
Exposure	Average
Corner	No
Utilities	Yes



RESIDENTIAL LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$401,146	$9.21	$104,478
Net	$401,146	$9.21	$104,478

CONFIRMATION

Name	Blaine Washburn	
Company	Confidential	
Source	Seller's Broker	
Date / Phone Number	06/1/2024	+1 801 787 5866

REMARKS

This 17.45 acre parcel with flat areas and gentle slopes offers views of the mountains and valley. This buildable parcel is currently zoned R-1-9, meaning 9,000 SqFt lots are allowed. Currently the land is used as an orchard. 26 water shares will be included in the sale of this property which is anticipated to be enough to fully develop the land. This property was raw development ground zoned for minimum 9,000 sf lots. The sale included 26 water shares.

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LAND SALES ADJUSTMENT TABLE

COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5
Name	Crandall Farms Inc. Land	Residential Land	Single-Family Residential Land	Springville Residential Land	Utah County Residential Land	Residential Land
Address	2600 West Center Street	1555 South 400 West	500 South Center Street	900 South 700 East	6800 S 1050 W	1050 East 200 South
City	Springville	Orem	Lehi	Springville	Spanish Fork	Pleasant Grove
APN	21-096-0021	19-026-0178	13-006-0057	26-035-0154	25-015-0003	14-043-0229
SF	518,203	412,077	319,730	206,474	382,456	760,122
SALE INFORMATION						
Date		2/27/2024	9/26/2023	9/1/2023	6/2/2023	2/8/2022
Status		Recorded	Recorded	Recorded	Recorded	Recorded
Rights Transferred		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Analysis Price		$4,500,000	$2,850,000	$1,980,000	$2,750,000	$7,000,000
Price/SF		$10.92	$8.91	$9.59	$7.19	$9.21
TRANSACTIONAL ADJUSTMENTS						
Property Rights		0%	0%	0%	0%	0%
Financing		0%	0%	0%	0%	0%
Conditions of Sale		0%	0%	0%	0%	0%
Expenditures After the Sale		0%	0%	0%	0%	0%
Market Conditions[1]		2%	3%	4%	4%	8%
Subtotal Transactional Adj Price		$11.14	$9.18	$9.97	$7.48	$9.95
PROPERTY ADJUSTMENTS						
Location	Average	Excellent	Good	Average	Average	Good/Excellent
Adjustment		-25%	-10%	0%	0%	-20%
Size	518,203	412,077	319,730	206,474	382,456	760,122
Adjustment		0%	-5%	-10%	0%	10%
Access	Average	Average	Average	Average	Average	Average
Adjustment		0%	0%	0%	0%	0%
Shape	Irregular	Irregular	L-shaped	Irregular	Triangular	Irregular
Adjustment		0%	0%	0%	0%	0%
Site Utility Rating	Average	Average	Average	Average/Good	Average	Average
Adjustment		0%	0%	-5%	0%	0%
Density (Units/AC)	6.0 : 1	3.6 : 1	3.3 : 1	3.2 : 1	0.2 : 1	3.8 : 1
Adjustment		15%	20%	20%	0%	15%
Utilities	No	Yes	Yes	Yes	No	Yes
Adjustment		0%	0%	0%	0%	0%
Development Timeline	Near Term	Immediate	Immediate	Immediate	Uncertain	Immediate
Adjustment		-20%	-20%	-20%	10%	-20%
Subtotal Property Adjustment		-30%	-15%	-15%	10%	-15%
TOTAL ADJUSTED PRICE		**$7.80**	**$7.80**	**$8.47**	**$8.23**	**$8.46**

STATISTICS	**UNADJUSTED**	**ADJUSTED**
LOW	$7.19	$7.80
HIGH	$10.92	$8.47
MEDIAN	$9.21	$8.23
AVERAGE	$9.16	$8.15

[1] Market Conditions Adjustment: 3%

Date of Value (for adjustment calculations): 2/12/25

LAND SALES ANALYSIS

Introduction

The comparable land sales indicate an adjusted value range from $7.80 to $8.47/SF, with a median of $8.23/SF and an average of $8.15/SF. The range of total gross adjustment applied to the comparables was from 14% to 73%, with an average gross adjustment across all comparables of 53%. The level of total adjustment applied to the comparables is considered to be moderate. Overall, the availability of market data and extent of analysis was adequate to develop a reasonably credible opinion of land value. The adjustment process for each comparable land sale is discussed in the following paragraphs.

PROPERTY ADJUSTMENTS

Location

Comparable 1 is in a superior area in Orem within walking distance of UVU and is adjusted downward 25%. Comparable 2 is in a superior area in west Lehi and is adjusted downward 10%. Comparable 3 is located in Springville like the subject and is generally similar in location quality. Comparable 4 is in unincorporated Utah County, just outside the boundary lines of Spanish Fork City. Comparable 5 is in a superior area in east Pleasant Grove and is adjusted downward 20%.

Size

In markets where a reasonable supply of vacant development land is available, large parcels typically have a lower value per square foot or per acre than smaller parcels of the same quality. A large parcel generally has a smaller pool of potential buyers. It can have a longer potential absorption period, and may therefore have greater perceived investment risk. Size does have less of an impact on price in mature locations where land is relatively scarce. Based on an analysis of the sales, we conclude land prices in this market decline about 10% each time the size is doubled. The adjustments are made on that basis.

Access

The comparable sales are all reasonably similar in terms of quality of access. No adjustments for access are made.

Shape

The comparables and the subject are reasonable in shape and can accommodate a wide range of potential improvements. We have made no adjustment for shape.

Site Utility Rating

Comparable 3 had some on-site improvements already in place and is adjusted downward 5% for site utility. The other comparables and the subject can be fully utilized and have no obvious deficiencies or unusable ground. These have no adjustment made for utility.

Density

In general, residential land with higher allowable density (dwelling units per acre) has a higher value per acre than land with lower allowable density. Comparable 5 has very low density, but like the subject is expected to be rezoned to a higher density at some point in the future. For comparison purposes, we assume the expected future density of Comparable 5 is similar to the subject's and we have made no adjustment. The remaining comparable sales range from 3.2 to 3.8 units per acre and are adjusted upward between 15% and 20%.

Development Timeline

In order to be rezoned and developed at a density of approximately six units per acre, the subject will need to be incorporated into the Lakeside Village master plan. Development of the Lakeside Village master plan will also require upgrading the road and utility infrastructure in the area. These facts increase the uncertainty and the development timeline a potential buyer would expect. The majority of comparable sales are one-off pieces of

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development land that can be developed independently, and therefore, more quickly and with more certainty. These are adjusted downward 20%. Comparable 4 is located outside of Spanish Fork city limits, doesn't have all utilities nearby and the agent indicated that the buyers expected to wait a few years before being able to develop according to Spanish Fork City's master plan. It is adjusted upward 10%.

CALCULATION OF VALUE

The comparable land sales indicate an adjusted value range from $7.80 to $8.47/SF, with a median of $8.23/SF and an average of $8.15/SF. Based on the results of the preceding analysis, Comparable 3 ($8.47/SF adjusted) and Comparable 4 ($8.23/SF adjusted) are given primary consideration for the subject's opinion of land value. Comparable 3 is the best location comparison. Comparable 4 brackets the subject's development timeline.

The following table summarizes the analysis of the comparables, reports the reconciled price per square foot value conclusion, and presents the concluded value of the subject site.

CALCULATION OF LAND VALUE

	ANALYSIS	ADJUSTMENT				NET	GROSS	OVERALL
COMP	PRICE	TRANSACTIONAL[1]	ADJUSTED	PROPERTY[2]	FINAL	ADJ %	ADJ %	COMPARISON
1	$10.92	2%	$11.14	-30%	**$7.80**	-29%	62%	SECONDARY
2	$8.91	3%	$9.18	-15%	**$7.80**	-12%	58%	SECONDARY
3	$9.59	4%	$9.97	-15%	**$8.47**	-12%	59%	PRIMARY
4	$7.19	4%	$7.48	10%	**$8.23**	14%	14%	PRIMARY
5	$9.21	8%	$9.95	-15%	**$8.46**	-8%	73%	SECONDARY
LOW	**$7.80**					**AVERAGE**		**$8.15**
HIGH	**$8.47**					**MEDIAN**		**$8.23**

COMPONENT	SUBJECT SF		$/SF CONCLUSION		VALUE
TOTAL PROPERTY	**518,203**	**x**	$8.25	**=**	**$4,275,173**

[1]Cumulative [2]Additive Rounded to nearest $1

LAND VALUE CONCLUSION

The Sales Comparison Approach was utilized for valuation of the subject site, as it best reflects the decision-making of buyers and sellers of development land in the local marketplace. The purpose of this appraisal is to develop an opinion of the Fair Market Value of the subject property's fee simple interest. The following table conveys the final opinion of market value of the subject property that is developed within this appraisal report:

Our opinion of value reflects current conditions and the likely actions of market participants as of the date of value. It is based on the available information gathered and provided to us, as presented in this report, and does not predict future performance. Changing market or property conditions can and likely will have an effect on the subject's value.

ANALYSIS OF VALUE CONCLUSIONS - BEFORE CONDITION

VALUATION INDICES	FAIR MARKET VALUE
INTEREST APPRAISED	**FEE SIMPLE**
DATE OF VALUE	**FEBRUARY 12, 2025**
FINAL VALUE CONCLUSION	**$4,275,173**
$/SF	$8.25

The purpose of the land value above is to be used in the following analysis; accordingly, it has not been rounded. This is typical for a right-of-way assignment in which typically requires that rounding is done only for the final determination of just compensation.

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INTRODUCTION TO AFTER ANALYSIS

The first step in determining the just compensation associated with the parts taken is to estimate the contributory value of the parcel being acquired as part of the larger parcel. This is the land value of the fee taking, plus the depreciated value of any improvements.

The value of the easements must then be determined. Placement of an easement on a property generally reduces its market value, because property rights have been lost. The value of an easement is generally considered to be some portion of underlying market value.

The next step in the analysis is to determine the net damages, if any, that accrue to the remainder by reason of the taking and the construction of the project in the manner proposed. This analysis involves determining the value of the remaining property before and after the taking. The difference between the value of the remainder in the before condition, and the value of the remainder in the after condition, represents the loss in value that accrues to the remaining property by reason of the taking and the construction of the project in the manner proposed.

Severance damages that are calculated are then offset by project benefits, if any. Aspects of the project that provide an increase in value that is unique to a particular property may be considered special benefits. In the state of Utah, special benefits can offset damages to the remainder, but cannot offset the part taken. If mitigation costs are required to negate potential severance damages, they are included as part of the value of the property rights to be acquired and considered to be curable severance damages.

Finally, the owner must be compensated if there is a time period in which he loses the partial or entire use of the property. This includes the value of any temporary construction easements.

VALUE OF PARTS TAKEN

The following analysis is based on the data and conclusions from the preceding valuation analyses. The parts taken are initially valued as a portion of the whole. That is, for the area reflecting a fee acquisition, the value is allocated on a proportionate basis according to the value of the underlying land area affected.

The area taken for the project (the fee taking) represents a full fee taking of the designated area. The owner is deprived of all use of the land. Accordingly, the area required for the fee taking contributes to the overall property value at 100% of fee simple interest. Below is the breakdown of the land and building area (if any) that is being taken and remaining.

PARTS TAKEN BREAKDOWN

	TOTAL SF	TAKEN SF	REMAINING SF
Land Area - Fee Simple	518,203	22,794	495,409
Perpetual Easement		*4,039* *	
Temporary Construction Easement (TCE)		*4,070* *	
TOTAL	**518,203**	**22,794**	**495,409**

*Easements are portions of the bundle of rights and are therefore not deducted; they will be addressed later in the report

Value of the Fee Taking

The site for the parts taken totals 22,794 SF. The overall site value on a price per square basis is $8.25/SF. In this analysis, we applied the overall price per square foot to the taken area, as the site in its after condition continues to have a similar utility. Accordingly, a “zones of value” approach to the site valuation is not warranted.

This appraisal is based on the extraordinary assumption that the provided size of the fee acquisition area is accurate despite the absence of a legal description or site-specific maps with taking dimensions. If this assumption proves to be inaccurate, the opinions of value stated herein may require revision.

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Site Improvements

Site improvements within the taking area include wood and wire fencing. Due to the partial acquisition and the perpetual easement, the fencing must be removed or relocated. This appraisal makes the extraordinary assumption that any site improvements removed or relocated as a result of the project will be relocated at the expense of Mountainlands Association of Governments.

VALUE OF THE PERPETUAL EASEMENT

The reported size of the five-foot-wide perpetual easement is 4,039 square feet (0.09 acre) and will lie along the boundary between the remainder property and the future road corridor. Its purpose is assumed to be for the maintenance of utilities, though no specific easement language was provided.

The value of an easement is generally considered to be some portion of the underlying market value. Theoretically, the proportion can range from near 0% up to 100%. The high end would only be appropriate if an easement effectively eliminated the use and enjoyment of the area by the underlying fee owner. Appraisers sometimes consider less than 50% to be appropriate for underground utility easements when the easement will overlap an existing underground utility easement. The reasoning is that the fee owner retains most of the use and enjoyment of the easement area and suffers little loss in value from the additional utility in the same easement area.

Rod Sorenson of Sandy City Public Utilities reported that they generally negotiate in a range from 30% to 50% of fee value for underground utility easements, and will generally go to 50% if they, "…know there will be a fight." Above that range, or for more complex issues, they typically hire an appraiser to determine the proper amount. He figures the correct amount to be less if there are overlapping easements. In one case, he offered only 10% of fee value because the easement was in an area that had already been set aside for future Highland Drive and had no impact to the owner.

Dave Ingleby of Questar Gas reported that they typically pay 50% of fee value for an underground utility easement, but certain circumstances can change that figure up or down. If the easement is in an area already encumbered by other underground utility easements, they may try to negotiate as low as 10% to 25% of fee value. In cases where they have to fence an area off, they typically pay 100% of fee value but they prefer to buy the fee in those cases.

In the subject case, a perpetual easement appears to be within the future road right-of-way that will be dedicated if and when the owner decides to develop the site. However, we have not been provided with maps that show that specific location of the easement. We assume a perpetual easement would include typical occupancy rights, including the right to construct, maintain, and continue the existence of underground utilities. On that basis, we conclude 30% of value to be an appropriate compensation for the loss of property rights in this case. The value of the perpetual easement is as follows:

VALUE OF PERPETUAL EASEMENT

CEL NO.	TOTAL SF	$/SF	% OF FEE SIMPLE VALUE	INDICATED VALUE
21-096-0021	4,039	$8.25	30%	$9,997

This appraisal is based on the extraordinary assumption that the 5-foot-wide perpetual easement exists as described, with the location and extent aligning with the intended project scope, though no exact legal descriptions or surveyed dimensions were provided. If any of these assumptions prove to be inaccurate, the opinions of value stated herein may require revision.

TOTAL CONTRIBUTORY VALUE OF THE PARTS TAKEN

The following table summarizes the contributory value of the parts taken:

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TOTAL VALUE OF PART TAKEN					
	SF		$/SF		INDICATED VALUE
Land Value of the Fee Take	22,794	x	$8.25	=	$188,051
Value of the Perpetual Easement					$9,997
TOTAL PARTS TAKEN					$198,047

VALUE OF THE REMAINDER AS PART OF THE WHOLE

The value of the taking deducted from the value of the property in the before condition results in the value of the remainder parcel as a part of the whole:

TOTAL VALUE OF REMAINDER AS PART OF THE WHOLE	
	INDICATED VALUE
Total Value of the Subject in Before Condition	$4,275,173
Total Value Parts Taken	$198,047
TOTAL VALUE OF THE REMAINDER AS PART OF THE WHOLE	**$4,077,126**

The above figure is used for comparison purposes (with the value of the remainder in the after condition) as the method for estimating severance damages to the remainder.

VALUE OF THE REMAINDER IN THE AFTER CONDITION

As concluded above, the remainder property in the after condition will suffer no net damages as a result of the parts taken. Therefore, the value of the remainder in the after condition is the same as the value of the remainder as a part of the whole.

VALUE OF REMAINDER IN THE AFTER CONDITION							
	SF		$/SF		% ALLOCATION		INDICATED VALUE
Land Value - Fee Simple	491,370	x	$8.25	x	100%	=	$4,053,803
Easement Area - Remainder	4,039	x	$8.25	x	70%	=	$23,324
VALUE OF THE REMAINDER IN THE AFTER CONDITION							$4,077,126

SEVERANCE DAMAGES

In addition to the part taken, the owner is entitled to net damages to the remainder property. Damages are a decrease in the value of the remainder caused by severance (separation) from the part taken, or by the construction the condemnor proposes on the part taken.

If the value of the remainder in the after condition is less than the value of the remainder as a portion of the whole, the property suffers permanent severance damages. Alternatively, if the value of the remainder in the after condition is greater than the value of the remainder as a portion of the whole, the property enjoys benefits reflected in an increase in value. Special benefits can offset damages to the remainder, but cannot offset the part taken.

As previously discussed, the remainder parcel will have similar access, topography and overall functionality and the same highest and best use as in the before condition. While the shape changes slightly, the parcel has a similar utility as in the before condition. We conclude no severance damages.

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SEVERANCE DAMAGES	
	INDICATED VALUE
Remainder as a Portion of the Whole	$4,077,126
Value of the Remainder in the After Condition	$4,077,126
Severance Damages	$0
Cost to Cure	$0
TOTAL SEVERANCE DAMAGES	$0

PROJECT BENEFITS

Project benefits reflect the enhanced value brought to a property as a result of the Project. In the state of Utah, special benefits can offset damages to the remainder, but cannot offset the part taken.

Special benefits are those which result directly and peculiarly to the particular tract of which a part is taken for a public improvement. Special benefits are ones that are direct, physical, proximate, actual, usable and certain. Physical change is defined as a construction of frontage roads, improved ingress and egress, improved drainage, or similar change in the property. An example of a special benefit would be where the remainder property has a new road providing access suitable for development of lots that it did not have before the taking.

The subject property has the same highest and best use in the before and after condition. However, completion of the project will improve access to the site and will facilitate development of the area. The subject will receive these special benefits from the project in the after condition. However, because there are no severance damages for the project benefits to offset, calculating the benefits is not necessary.

TEMPORARY CONSTRUCTION EASEMENT

Temporary construction easements (TCE) reflect a transaction equivalent to a rental of the land for the period of construction. It can be evaluated on the basis of negotiated land rental transactions, or (in the absence of directly relevant market transactions) a rate of return may be applied to the value of the underlying land.

Annual land rates of return typically vary from 5% to 10%. At the low end of the range are commercial pad sites for gas stations or fast-food retailers on high-traffic volume street corners. The middle of the range is primarily office and industrial sites. The upper end of the range are typically rate of return requirements for public agencies. As a public agency wishes to acquire a TCE that has no commercial value in and of itself, an annual rate of return towards the upper end of the range is reasonable. We conclude to 9.0%.

An application of the appropriate value per square foot (in the after condition) is applied to the concluded rate of return for the land area affected by the temporary construction easements. For the area of the TCEs, the indicated fee value of the land rental component is calculated in the table below.

TEMPORARY CONSTRUCTION EASEMENT														
	LAND VALUE $/SF		SF		LAND VALUE		RATE OF RETURN		ANNUAL EASEMENT VALUE	MONTHLY EASEMENT VALUE		MONTHS		INDICATED VALUE
Land Rent	$8.25	x	4,070	=	$33,578	x	9%	=	$3,022	$252	x	36	=	$9,066
TEMPORARY CONSTRUCTION EASEMENT (UNDISCOUNTED)														$9,066

As shown towards the right side of the table, the monthly easement rent is multiplied by the estimated 36-month rental period to arrive at the indicated value.

In a typical lease, the rent would be paid monthly. In this case, however, the rent will be paid in a lump sum, up front. Therefore, a discount in the rent is appropriate to account for the time value of money. Typical discount rates range 100-150 basis points higher than the annual rate of return in order to account for increasing risk over time. However, in this case, the subject's rent remains flat year-over-year for the entire period, substantially decreasing risk. Accordingly, we conclude to a "safe rate" discount rate of 4.0%.

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NET PRESENT VALUE OF TCE					
	RENTAL INCOME		PV FACTOR		PRESENT
YEAR	CONTRACT	x	@ 4.00%	=	VALUE
1	$3,022		0.9615		$2,906
2	$3,022		0.9246		$2,794
3	$3,022		0.8890		$2,687
NET PRESENT VALUE OF TCE					$8,386

Rounded to nearest $1

VALUATION SUMMARY

On the preceding pages we have developed opinions pertaining to the subject property and the components of which are relevant to the parts taken and the impact of the project. A summary of the preceding discussion and analysis is presented below:

VALUATION SUMMARY		
	VALUE OPINIONS	VALUE OF PROPERTY RIGHTS
Value of the Larger Parcel	$4,275,173	
Fee Taking (inc. Site Imp.)	($188,051)	$188,051
Perpetual Easement	($9,997)	$9,997
Value of the Remainder as a Part of the Whole	$4,077,126	
Value of the Remainder in the After Condition	$4,077,126	
Severance Damages	$0	
Cost to Cure	$0	
Project Benefits	$0	
Net Severance Damages	$0	$0
Temporary Construction Easement (TCE)	$8,386	$8,386
TOTAL FAIR MARKET VALUE OF PROPOSED PROPERTY AND RIGHTS TAKEN (ROUNDED)		**$206,400**

We have rounded the value up to the nearest $100, which is appropriate given the magnitude of the valuation. Utah law does not specify how the value of property rights should be rounded.

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We certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions of the signers are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- The signers of this report has 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.
- Chelsey Jorgensen, MAI has performed no services, as an appraiser or in any other capacity regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. Kelly Tate, MAI has performed no services, as an appraiser or in any other capacity regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- The signers are not biased with respect to the property that is the subject of this report or to the parties involved with this assignment.
- The engagement in this assignment was not contingent upon developing or reporting predetermined results.
- The compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The reported analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice* and the *Code of Professional Ethics and Standards of Professional Appraisal* Practice of the Appraisal Institute.
- Chelsey Jorgensen, MAI inspected the property that is the subject of this report. Kelly Tate, MAI did not inspect the property that is the subject of this report. Jake Jorgensen inspected the property that is the subject of this report.
- Jake Jorgensen (Utah State Certified Residential Real Estate Appraiser No. 7338339-CR00) provided significant real property appraisal assistance to the appraisers signing the certification. Assistance included gathering, analyzing and reporting regional, local area, zoning, and tax information, confirming some of the comparable data, and assisting with portions of the valuation analysis.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report Chelsey Jorgensen, MAI and Kelly Tate, MAI completed the continuing education program for Designated Members of the Appraisal Institute.

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March 10, 2025
Date

Chelsey Jorgensen, MAI
Senior Valuation Specialist
Certified Residential Real Estate Appraiser
State of Utah License #9877947-CG00
+1 385 249 5448
chelsey.jorgensen@colliers.com



March 10, 2025
Date

Kelly Tate, MAI
Senior Valuation Services Director
Certified General Real Estate Appraiser
State of Utah License #8384882-CG00
+1 385 249 5444
kelly.tate@colliers.com

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This appraisal is subject to the following assumptions and limiting conditions:

- The appraisers may or may not have been provided with a survey of the subject property. If further verification is required, a survey by a registered surveyor is advised.
- We assume no responsibility for matters legal in character, nor do we render any opinion as to title, which is assumed to be marketable. All existing liens, encumbrances, and assessments have been disregarded, unless otherwise noted, and the property is appraised as though free and clear, under responsible ownership, and competent management.
- The exhibits in this report are included to assist the reader in visualizing the property. We have made no survey of the property and assume no responsibility in connection with such matters.
- Unless otherwise noted herein, it is assumed that there are no encroachments, zoning, or restrictive violations existing in the subject property.
- The appraisers assume no responsibility for determining if the property requires environmental approval by the appropriate governing agencies, nor if it is in violation thereof, unless otherwise noted herein.
- Information presented in this report has been obtained from reliable sources, and it is assumed that the information is accurate.
- This report shall be used for its intended purpose only, and by the party to whom it is addressed. Possession of this report does not include the right of publication.
- The appraisers may not be required to give testimony or to appear in court by reason of this appraisal, with reference to the property in question, unless prior arrangements have been made therefore.
- The statements of value and all conclusions shall apply as of the dates shown herein.
- There is no present or contemplated future interest in the property by the appraisers which is not specifically disclosed in this report.
- Without the written consent or approval of the authors neither all, nor any part of, the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media. This applies particularly to value conclusions and to the identity of the appraisers and the firm with which the appraisers are connected.
- This report must be used in its entirety. Reliance on any portion of the report independent of others, may lead the reader to erroneous conclusions regarding the property values. Unless approval is provided by the authors no portion of the report stands alone.
- The valuation stated herein assumes professional management and operation of the buildings throughout the lifetime of the improvements, with an adequate maintenance and repair program.
- The liability of Colliers International Valuation & Advisory Services, its principals, agents, and employees is limited to the client. Further, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The appraisers are in no way responsible for any costs incurred to discover or correct any deficiency in the property.
- The appraisers are not qualified to detect the presence of toxic or hazardous substances or materials which may influence or be associated with the property or any adjacent properties, has made no investigation or analysis as to the presence of such materials, and expressly disclaims any duty to note the degree of fault. Colliers International Valuation & Advisory Services and its principals, agents, employees, shall not be liable for any costs, expenses, assessments, or penalties, or diminution in value, property damage, or personal

injury (including death) resulting from or otherwise attributable to toxic or hazardous substances or materials, including without limitation hazardous waste, asbestos material, formaldehyde, or any smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, solids or gasses, waste materials or other irritants, contaminants or pollutants.

- The appraisers assume no responsibility for determining if the subject property complies with the *Americans with Disabilities Act* (*ADA*). Colliers International Valuation & Advisory Services, its principals, agents, and employees, shall not be liable for any costs, expenses, assessments, penalties or diminution in value resulting from non-compliance. This appraisal assumes that the subject meets an acceptable level of compliance with *ADA* standards; if the subject is not in compliance, the eventual renovation costs and/or penalties would negatively impact the present value of the subject. If the magnitude and time of the cost were known today, they would be reduced from the reported value conclusion.
- An on-site inspection of the subject property was conducted. No evidence of asbestos materials on-site was noted. A Phase 1 Environmental Assessment was not provided for this analysis. This analysis assumes that no asbestos or other hazardous materials are stored or found in or on the subject property. If evidence of hazardous materials of any kind occurs, the reader should seek qualified professional assistance. If hazardous materials are discovered and if future market conditions indicate an impact on value and increased perceived risk, a revision of the concluded values may be necessary.
- A detailed soils study was not provided for this analysis. The subject's soils and sub-soil conditions are assumed to be suitable based upon a visual inspection, which did not indicate evidence of excessive settling or unstable soils. No certification is made regarding the stability or suitability of the soil or sub-soil conditions.
- This analysis assumes that the financial information provided for this appraisal, including rent rolls and historical income and expense statements; accurately reflect the current and historical operations of the subject property.

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Engagement Letter
Professional Service Agreement
Valuation Glossary
Qualifications of Appraisers
Qualifications of Colliers International Valuation & Advisory Services

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Colliers Valuation & Advisory Services

Professional Service Agreement

6440 South Millrock Drive, Suite 570
Salt Lake City, UT 84121
Direct: +1 385 249 5444
www.colliers.com/valuationadvisory

January 29, 2025

Kelly Tate, MAI
Senior Valuation Services Director
Direct: +1 385 249 5444
kelly.tate@colliers.com

Calvin Clark, PhD, PE
Transportation Project Manager
Mountainlands Association of Governments (MAG)
586 E 800 North
Orem, UT 84097
cclark@magutah.com
801-473-1089

c/o

Glen Lent
Lakeside Landing Partners
7585 Union Park Ave, Suite 200
Cottonwood Heights, UT 84047
glen@alpinedevelopment.com
801-948-8800

RE: 2600 West ROW Appraisals

Dear Glen:

Thank you for considering Colliers International Valuation & Advisory Services, LLC for the assignment identified in the below-stated Professional Service Agreement. Please sign one copy of the agreement and return it to me, thereby indicating your authorization for us to proceed with this assignment and your acceptance of the attached Terms and Conditions.

PROFESSIONAL SERVICE AGREEMENT ("Agreement")	
Project	2600 West Corridor ROW ("Property")
Location	2600 West Springville, UT 84663
Project Description	6 Land Takings Along 2600 West Including: • Crandall Properties, LTD – 0.98 Acres • Aileen H. Clyde Trust 09-27-1988 (depending on what Chris finds out) – 0.76 Acres • Crandall Farms, Inc. – 0.52 Acres • Lynn & Sharon Properties, LLC – 0.75 Acres • Lakeside Land Partners, LLC – 1.94 Acres • The Clements Family Trust, U/A dated August 30, 2018 – 0.34 Acres
Parties	Colliers International Valuation & Advisory Services, LLC ("CIVAS") and Mountainlands Association of Governments (MAG) (herein at times referred to as "Client")

Intended User	The intended users are Lakeside Mountainlands Association of Governments (MAG), and Springville City to provide funds to the landowners to preserve future corridors. It should be noted that if this engagement is directly with the owner of the Property, the Appraisal will not be accepted by federally insured lenders due to FIRREA Compliance, limiting the use of this report. Should this potentially impact your source of lenders, we recommend engagement be directed by a Federally Insured Lender.
Intended Use	The report to be performed under this Agreement ("Appraisal") is intended to assist to provide funds to the landowners to preserve future corridors. The report is not intended for any other use.
Purpose	Market Value
Type of Appraisal	CIVAS will produce an Appraisal Report in which the appraiser's analysis and conclusions will be summarized within this document.
Rights Appraised	Fee Simple
Date of Value	Date of inspection
Scope of Work	CIVAS and/or its designated affiliate will provide the Appraisal in accordance with USPAP, and the Code of Ethics and Certifications Standards of the Appraisal Institute and State Licensing Laws. CIVAS will research relevant market data and perform analysis to the extent necessary to produce credible appraisal results. Based on our discussions with the Client, the Client has requested the following valuation scenarios: › As-Is Market Value CIVAS anticipates developing the following valuation approaches: › Land Value – Sales Comparison Approach and ROW Analysis An observation of the subject property will be performed. **Please note if it's a requirement per the client's underwriting guidelines to analyze and report all approaches to value, this will be performed although some approaches may be limited in application.** The scope of work will be included in the Appraisal. A copy of the Assumptions and Limiting Conditions, which appear in the Appraisal, is available upon request.
Delivery	Four (4) weeks
Professional Fee	$2,900 Each or $17,400 Total
Expenses	Fees include all associated expenses
No. of Reports	One (1) Electronic Draft Appraisal and One (1) Electronic Final Appraisal. No printed copies will be delivered to the client.
Retainer	**A 50% retainer is required.** <u>To Pay By Check:</u> Please remit all payments to Colliers International Valuation & Advisory Services 26791 Network Place Chicago, IL 60673-1267 **Please include the property name or address on the memo line** <u>Wire Instructions:</u> JP Morgan Chase Bank, NA Chicago, IL 70-2322/719 Account Name: Colliers International Valuation & Advisory Services, LLC Account No. 899559074 ABA No. 021000021 ACH Payment Transit Routing Number: 071000013 Swift code for International Wires ONLY: CHASUS33 **Please include the property name or address in addenda/memo payment information** Please send notification to CIVASAccounting@colliers.com when payment has been sent.

Payment Terms	CIVAS will invoice Client for the Appraisal in its entirety (Less Retainer) at the delivery of the draft report. When a full retainer has been paid, invoice and amount due are $0. Final payment is due and payable within five (5) business days upon delivery of the electronic copy of the final report or within thirty (30) days of your receipt of the draft report, whichever is sooner. If a draft report is requested, the fee is considered earned upon delivery of the draft report. If for any reason the client cancels the work before work was completed or for reasons beyond Colliers' control, then the client would pay for an agreed amount for work completed.
Acceptance Date	These specifications are subject to modification if this Agreement is not accepted within three (3) business days from the date of this letter.

Terms and Conditions

The attached Terms and Conditions and Specific Property Data Request are deemed a part of this Agreement as though set forth in full herein. The following is a list of information needed to begin and complete our analysis. The Client signing this Agreement or the party sending the specific property data certifies that all the information provided is accurate and complete as of the date of this request, and that any updates, revisions or additional relevant information that comes into control or possession of the Client prior to the date on which the Appraisal is delivered shall be provided to CIVAS immediately. Please forward with the Agreement or as soon as possible.

- Ownership history (purchase date and price)
- Copy of the purchase agreement (if under contract for sale)
- Copy of previous appraisal (if available)
- Legal description (if available)
- Any other information deemed pertinent to the appraisal
- Property Contact _____

In addition to the items requested above, please forward any additional materials you would consider relevant in the analysis of the subject property.

Reliance Language – Non-Lender Client

The Appraisal is for the sole use of the Client; however, Client may provide only complete, final copies of the Appraisal report in its entirety (but not component parts) to third parties who shall review such reports in connection with the stated Intended Use. CIVAS is not required to explain or testify as to appraisal results other than to respond to the Client for routine and customary questions. Please note that our consent to allow the Appraisal prepared by CIVAS or portions of such Appraisal, to become part of or be referenced in any public offering, the granting of such consent will be at our sole and absolute discretion and, if given, will be on condition that CIVAS will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to CIVAS, by a party satisfactory to CIVAS. CIVAS hereby expressly grants to client the right to copy the Appraisal and distribute it to employees of client and to your accountants/auditors in its entirety (but not component parts) without the need to provide CIVAS with an Indemnification Agreement and/or Non-Reliance letter.

If you have questions regarding the enclosed, please feel free to contact me. CIVAS appreciates this opportunity to be of service to you on this assignment and looks forward to serving you. If you have additional questions, please contact us.

I, **Glen Lent**, agree to the above stated terms and authorize Colliers International Valuation & Advisory Services, LLC to prepare the above referenced appraisal.

_____ Date: 01/29/2025

Glen Lent
Lakeside Landing Partners

Respectfully,

Colliers International Valuation & Advisory Services, LLC

Kelly Tate, MAI
Senior Valuation Services Director
Direct: +1 385 249 5444
kelly.tate@colliers.com

Terms and Conditions

"T&C"

1) The Appraisal will be subject to Colliers International Valuation & Advisory Services, LLC's ("CIVAS") Assumptions and Limiting Conditions that are incorporated into each appraisal, and any Extraordinary Assumptions and Hypothetical Conditions that may be incorporated into each appraisal.

2) Any capitalized, non-defined words shall have the same meaning as defined in the Agreement to which these T&Cs are attached.

3) Client is defined as the party signing the Agreement and shall be responsible for payment of the fees stipulated in the Agreement. Payment of the fee for the Appraisal is not contingent on the appraised value(s) or the outcome of the report(s). Additional fees will be charged on an hourly basis for any work that may exceed the scope of this proposal, including performing additional valuation scenarios, additional research, and conference calls, meetings, deposition preparation, deposition, trial testimony or travel that may exceed the time allotted by CIVAS for an assignment of this nature. If CIVAS is requested to cease working on the Appraisal for any reason prior to the completion of the appraisal(s), CIVAS will be entitled to bill the Client for the time spent to date at CIVAS' hourly rates for the personnel involved. The Client will be billed a minimum $500 or at a rate of $250 per hour for associate time, $350 per hour for valuation services director, $400 per hour for managing director, and $450 per hour for executive managing director. If the Client delays completion of the assignment beyond ninety (90) days, the fee may be renegotiated. This may result in the total fee exceeding the original agreed fee agreed upon cost.

4) Client agrees to pay all fees and expenses, including attorney's fees, incurred by CIVAS in connection with the collection or attempted collection of the fees and expenses. In the event Client fails to make payments when due and payable, the amount due shall bear interest at 1.5% per month or the maximum rate permitted in the state in which the CIVAS office executing the Agreement is located, whichever is lesser.

5) The fee is due upon delivery of the final report or within thirty (30) days of your receipt of the draft report, whichever is sooner. If a draft is requested, the fee is considered earned upon delivery of our draft report.

6) In the event that either party commences any legal action relating to the provisions of the Agreement, including collection, the prevailing party shall be entitled to its actual attorneys' fees and costs. The Agreement shall be governed by and construed in accordance with the laws of the state where the CIVAS office executing the Agreement is located. The venue of any action arising out of the Agreement shall be the county where the CIVAS office executing the Agreement is located. Client will have up to thirty (30) days from receipt of the Draft Appraisal to review and communicate its review to CIVAS. CIVAS reserves the right to bill Client for additional appraisal efforts that may arise from the Client not responding within with this time period.

7) CIVAS does not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to CIVAS by Client. In the event that any such information is inaccurate, misleading or incomplete, CIVAS shall have no responsibility or liability for any matters relating thereto (whether to the Client or to any third party).

8) CIVAS shall have no responsibility for legal matters, questions of survey or title, soil or subsoil conditions, engineering, or other similar technical matters. The Appraisal will not constitute a survey of the Property analyzed.

9) Client shall provide CIVAS with such materials with respect to the Appraisal as requested by CIVAS and which are in the possession or under the control of Client. Client shall provide CIVAS with sufficient access to the Property to be analyzed and hereby grants permission for entry, unless discussed in advance to the contrary.

10) The data gathered in the course of the Appraisal (except data furnished by Client) and the Appraisal prepared pursuant to the Agreement are, and will remain, the property of CIVAS. With respect to data provided by Client, such data shall be confidential, and CIVAS shall not disclose any information identified as confidential furnished to CIVAS. Notwithstanding the foregoing, CIVAS is authorized by Client to disclose all or any portion of the Appraisal and the related data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable CIVAS to comply with the Bylaws and Regulations of such Institute as now or hereafter in effect.

11) Unless specifically noted, CIVAS does not assume any duty to analyze or examine the Property or adjacent property for the possible presence of toxic and/or hazardous substances or materials (including but not exclusive to asbestos, PCB transformers, or other toxic, hazardous, or contaminated substances and/or underground storage tanks (hazardous material), or the cost of encapsulation or removal thereof) and accepts no liability regarding the issue. If such materials exist, CIVAS defers to the expertise of professionals specifically trained in analyzing the cost to remediate, which will not be a part of the appraisal fee proposal. The Appraisal will contain a comprehensive disclaimer to this effect.

12) CIVAS understands that there is no major or significant deferred maintenance in the Property which would require the expertise of a professional cost estimator or contractor. If such repairs are needed, the estimates are to be prepared by others, and are not a part of the fee contemplated in the Agreement.

13) Client acknowledges that CIVAS is being retained hereunder as an independent contractor to perform the services described herein and nothing in the Agreement shall be deemed to create any other relationship between Client and CIVAS. The Agreement shall be deemed concluded and the services hereunder completed upon delivery to Client of the Appraisal discussed herein.

14) Client agrees that its only remedy for losses or damages relating to the Agreement shall be limited to the amount of the appraisal fee paid by the Client and in no circumstances shall CIVAS be liable for any losses or damages in excess of this amount. Should the Client, or any other entitled party, make a claim against CIVAS, its directors, officers, employees and other affiliates and shareholders, relating to this engagement or the appraisal(s), the maximum damages recoverable from CIVAS, its directors, officers, employees and other affiliates and shareholders, shall be the amount of funds actually collected by CIVAS under the Agreement, and no claim shall be made for any consequential or punitive damages.

15) If CIVAS or any of its employees receives a subpoena or other judicial notification to produce documents or provide testimony involving the Appraisal in connection with a lawsuit or related proceeding, CIVAS will notify the Client of receipt of the subpoena or notification. However, if CIVAS is not part of the lawsuit or proceedings, Client agrees to compensate CIVAS for the professional time required and to reimburse CIVAS for the expenses incurred in responding to any such subpoena or judicial notification, including any attorneys' fees, as they are incurred. CIVAS is to be compensated at the prevailing hourly rates of the personnel responding to the subpoena or command for testimony.

16) If expert witness testimony is required in connection with the Appraisal, the following hourly rates will apply. The Client will be billed at the rate of $250 per hour for associate time, $350 per hour for valuation services director, $400 per hour for managing director, and $450 per hour for executive managing director. The hourly billings pertain to court preparation, waiting and travel time, document review and preparation (excludes appraisal report) and all meetings related to court testimony.

17) Client shall indemnify and hold CIVAS, its parent, subsidiaries, affiliates, its officers, directors, employees and agents ("CIVAS Indemnities"), fully harmless against all losses, damages, claims, and expenses of any kind whatsoever (including costs and reasonable attorneys' fees), sustained or incurred by a third party as a result of the negligence or intentional acts or omissions of Client (including any failure to perform any duty imposed by law), any misrepresentation, distortion or if Client fails to provide complete and accurate information to CIVAS, for which recovery is sought against the CIVAS Indemnities; however, such obligation to defend and indemnify shall not apply to the extent caused by the negligent act or willful misconduct of CIVAS. Client shall indemnify and hold CIVAS Indemnities harmless from any claims, expenses, judgments or other items or costs arising as a result of the Client's failure or the failure of any of the Client's agents to provide a complete copy of the Appraisal to any third party. LIMITATION OF LIABILITY. EXCEPT FOR THE INDEMNIFICATION PROVISION ABOVE, ANYTHING IN THE AGREEMENT TO THE CONTRARY NOTWITHSTANDING, UNDER NO CIRCUMSTANCES WHATSOEVER SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY SPECIAL, CONSEQUENTIAL, PUNITIVE, OR INCIDENTAL DAMAGES OF ANY KIND WHATSOEVER.

18) CIVAS agrees to maintain Professional Liability Insurance in the amount of $1,000,000 and General Liability insurance in the amount of $2,000,000, as well as Workers Compensation per local regulatory requirements. CIVAS will endeavor to provide Client with written notice regarding any cancellation of any such insurance. CIVAS will provide Client with certificates of insurance naming Client as an additional insured on the General Liability policy upon request.

19) The Appraisal and the name Colliers International Valuation & Advisory Services may not be used in any marketing or investment material or offering memoranda without CIVAS' prior written consent. CIVAS, its employees and appraisers have no liability to any recipients of any prepared material and disclaim all liability to any party other than the Client.

20) Unless CIVAS consents in writing, the Appraisal cannot be used by any party or for any purpose other than the Client for the purposes specified in the Agreement. Should the Client provide a copy of this Appraisal to any person or entity not authorized by CIVAS in writing, Client hereby agrees to hold CIVAS, its directors, officers, employees and other affiliates and shareholders, harmless from all damages, expenses, claims and costs, including any attorney's fees. The Client acknowledges that any opinions and conclusions expressed by the professionals of CIVAS pursuant to the Agreement are made as employees and not as individuals. CIVAS' responsibility is limited to the Client, and the use of the Appraisal or related product by third parties shall be solely at the risk of the Client and/or third parties.

21) The use of this appraisal shall be used only for the purpose as set forth in the Intended Use section of the Agreement. In the event that the client wishes to use this report or portions of this report for any other purpose such as, to become part of or be referenced in, any offering or other material intended for the review of others, or to be submitted to others, will be at the Client's sole and absolute discretion and, if given, will be on condition that CIVAS will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to CIVAS and the Client, by a party satisfactory to CIVAS and the Client. CIVAS does consent to Client submission of the complete Appraisal to rating agencies, loan participants or your accountants/auditors without the need to provide us with an Indemnification Agreement and/or Non-Reliance letter.

22) Client and its affiliates, rating agencies and a limited number of investors involved in the securitization, may use and rely upon CIVAS report in connection with a planned loan securitization involving the Property including, without limitation, utilizing selected information in the Appraisal in the offering documents relating to the securitization and CIVAS agrees to cooperate in answering reasonable questions by any of the above parties in connection with the securitization.

Client agrees that it will not file, use, or permit or cause to be used in any offering documents or any other document any portion or extract of the Appraisal, or any reference to the Appraisal, without first (i) having provided the portion or portions of an offering document or other document to CIVAS for review and (ii) having obtained the prior written consent of CIVAS to any such filing, use, amendment or modification, which consent shall not be unreasonably withheld. CIVAS shall have the right to require Client to include in any offering document or other document disclosure concerning the conditions, qualifications and assumptions of the appraisal and such other disclosure concerning the Appraisal as CIVAS shall reasonably require.

