

VAN DRIMMELEN & ASSOCIATES, INC.
REAL ESTATE APPRAISERS /CONSULTANTS

**AN APPRAISAL REPORT OF
A 0.248 ACRE QUIT CLAIM DEED**

**WITHIN PROPERTY OWNED BY
THE UTAH DEPARTMENT OF TRANSPORTATION**



LOCATED AT

2270 SOUTH 600 WEST,
SOUTH SALT LAKE CITY, UTAH

PROJECT IDENTIFICATION

PROJECT NO. IR-15-7(185)308
PIN NO. 990010 / PROJECT PARCEL NO. 15-7:351:3Q

PREPARED FOR

UTAH DEPARTMENT OF TRANSPORTATION
c/o Mr. Mike Timothy
Surplus Land Coordinator

PREPARED BY

KENDALL S. MITCHELL, MAI
CERTIFIED GENERAL APPRAISER

DATE OF VALUATION/INSPECTION

OCTOBER 18, 2021

DATE OF THE REPORT

OCTOBER 25, 2021

VAN DRIMMELEN & ASSOCIATES, INC.
REAL ESTATE APPRAISERS / CONSULTANTS

October 25, 2021

Project No. IR-15-7(185)308
Pin No. 990010 / Parcel No. 15-7:351:3Q

Mr. Mike Timothy
Surplus Land Coordinator
Utah Department of Transportation
Right-of-Way Division
4501 South 2700 West, Fourth Floor
Salt Lake City, UT 84114-8420

Re: An appraisal report of a 0.248 acre quit claim deed within a larger parcel containing 4.086 acres located at 2270 South 600 West, South Salt Lake City, Utah. UDOT Project No.: IR-15-7(185)308; UDOT Project Pin No.: 990010; UDOT Parcel No.: 15-7:351:3Q. Appraisal Report File #3139km1021.

Dear Mr. Timothy:

At your request, I have inspected the property owned by the Utah Department of Transportation located at 2270 South 600 West, South Salt Lake City, Utah. The purpose of the inspection and subsequent investigation and analysis was to estimate market value of the property, as of the specified date of valuation, for the proposed sale/transfer of the property rights specified. Reportedly, the quit claim deed is to be acquired by South Salt Lake City (SSLC) in order to expand SSLC facilities adjacent to the east including an animal shelter and municipal water facility. The sale/transfer will be a typical market transaction between knowledgeable and willing buyer and seller not under the threat of condemnation. However, the quit claim deed functions similar to a partial fee acquisition in that it does change the larger parcel. As such, this report has been completed to typical UDOT standards/requirements for right-of-way appraisal.

As demonstrated within the attached appraisal report, I am of the opinion that the **Market Value – As Is** of the fee simple interest (as defined in the attached Report and subject to the definitions, certifications, assumptions, and limiting conditions set forth), of the quit claim deed as of October 18, 2021, is:

NINETY-ONE THOUSAND EIGHT HUNDRED DOLLARS
(\$91,800)

The larger parcel as appraised herein comprises a ± 4.09 acre industrial lot and is identified as all of Salt Lake County parcel number(s) 15-24-151-015. The SITUS address is 2270 South 600 West and the property is under the recorded ownership of the Utah Department of Transportation. The quit claim deed is a small and narrow strip of land along the northeast border of the defined larger parcel that contains 10,789 square feet, or 0.248 acre and will reportedly be purchased by South Salt Lake City. The quit claim deed functions similar to a partial fee acquisition. In order to effectively measure the value of the remainder and any possible severance damages to the remainder, the quit claim is treated similar to a partial fee acquisition herein to provide the client with full information for their internal decision making purposes.

The property is vacant land only with no vertical improvements present. All market value conclusion(s) outlined herein represent land values only. It is important to note that the area of quit claim deed is outside the existing fenceline for the defined larger parcel and is already effectively being used by SSLC. There are numerous site improvement items within the quit claim deed area, including trees, grass, dog runs, lateral fencing, parking lot improvements, etc. These site improvements are within the defined larger parcel under UDOT ownership but were installed and are being maintained by SSLC. As per the specific instruction of the client, all site, landscaping and other improvements within the quit claim deed are excluded from consideration and no compensation or other consideration is included for these items in the appraised value(s) outlined herein.

The quit claim deed is identified as Project Parcel No.: 351:3Q and is located along the northeast border of the larger parcel adjacent west of parcels owned by SSLC. The quit claim deed has a maximum depth of 34.01 feet on the south border, narrowing to a depth of 21.55 feet on the north border. Maximum length is 390.17 feet along the west border. The acquisition is a relatively small, narrow shaped area. According to the provided legal descriptions, the size of Project Parcel No.: 351:3Q is 10,789 square feet, or 0.248 acre.

No other acquisitions by SSLC are proposed and the size of the remainder in the after condition will be 167,197 square feet, or 3.838 acres, which represents a reduction in land size of larger parcel of $\pm 6\%$, which is not a significant reduction. The remainder will remain legally compliant from all zoning requirements and the overall utility and use of the remainder will not be negatively impacted.

Definitions of market value and the fee simple estate are included in the attached document. An appraisal is performed in accordance with Standards Rule 1 as defined by the Uniform Standards of Professional Practice (USPAP). The attached report is an Appraisal Report, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of USPAP.

Mr. Timothy
October 25, 2021
Page 3

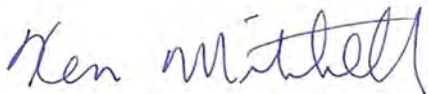
This appraisal report conforms with and is subject to the 2020-2021 Uniform Standards of Professional appraisal Practice (USPAP) of the Appraisal Foundation, the Uniform Act, C.F.R. 24.103, the Utah Relocation Assistance Act, Utah Code Section 57-12, Utah State Code Title 78B, the Code of Professional Ethics, UDOT appraisal requirements/scope of work agreement and applicable Uniform Appraisal Standards for Federal Land Acquisitions.

This report has been prepared for your use. As is customary in assignments of this nature, neither my name, my company name, nor the material submitted may be included in any prospectus, in newspaper publicity, or as part of any printed material; or used in offerings or representations with the sale of securities or participation interests to the public. No parts of this written report, including my name/company name or any value conclusions and/or explanations may be disseminated online or in other medium intended for general public consumption without prior written permission. The use of this appraisal report, by the client or by a third party, will mean acceptance of all assumptions and limiting conditions contained in the Letter of Transmittal, Preface, and attached report. The appraiser is not responsible for unauthorized use of this report.

The value given is subject to the general assumptions and limiting conditions, and specific extraordinary assumptions stated in the attached report and outlined in the addendum. It is important that the reader of this report review and understand all general and specific assumptions and limiting conditions. This letter must remain attached to the report in order for the value opinion set forth to be considered valid. The effective date of value is October 18, 2021. The date of the report is October 25, 2021.

Your attention is invited to the attached appraisal report, which outlines the data collected and the methods used to formulate an opinion of the market value of the subject property and the quit claim deed. If you have any questions, please do not hesitate to contact me at (801) 536-6475 (direct office).

Respectfully submitted,



Kendall S. Mitchell, MAI

Utah State Certified General Appraiser License #5499685-CG00 Expires 4-30-22

Enc.

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Ownership Records / Legal Descriptions
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Certification

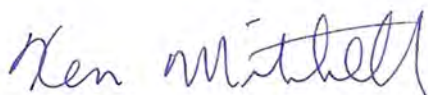
Re: An appraisal report of a 0.248 acre quit claim deed within a larger parcel containing 4.086 acres located at 2270 South 600 West, South Salt Lake City, Utah. UDOT Project No.: IR-15-7(185)308; UDOT Project Pin No.: 990010; UDOT Parcel No.: 15-7:351:3Q. Appraisal Report File #3139km1021.

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

1. The statements of fact contained in this report are true and correct.
2. The reported analysis, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, unbiased professional analysis, opinions and conclusions.
3. I have no present or prospective interest in the property appraised that is the subject of this report, and no personal interest with respect to the parties involved.
4. I have not performed any services as an appraiser or in any other capacity regarding the property that is the subject of this report within the three-year (3-year) period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of 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.
8. My analysis, opinions and conclusions were developed, and this report has been prepared in conformity with the *Uniform Standards of Professional Appraisal Practice* (USPAP), and the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
9. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
10. Kendall S. Mitchell, MAI has made a personal inspection of the property that is the subject of this report.
11. No other individuals provided professional assistance to the signing appraiser(s).
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. I have complied with the Appraisal Standards of USPAP and the Appraisal Institute in conducting the research and analysis, and in formulating the value conclusion(s) contained in this report.
14. The Ethics Rule of the Uniform Standards shall be enforced solely by enforcement of the Code of Professional Ethics under the existing enforcement procedures of the Appraisal Institute.
15. As of the date of this report, Kendall S. Mitchell, MAI is licensed by the State of Utah, Department of Commerce, Division of Real Estate. Under the state's licensing regulations, Kendall S. Mitchell, MAI is a Certified General Appraiser and his license has not been revoked, suspended, canceled, or restricted.
16. The undersigned hereby acknowledge that I/we have the appropriate education and experience to complete the assignment in a competent manner. The reader is referred to the appraiser's statements of qualifications found in the addenda of this report.
17. As of the date of this report, Kendall S. Mitchell, MAI has completed the continuing education requirements for Designated Members of the Appraisal Institute.

October 25, 2021

Date Signed



Kendall S. Mitchell, MAI

Utah State Certified General Appraiser Certificate #5499685-CG00, Expires 04-30-22

Summary of Salient Facts and Conclusions

TYPE OF PROPERTY APPRAISED:	A ±4.09 acre industrial lot.
ADDRESS:	2270 South 600 West, South Salt Lake City, Utah.
PURPOSE OF THE APPRAISAL:	To estimate market value of the property, as of the specified date of valuation, for the proposed sale/transfer of the property rights specified.
PROPERTY RIGHTS APPRAISED:	Fee simple
OWNER OF RECORD:	Utah Department of Transportation
COUNTY PARCEL NUMBER(S):	15-24-151-015
SITE/IMPROVEMENT SUMMARY (BEFORE):	
Gross Land Size:	±177,986 square feet, or 4.086 acres
Area within Existing R/W:	None reported
Land Size: (Net of Existing R/W)	±177,986 square feet, or 4.086 acres
Zoning:	Flex (light industrial/commercial)
Master Plan:	For rail serviced commercial uses
Improvements:	There are no vertical improvements present.
HIGHEST AND BEST USE (BEFORE):	
As Vacant	For light industrial development
As Improved	N/A – The subject is vacant land only.
PROJECT No./ PIN No.:	IR-15-7(185)308 / 990010
DESCRIPTION OF ACQUISITION(S):	A 0.248 acre quit claim deed.
AREA OF ACQUISITION(S):	
Quit Claim (351:3Q)	10,789 square feet, or 0.248 acre

Summary of Salient Facts and Conclusions (Continued)

SITE/IMPROVEMENT SUMMARY (AFTER):

Land Size:

±167,197 square feet, or 3.838 acres

Improvements:

N/A – There are no vertical improvements present.

HIGHEST AND BEST USE (AFTER):

As Vacant

For light industrial development.

As Improved

N/A – Vacant land only.

CONCLUDED MARKET VALUES

A) Market Value of the Whole:	\$ 1,512,881
B) Value of the Acquisition(s):	\$ 91,707
C) Value of the Remainder as part of the Whole:	\$ 1,421,175
D) Value of the Remainder after the Acquisition:	\$ 1,421,175
E) Value of Damages/Cost To Cure:	\$ 0
F) Special Benefits	<u>\$ 0</u>
G) Summary of Total Award	
Partial Fee Acquisition =	\$ 91,707
Perpetual Easement =	\$ 0
Site Improvements Acquired =	\$ 0
Cost to Cure =	\$ 0
Damages to Remainder =	<u>\$ 0</u>
Total Award =	\$ 91,707
Rounded to =	\$ 91,800

DATE OF VALUATION:

“As Is”

October 18, 2021

DATE OF THE REPORT:

October 25, 2021



VAN DRIMMELEN & ASSOCIATES

Subject Photographs





Larger Parcel Looking Westerly from East Border



Larger Parcel Looking North Along East Border



Quit Claim Area Looking South from Center



South Portion of Quit Claim Area





Street Scene: 600 West Looking North



Street Scene: 600 West Looking South

Introduction

CLIENT: Utah Department of Transportation
Attn: Mr. Mike Timothy
Surplus Land Coordinator
Right-of-Way Division
4501 South 2700 West, Fourth Floor
Salt Lake City, UT 84114-8420

APPRAISERS: Kendall S. Mitchell, MAI
Certified General Appraiser
Van Drimmelen & Associates, Inc.
774 East 2100 South
Salt Lake City, Utah 84106

SUBJECT: A 0.248 acre quit claim deed within a larger parcel containing 4.086 acres identified as Salt Lake County Assessor's Parcel Number 15-24-151-015.

Scope of Work

The purpose of the appraisal is to estimate market value of the property, as of the specified date of valuation, for the proposed sale/transfer of the property rights specified. The property is vacant land only with no vertical improvements present. All market value conclusion(s) outlined herein represent land values only. It is important to note that the area of quit claim deed is outside the existing fenceline for the defined larger parcel and is already effectively being used by SSLC. There are numerous site improvement items within the quit claim deed area, including trees, grass, dog runs, lateral fencing, parking lot improvements, etc. These site improvements are within the defined larger parcel under UDOT ownership but were installed and are being maintained by SSLC. As per the specific instruction of the client, all site, landscaping and other improvements within the quit claim deed are excluded from consideration and no compensation or other consideration is included for these items in the appraised value(s) outlined herein.

In preparing this appraisal, the following steps were taken:

- Inspected the subject neighborhood, and vertical improvements, site and site improvements;

- Researched and analyzed the physical characteristics of the subject to determine physically possible uses;
- Researched and analyzed zoning, general plan and legally permissible uses;
- Reviewed and analyzed the location of the subject, growth trends, and supply and demand factors to determine financially feasible uses for the subject;
- Analyzed the maximally productive use of the subject and made a determination of highest and best use;
- Gathered information on comparable land sales as well as any applicable site improvement and/or cost to cure costs;
- Confirmed and analyzed the data and applied the Sales Comparison Approach in estimating land value before the acquisition (value as a whole as a total acquisition);
- Reconciled the value of the proposed quit claim; and
- Examined potential severance damage to the remainder, special benefits, and cost to cure if applicable.

The market value estimate of the land for the appraised property is based on the traditional approach to land value, namely the Sales Comparison approach. The Cost Approach is not an applicable approach for the valuation of vacant land and insufficient land lease data is available for the development of the Income Approach. Therefore, these two approaches are not applicable and the Income and/or Cost Approaches have not been completed herein. Items considered furniture, fixtures, and equipment (FF&E), and/or personal property are expressly excluded from the scope of the appraisal, and have not been appraised.

To formulate the opinion of value the appraiser performed an appraisal as defined by the Appraisal Foundation's Uniform Standards of Professional Appraisal Practice.¹ The report has been prepared in compliance with reporting requirements established by USPAP, Federal Regulations, and UDOT appraisal guidelines. This Appraisal Report is a summary recapitulation of the appraiser's data, analyses and conclusions. Supporting documentation is retained in the appraiser's file. No individuals not named in the report provided significant professional assistance to the signing appraiser(s).

¹ Uniform Standards of Professional Appraisal Practice, Appraisal Foundation, 2020-2021 Edition.

Purpose of the Appraisal, Property Rights Appraised, Effective Date(s) and Definitions

PURPOSE OF THE APPRAISAL: The purpose of this appraisal is to estimate market value of the property, as of the specified date of valuation, for the proposed sale/transfer of the property rights specified as of the effective valuation date. The definition of fair market value as defined by Utah State Code is used for analysis purposes and is defined below.

- Definition of Fair Market Value

“Fair market value means the amount at which property would change hands between a willing buyer and seller, neither being under compulsion to buy or sell and both having reasonable knowledge of the facts.”²

As this appraisal assignment involves an acquisition of the “bundle of rights” associated with the larger parcel, an opinion of the market value of the subject property was developed as a whole property before the acquisition and the market value of the remaining property after the acquisition. The “State Rule” is applied in determining the value of the remainder by deducting the value of the acquisition(s), including any site improvements acquired and/or impacted, from the value of the whole before the acquisition.

DEFINED CLIENT/INTENDED USERS: The defined client is Utah Department of Transportation and their agents and/or assignees. No other intended users are named or implied.

It is acknowledged that the client may provide South Salt Lake City officials with a copy of the report for courtesy review purposes only. SSLC is not the client nor an intended user. Use of this appraisal by the property owners or any other persons not named in the report for mortgage lending/collateral, refinancing, selling/listing, internal partnership

² Utah Code Title 59-2-102(13).

allocation or pending contract renegotiation purposes is strictly prohibited, as defined by State and Federal law. This appraisal report cannot be re-addressed to or relied upon by other parties not named as the defined client(s) herein.

INTENDED USE OF THE REPORT: The intended use of this report is to assist the client and intended users in the sale/transfer of the quit claim deed through negotiation proceedings incident to the expansion of SSLC facilities.

PROPERTY RIGHTS/INTEREST(S) APPRAISED: Fee simple

PERSONAL PROPERTY, FIXTURES, AND INTANGIBLE ITEMS: No personal property, equipment, detached fixtures, or intangible items are included in the appraised values.

EFFECTIVE DATE(S) OF VALUATION: The property was last inspected on October 18, 2021, which is the effective valuation date for the subject "As Is". The date of the report is October 25, 2021.

SUBJECT STATUS APPRAISED: As per the client's request, the subject is valued in its "as is" condition as of the date of inspection. This and other pertinent definitions that may be used in the report are defined below.

DEFINITIONS:

- Definition of Value "As Is"

The value of specific ownership rights to an identified parcel of real estate as of the effective date of the appraisal; relates to what physically exists and is legally permissible and excludes all assumptions concerning hypothetical market conditions or possible rezoning.³

- DEFINITION OF LARGER PARCEL

The larger parcel is defined as that tract, or those tracts, of land, which possess a unity of ownership and have the same, or an integrated, highest and best use. Elements of

³ The Dictionary of Real Estate Appraisal, (Sixth Edition) The Appraisal Institute, Chicago, Illinois, 2015.

*consideration by the appraiser in making a determination in this regard are contiguity, or proximity, as it bears on the highest and best use of the property, unity of ownership, and unity of highest and best use.*⁴

- DEFINITION OF HIGHEST AND BEST USE

*“The highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonable near future....”*⁵

- DEFINITION OF 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.

*Comment: 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 the analysis.*⁶

- DEFINITION OF 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.

*Comment: Hypothetical conditions are contrary to known facts about physical, legal or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of the data used in the analysis.*⁷

- DEFINITION OF JURISDICTIONAL EXCEPTION

*An assignment condition established by applicable law or regulation, which precludes an appraiser from complying with part of USPAP.*⁸

Factual Data – Before Acquisition

IDENTIFICATION OF PROPERTY:

4 Definition of Larger Parcel; Uniform Standards for Federal Land Acquisitions; 3rd Edition, 2000.

5 Uniform Standards for Federal Land Acquisitions; 3rd Edition, 2000.

6 Uniform Standards of Professional Appraisal Practice (USPAP); The Appraisal Foundation, 2020-2021 Edition

7 Uniform Standards of Professional Appraisal Practice (USPAP); The Appraisal Foundation, 2020-2021 Edition

8 Uniform Standards of Professional Appraisal Practice (USPAP); The Appraisal Foundation, 2020-2021 Edition

ADDRESS: 2270 South 600 West, South Salt Lake City, Utah

LOCATION: West side of 600 West at 2270 South.

PARCEL NUMBER(S): 15-24-151-015

OWNER(S) OF RECORD: Utah Department of Transportation

LEGAL DESCRIPTION: The legal description used in this report was obtained from instruments prepared by UDOT. Additionally, a legal description was obtained from the Salt Lake County Recorder's Office. For purposes of this analysis, the legal description and resulting land size outlined on the UDOT documents is relied upon herein. No responsibility is assumed for any inaccuracies that may exist. A copy of both legal descriptions are contained in the addendum of this report. Review of an A.L.T.A. Survey for the subject property is recommended.

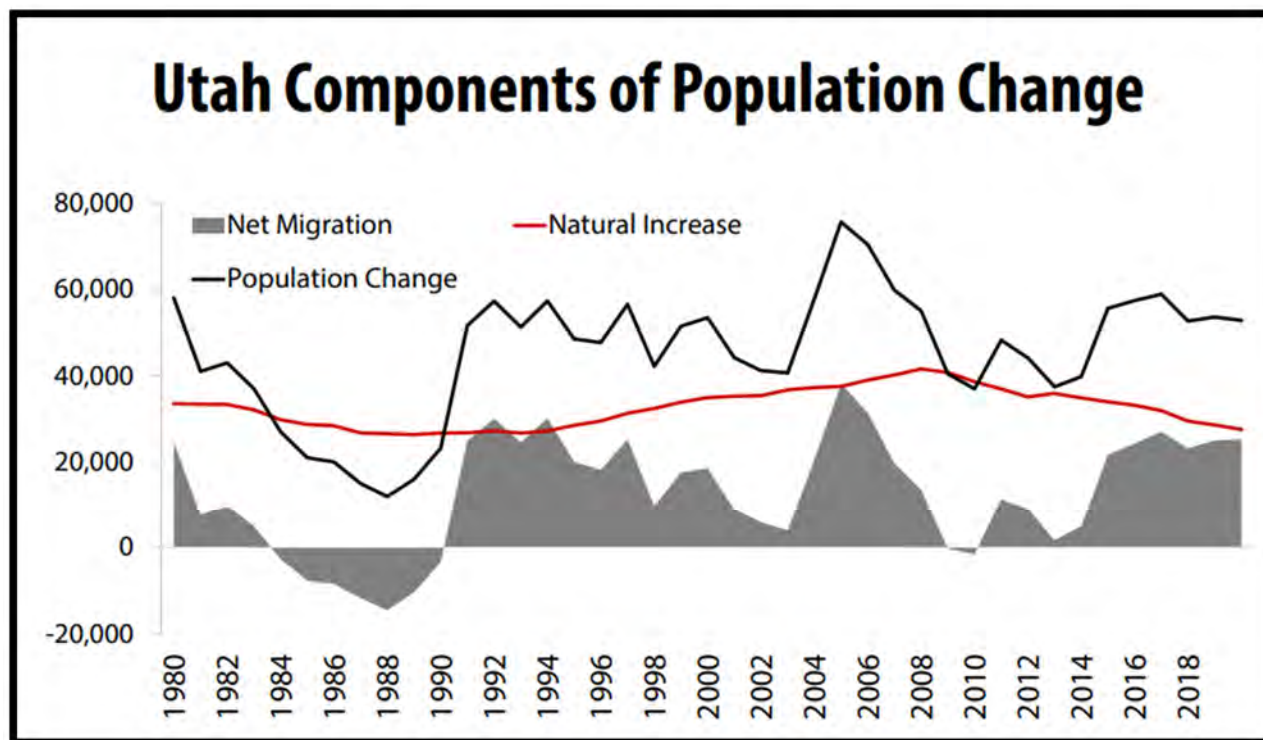
SUMMARY OF AREA INFORMATION

There are social, economic, governmental, and environmental forces, which influence the value and marketability of the subject of this of this report. The main focus of this section of the analysis is in regard to the overall economic condition of the state of Utah and the Wasatch Front, including population trends/demographics; employment; wages, taxable sales; construction and tourism. A more specific analysis of the subject neighborhood of South Salt Lake City and surrounding communities in Salt Lake County will follow in the summary of neighborhood information section.

- **Population Trends/Demographics:**

The 2021 Economic Report to the Governor (ERG) states that Utah's population grew by 52,829 persons and reached 3,273,000 by July 1, 2020, according to preliminary estimates prepared by the Utah Population Committee (UPC). This indicates an annual growth rate of 1.64%, slightly below the previous year's growth of 1.69%. Net migration (in-migration minus out-migration) increased slightly in 2019, contributing 24,987 new residents or 47 percent of growth. Natural increase declined slightly from 2018 and still contributed more than half of the new growth (53 percent or 28,609 persons). Natural increase remains the mainstay of population growth.

This moderated growth translates to an increase of 509,000 new Utahns since 2010. Census Bureau estimates indicate that Utah was the fastest growing state in the nation throughout the decade at 17.6%. Since 2010, net migration (in-migration minus out-migration) contributed 35% of Utah's population growth. This year marked the largest influence of net migration in year-over-year growth, contributing 48%. While natural increase remains the larger contributor to statewide growth, contributing 27,573 persons, which is over half (52%), it has been declining throughout the decade.

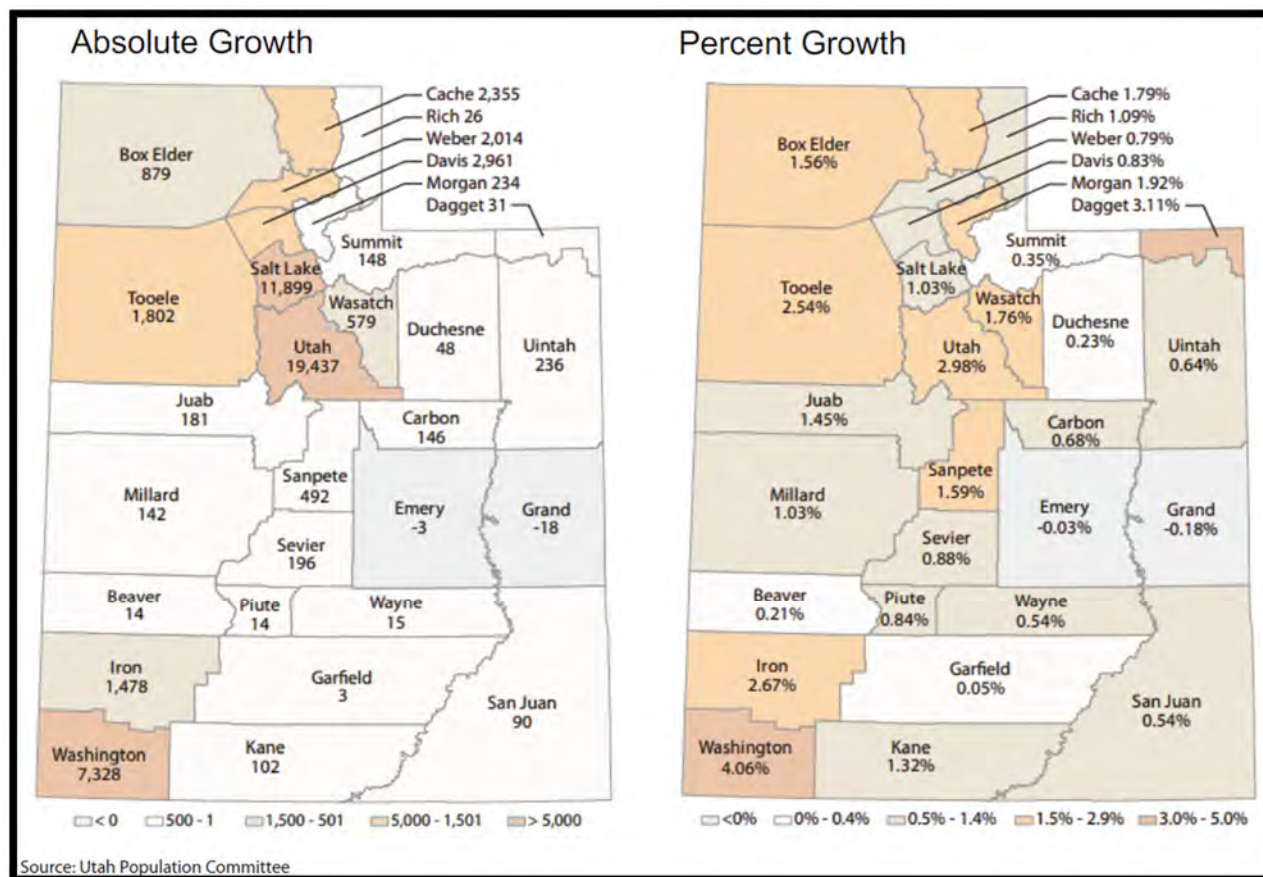


Several counties experienced significant growth between July 1, 2019 and 2020, according to the UPC estimates. Washington County experienced the highest population percentage increase for the second year in a row at 4.06% (7,328 residents). Utah County had the highest numeric growth, with the addition of an estimated 19,437 residents. Over two-thirds of statewide growth was in Wasatch Front counties.

Net migration drives population increase in the high growth counties. Historically, natural increase has been the primary source of Utah County's growth, but this is changing. For the second time this decade net migration exceeded natural increase.

Two counties have estimated population loss between 2019 and 2020: Emery and Grand counties. Both counties have a positive natural increase, which indicates the annual population decline is due to more people migrating out of, rather than into, the counties.

Utah Population Growth by County: 2019–2020



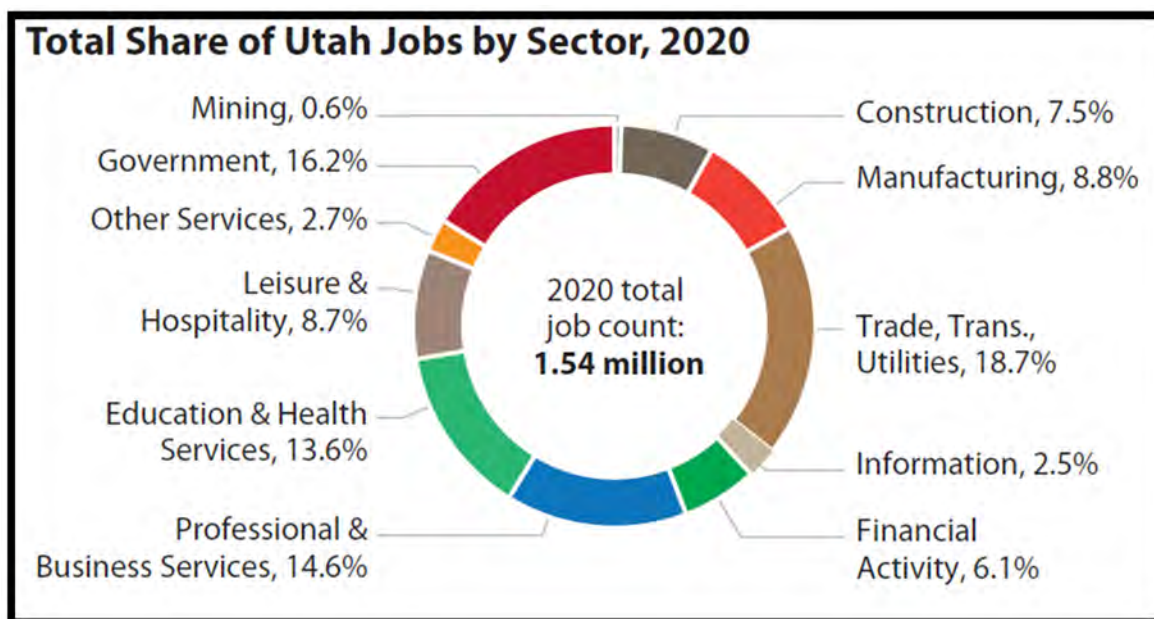
The 2021 Economic Report to the Governor (ERG) projects that the population will continue to grow at a moderate pace to reach 3,324,500 by July 1, 2021. While both components of change should remain positive, projections indicate the absolute contributions to overall growth to decrease slightly from last year. Natural increase (births minus deaths) will remain slightly more dominant than net migration, contributing 26,500 people to Utah's population. Net migration will continue to be a stable force, contributing 25,000. The 2020 Census apportionment data, scheduled for release early 2021, will provide a new baseline to inform analysis of the 2020 decade.

- **Employment:**

According to the 2021 ERG, Utah's decade long expansion, the longest on record, ended in 2020 with the emergence of COVID-19. The public health crisis presented the greatest challenge to the Utah economy since the Great Recession. In the early spring, the

forecast for 2020 was bleak as the unemployment rate in April climbed to roughly 10%. But as the year unfolded, the resiliency of the Utah economy was on full display. By November, Utah's year-over employment was down only 0.2%, the smallest employment decline of any state, and the unemployment rate had dropped to 4.3%. Nationwide employment was down by 6.0%, and the unemployment rate was at 6.7%.

Although the job market in Utah has fared better than in any other state, not all industries escaped the impact of COVID-19. Tourism has been hard hit, with national park visits down 32%. Bryce Canyon suffered the worst decline with a drop of 32% in visitations. Third-quarter data for accommodations services (hotels and motels) show a drop of 22% in lodging. Restaurants and fast food establishments have also been hurt, but the impact appears to be less than expected. Take-out and delivery have given some buffer to sit-down restaurants. Retail sales activity overall has been surprisingly strong.



Source: U.S. Bureau of Labor Statistics and Kem C. Gardner Policy Institute

As the new vaccine is distributed to more people, Utah's 2021 economy should be free to work towards its regular aggressive functionality. However, employment measures throughout much of the year will be compared against the deep trough of 2020 and are therefore unnaturally overstated.

The ERG 2021 report projects that the labor market should continue to improve in 2021 but will not return to full employment. With only one year of job growth occurring (2021) instead of two (2020 and 2021), Utah's natural yearly labor force expansion will not be adequately absorbed. This should keep Utah's 2021 unemployment rate somewhat elevated around 4.0%.

- **Personal Income:**

Utah's total personal income in 2020 was an estimated \$170.7 billion, an 8.8% increase from \$156.9 billion in 2019. Utah's estimated 2020 per capita income was \$52,533, up 7.3% from \$48,939 in 2019. Thanks to copious federal aid, both measures of estimated personal income growth in Utah were well above their 2019 levels. Nationally, total personal income grew by 7.4% in 2020 and per capita personal income grew by 6.6%. Utah's 2019 estimated total personal income growth and per capita personal income growth were both higher than the national average.

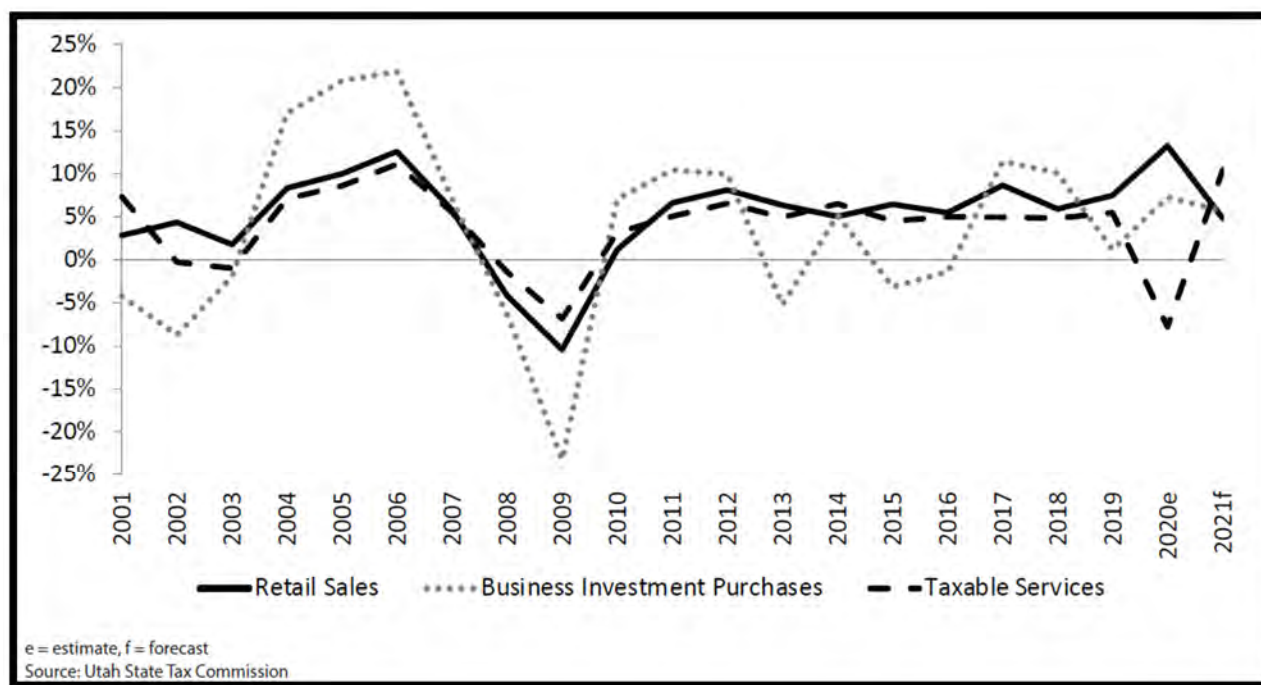
The ERG 2021 indicates that in contrast to the national level, Utah looks likely to continue personal income growth in 2021, albeit at a slower pace. Utah already had one of the fastest personal income growth rates in the nation in 2019 and the nearly full recovery of the Utah labor market is likely to contribute to the growth in personal income regardless of federal aid. However, it is possible that economic headwinds could prove too great and result in a slight decline in 2021. Given Utah's nearly full employment level, this seems unlikely.

Personal income growth is likely to vary significantly among Utah industries. Those that experienced negative impacts and employment losses in 2020, such as leisure and hospitality, are likely to remain constrained in 2021 without further stimulus. Other relatively unimpacted industries, such as construction, are likely to experience stronger growth in 2021.

- **Taxable Sales:**

The 2021 Economic Report to the Governor (ERG) indicates that the pandemic and recession of 2020 significantly impacted Utah taxable sales, which are comprised of sales and purchases subject to sales and use tax. Although growth in total taxable sales in 2020 was similar to past year (increasing by an estimated 5.8% over the prior year to \$72.9 billion), there was significant variation in performance of the various sectors. Taxable services declined by an estimated 7.8% in 2020. This decline is attributed to a decrease in consumer spending in industries such as accommodation, recreation, entertainment, and food services where social distancing is more difficult. Conversely, retail sales increased by an estimated 13.3% in 2020. This sector benefited as consumers increased online spending as well as spending in certain segments such as grocery and home improvement. Retail sales also benefited significantly from recent legislation which required marketplace facilitators to begin collecting sales tax on facilitated transactions. Business investment purchases also performed well in 2020, growing by an estimated 7.3%. Conversely, all other sales, which only comprise a small portion of taxable sales, declined by an estimated 6.4%.

Annual Percent Change in Utah Taxable Sales by Component



Despite a tumultuous 2020, progress in the fight against COVID-19, a relatively strong labor market, and strong consumer spending is forecast to drive solid growth in Utah's taxable sales in the coming year. Total taxable sales are forecast to increase by 6.3% to \$77.5 billion in 2021. The potential impact of a vaccine points to the beginning of a recovery for the taxable services sector which is forecast to increase by 10.5% in 2021. A labor market that is one of the strongest in the nation and continued growth in consumer spending are forecast to drive another year of growth in retail sales and business investment which are forecast to increase by 4.9% and 5.7%, respectively.

Although solid growth is forecast in 2021, significant uncertainty due to the COVID-19 pandemic presents a risk to the forecast. Any changes in the course of the pandemic, such as an acceleration in cases or a setback in the progress for an effective vaccine, has the potential to impact Utah taxable sales by altering the speed of the economic recovery for impacted industries. Other conditions with the potential to impact 2021 taxable sales are also primarily external in nature. These conditions include, but are not limited to, monetary and tax policy decisions, national political climate, commodity prices, and geopolitical instability. Any significant changes in these and other economic or

political conditions could result in changes to employment, disposable income, and consumer confidence, which will in turn affect Utah taxable sales.

Real Estate and Construction:

- ***Residential Construction***

In 2020, the value of permit-authorized construction in Utah was \$10.3 billion, the highest year ever, in both current and inflation-adjusted dollars. The previous peak was in 2019, with a total value of \$9.8 billion. Construction value includes the value of permit-authorized residential and nonresidential construction and the construction value of additions, alterations, and repairs to existing structures. Permit-authorized construction does not include most public construction, such as roads, highways, prisons, and schools.

The value of permit-authorized construction in Utah in 2021 is forecast at \$9.65 billion, a decline of 6.4% from 2020. The number of residential units is forecast at 30,000 units, down slightly from the 30,745 in 2020. The small decline is due to an expected lower level of apartment permit activity. The value of residential construction will hold steady at around \$6.1 billion, while the value of nonresidential construction and additions, alterations, and repairs will likely see modest declines. Nonresidential construction value is forecast at \$2.0 billion, a drop of over \$300 million from 2020. Additions, alterations, and repairs value is forecast at \$1.5 billion, a decline of \$150 million.

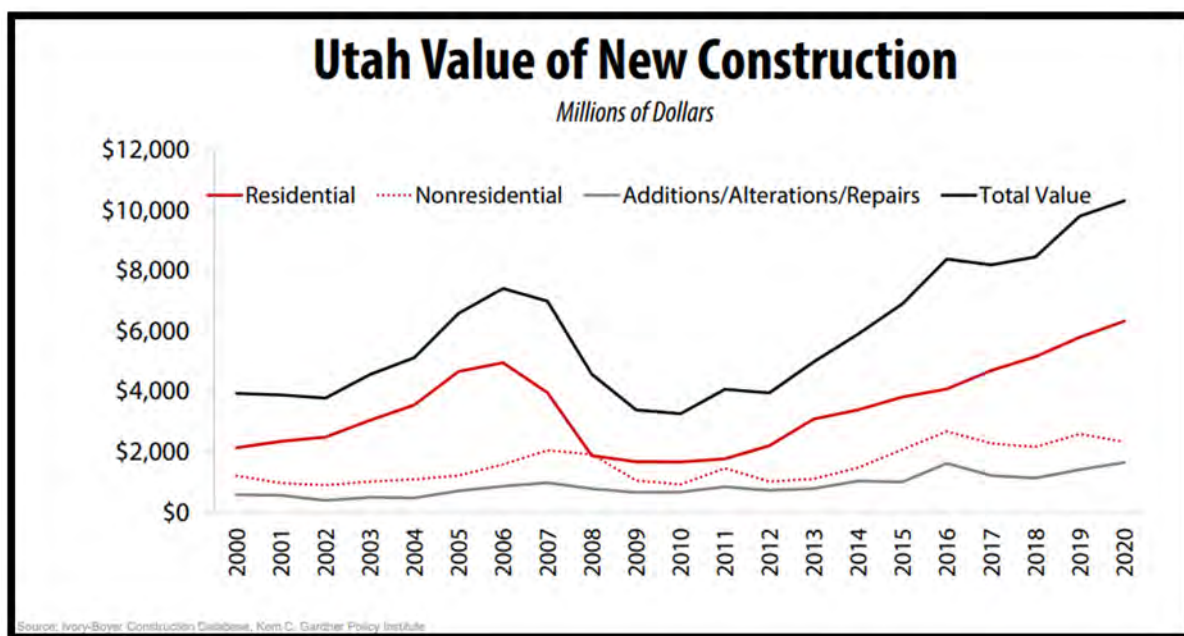
- ***Nonresidential Construction***

A year that began with optimism quickly changed as the global health pandemic ended a decade of economic growth. Job loss acceleration in the second quarter brought uncertainty to the nonresidential, commercial real estate market. With the implementation of business and commerce restrictions, office-using employment shifted to working from home, retailers closed with many shifting to online commerce, and hotel rooms sat empty. However, demand for industrial and warehouse space grew, driven by an increased

demand for online, retail distribution space. The loss of nearly 22,000 jobs led to a 10.1% decrease in permitted construction value in 2020. The value of Utah's 2020 permit-authorized nonresidential construction is estimated at \$2.3 billion. Approximately 83.0% of total nonresidential construction activity occurred in Salt Lake, Utah, and Davis counties, respectively.