Client can use the appraised value without attribution to the Appraisal, and selected information in the Appraisal, provided Client agrees that it has complied and at all times will comply, and will use Client's best efforts to cause any underwriters to comply, with all applicable Federal and state securities laws in connection with any offering, and offering document and any use of the Appraisal. Client further agrees that neither any offering document nor any other document used in connection with any offering will contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein not misleading regarding the Appraisal, or any portion or extract thereof, or any reference to the Appraisal.

Valuation Glossary 2024

Unless specified otherwise, these definitions were extracted or paraphrased from the following sources or publications:

- The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022 (Dictionary).
- Uniform Standards of Professional Appraisal Practice, 2024 Edition (USPAP).
- The Appraisal of Real Estate, Fifteenth Edition, Appraisal Institute, Chicago, Illinois, 2020 (15th Edition).

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

Ad Valorem Tax
A real estate tax based on the assessed value of the property, which is not necessarily equivalent to its market value. *(15th Edition)*

Arm's-length Transaction
A transaction between unrelated parties who are each acting in his or her own best interest. *(Dictionary)*

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

Assessed Value
The value of a property according to the tax rolls in ad valorem taxation; may be higher or lower than market value, or based on an assessment ratio that is a percentage of market value. *(Dictionary)*

Average Daily Room Rate (ADR)
In the lodging industry, the net rooms revenue derived from the sale of guest rooms divided by the number of paid occupied rooms. *(Dictionary)*

Band of Investment
A technique in which the capitalization rates attributable to components of an investment are weighted and combined to derive a weighted-average rate attributable to the total investment. *(Dictionary)*

Cash-Equivalent Price
The sale price of a property that is equivalent to what a cash buyer would pay. *(Dictionary)*

Common Area
The total area within a property that is not designed for sale or rental but is available for common use by all owners, tenants, or their invitees, e.g., parking and its appurtenances, malls, sidewalks, landscaped areas, recreation areas, public toilets, truck and service facilities. *(Dictionary)*

Contract Rent
The actual rental income specified in a lease. *(15th Edition)*

Cost Approach
A set of procedures through which a value indication is derived for the fee simple estate by estimating the cost new as of the effective date of the appraisal to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive; deducting depreciation from the total cost; and adding the estimated land value. The contributory value of any site improvements that have not already been considered in the total cost can be added on a depreciated-cost basis. Adjustments may then be made to the indicated value of the fee simple estate in the subject property to reflect the value of the property rights being appraised. *(Dictionary)*

Curable Functional Obsolescence
An element of depreciation; a curable defect caused by a flaw involving the structure, materials, or design, which can be practically and economically corrected. *(Dictionary)*

Debt Coverage Ratio (DCR)
The ratio of net operating income to annual debt service, which measures the relative ability of a property to meet its debt service out of net operating income; also called *debt service coverage ratio (DSCR).* (*Dictionary)*

Deferred Maintenance
Items of wear and tear on a property that should be fixed now to protect the value or income-producing ability of a property. *(Dictionary)*

Depreciation
In appraisal, a loss in the value of improvements from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the value of the improvement on the same date. *(Dictionary)*

Direct Costs
Expenditures for the labor and materials used in the construction of improvements; also called *hard costs. (Dictionary)*

Discounted Cash Flow (DCF) Analysis
The procedure in which a discount rate is applied to a set of projected income streams and a reversion. The analyst specifies the quantity, variability, timing, and duration of the income streams and the quantity and timing of the reversion, and discounts each to its present value at a specified yield rate. *(Dictionary)*

Discount Rate
A rate of return on capital used to convert future payments or receipts into present value. *(Dictionary)*

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

1. Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider their best interests.
7. An adequate marketing effort will be made during the exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms. *(Dictionary)*

Easement
The right to use another's land for a stated purpose. Access or right-of-way easements may be acquired by private parties or public utilities. Governments may be the beneficiaries of easements placed on privately owned land that is dedicated to conservation, open space, or preservation. *(15th Edition)*

Economic Life
The period over which improvements to real estate contribute to property value. *(Dictionary)*

Effective Age
The age of property that is based on the amount of observed deterioration and obsolescence it has sustained, which may be different from its chronological age. *(Dictionary)*

Effective Date
The date on which the appraisal or review opinion applies (SVP) *(Dictionary)*

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

Effective Gross Income Multiplier (EGIM)
The ratio between the sale price (or value) of a property and its effective gross income. *(Dictionary)*

Effective Rent
The total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions - e.g. free rent, excessive tenant improvements, moving allowances, lease buyouts, cash allowances, and other lease incentives. *(15th Edition)*

Eminent Domain
The right of government to take private property for public use upon the payment of just compensation. The Fifth Amendment of the U.S. Constitution, also known as the *takings clause*, guarantees payment of just compensation upon appropriation of private property. *(Dictionary)*

Entrepreneurial Incentive
The amount an entrepreneur expects or wants to receive as compensation for providing coordination and expertise and assuming the risks associated with the development of a project. Entrepreneurial incentive is the expectation of future reward as opposed to the profit actually earned on the project. *(Dictionary)*

Entrepreneurial Profit
A market-derived figure that represents the amount an entrepreneur received for his or her contribution to a past project to compensate for his or her time, effort, knowledge, and risk; the difference between the total cost of a property (cost of development) and its market value (property value after completion), which represents the entrepreneur's compensation for the risk and expertise associated with development. An entrepreneur is motivated by the prospect of future value enhancement (i.e., the entrepreneurial incentive). An entrepreneur who successfully creates value through new development, expansion, renovation, or an innovative change of use is rewarded by entrepreneurial profit. Entrepreneurs may also fail and suffer losses. *(Dictionary)*

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

Excess Rent
The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the lessor and may reflect superior management, a lease execution in an earlier, stronger rental market, or an agreement of the parties. Due to the higher risk inherent in the receipt of excess rent, it may be calculated separately and capitalized or discounted at a higher rate in the income capitalization approach. *(15th Edition)*

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

Exposure Time
An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. *(USPAP)*

Extraordinary Assumption
An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis. An extraordinary assumption may be used in an assignment only if:

- It is required to properly develop credible opinions and conclusions;
- The appraiser has a reasonable basis for the extraordinary assumption;
- Use of the extraordinary assumption results in a credible analysis; and
- The appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions. *(USPAP)*

External Obsolescence
A type of depreciation; a diminution in value caused by negative external influences and generally incurable on the part of the owner, landlord, or tenant. The external influence may be either temporary or permanent. There are two forms of external obsolescence: economic and locational. *(Dictionary)*

Fair Market Value
In nontechnical usage, a term that is equivalent to the contemporary usage of *market value*.
As used in condemnation, litigation, income tax, and property tax situations, a term that is similar in concept to market value but may be defined explicitly by the relevant agency or interpreted differently by court precedent. *(Dictionary)*

Feasibility Analysis
A study of the cost-benefit relationship of an economic endeavor. *(USPAP)*

Fee Simple Estate
Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat. *(Dictionary)*

Floor Area Ratio (FAR)
The relationship between the above-ground floor area of a building, as described by the zoning or building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area. *(Dictionary)*

Functional Obsolescence
The impairment of functional capacity of improvements according to market tastes and standards. *(Dictionary)*

Functional Utility
The ability of a property or building to be useful and to perform the function for which it is intended according to current market tastes and standards; the efficiency of a building's use in terms of architectural style, design and layout, traffic patterns, and the size and type of rooms. *(Dictionary)*

Furniture, Fixtures, and Equipment (FF&E)
Business trade fixtures and personal property, exclusive of inventory. (Dictionary)

Going-concern
An established and operating business having an indefinite future life. *(Dictionary)*

Going-concern Value
An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the *market value of the going concern or market value of the total assets of the business*. *(Dictionary)*

Gross Building Area (GBA)
Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved. *(Dictionary)*

Gross Leasable Area (GLA)
Total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines; measured from the center of joint partitioning to the outside wall surfaces. *(Dictionary)*

Gross Living Area (GLA)
Total area of finished, above-grade residential space area; calculated by measuring the outside perimeter of the structure and includes only finished, habitable, above-grade living space. (Finished basements and attic areas are not generally included in total gross living area. Local practices, however, may differ.) *(Dictionary)*

Highest & Best Use
The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. The use of

an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid (IVS). *(Dictionary)*

Hypothetical Condition

A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. *(USPAP)*

Income Capitalization Approach

In the income capitalization approach, an appraiser analyzes a property's capacity to generate future benefits and capitalizes the income into an indication of present value. The principle of anticipation is fundamental to this approach. Techniques and procedures from this approach are used to analyze comparable sales data and to measure obsolescence in the cost approach. *(15th Edition)*

Incurable Functional Obsolescence

An element of depreciation; a defect caused by a deficiency or superadequacy involving the structure, materials, or design that cannot be practically or economically corrected as of the effective date of the appraisal. *(Dictionary)*

Indirect Costs

Expenditures or allowances for items other than labor and materials that are necessary for construction, but are not typically part of the construction contract. Indirect costs may include administrative costs, professional fees, financing costs and the interest paid on construction loans, taxes and the builder's or developer's all-risk insurance during construction, and marketing, sales, and lease-up costs incurred to achieve occupancy or sale. Also called *soft costs*. *(Dictionary)*

Interim Use

The use contemplated by the market participants that the subject real estate can be put to while waiting for certain subsequent factors to occur. *(Dictionary)*

Investment Value

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

Leased Fee Interest

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

Leasehold Estate

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

Legal Nonconforming Use

A use that was lawfully established and maintained, but no longer conforms to the use regulations of its current zoning; sometimes known as a legally nonconforming use. *(Dictionary)*

Liquidation Value

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

1. Consummation of a sale within a short time period.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. A normal marketing effort is not possible due to the brief exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms. *(Dictionary)*

Market Area

The geographic region from which a majority of demand comes and in which the majority of competition is located. Depending on the market, a market area may be further subdivided into components such as primary, secondary, and tertiary market areas, or the competitive market area may be distinguished from the general market area. *(Dictionary)*

Market Rent

The most probable rent that a property should bring in a competitive and open market under all conditions requisite to a fair lease transaction, the lessee and lessor each acting prudently and knowledgeably, and assuming the rent is not affected by undue stimulus. *(Dictionary)*

Market Study
An analysis of the market conditions of supply, demand, and pricing for a specific property type in a specific area. *(Dictionary)*

Market Value (Most Common Non-FRT)
The most probable price, as of a specific date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue distress. *(Dictionary)*

Market Value (Interagency Guidelines)
The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their own best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (*12 CFR, Part 34, Subpart C - Appraisals, 34.42(h)*).

Marketability Analysis
The study of how a specific property is expected to perform in a specific market. A marketability analysis expands on a market analysis by addressing a specific property. *(Dictionary)*

Neighborhood Analysis
The objective analysis of observable or quantifiable data indicating discernible patterns of urban growth, structure, and change that may detract from or enhance property values; focuses on four sets of considerations that influence value: social, economic, governmental, and environmental factors. *(Dictionary)*

Net Net Net Lease
An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management. Also called *NNN lease, triple net lease*, or *fully net lease. (Dictionary)*

Net Operating Income (NOI)
The actual or anticipated net income that remains after all operating expenses are deducted from effective gross income but before mortgage debt service and book depreciation are deducted. Note: This definition mirrors the convention used in corporate finance and business valuation for EBITDA (earnings before interest, taxes, depreciation, and amortization). *(15th Edition)*

Obsolescence
One cause of depreciation; an impairment of desirability and usefulness caused by new inventions, changes in design, improved processes for production, or external factors that make a property less desirable and valuable for a continued use; may be either functional or external. *(Dictionary)*

Off-site Costs
Costs incurred in the development of a project excluding on-site costs such as grading and construction of the building and other improvements; also called *common costs* or *off-site improvement costs. (Dictionary)*

On-site Costs
Costs incurred for the actual construction of buildings and improvements on a particular site. *(Dictionary)*

Overage Rent
The percentage rent paid over and above the guaranteed minimum rent or base rent; calculated as a percentage of sales in excess of a specified breakeven sales volume. *(15th Edition)*

Overall Capitalization Rate (OAR)
The relationship between a single year's net operating income expectancy and the total property price or value. *(Dictionary)*

Parking Ratio
The ratio of parking area or parking spaces to an economic or physical unit of comparison. Minimum required parking ratios for various land uses are often stated in zoning ordinances. *(Dictionary)*

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

Potential Gross Income Multiplier (PGIM)
The ratio between the sale price (or value) of a property and its annual potential gross income. *(Dictionary)*

Present Value (PV)
The value of a future payment or series of future payments discounted to the current date or to time period zero. *(Dictionary)*

Prospective Opinion of Value
A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not achieved sellout or a stabilized level of long-term occupancy. *(Dictionary)*

Qualitative Adjustment
An indication that one property is superior, inferior, or similar to another property. Note that the common usage of the term is a misnomer in that an adjustment to the sale price of a comparable property is not made. Rather, the indication of a property's superiority or inferiority to another is used in relative comparison analysis, bracketing, and other forms of qualitative analysis. *(Dictionary)*

Quantitative Adjustment
In the application of the sales comparison and income capitalization approaches, a numerical (dollar or percentage) adjustment to the sale price, rent, or expense amount of a comparable property to account for the effect on value of a difference between each comparable property and the subject property. *(Dictionary)*

Rentable Area
The amount of space on which the rent is based; calculated according to local practice. *(Dictionary)*

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

Replacement Cost for Insurance Purposes
The estimated cost, at current prices as of the effective date of valuation, of a substitute for the building being valued, using modern materials and current standards, design and layout for insurance coverage purposes guaranteeing that damaged property is replaced with a new property (i.e., depreciation is not deducted). *(Dictionary)*

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

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

Sales Comparison Approach
The process of deriving a value indication for the subject property by comparing sales of similar properties to the property being appraised, identifying appropriate units of comparison, and making adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered vacant when an adequate supply of comparable sales is available. *(Dictionary)*

Scope of Work
The type and extent of research and analysis in an appraisal or appraisal review assignment. Scope of work includes, but is not limited to:
The extent to which the property is identified;
The extent to which tangible property is inspected;
The type and extent of data researched; and
The type and extent of analysis applied to arrive at opinions or conclusions. *(USPAP)*

Shopping Center Types
Neighborhood Shopping Center: The smallest type of shopping center, generally with a gross leasable area of between 30,000 and 100,000 square feet. Typical anchors include supermarkets. Neighborhood shopping centers offer convenience goods and personal services and usually depend on a market population support of 3,000 to 40,000 people.
Community Shopping Center: A shopping center of 100,000 to 400,000 square feet that usually contains one junior department store, a variety store, discount or department store. A community shopping center generally has between 20 and 70 retail tenants and a market population support of 40,000 to 150,000 people.
Regional Shopping Center: A shopping center of 300,000 to 900,000 square feet that is built around one or two full-line department stores of approximately 200,000 square feet each plus small tenant spaces. This type of center is typically supported by a minimum population of 150,000 people.
Super-Regional Center: A large center of 600,000 to 2.0 million square feet anchored by three or more full-line department stores. This type of center is typically supported by a population area of 300,000 people. *(15th Edition)*

Sum of the Retail Values

The sum of the separate and distinct market value opinions for each of the units in a condominium; subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent the value of all the units as sold together in a single transaction; it is simply the total of the individual market value conclusions. An appraisal has an effective date, but summing the sales prices of multiple units over an extended period of time will not be the value on that one day unless the prices are discounted to make the value equivalent to what another developer or investor would pay for the bulk purchase of the units. Also called the *aggregate of the retail values* or *aggregate retail selling price*. *(Dictionary)*

Superadequacy

An excess in the capacity or quality of a structure or structural component; determined by market standards. *(Dictionary)*

Surplus Land

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

Tenant Improvements (TIs)

1. Fixed improvements to the land or structures installed for use by a lessee.
2. The original installation of finished tenant space in a construction project; subject to periodic change for succeeding tenants. *(Dictionary)*

Usable Area

The area that is actually used by the tenants measured from the inside of the exterior walls to the inside of walls separating the space from hallways and common areas. *(Dictionary)*

Useful Life

The period of time over which a structure or a component of a property may reasonably be expected to perform the function for which it was designed. *(Dictionary)*

Vacancy and Collection Loss

A deduction from potential gross income *(PGI)* made to reflect income deductions due to vacancies, tenant turnover, and nonpayment of rent; also called *vacancy and credit loss* or *vacancy and contingency loss. (Dictionary)*

Yield Capitalization

A method used to convert future benefits into present value by (1) discounting each future benefit at an appropriate yield rate, or (2) developing an overall rate that explicitly reflects the investment's income pattern, holding period, value change, and yield rate. *(Dictionary)*

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE
Certified General Appraiser
9877947-CG00
CHELSEY B JORGENSEN

Signature of Holder

DATE ISSUED: 10/15/2020 EXPIRATION DATE: 10/31/2026

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- Below is your public address of record for the Division. All correspondence will be mailed to this address. It is your responsibility to notify us directly if your address changes
- Please visit our website at www.realestate.utah.gov should you have any questions in the future.

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE
Active

DATE ISSUED: 10/15/2020

EXPIRATION DATE: 10/31/2026

LICENSE NUMBER: 9877947-CG00

LICENSE TYPE: Certified General Appraiser

ISSUED TO: CHELSEY B JORGENSEN
6440 SOUTH MILLROCK DRIVE
Ste. 570
Salt Lake City UT 84121

SIGNATURE OF HOLDER

REAL ESTATE DIVISION DIRECTOR



Senior Valuation Specialist
Valuation & Advisory Services

chelsey.jorgensen@colliers.com
Direct: +1 385 249 5448
Mobile: +1 801 755 2633
Fax: +1 385 249 5451
colliers.com

6440 South Millrock Drive
Suite 570
Salt Lake City, Utah 84121
United States

Chelsey Jorgensen, MAI

Area of Expertise

Chelsey Jorgensen joined Colliers Valuation & Advisory Services in 2022. Ms. Jorgensen holds a Bachelor's degree in economics from Brigham Young University. She is a designated member of the Appraisal Institute. She began her appraisal career at Jorgensen Appraisal in 2016, after having previously worked as a business analyst for American Express. She has completed appraisals in many fields, including senior housing, health care, residential treatment, property tax appeals and valuations, conservation easements, and eminent domain. She has completed fair market rent studies, feasibility studies, and supply and demand analyses for some of the largest developers and operators in the Rocky Mountain region. Ms. Jorgensen has testified as an expert witness and provides consultation services.

Education or Qualifications

B.S. Economics, Brigham Young University, 2004

State Certifications

Utah

Wyoming

Affiliations or Memberships

MAI – Member of the Appraisal Institute

Programs and Education Committee Chair, CREW Utah

Professional Background

Colliers International (UT), 2022-Present

Jorgensen Appraisal (UT), 2016-2022

Appraisal Courses

- General Appraiser Sales Comparison Approach
- General Appraiser Market Analysis and Highest & Best Use
- General Appraiser Site Valuation and Cost Approach
- General Appraiser Report Writing & Case Studies
- Real Estate Finance, Statistics, and Valuation Modeling
- General Appraiser Income Approach
- Advanced Market Analysis and Highest & Best Use
- Advanced Income Capitalization
- Advanced Concepts & Case Studies
- Appraisal of Medical Office Buildings
- Appraisal of Industrial & Flex Buildings
- Appraisal of Self-Storage
- USPAP 2024-2025

Representative Clients and Projects

Military Installation Development Authority:
Fee acquisitions and easement acquisitions and releases from UDOT at the Mayflower Resort, Wasatch County

Ray Quinney and Nebeker:
Expert witness services related to a newly constructed flex industrial building in Utah County

Star Valley Health:
Appraisals of medical clinics in Alpine and Afton, Lincoln County, Wyoming

Intermountain Healthcare:
Fair market rent studies across the state of Utah

United States Forest Service:
Coldwater Ranch, Cache County, Utah - conservation easement on a 33,000-acre ranch

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE

ACTIVE LICENSE
Certified General Appraiser
8384882-CG00

CHRISTOPHER KELLY TATE
NAME OF HOLDER

DATE ISSUED
07/02/2024

EXPIRATION
07/31/2026

- Your license is valid until the expiration date listed on your license.
- Below is your public address of record for the Division. All correspondence will be mailed to this address. It is your responsibility to notify us directly if your address changes.
- Please visit our web site at **realestate.utah.gov** should you have any questions.

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE

ACTIVE LICENSE

DATE ISSUED: 07/02/2024

EXPIRATION DATE: 07/31/2026

LICENSE NUMBER: 8384882-CG00

LICENSE TYPE: Certified General Appraiser

ISSUED TO: CHRISTOPHER KELLY TATE
7427 S MAGIC HILLS CR
COTTONWOOD HEIGHTS UT 84121

SIGNATURE OF HOLDER

REAL ESTATE DIVISION INTERIM DIRECTOR

Form #2



Senior Valuation Services Director
Valuation & Advisory Services

kelly.tate@colliers.com
Direct: +1 385 249 5444
Mobile: +1 801 558 2827
Fax: +1 385 249 5451
colliers.com

6440 S. Millrock Dr.
Suite 570
Salt Lake City, UT 84121
United States

Kelly Tate, MAI

Area of Expertise

Kelly Tate joined Colliers International Valuation & Advisory Services in 2014. After working as a loan officer, Kelly began his career as a commercial real estate appraiser in 2008 working in the Las Vegas market. In 2012, Kelly returned to Salt Lake City to further his career in the industry. He has experience appraising many different property types including retail, office, industrial, apartments, senior housing, residential subdivisions, and condominiums.

Kelly received his MAI designation in 2013.

Affiliations or Memberships

MAI, Appraisal Institute, # 507024

Utah Chapter of the Appraisal Institute

Professional Background

Colliers International (UT), 2014 – Present

Appraisal Group Inc. (UT), 2012 – 2014

Lubawy & Associates (NV), 2008 - 2012

Education or Qualifications

Bachelor of Science – University of Utah, 2004

State Certifications

Idaho

Montana

Utah

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE
ACTIVE LICENSE
Certified Residential Appraiser
7338339-CR00
JACOB R JORGENSEN
NAME OF HOLDER
DATE ISSUED 01/18/2024
EXPIRATION 01/31/2026

- Your license is valid until the expiration date listed on your license.
- Below is your public address of record for the division. All correspondence will be mailed to this address. If your address is incorrect, please go to **https://secure.utah.gov/relms/index.html** to update it.
- All Continuing Education must be completed by the 15th of the month of expiration in order to ensure a timely renewal.
- Inactive licenses must be renewed.
- Please visit our web site at **realestate.utah.gov** should you have any questions.

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE

ACTIVE LICENSE

DATE ISSUED: 01/18/2024

EXPIRATION DATE: 01/31/2026

LICENSE NUMBER: 7338339-CR00

LICENSE TYPE: Certified Residential Appraiser

ISSUED TO: JACOB R JORGENSEN
10883 SADDLEBROOKE CIR
SOUTH JORDAN UT 84095

THE GREAT SEAL OF THE STATE OF UTAH
INDUSTRY
1847
1896

SIGNATURE OF HOLDER

REAL ESTATE DIVISION DIRECTOR

Form #2



Valuation Associate
Valuation & Advisory Services

jake.jorgensen@colliers.com
Direct: +1 801 441 1202
Mobile: +1 801 694 8640
Fax: +1 385 249 5451
colliers.com

6440 S. Millrock Dr.
Suite 570
Salt Lake City, UT 84121
United States

Jake Jorgensen

Area of Expertise

Jake Jorgensen joined Colliers Valuation & Advisory Services in 2024 and is current a Valuation Associate. He began his career in 2009 as an appraiser trainee at Jorgensen Appraisal, and received his appraisal license in 2013. During this time he completed appraisals, feasibility studies and market studies on a wide range of property types including vacant land, subdivisions, senior care, office buildings, golf courses and retail centers. In 2017, he moved to Los Angeles and began working independently as a residential appraiser, during which time he received his certified residential license. In 2024, he returned to Utah and the commercial appraisal field. He has since completed assignments for a variety of intended uses, including conservation easements, eminent domain, title disputes and litigation. He specializes in residential properties and vacant land.

Professional Background

Jorgensen Appraisal (UT), 2009-2017

Self Employed (CA), 2017-2024

Colliers Valuation & Advisory Services (UT), 2025-Present

Appraisal Courses

- General Appraiser Sales Comparison Approach
- General Appraiser Market Analysis & Highest & Best Use
- General Appraiser Site Valuation & Cost Approach
- General Appraiser Report Writing & Case Studies
- General Appraiser Income Approach
- Advanced Residential Applications and Case Studies
- Complex Properties: The Odd Side Of Appraisal
- Statistics, Modeling & Finance
- Advanced Concepts & Case Studies
- USPAP 2024-2025

Education or Qualifications

Bachelor of Science – Utah Valley University, 2013

State Certifications

Utah

California

Valuation & Advisory Services



Accelerating success.

Valuation & Advisory Services

Real estate valuations play a pivotal role in today's business climate. An accurate and well supported opinion of property value can mean the difference between reaching a critical goal—securing a loan, closing a sale, reporting to investors, choosing the best asset—or failing to achieve it altogether.

Colliers Valuation & Advisory Services' reports are designed to deliver insight into a property's fundamentals, its competition and the overall market dynamics affecting value. A solid valuation report can be a strategic asset for investors, lenders and owners, provided that it addresses both a property's unique characteristics and the most current market conditions.

Commitment to high-end client service, coupled with Colliers' unparalleled market intelligence and resources, differentiates us as the firm of choice in the real estate industry.

PROFESSIONAL

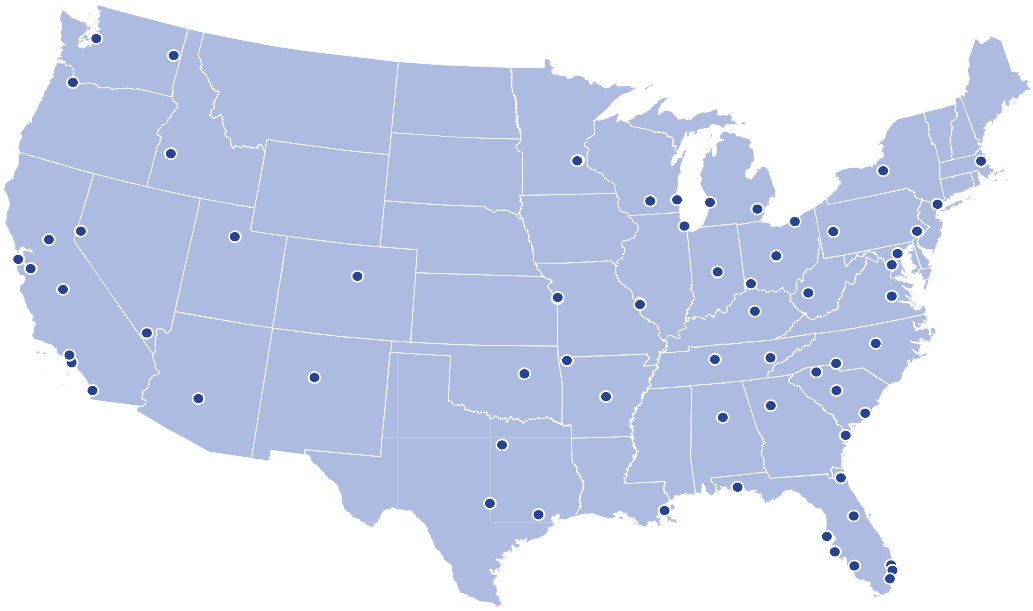
Our professionals share a commitment to deliver the highest level of service and consistent results. We go the extra mile for our clients, whether this means meeting a tight deadline or working with a complex and challenging property.

TECHNOLOGY

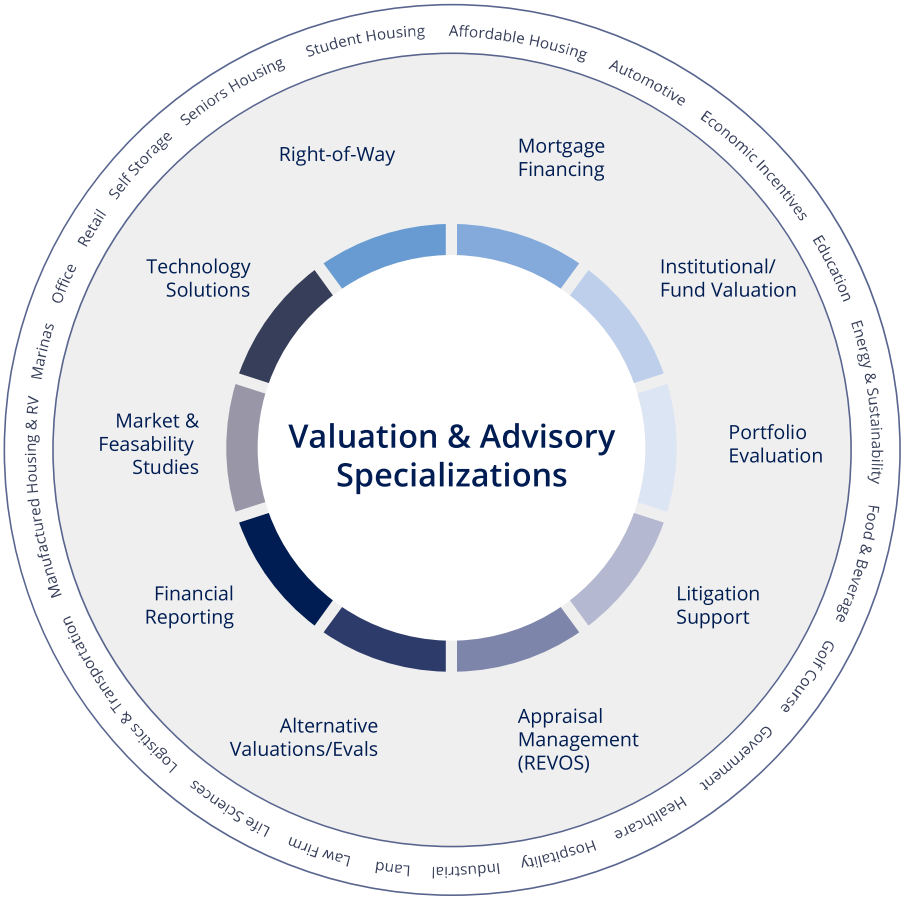
Our unmatched report creation technology speeds appraisals through the pipeline. This secure, centralized production system generates a wide range of reports and high volume portfolio orders without delays.

INFORMATION

Today's business climate places valuation in a more pivotal position than ever before. All our appraisals are evaluated and approved by an experienced review team to ensure our clients receive concise and timely appraisals. With clear, prompt reporting and a comprehensive, big picture approach, Colliers' valuation and advisory reports give our clients the information they need to make better business decisions.



What We Do



400+
licensed appraisers and staff

26,000+
assignments completed annually

60+
Valuation & Advisory Services market locations across the country

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Valuation & Advisory Services National Leadership

Jeremy Walling, MAI, MRICS
President | US
Valuation & Advisory Services
Jeremy.Walling@colliers.com
+1 312 371 4920

Jeff Shouse, MAI, CRE
Executive Vice President
Western US
Jeff.Shouse@colliers.com
+1 916 724 5531

Bruce Nell, MAI, AI-GRS, MRICS
Senior Vice President
Advisory Services & MHC Practice Leader
Bruce.Nell@colliers.com
+1 614 437 4687

PJ Cusmano, MAI, MRICS
Executive Vice President
Eastern US
PJ.Cusmano@colliers.com
+1 813 229 1599

Jerry Gisclair, MAI, MRICS
Executive Vice President
US Client Relations & Service
Jerry.Gisclair@colliers.com
+1 813 871 8531

Anjanette "AJ" Hutson, MAI, AI-GRS
Executive Managing Director
Quality Assurance
AJ.Hutson@colliers.com
+1 704 973 7202

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To learn more about our Regional and Market Valuation Experts, please click on or scan the QR code.

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Colliers

Local Corridor Preservation Fund
Application for Funds

Due to the limited amount of funds available, jurisdictions are strongly encouraged to exhaust other avenues for acquisition prior to applying.

Before consideration of awarding funds can occur, the following must be completed and submitted with this application:

1) Documentation by applicant of prior use of all appropriate resources available to the highway authority to acquire property rights, including but not limited to: use of other local funds, exactions, increased setback requirements, or other planning and zoning tools.
2) Initial approach to property owner and obtaining a certified property appraisal.
3) Securing of a Willing Seller Certification document.

Part 1: Use of Other Resources

Discuss with MAG staff the efforts to obtain the property by planning and zoning powers, development incentive, donation, or other means prior to applying for these funds. Document these efforts. MAG will convene a staff review of the application and documentation, flag any concerns or questions, and may request meetings with the applicant in order to resolve such, or to better understand the nature of the situation. Staff review should include CP/ROW, RTP, and Finance staff members.

Part 2: Initial Approach to Property Owner

Contact MAG staff prior to any discussions with the property owner of purchase price or commitments to purchase, and for any questions.

DO NOT tender any offer to purchase the property interest at this time.

If the property owner agrees to consider selling, the applicant orders a property appraisal from a certified appraiser that is acceptable to both parties. For properties intended for future use by UDOT, the appraiser should be listed on the current UDOT Consultant Services Right of Way Services and Local Government Pool. Copy and paste the following link into your browser:

https://docs.google.com/spreadsheets/d/1UURcMt7UvhIkYqADHdApr5KGxXTdeD93WLwRKu8FVl4/edit#gid=922750991

The costs of the appraisal can be reimbursed to the applicant if the funding request is approved.

Part 3: Application

1. Applicant (city, Utah County, UDOT): Springville City
2. Contact Information: Chris Wilson
3. Provide information about the properties to be acquired:
   a. Name of the current owner(s): David H & Cindy A Clements
   b. Address or location of the properties: Approximately 400 North and 2500 West
   c. Utah County parcel serial #: 21:096:0018, 21:096:0020, 2
   d. Type of real property interest to be acquired: (fee title, easement, etc.,) fee title
   e. Total acreage or square footage: 0.34 Acres (15,097.17 SF)
   f. Describe the efforts to obtain the property by planning and zoning powers, development incentive, donation, or other means prior to applying for these funds.
      No current intentions to develop property.
   g. Appraised value (Attach copy of appraisal report): $159,600
   h. Total estimated costs of acquisition, including appraisal and appraisal review, acquisition agent fee, closing costs, and any other associated fees: $3,900
   i. Total funds applying for - these should be no more than the appraised value plus traditional costs of acquisition in (h) above: $163,500
4. Which Eligible Corridor is the project located within or adjacent to? (see Corridor Preservation – Eligible Corridors map): 2600 W, H
5. Anticipated year or RTP phase to begin project roadway construction: Phase 3, Needs
6. Is the project listed on the applicant's official master plan? Yes
7. Has the applicant begun or completed a relevant state or federal environmental study? No
   a. Study results: NA
   b. If not, is the applicant willing to conduct such a study? Yes
8. Will the roadway be a UDOT or a local government facility? Local

If the project will be a state facility and the applicant is a city or county, attach copies of:

Either

a. Applicant's transportation right of way acquisition policy or ordinance.
b. Applicant's access management policy relevant to the type of roadway to be constructed.

OR

c. The executed Cooperative Agreement between the applicant and the Utah Department of Transportation governing right of way acquisition performed by the applicant for UDOT.

NOTES – 1) It is highly recommended that any purchases for a state facility be negotiated and finalized by UDOT Right of Way Division. 2) After funds are awarded but prior to any offer of purchase, UDOT and Utah County must execute a repurchase agreement specific to the property.

9. **Attachments:**

c. One 8" x 11" map in PDF form clearly indicating the future roadway project extents and the location of the properties to be acquired, with detail showing parcel boundaries and anticipated right of way footprint (will be used in presentations to the TAC and the Board).
d. Copy of appraisal report.
e. Copy of executed Willing Seller Certification.

Submit the completed application and maps to by email to Calvin Clark - cclark@mountainland.org

VOLUNTARY ACQUISITION
Certification

Owner Name: Crandall Properties, LLC & Crandall Farms, Inc.

Utah County Parcel ID#: 21:097:0050 and 21:096:0021

Mountainland Association of Governments is interested in acquiring property at 400 South & 2600 West, 100 North & 2600 West, Springville UT (address) for the future _____ project.

Although Mountainland Association of Governments possesses eminent domain authority to acquire property, we are not pursuing this acquisition by eminent domain or other coercion, and you hereby certify that you are only selling this property to us voluntarily for the agreed upon amount.

In accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), owner-occupants who move as a result of a voluntary acquisition, are **not** eligible for relocation assistance. Property Owner understands and acknowledges that if they waited for the funded project, they would be eligible for relocation benefits pursuant to 49 CFR 24. By signing below, the Property Owner understands and acknowledges that they are not entitled to any relocation benefits for the voluntary purchase of the property in advance of a funded project and freely chooses to sell the property to Mountainland Association of Governments before the project is funded.

_____ 18 Nov 2024
Signature of Property Owner Date

_____ 3/10/2025
Purchasing Entity Representative Date

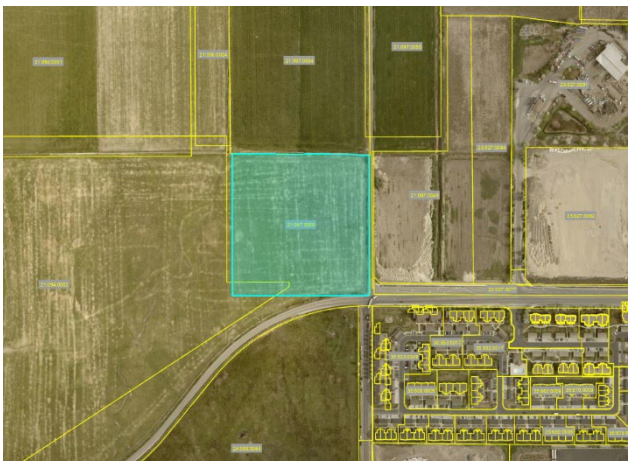
CRANDALL PROPERTIES LTD. LAND

2600 West 400 South
Springville, Utah 84663

APPRAISAL REPORT

Date of Report: March 10, 2025

Colliers File #: SLC250038



PREPARED FOR
Calvin Clark
Transportation Project Manager
Mountainlands Association of Governments (MAG)
586 East 800 North
Orem, UT 84097

PREPARED BY
COLLIERS INTERNATIONAL
VALUATION & ADVISORY SERVICES

LETTER OF TRANSMITTAL

COLLIERS INTERNATIONAL
VALUATION & ADVISORY SERVICES

6440 S. Millrock Dr. | Suite 500
Salt Lake City, UT 84121 USA
MAIN +1 385 249 5450
FAX +1 385 249 5451
WEB www.colliers.com/valuationadvisory

March 10, 2025

Calvin Clark
Transportation Project Manager
Mountainlands Association of Governments (MAG)
586 East 800 North
Orem, UT 84097

RE: Crandall Properties Ltd. Land
2600 West 400 South
Springville, Utah 84663

Colliers File #: SLC250038

Mr. Clark:

Pursuant with our engagement, the above captioned property was appraised utilizing best practice appraisal principles for this property type. This appraisal report satisfies the scope of work and requirements agreed upon by Mountainlands Association of Governments (MAG) and Colliers International Valuation & Advisory Services.

The date of this report is March 10, 2025. At the request of the client, this appraisal is presented in an Appraisal Report format as defined by *USPAP* Standards Rule 2-2(a). Our appraisal format provides a detailed description of the appraisal process, subject and market data and valuation analyses.

The purpose of this appraisal is to develop an opinion of the As-Is Fair Market Value of the subject property's fee simple estate, as well as the value of a potential fee acquisition, perpetual easement, and temporary construction easement. The intended use of this appraisal is to assist the client in providing funds to the landowner to preserve future road corridors. The effective date is February 12, 2025, which is the date of our inspection of the property.

Property Information
The larger parcel is a 10.27-acre site on the southwest corner of 2600 West and 400 South in Springville, Utah. The offsite improvements include an asphalt street. All municipal utilities are available in 400 South. On-site improvements consist of a wood post and wire fence that spans the perimeter of the larger parcel.

The property is in an area that has historically been used for agriculture. We do not have contact information for the property owners but based on the condition of the property and surrounding land uses, we assume the

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property has historically been used for agriculture. According to the map provided by the Utah Division of Water Rights, Water Right 51-5221 is located on the larger parcel.

The larger parcel is currently vacant and zoned A-1 (Agricultural). However, based on a conversation with the Springville City Planning Department, if the owners are willing to adopt the Westfield and Lakeside Overlay and develop the site in a way that is harmonious with the proposed Lakeside Village development, the larger parcel can be rezoned to residential and developed to a similar density as the surrounding Lakeside Village master plan.

Project Information

The larger parcel will be impacted by a project by Mountainlands Association of Governments and Springville City to extend 2600 West Street northward from 400 South where it will intersect with Center Street. The street will then continue northward, where it will eventually turn northeastward and connect with 2500 West at approximately 400 North near the subject. The project is currently in its preliminary planning phases, with limited surveying and engineering information. An exhibit provided in connection with this assignment indicates that 42,735 SF (0.98 acre) of the subject property will be taken in fee for a 59-foot-wide road right-of-way. A legal description of the fee taking was not provided, nor were we provided with site-specific maps with taking dimensions. It is an extraordinary assumption of this report that the provided size of the fee acquisition area is accurate.

Mountainlands Association of Governments is also considering a perpetual easement and a temporary construction easement in connection with the project. The exhibit provided in connection with this assignment indicates that these will each be five feet wide and to run along the border of the fee taking. The exhibit indicates the perpetual easement will be 3,376 SF and the temporary construction easement will be 3,345 SF. No legal descriptions were provided for the perpetual easement or temporary construction easement, nor were we provided with site-specific maps with easement dimensions. It is an extraordinary assumption of this report that the provided size of the perpetual easement and temporary construction easement are accurate and that the areas are sufficient in size, shape and utility for their intended use.

The subject property has the same highest and best use in the before and after condition. However, completion of the project will improve access to the site and will facilitate development of the area. The subject will receive these special benefits from the project in the after condition. According to Utah state law, special benefits can offset damages to the remainder, but cannot offset the part taken. As we conclude that the subject will suffer no severance damages as a result of the taking, an analysis of the special benefits is moot.

The following table conveys the final opinion of market value of the subject property that is developed within this appraisal report:

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VALUATION SUMMARY

	VALUE OPINIONS	VALUE OF PROPERTY RIGHTS
Value of the Larger Parcel	$3,691,556	
Fee Taking (inc. Site Imp.)	($352,564)	$352,564
Perpetual Easement	($8,356)	$8,356
Value of the Remainder as a Part of the Whole	$3,330,637	
Value of the Remainder in the After Condition	$3,330,637	
Severance Damages	$0	
Cost to Cure	$0	
Project Benefits	$0	
Net Severance Damages	$0	$0
Temporary Construction Easement (TCE)	$6,892	$6,892
TOTAL FAIR MARKET VALUE OF PROPOSED PROPERTY AND RIGHTS TAKEN (ROUNDED)		**$367,800**

The analyses, opinions and conclusions communicated within this appraisal report were developed based upon the requirements and guidelines of the current Uniform Standards of Professional Appraisal Practice (USPAP), the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.

The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter. *USPAP* defines an Extraordinary Assumption as, “an assignment specific-assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions”. *USPAP* defines a Hypothetical Condition as, “that which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis”.

The Extraordinary Assumptions and/or Hypothetical Conditions that were made during the appraisal process to arrive at our opinion of value are fully discussed below. We advise the client to consider these issues carefully given the intended use of this appraisal, as their use might have affected the assignment results.

EXTRAORDINARY ASSUMPTIONS

- This analysis makes the assumption that the subject can be rezoned to a residential zone and be developed to a similar density as the surrounding Lakeside Village master plan.
- This appraisal is based on the extraordinary assumption that the provided size of the fee acquisition area is accurate despite the absence of a legal description.
- It is also based on the extraordinary assumption that provided size of the perpetual easement and temporary construction easement is accurate. No legal descriptions were provided for the fee taking, perpetual easement or temporary construction easement, nor were we provided with site-specific maps with easement dimensions. If these assumptions prove to be inaccurate, the opinions of value stated herein may require revision.
- We also assume that the locations of the perpetual and construction easements are as described later in this report. If this assumption proves to be inaccurate, the opinions of value stated herein may require revision.
- According to the map provided by the Utah Division of Water Rights, Water Right 51-5221 is located on the larger parcel. We assume that the project will not impact this water right and have no evaluated this right in our report.