The 2021 forecast for the value of permit-authorized nonresidential construction in Utah is \$2.0 billion, a 14.3% decrease from 2020. While the labor market will continue to recover next year, it will not be a full recovery. The job losses of 2020 will likely lead to an increase in vacant space. As the job market recovers in 2021, this empty space will need to be reabsorbed before new space is built.

The 2021 value of permit-authorized nonresidential construction is forecast to decline by 13.1% in the office-bank-professional sector; decline by 18.1% in the retail-mercantile-restaurant sector; and decline by 7.1% in the industrial-warehouse-manufacturing sector.

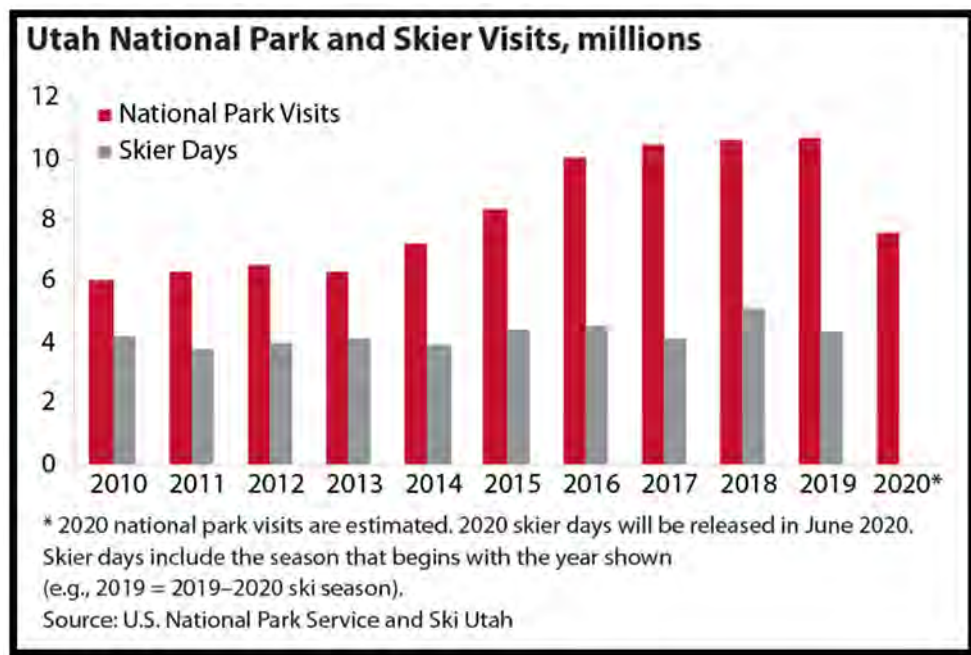


- **Tourism:**

The COVID-19 pandemic upended Utah's travel and tourism economy in 2020. As the virus surfaced in the U.S. in February, travel restrictions, flight cancellations, stay-at-home orders, and service-oriented business closures directly impacted visitor spending, tourism-related jobs, and visitation trends.

Year-to-date travel-related sales tax revenues, such as transient room, restaurant, and motor vehicle leasing taxes, were trending 26.0-35.0% lower than 2019 revenues. During the first three quarters of 2020, 22 of Utah's 29 counties experienced year over declines in county transient room tax revenue. Additionally, total taxable sales in the leisure and hospitality sector decreased 16.6% during the first three quarters of 2020. Year-over-year retail sales, however, including gas, groceries, and miscellaneous sales, were up 5.0-16.0%, reflecting a pandemic-influenced shift from public transportation, dining out, and service purchases, to auto travel, grocery shopping, and goods purchases.

During the pandemic, Utah state park visitation fared better than national park visitation due in part to spring national park closures, which diverted visitors to Utah's open state parks. State parks also benefited from outdoor recreation's growing popularity as a safe and socially-distanced activity. From January to August 2020, Utah state parks experienced a 25.6% year-over-year increase in visitation, while national parks visitation was down 43.4%.



Domestic and international travel are anticipated to rebound in 2021. Travel experts predict a 20.0% year-over increase in U.S. domestic person-trips and a 73.0% increase in international arrivals, with leisure travel rebounding more quickly than business travel. Auto travel will remain the preferred transportation mode with a forecast 19.0% year-over increase after a year of being down 26.0%. Air travel is predicted to rebound 16.0% after a year-over decline of more than 60.0%. Of course, increased 2021 travel in depends largely on the production and widespread distribution of accessible and effective COVID-19 vaccines.

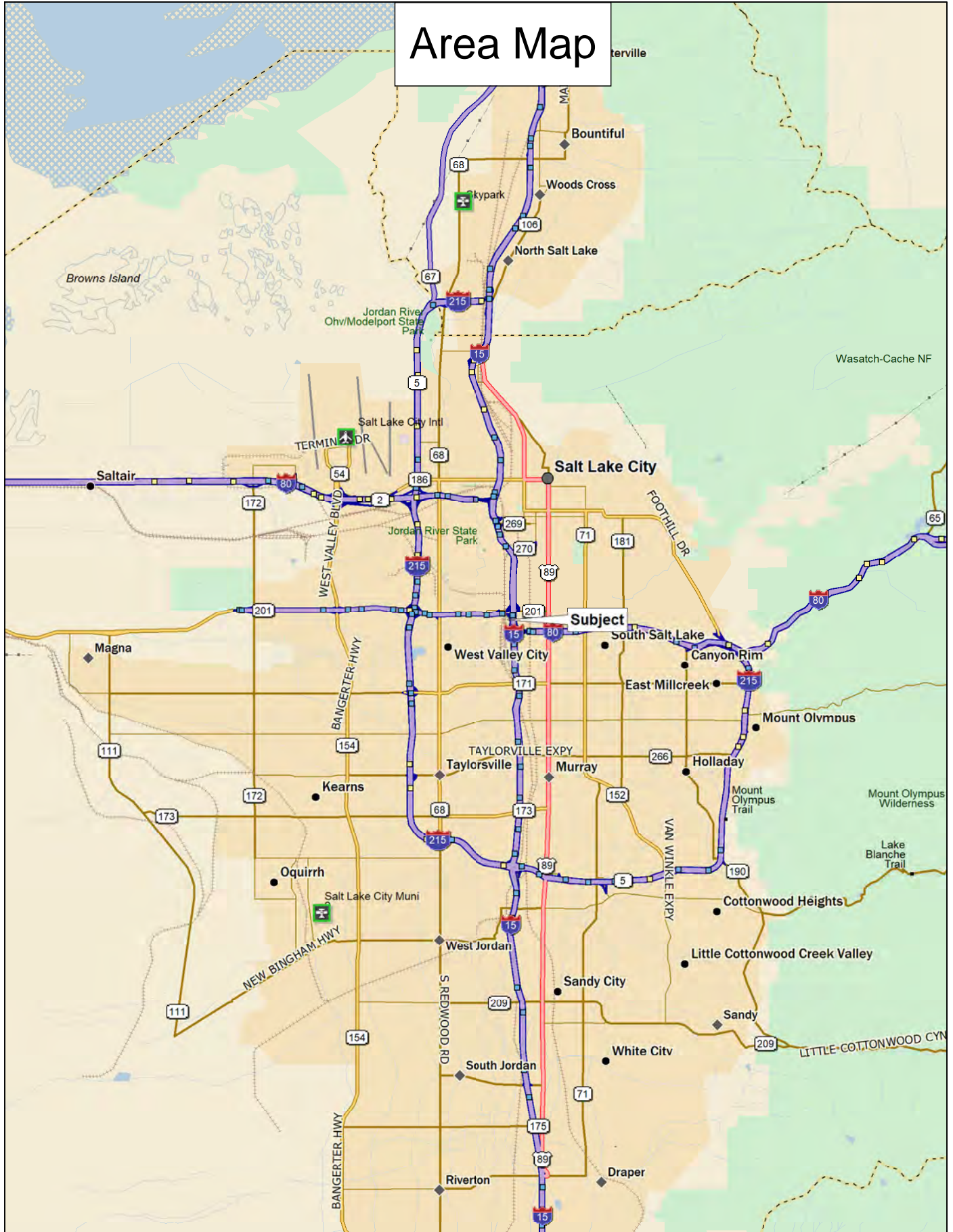
- **Conclusion and Outlook:**

Utah's decade long expansion, the longest on record, ended in 2020 with the emergence of COVID-19. The public health crisis presented the greatest challenge to the Utah economy since the Great Recession. In the early spring, the forecast for 2020 was bleak as the unemployment rate in April climbed to roughly 10%. But as the year unfolded, the resiliency of the Utah economy was on full display. By November, Utah's year-over employment was down only 0.2%, one of the smallest employment declines of any state, and the unemployment rate had dropped to 4.3%. Nationwide employment was down by 6.0%, and the unemployment rate was 6.7%.

While the public health crisis has been tragic, the impact of the pandemic on the Utah economy has been much milder than initially expected. A strong recovery is forecast for 2021, with employment increasing by 58,000 jobs, which would be the largest single-year increase in employment in Utah's history. Because of Utah's diverse mix of industries, the state economy is expected to weather economic fluctuations better than the national economy with industries such as construction, durable manufacturing, retail, and finance representing a slightly heavier footprint in Utah than in the national landscape.

According to the 2021 ERG report, Utah's potential for continued growth is sustainable given that Utah continues to lead the nation as the most diverse economy with a Hachman Economic Diversity Index score of 97.3 (up from 96.9 in 2018 and 97.1 in 2019) ahead of Missouri (96.7) and Georgia (96.7). Despite Utah's mid-sized economy (31st largest), its industrial composition is more diverse than even the largest states. Utah continues to attract organizations from across the country and globe with growth only tempered by uncertainty in the macroeconomy.

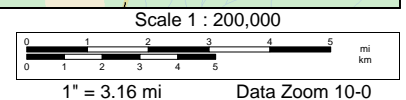
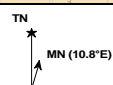
Area Map



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NEIGHBORHOOD DESCRIPTION

Neighborhood characteristics impact the value of real estate. Therefore, an overview of the subject neighborhood is presented below.

Proximity

The subject is on the west side of 600 West at 2270 South in Salt Lake County and is within the jurisdiction of South Salt Lake City. Salt Lake City is north South Salt Lake City, with Murray and Taylorsville to the south, Millcreek and Holladay to the east and West Valley City to the west. The subject neighborhood is ±4-6 miles southwest of Salt Lake City's central business district (CBD).

Boundaries and Accessibility

The boundaries of the neighborhood are best delineated by the existing boundaries of South Salt Lake City as well as the abutting portions of the communities previously named. The cities and County provide all major services and control development within their respective borders.

Interstate 15 is the major north-south freeway for the state and provides linkage to all the major population areas along the Wasatch Front. I-15 runs through the center of South Salt Lake City with interchanges located at 3300 South, 3900 South and 4500 South. I-80 is an interstate that connects to I-15 and runs through the northeast portions of South Salt Lake City with interchanges located at State Street and 700 East. I-215 is a "loop" interstate that circumnavigates the northern Salt Lake Valley and I-215 is west of South Salt Lake City. SR-201 is a major east/west traffic artery through the northwest quadrant of the Salt Lake Valley and SR-201 comprises the northwest border of South Salt Lake City limits.

Other major traffic arteries within South Salt Lake City itself include SR-201/2100 South, 500 East, 2700 South, 3300 South, 3900 South, State Street/US-89, 700 East, 300 West, 900 West and 500 West. All roads are publicly maintained. The streets are either asphalt

or concrete paved and generally kept in good condition. Overall, the accessibility of the neighborhood is rated as average.

Jurisdiction

The neighborhood is within the jurisdiction of South Salt Lake City and the other surrounding municipalities previously named, as well as Salt Lake County. The cities and county within the neighborhood provide all major services and control development within their respective borders.

Land Use Characteristics

Development within the defined boundaries comprises a mixture of residential, agricultural, commercial, industrial and retail uses. Commercial uses are primarily located along major roadways previously mentioned and interstate/interchange frontage. Residential uses are interspersed throughout the subject neighborhood, primarily along secondary transportation routes. Residential developments are comprised mainly of multi-family units, including condominiums and apartments. Some single-family uses are present on secondary roadways. Agricultural uses are primarily located near the peripheries of development.

The subject property is on the west side of 600 West at 2270 South. 3300 South and 3900 South are primary commercial corridors in the area and are well developed with a variety of commercial establishments, including retail sales, gas station/c-stores, restaurants, fast food, office, service-oriented, theaters and other similar uses. 600 West is near the “spaghetti bowl” area of the Salt Lake Valley where multiple interstates and state roads intersect. No traffic counts are available for 600 West and all development along 600 West is primarily light industrial in nature and 600 West is a major industrial corridor in the area. There is a large Union Pacific facility and numerous tracks adjacent to the west.

There are some tracts of vacant land suitable for development remaining in the immediate subject neighborhood but land is being rapidly absorbed and developed due to the

centralized location in the Salt Lake Valley and reasonable commuting distance to Salt Lake City and other Wasatch Front metro areas. Overall, the neighborhood is approximately 85-90% developed.

Adjacent Properties

Adjacent properties are generally compatible with the subject as follows:

North	Vacant land & interchange for I-80/I-15/SR-201
South	Industrial development
East	SSLC owned property/600 West ROW
West	Union Pacific lines/Industrial development

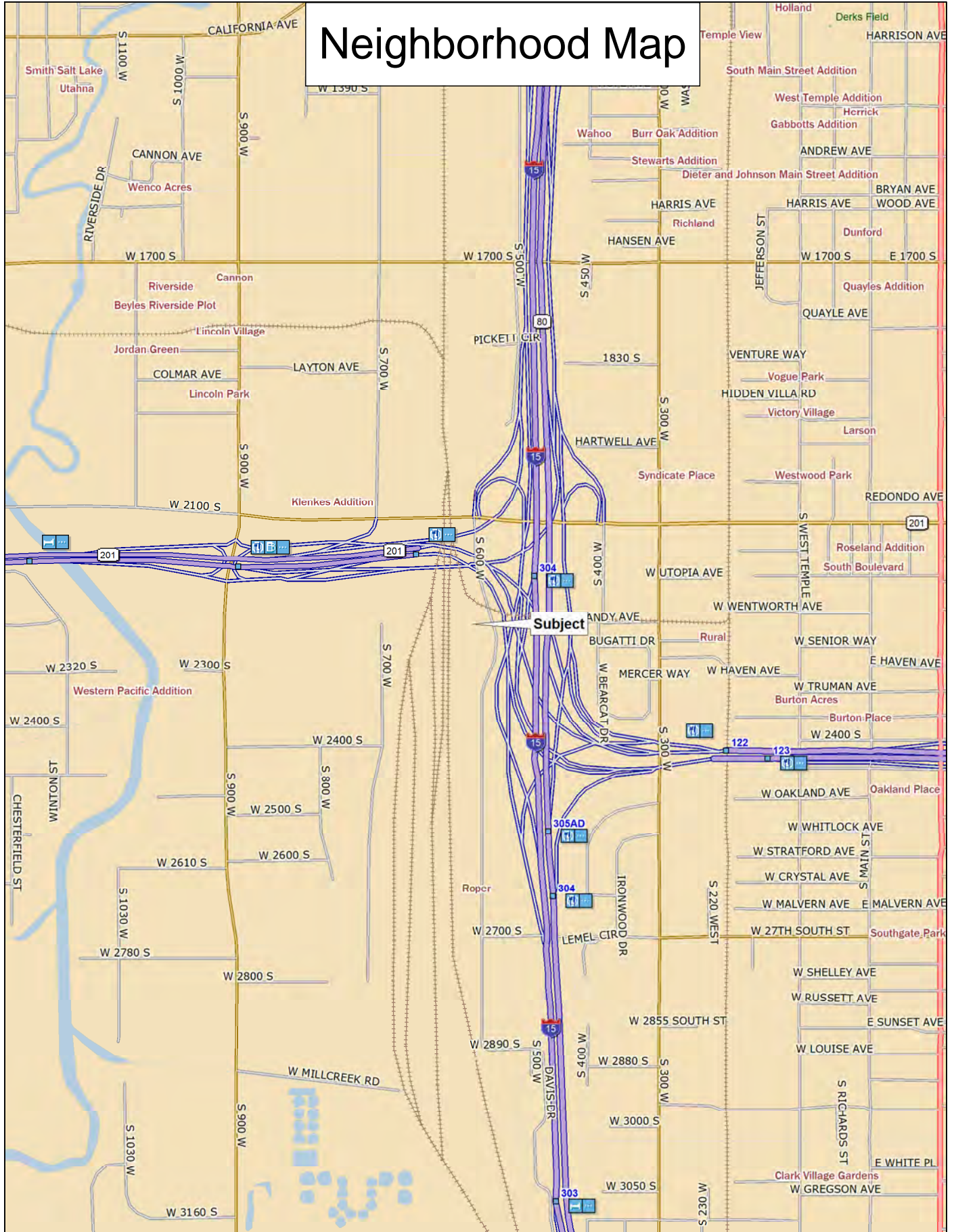
Influences

Positive influences stem primarily from the relative strong growth of the Wasatch Front area in general with respect to strong job formation and population growth over the past several years and projections for continued population growth in the state. Other positive influences include the relatively stable demand in the real estate market sector. In general, market conditions and real estate activity has been consistently strong over the last 5-8 years. Other than uncertainty surrounding pandemic conditions and the effect on real estate, there are no major negative influences in the subject neighborhood.

Conclusion

In summary, the subject is located within the incorporated city limits of South Salt Lake City limits along a mainly light industrial/secondary commercial corridor near the I-15/I-80/SR-201 interchanges. Linkages/access into the immediate area are rated as good, and proximity to commercial support services is rated as average. The long-term outlook is for a relatively stable growth pattern with stabilizing/improving property values.

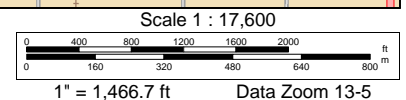
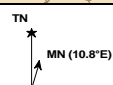
Neighborhood Map



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Larger Parcel Determination

In typical right-of-way appraisal assignments, it is necessary to determine and clearly define the larger parcel of which the acquisition(s)/easement(s) are a part. The definition of larger parcel as per the Dictionary of Real Estate Appraisal, sixth edition (2015) is as follows:

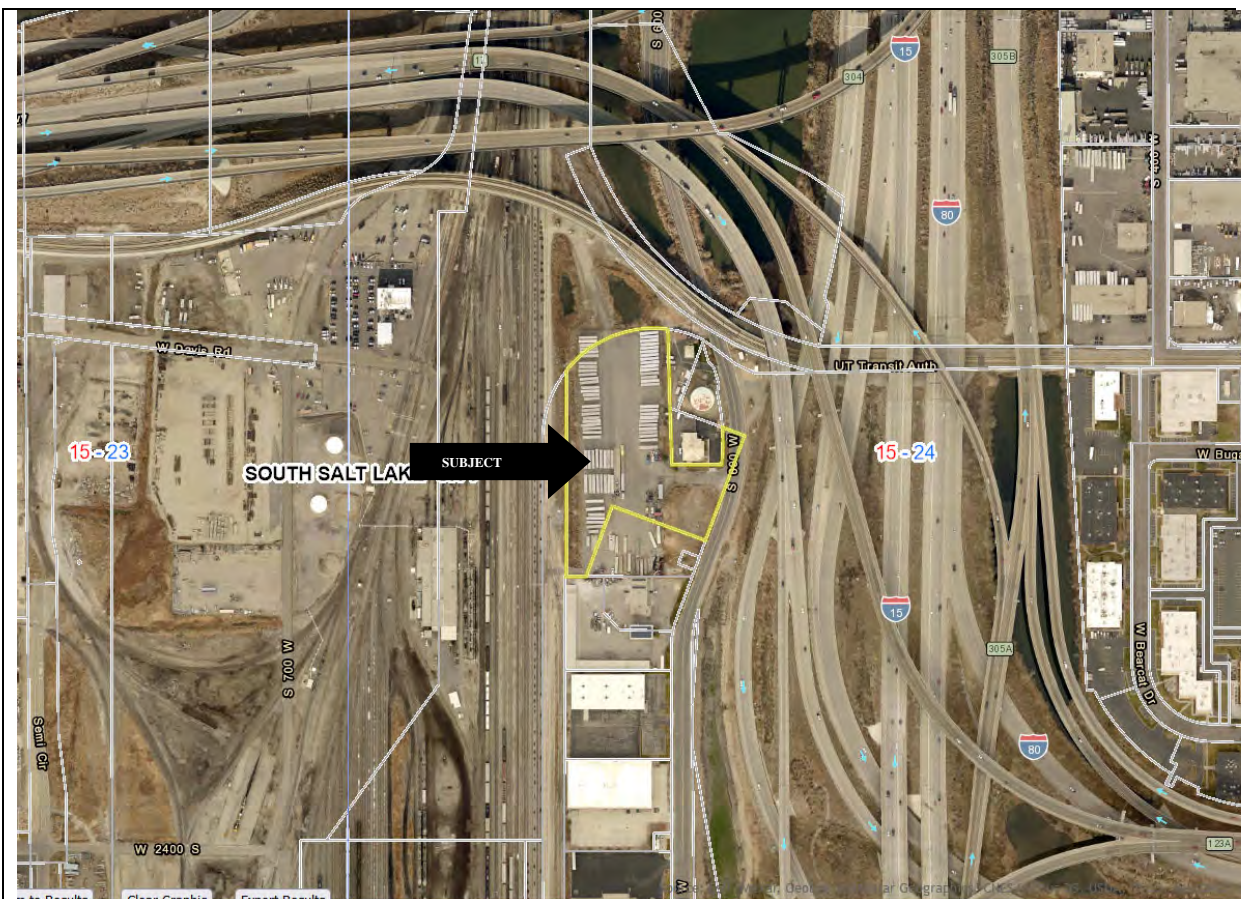
- Larger Parcel

- 1. In condemnation, the tract or tracts of land that are under the beneficial control of a single individual or entity and have the same, or an integrated, highest and best use. Elements for consideration by the appraiser in making a determination in this regard are contiguity, or proximity, as it bears on the highest and best use of the property, unity of ownership, and unity of highest and best use.*
- 2. In condemnation, the portion of a property that has unity of ownership, contiguity, and unity of use, the three conditions that establish the larger parcel for the consideration of severance damages in most states. In federal and some state cases, however, contiguity is sometimes subordinated to unitary use.*

The three main tests in determination of the larger parcel include contiguity, unity of ownership, and unity of use (highest and best use). In the case of the subject, the proposed quit claim deed is wholly contained within Salt Lake County parcel number(s) 15-24-151-015. No other abutting parcels that would share in unity of ownership and unity of use are apparent.