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HYPOTHETICAL CONDITIONS

- This Appraisal Report is not contingent on any hypothetical conditions.

RELIANCE LANGUAGE

The Appraisal is for the sole use of the Client; however, Client may provide only complete, final copies of the Appraisal report in its entirety (but not component parts) to third parties who shall review such reports in connection with loan underwriting or securitization efforts. Colliers International Valuation & Advisory Services is not required to explain or testify as to appraisal results other than to respond to the Client for routine and customary questions. Please note that our consent to allow the Appraisal prepared by Colliers International Valuation & Advisory Services or portions of such Appraisal, to become part of or be referenced in any public offering, the granting of such consent will be at our sole and absolute discretion and, if given, will be on condition that Colliers International Valuation & Advisory Services will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to Colliers International Valuation & Advisory Services, by a party satisfactory to Colliers International Valuation & Advisory Services. Colliers International Valuation & Advisory Services does consent to your submission of the reports to rating agencies, loan participants or your auditors in its entirety (but not component parts) without the need to provide Colliers International Valuation & Advisory Services with an Indemnification Agreement and/or Non-Reliance letter.

Colliers International Valuation & Advisory Services hereby expressly grants to Client the right to copy the Appraisal and distribute it to other parties in the transaction for which the Appraisal has been prepared, including employees of Client, other lenders in the transaction, and the borrower, if any.

Our opinion of value reflects current conditions and the likely actions of market participants as of the date of value. It is based on the available information gathered and provided to us, as presented in this report, and does not predict future performance. Changing market or property conditions can and likely will have an effect on the subject's value.

The signatures below indicate our assurance to the client that the development process and extent of analysis for this assignment adhere to the scope requirements and intended use of the appraisal. If you have any specific questions or concerns regarding the attached appraisal report, or if Colliers International Valuation & Advisory Services can be of additional assistance, please contact the individuals listed below.

Sincerely,

COLLIERS INTERNATIONAL
VALUATION & ADVISORY SERVICES



Chelsey Jorgensen, MAI
Senior Valuation Specialist
Certified Residential Real Estate Appraiser
State of Utah License #9877947-CG00
+1 385 249 5448
chelsey.jorgensen@colliers.com



Kelly Tate, MAI
Senior Valuation Services Director
Certified General Real Estate Appraiser
State of Utah License #8384882-CG00
+1 385 249 5444
kelly.tate@colliers.com

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LETTER OF TRANSMITTAL

INTRODUCTION 1
- Executive Summary 1
- Aerial Photograph 2
- Subject Property Photographs 3
- Identification of Appraisal Assignment 5
- Scope of Work 9

DESCRIPTIONS & EXHIBITS 11
- Regional Map 11
- Regional Analysis 12
- Local Area Map 19
- Local Area Analysis 20
  - Zoning Map 32
  - Flood Map 33
- Assessment & Taxation 34
- Zoning Analysis 35
- Market Analysis 36
- Highest & Best Use 46

VALUATION 51
- Valuation Methods 51
- Land Valuation 52
  - Land Sales Summation Table 53
  - Land Sales Location Map 54
  - Land Sales Data Sheets 55
  - Calculation of Land Value 63

AFTER CONDITION ANALYSIS 65
- Introduction 65
- Value of Parts Taken 65
- Value of Remainder Part of the Whole 67
- Severance Damages 67
- Project Benefits 68
- Value of the Remainder in the After Condition 67
- Temporary Construction Easements 68
- Valuation Summary 69

CERTIFICATION

ASSUMPTIONS & LIMITING CONDITIONS

ADDENDA

- Engagement Letter
- Professional Service Agreement
- Valuation Glossary
- Qualifications of Appraisers
- Qualifications of Colliers International Valuation & Advisory Services

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GENERAL INFORMATION

Property Name	Crandall Properties Ltd. Land
Property Type	Land - Residential (Single-family) Land
Address	2600 West 400 South
City	Springville
State	Utah
Zip Code	84663
County	Utah
Core Based Statistical Area (CBSA)	Provo-Orem, UT
Market	Utah County
Submarket	Springville City
Latitude	40.162290
Longitude	-111.658150
Number Of Parcels	1
Assessor Parcel	21-097-0050
Total Taxable Value	$2,413
Census Tract Number	105.03

LARGER PARCEL INFORMATION

Land Area - Larger Parcel	**Acres**	**Square Feet**
Usable	10.27	447,461
Unusable	0.00	0
Excess	0.00	0
Surplus	0.00	0
Total	**10.27**	**447,461**

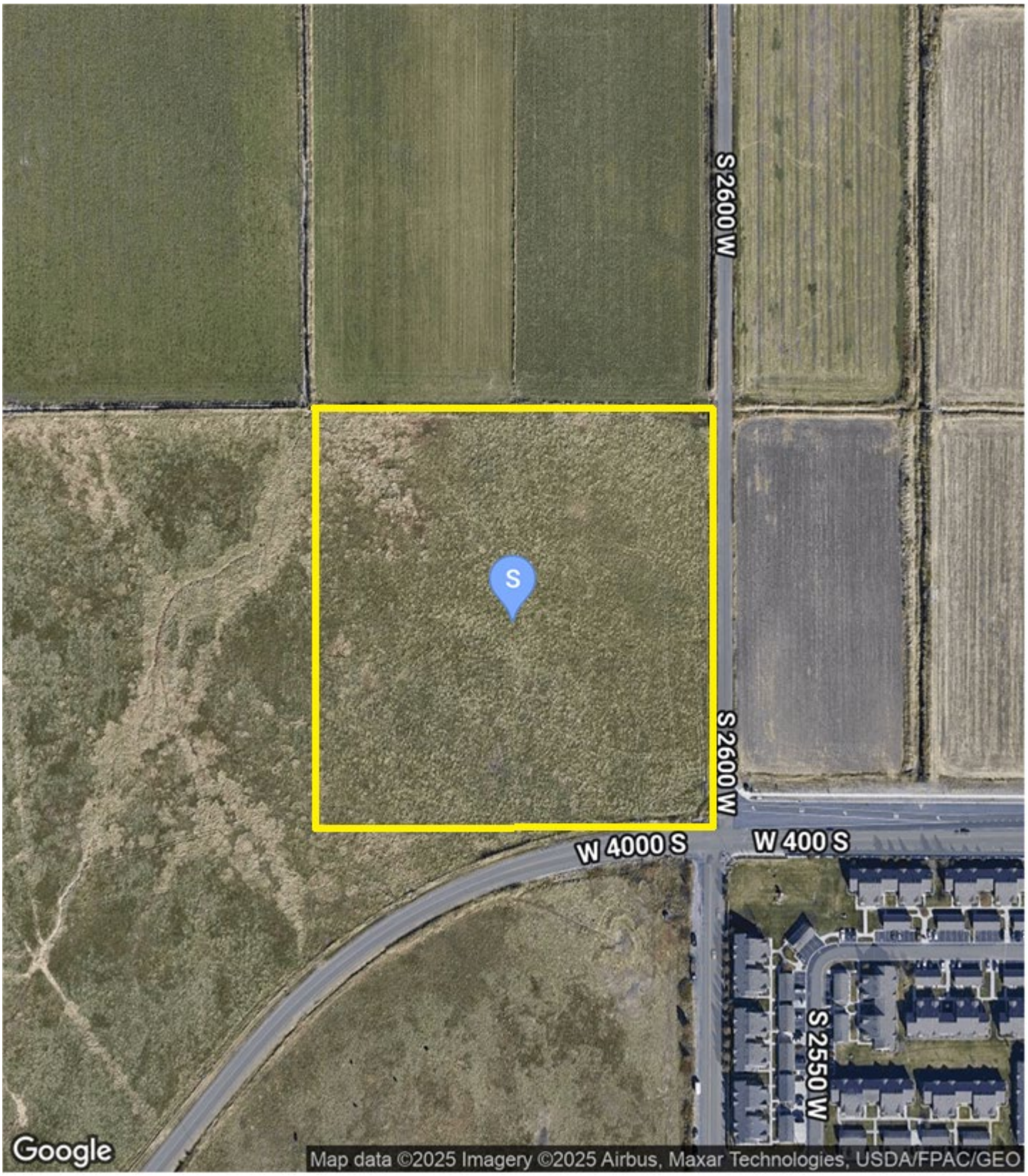
Land Area - The Parts Taken	**Acres**	**Square Feet**
Fee Taking	0.52	22,794
Perpetual Easement	0.08	3,376
Temporary Construction Easement	0.08	3,345

Topography	Level at street grade
Shape	Rectangular
Access	Average
View	Average
Current Zoning	Agricultural Zone (A-1)
Flood Zone	Zone X (Unshaded)
Seismic Zone	Very High Risk

VALUATION SUMMARY

	VALUE OPINIONS	VALUE OF PROPERTY RIGHTS
Value of the Larger Parcel	$3,691,556	
Fee Taking (inc. Site Imp.)	($352,564)	$352,564
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SUBJECT SITE VIEWING SOUTHWEST



SUBJECT SITE VIEWING SOUTHEAST



SUBJECT SITE VIEWING NORTHWEST



SUBJECT SITE VIEWING NORTHEAST



2600 WEST VIEWING NORTH



2600 WEST VIEWING SOUTH

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400 SOUTH VIEWING EAST
AT SUBJECT'S SW CORNER



400 SOUTH VIEWING EAST
AT SUBJECT'S SE CORNER



400 SOUTH VIEWING WEST

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PROPERTY IDENTIFICATION

The larger parcel is a 10.27-acre site at 2600 West 400 South in Springville, Utah County, Utah. The assessor's parcel number is: 21-097-0050. It is accessed from 2600 West and 400 South. The offsite improvements include an asphalt street. On-site improvements consist of a wood post and wire fence that spans the perimeter of the larger parcel.

The property is in an area that has historically been used for agriculture. We do not have contact information for the property owners, but based on the condition of the property and surrounding land uses, we assume the property has historically been used for agriculture. According to the map provided by the Utah Division of Water Rights, Water Right 51-5221 is located on the larger parcel.

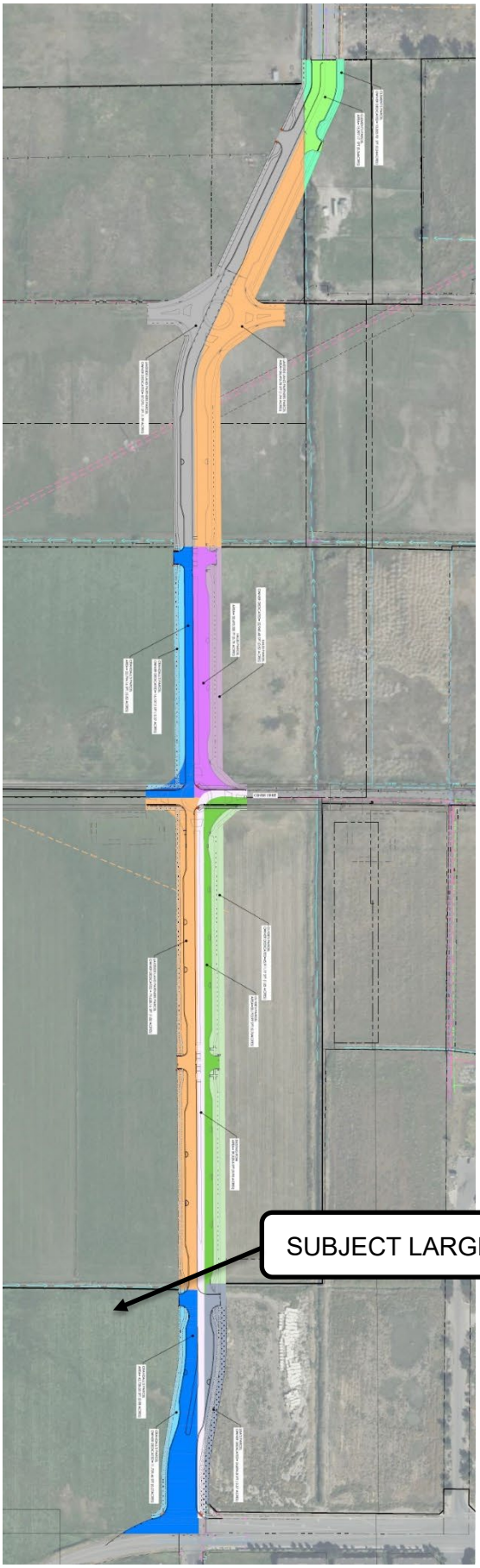
The larger parcel is currently vacant and zoned A-1 (Agricultural). However, based on a conversation with the Springville City Planning Department, if the owners are willing to adopt the Westfield and Lakeside Overlay and develop the site in a way that is harmonious with the proposed Lakeside Village development, the subject can be rezoned to residential and developed to a similar density as the surrounding Lakeside Village master plan. The legal description of the subject property is as follows: COM N 1581.34 FT & W 498.29 FT FR SE COR. SEC. 36, T7S, R2E, SLB&M.; S 673.86 FT; W 659.99 FT; N 681.45 FT; S 89 DEG 17' 38" E 80 FT; S 89 DEG 30' 22" E 227.49 FT; N 89 DEG 42' 1" E 94.93 FT; S 88 DEG 51' 24" E 257.64 FT TO BEG. AREA 10.272 AC.

PROJECT DESCRIPTION

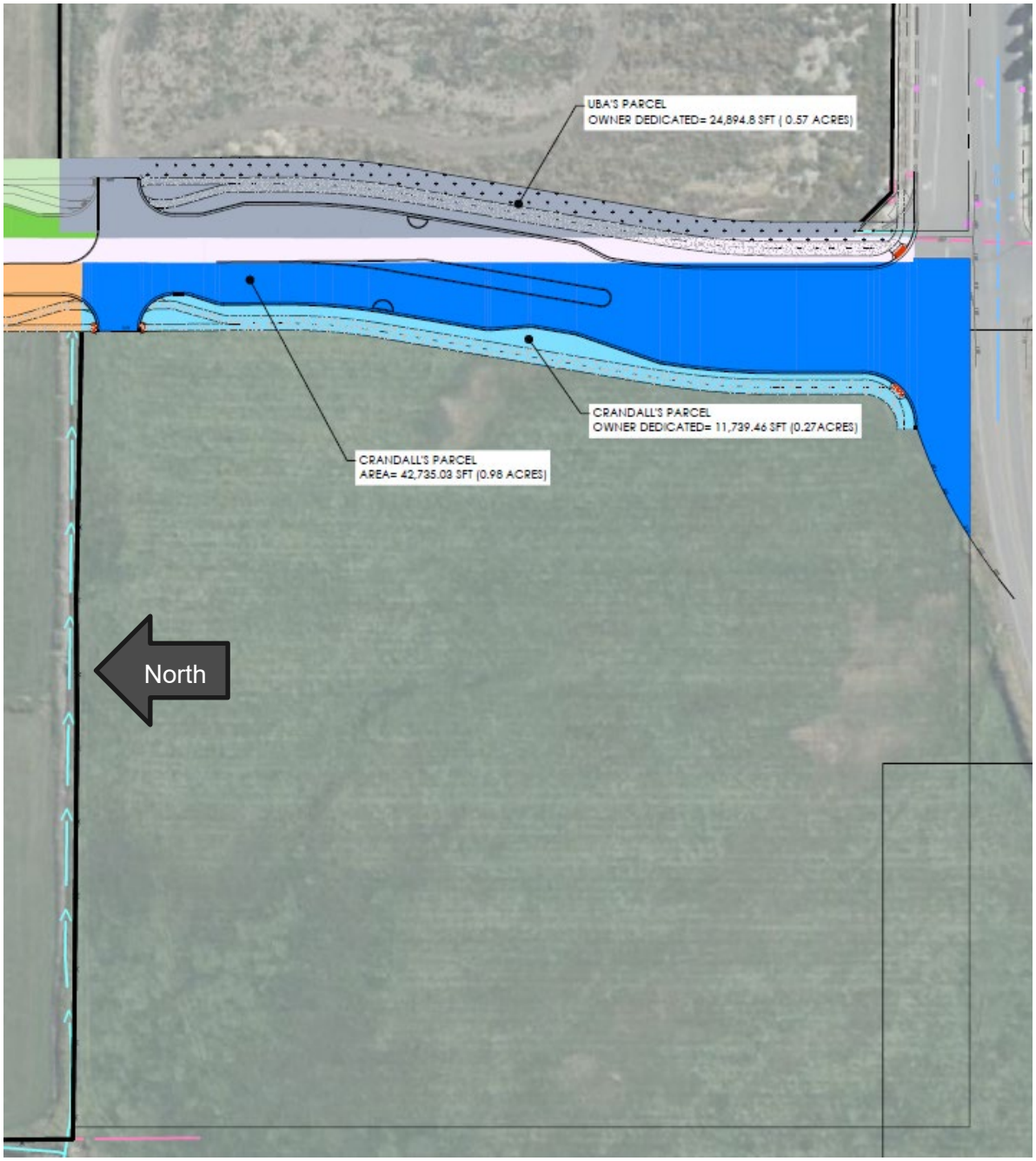
The Mountainlands Association of Governments' 2600 West ROW project will extend 2600 West northward where it will intersect with Center Street and then continue north where it will eventually turn northeastward and connect with 2500 West at approximately 400 North. The four-lane road will provide access to an area that is in the planning process for residential and commercial development. Mountainlands Association of Governments is providing partial funding for the project. Construction is anticipated to begin by June 2025.

The exhibit below was provided by the client in connection with this assignment. The dark-blue shaded area is the area of the fee taking. The light-blue shaded area is to be dedicated by the owner in the future if and when development of the site should occur; the light-blue shaded area is not relevant to this assignment.

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CLIENT IDENTIFICATION

The client of this specific assignment is Mountainlands Association of Governments (MAG).

PURPOSE

The purpose of this appraisal is to develop an opinion of the Fair Market Value of the larger parcel's fee simple interest, as well as the value of a fee taking, perpetual easement and temporary construction easement.

INTENDED USE

The intended use of this appraisal is to assist the client to provide funds to the landowner to preserve future road corridors.

INTENDED USERS

Intended users of this report include Mountainlands Association of Governments (MAG) and Springville City. Use of this report by third parties and other unintended users is not permitted. This report must be used in its entirety.

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Reliance on any portion of the report independent of others, may lead the reader to erroneous conclusions regarding the property values. Unless approval is provided by the authors no portion of the report stands alone.

ASSIGNMENT DATES

Date of Report	March 10, 2025
Date of Inspection	February 12, 2025
Valuation Date - As-Is	February 12, 2025

PERSONAL INTANGIBLE PROPERTY

No personal property or intangible items are included in this valuation.

PROPERTY AND SALES HISTORY

Current Owner
The subject title is currently in the name of Crandall Properties LTD

Three-Year Sales History
Research of the applicable public records and private data services revealed that the subject property has not transferred during the past three years of the effective date of value stated in this report.

Subject Sale Status
Research of the applicable public records, private data services and an interview of the current owner and/or broker revealed that the subject property is not under a current agreement of sale or option and is not currently offered for sale on the open market.

DEFINITIONS

This section summarizes the definitions of value, property rights appraised, and value scenarios that are applicable for this appraisal assignment. All other applicable definitions for this assignment are located in the Valuation Glossary section of the Addenda.

DEFINITIONS OF VALUE

Given the scope and intended use of this assignment, the following definition of value is applicable:

Fair Market Value
The definition of fair market value, as used in this report, is "…the amount at which a property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the relevant facts."[1]

PROPERTY RIGHTS APPRAISED

The property rights appraised constitute the fee simple interest.

Fee Simple Estate
Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.[2]

VALUE SCENARIOS

As-Is Value
The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.[3]

[1] Utah Code, Title 59-2-102(12)
[2] The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022
[3] The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022

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INTRODUCTION

The appraisal development and reporting processes requires gathering and analyzing information about those assignment elements necessary to properly identify the appraisal problem to be solved. The scope of work decision must include the research and analyses that are necessary to develop credible assignment results given the intended use of the appraisal. Sufficient information includes disclosure of research and analyses performed and might also include disclosure of research and analyses not performed. The scope of work for this appraisal assignment is outlined below:

- The appraisers analyzed the regional and local area economic profiles including employment, population, household income, and real estate trends. The local area was further studied to assess the general quality and condition, and emerging development trends for the real estate market. The immediate market area was inspected and examined to consider external influences on the subject.
- The appraisers confirmed and analyzed legal and physical features of the subject property including sizes of the site, flood plain data, seismic zone, zoning, easements and encumbrances, access and exposure of the site.
- The appraisers completed a land market analysis that included market and sub-market overviews. The Utah County market and Springville City sub-market overviews analyzed supply/demand conditions using vacancy, absorption, supply change and rent change statistics. Conclusions were drawn regarding the subject property's competitive position given its physical and locational characteristics, the prevailing economic conditions and external influences.
- The appraisers conducted Highest and Best Use analysis and conclusions were drawn for the highest and best use of the subject property As-Vacant. The analysis considered legal, locational, physical and financial feasibility characteristics of the subject site.
- The appraisers confirmed and analyzed financial features of the subject property including potential entitlement issues, and tax and assessment records. This information as well as trends established by confirmed market indicators was used to forecast performance of the subject property.
- Selection of the valuation methods was based on the identifications required in USPAP relating to the intended use, intended users, definition and date of value, relevant property characteristics and assignment conditions. This appraisal developed the Sales Comparison Approach to value, which was adjusted and reconciled as appropriate. The appraisal develops an opinion of the As-Is Market Value of the subject property's fee simple interest.
- Reporting of this appraisal is in an Appraisal Report format as required in USPAP Standard 2. The appraiser's analysis and conclusions are fully described within this document.
- We understand the Competency Rule of USPAP and the authors of this report meet the standards.
- Jake Jorgensen (Utah State Certified Residential Appraiser No 7338339-CR00) provided significant real property appraisal assistance to the appraisers signing the certification.

SOURCES OF INFORMATION

The following sources were contacted to obtain relevant information:

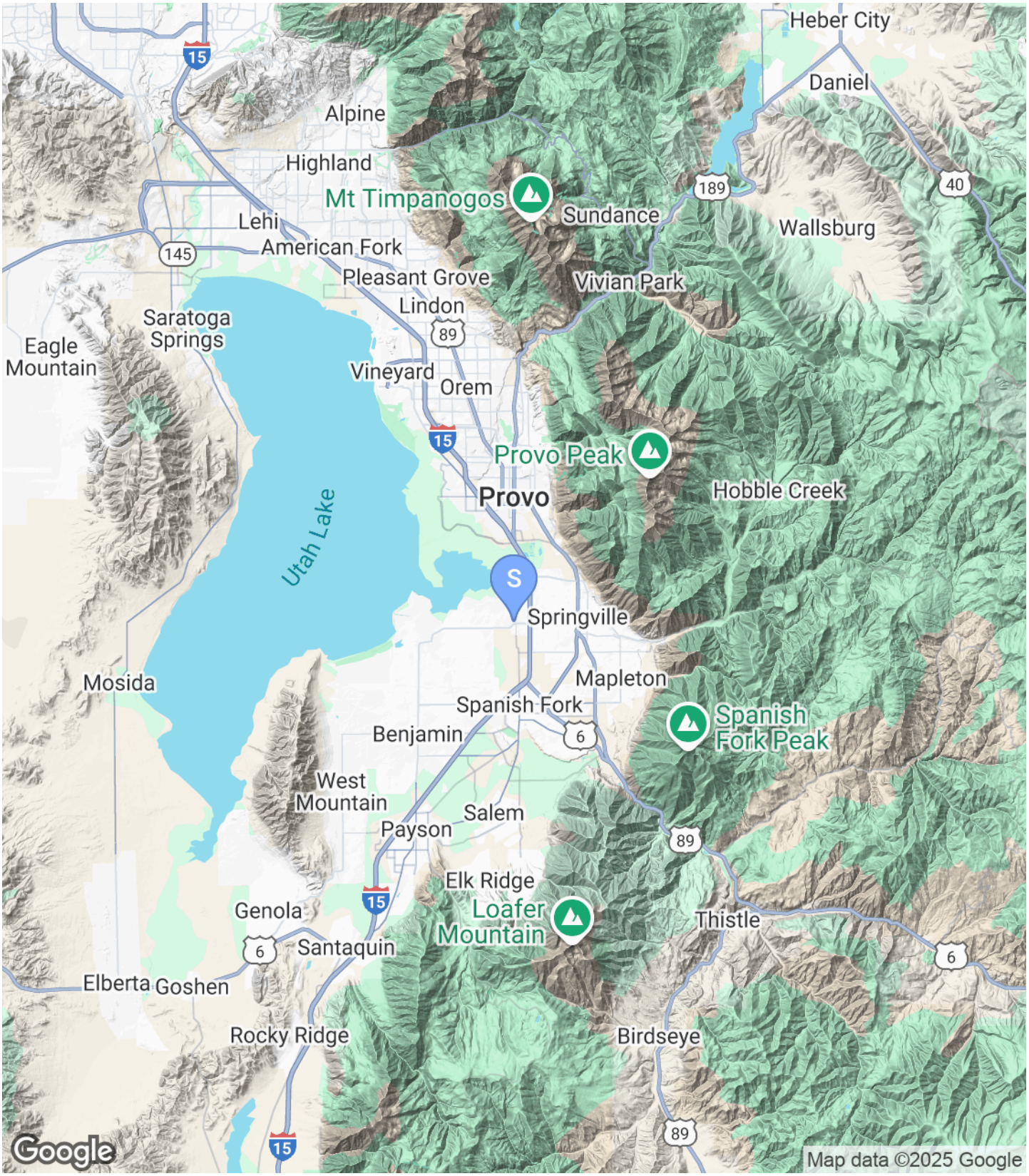
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SOURCES OF INFORMATION	
ITEM	**SOURCE**
Tax Information	Utah County Tax Assessor
Zoning Information	City of Springville Zoning Code
Site Size Information	Utah County Tax Assessor
Flood Map	InterFlood
Demographics	Pitney Bowes/Gadberry Group - GroundView®
Comparable Information	See Comparable Datasheets for details
Legal Description	Grant Deed from RealQuest

SUBJECT PROPERTY INSPECTION

SUBJECT PROPERTY INSPECTION			
APPRAISER	**INSPECTED**	**EXTENT**	**DATE OF INSPECTION**
Chelsey Jorgensen, MAI	Yes	Site Only	February 27, 2025
Kelly Tate, MAI	No	-	-
Jake Jorgensen	Yes	Site Only	February 12, 2025

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Heber City
Daniel
Alpine
Highland
Mt Timpanogos
Sundance
Wallsburg
Lehi
American Fork
Pleasant Grove
Vivian Park
Lindon
Saratoga Springs
Eagle Mountain
Vineyard
Orem
Provo Peak
Provo
Hobble Creek
Utah Lake
Springville
Mosida
Mapleton
Spanish Fork
Spanish Fork Peak
Benjamin
West Mountain
Salem
Payson
Elk Ridge
Loafer Mountain
Genola
Thistle
Santaquin
Elberta
Goshen
Rocky Ridge
Birdseye
Google
Map data ©2025 Google

INTRODUCTION



The Provo-Orem Metropolitan Statistical Area is comprised of Utah and Juab Counties. Seven counties as well as the State of Nevada border the Provo-Orem MSA. The MSA is located in north central Utah and is anchored by the cities of Provo and Orem.

The geography of the Provo-Orem MSA includes arid desert, lakes, and high-mountain peaks. Elevations within the area range from around 4,300 feet at the valley floor to nearly 12,000 feet above sea level in the Wasatch Mountains. Orem and Provo are located in the northern portion of Utah County at the base of the Wasatch Mountains on the east.

The Utah Lake, which is located to the west of the cities of Provo and Orem in Utah County, is the largest fresh-water lake in the state. The lake drains via the Jordan River at its north end into the Great Salt Lake. The Jordan River is a 60-mile-long river that receives the water of many streams flowing down from the Wasatch Range.

The majority of the population of Utah County lies in cities found along Interstate 15 which runs north-to-south just west of Orem and Provo and other smaller communities. This freeway provides access to Arizona to the south and Idaho to the north. The Salt Lake City International Airport is the nearest large airport; however, the Provo Municipal Airport, located in Provo, is used extensively for private flight training and is home to the Utah Valley University flight school. The city of Nephi, in Juab County, also has a municipal airport.



Provo and Orem's mass transit service is operated by the Utah Transit Authority (UTA) and includes a bus system, which connects commuters to local services as well as the greater Salt Lake City region. UTA's commuter rail service, FrontRunner, was extended to Provo from Salt Lake City in 2012. Amtrak, a national passenger rail system, provides service to Provo station, operating its California Zephyr daily in both directions between Chicago, Illinois and Emeryville, California. Provo is also serviced by Greyhound Bus Lines.

Provo is the economic and demographic center of the Provo-Orem MSA and the third-largest city in Utah according to the 2008 U.S. Census Bureau. Provo is the county seat of Utah County. It was first settled in 1849 by 33 Mormon families from Salt Lake City. The residents of Provo are predominantly (88.0%) members of The Church of Jesus Christ of Latter-day Saints. The large population of students that attend Brigham Young University and Utah Valley University make Provo and Orem "college towns". Provo is also home to The Church of Jesus Christ of Latter-days Saints' largest Missionary Training Center. Each week some 475 missionaries enter for 2 to 12 weeks of training before they depart for the mission field. Orem, the sixth-largest city in the state, is adjacent to the north of Provo City and is located approximately 45 miles south of Salt Lake City. Orem was incorporated in 1919 and is home to Utah Valley University.

Today the area's major industries are government, trade, transportation, utilities, and professional and business services. Provo is home to international companies including Nature's Sunshine Products, Novell, and Nu Skin Enterprises.

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DEMOGRAPHIC ANALYSIS

The following is a demographic study of the region sourced by *Esri ArcGIS®*, an online resource center that provides information used to analyze and compare the past, present, and future trends of geographical areas. Demographic changes are often highly correlated to changes in the underlying economic climate. Periods of economic uncertainty necessarily make demographic projections somewhat less reliable than projections in more stable periods. These projections are used as a starting point, but we also consider current and localized market knowledge in interpreting them within this analysis. Please note that our demographics provider sets forth income projections in constant dollars which, by definition, reflect projections after adjustment for inflation. We are aware of other prominent demographic data providers that project income in current dollars, which do not account for inflation. A simple comparison of projections for a similar market area made under the constant and current dollar methodologies can and likely will produce data points that vary, in some cases, widely. Further, all forecasts, regardless of demographer methodology(ies), are subjective in the sense that the reliability of the forecast is subject to modeling and definitional assumptions and procedures.

Population

According to Esri ArcGIS®, a Geographic Information System (GIS) Company, the Provo-Orem-Lehi metropolitan area had a 2024 population of 749,524 and experienced an annual growth rate of 2.7%, which was higher than the Utah annual growth rate of 1.6%. The metropolitan area accounted for 21.4% of the total Utah population (3,506,694). Within the metropolitan area the population density was 138.9 people per square mile compared to the lower Utah population density of 42.5 people per square mile and the lower United States population density of 95.8 people per square mile.

POPULATION

YEAR	US	UT	CBSA
2020 Population	331,839,624	3,284,843	674,930
2024 Population	338,440,954	3,506,694	749,524
2029 Population	344,873,411	3,719,346	823,415
2020-2024 CAGR	0.5%	1.6%	2.7%
2024-2029 CAGR	0.4%	1.2%	1.9%

Source: Esri ArcGIS®

POPULATION DENSITY

YEAR	US	UT	CBSA
2024 Per Square Mile	95.8	42.5	138.9
2029 Per Square Mile	97.6	45.0	152.6

Source: Esri ArcGIS®

The 2024 median age for the metropolitan area was 27.4, which was 43.9% younger than the United States median age of 39.3 for 2024. The median age in the metropolitan area is anticipated to grow by 0.86% annually, increasing the median age to 28.6 by 2029.

MEDIAN AGE

YEAR	US	UT	CBSA
2024	39.3	32.2	27.4
2029	40.4	33.4	28.6
2024-2029 CAGR	0.55%	0.73%	0.86%

Source: Esri ArcGIS®

Education

The Provo-Orem MSA has two universities, Brigham Young University and Utah Valley University. Brigham Young University (BYU) is a private research institution located in Provo, owned and operated by the Church of Jesus

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Christ of Latter-day Saints. BYU has an endowment of $1.47 million and an annual enrollment of 33,363 students. The university's primary focus is on undergraduate education, but also offers masters and doctoral degree programs. Utah Valley University (UVU) is a publicly funded university located in Orem. With an annual enrollment of over 34,000 students, UVU is the largest public university in the state. The university currently offers bachelor and associate degrees and more than 20 certificate programs and high-demand degrees in education and nursing.

Household Trends

The 2024 Households number of households in the metropolitan area was 213,725. The number of households in the metropolitan area is projected to grow by 2.4% annually, increasing the number of households to 240,483 by 2029 Households. The 2024 average household size for the metropolitan area was 3.43, which was 35.57% larger than the United States average household size of 2.53 for 2024. The average household size in the metropolitan area is anticipated to retract by 0.41% annually, reducing the average household size to 3.36 by 2029.

NUMBER OF HOUSEHOLDS

YEAR	US	UT	CBSA
2024 Households	130,716,571	1,147,946	213,725
2029 Households	134,930,577	1,240,486	240,483
2024-2029 CAGR	0.6%	1.6%	2.4%

Source: Esri ArcGIS®

AVERAGE HOUSEHOLD SIZE

YEAR	US	UT	CBSA
2024	2.53	3.01	3.43
2029	2.50	2.96	3.36
2024-2029 CAGR	(0.24%)	(0.33%)	(0.41%)

Source: Esri ArcGIS®

The Provo-Orem-Lehi metropolitan area had 28.58% renter occupied units, compared to the higher 29.18% in Utah and the higher 35.64% in the United States.

HOUSING UNITS

	US	UT	CBSA
Ow ner Occupied	64.36%	70.82%	71.42%
Renter Occupied	35.64%	29.18%	28.58%

Source: Esri ArcGIS®

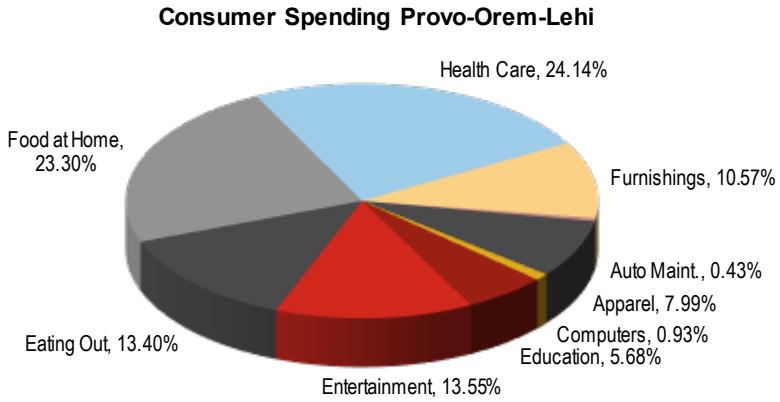
The 2024 median household income for the metropolitan area was $102,425, which was 29.54% higher than the United States median household income of $79,068. The median household income for the metropolitan area is projected to grow by 2.66% annually, increasing the median household income to $116,814 by 2029.

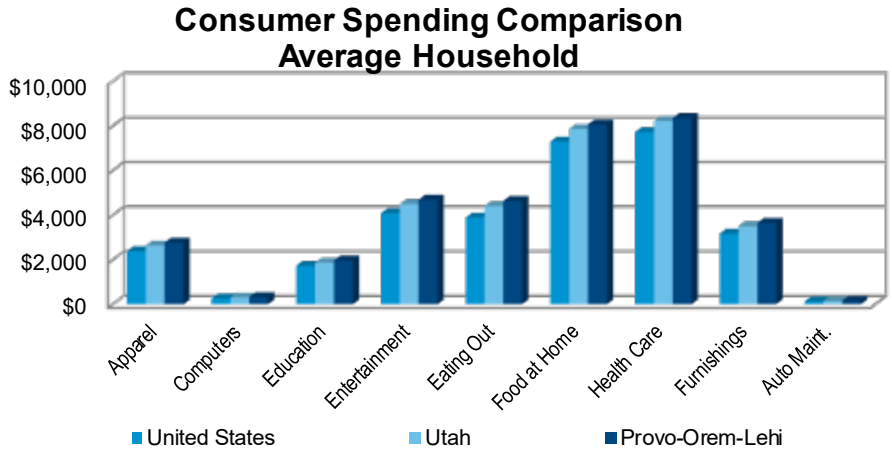
As is often the case when the median household income levels are higher than the national average, the cost of living index is also higher. According to the American Chamber of Commerce Researchers Association (ACCRA) Cost of Living Index, the MSA's cost of living is 103.4 compared to the national average score of 100. The ACCRA Cost of Living Index compares groceries, housing, utilities, transportation, health care and miscellaneous goods and services for over 300 urban areas.

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MEDIAN HOUSEHOLD INCOME			
YEAR	US	UT	CBSA
2024	$79,068	$95,801	$102,425
2029	$91,442	$110,702	$116,814
2024-2029 CAGR	2.95%	2.93%	2.66%

Source: Esri ArcGIS®





EMPLOYMENT

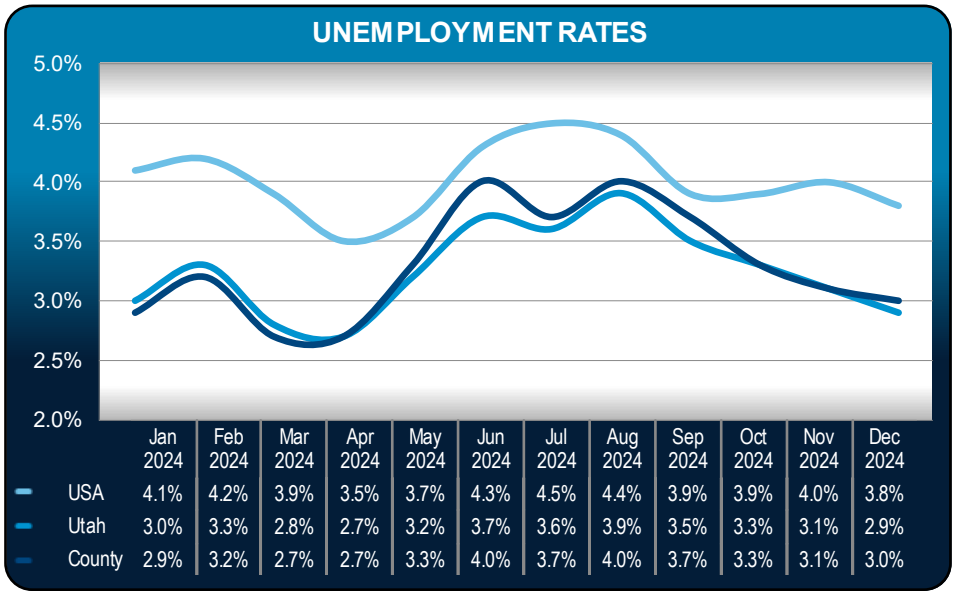
Total employment has increased annually over the past decade in the state of Utah by 2.8% and increased annually by 3.9% in the county. From 2022 to 2023 unemployment increased in Utah by 0.2% and increased by 0.4% in the county. In the state of Utah unemployment has decreased over the previous month by 0.2% and decreased by 0.1% in the county.

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EMPLOYMENT & UNEMPLOYMENT STATISTICS 2014 - 2023

	TOTAL EMPLOYMENT				UNEMPLOYMENT RATE		
	Utah		Utah County, UT		United States*	Utah	Utah County, UT
Year	Total	% Δ Yr Ago	Total	% Δ Yr Ago			
2014	1,364,353	2.8%	244,673	3.8%	6.2%	3.6%	3.3%
2015	1,401,945	2.8%	256,260	4.7%	5.3%	3.5%	3.2%
2016	1,449,981	3.4%	269,619	5.2%	4.9%	3.3%	3.0%
2017	1,505,413	3.8%	283,780	5.3%	4.4%	3.1%	2.8%
2018	1,538,295	2.2%	293,798	3.5%	3.9%	2.9%	2.7%
2019	1,577,970	2.6%	302,821	3.1%	3.7%	2.5%	2.3%
2020	1,564,747	(0.8%)	304,982	0.7%	8.1%	4.8%	3.9%
2021	1,636,957	4.6%	323,973	6.2%	5.3%	2.8%	2.4%
2022	1,696,513	3.6%	337,405	4.1%	3.6%	2.4%	2.2%
2023	1,743,223	2.8%	344,042	2.0%	3.6%	2.6%	2.6%
CAGR	**2.8%**	**-**	**3.9%**	**-**	**-**	**-**	**-**

Source: U.S. Bureau of Labor Statistics *Unadjusted Non-Seasonal Rate



TOP EMPLOYERS		
EMPLOYER NAME	EMPLOYEES	INDUSTRY
Brigham Young University	15,000-19,999	University
Alpine School District	7,000-9,999	Education
Utah Valley University	5,000-6,999	University
Utah Valley Regional Medical Center	5,000-6,999	Healthcare
Vivint	3,000-3,999	Technology
Nebo School District	3,000-3,999	Education
Wal-Mart	2,000-2,999	Retail
State of Utah	2,000-2,999	State Government
RBD Acquisition	2,000-2,999	Services to Buildings
Young Living Essential Oils	2,000-2,999	Direct Selling
Vivint Solar	1,000-1,999	Solar Energy
Provo School District	1,000-1,999	Education
Nexeo Staffing	1,000-1,999	Employment Services
Doterra International	1,000-1,999	Direct Selling
IM Flash Technologies	1,000-1,999	Technology
Entrata	1,000-1,999	Data Processing & Hosting
Adobe Systems	1,000-1,999	Technology
Nu Skin	1,000-1,999	Health Products
Smith's Food & Drug	1,000-1,999	Grocery Store
Sundance Resort	1,000-1,999	Hospitality

Source: Utah Department of Workforce Services

The preceding chart depicts the top employers in Utah County. Principal employers in the region are spread throughout different sectors including education healthcare/social assistance, and professional/scientific/ technical services. Brigham Young University is the top employer. A private research university located in Provo, owned and operated by The Church of Jesus Christ of Latter-day Saints, BYU is the country's largest religious university and the third-largest private university. The third largest employer is Utah Valley University. With a total of 5,000-6,999 employees, Utah Valley University is the largest institution of higher education in the state. The fourth largest employer is Utah Valley Regional Medical Center. The 395-bed not-for-profit hospital is part of the Intermountain Healthcare system and serves Utah County, central and southern Utah.

AIRPORT PORT STATISTICS

It is noted that the decrease in the number of enplaned passengers during 2020 and the resulting increase in 2021 is a result of COVID-19. The number of enplaned passengers reached a record high in 2023, nearly doubling from the prior year.

PROVO MUNICIPAL AIRPORT (PVU)		
YEAR	ENPLANED PASSENGERS	% CHG
2013	30,090	-
2014	62,011	106.1%
2015	65,303	5.3%
2016	78,451	20.1%
2017	91,581	16.7%
2018	80,106	(12.5%)
2019	110,279	37.7%
2020	77,217	(30.0%)
2021	118,740	53.8%
2022	211,741	78.3%
2023	415,197	96.1%

Source: U.S. Department of Transportation

Taxes

Property taxes are levied at the state and local level, based on assessed valuations established by elected county assessors and, in the case of certain properties, by the State Tax Commission's Property Tax Division. The amount of taxes paid is based on the tax rate applied against the taxable value of the property.

Tax rates are set by local entities (counties and towns, school districts, and special taxing districts) and approved by the Property Tax Division. Effective tax rates range from 0.86% to 2.2% in 2014.

State Income Tax is based on 5% of every dollar of income earned. Utah has sales and use tax for retail sales of tangible personal property and select services such as admissions to places of amusement, intrastate transportation service, hotel and motel accommodations, and certain other goods and services. Rates for sales and use tax within each municipality vary between 5.95% and 8.35% of purchase price. Additional local sales taxes for specific goods also exist.

The restaurant tax is an additional 1%. The motor vehicle rental tax of 2.5% is applied statewide with an additional tax of 3% in Duchesne, Grand, and Uintah counties and 7% in Davis, Morgan, Salt Lake, Sevier, Washington, and Weber counties.

Local taxes, in addition to sales taxes from room rates, vary from 3 to 4.5%. Municipal energy sales and use tax rates, when charged, varies from 1% to 6%. A general sales tax of up to 1.5% is applied in 12 resort communities.

The state of Utah taxes all corporations' net income, which has been determined by law to be allocable to the state. Utah has the three factors-sales, payroll and property-to equally apportion federal taxable income. The corporate franchise tax rate is 5% of net taxable income. Minimum tax for state banks and corporations is $100.

Employers must pay on the first $21,400 of wages paid to each employee during the calendar year. Unemployment tax rates vary from 0.1% to 8.1% of taxable payroll, depending on unemployment experience and type of industry.

Utah's free port law is among the most liberal inventory tax laws in the country. Goods used by retailers, wholesalers, or manufacturers for processing and sale in Utah are exempt from ad valorem taxes.

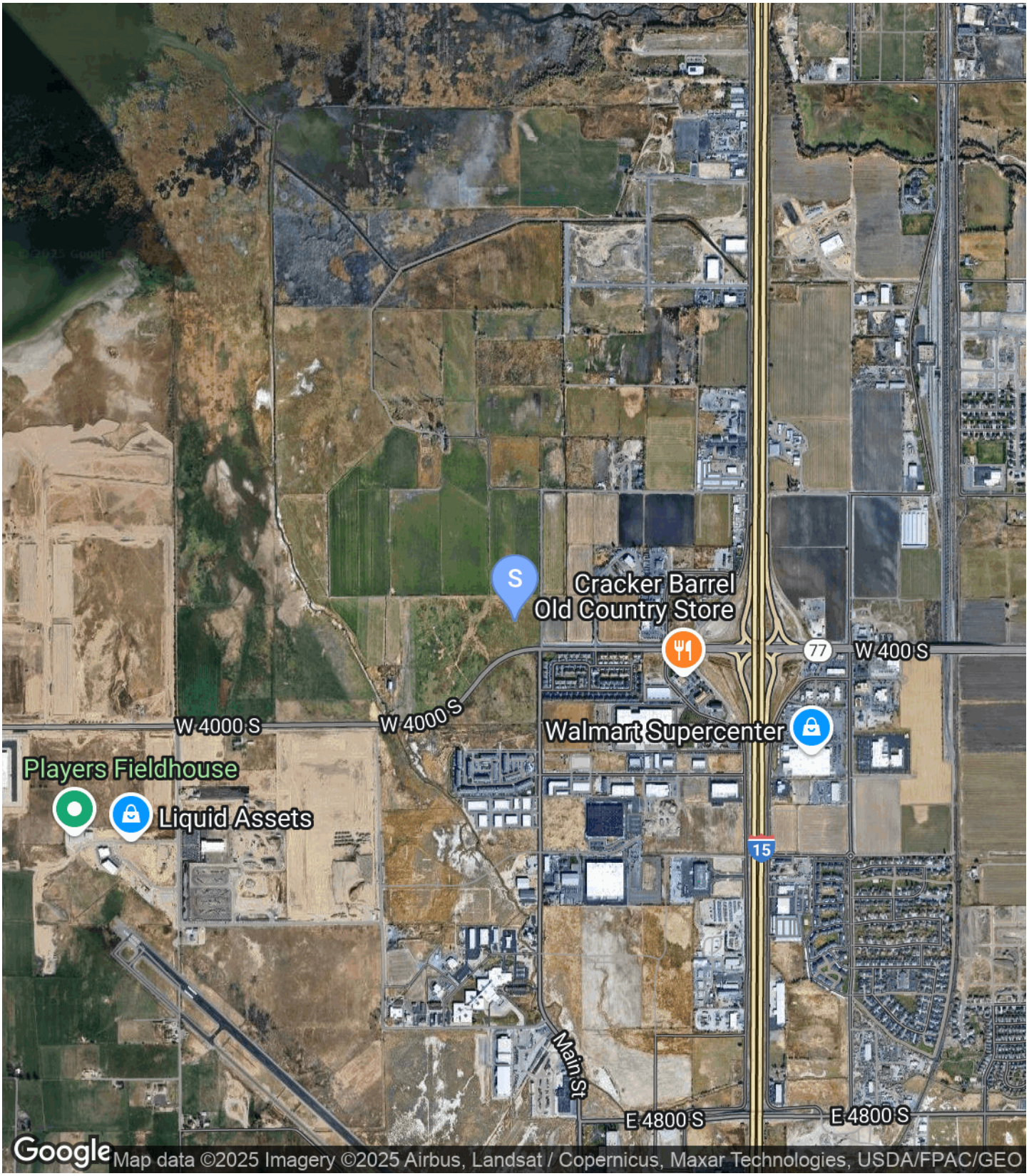
Salt Lake, a customs port city, offers a foreign trade zone. The service allows duties to be deferred or reduced.

Motor vehicles have a uniform fee in lieu of property tax based on the model year of the vehicle. The fee ranges from $10 to $150, depending on the age of the vehicle.

SUMMARY

The Provo-Orem Metropolitan Statistical Area benefits from a strong economy supported by education, healthcare, tourism, and recreational sectors. The county’s natural attractions are a competitive advantage for the region’s economy and will play a vital role in the future economic health and prosperity of the region. It is anticipated that the Provo-Orem MSA will continue to be a part of a growing regional economy, thus supporting positive trends for multi-family developments in the area. Economic growth across the Wasatch Front is projected to outpace the national average over the forecast horizon due to these factors.

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Cracker Barrel
Old Country Store
77
W 400 S
W 4000 S
W 4000 S
Walmart Supercenter
Players Fieldhouse
Liquid Assets
15
Main St
E 4800 S
E 4800 S
Google
Map data ©2025 Imagery ©2025 Airbus, Landsat / Copernicus, Maxar Technologies, USDA/FPAC/GEO

INTRODUCTION

In this section of the report, we provide details about the local area and describe the influences that bear on the real estate market as well as the subject property. A map of the local area is presented on the prior page. Below are insights into the local area based on fieldwork, interviews, demographic data and experience working in this market.

LOCAL AREA PROFILE

The subject property is located in Springville, Utah, within Utah County. Springville is located on the west side of the Wasatch Mountain Range, about 3 miles east of Utah Lake's shoreline and mostly east of Interstate 15. Its strategic location near a key interstate hub facilitates vehicular traffic transporting goods in all directions. Known as "Art City," Springville has a strong focus on the arts and is home to the Springville Museum of Art, Utah's oldest visual fine arts museum, established in 1937. As of the 2020 United States Census, the city's population was 35,268.

DEMOGRAPHIC PROFILE

Below is a demographic study of the area, sourced by *Esri ArcGIS*®, an on-line resource center that provides information used to analyze and compare the past, present, and future trends of properties and geographical areas. Please note that our demographics provider sets forth income projections in constant dollars which, by definition, reflect projections after adjustment for inflation. We are aware of other prominent demographic data providers that project income in current dollars, which do not account for inflation. A simple comparison of projections for a similar market area made under the constant and current dollar methodologies can and likely will produce data points that vary, in some cases, widely. Further, all forecasts, regardless of demographer methodology(ies), are subjective in the sense that the reliability of the forecast is subject to modeling and definitional assumptions and procedures.

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LOCAL AREA DEMOGRAPHICS							
DESCRIPTION	**1 MILE**	**3 MILES**	**5 MILES**	**DESCRIPTION**	**1 MILE**	**3 MILES**	**5 MILES**
POPULATION				**AVERAGE HOUSEHOLD INCOME**			
2010 Population	1,288	15,644	88,446	2024	$107,174	$100,177	$113,662
2020 Population	1,668	20,190	105,733	2029	$123,492	$119,844	$133,666
2024 Population	1,604	21,899	114,058	Change 2024-2029	15.23%	19.63%	17.60%
2029 Population	1,579	22,974	125,244	**MEDIAN HOUSEHOLD INCOME**			
Change 2010-2020	29.50%	29.06%	19.55%	2024	$77,372	$82,977	$90,376
Change 2020-2024	(3.84%)	8.46%	7.87%	2029	$91,070	$99,986	$106,432
Change 2024-2029	(1.56%)	4.91%	9.81%	Change 2024-2029	17.70%	20.50%	17.77%
NUMBER OF HOUSEHOLDS				**PER CAPITA INCOME**			
2010 Households	296	4,695	25,546	2024	$35,454	$30,340	$33,882
2020 Households	544	6,096	31,136	2029	$41,933	$37,186	$41,100
2024 Households	535	6,703	33,959	Change 2024-2029	18.27%	22.56%	21.30%
2029 Households	541	7,209	38,438	**HOUSEHOLDS BY INCOME (2022)**			
Change 2010-2020	83.78%	29.84%	21.88%	Less than $15,000	1.61%	5.13%	5.44%
Change 2020-2024	(1.65%)	9.96%	9.07%	$15,000 - $24,999	3.92%	6.20%	5.40%
Change 2024-2029	1.12%	7.55%	13.19%	$25,000 - $34,999	5.76%	5.96%	5.52%
HOUSING UNITS				$35,000 - $49,999	9.68%	13.73%	10.45%
Owner Occupied	305	4,654	23,427	$50,000 - $74,999	34.33%	17.97%	17.47%
Renter Occupied	230	2,049	10,532	$75,000 - $99,999	8.99%	18.51%	16.45%
HOUSING UNITS BY YEAR BUILT				$100,000 - $149,999	27.42%	21.44%	21.86%
Built 2020 or Later	26	94	381	$150,000 - $199,999	3.00%	7.11%	9.31%
Built 2010 to 2019	205	1,060	5,030	$200,000 or More	5.53%	3.96%	8.10%
Built 2000 to 2009	106	1,701	6,380	**HOUSING BY UNITS IN STRUCTURE**			
Built 1990 to 1999	43	761	6,158	1, Detached	150	3,372	20,794
Built 1980 to 1989	25	289	2,656	1, Attached	63	913	3,735
Built 1970 to 1979	38	778	4,135	2	5	185	1,388
Built 1960 to 1969	0	263	1,622	3 or 4	39	383	1,895
Built 1950 to 1959	5	315	1,867	5 to 9	107	313	1,286
Built 1940 to 1949	7	212	1,516	10 to 19	38	325	1,221
Built 1939 or Earlier	24	514	2,837	20 to 49	65	252	1,063
HOME VALUES				50 or More	10	12	602
Average	$498,355	$542,597	$591,814	Mobile Home	2	231	598
Median	$367,857	$472,974	$539,630	Boat, RV, Van, etc.	0	0	0
Built 1939 or Earlier	24	514	2,837	Boat, RV, Van, etc.	0	0	0

Source: Esri ArcGIS®

Transportation Routes

Major traffic arteries are shown in the chart below:

MAJOR ROADWAYS & THOROUGHFARES			
HIGHWAY	**DIRECTION**	**FUNCTION**	**DISTANCE FROM SUBJECT**
I-15	north-south	Interstate Highway	This is within a mile of the subject property.
SURFACE STREETS	**DIRECTION**	**FUNCTION**	**DISTANCE FROM SUBJECT**
400 South	north-south	Primary Arterial	The subject fronts this street.
2600 West	east-west	Secondary Arterial	The subject fronts this street
Center Street	east-west	Secondary Arterial	This is within a mile of the subject property.

Economic Factors

Springville's largest employers include Stouffer Foods Corporation, with over 500 employees, and Valtek, which has more than 400 employees. Over the last few years Springville has seen a massive amount of development, which primarily includes residential and industrial development.

Community Services

Community services and facilities are readily available in the surrounding area. These include public services such as fire stations, hospitals, police stations, and schools (all ages).

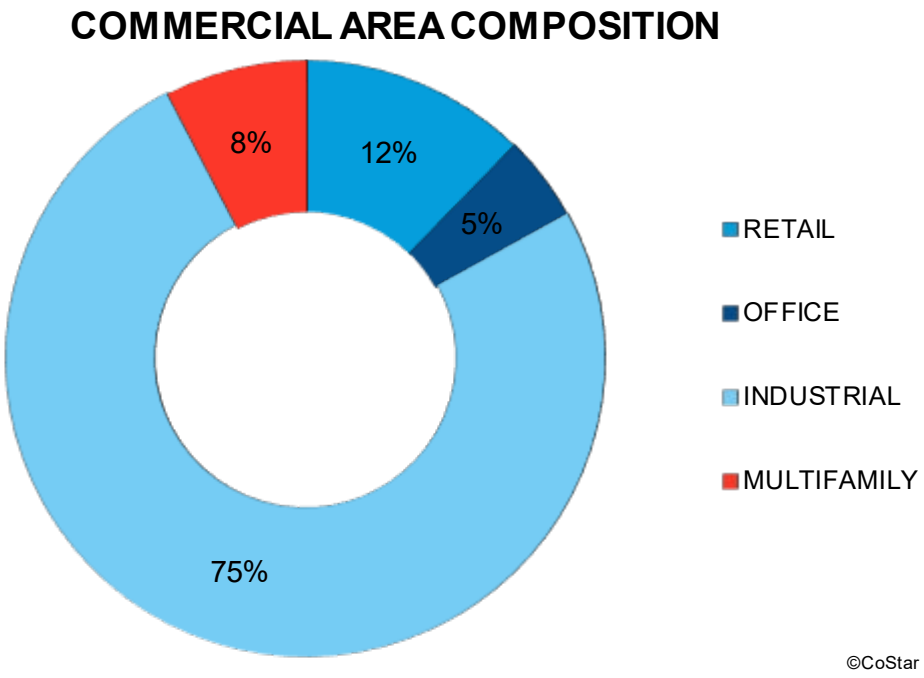
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IMMEDIATE AREA PROFILE

This section discusses uses and development trends in the immediate area that directly impact the performance and appeal of the subject property.

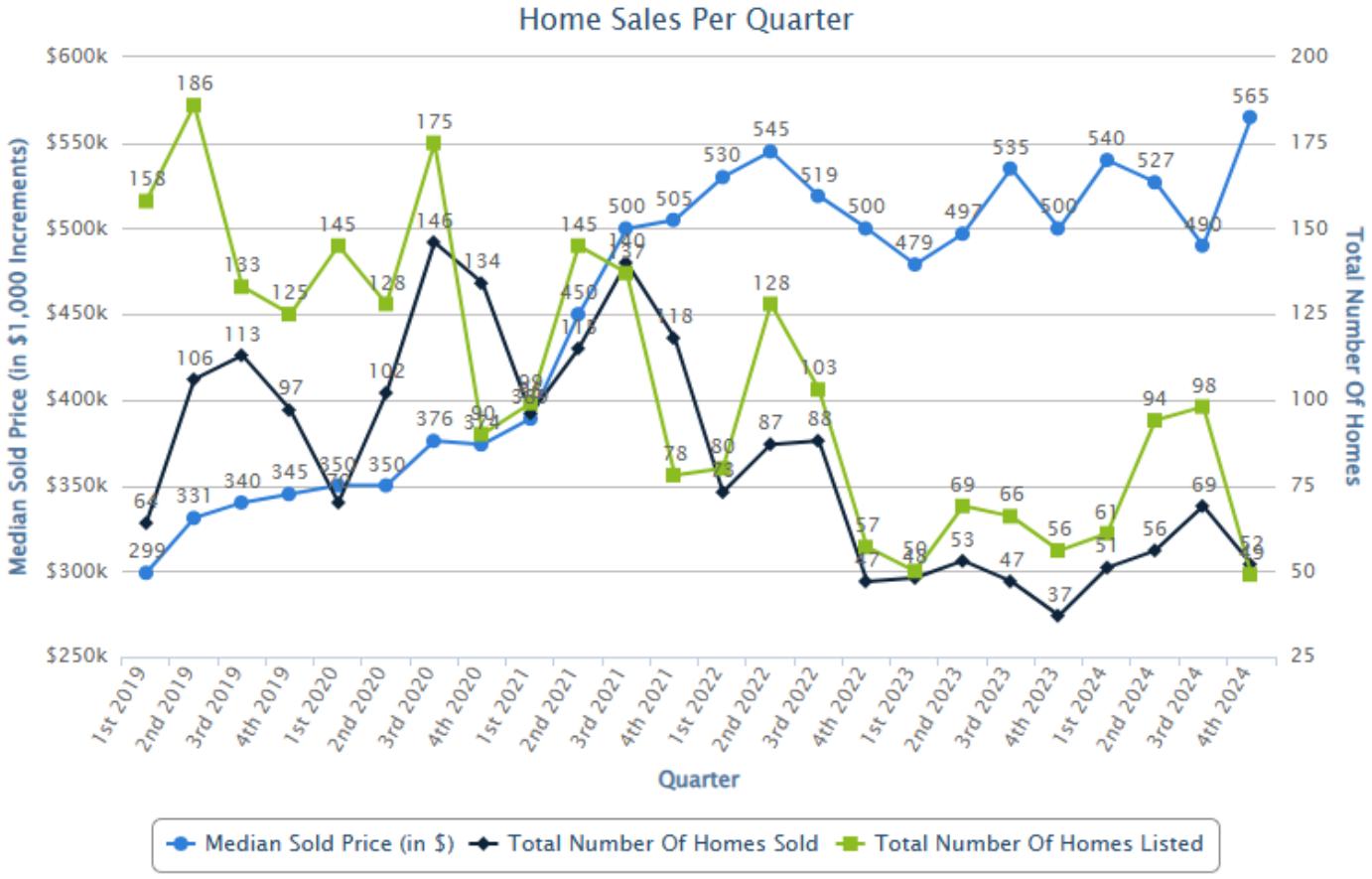
Predominant Land Uses

Significant development in the immediate area consists primarily of industrial and single family residential. The local area has a mix of commercial uses nearby and the composition is shown in the following graph.



Residential Development

Residential users in the immediate area are primarily single-family residential. According to the Utah MLS, median home sales prices consistently increased quarter after quarter from Q1 2019 to Q2 2022 before decreasing slightly through Q1 2023. Sales prices have been somewhat volatile since then but the area experienced a new high in median home sale prices during Q1 2024 with a median sold price of $565,000. The rise in home prices has coincided with a decline in available housing inventory. The table below depicts median home sale figures within the subject's zip code.



Multi-Family Development

The following chart shows a summary of multi-family data by type in the immediate area from CoStar.

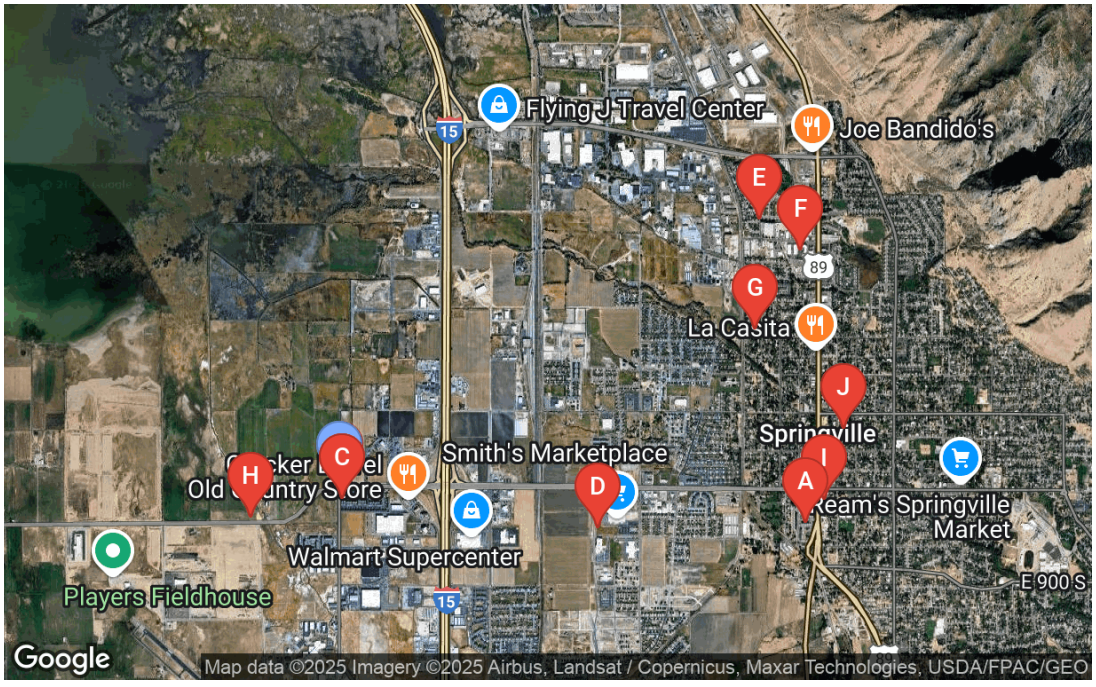
MULTIFAMILY SUMMARY			
CLASS	**PROPERTIES**	**NRA (SF)**	**AVG YR BLT**
A	1	50,000	2019
B	8	758,002	2016
C	11	234,744	1962
TOTAL	**20**	**1,042,746**	**1987**

Source: CoStar

The three largest multi-family properties are at 67 West 600 South, 664 South 2600 West and 474 South 2550 West with an NRA of 190,212 SF, 175,887 SF and 148,545 SF that were built in 2021, 2014 and 1998, respectively. The closest large multi-family property in proximity to the subject is at 664 South 2600 West. The majority of properties were constructed after 2000. The following chart and map show the subject property and its location relative to the 10 largest multi-family properties in the immediate area from CoStar.

LARGEST MULTIFAMILY PROPERTIES						
NAME	**DISTANCE**	**MAP PIN**	**CLASS**	**NRA (SF)**	**STORIES**	**YEAR BUILT**
Fox Ridge Condominiums	2.4 Miles	A	B	190,212	3	2021
Outlook Apartments	0.0 Miles	B	B	175,887	3	2014
Brookline	0.1 Miles	C	B	148,545	2	1998
The Gallery	1.3 Miles	D	B	114,398	3	2024
Oakbrook Park	2.5 Miles	E	C	100,000	0	1970
Art City Center	2.6 Miles	F	B	76,372	4	2018
Multifamily Building	2.3 Miles	G	C	75,000	0	-
Village on 4th	0.5 Miles	H	A	50,000	3	2019
Multifamily Building	2.5 Miles	I	B	26,000	4	2015
Riverwalk Flats	2.6 Miles	J	C	25,700	3	1975

Source: CoStar



Retail Development

The following chart shows a summary of retail data by type in the immediate area from CoStar.

RETAIL SUMMARY

TYPE	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
General Retail	167	1,693,746	1974	99.3	$34.00
TOTAL	**167**	**1,693,746**	**1974**	**99.3**	**$34.00**

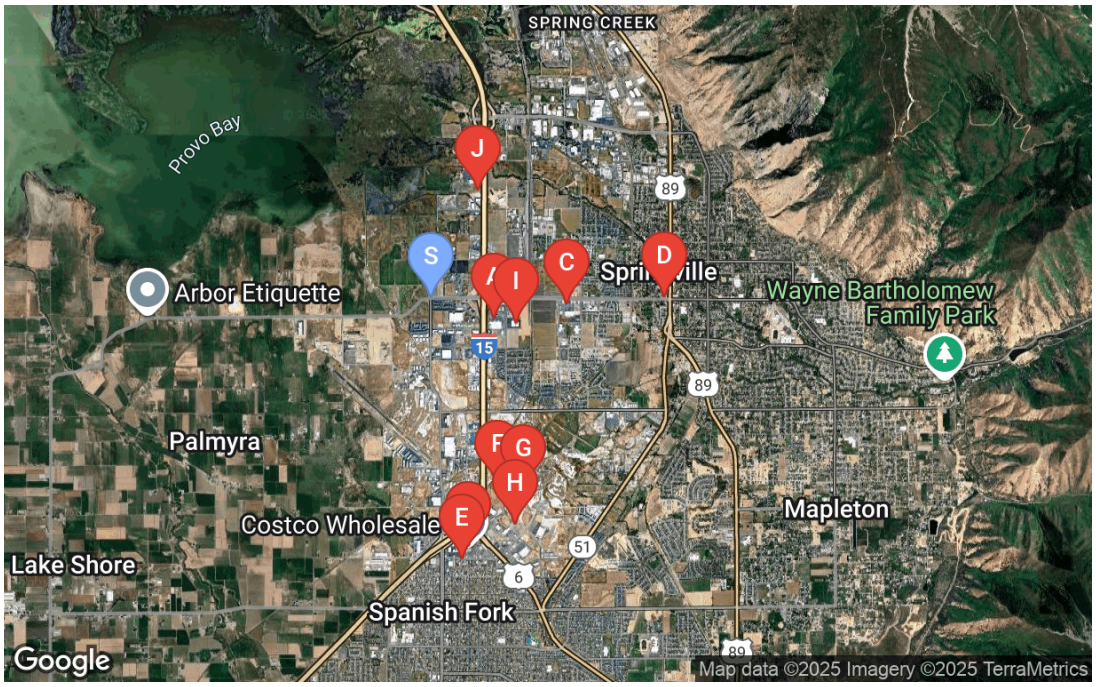
Source: CoStar

The three largest retail properties are at 660 South 1750 West, 273 East 1000 North and 1117 West 400 South with an NRA of 204,596 SF, 149,046 SF and 120,000 SF that were built in 2001, 2012 and 2017, respectively. The closest large retail property in proximity to the subject is at 660 South 1750 West. The majority of properties were constructed after 2000. The following chart and map show the subject property and its location relative to the 10 largest retail properties in the immediate area from CoStar.

LARGEST SHOPPING CENTERS

NAME	DISTANCE	MAP PIN	TYPE	NRA (SF)	% LEASED	YEAR BUILT
Wal-Mart Supercenter	0.7 Miles	A	General Retail	204,596	100.0	2001
Retail Building	2.6 Miles	B	General Retail	149,046	100.0	2012
Springville Marketplace	1.4 Miles	C	Community Center	120,000	100.0	2017
Retail Building	2.4 Miles	D	General Retail	75,180	90.9	1982
Retail Building	2.7 Miles	E	General Retail	66,250	100.0	2004
Retail Building	2.0 Miles	F	General Retail	66,000	100.0	2006
Retail Building	2.2 Miles	G	General Retail	62,289	100.0	-
Retail Building	2.5 Miles	H	General Retail	50,331	100.0	2021
Deseret Industries Thirft Store	0.9 Miles	I	General Retail	50,000	100.0	2016
Retail Building	1.2 Miles	J	General Retail	45,250	100.0	2021

Source: CoStar



Office Development

The following chart shows a summary of office data by class in the immediate area from CoStar.

OFFICE SUMMARY

CLASS	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
A	1	84,511	2002	100.0	$21.50
B	32	442,449	2000	97.2	$18.90
C	11	106,429	1979	100.0	$10.00
TOTAL	**44**	**633,389**	**1995**	**97.9**	**$16.74**

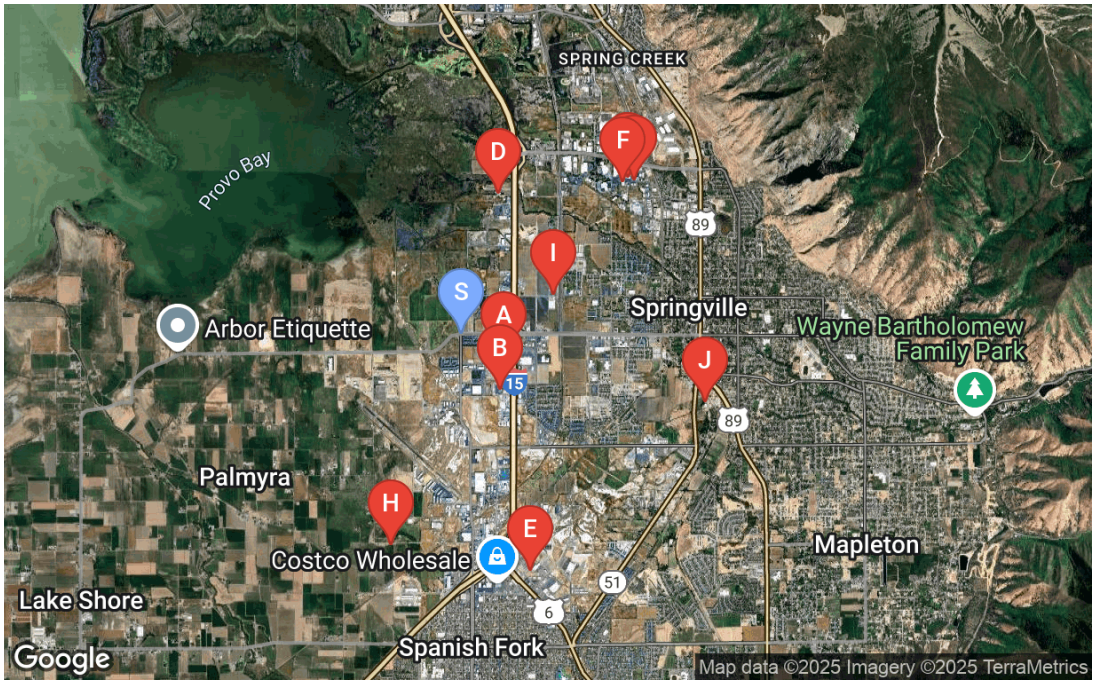
Source: CoStar

The three largest office properties are at 588 South 2000 West, 926-940 South 2000 West and 786 West 1200 North with an NRA of 84,511 SF, 79,188 SF and 38,000 SF that were built in 2002, 2001 and 2002, respectively. The closest large office property in proximity to the subject is at 588 South 2000 West. The majority of properties were constructed after 2000. The following chart and map show the subject property and its location relative to the 10 largest office properties in the immediate area from CoStar.

LARGEST OFFICE BUILDINGS

NAME	DISTANCE	MAP PIN	CLASS	NRA (SF)	% LEASED	YEAR BUILT
Springville Office	0.5 Miles	A	A	84,511	100.0	2002
MAPLE VIEW PLAZA	0.7 Miles	B	B	79,188	100.0	2001
Office Building	2.3 Miles	C	C	38,000	100.0	2002
Office Building	1.5 Miles	D	B	33,000	68.2	2012
Office Building	2.5 Miles	E	B	31,000	100.0	2023
River Bend Park	2.3 Miles	F	B	23,200	100.0	1987
Spring Creek Place	2.4 Miles	G	B	20,455	100.0	2006
Office Building	2.3 Miles	H	B	19,916	68.4	2024
Office Building	1.0 Miles	I	B	17,856	100.0	2009
Wilderness Woods	2.6 Miles	J	C	15,650	100.0	1952

Source: CoStar



Industrial Development

The following chart shows a summary of industrial data by type in the immediate area from CoStar.

INDUSTRIAL SUMMARY

TYPE	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
Industrial	196	9,422,787	2003	95.5	$13.49
Flex	43	940,821	2006	97.2	$14.71
TOTAL	**239**	**10,363,608**	**2003**	**95.8**	**$13.71**

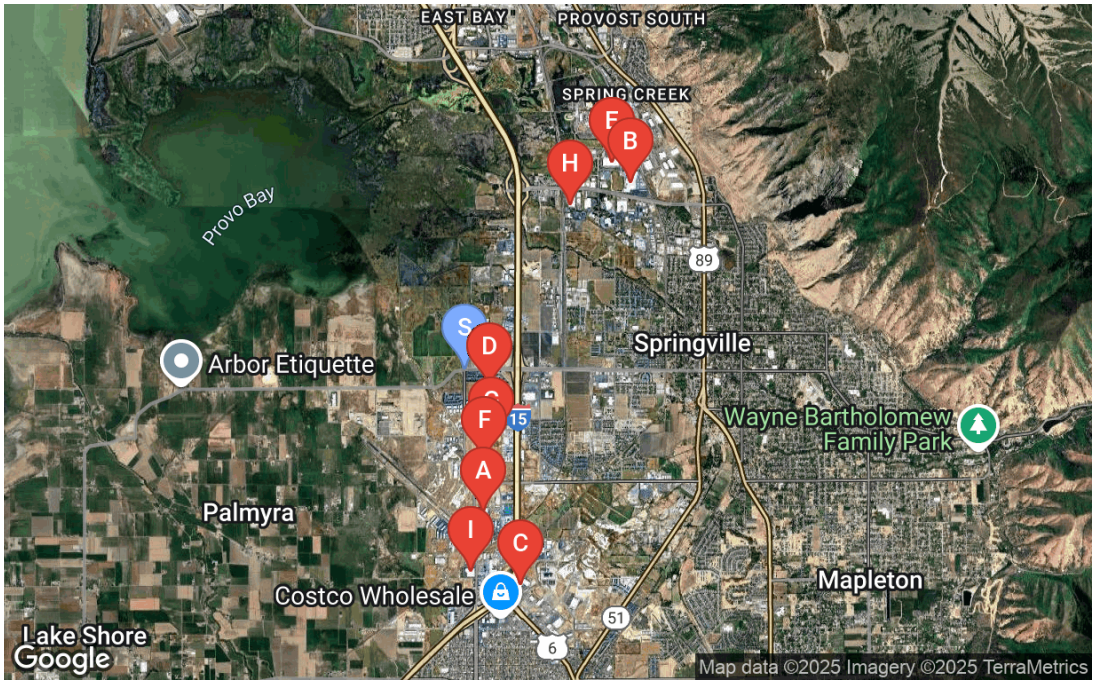
Source: CoStar

The three largest industrial properties are at 2200-2406 North Main Street, 815 Raymond Klauck Way and 1550 Kirby Lane with an NRA of 616,928 SF, 401,512 SF and 308,888 SF that were built in 1989, 1990 and 1997, respectively. The closest large industrial property in proximity to the subject is at 530 South 2000 West with an NRA of 305,520 SF that was built in 1992. The majority of properties were constructed after 2000. The following chart and map show the subject property and its location relative to the 10 largest industrial properties in the immediate area from CoStar.

LARGEST INDUSTRIAL PROPERTIES

NAME	DISTANCE	MAP PIN	TYPE	NRA (SF)	% LEASED	YEAR BUILT
Industrial Building	1.5 Miles	A	Industrial	616,928	100.0	1989
Industrial Building	2.5 Miles	B	Industrial	401,512	100.0	1990
Industrial Building	2.3 Miles	C	Industrial	308,888	100.0	1997
Industrial Building	0.3 Miles	D	Industrial	305,520	100.0	1992
PowerHouse Industrial	2.6 Miles	E	Industrial	292,791	100.0	2023
Spanish Springs Industrial Park	1.0 Miles	F	Industrial	280,980	0.0	2023
Spanish Springs Industrial Park	0.8 Miles	G	Industrial	280,800	100.0	2021
Industrial Building	2.0 Miles	H	Industrial	278,000	100.0	2005
Industrial Building	2.1 Miles	I	Industrial	270,000	100.0	1977
PowerHouse Industrial	2.6 Miles	J	Industrial	265,435	100.0	2022

Source: CoStar



SUBJECT PROPERTY ANALYSIS

The following discussion draws context and analysis on how the subject property is influenced by the local and immediate areas.

Subject Property Analysis

The uses adjacent to the property are noted below:

- **North -** Vacant Land
- **South -** 400 South, Vacant Land
- **East -** 2600 West, Vacant Land
- **West -** Vacant Land

Access

The larger parcel has frontage on two arterial streets. Based on our field work, the subject's access is rated average compared to other properties with which it competes.

Visibility

The subject is clearly visible in both directions along the street. The visibility of the property is not hampered by adjacent properties, trees or other obstructions. In comparison to competitive properties, the subject property has good visibility.

Subject Conclusion

Trends in the local and immediate areas, adjacent uses and the property's specific location features indicate an overall typical external influence for the subject, which is concluded to have average position in context of competing properties.

SUMMARY

As of the effective date, the long-term outlook for Utah County remained highly optimistic. The county's young population, high birth rates, and strong in-migration trends contributed to sustained growth. The region's dynamic economy, supported by a skilled workforce and a strong entrepreneurial ecosystem, positioned it well for continued prosperity. Utah County's strategic investments in infrastructure and its appeal as a tech hub further reinforced its potential for future growth. Looking ahead, the market is expected to maintain stability over the next three years.

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SITE DESCRIPTION – LARGER PARCEL

The larger parcel is the property for which the condemnor is required to pay just compensation for damages. In determining the extent of the larger parcel, three tests are applied;

1. Unity of title;
2. Unity of use; and
3. Contiguity

Unity of title requires that the property be under the same ownership, or, at least under the beneficial control of a single individual or entity. Unity of use requires that the property have the same, or an integrated, highest and best use. Contiguity generally requires that the property be adjoining, although separation by a road or a right-of-way does not necessarily make a property non-contiguous.

We have determined the larger parcel for this assignment to be all of parcel 21-097-0050, which is owned by Crandall Properties Ltd. This parcel is all owned by the same entity, all has the same highest and best use and is contiguous.

General Description The subject site consists of 1 parcel. As noted below, the subject site has 447,461 SF (10.27 AC) of land area. The area is estimated based on the assessor's parcel map, and may change if a professional survey determines more precise measurements. Going forward, our valuation analyses will utilize the usable site area. The following discussion summarizes the subject site size and characteristics.

Assessor Parcel 21-097-0050

Number Of Parcels 1

Land Area	**Acres**	**Square Feet**
Primary Parcel	10.27	447,461
Unusable Land	0.00	0
Excess Land	0.00	0
Surplus Land	0.00	0
Total Land Area	**10.27**	**447,461**

Shape Rectangular - See Plat Map For Exact Shape

Topography Level at street grade

Drainage Assumed Adequate

Utilities All municipal utilities available to the site

Street Improvements

Street	**Direction**	**No. Lanes**	**Street Type**	Curbs	Sidewalks	Streetlights	Center Lane	Gutters
400 South	Primary Street	two-way	two-lane	minor arterial			✓	
2600 West	Secondary Street	two-way	two-lane	connector street				

Frontage The subject is on the NW corner of 400 South and 2600 West. It has approximately 210' of frontage on 400 South and 673' of frontage on 2600 West.

Accessibility The accessibility of the subject is rated as average. The subject is accessed from two streets, with the main entrance and primary point of ingress/egress being 400

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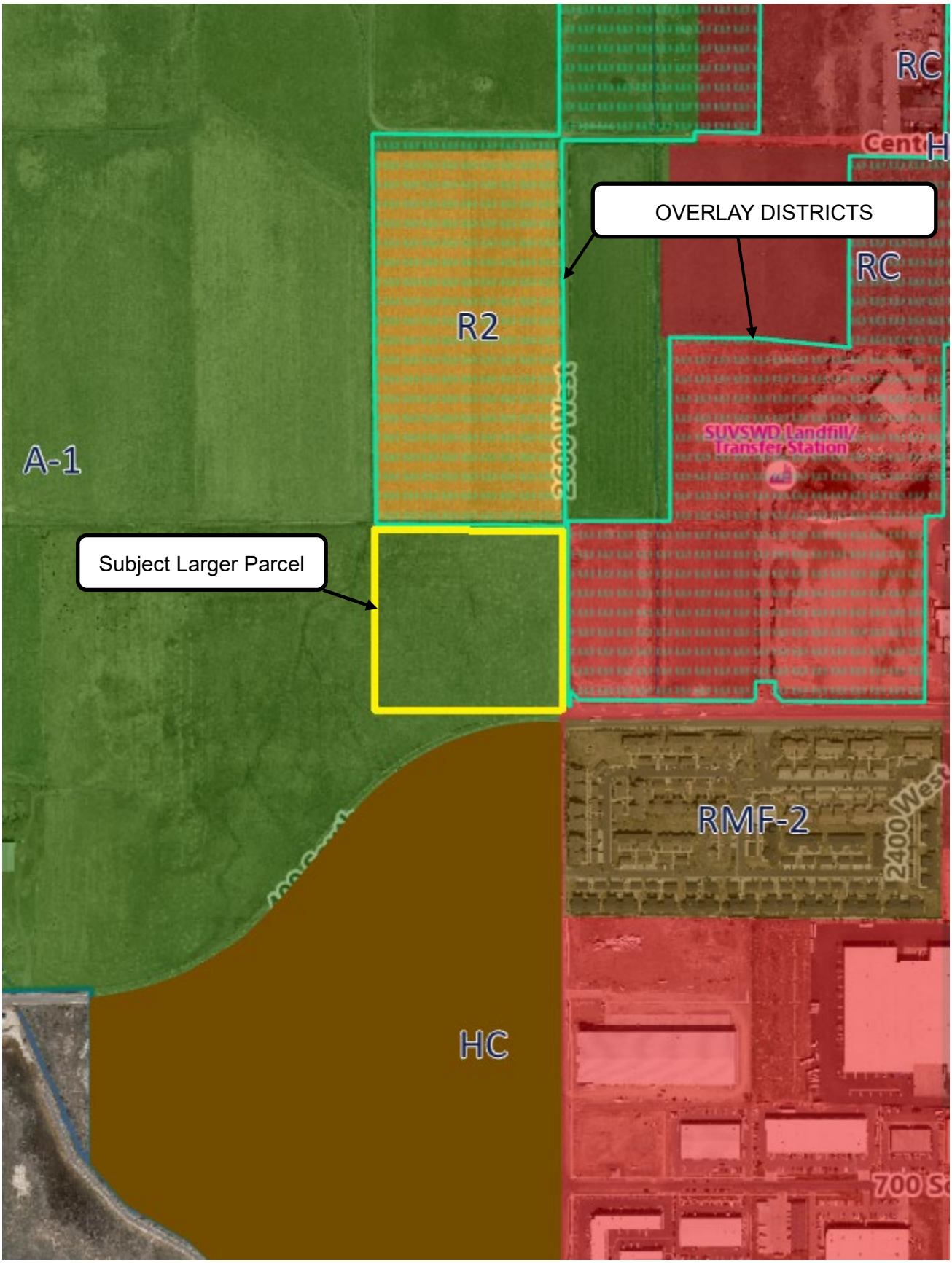
	South. I-15 is a major transportation arterial within proximity to the subject, providing linkage to the surrounding area.
Views	The subject has average views compared to other residential development sites in the area.
Water Rights	According to the map provided by the Utah Division of Water Rights, Water Right 51-5221 is located on the larger parcel.
Seismic	The subject is in Very High Risk. The seismic zone factor (or Z factor) corresponds numerically to the effective horizontal peak bedrock acceleration (or equivalent velocity) that is estimated as a component of the design base shear calculation. In each seismic zone an earthquake-related event would create an effective peak bedrock acceleration of 0.1 times the force of gravity for Zone 1, 0.15 times the force of gravity for Zone 2A, 0.2 times the force of gravity for Zone 2B, 0.3 times the force of gravity for Zone 3 and 0.4 times the force of gravity for Zone 4. These values correspond to ground motion values with a 10% probability of being exceeded in 50 years.
Flood Zone	Zone X (Unshaded). This is referenced by Community Number 490163, Panel Number 49049C0545F, dated June 19, 2020. Zone X (unshaded) is a Non-Special Flood Hazard Area (NSFHA) of minimal flood hazard, usually depicted on Flood Insurance Rate Maps (FIRM) as above the 500-year flood level. This is an area in a low to moderate risk flood zone that is not in any immediate danger from flooding caused by overflowing rivers or hard rains. In communities that participate in the National Flood Insurance Program (NFIP), flood insurance is available to all property owners and renters in this zone.
Site Rating	Overall, the subject site is considered a good residential development site in terms of its location, exposure, and access to employment, education and shopping centers, recognizing its location along a minor arterial.
Easements	A preliminary title report was not available for review. During the on-site inspection, no adverse easements or encumbrances were noted. This appraisal assumes that there is no negative value impact on the subject improvements. If questions arise regarding easements, encroachments, or other encumbrances, further research is advised.
Soils	A soils analysis was not available for review. Based on the development of the subject, it appears the soils are stable and suitable for the existing improvements.
Hazardous Waste	We have not conducted an independent investigation to determine the presence or absence of toxins on the subject property. If questions arise, the reader is strongly cautioned to seek qualified professional assistance in this matter. Please see the Assumptions and Limiting Conditions for a full disclaimer.