As such, the defined larger parcel consists of all of Salt Lake County parcel number(s) 15-24-151-015 under the recorded ownership of Utah Department of Transportation. The appraised property contains ±177,986 square feet, or 4.086 acres and is adequately sized and shaped to facilitate stand alone development. Please refer to the highest and best use, plat map and zoning map contained herein for further clarification.

COUNTY AERIAL PARCEL MAP



Description of Larger Parcel

The larger parcel as described herein represents a ± 4.09 acre industrial lot. Review of an A.L.T.A. Survey of the subject property is recommended.

General Site Data:

<i>-Land Area</i>	$\pm 177,986$ square feet, or 4.086 acres
<i>-County Parcel No(s).</i>	15-24-151-015
<i>-Street Orientation</i>	Interior parcel.
<i>-Shape</i>	Irregular.
<i>-Frontage</i>	± 320 linear feet on 600 West.
<i>-Access</i>	Via 600 West.
<i>-Depth</i>	Maximum depth is ± 475 linear feet in an east/west direction through the center.
<i>-Topography</i>	Level. The site is generally at street grade with 600 West.
<i>-Drainage</i>	Natural drainage appears westerly.
<i>-Soil</i>	Soil studies have not been made available to the appraiser. Soil stability is assumed to be adequate for slab on grade construction. Review of a geo-technical investigation prepared by a qualified engineer/firm is recommended.

- Wetland Areas* A GIS aerial overlay and wetland study indicating the existence of wetlands was not provided. Determination of wetlands is well beyond my area of expertise. No obvious signs of wetlands or other wet areas were readily observable within the subject during the property inspection. This analysis assumes that there are no wetland areas contained within the subject. Review of a wetlands investigation by a qualified firm is recommended.
- Adjacent Properties* Adjacent properties are as follows:
- | | |
|---------------|--|
| <i>North:</i> | Vacant land & interchange for I-80/I-15/SR-201 |
| <i>South:</i> | Industrial development |
| <i>East:</i> | SSLC owned property/600 West ROW |
| <i>West:</i> | Union Pacific lines/Industrial development |
- Street Improvements* 600 West is a two-lane (one-lane per direction of travel) asphalt paved roadway. There is not a center turn lane. The frontage of the subject is improved with curb and gutter, but no sidewalk.
- Traffic Counts* Traffic counts for 600 West are not available as per the most recent 2019 UDOT traffic study.
- Utilities* Utilities are provided to the immediate subject area and/or site and are adequate to support development.
- Abutting Rights-of-Way* 600 West Street.
- Easements, Restrictions and Encroachments* A title policy was not provided for review in conjunction with this report. No unusual easements, restrictions, and/or encroachments are indicated in the legal description for the

subject parcel. No other unusual encumbrances or encroachments were noted during inspection. It is assumed that typical public utility, street, and drainage easements and/or any other undisclosed easements and/or rights-of-way would not adversely impact the development potential of the subject site.

-Special Hazards

Flood Zone:

The larger parcel is within the Zone X (2% annual flood hazard). Community Panel #49035C0281E; dated September 21, 2001. The Zone X is a defined 100 year flood zone. The vast majority of surrounding parcels are also within the same flood zone. As is evidenced by extensive surrounding development, the flood zone is not considered to be a major impediment to development by the market, although any improvements constructed on the site will likely require flood insurance. A copy the applicable section of the flood zone map is attached in the addenda.

Environmental:

There is no direct current evidence of environmental problems associated with the subject. The client has not provided Phase I or Phase II Environmental Site Assessments relative to the subject. Without Phase I and Phase II Environmental Site Assessments, this analysis assumes that no environmental hazards/contamination exists on the subject premises. Should a Phase I or II Environmental Site Assessment be provided indicating the existence of environmental contamination/hazards and detailing remediation costs associated with the contamination, the value estimate conclusions contained herein may need to be

reevaluated and would likely be lowered. Review of a complete Phase I Environmental Site Assessment specific to the subject property, performed by a qualified engineer/firm is strongly recommended.

Earthquake Zone: The subject is located in a moderate liquefaction potential zone. This is a typical classification for properties located in the immediate subject neighborhood.

-Zoning The subject is zoned Flex (light industrial/commercial). The purpose of the Flex zone as per the South Salt Lake City zoning ordinance is reproduced below.

17.03.100 - Flex district.

A. Purpose. The purpose of the Flex district is to designate appropriate locations where warehousing and industrial Uses with minimal objectionable characteristics may be established, maintained and protected. The regulations of this district are designed to promote a high level of environmental quality by Uses which do not contribute to the deterioration of environmental quality.

B. Uses. No Building, Structure, Site or land shall be used or Developed except in accordance with the adopted Land Use Matrix as found in this Chapter.

C. Standards.

1. Minimum Area. The minimum area for a new Lot in the district is one (1) acre.
2. Maximum Height. The maximum Height for any Structure is based on the Building Form as more completely detailed in [Chapter 17.07](#).
3. Required Setbacks/Build-To Standards are detailed in [Chapter 17.07](#)

D. Regulations. Regulations for the Flex district are as follows: Noise and Odor. Uses in the Flex district shall not produce noxious, foul or offensive odors, nor produce smoke or fumes that are injurious or detrimental to the health of the general population or business community. No Use in this district shall produce a noise in violation of adopted noise regulations of the Salt Lake County Health Department or in any other manner constitute or contribute to a public or a private nuisance.

(Ord. No. 2020-02, § IV(Exh. C), 1-8-2020)

As outlined above, the Flex zone is a commercial zone that is focused more on light industrial development but does permit

a number of more intensive commercial uses, including gas station/c-store, restaurant, bars/taverns, animal hospitals, auto repair, banks, fitness centers, office/professional office, retail sales, storage units and other similar uses. Single and/or multi-family uses are not permitted without specific development plan approval.

The minimum lot size requirement is 1.00 acre and the subject is well over this minimum lot size requirement and is therefore assumed to be a legally conforming use. Setback requirements are 10 feet for front yards, and 10 feet for side yards and 0 feet for rear yards. Parking, landscaping and height requirements apply. The subject is adequately sized and shaped to facilitate well planned commercial development. Please see the current and long range zoning maps in the addendum. Select pages of the Flex zoning ordinance are retained in the appraisal work file. A full copy can be accessed on the South Salt Lake City website.

-Site Utility

The subject represents a medium sized, irregular shaped, interior parcel with adequate access from 600 West. The site is level and at street grade with 600 West. The site and/or immediate area are served by all necessary utilities. Overall, utility of the site considered as a stand alone parcel is rated as average.

IMPROVEMENT DESCRIPTION

The property is vacant land only with no vertical improvements present. All market value conclusion(s) outlined herein represent land values only. It is important to note that the area of quit claim deed is outside the existing fenceline for the defined larger parcel and

is already effectively being used by SSLC. There are numerous site improvement items within the quit claim deed area, including trees, grass, dog runs, lateral fencing, parking lot improvements, etc. These site improvements are within the defined larger parcel under UDOT ownership but were installed and are being maintained by SSLC. As per the specific instruction of the client, all site, landscaping and other improvements within the quit claim deed are excluded from consideration and no compensation or other consideration is included for these items in the appraised value(s) outlined herein.

RECENT HISTORY OF THE PROPERTY: USPAP requires a three (3) year reporting history for the appraised property, while UDOT right-of-way appraisal guidelines dictate a five (5) year reporting history requirement.

The current owner of record is Utah Department of Transportation, represented by Mr. Mike Timothy, who does not report any recent sales or listings. The most recent warranty/transfer deed reported by Salt Lake County is dated September of 1990. A search of the Wasatch Front Multiple Listing Service (WFMLS) did not reveal any active, closed or expired listings involving any portions of the subject property. Thus, no sales or listings or any portion of the subject within the last five years is known.

REAL ESTATE TAXES & ASSESSMENTS: Real estate tax information for the subject for 2021 is shown in the following table.⁶

Current Assessment and Tax Information: FY 2021						
Parcel	Total	Total Taxable	Tax rate	Ad Valorem Tax ¹	Special Assessments ²	Total Tax
15-24-151-015	\$940,700	\$0	0.0	\$0.0	\$0	\$0.0
¹ Applies to real estate only. Taxes on personal property, improvement fixtures, etc., if any are excluded.						
² Special assessments include bond payments and/or other taxes that do not vary according to assessed value.						

Source: Salt Lake County

The above tax and assessment information is applicable to the year 2021. The subject is owned by Utah Department of Transportation, which is a tax exempt government

⁶ Taxes in Utah are calculated by applying a tax rate to taxable value. Taxable value is a percentage of the assessor's estimate of market value. The percentage is 100 percent for commercial properties and about 67 percent for residential properties. The tax rate varies depending on a given county's budget.

agency. The current assessed value of the land (\$940,700) equates to \$5.28 per square foot and is substantially lower in comparison to the appraised market value outlined herein. This appraisal analyzes current market data and makes specific adjustments to each sale in order to derive an indication of market value for the subject. The assessed value is typically computer generated and is not specific in adjustments. Thus, no weight is placed on the assessed value as a market value indicator.

Data Analysis and Conclusions – Before Acquisition

ANALYSIS OF HIGHEST AND BEST USE:

Two procedures are used to determine a property's highest and best use. The first is an analysis of the site as if vacant. The second is an analysis of any existing improvements and their influence upon the site's highest and best use. The use(s) concluded in the analyses to be highest and best must meet the criteria of being 1) physically possible, 2) legally permissible, 3) financially feasible, and 4) maximally productive.

HIGHEST AND BEST USE AS VACANT

Physically Possible

The subject is on the west side of 600 West at 2270 South in South Salt Lake City, Utah. It comprises a single tax parcel containing $\pm 177,986$ square feet, or 4.086 acres. The site is irregular in shape and the topography is level. Natural drainage appears to be westerly. The subject has frontage and legal access from 600 West and is considered a interior parcel herein. All utilities are available to the area and stubbed to the site. The subject has adequate depth and frontage and is sufficiently sized/shaped to accommodate a number of development options.

Legally Permissible

There are generally two areas of concern regarding legally allowable improvements to a property. The first is associated with title or deed restrictions, which can limit the potential

uses of a property. The second is associated with zoning ordinances, which often limit both the type and size of development constructed on a site. Potential uses are also limited by permissible and legal uses allowed in the zoning classification for the subject property.

As noted previously, the subject property is under the jurisdiction of South Salt Lake City and is currently zoned Flex (light industrial/commercial). This is a commercial zone that is oriented more toward light industrial uses but does permit a number of commercial uses including retail sales, restaurant, office/professional office, gas station/c-stores, service-oriented and other similar uses. The long range master plan is for similar rail serviced commercial uses.

Financial Feasibility

A financially feasible use must be one that can provide the highest return on an improvement over a prolonged period of time. The use will be constrained by zone restrictions and the physical characteristics of the land. Also considered are current economic trends, neighborhood influences, and existing supply/demand characteristics, as they pertain to real estate.

Currently, market conditions are positive and have been strong for the last 5-8 years since the significant market turnaround/recession experienced from 2008-2012. Real estate construction and investment has been strong since this time, with continued and sustained appreciation for all submarkets (i.e. residential, commercial, multi-family, industrial, etc.) noted. The economic affects of COVID-19 have moved some markets into a downturn in the business cycle, but the effects are not yet clear. Early indications suggest that the residential and industrial markets have both fared the pandemic well, while the office and retail market have experienced some slowing conditions and may be permanently altered.

Location has a significant impact on the highest and best use of a given property. The subject is located along the 600 West corridor, which is primarily improved with industrial

uses including light industrial, contractors, destination retail, institutional, office and other similar uses. I-15 is close to the east and the site is near the 2100 South and 3300 South corridors, both of which are heavily traveled and well developed with a variety of primary commercial uses, including retail, restaurant, coffee shop, strip retail, office, banks, gas station/c-store and other similar uses. The subject does not benefit from any visibility/exposure from either one of these primary traffic arteries. Traffic counts for 600 West are not available and 600 West dead ends close to the south of 2700 South and appears to be relatively lightly traveled in front of the subject.

Given the location near major transportation corridors (I-15/I-80/SR-201 interchange, major Union Pacific corridor, etc.) and primarily light industrial surrounding development, the location would not be particularly conducive to impulse oriented or more primary retail uses. It would also not be a conducive location for a mixed use development to include residential and light industrial use is the most probable and financially feasible use at the present time.

Based on the location of the subject, traffic counts and surrounding development, light industrial development is concluded to be the most financially feasible use, if the subject were vacant. South Salt Lake City is centrally located in the Salt Lake Valley and continues to experience strong growth and the need for additional light industrial/secondary commercial support services going forward is apparent.

Maximally Productive Use and Conclusion (As Vacant)

After reviewing the above, it is concluded that the maximally productive use of the subject as vacant would be for light industrial development as dictated by the Flex (light industrial/commercial) zone. Surrounding development and traffic counts would not be particularly conducive to primary commercial uses (i.e. c-store, primary impulse retail, fast food, etc.) and light industrial and/or secondary commercial uses are most probable, which could include destination retail, office/professional office, light industrial, warehouse, distribution, storage units, etc. The most probable end user would be a

local/regional developer or speculator. The timing for development of the subject as vacant is likely immediate to in the near future.

Based on the highest and best use conclusion, a brief synopsis of the Salt Lake County industrial market is contained below:

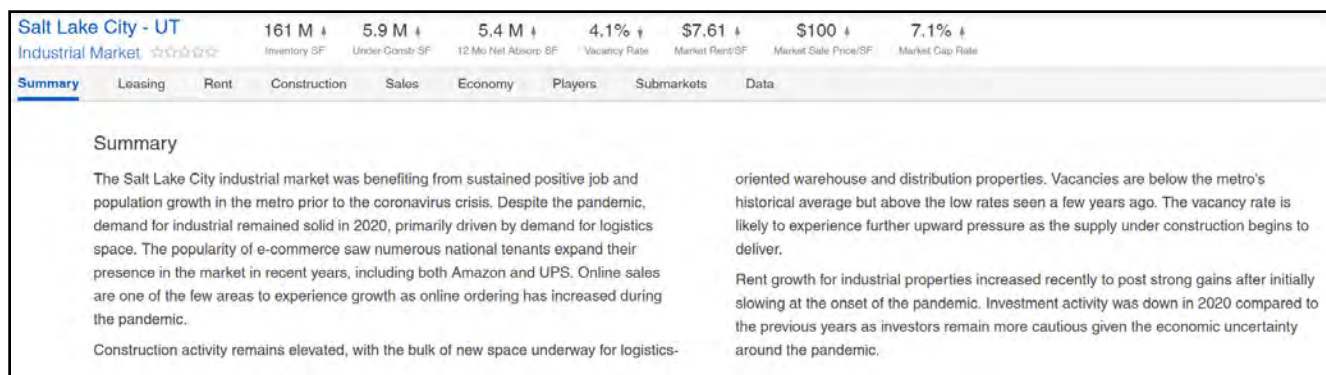
Market Overview - Salt Lake County industrial Market

- History

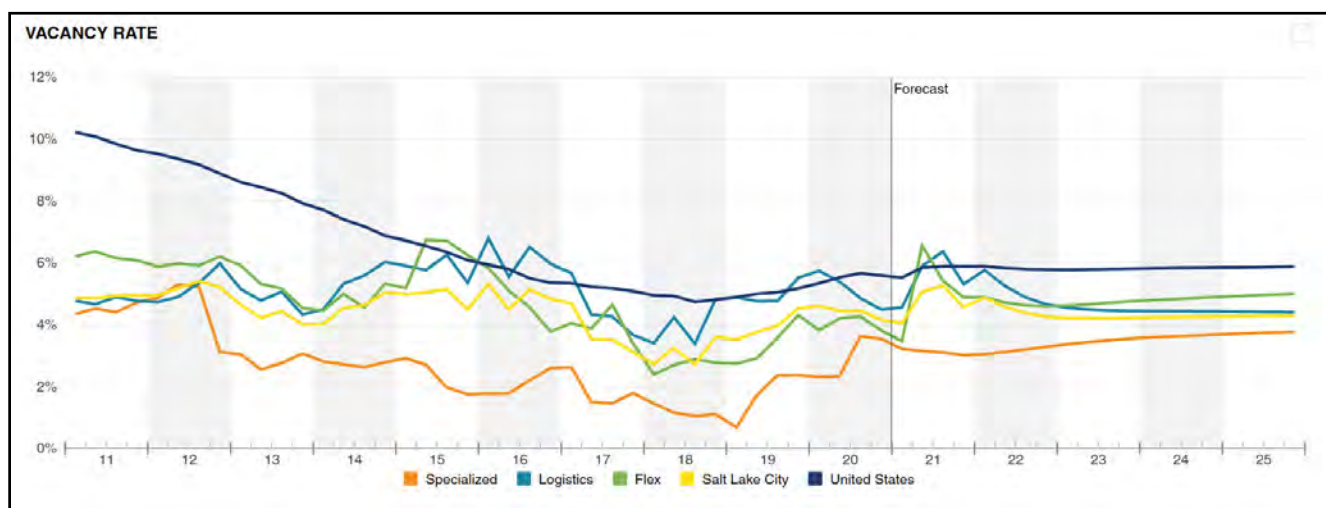
From 2003 to 2008, the industrial market along the Wasatch Front was healthy and growing. However, from 2008 to 2012, economic uncertainty and recessionary market conditions had a strong negative impact on all real estate markets throughout the State of Utah and nation as a whole, and most sectors experienced rising vacancies, declining demand and declining lease rates. Prudence in limited amounts of new supply helped mitigate the negative impacts to some commercial subsectors within the State of Utah during this downturn, helped by continuing increasing population and strong employment base within the state. However, strong and consistent declines in real estate activity and values were still readily apparent during 2008 to late 2012/early 2013 throughout the state.

A degree of market stabilization and/or improvement appears to have occurred during 2013/2014 and through 2020 into 2021. Market activity for industrial improvements began to show signs of strengthening during 2013/2014, and have been strong over the last 5-8 years or so. The Covid-19 pandemic as declared by WHO in March of 2020 had an immediate impact on real estate conditions and has created a high level of uncertainty and apprehension. However, market participants that the industrial market has been strong during 2020 and this is supported by the market data.

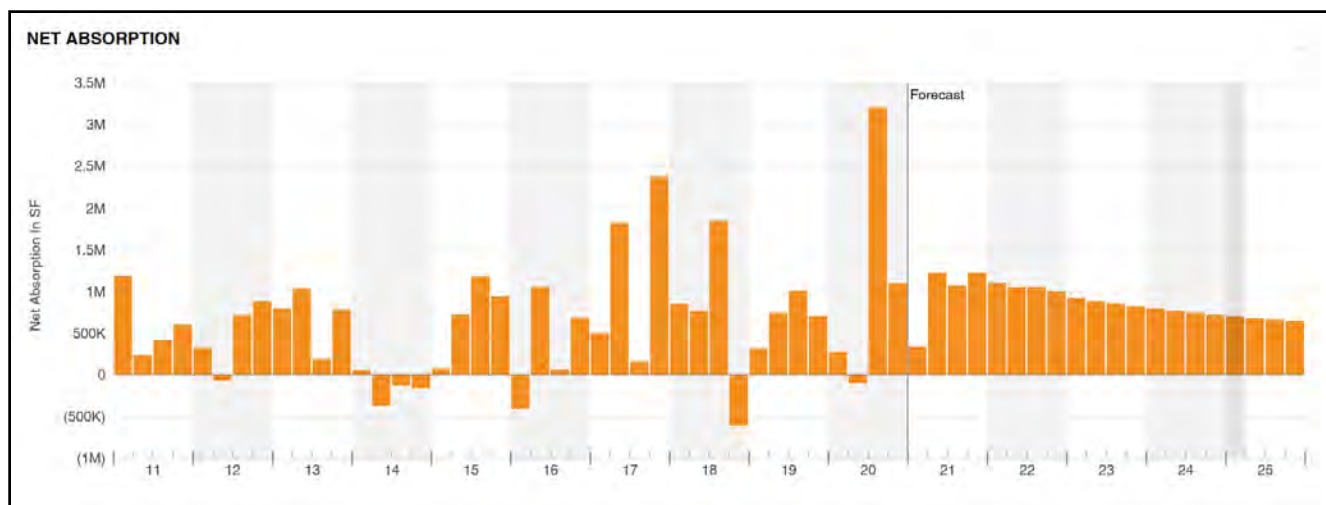
Costar compiles, on a quarterly and semi-annual basis, an overview of various markets on a local and national level. The following information was obtained from Costar data and is relevant to the Salt Lake City industrial market as of YE 2020.