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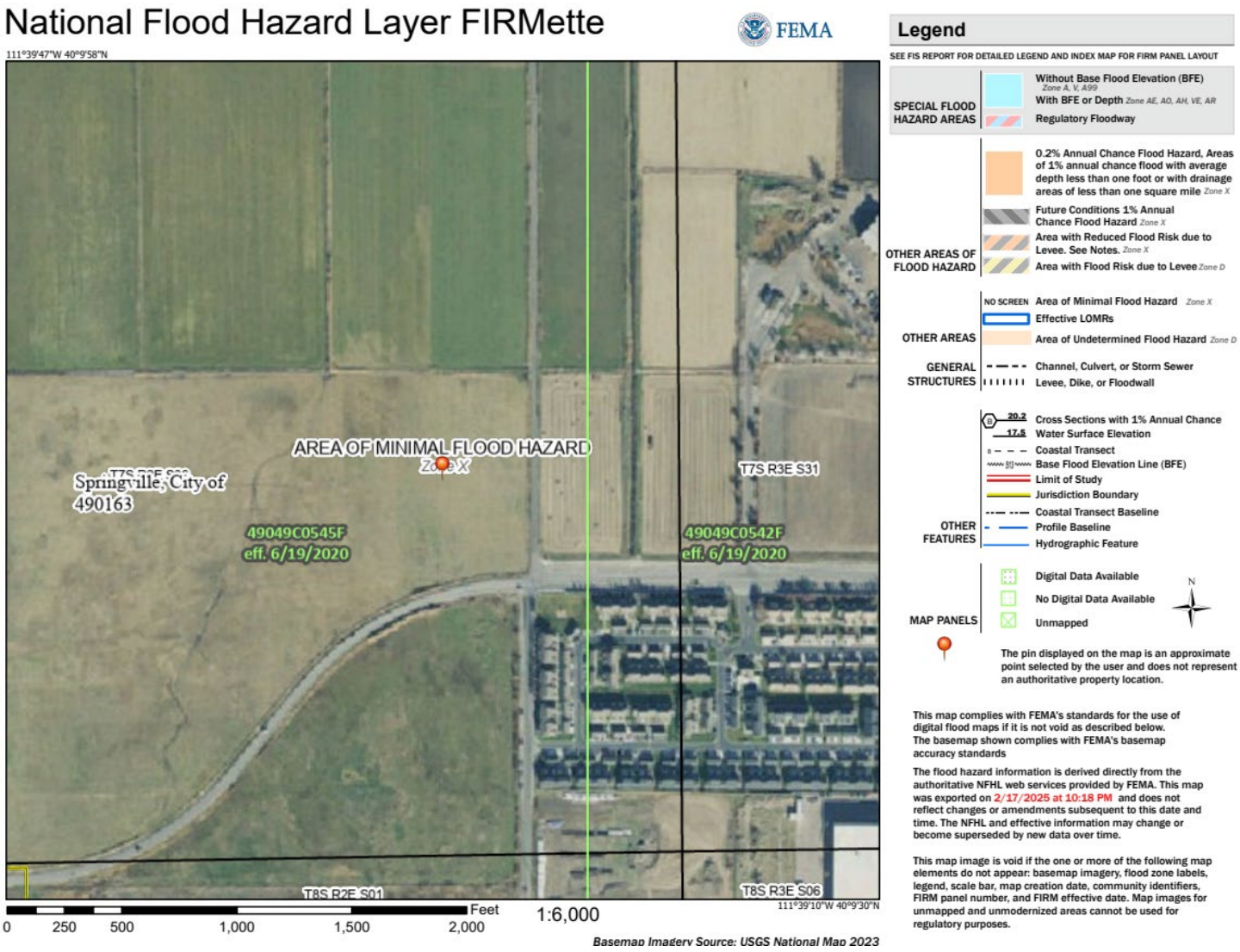
PLAT MAP


21:096:0024
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21:097:0055
21:097:0050
24:003:0063
35:533:0049

ZONING MAP


RC
OVERLAY DISTRICTS
RC
R2
A-1
SUVSWD Landfill/
Transfer Station
Subject Larger Parcel
RMF-2
2400 West
HC
700 So

FLOOD MAP



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INTRODUCTION

Assessment of real property is established by an assessor that is an appointed or elected official charged with determining the value of each property. The assessment is used to determine the necessary rate of taxation required to support the municipal budget. A property tax is a levy on the value of property that the owner is required to pay to the municipality in which it is situated. Multiple jurisdictions may tax the same property.

The subject property is located within Utah County. The assessed value and property tax for the current year are summarized in the following table.

ASSESSMENT & TAXES

Tax Year	2024				Tax Rate	1.00075%
Tax Rate Area	131				Taxes Current	Yes
APN	**LAND**	**IMPV**	**TOTAL**	**EXEMPTIONS**	**TAXABLE**	**BASE TAX**
21-097-0050	$458,500	$0	$458,500	$456,087	$2,413	$24
Totals	**$458,500**	**$0**	**$458,500**	**$456,087**	**$2,413**	**$24**
Total/SF	**$1.02**	**$0.00**	**$1.02**	**$1.02**	**$0.01**	**$0.00**
Total Base Tax						**$24**
Total Base Tax Per SF						**$0.00**

Source: Utah County Assessment & Taxation

SUBJECT PROPERTY ANALYSIS

The total assessment for the subject's larger parcel is $458,500 or $1.02/SF. The property benefits from an exemption in the amount of $456,087, reducing the taxable assessment to $2,413 or $0.01/SF. Total taxes for the property are $24 or $0.00/SF. If the subject property is developed, it should be assumed that the greenbelt exemption will be removed. When a piece of real property is determined by the County Assessor's office as no longer qualifying for assessment under the FFA "Greenbelt" law, the Assessor is required to apply a rollback tax to the property. Land that is withdrawn from assessment under the FAA is subject to a rollback tax equal to the difference between:

- the amount of taxes that would have been charged under a market-based assessment, and
- the amount of taxes that were charged under the FAA assessment.

Once a property has been withdrawn from "Greenbelt" status, the Assessor calculates the rollback tax for each year the land was assessed under the FAA, going back no more than five years.

The Assessor provided a rollback tax estimate for the larger parcel of $20,611. The estimate is valid through March 24, 2025.

In Utah, taxes are calculated by multiplying the tax rate by the taxable value. The taxable value is calculated at 100% of the final value or market value for commercial properties and 55% for residential properties. All multifamily properties receive this exemption noted above for the subject. All property is reappraised annually, and Utah law requires a review of property characteristics once every five years. A sale of the subject does not necessarily trigger a reassessment. Utah is a non-disclosure state, so purchase prices are not known by the Assessor’s office. The final value is the reported market value of the property, as reported by the assessor’s offices. Tax rates are set by procedures established in the Utah Constitution. There are many different rates in Utah County, and they vary across the county depending on which school district, city, special service district, and etc. the property is located.

According to the Utah County Assessor’s Office website, real estate taxes for the subject property are current as of the date of this report.

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INTRODUCTION

Zoning requirements typically establish permitted and prohibited uses, building height, lot coverage, setbacks, parking and other factors that control the size and location of improvements on a site. The zoning characteristics for the subject property are summarized below:

ZONING SUMMARY	
Municipality Governing Zoning	City of Springville Planning & Zoning Department
Current Zoning	Agricultural Zone (A-1)
Permitted Uses	Permitted uses within the agriculture zone generally include most agriculture uses and low density residential, as well as golf courses,
Prohibited Uses	Medium and high density residential and most commercial and
Current Use	Vacant
Is Current Use Legally Permitted?	Yes
Zoning Change	Anticipated

ZONING REQUIREMENTS	
Minimum Site Area (SF)	200,000 SF
Minimum Yard Setbacks	
Front (Feet)	30
Rear (Feet)	30
Side (Feet)	20
Maximum Site Coverage	50%
Maximum Building Height	35 Feet
Minimum Dwelling Unit Size	1,000 SF

Source: City of Springville Planning & Zoning Department

ZONING CONCLUSIONS

The subject is zoned Agriculture (A-1). The subject is located next to parcels within the Westfields and Lakeside Overlay District, which allows for residential development. The purpose of the Westfields and Lakeside Overlay District is to carry out the adopted policies of Springville City to create attractive, diverse neighborhoods with a wide variety of attached and detached housing, as well as some shopping and services. The properties adjacent east, south and west of the subject are part of a proposed 152.47-acre development named Lakeside Village. The current site plan for Lakeside Village calls for 887 single family and townhome lots, and 48 multifamily units with ground-floor retail. The overall density of Lakeside Village is approximately six units per acre. Based on a conversation with Carla Wiese with the Springville City Planning Department, the subject can be rezoned to residential, if the owners are willing to be adopted into the Westfields and Lakeside Overlay District and develop the site in a way that is harmonious with the proposed Lakeside Village development.

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INTRODUCTION

As concluded ahead, the highest and best use of the larger parcel as-vacant is a mixed-use medium-density residential. Therefore, this section provides a brief study of residential supply/demand conditions for the Utah County Market and the Springville City submarket, market participant interviews, and transaction trends. We have also included a Multi-Family market analysis discussing the Utah County Submarket. These findings are used to support our conclusions for the competitive position, and exposure period of the subject site.

RESIDENTIAL MARKET ANALYSIS

Home Prices & Sales

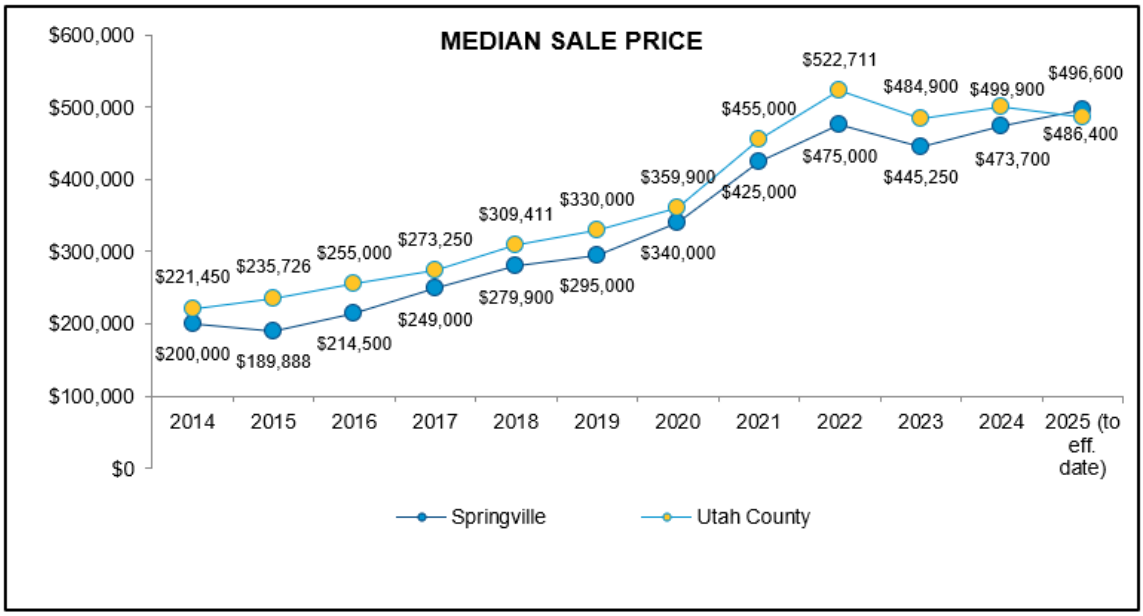
Median home prices have generally increased over the last ten years in both the city and county. As noted in the chart below, median prices in Springville have historically been slightly lower than the trend in pricing in Utah County. The table below summarizes historical median home prices and historical sales in the city and county from 2014 to 2025 Year-To-Date (YTD). The median combined days on the market (CDOM) is also included in the table. The chart below the table illustrates the trends in the median sale price of homes.

SINGLE-FAMILY HOME PRICES & SALES (2014 - YTD FEB 2025)

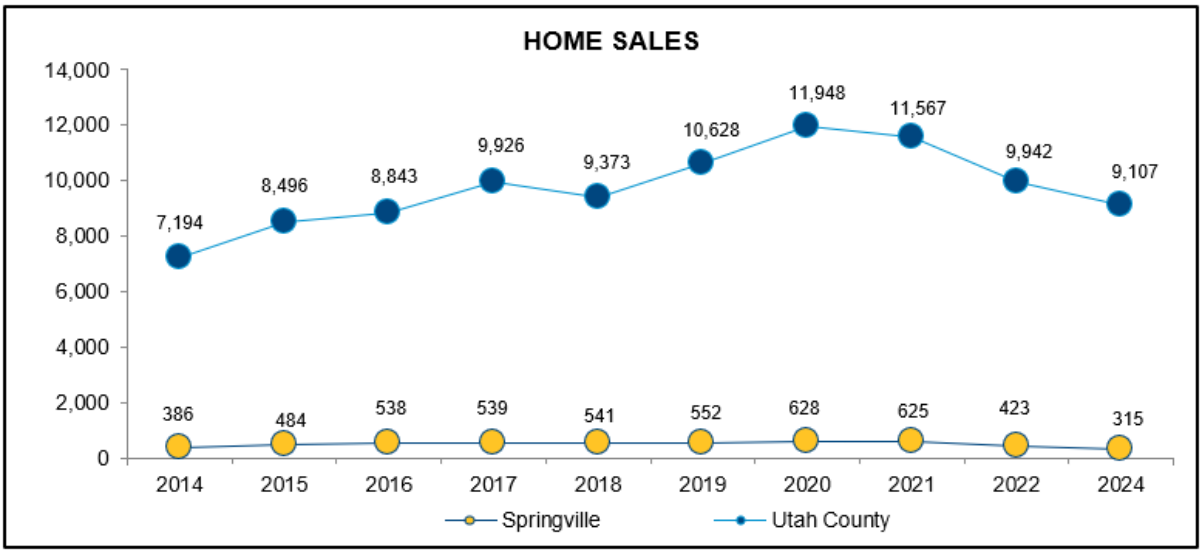
	Springville			Utah County		
Year	Median Price	No. Sold	Median CDOM	Median Price	No. Sold	Median CDOM
2014	$200,000	386	56	$221,450	7,194	46
2015	$189,888	484	21	$235,726	8,496	26
2016	$214,500	538	14	$255,000	8,843	17
2017	$249,000	539	15	$273,250	9,926	18
2018	$279,900	541	15	$309,411	9,373	19
2019	$295,000	552	21	$330,000	10,628	29
2020	$340,000	628	10	$359,900	11,948	14
2021	$425,000	625	7	$455,000	11,567	6
2022	$475,000	423	11	$522,711	9,942	11
2023	$445,250	304	31	$484,900	8,349	30
2024	$473,700	315	27	$499,900	9,107	31
2025 (to eff. date)	$496,600	22	102	$486,400	747	49

CDOM = Combined Days On Market

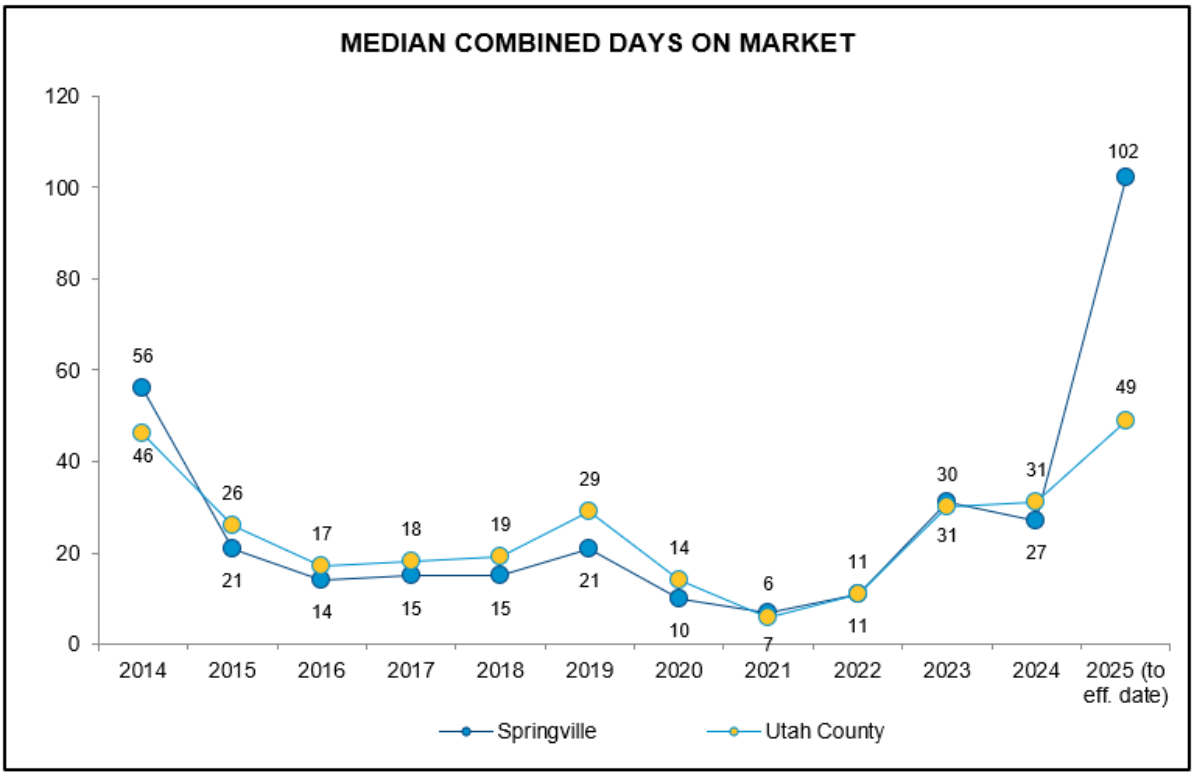
Source: Wasatch Front Regional MLS



The chart below depicts the number of home sales in Springville and Utah County from 2014 to YTD 2025. The number of home sales in the city has historically been significantly lower than in the county based on the smaller market area. The city experienced a ten-year high in the number of homes sold during 2020 with 628 homes sold. Utah County also experienced a ten-year high in number of homes sold in 2020 with 11,948 homes sold.



The chart below indicates the median CDOM for lot sales of the city and county.



Lot Prices & Sales

The table below summarizes the historical median lot prices and historical sales in Springville and Utah County from 2014 to YTD 2025. In addition, the median CDOM (Combined Days On Market) is indicated. The county and subject area indicate similar trends in increasing median lot prices over the past several years, however, lot prices in Springville have generally been lower than those in the county. The chart following the table below illustrates the historical lot prices.

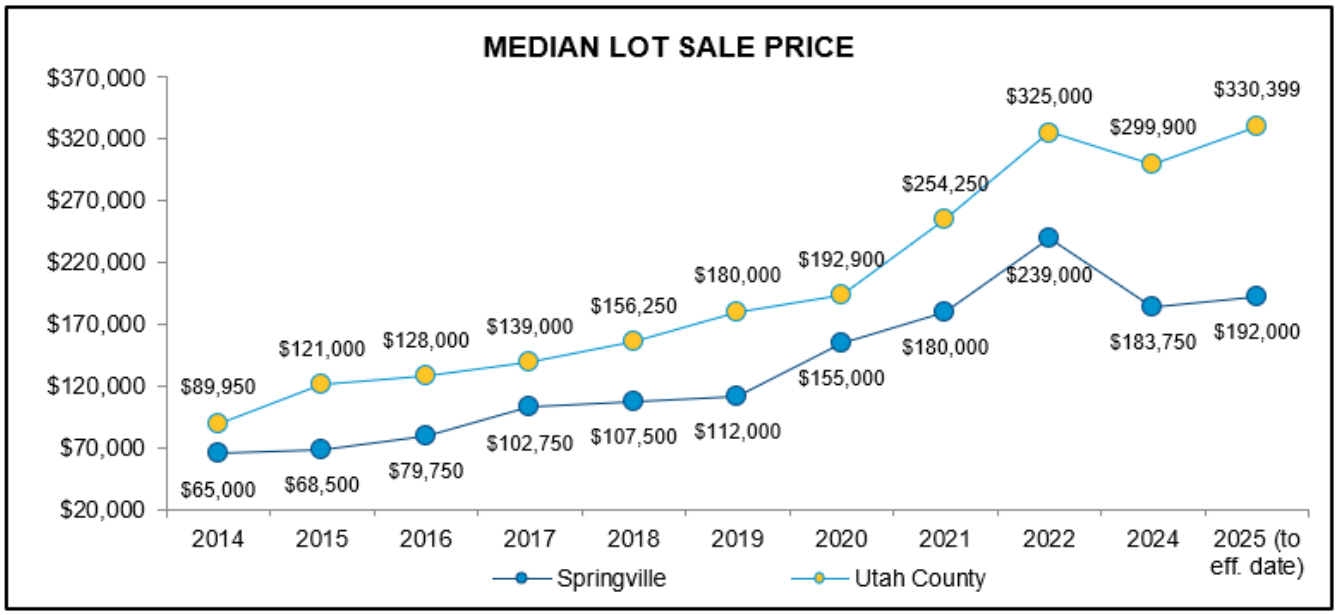
LOT PRICES & SALES (UP TO 1 ACRE, 2014 - YTD FEB 2025)

	Springville			Utah County		
Year	Median Price	No. Sold	Median CDOM	Median Price	No. Sold	Median CDOM
2014	$65,000	11	77	$89,950	334	98
2015	$68,500	13	68	$121,000	251	97
2016	$79,750	12	98	$128,000	303	148
2017	$102,750	14	89	$139,000	317	93
2018	$107,500	10	38	$156,250	378	101
2019	$112,000	10	175	$180,000	346	93
2020	$155,000	14	91	$192,900	506	126
2021	$180,000	27	26	$254,250	432	28
2022	$239,000	9	27	$325,000	301	36
2023	$180,500	12	61	$300,000	267	74
2024	$183,750	10	60	$299,900	316	90
2025 (to eff. date)	$192,000	2	75	$330,399	160	22

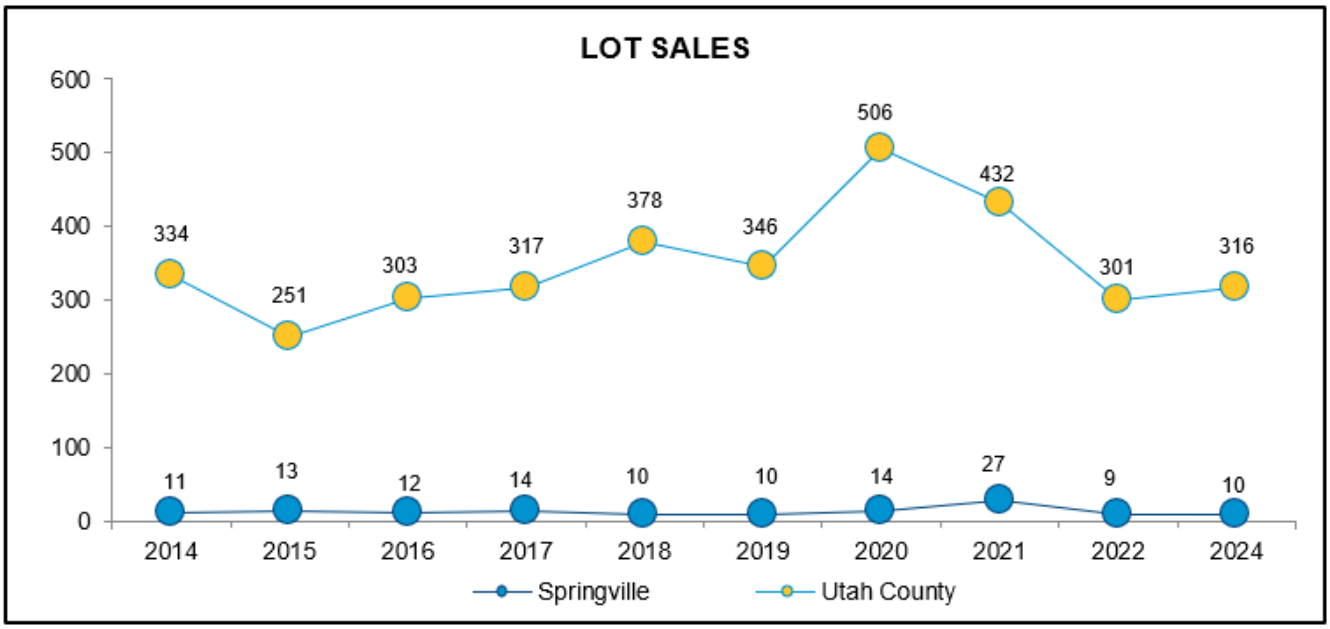
CDOM = Combined Days On Market

Source: Wasatch Front Regional MLS

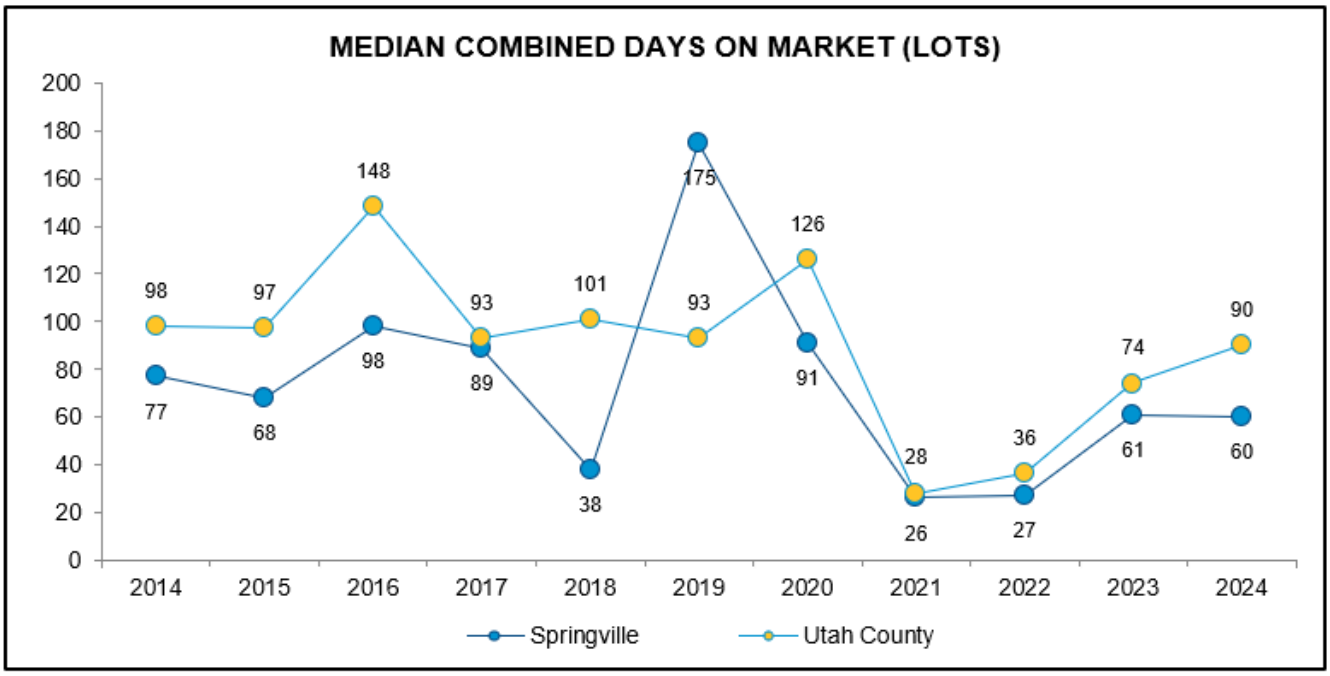
Median lot sale prices have increased quarter-over-quarter since 2014. The county reached a ten-year high in 2022 with a median lot price of $325,000. The city reached a ten-year high in 2022 with a median lot price of $239,000.



In Utah County, the number of lot sales peaked during 2020 with 506 lot sales. Springville experienced a ten-year high in 2021 with 27 lot sales.



The chart below indicates the median CDOM for lot sales of the city and county.



Inventory (Supply)

The amount of inventory or supply has played a major part in the residential home and lot market over the past few years throughout the region. The following table summarizes the current number of homes and lots on the market in Utah County and Springville. There are currently 1,486 homes listed on the market in Utah County with 49 of those homes in Springville, according to the local MLS. There are 278 lots listed on the market in Utah County with 12 of those located in Springville. There are currently 422 townhomes listed for sale in Utah County with 7 of those located in Springville.

ACTIVE LISTINGS		
	Springville	**Utah County**
Single-Family Homes	49	1,486
Land/Lots	12	278
Townhomes	7	422
Total	**68**	**2,186**
Source: Wasatch Front Regional MLS		

Conclusion

Prices are likely to continue to increase in Utah County over the forecast horizon. As development proceeds and new homes are delivered to the market, there will be an increased demand for the subject property.

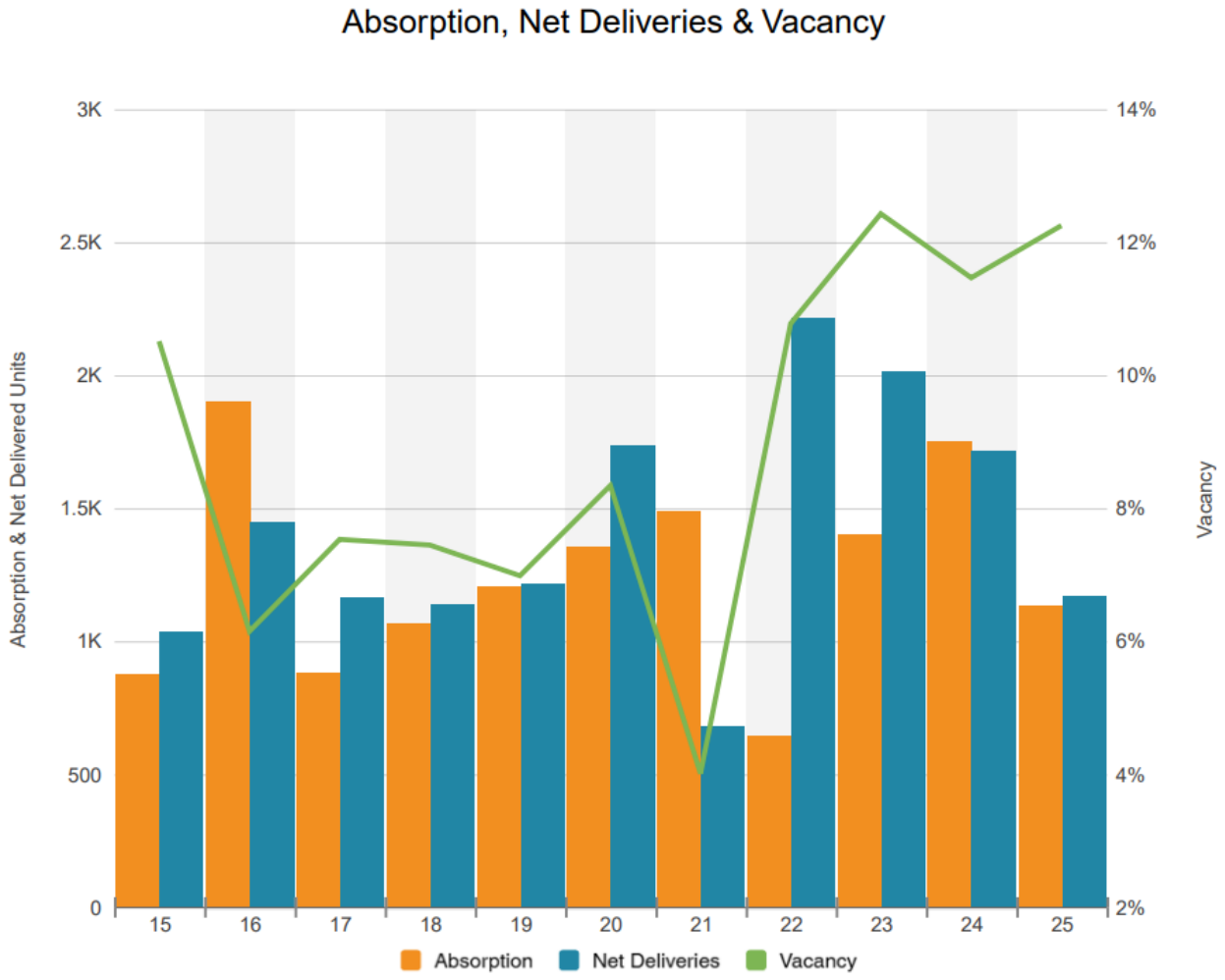
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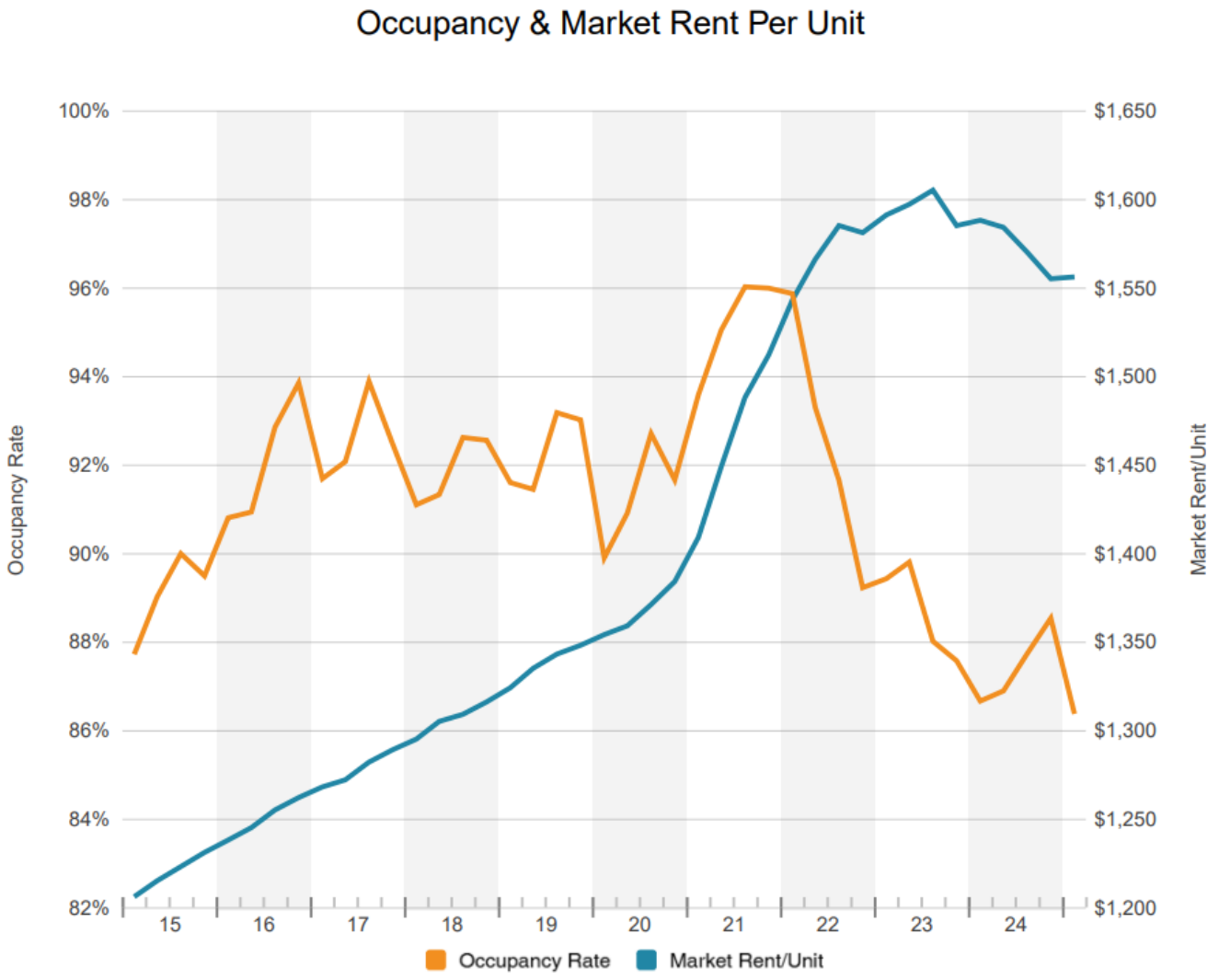
UTAH COUNTY APARTMENT MARKET

According to CoStar, multi-family rents decreased 1.6% from the prior period ($1,586 to $1,561 per unit per month). 2,412 apartment units are currently underway in the Utah County Market. Although employment has consistently remained positive, the area is currently experiencing the weakest job creation rate in the last 12 months. The vacancy rate declined to 11.5% in Q4 2024 from 12.3% in Q3 2024, but remains relatively high. Vacancy had increased each quarter during 2022 and most quarters during 2023. Effective rent growth increased from 2021 to 2022 before stagnating from 2023 through 2024. However, the area is anticipated to continue to out-perform other apartment markets as well as the nation overall over the long term.

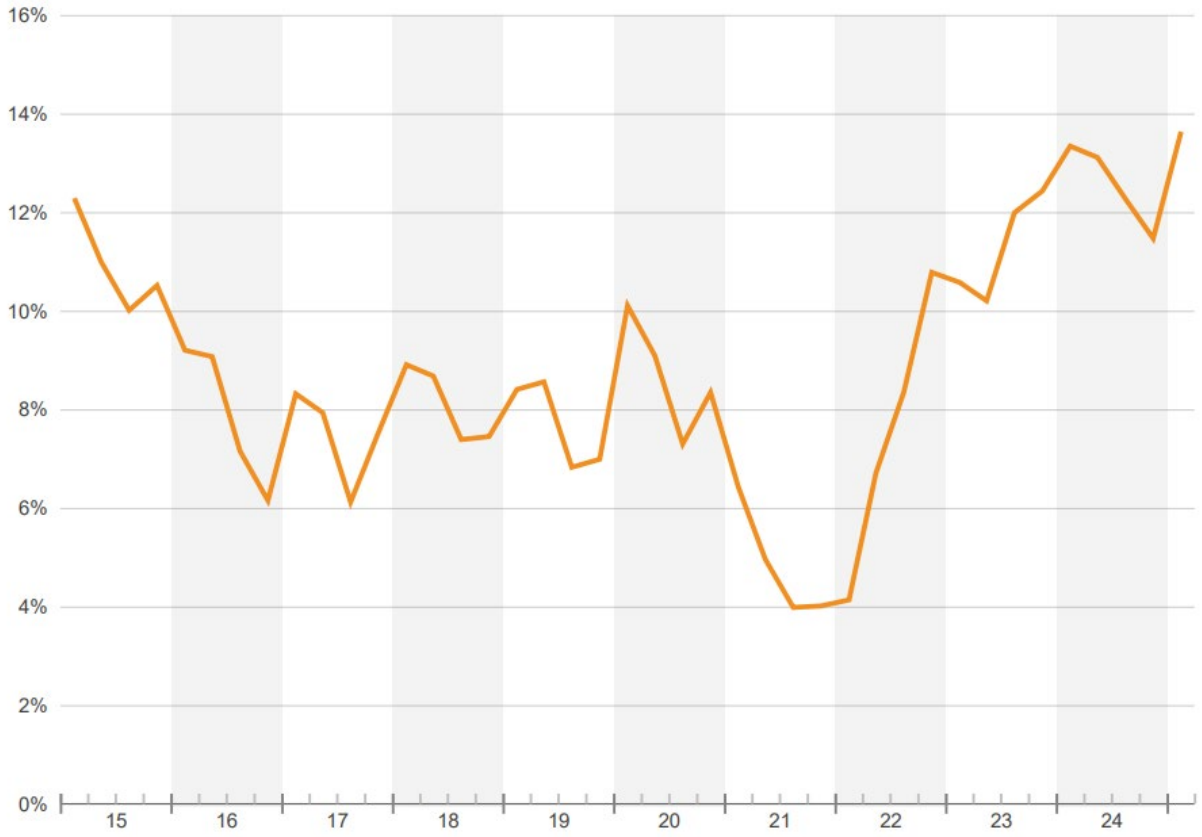
Vacancy

The vacancy rate in Utah County is currently 11.5% with strong leasing trends during the pandemic, and the forecast calls for more high-end, 4 & 5-star units to deliver. Vacancies for 4 & 5-star properties, where most of the new construction has been focused, are about 6.0%.




Occupancy & Market Rent Per Unit
100%
98%
96%
94%
92%
90%
88%
86%
84%
82%
Occupancy Rate
$1,650
$1,600
$1,550
$1,500
$1,450
$1,400
$1,350
$1,300
$1,250
$1,200
Market Rent/Unit
15
16
17
18
19
20
21
22
23
24
Occupancy Rate
Market Rent/Unit

Vacancy Rate



SUMMARY STATISTICS

Leasing Units	Survey	5-Year Avg
Vacant Units	3,181	1,839
Vacancy Rate	12.3%	8.7%
12 Mo. Absorption Units	1,635	1,302

Inventory in Units	Survey	5-Year Avg
Existing Units	27,724	21,056
12 Mo. Const. Starts	1,440	1,715
Under Construction	1,959	2,670
12 Mo. Deliveries	2,053	1,700

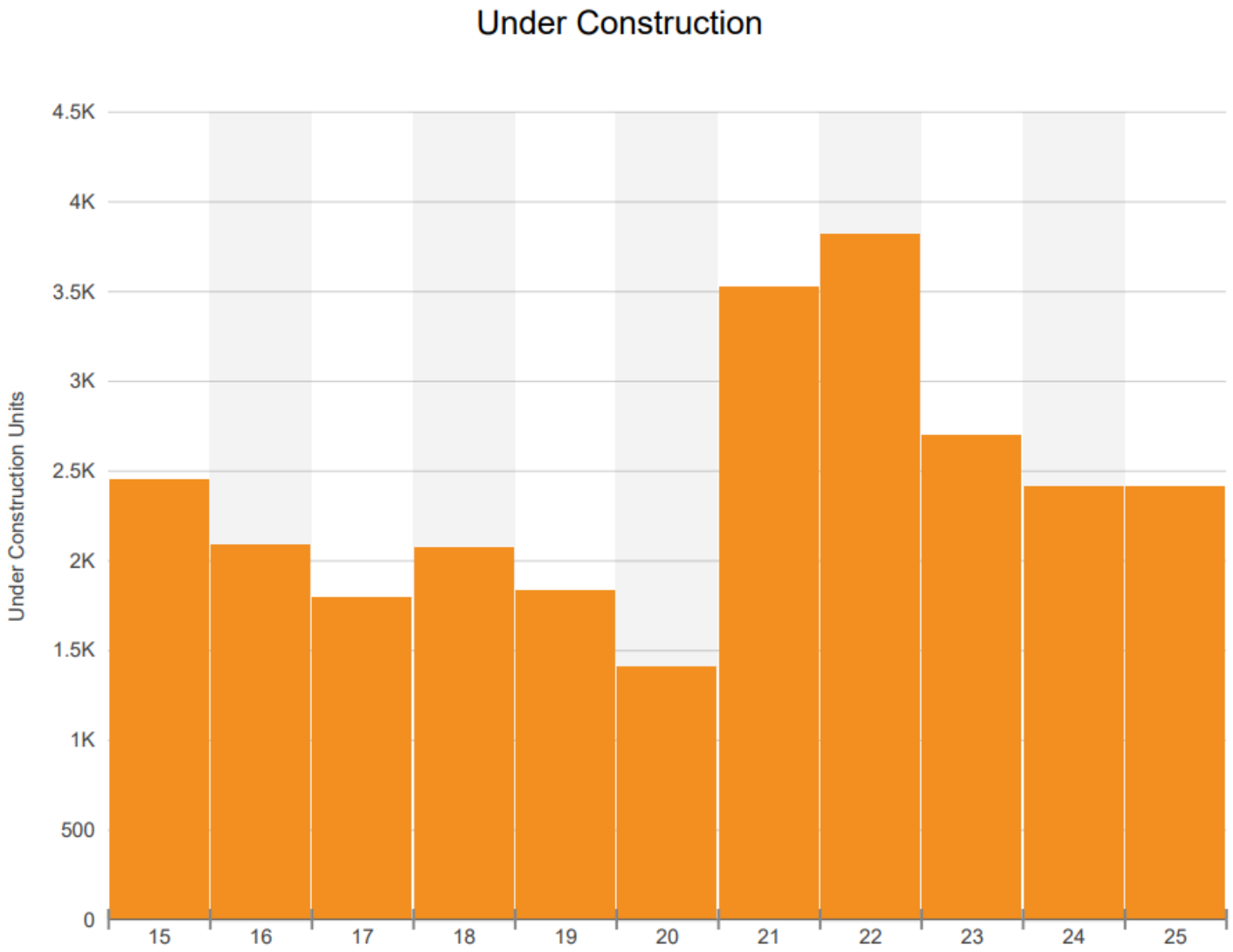
Rents	Survey	5-Year Avg
Studio Asking Rent	$1,460	$1,417
1 Bed Asking Rent	$1,359	$1,293
2 Bed Asking Rent	$1,545	$1,471
3+ Bed Asking Rent	$1,967	$1,841
Concessions	1.6%	1.1%

Sales	Past Year	5-Year Avg
Sale Price Per Unit	$240,737	$159,070
Asking Price Per Unit	$312,968	$214,976
Sales Volume (Mil.)	$1.9	$18
Cap Rate	5.0%	5.6%

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Construction Activity

Inventory in Utah County nearly doubled over the past six years, with nearly 14,000 market-rate apartment units delivered since the start of 2014. Approximately 1,717 units have delivered in the past 12 months, compared to the 10-year annual net deliveries average of 1,360 units. Currently, there are about 2,412 units in the pipeline, compared to roughly 2,412 in the prior period.



Utah County Apartment Submarket Conclusion

Overall, the subject's apartment submarket appears to be stable. Market rent has generally increased over the last several years. It is anticipated that the submarket will continue to improve given the area's high employment rates and young & educated workforce.

TRANSACTION TRENDS

In the open market, the subject property type would command most interest from local and regional buyers that are actively pursuing similar quality investment properties. There is currently strong buyer demand for substitute properties of the subject based on the volume of sale transactions and reports by buyers, sellers and other market participants during confirmation of market transactions. The most probable buyer is a national and regional investor.

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Based on the preceding analysis, there is an established sales market for the subject property. As previously discussed, the velocity of sale transactions has been steady over the past six months. Currently there is strong buyer demand, while there is somewhat limited availability for this property type on the supply side. Based on these factors, conditions are in equilibrium in regard to negotiating sale terms.

SUBJECT PROPERTY ANALYSIS

Based on our analysis of the subject property and investigation of substitute properties in the marketplace, the subject is considered to have average overall buyer appeal with an average competitive position if the asset was exposed to the open market. The most probable buyer is a developer.

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INTRODUCTION

The highest and best use of an improved property is defined as that reasonable and most probable use that will support its highest present value. The highest and best use, or most probable use, must be legally permissible, physically possible, financially feasible, and maximally productive. This section develops the highest and best use of the subject property As-Vacant.

AS-VACANT ANALYSIS – BEFORE CONDITION

Legal Factors

The legal factors that possibly influence the highest and best use of the larger parcel are discussed in this section. Private restrictions, zoning, building codes, historic district controls, and environmental regulations are considered, if applicable to the subject site. Permitted uses of the subject's A-1 (Agricultural Zone) zoning were listed in the Zoning Analysis section.

The larger parcel is located between parcels within the Westfields and Lakeside Overlay District, which allows for residential development. The purpose of the Westfields and Lakeside Overlay District is to carry out the adopted policies of Springville City to create attractive, diverse neighborhoods with a wide variety of attached and detached housing, as well as some shopping and services. The properties adjacent east, south and west of the subject are part of a proposed 152.47-acre development named Lakeside Village. The current site plan for Lakeside Village calls for 887 single family and townhome lots, and 48 multifamily units with ground-floor retail. Based on a conversation with Carla Wiese with the Springville City Planning Department, the subject could very likely be rezoned to residential, if the owners are willing to be adopted into the Westfields and Lakeside Overlay District and develop the site in a way that is harmonious with the proposed Lakeside Village development. The overall proposed density of Lakeside Village is approximately six units per acre.

Physical & Locational Factors

Regarding physical characteristics, the subject site is rectangular in shape and has level topography with average access and average exposure. The subject is surrounded by undeveloped land. Of the outright permitted uses, physical and locational features best support mixed residential development at a density of six units per acre for the site's highest and best use as-vacant.

Feasibility Factors

The financial feasibility of those uses that meet the legal and physical tests discussed is analyzed further in this section. Supply and demand conditions affect the financial feasibility of possible uses. Indicators of feasibility, which typically indicate favorable or non-favorable supply and demand conditions, include construction financing and proposed projects. In recent quarters there has been new commercial development throughout the subject's submarket. This is evidence that new commercial construction is feasible at this time. Financial feasibility factors generally support immediate development of subject site.

As-Vacant Conclusion – Before Condition

Based on the previous discussion, the subject's highest and best use as-vacant is concluded to be mixed residential development at a density of six units per acre.

AS-VACANT ANALYSIS—AFTER CONDITION

In the after condition, the subject's usable site is reduced from 447,461 to 404,726, or 9.6% smaller than in the before condition. The site is commensurate with other similar properties with average access and average exposure. The site will have similar frontage along 2600 West and the shape will remain generally the same as its before condition. The access will be improved. We conclude that the highest and best use of the site as-if vacant remains unchanged in the after condition.

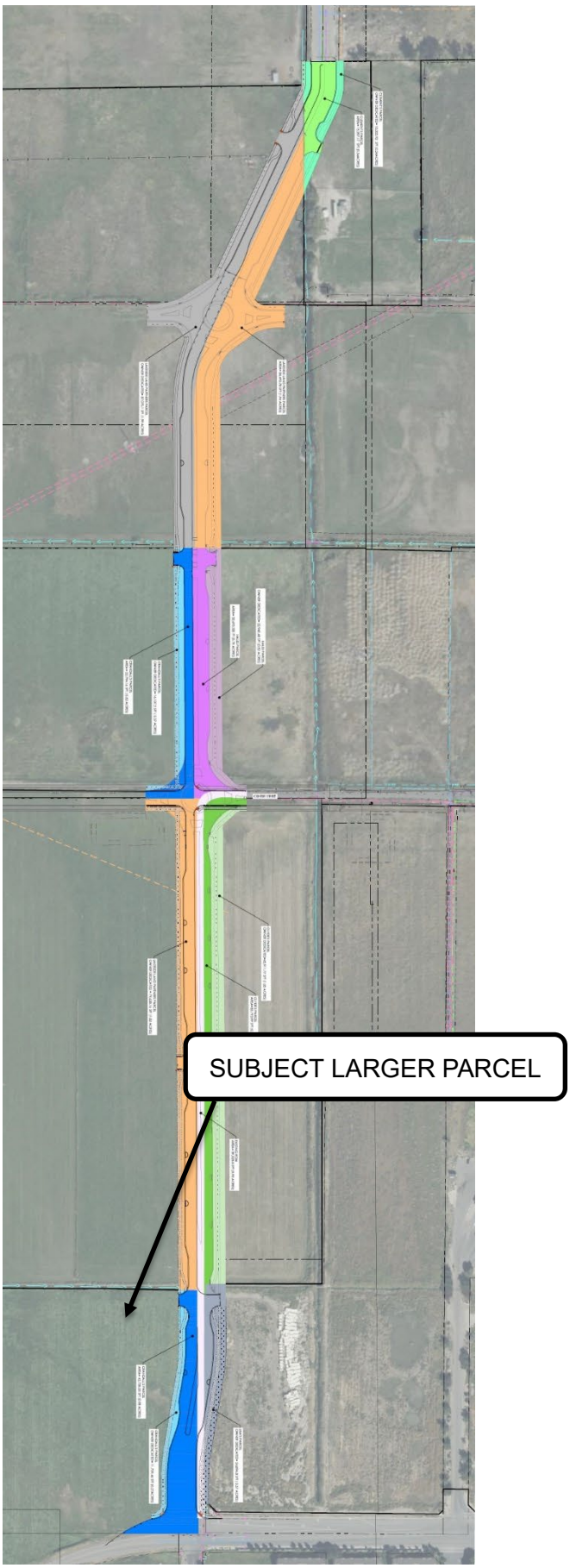
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IMPROVEMENTS IN THE MANNER PROPOSED

The Mountainlands Association of Governments' 2600 West ROW project will extend 2600 West northward from 400 South where it will intersect with Center Street and then continue north where it will eventually turn northeastward and connect with 2500 West at approximately 400 North. The four-lane road will provide access to an area that is in the planning process for residential and commercial development. Mountainlands Association of Governments is providing partial funding for the project. The project is currently in preliminary planning phases, with limited surveying and engineering information. Construction is anticipated to begin by Summer 2025.

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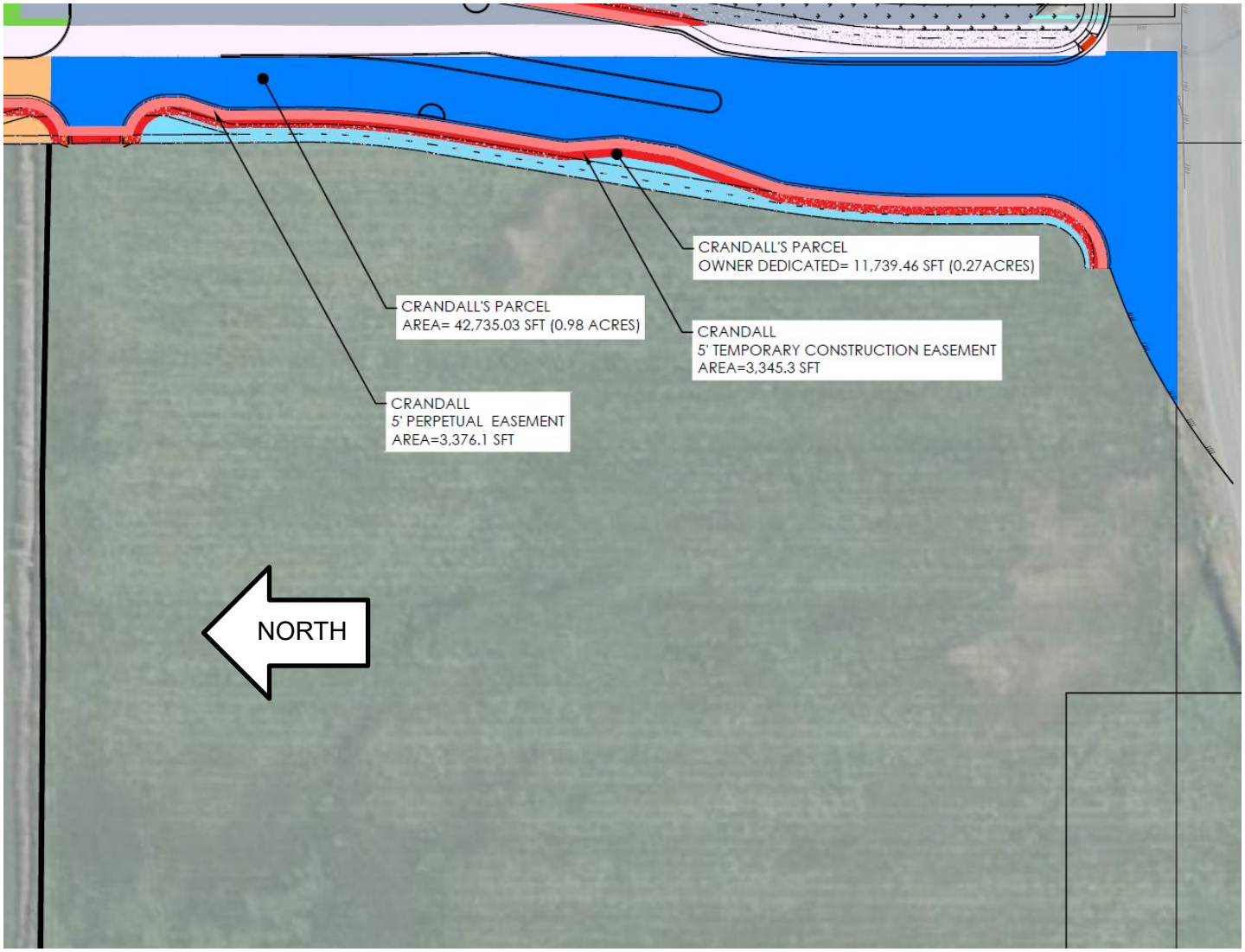
Project Overview



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Project Overview - Subject Larger Parcel

The exhibit below was provided by the client in connection with this assignment. The dark-blue shaded area is the area of the fee taking. The light-blue shaded area is to be dedicated by the owner in the future if and when development of the site should occur; the light-blue shaded area is not relevant to this assignment. The light-red area is the location of the perpetual easement; the dark red area is the location of the temporary construction easement. We have not been provided with maps or legal descriptions for the easements. These details are typically provided by the client for right-of-way valuations. It is an extraordinary assumption of this report that the provided sizes of the easements are accurate and that the areas are sufficient in size, shape and utility for their intended use.



THE PARTS TAKEN

Fee Taking

To complete the project as proposed, a portion of the larger parcel must be acquired. The permanent area being acquired by Mountainlands Association of Governments is on land assumed to be previously unencumbered by any adverse easements or encumbrances. However, we were not provided with an ALTA survey, so we are unaware of the location of any existing easements. Based on the exhibit provided by the client, it covers 42,735 square feet, or 0.981 acre.

The fee taking is located on the east boundary of the subject. It is shaded dark blue in the above exhibit, which was provided by the client. It is irregular in shape. A legal description of the fee taking is not available, nor were we provided with site-specific maps with taking dimensions. This report assumes the square footage figures of the fee taking provided by the client are accurate.

Perpetual Easement

Mountainlands Association of Governments is considering a 5-foot-wide perpetual easement along the eastern edge of the new subject boundary to allow for utility maintenance. It would be located between the temporary construction easement and fee taking. The exhibit provided in connection with this assignment indicates the size of the perpetual easement to be 3,376 square feet.

Temporary Construction Easement

A temporary construction easement is also being considered by Mountainlands Association of Governments. It would also be five feet wide and would allow for access during construction. The temporary construction easement would be located west of the fee taking and the perpetual easement. The easement would commence at the beginning of construction, which is anticipated to begin in June 2025, and we estimate construction will last three years. The exhibit provided in connection with this assignment indicates the size of the temporary construction easement to be 3,345 square feet. We were not provided with legal descriptions of the proposed perpetual easements, and we were not provided with site-specific maps with easement dimensions.

This appraisal is based on the extraordinary assumption that the project will include a perpetual easement and a temporary construction easement.

This appraisal is based on the extraordinary assumption that the provided size of the fee acquisition area is accurate despite the absence of a legal description or site-specific maps with dimensions. Additionally, we assume that the 5-foot-wide perpetual easement and the 5-foot-wide temporary construction easement exist as described, with their locations and extents aligning with the intended project scope, though no exact legal descriptions or surveyed dimensions were provided. If any of these assumptions prove to be inaccurate, the opinions of value stated herein may require revision.

We also assume that the locations of the perpetual and construction easements are as described above. If this assumption proves to be inaccurate, the opinions of value stated herein may require revision.

THE REMAINDER PARCEL

In the after condition, the subject site is reduced from 447,461 square feet to 404,726 square feet, or 9.6% smaller than in the before condition. The shape of the site is altered somewhat, but the utility will be similar and the access will be improved.

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INTRODUCTION

The following presentation of the appraisal process deals directly with the valuation of the subject property. The As-Is Market Value of the subject's fee simple interest is estimated using the Sales Comparison Approach, which is recognized as the standard appraisal technique for commercial land. The Cost and Income Capitalization Approaches are not applicable when valuing unimproved commercial land and are therefore excluded. Their exclusion is not detrimental to the reliability or credibility of the final value conclusion.

VALUE IN THE BEFORE CONDITION

The following paragraphs describe the standard approaches to value that were considered for this portion of the analysis.

SALES COMPARISON APPROACH

The Sales Comparison Approach is based on the principle of substitution, which asserts that no one would pay more for a property than the value of similar properties in the market. This approach analyzes comparable sales by applying transactional and property adjustments in order to bracket the subject property on an appropriate unit value comparison. The sales comparison approach is applicable when sufficient data on recent market transactions is available. Alternatively, this approach may offer limited reliability because many properties have unique characteristics that cannot be accounted for in the adjustment process.

METHODOLOGY

The appraisal of the subject is a complex assignment as it involves a partial take analysis. The following is a basic outline of our valuation process:

- Value the land in Larger Parcel, using the Sales Comparison Approach (Land Valuation).
- Value the permanent parts taken as part of the whole. Value any easements taken as part of the whole. Calculate the value of the remainder as part of the whole.
- Value the remainder property in the after condition.
- Compare the value of the remainder as part of the whole with the value of the remainder in the after condition to calculate severance damages, if any.
- Consider project benefits (if any) and calculate net severance damages (if any).
- Calculate the temporary loss of use of the property during construction (if any).
- Compile a final estimate of the fair market value of the parts taken, including all of the above.

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LAND VALUATION

As previously discussed within the Valuation Methods section, the subject is valued as one marketable economic site in this appraisal. Land value is influenced by a number of factors; most prominent of which is development and use potential. These factors, as well as others, are considered in the following analysis.

UNIT OF COMPARISON

The most relevant unit of comparison is the price per square foot. This indicator best reflects the analysis used by buyers and sellers in this market for land with similar utility and zoning in this marketplace.

COMPARABLE SELECTION

A thorough search was made for similar land sales in terms of proximity to the subject, size, location, development potential, and date of sale. In selecting comparables, emphasis was placed on confirming recent sales of commercial sites that are similar to the subject property in terms of location and physical characteristics. Overall, the sales selected represent the best comparables available for this analysis.

ADJUSTMENT PROCESS

Quantitative adjustments are made to the comparable sales. The following adjustments or general market trends were considered for the basis of valuation.

Transactional Adjustments
Dollar adjustments to the comparable sales were considered and made when warranted for transactional adjustments in the sequence shown below:

Property Rights Transferred	The valuation of the subject site was completed on a fee simple basis. If warranted, leased fee, leasehold and/or partial interest land sales were adjusted accordingly.
Financing Terms	The subject site was valued on a cash equivalent basis. Adjustments were made to the comparables involving financing terms atypical of the marketplace.
Conditions of Sale	This adjustment accounts for extraordinary motivation on the part of the buyer or seller often associated with distressed sales and/or assemblages.
Expenditures After Purchase	Adjustments were applied if site conditions warranted expenditures on the part of the buyer to create a buildable site. Examples include costs for razing pre-existing structures, general site clearing and/or mitigation of environmental issues.
Market Conditions	Market conditions adjustments were based on a review of historical sale data, market participant interviews and review of current versus historical pricing. Based on our research, the following table summarizes the market conditions adjustment applied in this analysis.

MARKET CONDITIONS ADJUSTMENT			
Per Year As Of	February 2025	(As-Is)	3%

The analysis applies an upward market conditions adjustment of 3% annually reflecting the conditions between the oldest comparable sale date up through the effective valuation date. This is supported by price trends discussed and analyzed in the market analysis section.

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Property Adjustments

Quantitative percentage adjustments are also made for location and physical characteristics such as size, shape, access, exposure, topography, zoning and overall utility. Where possible the adjustments applied are based on paired data or other statistical analysis. For example, location adjustments are based primarily on review of land values in the market areas for the comparables relative to the subject. It should be stressed that the adjustments are subjective in nature and are meant to illustrate our logic in deriving a value opinion for the subject site.

LAND VALUATION PRESENTATION

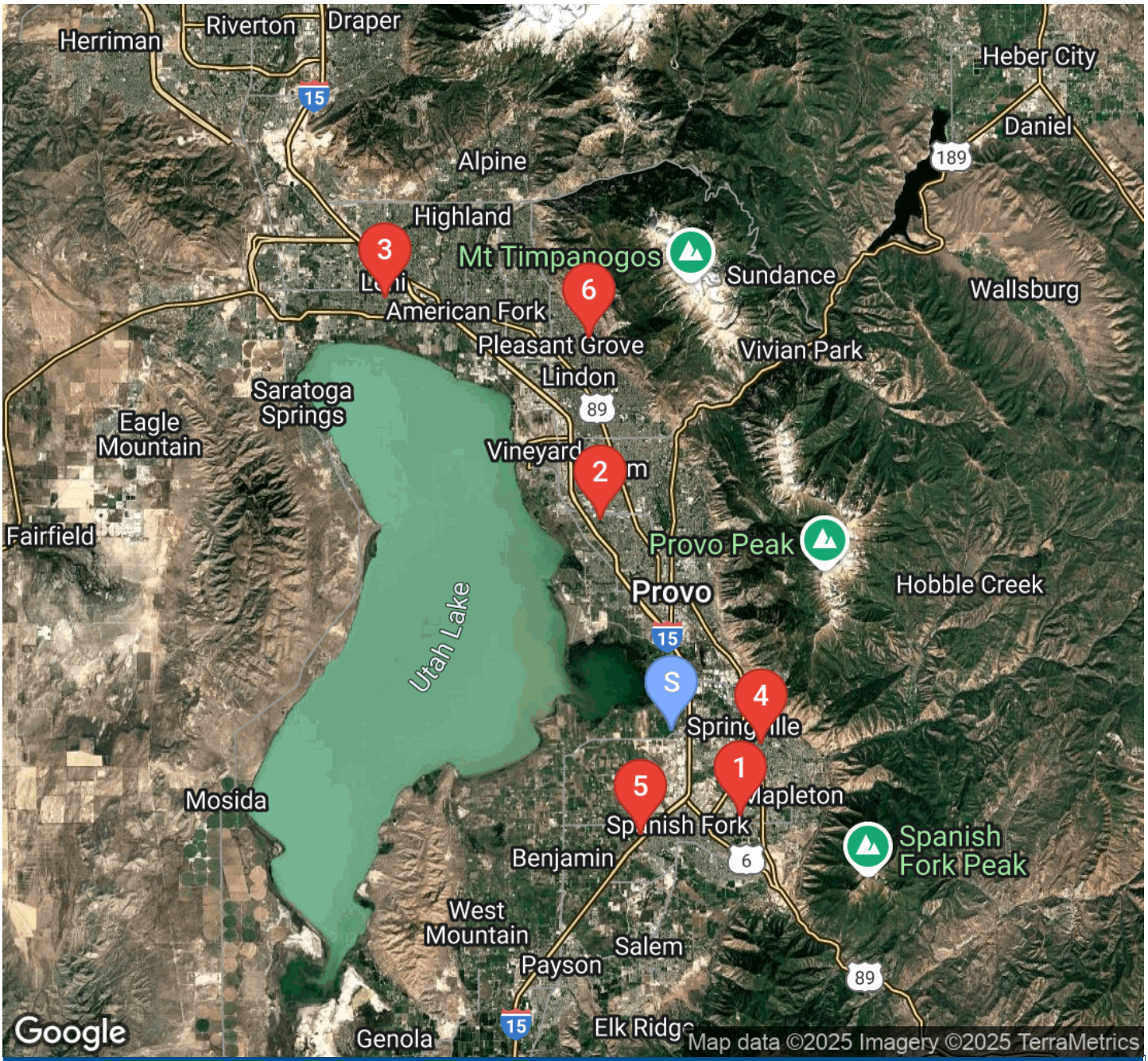
The following Land Sales Summation Table, Location Map and datasheets summarize the sales data used in this analysis. Following these items, the comparable land sales are adjusted for applicable elements of comparison and the opinion of site value is concluded.

LAND SALES SUMMATION TABLE

COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5	COMPARABLE 6
Name	Crandall Properties Ltd. Land	Residential Development Land	Residential Land	Single-Family Residential Land	Springville Residential Land	Utah County Residential Land	Residential Land
Address	2600 West 400 South	636 Slant Road	1555 South 400 West	500 South Center Street	900 South 700 East	6800 S 1050 W	1050 East 200 South
City	Springville	Spanish Fork	Orem	Lehi	Springville	Spanish Fork	Pleasant Grove
State	UT	UT	UT	UT	UT	UT	UT
Zip	84663	84660	84058	84043	84663	84660	84062
County	Utah	Utah	Utah	Utah	Utah	Utah	Utah
APN	21-097-0050	46-416-0013	19-026-0178	13-006-0057	26-035-0154	25-015-0003	14-043-0229
PHYSICAL INFORMATION							
SF	447,461	118,388	412,077	319,730	206,474	382,456	760,122
Zoning	A-1	R-1-9	R-12	RA-1	R2	RA-5	R-1-9
Topography	Level	Generally Level	Level	Level	Level	Level	Level
Utilities	Yes	No	No	Yes	Yes	No	Yes
Development Timeline	Near Term	Immediate	Immediate	Immediate	Immediate	Uncertain	Immediate
SALE INFORMATION							
Date		8/26/2024	2/27/2024	9/26/2023	9/1/2023	6/2/2023	2/8/2022
Status		Recorded	Recorded	Recorded	Recorded	Recorded	Recorded
Rights Transferred		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Transaction Price		$1,350,000	$4,500,000	$2,850,000	$1,980,000	$2,750,000	$7,000,000
Analysis Price		$1,350,000	$4,500,000	$2,850,000	$1,980,000	$2,750,000	$7,000,000
		$11.40	$10.92	$8.91	$9.59	$7.19	$9.21

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LAND SALES LOCATION MAP



COMPARABLE KEY

COMP	DISTANCE	ADDRESS	SALE DATE	ACRES	SF	$/SF
SUBJECT	-	2600 West 400 South, Springville, UT	-	10.3	447,461	-
No. 1	3.9 Miles	636 Slant Road, Spanish Fork, UT	8/26/2024	2.7	118,388	$11.40
No. 2	7.8 Miles	1555 South 400 West, Orem, UT	2/27/2024	9.5	412,077	$10.92
No. 3	18.2 Miles	500 South Center Street, Lehi, UT	9/26/2023	7.3	319,730	$8.91
No. 4	3.2 Miles	900 South 700 East, Springville, UT	9/1/2023	4.7	206,474	$9.59
No. 5	3.8 Miles	6800 S 1050 W, Spanish Fork, UT	6/2/2023	8.8	382,456	$7.19
No. 6	14.1 Miles	1050 East 200 South, Pleasant Grove, UT	2/8/2022	17.5	760,122	$9.21

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COMPARABLE 1

LOCATION INFORMATION

Name	Residential Development Land
Address	636 Slant Road
City, State, Zip Code	Spanish Fork, UT, 84660
County	Utah
MSA	Provo-Orem, UT
APN	46-416-0013

SALE INFORMATION

Buyer	Alpine Homes, LLC
Seller	DF Adams Ranch, LLC
Transaction Date	08/26/2024
Transaction Status	Recorded
Transaction Price	$1,350,000
Analysis Price	$1,350,000
Recording Number	57418:2024
Rights Transferred	Fee Simple
Financing	Conventional
Conditions of Sale	Arms-Length
Marketing Time	4 Months

PHYSICAL INFORMATION

Intended Use	Single-Family Residential
Location	Average
Site Size (Net)	2.72 Acres (118,388 SF)
Site Size (Gross)	2.89 Acres (125,888 SF)
Zoning	R-1-9
Development Potential	12
Density	4.42
Shape	Irregular
Topography	Generally Level
Access	Average
Exposure	Average
Corner	No
Utilities	No



RESIDENTIAL DEVELOPMENT LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$467,128	$10.72	$112,500
Net	$496,689	$11.40	$112,500

CONFIRMATION

Name	Bryant Parker	
Company	Colliers	
Source	Seller's Broker	
Date / Phone Number	01/14/2025	+1 385 866 3007

REMARKS

This is in a residential area of Spanish Fork 1/3 mile away from Maple Mountain High School. There is a proposed grocery store nearby. Frontage would be on Spanish Fork Parkway. The entire site is planned for 13 lots; however, lot 12 (estimated 7,500 SF) was not included with the sale. The net land reflects the actual sold property. According to the listing broker, approvals had been received from Spanish Fork City.

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COMPARABLE 2

LOCATION INFORMATION

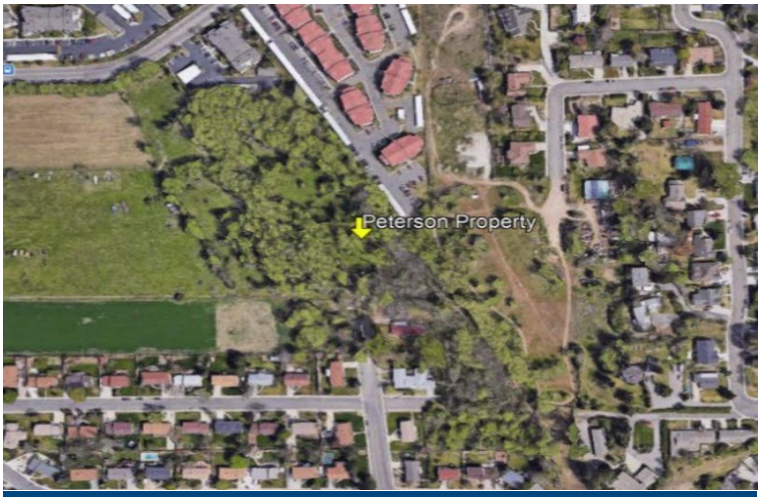
Name	Residential Land
Address	1555 South 400 West
City, State, Zip Code	Orem, UT, 84058
County	Utah
MSA	Provo-Orem, UT
APN	19-026-0178

SALE INFORMATION

Buyer	Sandhill OP1, LLC
Seller	Romell Peterson
Transaction Date	02/27/2024
Transaction Status	Recorded
Transaction Price	$4,500,000
Analysis Price	$4,500,000
Rights Transferred	Fee Simple
Conditions of Sale	Arms-Length

PHYSICAL INFORMATION

Intended Use	Residential
Location	Excellent
Site Size (Net)	9.46 Acres (412,077 SF)
Site Size (Gross)	9.46 Acres (412,077 SF)
Zoning	R-12
Development Potential	34
Density	3.63
Shape	Irregular
Topography	Level
Access	Average
Exposure	Average
Corner	No
Utilities	No



RESIDENTIAL LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$475,687	$10.92	$132,353
Net	$475,687	$10.92	$132,353

CONFIRMATION

Name	Jeffery Kunz	
Company	Fathom Realty	
Source	CRMLS	
Date / Phone Number	04/16/2024	+1 801 380 9858

REMARKS

9.46-acre parcel of R-12 Zoned land. The site is situated near Utah Valley University, I-15, retailers, and schools. This property was reportedly on the market for one week before going under contract for $4,500,000. The R-12 Zone allows for 12,000 SF residential lots.

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COMPARABLE 3

LOCATION INFORMATION

Name	Single-Family Residential Land
Address	500 South Center Street
City, State, Zip Code	Lehi, UT, 84043
County	Utah
MSA	Provo-Orem, UT
APN	13-006-0057

SALE INFORMATION

Buyer	Paul Olsen
Seller	Valerie Maurin et al.
Transaction Date	09/26/2023
Transaction Status	Recorded
Transaction Price	$2,850,000
Analysis Price	$2,850,000
Recording Number	63628-2023
Rights Transferred	Fee Simple
Financing	Seller
Marketing Time	13 Months

PHYSICAL INFORMATION

Intended Use	Single-Family Residential
Location	Good
Site Size (Net)	7.34 Acres (319,730 SF)
Site Size (Gross)	7.34 Acres (319,730 SF)
Zoning	RA-1
Development Potential	22
Density	3.25
Shape	L-shaped
Topography	Level
Access	Average
Exposure	Average
Corner	No
Utilities	Yes



SINGLE-FAMILY RESIDENTIAL LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$388,283	$8.91	$129,545
Net	$388,283	$8.91	$129,545

CONFIRMATION

Name	WFMLS
Company	WFMLS
Source	CRMLS
Date / Phone Number	01/11/2024

REMARKS

Approximately 7 acres of residential land right off Center Street in Lehi. This includes 17 acre feet of water that has already been banked with the city of Lehi for development. Quick access to Pioneer Crossing. Property general plan is LDR, and can accommodate 3.25 units per acre. This backs onto the Union Pacific/FrontRunner train line. According to the MLS listing, there was seller financing. We have attempted to contact the broker (Dan Ford) to verify the details of the financing, but we have not received a response.

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COMPARABLE 4

LOCATION INFORMATION

Name	Springville Residential Land
Address	900 South 700 East
City, State, Zip Code	Springville, UT, 84663
County	Utah
MSA	Provo-Orem, UT
APN	26-035-0154

SALE INFORMATION

Buyer	Canyon Creek Land Invesments LLC
Seller	Not Available
Transaction Date	09/1/2023
Transaction Status	Recorded
Transaction Price	$1,980,000
Analysis Price	$1,980,000
Rights Transferred	Fee Simple
Financing	Cash at Settlement
Conditions of Sale	Arms-Length
Marketing Time	3 Months

PHYSICAL INFORMATION

Intended Use	Residential
Location	Average
Site Size (Net)	4.74 Acres (206,474 SF)
Site Size (Gross)	4.74 Acres (206,474 SF)
Zoning	R2
Development Potential	15
Density	3.16
Shape	Irregular
Topography	Level
Access	Average
Exposure	Average
Corner	No
Utilities	Yes



SPRINGVILLE RESIDENTIAL LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$417,722	$9.59	$132,000
Net	$417,722	$9.59	$132,000

CONFIRMATION

Name	Raquel Jex	
Company	Presidio Real Estate	
Source	CRMLS	
Date / Phone Number	02/10/2025	+1 801 358 8869

REMARKS

This property is in central Springville on either side of a feeder street. It had potential for 14 lots and has since been developed. The sale included six water shares. Because of the layout of the property, the curb, gutter and sidewalk for the lots was already installed.

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COMPARABLE 5

LOCATION INFORMATION

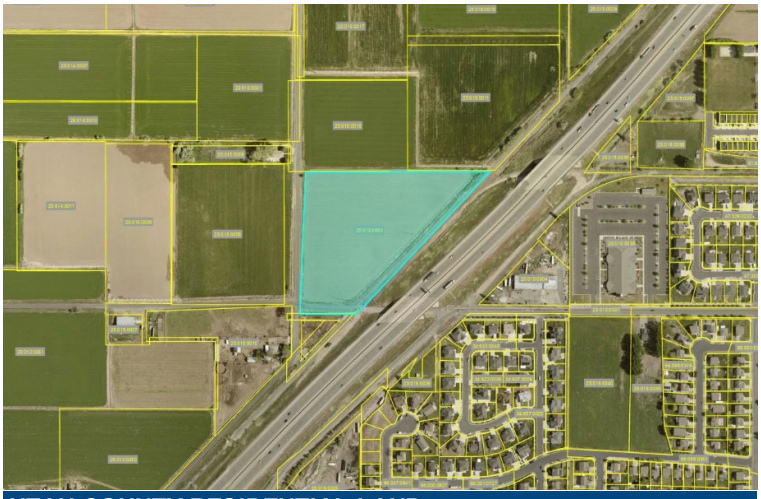
Name	Utah County Residential Land
Address	6800 S 1050 W
City, State, Zip Code	Spanish Fork, UT, 84660
County	Utah
MSA	Provo-Orem, UT
APN	25-015-0003

SALE INFORMATION

Buyer	15 Center Farm LLC
Seller	Markham Family LLC
Transaction Date	06/2/2023
Transaction Status	Recorded
Transaction Price	$2,750,000
Analysis Price	$2,750,000
Recording Number	35877:2023
Rights Transferred	Fee Simple
Financing	All Cash
Conditions of Sale	Arms-Length
Marketing Time	1 Months

PHYSICAL INFORMATION

Intended Use	Single-Family Residential
Location	Average
Site Size (Net)	8.78 Acres (382,456 SF)
Site Size (Gross)	8.78 Acres (382,456 SF)
Zoning	RA-5
Density	0.2
Shape	Triangular
Topography	Level
Access	Average
Exposure	Average
Corner	No
Utilities	No



UTAH COUNTY RESIDENTIAL LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$313,212	$7.19	$2,750,000
Net	$313,212	$7.19	$2,750,000

CONFIRMATION

Name	Steve Vincent	
Company	Berkshire Hathaway HomeServices Elite Real Estate	
Source	Seller's Broker	
Date / Phone Number	02/17/2025	+1 801 362 9235

REMARKS

This property is located in Utah County, just outside the city limits of Spanish Fork. The MLS listing reports that Spanish Fork has the site master planned for Mixed Use. The sale included 18 shares of Spanish Fork West irrigation water. Sewer and power are in the street. Culinary water is approximately 1,200 feet to the east at 100 South and 1230 West in Spanish Fork. Development at a density higher than one unit per five acres would require annexation into Spanish Fork. The agent reports that the buyers were speculative and anticipated holding the property for a few years and then annexing into the city and developing the property with a mix of commercial and medium to high density residential.

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COMPARABLE 6

LOCATION INFORMATION

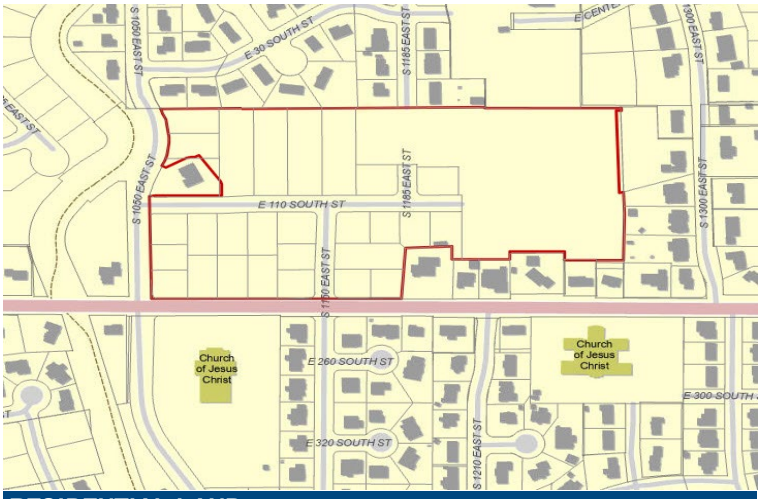
Name	Residential Land
Address	1050 East 200 South
City, State, Zip Code	Pleasant Grove, UT, 84062
County	Utah
MSA	Provo-Orem, UT
APN	14-043-0229

SALE INFORMATION

Buyer	Blossom Hill LLC
Seller	A&B Adams LLC
Transaction Date	02/8/2022
Transaction Status	Recorded
Transaction Price	$7,000,000
Analysis Price	$7,000,000
Recording Number	17572-2022
Rights Transferred	Fee Simple
Financing	Cash at Settlement
Conditions of Sale	Arms-Length
Marketing Time	1 Months

PHYSICAL INFORMATION

Intended Use	Residential
Location	Good/Excellent
Site Size (Net)	17.45 Acres (760,122 SF)
Site Size (Gross)	17.45 Acres (760,122 SF)
Zoning	R-1-9
Development Potential	67
Density	3.83
Shape	Irregular
Topography	Level
Access	Average
Exposure	Average
Corner	No
Utilities	Yes



RESIDENTIAL LAND

ANALYSIS INFORMATION

Price	$/Acre	$/SF	$/Unit
Gross	$401,146	$9.21	$104,478
Net	$401,146	$9.21	$104,478

CONFIRMATION

Name	Blaine Washburn	
Company	Confidential	
Source	Seller's Broker	
Date / Phone Number	06/1/2024	+1 801 787 5866

REMARKS

This 17.45 acre parcel with flat areas and gentle slopes offers views of the mountains and valley. This buildable parcel is currently zoned R-1-9, meaning 9,000 SqFt lots are allowed. Currently the land is used as an orchard. 26 water shares will be included in the sale of this property which is anticipated to be enough to fully develop the land. This property was raw development ground zoned for minimum 9,000 sf lots. The sale included 26 water shares.

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LAND SALES ADJUSTMENT TABLE

COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5	COMPARABLE 6
Name	Crandall Properties Ltd. Land	Residential Development Land	Residential Land	Single-Family Residential Land	Springville Residential Land	Utah County Residential Land	Residential Land
Address	2600 West 400 South	636 Slant Road	1555 South 400 West	500 South Center Street	900 South 700 East	6800 S 1050 W	1050 East 200 South
City	Springville	Spanish Fork	Orem	Lehi	Springville	Spanish Fork	Pleasant Grove
APN	21-097-0050	46-416-0013	19-026-0178	13-006-0057	26-035-0154	25-015-0003	14-043-0229
SF	447,461	118,388	412,077	319,730	206,474	382,456	760,122
SALE INFORMATION							
Date		8/26/2024	2/27/2024	9/26/2023	9/1/2023	6/2/2023	2/8/2022
Status		Recorded	Recorded	Recorded	Recorded	Recorded	Recorded
Rights Transferred		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Analysis Price		$1,350,000	$4,500,000	$2,850,000	$1,980,000	$2,750,000	$7,000,000
Price/SF		$11.40	$10.92	$8.91	$9.59	$7.19	$9.21
TRANSACTIONAL ADJUSTMENTS							
Property Rights		0%	0%	0%	0%	0%	0%
Financing		0%	0%	0%	0%	0%	0%
Conditions of Sale		0%	0%	0%	0%	0%	0%
Expenditures After the Sale		0%	0%	0%	0%	0%	0%
Market Conditions[1]		1%	2%	3%	4%	4%	8%
Subtotal Transactional Adj Price		$11.51	$11.14	$9.18	$9.97	$7.48	$9.95
PROPERTY ADJUSTMENTS							
Location	Average	Average	Excellent	Good	Average	Average	Good/Excellent
Adjustment		0%	-25%	-10%	0%	0%	-20%
Size	447,461.39	118,388.00	412,077.00	319,730.00	206,474.00	382,456.00	760,122.00
Adjustment		-15%	0%	0%	-10%	0%	10%
Access	Average	Average	Average	Average	Average	Average	Average
Adjustment		0%	0%	0%	0%	0%	0%
Shape	Rectangular	Irregular	Irregular	L-shaped	Irregular	Triangular	Irregular
Adjustment		0%	0%	0%	0%	0%	0%
Site Utility Rating	Average	Average	Average	Average	Average/Good	Average	Average
Adjustment		0%	0%	0%	-5%	0%	0%
Density (Units/AC)	6.0 : 1	4.4 : 1	3.6 : 1	3.3 : 1	3.2 : 1	0.2 : 1	3.8 : 1
Adjustment		10%	15%	20%	20%	0%	15%
Development Timeline	Near Term	Immediate	Immediate	Immediate	Immediate	Uncertain	Immediate
Adjustment		-25%	-20%	-20%	-20%	10%	-20%
Subtotal Property Adjustment		-30%	-30%	-10%	-15%	10%	-15%
TOTAL ADJUSTED PRICE		**$8.06**	**$7.80**	**$8.26**	**$8.47**	**$8.23**	**$8.46**

STATISTICS	UNADJUSTED	ADJUSTED
LOW	$7.19	$7.80
HIGH	$11.40	$8.47
MEDIAN	$9.40	$8.25
AVERAGE	$9.54	$8.21

[1] Market Conditions Adjustment: 3%

Date of Value (for adjustment calculations): 2/12/25

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LAND SALES ANALYSIS

Introduction

The comparable land sales indicate an adjusted value range from $7.80 to $8.47/SF, with a median of $8.25/SF and an average of $8.21/SF. The range of total gross adjustment applied to the comparables was from 14% to 73%, with an average gross adjustment across all comparables of 52%. The level of total adjustment applied to the comparables is considered to be moderate. Overall, the availability of market data and extent of analysis was adequate to develop a reasonably credible opinion of land value. The adjustment process for each comparable land sale is discussed in the following paragraphs.

PROPERTY ADJUSTMENTS

Location

Comparable 4 is in Springville in an area that is comparable to the subject's. Comparable 5 is in unincorporated Utah County, just outside the boundary lines of Spanish Fork City. Comparable 1 is in incorporated Spanish Fork. Comparable 3 is in a superior area in west Lehi and is adjusted downward 10%. Comparable 6 is in a superior area in east Pleasant Grove and is adjusted downward 20%. Comparable 2 is in a superior area in Orem within walking distance of UVU and is adjusted downward 25%.

Size

In markets where a reasonable supply of vacant development land is available, large parcels typically have a lower value per square foot or per acre than smaller parcels of the same quality. A large parcel generally has a smaller pool of potential buyers. It can have a longer potential absorption period, and may therefore have greater perceived investment risk. Size does have less of an impact on price in mature locations where land is relatively scarce. Based on an analysis of the sales, we conclude land prices in this market decline about 10% each time the size is doubled. The adjustments are made on that basis.

Access

The comparable sales are all reasonably similar in terms of quality of access. No adjustments for access are made.

Shape

The comparables and the subject are reasonable in shape and can accommodate a wide range of potential improvements. We have made no adjustment for shape.

Site Utility Rating

Comparable 4 had some on-site improvements already in place and is adjusted downward 5% for site utility. The other comparables and the subject can be fully utilized and have no obvious deficiencies or unusable ground. These have no adjustment made for utility.

Density

In general, residential land with higher allowable density (dwelling units per acre) has a higher value per acre than land with lower allowable density. Comparable 5 has very low density, but like the subject is expected to be rezoned to a higher density at some point in the future. For comparison purposes, we assume the expected future density of Comparable 5 is similar to the subject's and we have made no adjustment. Comparable 1 has an allowable density more than twice that of the subject and is adjusted downward 25%. The remaining comparable sales range from 3.2 to 4.4 units per acre and are adjusted upward between 10% and 20%.