As outlined above, the Salt Lake City industrial market has remained strong and has weathered the pandemic conditions relatively well. Conditions slowed during the 2Q of 2020 but then showed signs of improvement shortly thereafter. The grid below is reproduced from Costar and shows industrial vacancy trends over the last several years.

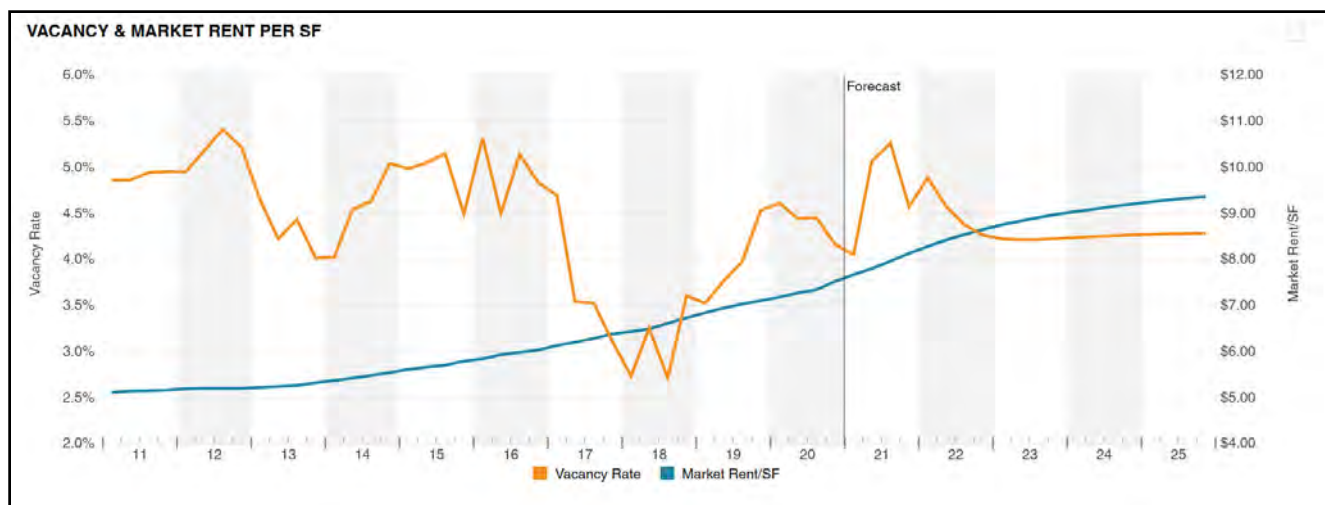


As shown in the graph above, the overall industrial vacancy rate within Salt Lake County has been steadily decreasing and is currently at 4.1%. At one point in 2012, the industrial vacancy rate was nearing 10%. The current vacancy rate is also below the historical average although slightly increasing vacancies are forecast going forward.



Overall industrial net absorption remains positive at ± 5.4 million square feet total over the last 12 months, with an additional ± 5.9 million square feet under construction. Absorption during 2020 was atypically strong and the figure of 3.25 million square feet absorbed during the 3Q of 2020 is the highest in the previous 10 year period. This is in-line with information derived during interviews with market participants, which indicates that industrial market conditions are strong.

As shown in the graph below, the current average asking industrial lease rate is \$7.61 per square foot (annual), which is a significant increase over the last three to four years. As of YE 2017, the average asking industrial lease rate within Salt Lake County was $\pm \$6.42$ per square foot on an annual basis. Lease rate have steadily risen over the last several years and the Costar information forecasts continued increases in the asking lease rate going forward.



Rent

Salt Lake City industrial rent growth picked up recently to 6.6%, an increase from 4.9% four quarters ago. Rent gains for specialized and flex properties outpaced gains for logistics properties for several years. But starting in the second half of 2019 rent growth for logistics properties picked up to above specialized and logistics gains.

New development of specialized and flex properties was limited over the past decade, making room for landlords to push rents. Rent gains for specialized properties saw the highest gains, with growth averaging around 6% from 2015 to 2019. Flex properties, which have the highest asking rents of the different industrial types, saw average rent growth of about 5% from 2015 to 2019.

The abundance of new supply for logistics had been restraining rent growth somewhat, with average gains from 2015 to 2018 of around 4%, but logistics rent growth increased

in 2019 to around 9%. Logistics rent growth was strong in the first half of 2020, but slowed to end the third quarter at about 5%. The pandemic has increased in the importance of warehouse and distribution space as e-commerce sales have risen with business and store closures.

Draper, one of the smallest submarkets in the metro, has some of the highest rents at around \$10/SF, likely boosted by the high asking rents for flex space, which makes up nearly a quarter of the submarket's inventory. The West Outlying Salt Lake Submarket has one of the lowest asking rents in the metro but has seen some of the highest rent growth the past several years, though it has moderated recently. Proximity to the airport along with development incentives have increased new construction in the submarket in recent years.

- Conclusion/Outlook:

Overall the outlook for the Salt Lake County industrial market is positive. Despite pandemic conditions, the industrial market has been strong and fared the pandemic conditions relatively well. Market participants interviewed for this and other industrial assignments report that interest in industrial land and improvements is high, particularly in and around the International Center and Salt Lake International Airport. This is largely due to Amazon completing a new fulfillment center with another proposed in this area. The scarcity of available land is also driving up the price for industrial product due to strong competition. Industrial construction has remained strong. Utah's population continues to grow with strong job growth and mortgage interest rates are low, which should continue to support future industrial growth going forward.

Highest and Best Use of the Site As Improved

N/A - The subject property is vacant land only with no vertical improvements present. This area of analysis does not apply.

LAND VALUATION

The method used to assist in formulating the appropriate market land value is based on the traditional approach to land value, namely the Sales Comparison Approach. This involves obtaining land sales with similar characteristics and comparing those sales to the subject site. The concluded highest and best use as vacant is light industrial development. Thus, similar use land sales within South Salt Lake City and surrounding areas were researched. Adjustments are made to the comparables for differing features. The adjusted values of the comparables are then reconciled into a single estimate of value for the subject land. The unit of comparison is the price per square foot. This unit is used to maintain consistency with the right-of-way documents.

Please note that due to the built up nature of the immediate area, it became necessary to expand the comparable search area to include all of Salt Lake County in order to obtain land sales suitable for comparison from public listing sources. The following table is a summary of the land sales used in this report, followed by comments and plat/parcel maps for each sale. Additional information is retained in the appraisal workfile.

SUMMARY OF COMPARABLE LAND SALES (BEFORE ADJUSTMENTS)						
ID	Subject	1	2	3	4	5
Address	2270 S. 600 W.	5718 W. 3500 S.	9243 S. 6400 W.	2445 W. 900 S.	3493 W. 500 S.	6620 W. 2100 S.
City/Utah	SSLC	WVC	West Jordan	SLC	SLC	WVC
Parcel #	15-24-151-015	14-26-476-013	26-02-353-001	15-09-253-003	15-05-451-013	14-22-200-032
Land Size (Acres)	4.09	5.35	4.24	5.12	1.41	6.72
Land Size (Sq.Ft.)-Est.	177,986	233,046	184,694	223,027	61,420	292,723
Shape	Irregular	Mostly rectangular	Irregular	Mostly rectangular	Irregular	Mostly rectangular
Street Orientation	Interior	Rear lot	Minor corner	Interior	Interior	Interior
Topography	Level	Level	Level	Level	Level	Level
Utilities	All Available	All Available	All Available	All Available	All Available	All Available
Zoning	Flex	LI	M-1	M-1	M-2	M
Date of Sale	N/A	Aug-21	Jun-21	Sep-20	Jul-20	Mar-20
Seller	N/A	Lifetime Holdings, Davidson, et al.	Orton	Erickson	Liska	MPM Property Holdings, LLC
Buyer	N/A	Ford R.E., Dodge, et al	Caspian Investments, LLC	Pioneer Holdings, LLC	Verkic	Kelez Cottonwood Heights, LLC
Verification	N/A	Agent/MLS	Agent/MLS	Agent/MLS	Agent/MLS	Agent/MLS
Sales Price	N/A	\$1,650,000	\$1,465,000	\$1,471,980	\$550,000	\$2,195,424
Sale Price/Lot	N/A	\$1,650,000	\$1,465,000	\$1,471,980	\$550,000	\$2,195,424
Sales Price/Sq.Ft.	N/A	\$7.08	\$7.93	\$6.60	\$8.95	\$7.50

Project No.: IR-15-7(185)308 / PIN No.: 990010
 Project Parcel No.: 15-7:351:3Q
 Ownership: Utah Department of Transportation

VAN DRIMMELEN & ASSOCIATES

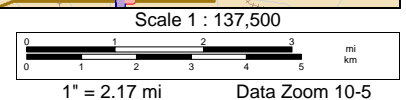
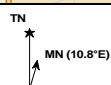
Land Sales Map



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Comments:

Sale #1 - is a very recent purchase of an industrial lot north of 3500 South and adjacent east of the Mountain View Corridor. It is near extensive commercial development but is a rear lot with crossover access agreements and was recently rezoned for Light Industrial uses. The buyers are reportedly industrial users. It was listed for about two months with a listing price of \$1,750,000 before selling for \$1,650,000. The verification source stated there are two difference access easements and that access was not of concern for the pending buyers or other interested parties.

Sale #2 - is a recent sale of a larger industrial lot within the Cadyn Meadows industrial park in West Jordan. The immediate area is a major industrial hub for the south Salt Lake Valley. Mountain View Corridor is close to the east and the site does have frontage but no access from New Bingham Highway to the north. The property was listed for \$1,478,000 for approximately 2-3 months and went under contract in March of 2021. Mrs. Campbell also reports that she has a smaller ± 1.5 acre industrial lot across the street under contract for \$536,000, which equates to \$8.20 per square foot.

Sale #3 - is in an established industrial area close to the west of I-215. The initial asking price was \$2,174,515 and it was sold a discount from list after being on the market for ± 3 months.

Sale #4 – is a fairly recent transaction of a smaller industrial lot near Sale #3 is an established light industrial area. Property is zoned M-2 which permits more heavy industrial uses and M-2 zoned land is generally considered positively by the market.

Sale #5 – is a recent sale of two industrial lots along the 2100 South frontage road in West Valley City within an established industrial area. The two lots were contiguous and sold in one transaction and have since been assembled as one tax parcel. The buyer intends to develop the site with an industrial building. The site does have good visibility/exposure from SR-201 to the south.

Comparable Sale Parcel/Plat Maps



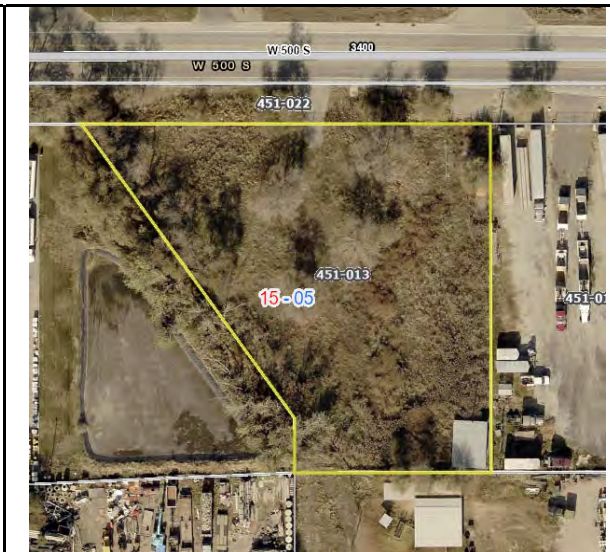
Comparable Sale #1



Comparable Sale#2



Comparable Sale #3



Comparable Sale #4



Comparable Sale #5

ANALYSIS AND RECONCILIATION OF LAND SALES

Market evidence and appraiser judgment determined the degree of adjustment made to each sale. Each adjustment made reflects careful consideration and analysis of various factors. The factors considered in any adjustment include an analysis of paired sales data, when they are available, and information acquired from market participants. Also considered are the costs associated with bringing a site to a developable condition. It is believed that the adjustments made correspond closely with the thinking of market participants and allow for a tighter frame of reference when comparing sales data to the subject site. The unit of comparison for each sale is the price per square foot. This unit of comparison is chosen for consistency purposes due to the square foot unit as indicated on the right-of-way documents for the acquisitions.

If needed, dollar adjustments are made in the areas of property rights conveyed, conditions of sale, and financing. The resulting value reflects the “normal sales price” of the comparable. Percentage adjustments are then made to account for market conditions that change over time. Thereafter, additive percentage adjustments are made in each of the remaining areas of analysis. This is described in detail below.

PROPERTY RIGHTS CONVEYED: Each sale reportedly included the transfer of a fee simple title to the buyer(s). The property rights conveyed were similar to those appraised. Therefore, none of the comparables require an adjustment for property rights.

FINANCING TERMS: The value shown for a comparable is a cash-equivalent value. When a seller writes a contract with a buyer and the seller has financing terms better than those available in the market, the seller is often paid a higher price for the property. These circumstances require an adjustment to the sale. No adjustments are necessary.

CONDITIONS OF THE SALE: All of the comparable sales were reportedly arms-length transactions with no unusual conditions of sale reported. No adjustment is necessary.

EXPENDITURES IMMEDIATELY AFTER SALE: All of the sales represent vacant land with no unusual or atypical expenditures after the purchase reported. No adjustment is necessary.

MARKET CONDITIONS: Market conditions refer to price changes occurring over time due to various market forces. As discussed in the Highest and Best Use and Market Analysis sections of the report, the Salt Lake County industrial market has been consistently strong over the last 5-8 years and consistently strong demand and appreciation for industrial improvements is apparent. The Covid-19 pandemic has had a strong impact on the real estate market, but the effects are not yet clear and for most markets, additional data is necessary. The preliminary information indicates that the retail and office submarkets have likely been negatively and potentially permanently impacted, but that the residential and industrial markets have fared the pandemic reasonably well. The residential market in particular, has fared the pandemic conditions very well and appreciation for finished product throughout the Wasatch Front is strong during the 2Q and 3Q of 2020.

Prior to the pandemic, the industrial market along the Wasatch Front and Salt Lake and Utah Counties in particular was relatively strong, with low vacancy rates, increasing asking lease rates and steady speculative and build to suit construction. There was a short period of stalling conditions during the 2Q of 2020, but the industrial market has fared relatively well and industrial real estate agents and market participants report minimal negative impact to the industrial market due to the Covid-19 pandemic with continued appreciation during 2020 and into 2021.

The industrial land sales are all very recent and occurred within the last 1.5 years, from March of 2020 to August of 2021. All of the sales took place after pandemic conditions became apparent. Based on the available market information and considering at least a small period of stalling and/or slowing market conditions during early 2020, a 5% annual factor is used herein and applied to any sales that are older than three months from the effective date of valuation. Sale #1 is recent that no adjustment is necessary. The remaining sales are in excess of 3 months from the effective date of valuation and upward

adjustment of 5% per annum is applied to Sales #1, #2, #3 and #4. Adjustment is rounded to the nearest 0.25%.

LOCATION FACTORS: Location refers to access, exposure, attractiveness of surrounding properties, and proximity to surrounding support services. The subject property is on the west side of 600 West at 2270 South. 3300 South and 3900 South are primary commercial corridors in the area and are well developed with a variety of commercial establishments, including retail sales, gas station/c-stores, restaurants, fast food, office, service-oriented, theaters and other similar uses. 600 West is near the “spaghetti bowl” area of the Salt Lake Valley where multiple interstates and state roads intersect. No traffic counts are available for 600 West and all development along 600 West is primarily light industrial in nature and 600 West is a major industrial corridor in the area. There is a large Union Pacific facility and numerous tracks adjacent to the west.

There are some tracts of vacant land suitable for development remaining in the immediate subject neighborhood but land is being rapidly absorbed and developed due to the centralized location in the Salt Lake Valley and reasonable commuting distance to Salt Lake City and other Wasatch Front metro areas. Overall, the neighborhood is approximately 85-90% developed.

In summary, the subject is centrally located within the Salt Lake Valley and has good linkages and primarily light industrial development. Given surrounding development and the location near several major transportation corridors including the I-15/I-80/SR-201 interchange and Union Pacific tracks westerly, the location would be most conducive to light industrial uses.

Due to the built-up nature of the immediate neighborhood, it became necessary to widen the area of the comparable search process to include all of Salt Lake County. All of the sales are within established industrial areas in the Salt Lake Valley with similar surrounding development, but the subject is more centrally located with superior linkages/access and is generally superior in location to all the comparable sales.

Correlating upward adjustment is necessary for all five comparable sales for locational differences.

PHYSICAL DIFFERENCES: The physical characteristics of the subject property are similar to many of the physical features of the comparables. Adjustments were made in the following areas:

Size: Small land parcels often sell for a higher unit price than do large ones, as they are less risky to develop. Development risk increases in proportion to the difficulty of maximizing the development potential of a parcel of land. Larger tracts of land often require the construction of a larger building or even multiple structures in order to maximize development potential. In addition, the period for construction generally increases, which often puts the developer at a greater risk. Consequently, developers are often willing to pay a higher unit price for smaller, less risky parcels of land.

The subject has a land size of ±177,986 square feet, or 4.086 acres. The comparables range in size from 1.41 acres to 6.72 acres and the subject is well bracketed from a size standpoint. Sale #4 is smaller and downward adjustment is necessary. The remaining sales represent mid-size tracts of land in the 4-7 acre range and are similar. No further adjustment for size differences is necessary.

Shape: Shape refers to the physical shape or layout of a site or parcel of raw land. Typically, rectangular, square, or even moderately irregular configurations are more desirable than severely irregular configurations because they allow the developer to maximize the potential development of the land with the least amount of wasted or excess land.

Due to some irregular/angled borders, the subject has an irregular shape that would present a minor impediment to building placement and other development options. Sales #2 and #4 are similar in shape and are not adjusted. The remaining comparable sales

have a superior rectangular/mostly rectangular shape and downward adjustment is necessary for Sales #1, #3 and #5.

Street Orientation: Street orientation is another factor that can influence the price a buyer is willing to pay for commercial land. For industrial users, visibility/exposure is a factor but is of lesser concern than ease of access. Linkages and ease of access to a site for the delivery of materials/finished goods is of primary importance and industrial users do view corner parcels or parcels with multiple access points positively.

The subject is on the west side of 600 West at 2270 South and is an interior parcel. Sale #1 is a rear lot and is inferior, warranting upward adjustment. Sale #2 is a corner parcel with superior ease of access and this sale is adjusted downward. The remaining sales are similar in street orientation and no further adjustment is necessary.

Topography/Developability: Adjustments made for this area of adjustment recognize those differences in a site's topography and/or need of fill in order to accommodate development. Typically, sites that are relatively level with stable and adequate fill conditions, sell for a higher per unit basis. The reason is that there is less site work cost incurred on a buyer's part in bringing these sites into a developable condition versus a site that has a sloping or undulating terrain and/or one that is in need of fill.

The topography of the subject is generally level. All of the sales are similar and are not adjusted.

Utilities: The subject property has all utilities available nearby. All of the sales are similar and are not adjusted.

Zoning: The subject is within the Flex (light industrial/commercial) zone, which is oriented toward light industrial uses but does permit a wide variety of commercial uses as well, as do most industrial zones. Sale #4 is within an M-2 zone, which permits both light and heavy industrial/manufacturing uses. M-2 land is traditionally limited, and the market

recognizes M-2 land positively. Sale #4 is adjusted downward. The remaining sales are all within similar light industrial zones and no further adjustment is necessary.