Development Timeline

In order to be rezoned and developed at a density of approximately six units per acre, the subject will need to be incorporated into the Lakeside Village master plan. Development of the Lakeside Village master plan will also require upgrading the road and utility infrastructure in the area. These facts increase the uncertainty and the

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development timeline a potential buyer would expect. The majority of comparable sales are one-off pieces of development land that can be developed independently, and therefore, more quickly and with more certainty. These are adjusted downward 20%. Comparable 1 had a plat approved with the city and is adjusted downward 25%. Comparable 5 is located outside of Spanish Fork city limits, doesn't have all utilities nearby and the agent indicated that the buyers expected to wait a few years before being able to develop according to Spanish Fork City's master plan. It is adjusted upward 10%.

CALCULATION OF VALUE

The comparable land sales indicate an adjusted value range from $7.80 to $8.47/SF, with a median of $8.25/SF and an average of $8.21/SF. Based on the results of the preceding analysis, Comparable 4 ($8.47/SF adjusted) and Comparable 5 ($8.23/SF adjusted) are given primary consideration for the subject's opinion of land value. Comparable 4 is the best location comparison. Comparable 5 brackets the subject's development timeline.

The following table summarizes the analysis of the comparables, reports the reconciled price per square foot value conclusion, and presents the concluded value of the subject site.

CALCULATION OF LAND VALUE

	ANALYSIS	ADJUSTMENT				NET	GROSS	OVERALL
COMP	PRICE	TRANSACTIONAL[1]	ADJUSTED	PROPERTY[2]	FINAL	ADJ %	ADJ %	COMPARISON
1	$11.40	1%	$11.51	-30%	**$8.06**	-29%	51%	MINIMAL
2	$10.92	2%	$11.14	-30%	**$7.80**	-29%	62%	SECONDARY
3	$8.91	3%	$9.18	-10%	**$8.26**	-7%	53%	SECONDARY
4	$9.59	4%	$9.97	-15%	**$8.47**	-12%	59%	PRIMARY
5	$7.19	4%	$7.48	10%	**$8.23**	14%	14%	PRIMARY
6	$9.21	8%	$9.95	-15%	**$8.46**	-8%	73%	SECONDARY
LOW	**$7.80**					**AVERAGE**		**$8.21**
HIGH	**$8.47**					**MEDIAN**		**$8.25**

COMPONENT	SUBJECT SF		$/SF CONCLUSION		VALUE
TOTAL PROPERTY	**447,461**	**x**	$8.25	**=**	**$3,691,556**

[1]Cumulative [2]Additive — Rounded to nearest $1

LAND VALUE CONCLUSION

The Sales Comparison Approach was utilized for valuation of the subject site, as it best reflects the decision-making of buyers and sellers of development land in the local marketplace. The purpose of this appraisal is to develop an opinion of the as-is Fair Market Value of the subject property's fee simple interest. The following table conveys the final opinion of market value of the subject property that is developed within this appraisal report:

Our opinion of value reflects current conditions and the likely actions of market participants as of the date of value. It is based on the available information gathered and provided to us, as presented in this report, and does not predict future performance. Changing market or property conditions can and likely will have an effect on the subject's value.

ANALYSIS OF VALUE CONCLUSIONS

VALUATION INDICES	FAIR MARKET VALUE
INTEREST APPRAISED	**FEE SIMPLE**
DATE OF VALUE	**FEBRUARY 12, 2025**
FINAL VALUE CONCLUSION	**$3,691,556**
$/SF	$8.25

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The purpose of the land value above is to be used in the following analysis; accordingly, it has not been rounded. This is typical for a right-of-way assignment in which typically requires that rounding is done only for the final determination of just compensation.

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INTRODUCTION TO AFTER ANALYSIS

The first step in determining the just compensation associated with the parts taken is to estimate the contributory value of the parcel being acquired as part of the larger parcel. This is the land value of the fee taking, plus the depreciated value of any improvements.

The value of the easements must then be determined. Placement of an easement on a property generally reduces its market value, because property rights have been lost. The value of an easement is generally considered to be some portion of underlying market value.

The next step in the analysis is to determine the net damages, if any, that accrue to the remainder by reason of the taking and the construction of the project in the manner proposed. This analysis involves determining the value of the remaining property before and after the taking. The difference between the value of the remainder in the before condition, and the value of the remainder in the after condition, represents the loss in value that accrues to the remaining property by reason of the taking and the construction of the project in the manner proposed.

Severance damages that are calculated are then offset by project benefits, if any. Aspects of the project that provide an increase in value that is unique to a particular property may be considered special benefits. In the state of Utah, special benefits can offset damages to the remainder but cannot offset the part taken. If mitigation costs are required to negate potential severance damages, they are included as part of the value of the property rights to be acquired and considered to be curable severance damages.

Finally, the owner must be compensated if there is a time period in which he loses the partial or entire use of the property. This includes the value of any temporary construction easements.

VALUE OF PARTS TAKEN

The following analysis is based on the data and conclusions from the preceding valuation analyses. The parts taken are initially valued as a portion of the whole. That is, for the area reflecting a fee acquisition, the value is allocated on a proportionate basis according to the value of the underlying land area affected.

The area taken for the project (the fee taking) represents a full fee taking of the designated area. The owner is deprived of all use of the land. Accordingly, the area required for the fee taking contributes to the overall property value at 100% of fee simple interest. Below is the breakdown of the land and building area (if any) that is being taken and remaining.

PARTS TAKEN BREAKDOWN

	TOTAL SF	TAKEN SF	REMAINING SF
Land Area - Fee Simple	447,461	42,735	404,726
Perpetual Easement		*3,376* *	
Temporary Construction Easement (TCE)		*3,345* *	
TOTAL	**447,461**	**42,735**	**404,726**

*Easements are portions of the bundle of rights and are therefore not deducted; they will be addressed later in the report

Value of the Fee Taking

The site for the parts taken totals 42,735 SF. The overall site value on a price per square basis is $8.25/SF. In this analysis, we applied the overall price per square foot to the taken area as the site in its after condition continues to have a similar utility. Accordingly, a “zones of value” approach to the site valuation is not warranted.

This appraisal is based on the extraordinary assumption that the provided size of the fee acquisition area is accurate despite the absence of a legal description or site-specific maps with taking dimensions. If this assumption proves to be inaccurate, the opinions of value stated herein may require revision.

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Site Improvements

Site improvements within the taking area include wood and wire fencing. Due to the partial acquisition and the perpetual easement, the fencing must be removed or relocated. This appraisal makes the extraordinary assumption that any site improvements removed or relocated as a result of the project will be relocated at the expense of Mountainlands Association of Governments.

VALUE OF THE PERPETUAL EASEMENT

The reported size of the five-foot-wide perpetual easement is 3,376 square feet (0.08 acre) and will lie along the boundary between the remainder property and the future road corridor. Its purpose is assumed to be for the maintenance of utilities, though no specific easement language was provided. We were asked to assume a 5-foot width by the client.

The value of an easement is generally considered to be some portion of the underlying market value. Theoretically, the proportion can range from near 0% up to 100%. The high end would only be appropriate if an easement effectively eliminated the use and enjoyment of the area by the underlying fee owner. Appraisers sometimes consider less than 50% to be appropriate for underground utility easements when the easement will overlap an existing underground utility easement. The reasoning is that the fee owner retains most of the use and enjoyment of the easement area and suffers little loss in value from the additional utility in the same easement area.

Rod Sorenson of Sandy City Public Utilities reported that they generally negotiate in a range from 30% to 50% of fee value for underground utility easements, and will generally go to 50% if they, "…know there will be a fight." Above that range, or for more complex issues, they typically hire an appraiser to determine the proper amount. He figures the correct amount to be less if there are overlapping easements. In one case, he offered only 10% of fee value because the easement was in an area that had already been set aside for future Highland Drive and had no impact to the owner.

Dave Ingleby of Questar Gas reported that they typically pay 50% of fee value for an underground utility easement, but certain circumstances can change that figure up or down. If the easement is in an area already encumbered by other underground utility easements, they may try to negotiate as low as 10% to 25% of fee value. In cases where they have to fence an area off, they typically pay 100% of fee value but they prefer to buy the fee in those cases.

In the subject case, a perpetual easement appears to be within the future road right-of-way that will be dedicated if and when the owner decides to develop the site. However, we have not been provided with maps that show that specific location of the easement. We assume a perpetual easement would include typical occupancy rights, including the right to construct, maintain, and continue the existence of underground utilities. On that basis, we conclude 30% of value to be an appropriate compensation for the loss of property rights in this case. The value of the perpetual easement is as follows:

VALUE OF PERPETUAL EASEMENT

EL NO.	TOTAL SF	$/SF	% OF FEE SIMPLE VALUE	INDICATED VALUE
21-097-0050	3,376	$8.25	30%	$8,356

This appraisal is based on the extraordinary assumption that the 5-foot-wide perpetual easement exists as described, with the location and extent aligning with the intended project scope, though no exact legal descriptions or surveyed dimensions were provided. If any of these assumptions prove to be inaccurate, the opinions of value stated herein may require revision.

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TOTAL CONTRIBUTORY VALUE OF THE PARTS TAKEN

The following table summarizes the contributory value of the parts taken:

TOTAL VALUE OF PART TAKEN					
	SF		$/SF		INDICATED VALUE
Land Value of the Fee Take	42,735	x	$8.25	=	$352,564
Value of the Perpetual Easement					$8,356
TOTAL PARTS TAKEN					$360,919

VALUE OF THE REMAINDER AS PART OF THE WHOLE

The value of the taking deducted from the value of the property in the before condition results in the value of the remainder parcel as a part of the whole:

TOTAL VALUE OF REMAINDER AS PART OF THE WHOLE	
	INDICATED VALUE
Total Value of the Subject in Before Condition	$3,691,556
Total Value Parts Taken	$360,919
TOTAL VALUE OF THE REMAINDER AS PART OF THE WHOLE	**$3,330,637**

The above figure is used for comparison purposes (with the value of the remainder in the after condition) as the method for estimating severance damages to the remainder.

VALUE OF THE REMAINDER IN THE AFTER CONDITION

As concluded above, the remainder property in the after condition will suffer no net damages as a result of the parts taken. Therefore, the value of the remainder in the after condition is the same as the value of the remainder as a part of the whole.

VALUE OF REMAINDER IN THE AFTER CONDITION						
	SF		$/SF	% ALLOCATION		INDICATED VALUE
Land Value - Fee Simple	401,350	x	$8.25	100%	=	$3,311,138
Easement Area - Remainder	3,376	x	$8.25	70%	=	$19,496
VALUE OF THE REMAINDER IN THE AFTER CONDITION						$3,330,637

SEVERANCE DAMAGES

In addition to the part taken, the owner is entitled to net damages to the remainder property. Damages are a decrease in the value of the remainder caused by severance (separation) from the part taken, or by the construction the condemnor proposes on the part taken.

If the value of the remainder in the after condition is less than the value of the remainder as a portion of the whole, the property suffers permanent severance damages. Alternatively, if the value of the remainder in the after condition is greater than the value of the remainder as a portion of the whole, the property enjoys benefits reflected in an increase in value. Special benefits can offset damages to the remainder, but cannot offset the part taken.

As previously discussed, the remainder parcel will have similar access, topography and overall functionality and the same highest and best use as in the before condition. While the shape changes slightly, the parcel has a similar utility as in the before condition. We conclude no severance damages.

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SEVERANCE DAMAGES	
	INDICATED VALUE
Remainder as a Portion of the Whole	$3,330,637
Value of the Remainder in the After Condition	$3,330,637
Severance Damages	$0
Cost to Cure	$0
TOTAL SEVERANCE DAMAGES	$0

PROJECT BENEFITS

Project benefits reflect the enhanced value brought to a property as a result of the Project. In the state of Utah, special benefits can offset damages to the remainder, but cannot offset the part taken.

Special benefits are those which result directly and peculiarly to the particular tract of which a part is taken for a public improvement. Special benefits are ones that are direct, physical, proximate, actual, usable and certain. Physical change is defined as a construction of frontage roads, improved ingress and egress, improved drainage, or similar change in the property. An example of a special benefit would be where the remainder property has a new road providing access suitable for development of lots that it did not have before the taking.

The subject property has the same highest and best use in the before and after condition. However, completion of the project will improve access to the site and will facilitate development of the area. The subject will receive these special benefits from the project in the after condition. However, because there are no severance damages for the project benefits to offset, calculating the benefits is not necessary.

TEMPORARY CONSTRUCTION EASEMENT

Temporary construction easements (TCE) reflect a transaction equivalent to a rental of the land for the period of construction. It can be evaluated on the basis of negotiated land rental transactions, or (in the absence of directly relevant market transactions) a rate of return may be applied to the value of the underlying land.

Annual land rates of return typically vary from 5% to 10%. At the low end of the range are commercial pad sites for gas stations or fast-food retailers on high-traffic volume street corners. The middle of the range is primarily office and industrial sites. The upper end of the range are typically rate of return requirements for public agencies. As a public agency wishes to acquire a TCE that has no commercial value in and of itself, an annual rate of return towards the upper end of the range is reasonable. We conclude to 9.0%.

An application of the appropriate value per square foot (in the after condition) is applied to the concluded rate of return for the land area affected by the temporary construction easements. For the area of the TCEs, the indicated fee value of the land rental component is calculated in the table below.

TEMPORARY CONSTRUCTION EASEMENT														
	LAND VALUE $/SF		SF		LAND VALUE		RATE OF RETURN		ANNUAL EASEMENT VALUE	MONTHLY EASEMENT VALUE		MONTHS		INDICATED VALUE
Land Rent	$8.25	x	3,345	=	$27,596	x	9%	=	$2,484	$207	x	36	=	$7,451
TEMPORARY CONSTRUCTION EASEMENT (UNDISCOUNTED)														$7,451

As shown towards the right side of the table, the monthly easement rent is multiplied by the estimated 36-month rental period to arrive at the indicated value.

In a typical lease, the rent would be paid monthly. In this case, however, the rent will be paid in a lump sum, up front. Therefore, a discount in the rent is appropriate to account for the time value of money. Typical discount rates range 100-150 basis points higher than the annual rate of return in order to account for increasing risk over time. However, in this case, the subject's rent remains flat year-over-year for the entire period, substantially decreasing risk. Accordingly, we conclude to a "safe rate" discount rate of 4.0%.

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NET PRESENT VALUE OF TCE					
	RENTAL INCOME		PV FACTOR		PRESENT
YEAR	CONTRACT	x	@ 4.00%	=	VALUE
1	$2,484		0.9615		$2,388
2	$2,484		0.9246		$2,296
3	$2,484		0.8890		$2,208
NET PRESENT VALUE OF TCE					$6,892

Rounded to nearest $1

VALUATION SUMMARY

On the preceding pages we have developed opinions pertaining to the subject property and the components of which are relevant to the parts taken and the impact of the project. A summary of the preceding discussion and analysis is presented below:

VALUATION SUMMARY		
	VALUE OPINIONS	VALUE OF PROPERTY RIGHTS
Value of the Larger Parcel	$3,691,556	
Fee Taking (inc. Site Imp.)	($352,564)	$352,564
Perpetual Easement	($8,356)	$8,356
Value of the Remainder as a Part of the Whole	$3,330,637	
Value of the Remainder in the After Condition	$3,330,637	
Severance Damages	$0	
Cost to Cure	$0	
Project Benefits	$0	
Net Severance Damages	$0	$0
Temporary Construction Easement (TCE)	$6,892	$6,892
TOTAL FAIR MARKET VALUE OF PROPOSED PROPERTY AND RIGHTS TAKEN (ROUNDED)		**$367,800**

We have rounded the value up to the nearest $100, which is appropriate given the magnitude of the valuation. Utah law does not specify how the value of property rights should be rounded.

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We certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions of the signers are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- The signers of this report has 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.
- Chelsey Jorgensen, MAI has performed no services, as an appraiser or in any other capacity regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. Kelly Tate, MAI has performed no services, as an appraiser or in any other capacity regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- The signers are not biased with respect to the property that is the subject of this report or to the parties involved with this assignment.
- The engagement in this assignment was not contingent upon developing or reporting predetermined results.
- The compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The reported analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice* and the *Code of Professional Ethics and Standards of Professional Appraisal* Practice of the Appraisal Institute.
- Chelsey Jorgensen, MAI inspected the property that is the subject of this report. Kelly Tate, MAI did not inspect the property that is the subject of this report. Jake Jorgensen inspected the property that is the subject of this report.
- Jake Jorgensen (Utah State Certified Residential Appraiser No 7338339-CR00) provided significant real property appraisal assistance to the appraisers signing the certification.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report Chelsey Jorgensen, MAI and Kelly Tate, MAI completed the continuing education program for Designated Members of the Appraisal Institute.

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March 10, 2025
Date

Chelsey Jorgensen, MAI
Senior Valuation Specialist
Certified Residential Real Estate Appraiser
State of Utah License #9877947-CG00
+1 385 249 5448
chelsey.jorgensen@colliers.com



March 10, 2025
Date

Kelly Tate, MAI
Senior Valuation Services Director
Certified General Real Estate Appraiser
State of Utah License #8384882-CG00
+1 385 249 5444
kelly.tate@colliers.com

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This appraisal is subject to the following assumptions and limiting conditions:

- The appraisers may or may not have been provided with a survey of the subject property. If further verification is required, a survey by a registered surveyor is advised.
- We assume no responsibility for matters legal in character, nor do we render any opinion as to title, which is assumed to be marketable. All existing liens, encumbrances, and assessments have been disregarded, unless otherwise noted, and the property is appraised as though free and clear, under responsible ownership, and competent management.
- The exhibits in this report are included to assist the reader in visualizing the property. We have made no survey of the property and assume no responsibility in connection with such matters.
- Unless otherwise noted herein, it is assumed that there are no encroachments, zoning, or restrictive violations existing in the subject property.
- The appraisers assume no responsibility for determining if the property requires environmental approval by the appropriate governing agencies, nor if it is in violation thereof, unless otherwise noted herein.
- Information presented in this report has been obtained from reliable sources, and it is assumed that the information is accurate.
- This report shall be used for its intended purpose only, and by the party to whom it is addressed. Possession of this report does not include the right of publication.
- The appraisers may not be required to give testimony or to appear in court by reason of this appraisal, with reference to the property in question, unless prior arrangements have been made therefore.
- The statements of value and all conclusions shall apply as of the dates shown herein.
- There is no present or contemplated future interest in the property by the appraisers which is not specifically disclosed in this report.
- Without the written consent or approval of the authors neither all, nor any part of, the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media. This applies particularly to value conclusions and to the identity of the appraisers and the firm with which the appraisers are connected.
- This report must be used in its entirety. Reliance on any portion of the report independent of others, may lead the reader to erroneous conclusions regarding the property values. Unless approval is provided by the authors no portion of the report stands alone.
- The valuation stated herein assumes professional management and operation of the buildings throughout the lifetime of the improvements, with an adequate maintenance and repair program.
- The liability of Colliers International Valuation & Advisory Services, its principals, agents, and employees is limited to the client. Further, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The appraisers are in no way responsible for any costs incurred to discover or correct any deficiency in the property.
- The appraisers are not qualified to detect the presence of toxic or hazardous substances or materials which may influence or be associated with the property or any adjacent properties, has made no investigation or analysis as to the presence of such materials, and expressly disclaims any duty to note the degree of fault. Colliers International Valuation & Advisory Services and its principals, agents, employees, shall not be liable for any costs, expenses, assessments, or penalties, or diminution in value, property damage, or personal

injury (including death) resulting from or otherwise attributable to toxic or hazardous substances or materials, including without limitation hazardous waste, asbestos material, formaldehyde, or any smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, solids or gasses, waste materials or other irritants, contaminants or pollutants.

- The appraisers assume no responsibility for determining if the subject property complies with the *Americans with Disabilities Act* (*ADA*). Colliers International Valuation & Advisory Services, its principals, agents, and employees, shall not be liable for any costs, expenses, assessments, penalties or diminution in value resulting from non-compliance. This appraisal assumes that the subject meets an acceptable level of compliance with *ADA* standards; if the subject is not in compliance, the eventual renovation costs and/or penalties would negatively impact the present value of the subject. If the magnitude and time of the cost were known today, they would be reduced from the reported value conclusion.
- An on-site inspection of the subject property was conducted. No evidence of asbestos materials on-site was noted. A Phase 1 Environmental Assessment was not provided for this analysis. This analysis assumes that no asbestos or other hazardous materials are stored or found in or on the subject property. If evidence of hazardous materials of any kind occurs, the reader should seek qualified professional assistance. If hazardous materials are discovered and if future market conditions indicate an impact on value and increased perceived risk, a revision of the concluded values may be necessary.
- A detailed soils study was not provided for this analysis. The subject's soils and sub-soil conditions are assumed to be suitable based upon a visual inspection, which did not indicate evidence of excessive settling or unstable soils. No certification is made regarding the stability or suitability of the soil or sub-soil conditions.
- This analysis assumes that the financial information provided for this appraisal, including rent rolls and historical income and expense statements; accurately reflect the current and historical operations of the subject property.

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Engagement Letter
Professional Service Agreement
Valuation Glossary
Qualifications of Appraisers
Qualifications of Colliers International Valuation & Advisory Services

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Colliers Valuation & Advisory Services

Professional Service Agreement

6440 South Millrock Drive, Suite 570
Salt Lake City, UT 84121
Direct: +1 385 249 5444
www.colliers.com/valuationadvisory

January 29, 2025

Kelly Tate, MAI
Senior Valuation Services Director
Direct: +1 385 249 5444
kelly.tate@colliers.com

Calvin Clark, PhD, PE
Transportation Project Manager
Mountainlands Association of Governments (MAG)
586 E 800 North
Orem, UT 84097
cclark@magutah.com
801-473-1089

c/o

Glen Lent
Lakeside Landing Partners
7585 Union Park Ave, Suite 200
Cottonwood Heights, UT 84047
glen@alpinedevelopment.com
801-948-8800

RE: 2600 West ROW Appraisals

Dear Glen:

Thank you for considering Colliers International Valuation & Advisory Services, LLC for the assignment identified in the below-stated Professional Service Agreement. Please sign one copy of the agreement and return it to me, thereby indicating your authorization for us to proceed with this assignment and your acceptance of the attached Terms and Conditions.

PROFESSIONAL SERVICE AGREEMENT ("Agreement")	
Project	2600 West Corridor ROW ("Property")
Location	2600 West Springville, UT 84663
Project Description	6 Land Takings Along 2600 West Including: • Crandall Properties, LTD – 0.98 Acres • Aileen H. Clyde Trust 09-27-1988 (depending on what Chris finds out) – 0.76 Acres • Crandall Farms, Inc. – 0.52 Acres • Lynn & Sharon Properties, LLC – 0.75 Acres • Lakeside Land Partners, LLC – 1.94 Acres • The Clements Family Trust, U/A dated August 30, 2018 – 0.34 Acres
Parties	Colliers International Valuation & Advisory Services, LLC ("CIVAS") and Mountainlands Association of Governments (MAG) (herein at times referred to as "Client")

Intended User	The intended users are Lakeside Mountainlands Association of Governments (MAG), and Springville City to provide funds to the landowners to preserve future corridors. It should be noted that if this engagement is directly with the owner of the Property, the Appraisal will not be accepted by federally insured lenders due to FIRREA Compliance, limiting the use of this report. Should this potentially impact your source of lenders, we recommend engagement be directed by a Federally Insured Lender.
Intended Use	The report to be performed under this Agreement ("Appraisal") is intended to assist to provide funds to the landowners to preserve future corridors. The report is not intended for any other use.
Purpose	Market Value
Type of Appraisal	CIVAS will produce an Appraisal Report in which the appraiser's analysis and conclusions will be summarized within this document.
Rights Appraised	Fee Simple
Date of Value	Date of inspection
Scope of Work	CIVAS and/or its designated affiliate will provide the Appraisal in accordance with USPAP, and the Code of Ethics and Certifications Standards of the Appraisal Institute and State Licensing Laws. CIVAS will research relevant market data and perform analysis to the extent necessary to produce credible appraisal results. Based on our discussions with the Client, the Client has requested the following valuation scenarios: › As-Is Market Value CIVAS anticipates developing the following valuation approaches: › Land Value – Sales Comparison Approach and ROW Analysis An observation of the subject property will be performed. **Please note if it's a requirement per the client's underwriting guidelines to analyze and report all approaches to value, this will be performed although some approaches may be limited in application.** The scope of work will be included in the Appraisal. A copy of the Assumptions and Limiting Conditions, which appear in the Appraisal, is available upon request.
Delivery	Four (4) weeks
Professional Fee	$2,900 Each or $17,400 Total
Expenses	Fees include all associated expenses
No. of Reports	One (1) Electronic Draft Appraisal and One (1) Electronic Final Appraisal. No printed copies will be delivered to the client.
Retainer	**A 50% retainer is required.** <u>To Pay By Check:</u> Please remit all payments to Colliers International Valuation & Advisory Services 26791 Network Place Chicago, IL 60673-1267 **Please include the property name or address on the memo line** <u>Wire Instructions:</u> JP Morgan Chase Bank, NA Chicago, IL 70-2322/719 Account Name: Colliers International Valuation & Advisory Services, LLC Account No. 899559074 ABA No. 021000021 ACH Payment Transit Routing Number: 071000013 Swift code for International Wires ONLY: CHASUS33 **Please include the property name or address in addenda/memo payment information** Please send notification to CIVASAccounting@colliers.com when payment has been sent.

Payment Terms	CIVAS will invoice Client for the Appraisal in its entirety (Less Retainer) at the delivery of the draft report. When a full retainer has been paid, invoice and amount due are $0. Final payment is due and payable within five (5) business days upon delivery of the electronic copy of the final report or within thirty (30) days of your receipt of the draft report, whichever is sooner. If a draft report is requested, the fee is considered earned upon delivery of the draft report. If for any reason the client cancels the work before work was completed or for reasons beyond Colliers' control, then the client would pay for an agreed amount for work completed.
Acceptance Date	These specifications are subject to modification if this Agreement is not accepted within three (3) business days from the date of this letter.

Terms and Conditions

The attached Terms and Conditions and Specific Property Data Request are deemed a part of this Agreement as though set forth in full herein. The following is a list of information needed to begin and complete our analysis. The Client signing this Agreement or the party sending the specific property data certifies that all the information provided is accurate and complete as of the date of this request, and that any updates, revisions or additional relevant information that comes into control or possession of the Client prior to the date on which the Appraisal is delivered shall be provided to CIVAS immediately. Please forward with the Agreement or as soon as possible.

- Ownership history (purchase date and price)
- Copy of the purchase agreement (if under contract for sale)
- Copy of previous appraisal (if available)
- Legal description (if available)
- Any other information deemed pertinent to the appraisal
- Property Contact _____

In addition to the items requested above, please forward any additional materials you would consider relevant in the analysis of the subject property.

Reliance Language – Non-Lender Client

The Appraisal is for the sole use of the Client; however, Client may provide only complete, final copies of the Appraisal report in its entirety (but not component parts) to third parties who shall review such reports in connection with the stated Intended Use. CIVAS is not required to explain or testify as to appraisal results other than to respond to the Client for routine and customary questions. Please note that our consent to allow the Appraisal prepared by CIVAS or portions of such Appraisal, to become part of or be referenced in any public offering, the granting of such consent will be at our sole and absolute discretion and, if given, will be on condition that CIVAS will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to CIVAS, by a party satisfactory to CIVAS. CIVAS hereby expressly grants to client the right to copy the Appraisal and distribute it to employees of client and to your accountants/auditors in its entirety (but not component parts) without the need to provide CIVAS with an Indemnification Agreement and/or Non-Reliance letter.

If you have questions regarding the enclosed, please feel free to contact me. CIVAS appreciates this opportunity to be of service to you on this assignment and looks forward to serving you. If you have additional questions, please contact us.

I, **Glen Lent**, agree to the above stated terms and authorize Colliers International Valuation & Advisory Services, LLC to prepare the above referenced appraisal.

_____ Date: 01/29/2025

Glen Lent
Lakeside Landing Partners

Respectfully,

Colliers International Valuation & Advisory Services, LLC

Kelly Tate, MAI
Senior Valuation Services Director
Direct: +1 385 249 5444
kelly.tate@colliers.com

Terms and Conditions

"T&C"

1) The Appraisal will be subject to Colliers International Valuation & Advisory Services, LLC's ("CIVAS") Assumptions and Limiting Conditions that are incorporated into each appraisal, and any Extraordinary Assumptions and Hypothetical Conditions that may be incorporated into each appraisal.

2) Any capitalized, non-defined words shall have the same meaning as defined in the Agreement to which these T&Cs are attached.

3) Client is defined as the party signing the Agreement and shall be responsible for payment of the fees stipulated in the Agreement. Payment of the fee for the Appraisal is not contingent on the appraised value(s) or the outcome of the report(s). Additional fees will be charged on an hourly basis for any work that may exceed the scope of this proposal, including performing additional valuation scenarios, additional research, and conference calls, meetings, deposition preparation, deposition, trial testimony or travel that may exceed the time allotted by CIVAS for an assignment of this nature. If CIVAS is requested to cease working on the Appraisal for any reason prior to the completion of the appraisal(s), CIVAS will be entitled to bill the Client for the time spent to date at CIVAS' hourly rates for the personnel involved. The Client will be billed a minimum $500 or at a rate of $250 per hour for associate time, $350 per hour for valuation services director, $400 per hour for managing director, and $450 per hour for executive managing director. If the Client delays completion of the assignment beyond ninety (90) days, the fee may be renegotiated. This may result in the total fee exceeding the original agreed fee agreed upon cost.

4) Client agrees to pay all fees and expenses, including attorney's fees, incurred by CIVAS in connection with the collection or attempted collection of the fees and expenses. In the event Client fails to make payments when due and payable, the amount due shall bear interest at 1.5% per month or the maximum rate permitted in the state in which the CIVAS office executing the Agreement is located, whichever is lesser.

5) The fee is due upon delivery of the final report or within thirty (30) days of your receipt of the draft report, whichever is sooner. If a draft is requested, the fee is considered earned upon delivery of our draft report.

6) In the event that either party commences any legal action relating to the provisions of the Agreement, including collection, the prevailing party shall be entitled to its actual attorneys' fees and costs. The Agreement shall be governed by and construed in accordance with the laws of the state where the CIVAS office executing the Agreement is located. The venue of any action arising out of the Agreement shall be the county where the CIVAS office executing the Agreement is located. Client will have up to thirty (30) days from receipt of the Draft Appraisal to review and communicate its review to CIVAS. CIVAS reserves the right to bill Client for additional appraisal efforts that may arise from the Client not responding within with this time period.

7) CIVAS does not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to CIVAS by Client. In the event that any such information is inaccurate, misleading or incomplete, CIVAS shall have no responsibility or liability for any matters relating thereto (whether to the Client or to any third party).

8) CIVAS shall have no responsibility for legal matters, questions of survey or title, soil or subsoil conditions, engineering, or other similar technical matters. The Appraisal will not constitute a survey of the Property analyzed.

9) Client shall provide CIVAS with such materials with respect to the Appraisal as requested by CIVAS and which are in the possession or under the control of Client. Client shall provide CIVAS with sufficient access to the Property to be analyzed and hereby grants permission for entry, unless discussed in advance to the contrary.

10) The data gathered in the course of the Appraisal (except data furnished by Client) and the Appraisal prepared pursuant to the Agreement are, and will remain, the property of CIVAS. With respect to data provided by Client, such data shall be confidential, and CIVAS shall not disclose any information identified as confidential furnished to CIVAS. Notwithstanding the foregoing, CIVAS is authorized by Client to disclose all or any portion of the Appraisal and the related data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable CIVAS to comply with the Bylaws and Regulations of such Institute as now or hereafter in effect.

11) Unless specifically noted, CIVAS does not assume any duty to analyze or examine the Property or adjacent property for the possible presence of toxic and/or hazardous substances or materials (including but not exclusive to asbestos, PCB transformers, or other toxic, hazardous, or contaminated substances and/or underground storage tanks (hazardous material), or the cost of encapsulation or removal thereof) and accepts no liability regarding the issue. If such materials exist, CIVAS defers to the expertise of professionals specifically trained in analyzing the cost to remediate, which will not be a part of the appraisal fee proposal. The Appraisal will contain a comprehensive disclaimer to this effect.

12) CIVAS understands that there is no major or significant deferred maintenance in the Property which would require the expertise of a professional cost estimator or contractor. If such repairs are needed, the estimates are to be prepared by others, and are not a part of the fee contemplated in the Agreement.

13) Client acknowledges that CIVAS is being retained hereunder as an independent contractor to perform the services described herein and nothing in the Agreement shall be deemed to create any other relationship between Client and CIVAS. The Agreement shall be deemed concluded and the services hereunder completed upon delivery to Client of the Appraisal discussed herein.

14) Client agrees that its only remedy for losses or damages relating to the Agreement shall be limited to the amount of the appraisal fee paid by the Client and in no circumstances shall CIVAS be liable for any losses or damages in excess of this amount. Should the Client, or any other entitled party, make a claim against CIVAS, its directors, officers, employees and other affiliates and shareholders, relating to this engagement or the appraisal(s), the maximum damages recoverable from CIVAS, its directors, officers, employees and other affiliates and shareholders, shall be the amount of funds actually collected by CIVAS under the Agreement, and no claim shall be made for any consequential or punitive damages.

15) If CIVAS or any of its employees receives a subpoena or other judicial notification to produce documents or provide testimony involving the Appraisal in connection with a lawsuit or related proceeding, CIVAS will notify the Client of receipt of the subpoena or notification. However, if CIVAS is not part of the lawsuit or proceedings, Client agrees to compensate CIVAS for the professional time required and to reimburse CIVAS for the expenses incurred in responding to any such subpoena or judicial notification, including any attorneys' fees, as they are incurred. CIVAS is to be compensated at the prevailing hourly rates of the personnel responding to the subpoena or command for testimony.

16) If expert witness testimony is required in connection with the Appraisal, the following hourly rates will apply. The Client will be billed at the rate of $250 per hour for associate time, $350 per hour for valuation services director, $400 per hour for managing director, and $450 per hour for executive managing director. The hourly billings pertain to court preparation, waiting and travel time, document review and preparation (excludes appraisal report) and all meetings related to court testimony.

17) Client shall indemnify and hold CIVAS, its parent, subsidiaries, affiliates, its officers, directors, employees and agents ("CIVAS Indemnities"), fully harmless against all losses, damages, claims, and expenses of any kind whatsoever (including costs and reasonable attorneys' fees), sustained or incurred by a third party as a result of the negligence or intentional acts or omissions of Client (including any failure to perform any duty imposed by law), any misrepresentation, distortion or if Client fails to provide complete and accurate information to CIVAS, for which recovery is sought against the CIVAS Indemnities; however, such obligation to defend and indemnify shall not apply to the extent caused by the negligent act or willful misconduct of CIVAS. Client shall indemnify and hold CIVAS Indemnities harmless from any claims, expenses, judgments or other items or costs arising as a result of the Client's failure or the failure of any of the Client's agents to provide a complete copy of the Appraisal to any third party. LIMITATION OF LIABILITY. EXCEPT FOR THE INDEMNIFICATION PROVISION ABOVE, ANYTHING IN THE AGREEMENT TO THE CONTRARY NOTWITHSTANDING, UNDER NO CIRCUMSTANCES WHATSOEVER SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY SPECIAL, CONSEQUENTIAL, PUNITIVE, OR INCIDENTAL DAMAGES OF ANY KIND WHATSOEVER.

18) CIVAS agrees to maintain Professional Liability Insurance in the amount of $1,000,000 and General Liability insurance in the amount of $2,000,000, as well as Workers Compensation per local regulatory requirements. CIVAS will endeavor to provide Client with written notice regarding any cancellation of any such insurance. CIVAS will provide Client with certificates of insurance naming Client as an additional insured on the General Liability policy upon request.

19) The Appraisal and the name Colliers International Valuation & Advisory Services may not be used in any marketing or investment material or offering memoranda without CIVAS' prior written consent. CIVAS, its employees and appraisers have no liability to any recipients of any prepared material and disclaim all liability to any party other than the Client.

20) Unless CIVAS consents in writing, the Appraisal cannot be used by any party or for any purpose other than the Client for the purposes specified in the Agreement. Should the Client provide a copy of this Appraisal to any person or entity not authorized by CIVAS in writing, Client hereby agrees to hold CIVAS, its directors, officers, employees and other affiliates and shareholders, harmless from all damages, expenses, claims and costs, including any attorney's fees. The Client acknowledges that any opinions and conclusions expressed by the professionals of CIVAS pursuant to the Agreement are made as employees and not as individuals. CIVAS' responsibility is limited to the Client, and the use of the Appraisal or related product by third parties shall be solely at the risk of the Client and/or third parties.

21) The use of this appraisal shall be used only for the purpose as set forth in the Intended Use section of the Agreement. In the event that the client wishes to use this report or portions of this report for any other purpose such as, to become part of or be referenced in, any offering or other material intended for the review of others, or to be submitted to others, will be at the Client's sole and absolute discretion and, if given, will be on condition that CIVAS will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to CIVAS and the Client, by a party satisfactory to CIVAS and the Client. CIVAS does consent to Client submission of the complete Appraisal to rating agencies, loan participants or your accountants/auditors without the need to provide us with an Indemnification Agreement and/or Non-Reliance letter.

22) Client and its affiliates, rating agencies and a limited number of investors involved in the securitization, may use and rely upon CIVAS report in connection with a planned loan securitization involving the Property including, without limitation, utilizing selected information in the Appraisal in the offering documents relating to the securitization and CIVAS agrees to cooperate in answering reasonable questions by any of the above parties in connection with the securitization.

Client agrees that it will not file, use, or permit or cause to be used in any offering documents or any other document any portion or extract of the Appraisal, or any reference to the Appraisal, without first (i) having provided the portion or portions of an offering document or other document to CIVAS for review and (ii) having obtained the prior written consent of CIVAS to any such filing, use, amendment or modification, which consent shall not be unreasonably withheld. CIVAS shall have the right to require Client to include in any offering document or other document disclosure concerning the conditions, qualifications and assumptions of the appraisal and such other disclosure concerning the Appraisal as CIVAS shall reasonably require.

Client can use the appraised value without attribution to the Appraisal, and selected information in the Appraisal, provided Client agrees that it has complied and at all times will comply, and will use Client's best efforts to cause any underwriters to comply, with all applicable Federal and state securities laws in connection with any offering, and offering document and any use of the Appraisal. Client further agrees that neither any offering document nor any other document used in connection with any offering will contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein not misleading regarding the Appraisal, or any portion or extract thereof, or any reference to the Appraisal.

Valuation Glossary 2024

Unless specified otherwise, these definitions were extracted or paraphrased from the following sources or publications:

- The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022 (Dictionary).
- Uniform Standards of Professional Appraisal Practice, 2024 Edition (USPAP).
- The Appraisal of Real Estate, Fifteenth Edition, Appraisal Institute, Chicago, Illinois, 2020 (15th Edition).

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

Ad Valorem Tax
A real estate tax based on the assessed value of the property, which is not necessarily equivalent to its market value. *(15th Edition)*

Arm's-length Transaction
A transaction between unrelated parties who are each acting in his or her own best interest. *(Dictionary)*

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

Assessed Value
The value of a property according to the tax rolls in ad valorem taxation; may be higher or lower than market value, or based on an assessment ratio that is a percentage of market value. *(Dictionary)*

Average Daily Room Rate (ADR)
In the lodging industry, the net rooms revenue derived from the sale of guest rooms divided by the number of paid occupied rooms. *(Dictionary)*

Band of Investment
A technique in which the capitalization rates attributable to components of an investment are weighted and combined to derive a weighted-average rate attributable to the total investment. *(Dictionary)*

Cash-Equivalent Price
The sale price of a property that is equivalent to what a cash buyer would pay. *(Dictionary)*

Common Area
The total area within a property that is not designed for sale or rental but is available for common use by all owners, tenants, or their invitees, e.g., parking and its appurtenances, malls, sidewalks, landscaped areas, recreation areas, public toilets, truck and service facilities. *(Dictionary)*

Contract Rent
The actual rental income specified in a lease. *(15th Edition)*

Cost Approach
A set of procedures through which a value indication is derived for the fee simple estate by estimating the cost new as of the effective date of the appraisal to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive; deducting depreciation from the total cost; and adding the estimated land value. The contributory value of any site improvements that have not already been considered in the total cost can be added on a depreciated-cost basis. Adjustments may then be made to the indicated value of the fee simple estate in the subject property to reflect the value of the property rights being appraised. *(Dictionary)*

Curable Functional Obsolescence
An element of depreciation; a curable defect caused by a flaw involving the structure, materials, or design, which can be practically and economically corrected. *(Dictionary)*

Debt Coverage Ratio (DCR)
The ratio of net operating income to annual debt service, which measures the relative ability of a property to meet its debt service out of net operating income; also called *debt service coverage ratio (DSCR).* (*Dictionary)*

Deferred Maintenance
Items of wear and tear on a property that should be fixed now to protect the value or income-producing ability of a property. *(Dictionary)*

Depreciation
In appraisal, a loss in the value of improvements from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the value of the improvement on the same date. *(Dictionary)*

Direct Costs
Expenditures for the labor and materials used in the construction of improvements; also called *hard costs. (Dictionary)*

Discounted Cash Flow (DCF) Analysis
The procedure in which a discount rate is applied to a set of projected income streams and a reversion. The analyst specifies the quantity, variability, timing, and duration of the income streams and the quantity and timing of the reversion, and discounts each to its present value at a specified yield rate. *(Dictionary)*

Discount Rate
A rate of return on capital used to convert future payments or receipts into present value. *(Dictionary)*

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

1. Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider their best interests.
7. An adequate marketing effort will be made during the exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms. *(Dictionary)*

Easement
The right to use another's land for a stated purpose. Access or right-of-way easements may be acquired by private parties or public utilities. Governments may be the beneficiaries of easements placed on privately owned land that is dedicated to conservation, open space, or preservation. *(15th Edition)*

Economic Life
The period over which improvements to real estate contribute to property value. *(Dictionary)*

Effective Age
The age of property that is based on the amount of observed deterioration and obsolescence it has sustained, which may be different from its chronological age. *(Dictionary)*

Effective Date
The date on which the appraisal or review opinion applies (SVP) *(Dictionary)*

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

Effective Gross Income Multiplier (EGIM)
The ratio between the sale price (or value) of a property and its effective gross income. *(Dictionary)*

Effective Rent
The total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions - e.g. free rent, excessive tenant improvements, moving allowances, lease buyouts, cash allowances, and other lease incentives. *(15th Edition)*

Eminent Domain
The right of government to take private property for public use upon the payment of just compensation. The Fifth Amendment of the U.S. Constitution, also known as the *takings clause*, guarantees payment of just compensation upon appropriation of private property. *(Dictionary)*

Entrepreneurial Incentive
The amount an entrepreneur expects or wants to receive as compensation for providing coordination and expertise and assuming the risks associated with the development of a project. Entrepreneurial incentive is the expectation of future reward as opposed to the profit actually earned on the project. *(Dictionary)*

Entrepreneurial Profit
A market-derived figure that represents the amount an entrepreneur received for his or her contribution to a past project to compensate for his or her time, effort, knowledge, and risk; the difference between the total cost of a property (cost of development) and its market value (property value after completion), which represents the entrepreneur's compensation for the risk and expertise associated with development. An entrepreneur is motivated by the prospect of future value enhancement (i.e., the entrepreneurial incentive). An entrepreneur who successfully creates value through new development, expansion, renovation, or an innovative change of use is rewarded by entrepreneurial profit. Entrepreneurs may also fail and suffer losses. *(Dictionary)*

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

Excess Rent
The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the lessor and may reflect superior management, a lease execution in an earlier, stronger rental market, or an agreement of the parties. Due to the higher risk inherent in the receipt of excess rent, it may be calculated separately and capitalized or discounted at a higher rate in the income capitalization approach. *(15th Edition)*

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

Exposure Time
An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. *(USPAP)*

Extraordinary Assumption
An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis. An extraordinary assumption may be used in an assignment only if:

- It is required to properly develop credible opinions and conclusions;
- The appraiser has a reasonable basis for the extraordinary assumption;
- Use of the extraordinary assumption results in a credible analysis; and
- The appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions. *(USPAP)*

External Obsolescence
A type of depreciation; a diminution in value caused by negative external influences and generally incurable on the part of the owner, landlord, or tenant. The external influence may be either temporary or permanent. There are two forms of external obsolescence: economic and locational. *(Dictionary)*

Fair Market Value
In nontechnical usage, a term that is equivalent to the contemporary usage of *market value*.
As used in condemnation, litigation, income tax, and property tax situations, a term that is similar in concept to market value but may be defined explicitly by the relevant agency or interpreted differently by court precedent. *(Dictionary)*

Feasibility Analysis
A study of the cost-benefit relationship of an economic endeavor. *(USPAP)*

Fee Simple Estate
Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat. *(Dictionary)*

Floor Area Ratio (FAR)
The relationship between the above-ground floor area of a building, as described by the zoning or building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area. *(Dictionary)*

Functional Obsolescence
The impairment of functional capacity of improvements according to market tastes and standards. *(Dictionary)*

Functional Utility
The ability of a property or building to be useful and to perform the function for which it is intended according to current market tastes and standards; the efficiency of a building's use in terms of architectural style, design and layout, traffic patterns, and the size and type of rooms. *(Dictionary)*

Furniture, Fixtures, and Equipment (FF&E)
Business trade fixtures and personal property, exclusive of inventory. (Dictionary)

Going-concern
An established and operating business having an indefinite future life. *(Dictionary)*

Going-concern Value
An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the *market value of the going concern or market value of the total assets of the business*. *(Dictionary)*

Gross Building Area (GBA)
Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved. *(Dictionary)*

Gross Leasable Area (GLA)
Total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines; measured from the center of joint partitioning to the outside wall surfaces. *(Dictionary)*

Gross Living Area (GLA)
Total area of finished, above-grade residential space area; calculated by measuring the outside perimeter of the structure and includes only finished, habitable, above-grade living space. (Finished basements and attic areas are not generally included in total gross living area. Local practices, however, may differ.) *(Dictionary)*

Highest & Best Use
The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. The use of

an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid (IVS). *(Dictionary)*

Hypothetical Condition

A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. *(USPAP)*

Income Capitalization Approach

In the income capitalization approach, an appraiser analyzes a property's capacity to generate future benefits and capitalizes the income into an indication of present value. The principle of anticipation is fundamental to this approach. Techniques and procedures from this approach are used to analyze comparable sales data and to measure obsolescence in the cost approach. *(15th Edition)*

Incurable Functional Obsolescence

An element of depreciation; a defect caused by a deficiency or superadequacy involving the structure, materials, or design that cannot be practically or economically corrected as of the effective date of the appraisal. *(Dictionary)*

Indirect Costs

Expenditures or allowances for items other than labor and materials that are necessary for construction, but are not typically part of the construction contract. Indirect costs may include administrative costs, professional fees, financing costs and the interest paid on construction loans, taxes and the builder's or developer's all-risk insurance during construction, and marketing, sales, and lease-up costs incurred to achieve occupancy or sale. Also called *soft costs*. *(Dictionary)*

Interim Use

The use contemplated by the market participants that the subject real estate can be put to while waiting for certain subsequent factors to occur. *(Dictionary)*

Investment Value

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

Leased Fee Interest

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

Leasehold Estate

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

Legal Nonconforming Use

A use that was lawfully established and maintained, but no longer conforms to the use regulations of its current zoning; sometimes known as a legally nonconforming use. *(Dictionary)*

Liquidation Value

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

1. Consummation of a sale within a short time period.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. A normal marketing effort is not possible due to the brief exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms. *(Dictionary)*

Market Area

The geographic region from which a majority of demand comes and in which the majority of competition is located. Depending on the market, a market area may be further subdivided into components such as primary, secondary, and tertiary market areas, or the competitive market area may be distinguished from the general market area. *(Dictionary)*

Market Rent

The most probable rent that a property should bring in a competitive and open market under all conditions requisite to a fair lease transaction, the lessee and lessor each acting prudently and knowledgeably, and assuming the rent is not affected by undue stimulus. *(Dictionary)*

Market Study
An analysis of the market conditions of supply, demand, and pricing for a specific property type in a specific area. *(Dictionary)*

Market Value (Most Common Non-FRT)
The most probable price, as of a specific date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue distress. *(Dictionary)*

Market Value (Interagency Guidelines)
The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their own best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (*12 CFR, Part 34, Subpart C - Appraisals, 34.42(h)*).