Other: In all other areas, the comparables appear to be similar to the subject and no further adjustments are necessary. An adjustment grid is presented on the following page that outlines each of the adjustments made:

LAND ADJUSTMENT GRID						
		COMPARABLE SALES				
	Subject	1	2	3	4	5
Address	2270 S. 600 W.	5718 W. 3500 S.	9243 S. 6400 W.	2445 W. 900 S.	3493 W. 500 S.	6620 W. 2100 S.
City/Utah	SSLC	WVC	West Jordan	SLC	SLC	WVC
Sales Price		\$1,650,000	\$1,465,000	\$1,471,980	\$550,000	\$2,195,424
Adjustments:						
Property Rights		\$0	\$0	\$0	\$0	\$0
Adjusted Price		\$1,650,000	\$1,465,000	\$1,471,980	\$550,000	\$2,195,424
Financing Terms		\$0	\$0	\$0	\$0	\$0
Condition of Sale		\$0	\$0	\$0	\$0	\$0
Expenditures		\$0	\$0	\$0	\$0	\$0
Adjusted Price		\$1,650,000	\$1,465,000	\$1,471,980	\$550,000	\$2,195,424
Date of Sale		Aug-21	Jun-21	Sep-20	Jul-20	Mar-20
Market Conditions		7.50%	1.25%	5.00%	5.75%	7.50%
Adjusted Price		\$1,773,750	\$1,483,313	\$1,545,579	\$581,625	\$2,360,081
Unit of Comparison						
Square Feet	177,986	233,046	184,694	223,027	61,420	292,723
Price Per Sq.Ft.		\$7.61	\$8.03	\$6.93	\$9.47	\$8.06
Other Adjustments:						
Location		10%	10%	5%	5%	15%
Physical Characteristics						
Size		0%	-5%	0%	0%	0%
	177,986	233,046	184,694	223,027	61,420	292,723
Shape		-5%	0%	-5%	0%	-5%
	Irregular	Mostly rectangular	Irregular	Mostly rectangular	Irregular	Mostly rectangular
Street Orientation		10%	-5%	0%	0%	0%
	Interior	Rear lot	Minor corner	Interior	Interior	Interior
Topography		0%	0%	0%	0%	0%
	Level	Level	Level	Level	Level	Level
Utilities Available		0%	0%	0%	0%	0%
	All Available	All Available	All Available	All Available	All Available	All Available
Zoning		0%	0%	0%	-10%	0%
	Flex	LJ	M-1	M-1	M-2	M
Other		0%	0%	0%	0%	0%
Adjusted Price Per SF		\$8.75	\$8.03	\$6.93	\$9.00	\$8.87
Net % Change		24%	1%	5%	0%	18%
Gross % Change		33%	21%	15%	21%	28%
Summary of Adjusted Values						
	Low	High	Median	Mean		
Adjusted Value Range	\$6.93	\$9.00	\$8.75	\$8.32		

RECONCILIATION OF LAND VALUE – BEFORE ACQUISITION

After making adjustments, the adjusted sales indicate an adjusted value range from \$6.93 per square foot to a high of \$9.00 per square foot. The median is \$8.75 per square foot and the adjusted mean is \$8.32 per square foot.

In reviewing the sales and adjustments made, it is noted that all of the sales are relatively recent transactions in competitive locations and all the sales required gross adjustment at or under 33%, indicating an acceptable level of comparability. Sale #1 is the most recent sale and is given slightly higher consideration, indicating that a value conclusion near to above the adjusted average is justified.

After reviewing the characteristics of the subject and the comparable sales and considering the physical factors associated with the subject, the concluded market value is \$8.50 per square foot for the defined subject parcel. The concluded market value is outlined below.

Subject Land - ±177,986 square feet, or 4.086 acres

Subject Land -- 177,986 SF x \$8.50 per square foot = \$1,512,881

MARKET VALUE OF WHOLE – BEFORE ACQUISITION

The total indicated value of the land is \$1,512,881. The subject is vacant land only with no vertical improvements present. Thus, the contributory value of the improvements is shown as \$0. The allocation of market value of the whole is calculated as follows:

Subject Lot – ±177,986 square feet x \$8.50 per square foot =	\$1,512,881
Contributory Value of the improvements N/A =	\$ <u>0</u>
Total Market Value – Before Acquisition	= \$1,512,881*

*This value would typically be rounded. However, for more concise summary of values purposes and to avoid rounding errors, the market value is not further rounded.

Proposed Project

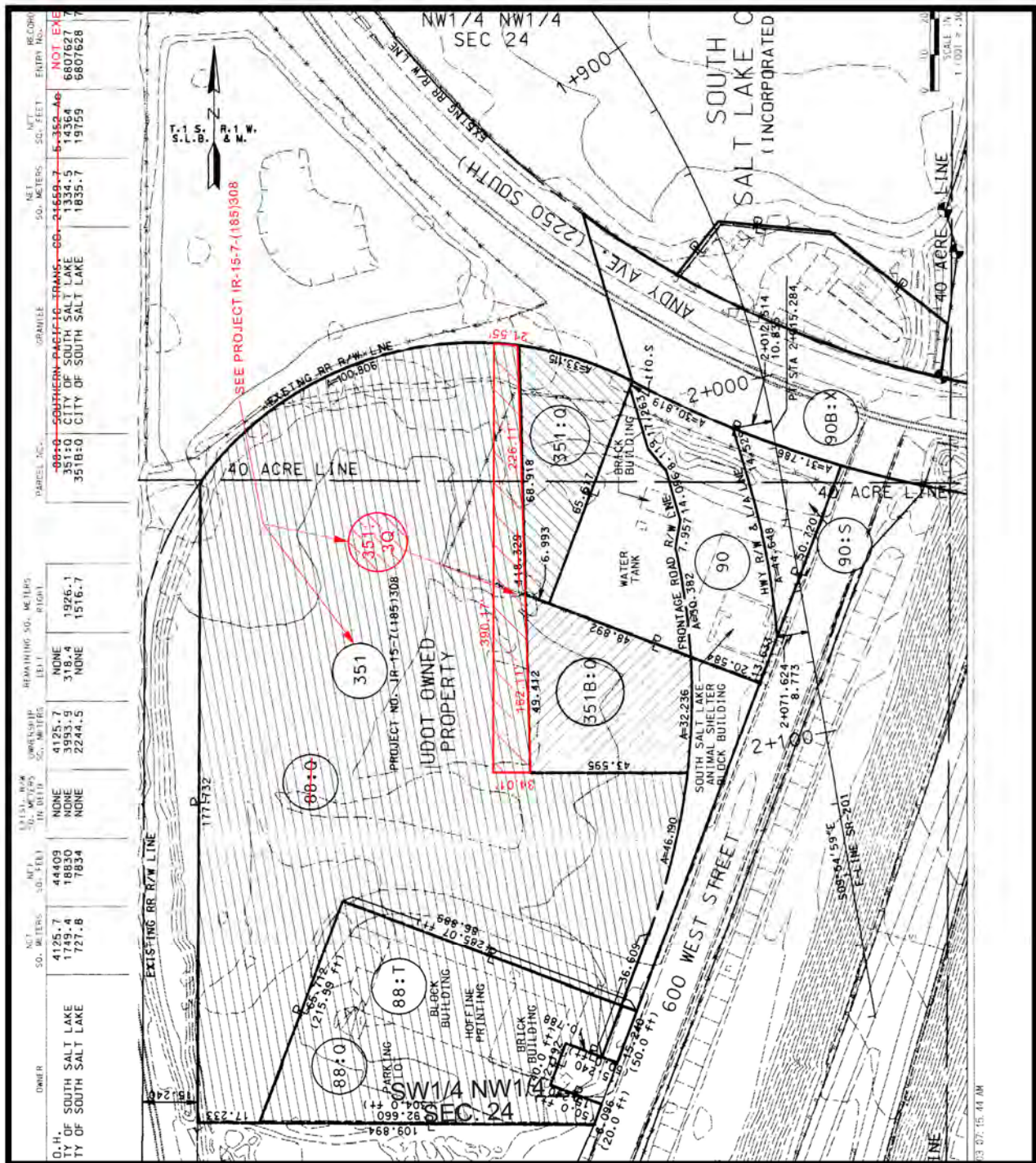
DESCRIPTION OF PROPOSED PROJECT: South Salt Lake City reportedly desires to purchase a small quit claim deed area along the northeast border of the larger parcel for the expansion of SSLC facilities to the east, which include an animal shelter and water facility. A description of the quit claim deed is outlined below.

- **QUIT CLAIM DEED**

The quit claim deed is identified as Project Parcel No.: 351:3Q and is located along the northeast border of the larger parcel adjacent west of parcels owned by SSLC. The quit claim deed has a maximum depth of 34.01 feet on the south border, narrowing to a depth of 21.55 feet on the north border. Maximum length is 390.17 feet along the west border. The acquisition is a relatively small, narrow shaped area. According to the provided legal descriptions, the size of Project Parcel No.: 351:3Q is 10,789 square feet, or 0.248 acre.

The following shows the project map with the subject (Project parcel 15-7:351:3Q) and proposed location of the quit claim deed. Legal descriptions are located in the addenda.

UDOT Project Maps



THE SUBJECT IS PROJECT PARCEL NO.: 15-7:351:3Q

Project No.: IR-15-7(185)308 / **PIN No.:** 990010
Project Parcel No.: 15-7:351:3Q
Ownership: Utah Department of Transportation

VAN DRIMMELEN & ASSOCIATES

DESCRIPTION OF PROPERTY – AFTER ACQUISITION: This area of analysis describes and considers the physical aspects of the remainder. Any item not discussed below is assumed to remain unchanged in comparison to the before condition.

LOT AREA: Before the quit claim deed, the larger parcel contains a gross land size of $\pm 177,986$ square feet, or 4.086 acres. The area of the acquisition is 10,789 square feet, or 0.248 acre, leaving an area of the entire remainder of approximately 167,197 square feet, or 3.838 acres. The size of the remainder is reduced by $\pm 6\%$. This is not a significant reduction and the remainder will be adequately sized and shaped to facilitate light industrial development as outlined in the highest and best use section of the report. Continued governmental uses will not be impeded.

SHAPE: The shape of the remainder will be irregular and is unchanged from the before condition. The imposition of the quit claim deed will not exacerbate the limitations of the irregular shape.

TOPOGRAPHY: The topography will remain similar.

ACCESS: Access and the amount of frontage from 600 West will not be altered.

HIGHEST AND BEST USE – AFTER ACQUISITION: This section of the report addresses any changes to the highest and best use after the acquisition from the highest and best use before the acquisition. Any physical differences are outlined above. No major detrimental physical changes are noted, and the remainder will have similar utility in comparison to the before condition. The highest and best use as vacant remains for light industrial development and is unchanged from the before condition.

Data Analysis and Conclusions – After Acquisition

VALUATION OF THE QUIT CLAIM DEED: The location of the quit claim deed has been previously outlined and Project Parcel No.: 351:3Q contains a total of 10,789 square feet, or 0.248 acre. The method used to arrive at a value for the quit claim deed was to first appraise the property as a whole. The land value of the subject as a whole is estimated at \$8.50 per square foot. The value of the quit claim deed is calculated based on a pro-rata breakdown of the land value per square foot. The total value of the quit claim deed is calculated as follows:

- **Quit Claim Deed Parcel No.: 351:3Q**

-- 10,789 SF x \$8.50 per square foot = \$91,707

DESCRIPTION AND VALUATION OF THE IMPROVEMENTS ACQUIRED/IMPACTED: As per Federal and State right-of-way appraisal requirements, the contributory value of all landscaping and site improvements within the acquisitions is typically required to be included in the compensation in a right-of-way situation. Contributory value is a real estate term that refers to the contribution that a particular component (i.e. fences, landscaping, trees, etc.) has to the overall value of the whole property. Contributory value takes into consideration the degree of depreciation for a particular site improvement item/component and primarily compensates for the added value of that specific component to the value of the whole and differs from replacement cost new. This area of consideration focuses on those site/landscaping improvements that do not need to be replaced or cannot reasonably be replaced. Deduction for depreciation is necessary when considering site improvement acquired items.

It is important to note that the area of quit claim deed is outside the existing fenceline for the defined larger parcel and is already effective being used by SSLC. There are numerous site improvement items within the quit claim deed area, including trees, gravel/crushed rock, grass, dog runs, lateral fencing, parking lot improvements, etc. These site improvements are within the defined larger parcel under UDOT ownership but were installed and are being maintained by SSLC. As per the specific instruction of the

client, all site, landscaping and other improvements within the quit claim deed are excluded from consideration and no compensation or other consideration is included in the appraised value(s) outlined herein.

Thus, compensation for any site improvements within the area of the quit claim deed is not necessary and site improvements acquired is shown as \$0 herein.

VALUE OF THE REMAINDER AS PART OF THE WHOLE: The value of the remainder as part of the whole is calculated by deducting the value of the partial fee acquisition, perpetual easement and/or pertinent site improvements acquired (site improvements acquired is only deducted if the vertical improvements are appraised) from the Market Value of the Subject as a Whole, or the value in the Before Condition. This calculation is made prior to measuring any damages to the remainder, temporary easement and/or cost to cure. This is calculated as follows:

Market Value of the Subject as a Whole	=	\$1,512,881
Less: Value of Partial Fee Acquisition	=	(\$91,707)
Less: Perpetual Easement	=	(\$0)
Market Value of the Remainder as Part of the Whole =		\$1,421,174

DAMAGES TO THE REMAINDER: In cases involving a partial fee or other acquisition, an analysis of damages and special benefits is necessary for the remaining portion of the parcel to determine if there is any loss in value to the remainder of the subject property in the after condition as a result of the partial acquisition, and/or if there are any special benefits resulting from the partial acquisition that may be used to offset damages. The International Right of Way Association defines damages as: "In condemnation, the loss in value to the remainder in a partial taking of a property. Generally, the difference between the value of the whole property before the taking and the value of the remainder after the taking is the measure of value of the part taken and the damages to the

remainder.”⁹ Damages are typically classified as either consequential damages, or severance damages. Consequential damages and severance damages are defined as follows:

- Consequential Damages:

Consequential damages are defined as a “loss in value of a parcel of land, no portion of which is acquired, resulting from a public improvement.”¹⁰

- Severance Damages:

Severance damages are defined as a “loss in value of the remainder of a parcel resulting from an acquisition, sometimes called indirect damages.”

Severance damages are also defined as “the diminution of the market value of the remainder area, in the case of a partial taking, which arises (a) by reason of the taking (severance), and/or (b) the construction of the improvement in the manner proposed.”¹¹

The subject will be impacted by a quit claim deed only, which is relatively small and the change in land size is $\pm 6\%$, which is a very minor reduction. Thus, all physical aspects of the remainder will be relatively unchanged in the after condition in comparison to the before condition. The subject will remain a legally conforming lot of record and will be fully utile and developable. Legal access from 600 West will not be altered and the shape will remain similar to the before condition. Adequate width and depth will remain to accommodate typical light industrial/commercial users as outlined in the highest and best use section of the report, and the remainder will have wide market appeal, if it were to vacant and became available on the open market. In summary, severance damages are not necessary and are shown as \$0 herein. No change in market value is apparent and the value of the remainder is unchanged at \$8.50 per square foot.

⁹ Principles of Right of Way, International Right of Way Association, Torrance, California, 2001, pg.208

¹⁰ IBID, pg.207

¹¹ IBID, pg.216, 222

COST TO CURE:

As per the scope of work agreement previously explained, any site improvements acquired and/or cost to cure items are excluded. Thus, cost to cure is not necessary and is shown as \$0 herein.

BENEFITS: In the subject jurisdiction, special benefits are generally used to offset severance damages resulting from a partial acquisition. The International Right of Way Association defines special benefits as “advantages accruing from a given highway improvement to a specific property and not to others generally.”¹²

As noted in the Supreme Court decision on Admiral Beverage (File No. 20081054, filed 10-18-11), a previous case was overturned on Ivers v. Utah Department of Transportation, 2007 UT 19, 154 P.3d 802, in which allows for “recovery of all damages that are caused by a taking.” This excludes certain potential damages, such as reduced traffic flow during and after a project. The case is interpreted by the Utah Attorney General's office to allow for all potential impacts both positive and negative to be accounted for in consideration of a partial fee acquisition. Prior to the ruling, only special benefits could offset damages. However, all benefits can now be considered, but only to offset severance damages and not acquisitions.

Severance damages have not been concluded and any offsetting benefits, of which none are apparent, do not apply. In summary, benefits do not apply and are shown as \$0 herein.

¹² Principles of Right of Way, International Right of Way Association, Torrance, California, 2001, pg.216

Summary of Values

A.) VALUE OF THE SUBJECT AS A WHOLE PROPERTY		
Subject Land -- 177,986 SF x \$8.50 per square foot	=	\$1,512,881
Contributory Value of Improvements (N/A)	=	\$ <u>0</u>
Total	=	\$1,512,881
B.) VALUE OF THE ACQUISITIONS: (A-C)		
Quit Claim Deed: 15-7:351:3Q	=	\$ 91,707
Site Improvements Acquired:	=	\$ <u>0</u>
Total	=	\$ 91,707
C.) VALUE OF THE REMAINDER AS PART OF THE WHOLE (A-B)		
Land: 177,986 SF – 10,789 SF = 167,197 SF @ \$8.50/SF	=	\$1,421,175
Plus: Improvements Contributory Value	=	\$ 0
Less: Perpetual Easement	=	\$ (0)
Less: Site Improvements Acquired	=	\$ <u>(0)</u>
Total	=	\$1,421,175
D.) VALUE OF THE REMAINDER AFTER THE ACQUISITION (C-D+E)		
Remainder as part of the whole	=	\$1,421,175
Less: Temporary Easement	=	\$ (0)
Less: Severance Damages	=	\$ <u>(0)</u>
Value of Remainder Parcel	=	\$1,421,175
E.) DAMAGES		
Temporary Construction Easement	=	\$ 0
Severance Damages:	=	\$ 0
Cost To Cure:	=	\$ <u>0</u>
Total	=	\$ 0
F.) SPECIAL BENEFITS		
Special Benefits:	=	\$ <u>0</u>
G.) TOTAL AWARD (A-F)		
Partial Fee Acquisition	\$	91,707
Perpetual Easements	\$	0
Temporary Easements	\$	0
Improvements Acquired	\$	0
Severance Damages	\$	0
Less: Special Benefits	(\$	0)
Cost To Cure	\$	<u>0</u>
Total Award	\$	91,707
Rounded to	\$	91,800

Reconciliation and Final Estimate of Value

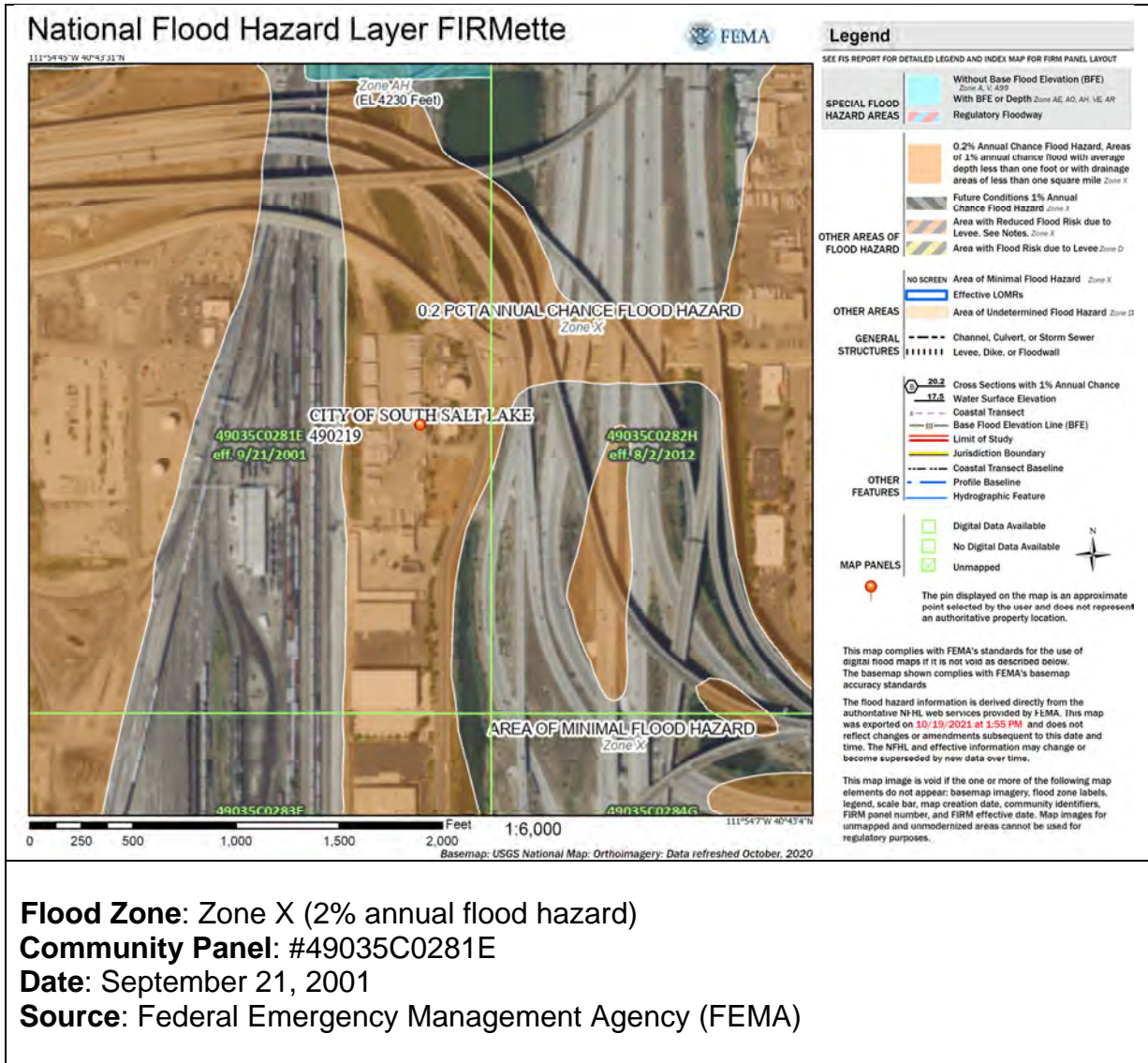
In order to value the proposed acquisition(s), the Sales Comparison Approach was used to formulate an opinion of the market value of the subject land. This method adequately accounts for investor motivation, which is directly tied to the principle of substitution, which states that a potential buyer will pay no more for a property than he or she would for a similar property with comparable characteristics and utility.

After analyzing all of the data presented in the report, I am of the opinion that the market value of the quit claim deed, as of October 18, 2021, is:

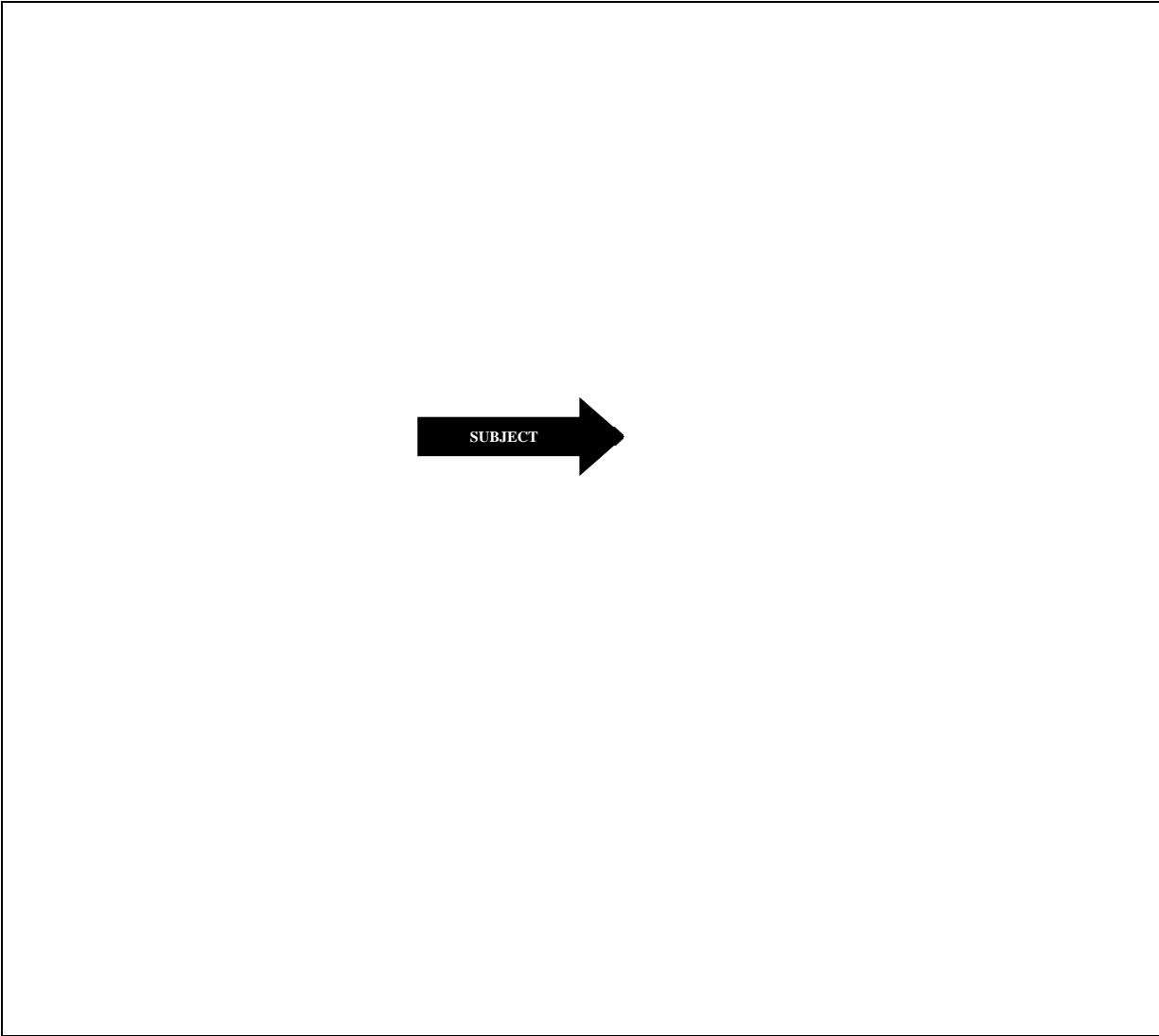
NINETY-ONE THOUSAND EIGHT HUNDRED DOLLARS
(\$91,800)

Exhibits & Addenda

FEMA FLOOD MAP



CURRENT ZONING MAP



Districts

Business Park

City Facility

Commercial Corridor

Commercial General

Commercial Neighborhood

Downtown District

East Streetcar Neighborhood

Flex

Granite Lofts Townhome

Historical & Landmark

Jordan River

Master Planned Mixed Use

Mixed Use

Open Space

Professional Office

R-1

Residential Multiple

School

TOD

TOD Core

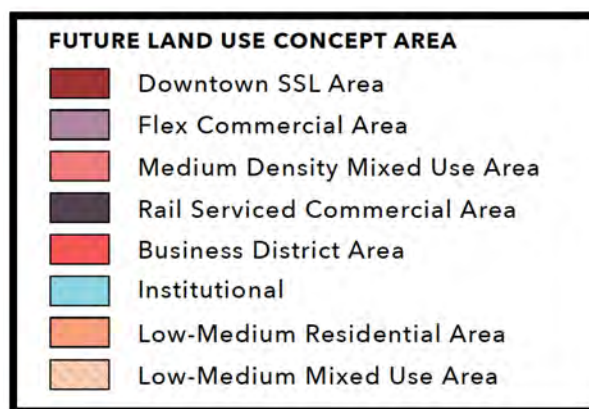
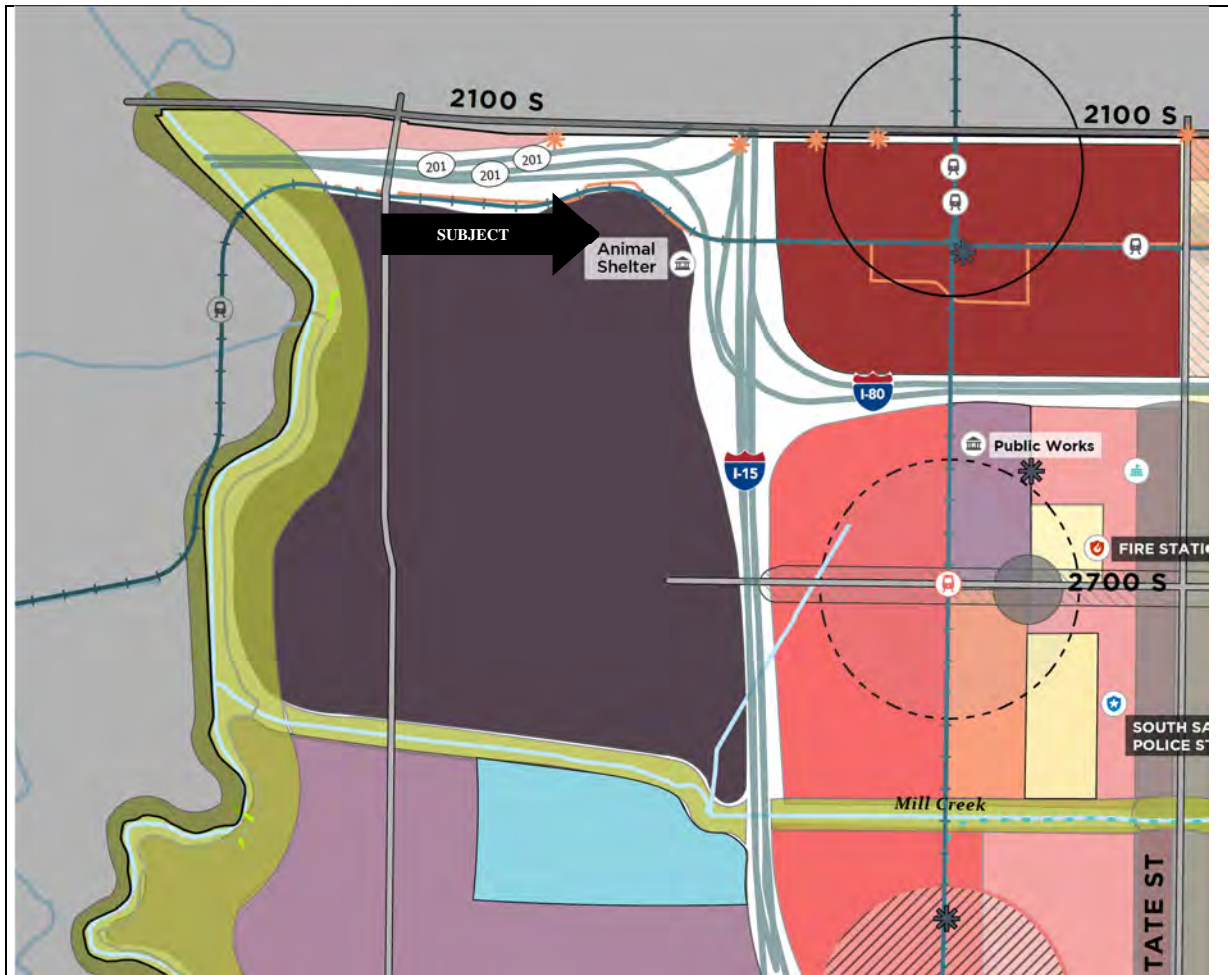
Zone Overlay

SSLC-PD Overlay

NCPP Overlay

PUD Overlay

FUTURE LAND USE MAP



County Information



Office of the Salt Lake County Auditor
2021 Notice of Property Valuation & Tax Changes
 Scott Tingley, CIA, CGAP
 Salt Lake County Auditor
www.slco.org/property-tax/

SEE BELOW FOR
 APPEAL RIGHTS

15-24-151-015-0000
 UTAH DEPARTMENT OF
 C/O UDOT RIGHT OF WAY
 PO BOX 148420
 SALT LAKE CITY UT 84114

Property Location: 2270 S 600 W
 Acres: 4.09
 Above Ground Sq Ft:
 Tax Area: 14A
 Type: 955 EXEMPT PROPERTY
 Last Review: 2019
 Parcel Number: 15-24-151-015-0000

2021 Market Value \$940,700	2021 Proposed Property Tax \$.00	Appeal to County Board of Equalization by 09/15/21
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NOTICE OF PROPERTY VALUATION

Assessment Type	2021 Market Value	2020 Market Value	COMPARE	RIGHT TO APPEAL
FULL MARKET VALUE	\$940,700	\$923,600		If you believe the assessed value of your property is incorrect, you may begin the appeal process by filing an Appeal Form with the County Auditor by 09/15/21. Visit slco.org/property-tax/
EXEMPT/OWNERSHIP REDUCTION	<940,700>	<923,600>		
TOTAL TAXABLE VALUE	\$0	\$0		

For detailed property valuation information visit slco.org/assessor/

NOTICE OF TAX CHANGES

TAXING ENTITY	2021 IF TAX INCREASE APPROVED		2021 IF NO BUDGET CHANGE		2021 CHANGE IF INCREASE APPROVED		2020		RIGHT TO BE HEARD
	Rate	Tax	Rate	Tax	Tax	%	Rate	Tax	A public meeting will be held
									Date/Time/Place
GRANITE SCHOOL DISTRICT	.005336	.00	.004210	.00			.005656	.00	AUG 12 6:00 PM 2500 SOUTH STATE STREET
STATE BASIC SCHOOL LEVY	.001661	.00	.001661	.00			.001628	.00	
UT CHARTER SCHOOL-GRANITE	.000108	.00	.000108	.00			.000113	.00	
SALT LAKE COUNTY	.001777	.00	.001777	.00			.001948	.00	AUG 11 6:00 PM 8215 SOUTH 1300 WEST
SOUTH SALT LAKE CITY	.001536	.00	.001536	.00			.001597	.00	
SL COUNTY LIBRARY	.000474	.00	.000474	.00			.000515	.00	
SO SL VALLEY MOSQUITO	.000012	.00	.000012	.00			.000013	.00	AUG 16 6:00 PM 1426 E 750 N BLDG 2 OREM
JORDAN VALLEY WATER CONS	.000369	.00	.000337	.00			.000366	.00	
CENTRAL UT WATER CONSERV	.000400	.00	.000375	.00			.000400	.00	
MULTI COUNTY ASSESS/COLL	.000012	.00	.000012	.00			.000012	.00	
COUNTY ASSESS/COLL LEVY	.000196	.00	.000196	.00			.000210	.00	
TOTAL	.011881	.00	.010698	.00			.012458	.00	

VALUES DO NOT INCLUDE TAX RELIEF, DELINQUENT TAXES, PERSONAL PROPERTY TAXES, OR SPECIAL ASSESSMENTS. THIS IS NOT A BILL. DO NOT PAY.

Text: Larger - Smaller | [Translate](#)

Q

Search Salt Lake County

[SLCo](#) / [Assessor](#) / [Search](#) / Parcel 15241510150000

[Parcel Search](#) Q

This page shows the assessor's CAMA data, as it was, on May 22, 2021.

Parcel	15-24-151-015-0000
Owner	UTAH DEPARTMENT OF TRANSPORTATION
Address	2270 S 600 W
Total Acreage	4.09
Above Grade sqft.	
Property Type	955 - OTHER-EXEMPT
Tax District	14A
2021 Land Value	\$ 940,700
2021 Building Value	\$ 0
2021 Market Value	\$ 940,700
% Exempt	100
Exempt Type	TOTAL



40.721662370
-111.907448060 #

Value History

		Land Value	Building Value	Market Value
2020	1	\$ 923,600	\$ 0	\$ 923,600
2019	1	\$ 889,400	\$ 0	\$ 889,400
2018	1	\$ 889,400	\$ 0	\$ 889,400
2017	1	\$ 872,300	\$ 0	\$ 872,300
2016	1	\$ 872,300	\$ 0	\$ 872,300

Land Record	15-24-151-015-0000
Record ID 1	
Lot Use	INDUSTRIAL
Lot Type	PRIMARY-SQFT
Land Class	
Income Flag	
Seasonal use	
Influence Type	
Influence Effect	
Assmt. Class	COM-SECONDRY
Lot Depth	
Acres	4.09

Lot Location	INTERIOR
Neighborhood	6870
Nbhd Type	STATIC
Nbhd Effect	TYPICAL
Topography	LEVEL
Traffic	LIGHT
Traffic Influence	
Street type	TWO-WAY
Street Finish	PAVED
Curb Gutter	N
Sidewalk	N

Legal Description 15-24-151-015-0000

BEG 626.11 FT E & 1339.45 FT S FR NW COR SEC 24, T 1S, R 1W, SLM; S 0°03' W 583.11 FT; S 89°57' E 56.54 FT; N 20°22'30" E 215.59 FT; S 69°37'30" E 285.07 FT M OR L; N 20°22'30" E 320FT; N 69°37'30" W 67.53 FT S'LY 105.76 FT ALG A 616.17 FT RADIUS CURVE TO R; S 89°45'45" W 143.03 FT; N 1°42'15" W 388.22 FT TO D & R GW RR R OF W; W'LY ALG SD RR R OF W TO BEG. 4.09 AC M OR L. 5934-0687 6255-2834 7824-647

[Back to Top](#)

Resources

- [Printer Friendly Version](#)
- [Classic Parcel View](#)
- [Property Tax Information](#)
- [Legal Description](#)
- [Property Type Search](#)
- [Interactive Parcel Map](#)
- [Neighborhood Values](#)
- [Adjoining Values](#)

Assessor

2001 South State Street N2-600
Salt Lake City, UT 84114-7421
(385) 468-8000 [Email](#)
Hours: M-F 8am-5pm



UDOT Legal Descriptions

OWNERSHIP RECORD

Deed Search by: KPM

Date: 2/22/21

County: Salt Lake

PIN: 990010

Parcel: 15-7:351

Type Ownership: Government

Tax ID Nos.: 15-24-151-015

Project No. IR-15-7(185)308

Recorded Owners: Utah Department of Transportation

Owner Address: 4501 South 2700 West, Salt Lake City, UT 84114

Property Address: 2270 South 600 West, South Salt Lake City, UT 84115

Percent Owned: 100%

CHAIN OF TITLE

Vesting Instrument Tax ID: 15-24-151-015

Grantor: South Salt Lake City

Grantee: Utah Department of Transportation

Entry No.	Book	Page	Type Inst.	Date Signed	Date Recorded
4970753	6255	2834	Special Warranty Deed	09/25/1990	09/27/1990

Deed Description (verbatim from record):

Two parcels of land situate in the Northwest Quarter of Section 24, T. 1 S., R. 1 W., S.L.B. & M. The boundaries of said parcels of land are described as follows:

Beginning at the intersection of westerly right of way line of 600 West Street and the southerly boundary line of the reservoir site of South Salt Lake City at the Southeast corner of the tract or parcel of land described in that certain Correction Quit Claim Deed recorded as Entry No. 2279674 in Book 2736 at Page 105 in the office of the Salt Lake County Recorder, Utah, which point is 1285.63 feet east, 1340.18 feet south, 78.45 feet westerly along the southerly right of way line of the Denver and Rio Grande Western Railroad Company Sugar House Spur along the arc of a 1005.37-foot radius curve to the right and 211.13 feet S. 20°22'30" W. along said westerly right of way line from the Northwest corner of said Section 24; and running thence S. 20°22'30" W. 320.00 feet along said westerly right of way line; thence N. 69°37'30" W. 285.07 feet; thence S. 20°22'30" W. 215.59 feet; thence N. 89°57'00" W. 56.54 feet to a point 50.00 feet perpendicularly distant easterly from the easterly right of way line of said railroad; thence N. 0°03'00" E. 583.11 feet along a line parallel to said easterly right of way line to a point in the southerly right of way line of said railroad; thence Northeasterly 439.36 feet along said southerly right of way line along the arc of a 309.30-foot radius curve to the right, to the Northwest corner of said reservoir site; thence S. 20°22'30" W. 215.26 feet to the Southwest corner of said reservoir site; thence S. 69°37'30" E. 205.00 feet to the point of beginning. The above described parcel of land contains 4.87 acres, more or less.

Notes(s): 1. All descriptions in deed are not cited because they are not contiguous

Less from Tax ID: 15-24-151-015

Grantor: Utah Department of Transportation
Grantee: City of South Salt Lake

Entry No.	Book	Page	Type Inst.	Date Signed	Date Recorded
6807628	7824	649	Quit Claim Deed	12/02/1997	12/05/1997

Deed Description (verbatim from record):

A tract of land situate in the SW1/4NW1/4 of Section 24, T. 1 S., R 1 W., S.L.B.&M. The boundaries of said tract of land are described as follows:

Beginning at point which is 391.860 meters East and 408.487 meters South and 23.902 meters N. 76°33'12" W. and 64.352 meters S. 20°22'30" W. and 69.476 meters N. 69°37'30" W. from the Northwest Corner of said Section 24 (Note: said point of beginning is also 281.078 meters East and 439.066 meters South from the Northwest Corner of said Section 24); and running thence S. 69°37'30" E. 48.892 meters; thence Southerly 32.236 meters along the arc of a 187.809-meter radius curve to the right (Note: Radius at the beginning of said curve bears S. 86°27'05" W. Chord to said curve bears S. 01°22'06" W. for a distance of 32.196 meters); thence S. 89°45'45" W. 43.595 meters; thence N. 01°42'15" W. 49.412 meters to the point of beginning. The above described parcel of land contains 1835.7 square meters.

(Note: Rotate above bearings 00°14'15" clockwise to equal highway bearings)

(Note: To obtain distance in feet, divide above distances by 0.3048. Multiply above area by 10.7639 to obtain square feet)

Notes(s): 1. 1835.7 square meters equals 19,759 square feet or 0.454 acre.

Also Less from Tax ID: 15-24-151-015

Grantor: Utah Department of Transportation
Grantee: City of South Salt Lake

Entry No.	Book	Page	Type Inst.	Date Signed	Date Recorded
6807627	7824	647	Quit Claim Deed	12/02/1997	12/05/1997

Deed Description (verbatim from record):

A tract of land situate in the NW1/4NW1/4 and the SW1/4NW1/4 of Section 24, T. 1 S., R 1 W., S.L.B.&M. The boundaries of said tract of land are described as follows:

Beginning at point which is 391.860 meters East and 408.487 meters South and 23.902 meters N. 76°33'12" W. and 64.352 meters S. 20°22'30" W. and 69.476 meters N. 69°37'30" W. from the Northwest Corner of said Section 24 (Note: said point of beginning is also 281.078 meters East and 439.066 meters South from the Northwest Corner of said Section 24); and running thence N. 01°42'15" W. 68.918 meters to a point on the southerly right of way line of the Denver and Rio Grande Western Railroad Company Sugar House Spur; thence Southeasterly 33.115 meters along said southerly right of way line and along the arc of a 94.275-meter radius curve to the right (Note: Radius at the beginning of said curve bears S. 07°15'39" W. Chord to said curve bears S. 72°40'35" E. for a distance of 32.945 meters); thence S. 20°22'30" W. 65.617 meters; thence N. 69°37'30" W. 6.993 meters to the point of beginning. The above described parcel of land contains 1334.5 square meters.

(Note: Rotate above bearings 00°14'15" clockwise to equal highway bearings)

(Note: To obtain distance in feet, divide above distances by 0.3048. Multiply above area by 10.7639 to obtain square feet)

- Notes(s):
1. 1334.5 square meters equals 14,364 square feet or 0.330 acre.
 2. Area by County Assessment is 4.09 acres.
 3. Area by Deed is 177,986 square feet or 4.086 acres, more or less.