Marketability Analysis
The study of how a specific property is expected to perform in a specific market. A marketability analysis expands on a market analysis by addressing a specific property. *(Dictionary)*

Neighborhood Analysis
The objective analysis of observable or quantifiable data indicating discernible patterns of urban growth, structure, and change that may detract from or enhance property values; focuses on four sets of considerations that influence value: social, economic, governmental, and environmental factors. *(Dictionary)*

Net Net Net Lease
An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management. Also called *NNN lease, triple net lease*, or *fully net lease. (Dictionary)*

Net Operating Income (NOI)
The actual or anticipated net income that remains after all operating expenses are deducted from effective gross income but before mortgage debt service and book depreciation are deducted. Note: This definition mirrors the convention used in corporate finance and business valuation for EBITDA (earnings before interest, taxes, depreciation, and amortization). *(15th Edition)*

Obsolescence
One cause of depreciation; an impairment of desirability and usefulness caused by new inventions, changes in design, improved processes for production, or external factors that make a property less desirable and valuable for a continued use; may be either functional or external. *(Dictionary)*

Off-site Costs
Costs incurred in the development of a project excluding on-site costs such as grading and construction of the building and other improvements; also called *common costs* or *off-site improvement costs. (Dictionary)*

On-site Costs
Costs incurred for the actual construction of buildings and improvements on a particular site. *(Dictionary)*

Overage Rent
The percentage rent paid over and above the guaranteed minimum rent or base rent; calculated as a percentage of sales in excess of a specified breakeven sales volume. *(15th Edition)*

Overall Capitalization Rate (OAR)
The relationship between a single year's net operating income expectancy and the total property price or value. *(Dictionary)*

Parking Ratio
The ratio of parking area or parking spaces to an economic or physical unit of comparison. Minimum required parking ratios for various land uses are often stated in zoning ordinances. *(Dictionary)*

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

Potential Gross Income Multiplier (PGIM)
The ratio between the sale price (or value) of a property and its annual potential gross income. *(Dictionary)*

Present Value (PV)
The value of a future payment or series of future payments discounted to the current date or to time period zero. *(Dictionary)*

Prospective Opinion of Value
A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not achieved sellout or a stabilized level of long-term occupancy. *(Dictionary)*

Qualitative Adjustment
An indication that one property is superior, inferior, or similar to another property. Note that the common usage of the term is a misnomer in that an adjustment to the sale price of a comparable property is not made. Rather, the indication of a property's superiority or inferiority to another is used in relative comparison analysis, bracketing, and other forms of qualitative analysis. *(Dictionary)*

Quantitative Adjustment
In the application of the sales comparison and income capitalization approaches, a numerical (dollar or percentage) adjustment to the sale price, rent, or expense amount of a comparable property to account for the effect on value of a difference between each comparable property and the subject property. *(Dictionary)*

Rentable Area
The amount of space on which the rent is based; calculated according to local practice. *(Dictionary)*

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

Replacement Cost for Insurance Purposes
The estimated cost, at current prices as of the effective date of valuation, of a substitute for the building being valued, using modern materials and current standards, design and layout for insurance coverage purposes guaranteeing that damaged property is replaced with a new property (i.e., depreciation is not deducted). *(Dictionary)*

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

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

Sales Comparison Approach
The process of deriving a value indication for the subject property by comparing sales of similar properties to the property being appraised, identifying appropriate units of comparison, and making adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered vacant when an adequate supply of comparable sales is available. *(Dictionary)*

Scope of Work
The type and extent of research and analysis in an appraisal or appraisal review assignment. Scope of work includes, but is not limited to:
The extent to which the property is identified;
The extent to which tangible property is inspected;
The type and extent of data researched; and
The type and extent of analysis applied to arrive at opinions or conclusions. *(USPAP)*

Shopping Center Types
Neighborhood Shopping Center: The smallest type of shopping center, generally with a gross leasable area of between 30,000 and 100,000 square feet. Typical anchors include supermarkets. Neighborhood shopping centers offer convenience goods and personal services and usually depend on a market population support of 3,000 to 40,000 people.
Community Shopping Center: A shopping center of 100,000 to 400,000 square feet that usually contains one junior department store, a variety store, discount or department store. A community shopping center generally has between 20 and 70 retail tenants and a market population support of 40,000 to 150,000 people.
Regional Shopping Center: A shopping center of 300,000 to 900,000 square feet that is built around one or two full-line department stores of approximately 200,000 square feet each plus small tenant spaces. This type of center is typically supported by a minimum population of 150,000 people.
Super-Regional Center: A large center of 600,000 to 2.0 million square feet anchored by three or more full-line department stores. This type of center is typically supported by a population area of 300,000 people. *(15th Edition)*

Sum of the Retail Values

The sum of the separate and distinct market value opinions for each of the units in a condominium; subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent the value of all the units as sold together in a single transaction; it is simply the total of the individual market value conclusions. An appraisal has an effective date, but summing the sales prices of multiple units over an extended period of time will not be the value on that one day unless the prices are discounted to make the value equivalent to what another developer or investor would pay for the bulk purchase of the units. Also called the *aggregate of the retail values* or *aggregate retail selling price*. *(Dictionary)*

Superadequacy

An excess in the capacity or quality of a structure or structural component; determined by market standards. *(Dictionary)*

Surplus Land

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

Tenant Improvements (TIs)

1. Fixed improvements to the land or structures installed for use by a lessee.
2. The original installation of finished tenant space in a construction project; subject to periodic change for succeeding tenants. *(Dictionary)*

Usable Area

The area that is actually used by the tenants measured from the inside of the exterior walls to the inside of walls separating the space from hallways and common areas. *(Dictionary)*

Useful Life

The period of time over which a structure or a component of a property may reasonably be expected to perform the function for which it was designed. *(Dictionary)*

Vacancy and Collection Loss

A deduction from potential gross income *(PGI)* made to reflect income deductions due to vacancies, tenant turnover, and nonpayment of rent; also called *vacancy and credit loss* or *vacancy and contingency loss. (Dictionary)*

Yield Capitalization

A method used to convert future benefits into present value by (1) discounting each future benefit at an appropriate yield rate, or (2) developing an overall rate that explicitly reflects the investment's income pattern, holding period, value change, and yield rate. *(Dictionary)*

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE
Certified General Appraiser
9877947-CG00
CHELSEY B JORGENSEN

Signature of Holder

DATE ISSUED: 10/15/2020 EXPIRATION DATE: 10/31/2026

- Your license is valid until the expiration date listed on your license.
- Below is your public address of record for the Division. All correspondence will be mailed to this address. It is your responsibility to notify us directly if your address changes
- Please visit our website at www.realestate.utah.gov should you have any questions in the future.

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE
Active

DATE ISSUED: 10/15/2020

EXPIRATION DATE: 10/31/2026

LICENSE NUMBER: 9877947-CG00

LICENSE TYPE: Certified General Appraiser

ISSUED TO: CHELSEY B JORGENSEN
6440 SOUTH MILLROCK DRIVE
Ste. 570
Salt Lake City UT 84121

SIGNATURE OF HOLDER

REAL ESTATE DIVISION DIRECTOR



Senior Valuation Specialist
Valuation & Advisory Services

chelsey.jorgensen@colliers.com
Direct: +1 385 249 5448
Mobile: +1 801 755 2633
Fax: +1 385 249 5451
colliers.com

6440 South Millrock Drive
Suite 570
Salt Lake City, Utah 84121
United States

Chelsey Jorgensen, MAI

Area of Expertise

Chelsey Jorgensen joined Colliers Valuation & Advisory Services in 2022. Ms. Jorgensen holds a Bachelor's degree in economics from Brigham Young University. She is a designated member of the Appraisal Institute. She began her appraisal career at Jorgensen Appraisal in 2016, after having previously worked as a business analyst for American Express. She has completed appraisals in many fields, including senior housing, health care, residential treatment, property tax appeals and valuations, conservation easements, and eminent domain. She has completed fair market rent studies, feasibility studies, and supply and demand analyses for some of the largest developers and operators in the Rocky Mountain region. Ms. Jorgensen has testified as an expert witness and provides consultation services.

Education or Qualifications

B.S. Economics, Brigham Young University, 2004

State Certifications

Utah

Wyoming

Affiliations or Memberships

MAI – Member of the Appraisal Institute

Programs and Education Committee Chair, CREW Utah

Professional Background

Colliers International (UT), 2022-Present

Jorgensen Appraisal (UT), 2016-2022

Appraisal Courses

- General Appraiser Sales Comparison Approach
- General Appraiser Market Analysis and Highest & Best Use
- General Appraiser Site Valuation and Cost Approach
- General Appraiser Report Writing & Case Studies
- Real Estate Finance, Statistics, and Valuation Modeling
- General Appraiser Income Approach
- Advanced Market Analysis and Highest & Best Use
- Advanced Income Capitalization
- Advanced Concepts & Case Studies
- Appraisal of Medical Office Buildings
- Appraisal of Industrial & Flex Buildings
- Appraisal of Self-Storage
- USPAP 2024-2025

Representative Clients and Projects

Military Installation Development Authority:
Fee acquisitions and easement acquisitions and releases from UDOT at the Mayflower Resort, Wasatch County

Ray Quinney and Nebeker:
Expert witness services related to a newly constructed flex industrial building in Utah County

Star Valley Health:
Appraisals of medical clinics in Alpine and Afton, Lincoln County, Wyoming

Intermountain Healthcare:
Fair market rent studies across the state of Utah

United States Forest Service:
Coldwater Ranch, Cache County, Utah - conservation easement on a 33,000-acre ranch

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE

ACTIVE LICENSE
Certified General Appraiser
8384882-CG00

CHRISTOPHER KELLY TATE
NAME OF HOLDER

DATE ISSUED
07/02/2024

EXPIRATION
07/31/2026

- Your license is valid until the expiration date listed on your license.
- Below is your public address of record for the Division. All correspondence will be mailed to this address. It is your responsibility to notify us directly if your address changes.
- Please visit our web site at **realestate.utah.gov** should you have any questions.

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE

ACTIVE LICENSE

DATE ISSUED: 07/02/2024

EXPIRATION DATE: 07/31/2026

LICENSE NUMBER: 8384882-CG00

LICENSE TYPE: Certified General Appraiser

ISSUED TO: CHRISTOPHER KELLY TATE
7427 S MAGIC HILLS CR
COTTONWOOD HEIGHTS UT 84121

SIGNATURE OF HOLDER

REAL ESTATE DIVISION INTERIM DIRECTOR

Form #2



Senior Valuation Services Director
Valuation & Advisory Services

kelly.tate@colliers.com
Direct: +1 385 249 5444
Mobile: +1 801 558 2827
Fax: +1 385 249 5451
colliers.com

6440 S. Millrock Dr.
Suite 570
Salt Lake City, UT 84121
United States

Kelly Tate, MAI

Area of Expertise

Kelly Tate joined Colliers International Valuation & Advisory Services in 2014. After working as a loan officer, Kelly began his career as a commercial real estate appraiser in 2008 working in the Las Vegas market. In 2012, Kelly returned to Salt Lake City to further his career in the industry. He has experience appraising many different property types including retail, office, industrial, apartments, senior housing, residential subdivisions, and condominiums.

Kelly received his MAI designation in 2013.

Affiliations or Memberships

MAI, Appraisal Institute, # 507024

Utah Chapter of the Appraisal Institute

Professional Background

Colliers International (UT), 2014 – Present

Appraisal Group Inc. (UT), 2012 – 2014

Lubawy & Associates (NV), 2008 - 2012

Education or Qualifications

Bachelor of Science – University of Utah, 2004

State Certifications

Idaho

Montana

Utah

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE
ACTIVE LICENSE
Certified Residential Appraiser
7338339-CR00
JACOB R JORGENSEN
NAME OF HOLDER
DATE ISSUED 01/18/2024
EXPIRATION 01/31/2026

- Your license is valid until the expiration date listed on your license.
- Below is your public address of record for the division. All correspondence will be mailed to this address. If your address is incorrect, please go to **https://secure.utah.gov/relms/index.html** to update it.
- All Continuing Education must be completed by the 15th of the month of expiration in order to ensure a timely renewal.
- Inactive licenses must be renewed.
- Please visit our web site at **realestate.utah.gov** should you have any questions.

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE

ACTIVE LICENSE

DATE ISSUED: 01/18/2024

EXPIRATION DATE: 01/31/2026

LICENSE NUMBER: 7338339-CR00

LICENSE TYPE: Certified Residential Appraiser

ISSUED TO: JACOB R JORGENSEN
10883 SADDLEBROOKE CIR
SOUTH JORDAN UT 84095

THE GREAT SEAL OF THE STATE OF UTAH
INDUSTRY
1847
1896

SIGNATURE OF HOLDER

REAL ESTATE DIVISION DIRECTOR

Form #2



Valuation Associate
Valuation & Advisory Services

jake.jorgensen@colliers.com
Direct: +1 801 441 1202
Mobile: +1 801 694 8640
Fax: +1 385 249 5451
colliers.com

6440 S. Millrock Dr.
Suite 570
Salt Lake City, UT 84121
United States

Jake Jorgensen

Area of Expertise

Jake Jorgensen joined Colliers Valuation & Advisory Services in 2024 and is current a Valuation Associate. He began his career in 2009 as an appraiser trainee at Jorgensen Appraisal, and received his appraisal license in 2013. During this time he completed appraisals, feasibility studies and market studies on a wide range of property types including vacant land, subdivisions, senior care, office buildings, golf courses and retail centers. In 2017, he moved to Los Angeles and began working independently as a residential appraiser, during which time he received his certified residential license. In 2024, he returned to Utah and the commercial appraisal field. He has since completed assignments for a variety of intended uses, including conservation easements, eminent domain, title disputes and litigation. He specializes in residential properties and vacant land.

Professional Background

Jorgensen Appraisal (UT), 2009-2017

Self Employed (CA), 2017-2024

Colliers Valuation & Advisory Services (UT), 2025-Present

Appraisal Courses

- General Appraiser Sales Comparison Approach
- General Appraiser Market Analysis & Highest & Best Use
- General Appraiser Site Valuation & Cost Approach
- General Appraiser Report Writing & Case Studies
- General Appraiser Income Approach
- Advanced Residential Applications and Case Studies
- Complex Properties: The Odd Side Of Appraisal
- Statistics, Modeling & Finance
- Advanced Concepts & Case Studies
- USPAP 2024-2025

Education or Qualifications

Bachelor of Science – Utah Valley University, 2013

State Certifications

Utah

California

Valuation & Advisory Services



Accelerating success.

Valuation & Advisory Services

Real estate valuations play a pivotal role in today's business climate. An accurate and well supported opinion of property value can mean the difference between reaching a critical goal—securing a loan, closing a sale, reporting to investors, choosing the best asset—or failing to achieve it altogether.

Colliers Valuation & Advisory Services' reports are designed to deliver insight into a property's fundamentals, its competition and the overall market dynamics affecting value. A solid valuation report can be a strategic asset for investors, lenders and owners, provided that it addresses both a property's unique characteristics and the most current market conditions.

Commitment to high-end client service, coupled with Colliers' unparalleled market intelligence and resources, differentiates us as the firm of choice in the real estate industry.

PROFESSIONAL

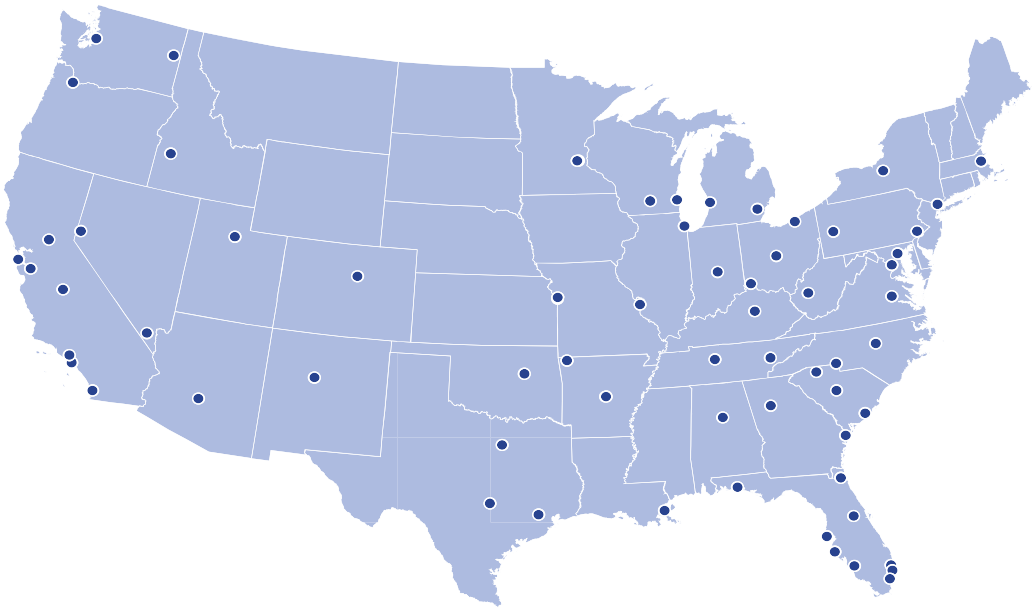
Our professionals share a commitment to deliver the highest level of service and consistent results. We go the extra mile for our clients, whether this means meeting a tight deadline or working with a complex and challenging property.

TECHNOLOGY

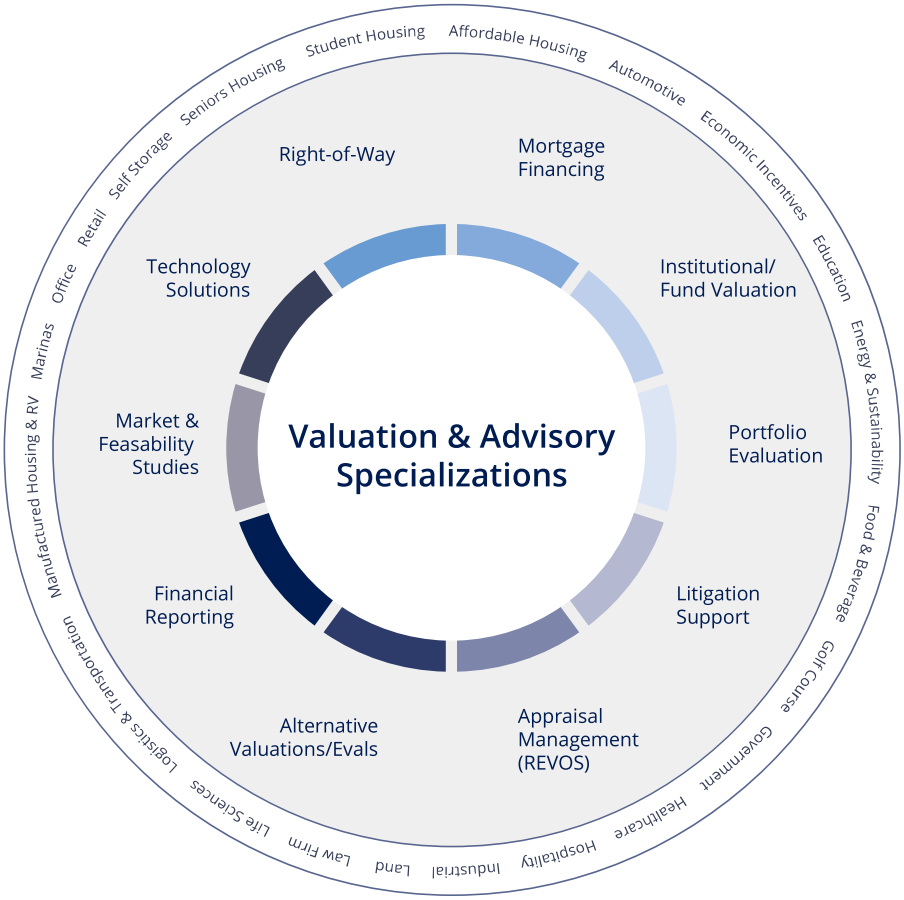
Our unmatched report creation technology speeds appraisals through the pipeline. This secure, centralized production system generates a wide range of reports and high volume portfolio orders without delays.

INFORMATION

Today's business climate places valuation in a more pivotal position than ever before. All our appraisals are evaluated and approved by an experienced review team to ensure our clients receive concise and timely appraisals. With clear, prompt reporting and a comprehensive, big picture approach, Colliers' valuation and advisory reports give our clients the information they need to make better business decisions.



What We Do



400+
licensed appraisers and staff

26,000+
assignments completed annually

60+
Valuation & Advisory Services market locations across the country

Real estate advisors in 66 countries.

Founding member of the World Green Building Council

Recognized and ranked 18 consecutive years, more than any other real estate firm

Ranked in the top 3 most recognized global commercial real estate brands by The Lipsey Company

Ranked in the world's top female-friendly companies.



Valuation & Advisory Services National Leadership

Jeremy Walling, MAI, MRICS
President | US
Valuation & Advisory Services
Jeremy.Walling@colliers.com
+1 312 371 4920

Jeff Shouse, MAI, CRE
Executive Vice President
Western US
Jeff.Shouse@colliers.com
+1 916 724 5531

Bruce Nell, MAI, AI-GRS, MRICS
Senior Vice President
Advisory Services & MHC Practice Leader
Bruce.Nell@colliers.com
+1 614 437 4687

PJ Cusmano, MAI, MRICS
Executive Vice President
Eastern US
PJ.Cusmano@colliers.com
+1 813 229 1599

Jerry Gisclair, MAI, MRICS
Executive Vice President
US Client Relations & Service
Jerry.Gisclair@colliers.com
+1 813 871 8531

Anjanette "AJ" Hutson, MAI, AI-GRS
Executive Managing Director
Quality Assurance
AJ.Hutson@colliers.com
+1 704 973 7202

Our Experts

To learn more about our Regional and Market Valuation Experts, please click on or scan the QR code.

Why work with Colliers?

We act as an extension of your team.

Our approach is collaborative, nimble and informed by uncommon knowledge. By aligning with your core business needs, we develop and execute customized real estate solutions to support your growth strategy.

We are both results and process-driven.

From the first handshake to the last, we manage the valuation process to minimize disruption, mitigate risk and mediate competing perspectives so that you can focus on what you do best. You can count on us to stay focused on your priorities.

We are defined by our people.

We attract an exemplary roster of top valuation experts across the United States – specialists who save you time and money by cutting through the noise to deliver the most favorable outcome.

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Colliers

MPO TAC Meeting
March 24, 2025 | 1:30 pm - 3:00 pm

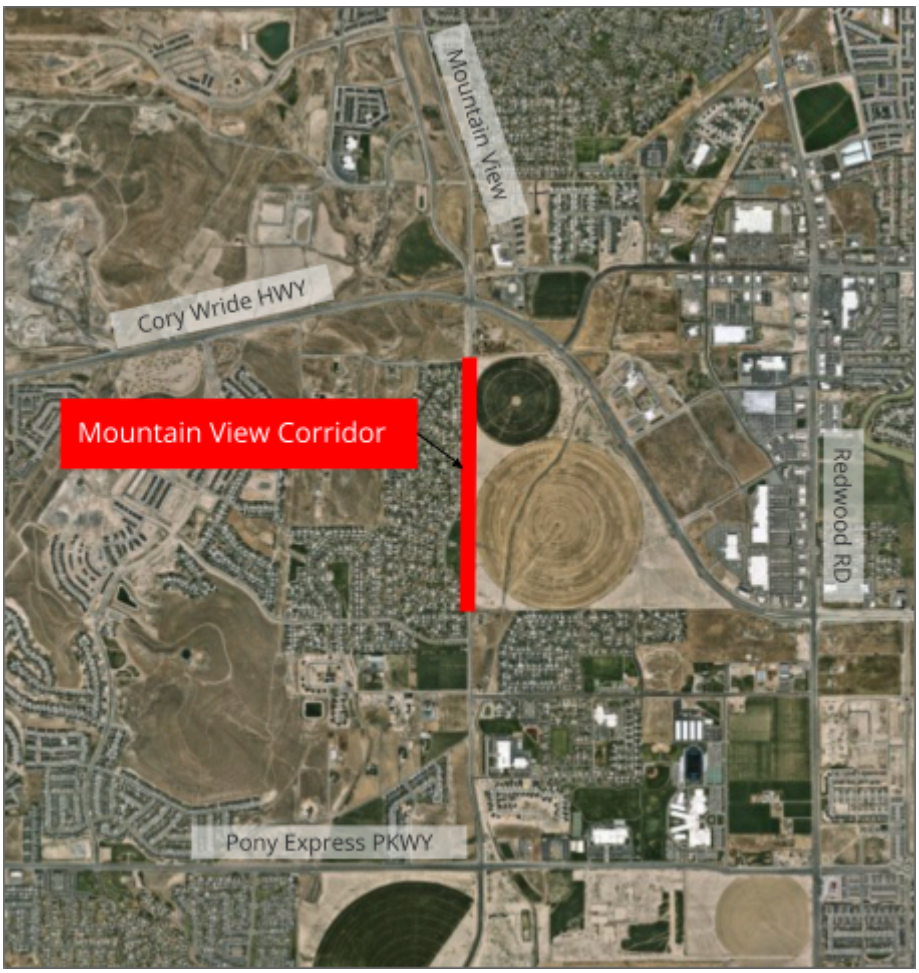
6b | Corridor Preservation, Mountain View Corridor, Saratoga Springs

Calvin Clark, Transportation Project Manager | 801-229-3848 | cclark@magutah.gov

BACKGROUND

The Utah County Corridor Preservation Fund is a dedicated fund for the preservation of planned transportation corridors within Utah County. MAG and Utah County work together to approve purchases using this fund. Properties purchased using this fund become the property and responsibility of the applying city or county. Current policies require the seller to sign a Voluntary Acquisition Certification Form indicating that they are not selling under the threat of condemnation before any acquisition funded by Corridor Preservation funds.

The city of Saratoga Springs is requesting funds to purchase unimproved land on the east side of Mountain View Corridor / 800 West in Saratoga Springs from roughly 1200 North to Buffalo Drive. Saratoga Springs contacted the seller to start the negotiations. Due to extenuating circumstances related to their status as a non-profit, the seller is not able to sign the Voluntary Acquisition Certification Form but is willing to sell under threat of condemnation. UDOT is anticipated to own the ultimate project H69, but will not enter into an agreement at this time to refund the Utah County Corridor Preservation Fund after taking ownership of the property. Saratoga Springs intends to temporarily utilize this property for a city-funded roadway expansion until the UDOT project is built.



Corridor H69, Mountain View Corridor, Saratoga Springs

Appraised value: $960,000
Estimated closing costs: $10,000
Total request: $970,000

Unobligated funds account balance:
Approximately $10,400,000

STAFF RECOMMENDATION

This request is within the purpose of the Corridor Preservation Fund Program. The fund has an adequate balance, and the property is needed for the future Mountain View FWY.

SUGGESTED MOTION

I move to recommend that the MPO Board waive the Voluntary Seller Certification for and approve the city of Saratoga Springs' request for $970,000 from the Corridor Preservation Fund.

ATTACHMENTS

Presentation
Mountain View Corridor Application
Corridor Right of Way Exhibit

Corridor Preservation

Mountain View Corridor, Saratoga Springs

March 24, 2025

Corridor Preservation Willing Seller Policy

- Current policy requires a Voluntary Seller Certification
  - Indicates that the seller is NOT under threat of condemnation
- For this property, the Seller is a non-profit
  - Due to limitations as a non-profit, the Seller is not able to sign a Voluntary Seller Certification
  - The Seller is restricted from making transactions on this property unless under the threat of condemnation

MAG

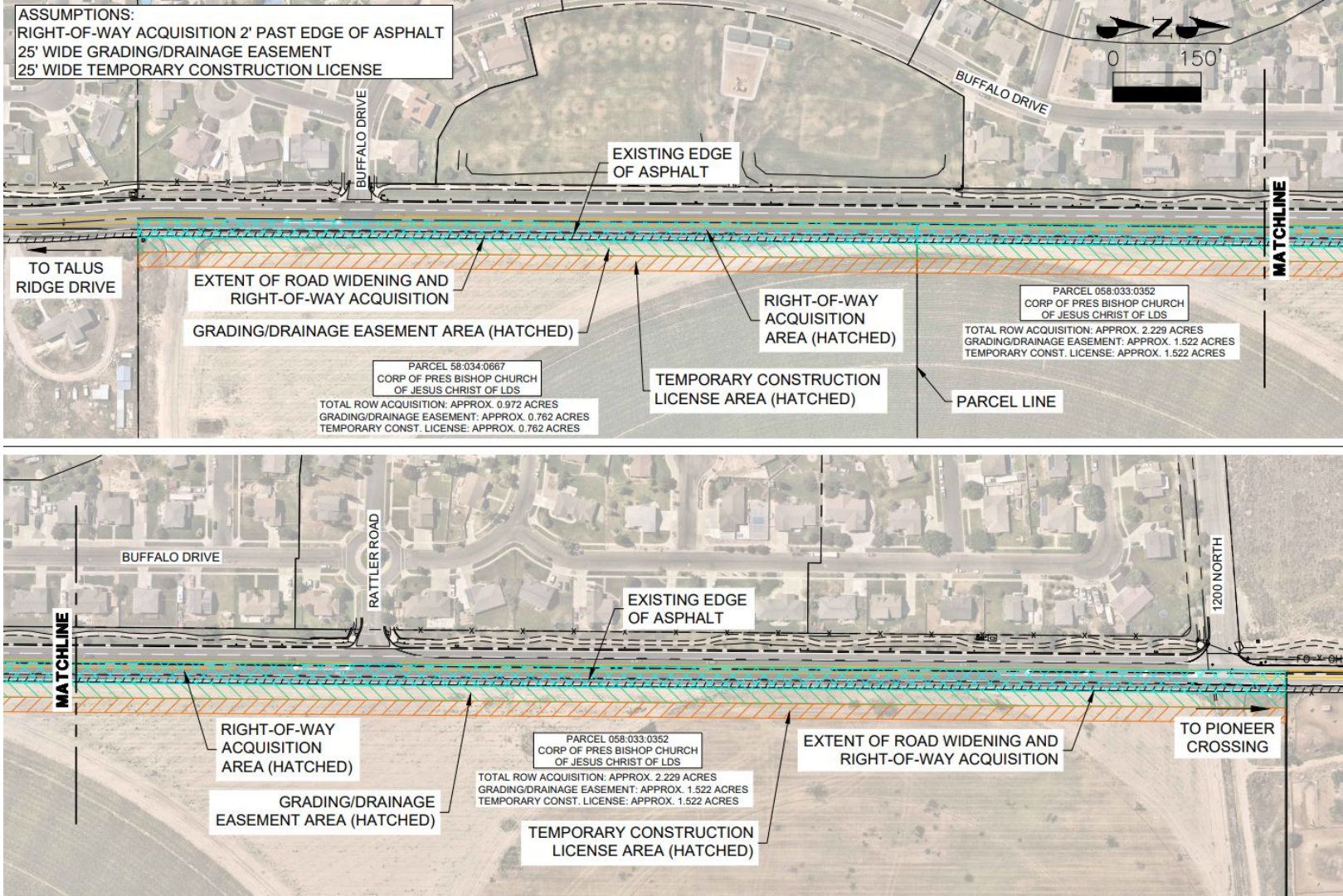
Mountain View Corridor, Saratoga Springs

- Corridor H69
- Vacant land
- City approached owner
- Appraised Value: $960,000
- Estimated closing costs: $10,000
- Total request: **$970,000**
- Unobligated fund balance: $10,400,000

MAG


Mountain View
Cory Wride HWY
Mountain View Corridor
Redwood RD
Pony Express PKWY

MAG


ASSUMPTIONS:
RIGHT-OF-WAY ACQUISITION 2' PAST EDGE OF ASPHALT
25' WIDE GRADING/DRAINAGE EASEMENT
25' WIDE TEMPORARY CONSTRUCTION LICENSE
BUFFALO DRIVE
BUFFALO DRIVE
0
150'
EXISTING EDGE OF ASPHALT
MATCHLINE
TO TALUS RIDGE DRIVE
EXTENT OF ROAD WIDENING AND RIGHT-OF-WAY ACQUISITION
GRADING/DRAINAGE EASEMENT AREA (HATCHED)
RIGHT-OF-WAY ACQUISITION AREA (HATCHED)
PARCEL 058:033:0352
CORP OF PRES BISHOP CHURCH OF JESUS CHRIST OF LDS
TOTAL ROW ACQUISITION: APPROX. 2.229 ACRES
GRADING/DRAINAGE EASEMENT: APPROX. 1.522 ACRES
TEMPORARY CONST. LICENSE: APPROX. 1.522 ACRES
PARCEL 58:034:0667
CORP OF PRES BISHOP CHURCH OF JESUS CHRIST OF LDS
TOTAL ROW ACQUISITION: APPROX. 0.972 ACRES
GRADING/DRAINAGE EASEMENT: APPROX. 0.762 ACRES
TEMPORARY CONST. LICENSE: APPROX. 0.762 ACRES
TEMPORARY CONSTRUCTION LICENSE AREA (HATCHED)
PARCEL LINE
BUFFALO DRIVE
RATTLER ROAD
1200 NORTH
MATCHLINE
EXISTING EDGE OF ASPHALT
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TEMPORARY CONSTRUCTION LICENSE AREA (HATCHED)
EXTENT OF ROAD WIDENING AND RIGHT-OF-WAY ACQUISITION
TO PIONEER CROSSING

MAG

Variations for Typical Procedure

- This transaction does not have a willing seller certification
- State code indicates that Corridor Preservation “should be done on a voluntary basis”
    - MAG legal counsel indicates that the permissive “should” gives latitude to make a one-time exception
- Without the willing seller certification, UDOT would not enter into a reimbursement agreement at this time

MAG

SUGGESTED MOTION:

I move to recommend that the MPO Board waive the Voluntary Seller Certification for and approve the city of Saratoga Springs' request for $970,000 from the Corridor Preservation Fund.

MAG

Local Corridor Preservation Fund
Application for Funds

Due to the limited amount of funds available, jurisdictions are strongly encouraged to exhaust other avenues for acquisition prior to applying.

Before consideration of awarding funds can occur, the following must be completed and submitted with this application:

1) Documentation by applicant of prior use of all appropriate resources available to the highway authority to acquire property rights, including but not limited to: use of other local funds, exactions, increased setback requirements, or other planning and zoning tools.
2) Initial approach to property owner and obtaining a certified property appraisal.
3) Securing of a Willing Seller Certification document.

Part 1: Use of Other Resources

Discuss with MAG staff the efforts to obtain the property by planning and zoning powers, development incentive, donation, or other means prior to applying for these funds. Document these efforts. MAG will convene a staff review of the application and documentation, flag any concerns or questions, and may request meetings with the applicant in order to resolve such, or to better understand the nature of the situation. Staff review should include CP/ROW, RTP, and Finance staff members.

Part 2: Initial Approach to Property Owner

Contact MAG staff prior to any discussions with the property owner of purchase price or commitments to purchase, and for any questions.

DO NOT tender any offer to purchase the property interest at this time.

If the property owner agrees to consider selling, the applicant orders a property appraisal from a certified appraiser that is acceptable to both parties. For properties intended for future use by UDOT, the appraiser should be listed on the current UDOT Consultant Services Right of Way Services and Local Government Pool. Copy and paste the following link into your browser:

https://docs.google.com/spreadsheets/d/1UURcMt7UvhIkYqADHdApr5KGxXTdeD93WLwRKu8FVl4/edit#gid=922750991

The costs of the appraisal can be reimbursed to the applicant if the funding request is approved.

Part 3: Application

1. Applicant (city, Utah County, UDOT): Springville City
2. Contact Information: Chris Wilson
3. Provide information about the properties to be acquired:
   a. Name of the current owner(s): David H & Cindy A Clements
   b. Address or location of the properties: Approximately 400 North and 2500 West
   c. Utah County parcel serial #: 21:096:0018, 21:096:0020,
   d. Type of real property interest to be acquired: (fee title, easement, etc.,) fee title
   e. Total acreage or square footage: 0.34 Acres (15,097.17 SF)
   f. Describe the efforts to obtain the property by planning and zoning powers, development incentive, donation, or other means prior to applying for these funds.
      No current intentions to develop property.
   g. Appraised value (Attach copy of appraisal report): $159,600
   h. Total estimated costs of acquisition, including appraisal and appraisal review, acquisition agent fee, closing costs, and any other associated fees: $3,900
   i. Total funds applying for - these should be no more than the appraised value plus traditional costs of acquisition in (h) above: $163,500
4. Which Eligible Corridor is the project located within or adjacent to? (see Corridor Preservation – Eligible Corridors map): 2600 W, H
5. Anticipated year or RTP phase to begin project roadway construction: Phase 3, Need
6. Is the project listed on the applicant's official master plan? Yes
7. Has the applicant begun or completed a relevant state or federal environmental study? No
   a. Study results: NA
   b. If not, is the applicant willing to conduct such a study? Yes
8. Will the roadway be a UDOT or a local government facility? Local

If the project will be a state facility and the applicant is a city or county, attach copies of:

Either

a. Applicant's transportation right of way acquisition policy or ordinance.
b. Applicant's access management policy relevant to the type of roadway to be constructed.

OR

c. The executed Cooperative Agreement between the applicant and the Utah Department of Transportation governing right of way acquisition performed by the applicant for UDOT.

NOTES – 1) It is highly recommended that any purchases for a state facility be negotiated and finalized by UDOT Right of Way Division. 2) After funds are awarded but prior to any offer of purchase, UDOT and Utah County must execute a repurchase agreement specific to the property.

9. **Attachments:**

c. One 8" x 11" map in PDF form clearly indicating the future roadway project extents and the location of the properties to be acquired, with detail showing parcel boundaries and anticipated right of way footprint (will be used in presentations to the TAC and the Board).
d. Copy of appraisal report.
e. Copy of executed Willing Seller Certification.

Submit the completed application and maps to by email to Calvin Clark - cclark@mountainland.org

ASSUMPTIONS:
RIGHT-OF-WAY ACQUISITION 2' PAST EDGE OF ASPHALT
25' WIDE GRADING/DRAINAGE EASEMENT
25' WIDE TEMPORARY CONSTRUCTION LICENSE

N

0 150'

BUFFALO DRIVE

BUFFALO DRIVE

EXISTING EDGE OF ASPHALT

MATCHLINE

TO TALUS RIDGE DRIVE

EXTENT OF ROAD WIDENING AND RIGHT-OF-WAY ACQUISITION

GRADING/DRAINAGE EASEMENT AREA (HATCHED)

RIGHT-OF-WAY ACQUISITION AREA (HATCHED)

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BUFFALO DRIVE

RATTLER ROAD

1200 NORTH

MATCHLINE

EXISTING EDGE OF ASPHALT

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EXTENT OF ROAD WIDENING AND RIGHT-OF-WAY ACQUISITION

TEMPORARY CONSTRUCTION LICENSE AREA (HATCHED)

TO PIONEER CROSSING

NO.	DESCRIPTION	DATE	APPD

ORIG. DATE: 12/24
SURVEY BY: CMT CREW
DRAWN BY:
DESIGNED BY:
CHECKED BY:
SCALE: 1"=150'

CMT TECHNICAL SERVICES
9270 SOUTH 300 WEST • SANDY, UT 84070
PHONE: (801) 562-2521 • FAX: (801) 562-2551
MATERIALS TESTING • INSPECTION SERVICES • LAB TESTING • GEOTECHNICAL
ENVIRONMENTAL • CIVIL ENGINEERING • TRANSPORTATION ENGINEERING
SURVEYING CONSTRUCTION MANAGEMENT SPECIALTY LAB

FOOTHILL BOULEVARD CONCEPT
RIGHT-OF-WAY ACQUISITION EXHIBIT

DWG/DBASE
DRAWING FILE
PROJECT NUMBER 1005.2316
LAST REVISED DECEMBER 12, 2024

SARATOGA CITY

SHEET NO. 1