WHEN RECORDED, MAIL TO:
Utah Department of Transportation
Right-of-Way, Fourth Floor
4501 South 2700 West
Box 148420
Salt Lake City, Utah 84114-8420

Quit Claim Deed

Salt Lake County

Tax ID No. 15-24-151-015

PIN 990010

Project No. IR-15-7(185)308

Parcel No. 15-7:351:3Q

The UTAH DEPARTMENT OF TRANSPORTATION, by its duly appointed Director of Right-of-Way, Grantor, of Salt Lake City, County of Salt Lake, State of Utah, hereby QUIT CLAIMS to _____, Grantee_, at _____, County of _____, State of _____ zip _____, for the sum of TEN (\$10.00) Dollars, and other good and valuable considerations, the following described tract of land in Salt Lake County, State of Utah, to-wit:

A tract of land, being part of an entire tract of property in the NW1/4NW1/4 and the SW1/4NW1/4, of Section 24, T. 1 S., R. 1 W., S.L.B.& M. The boundaries of said tract of land are described as follows:

Beginning at a point in the easterly boundary line of said entire tract, said point being that common point of beginning as contained in those Quit Claim Deeds recorded in the Salt Lake County Recorder's Office as Entry Numbers 6807628 and 6807627, in Book 7824 at Pages 647-650, said point also being 922.17 feet East and 1440.50 feet South from the Northwest Corner of said Section 24; and running thence S.1°42'15"E. 162.11 feet along said easterly boundary line; thence S.89°45'45"W. 34.01 feet to the

extension of an existing fence; thence N.0°08'50"E. 390.17 feet along said fence and extension thereof to a point on the southerly right of way line of the Denver and Rio Grande Western Railroad; thence easterly 21.55 feet along the arc of a 309.30-foot radius non-tangent curve to the right (Note: Chord to said curve bears S.84°44'09"E. for a distance of 21.55 feet, Central Angle = 3°59'34") along said southerly railroad right of way line to a northeast corner of said entire tract; thence S.1°42'15"E. 226.11 feet along said easterly boundary line to the point of beginning.

The above described tract of land contains 10,789 square feet in area or 0.248 acre.

Together with and subject to any and all easements, rights-of-way and restrictions appearing of record or enforceable in law and equity.

The grantor reserves rights to use the abutting state property for highway purposes and excludes from this grant any rights to air, light, view and visibility over and across the abutting state property. The Grantee is hereby advised that due to present or future construction on the adjacent highway including but not limited to excavation, embankment, structures, poles, signs, walls, fences and all other activities related to highway construction or which may be permitted within the Highway Right of Way that air, light, view and visibility may be restricted or obstructed on the above described property.

Junkyards, as defined in 23 United States Code, Section 136, shall not be established or maintained on this tract.

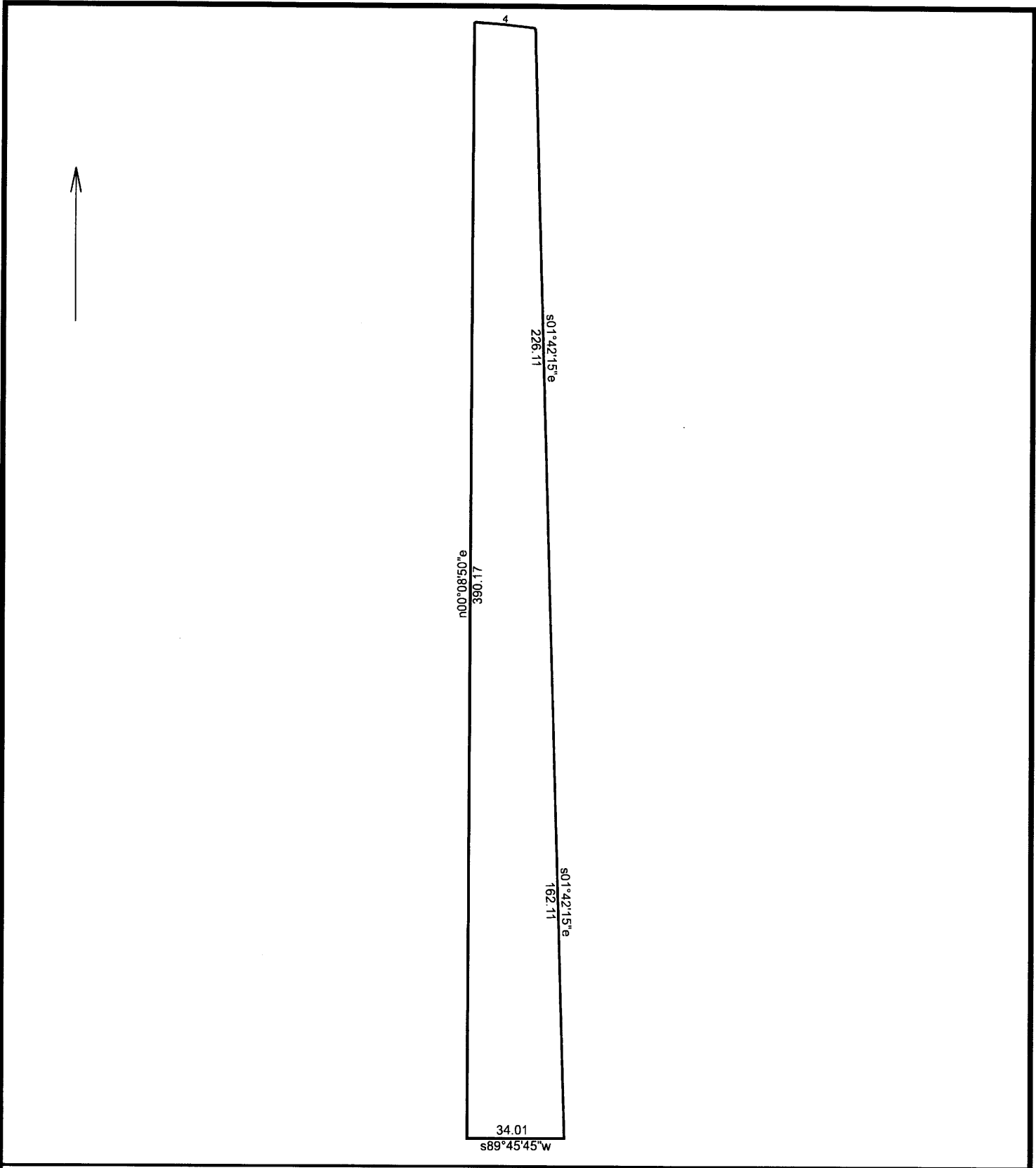
Signs, Billboards, outdoor Advertising structures, or advertising of any kind as defined in 23 United States Code, Section 131, shall not be erected, displayed, placed or maintained upon or within this tract, EXCEPT signs to advertise the sale, hire or lease of this tract or the principal activities conducted on this land.

Continued on Page 3

STATE OF) UTAH DEPARTMENT OF TRANSPORTATION
) ss.
COUNTY OF) By _____
Director of Right-of-Way

On this_____ day of_____, in the year 20___, before me personally appeared _____, whose identity is personally known to me (or proven on the basis of satisfactory evidence) and who by me being duly sworn/affirmed, did say that he/she is the Director of Right-of-Way of the Utah Department of Transportation and that said document was signed by him/her on behalf of said Utah Department of Transportation.

Notary Public



Parcel 351:3Q

3/1/2021

Scale: 1 inch= 45 feet

File: 990010_IR-15-7(185)308_03Q_351_3Q_DeedPlot.ndp

Tract 1: 0.2477 Acres (10790 Sq. Feet), Closure: n00.0000e 0.00 ft. (1/223651), Perimeter=834 ft.

- 01 s01.4215e 162.11
- 02 s89.4545w 34.01
- 03 n00.0850e 390.17
- 04 Rt, r=309.30, delta=003.5934, chord=s84.4409e 21.55
- 05 s01.4215e 226.11

Assumptions and Limiting Conditions

ASSUMPTIONS AND LIMITING CONDITIONS

1. This is an Appraisal Report, which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. The report is written in a full narrative format, but some supporting documentation concerning the data, reasoning, and analyses may be retained in the appraiser's file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.
2. For purposes of this appraisal, any marketing program for the sale of the property would assume cash or its equivalent.
3. No detailed soil studies covering the subject property were available for this appraisal. It is therefore assumed that soil conditions are adequate to support standard construction consistent with highest and best use.
4. The date of value to which the conclusions and opinions expressed in this report apply, is set forth in the letter of transmittal. Further, the dollar amount of any value opinion rendered in this report is based upon the purchasing power of the American dollar existing on that date.
5. The appraisers assume no responsibility for economic or physical factors, which may affect the opinions in this report that occur after the valuation date.
6. The appraisers reserve the right to make such adjustments to the analyses, opinions and conclusions set forth in this report as may be required by consideration of additional data or more reliable data that may become available.
7. No opinion as to title is rendered. Data relating to ownership and legal description was obtained from the client or public records and is considered reliable. Title is assumed to be marketable and free and clear of all liens, encumbrances, easements and restrictions except those specifically discussed in the report. The property is appraised assuming it to be under responsible ownership and competent management, and available for its highest and best use.
8. If no title policy was made available to the appraisers, they assume no responsibility for such items of record not disclosed by customary investigation.
9. The appraisers assume no responsibility for hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for arranging for engineering studies that may be required to discover them.
10. The property is appraised assuming it to be in full compliance with all applicable federal, state, and local environmental regulations and laws, unless otherwise stated.
11. The property is appraised assuming that all applicable zoning and use regulations and restrictions have been complied with, unless otherwise stated.

ASSUMPTIONS AND LIMITING CONDITIONS (CONTINUED)

12. The property is appraised assuming that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based, unless otherwise stated.
13. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separated allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
14. No engineering survey has been made by the appraiser. Except as specifically stated, data relative to size and area was taken from sources considered reliable and no encroachment of real property improvements is considered to exist.
15. No opinion is expressed as to the value of subsurface oil, gas or mineral rights or whether the property is subject to surface entry for the exploration or removal of such materials except as is expressly stated.
16. Maps, plats and exhibits included in this report are for illustration only as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose, nor should they be removed from, reproduced, or used apart from the report.
17. No opinion is intended to be expressed for matters which require legal expertise or specialized investigation or knowledge beyond that customarily employed by the real estate appraisers.
18. Possession of this report, or copy of it, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event only with proper written qualification and only in its entirety.
19. Testimony or attendance in court or at any other hearing is not required by reason of rendering this appraisal, unless such arrangements are made a reasonable time in advance.
20. The appraisers have personally inspected the subject property and found no obvious evidence of structural deficiencies, except as may be stated in this report; however, no responsibility for hidden defects or conformity to specific governmental requirements, such as fire, building and safety, earthquake or occupancy codes can be assumed without provision of specific professional or government inspections.

ASSUMPTIONS AND LIMITING CONDITIONS (CONTINUED)

21. Unless otherwise noted, no consideration has been given in this appraisal to the value of the property located on the premises which is considered by the appraisers to be personal property, nor has consideration been given to the cost of moving or relocating such personal property; only the real property has been considered.
22. Information obtained for use in this appraisal is believed to be true and correct to the best of our ability; however, no responsibility is assumed for errors or omissions, or for information not disclosed which might otherwise affect the valuation estimate.
23. Unless otherwise stated in this report, the appraisers signing this report have no knowledge concerning the presence or absence of toxic materials in the improvements and/or hazardous waste on the land. No responsibility is assumed for any such conditions or for any expertise or engineering to discover them.
24. Disclosure of the contents of this appraisal report is governed by the Bylaws and Regulations of the Appraisal Institute.
25. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which he is connected, or any reference to the Appraisal Institute) shall be disseminated to the public through advertising media, public relations media, news media, sales media, or any other public means of communication without the prior written consent and approval of the appraiser.
26. This analysis assumes no environmental hazards exist on site that would adversely affect the final value estimate. Review of a Phase I Environmental Site Assessment performed by a qualified engineer/firm is recommended.

CONSIDERATION OF HAZARDOUS SUBSTANCES IN THE APPRAISAL PROCESS

Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyl, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did the appraisers become aware of such during the appraiser's inspection. The appraisers have no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraisers, however, are not qualified to test such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value the property, the value estimated is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover them.

AMERICANS WITH DISABILITIES ACT

The Americans with Disabilities Act (“ADA”) became effective January 26, 1992. We have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in estimating the value of the Property.

COVID-19 STATEMENT AND DISCLOSURE:

As of the date of the report, there is current uncertainty in the market with the pathogen COVID-19, known as Coronavirus. It is unclear as of the date of this appraisal how the Coronavirus will affect the real estate market. This is a relatively new event as of the date of this appraisal that has resulted in a disruption in the global economy and supply chains, restrictions in travel and social events and stock market volatility. It is unclear how long the virus will impact the economy. Varying opinions exist. Investors, lenders, real estate professionals and market participants have been interviewed as the COVID-19 has progressed and restrictions enlarged during the course of this assignment, as well as multiple articles reviewed. At this point, it is common belief that the Coronavirus will have a slowing affect on real estate activity, but timing and duration is uncertain. Net operating income could destabilize if conditions worsen. Lowering interest rates may help offset some of the negative downturn. The appraisal analysis and conclusions herein are based on current data as available as of the date of the report. Impacts of the Coronavirus on the real estate market are highly subjective with limited supportable market data as of the date of this report.

It is important to note that this appraisal is based on the effective date of valuation (October 18, 2021) as if the subject sold on that date, and does not forecast future market value or consider future events. The indicated market values as stated herein are based on current market conditions and available data as of the appraisal report date. Unless otherwise noted, the valuation methods do not attempt to adjust for current uncertainty due to Covid-19. The appraiser cannot be held responsible for unforeseeable COVID-19 events and restrictions that alter market conditions subsequent to the appraisal report date. If economic conditions weaken or decline any values shown in this report would likely decrease and/or additional analysis would be necessary.

SPECIFIC LIMITING CONDITIONS, EXTRAORDINARY ASSUMPTIONS AND/OR HYPOTHETICAL CONDITIONS

Referencing the 2020-2021 Uniform Standards of Professional Appraisal Practice, an *extraordinary assumption* is “an assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser’s opinions or conclusions.”

1. An extraordinary assumption is made that the information received from the client, property owners, county, and city that was relied upon to formulate an opinion of value is correct and reliable.

Qualifications of Appraisers

QUALIFICATIONS OF APPRAISER	
KENDALL S. MITCHELL, MAI	
ken@valueutah.com	
EDUCATION/TRAINING	
BA; Family Economics & Consumer Studies	University of Utah; June 1996
- <i>Emphasis of Market Research Techniques</i>	- <i>Emphasis on Economic Principles</i>
- <i>Emphasis on Statistical Analysis</i>	- <i>Emphasis on Financial Theory</i>
Fundamental Appraisal (101)	O'Brien Real Estate School; May 2001
Appraising Residences (102)	O'Brien Real Estate School; June 2001
Standards of Professional Practice (USPAP)	O'Brien Real Estate School; February 2001
Residential Case Study 2-4 Units (104)	O'Brien Real Estate School; April 2001
Basic Income Capitalization (310)	Appraisal Institute; October 2002
Advanced Cost and Sales Approach (530)	Appraisal Institute; May 2003
Eminent Domain for Appraisers and Attorneys	National Highway Institute; January 2004
Highest and Best Use & Market Analysis (520)	Appraisal Institute; June 2005
Advanced Income Capitalization (510)	Appraisal Institute; September 2005
National USPAP 7-hour Update Course	Every two (2) years as required since 2004
UDOT Right of Way Appraiser Seminar	UDOT; May 2006
Utah Law of Eminent Domain	Utah Land Use Institute; February 2008
Appraising from Blueprints and Plans	Appraisal Institute; March 2008
Small Hotel/Motel Valuation; Limited Lodging	Appraisal Institute; March 2008
Report Writing and Valuation Analysis (540)	Appraisal Institute; January 2009
Appraisal Institute Symposium	Appraisal Institute; March 2010
Eminent Domain Seminar	The Utah Land Use Institute; February 2011
Legislative Report to Appraisers	Utah Association of Appraisers; April 2012
Utah Appraiser Supervisor & Trainee Course	Appraisal Institute; February of 2014
Reviewing Appraisals in Eminent Domain (410)	IRWA; March 2014
Rates & Ratios: Making sense of GIM's, OAR's, DCF	Appraisal Institute; April 2014
Business Practices and Ethics	Appraisal Institute; January 2016
Eminent Domain and Condemnation	Appraisal Institute; January 2016
Advanced Concepts and Case Studies	Appraisal Institute; April 2016
Advanced Income Capitalization	Appraisal Institute; May 2016
Advanced Market Analysis & Highest and Best Use (test)	Appraisal Institute; June 2016
Quantative Analysis	Appraisal Institute; July 2016
Yellow Book Changes/Updates Webinar	Appraisal Institute; January 2017
General Demonstration Report - Capstone	Appraisal Institute; September 2016
Problems in the Valuation of Partial Fee Acquisitions (431)	IRWA; November 2019
Eminent Domain Law for Right-of-Way Professionals (803)	IRWA; December 2019
PROFESSIONAL EXPERIENCE	
Researcher and Market Analyst	Bodell Van Drimmelen; August 2000 - September 2002
Licensed Appraiser & Market Analyst	Bodell Van Drimmelen; September 2002 - April 2004
Certified General Appraiser/Market Analyst	Van Drimmelen & Associates, Inc. April 2004 - Present
PROFESSIONAL AFFILIATIONS/LICENSES	
Utah State Certified General Appraiser	License # 5499685-CG00; exp 4-30-2022
Designated Member (MAI)	Appraisal Institute - Utah Chapter
Advisor to Candidates for Designation	Appraisal Institute - Utah Chapter

APPRAISAL EXPERIENCE




I began as a Staff Researcher/Trainee for Bodell Van Drimmelen in August of 2000, and became a Licensed Appraiser in late 2002. I have been a Utah State Certified General Appraiser employed by Van Drimmelen & Associates, Inc. since April 2004. I have specialized in right-of-way appraisals my entire career and am on the UDOT approved appraiser lists for State and Local right-of-way (ROW) projects for complex ROW Appraisal Services, ROW Appraisal Review Services and Residential Appraisal/Review Services. In addition to specializing in land and right-of-way appraisals, I have extensive experience in a wide range of office, industrial, retail, residential and vacant land appraisals. I became an MAI designated member of the Appraisal Institute in early 2019. A small sampling of some of the differing types of properties that I have appraised are below.

Residential Subdivisions	Office Buildings	Hazardous Waste Facility
Service/Gas Stations	Retail Buildings	Intelligent Buildings/Data
Restaurants/Bars	Bank/Credit Union Buildings	Land Leases
Churches/Religious Buildings	Historic buildings	Animal Control Facilities
Public Parks/Municipal Uses	Landlocked land parcels	Power/Canal/Trail Corridors
Day Care Facilities	Eminent Domain Appraisals	Farm/Ranch Property
Strip Retail Shopping Centers	Partial Fee Acquisitions	Vacant Industrial land
Full Service Automobile Dealerships	Townhome/Condo Subdivisions	Residential Land and Lots
Recreational Cabins	Perpetual/Temporary Easements	Commercial land
Duplexes, Triplexes, Fourplexes	Severed Tracts/Damages	Recreational land
Convenience Stores	Federal Yellow Book	Medical Office Buildings
RV Sales and Services Sites	Campgrounds/RV Parks	Drive-in Theater
Multi-tenant Industrial Buildings	Bars/Taverns	Day Spas
Residential Paper Lots	Retirement Communities	Fitness Centers
Airplane Hangars	Valuation of Life Estates	Dive Shop
Power, Utility/Irrigation corridors	Single Family Residences (URAR)	Water Rights
Office/Warehouse Buildings	Multi-unit apartment complex	Auto Repair Shops

CLIENT LIST (PARTIAL)

First National Bank	Cache Valley Bank	UDOT
First Community Bank	Envision Lending Group	Orem City
Jordan Credit Union	Logan City	Grand County
Amegy Bank	Murray School District	Lindon City
Zions Bank	Sunfirst Bank	South Jordan City
Bank of Utah	Frontier Bank	UTA (Utah Transit Authority)
Deseret First Credit Union	NAI Utah Real Estate Division	Granite School District
Bona Vista Water District	JUB Engineers	Sandy City
Castleview Hospital (Price)	CIT Financial	Ogden City
Central Bank	Kaysville City	South Salt Lake City
Celtic Bank	Snell & Wilmer Law Firm	Clinton City
Home Savings Bank	Maughan Law Firm	Tooele City
Kenworth Trucking Co.	West Valley City	Herriman City
Eagle Mountain City	Saratoga Springs City	West Jordan City
Bonneville Mortgage	H.W. Lochner Engineers	Lehi City
ANB Financial Corporation	Envirocare of Utah	SITLA
Frontier Bank	Salt Lake City RDA	BLM (Federal)
Wells Fargo Bank	Enterprise Financial	Wellington City
America West Bank	Staker Parsons Group	Tooele County

**Numerous private investors, developers, landowners, etc.*

STATE OF UTAH	
DEPARTMENT OF COMMERCE	
DIVISION OF REAL ESTATE	
ACTIVE LICENSE	
DATE ISSUED:	04/15/2020
EXPIRATION DATE:	04/30/2022
LICENSE NUMBER:	5499685-CG00
LICENSE TYPE:	Certified General Appraiser
ISSUED TO:	KENDALL S MITCHELL 774 E 2100 S SALT LAKE CITY UT 84106
	
 SIGNATURE OF HOLDER	 REAL ESTATE DIVISION DIRECTOR

Form #2